

**Consolidated Balance Sheet as at 31st March, 2009**

Schedule	Page		Rupees crores	Rupees crores	As at 31-03-2008 Rupees crores
		<b>FUNDS EMPLOYED :</b>			
A	236	1. SHARE CAPITAL.....		<b>6,202.78</b>	6,202.63
B	236	2. RESERVES AND SURPLUS.....		<b>21,511.50</b>	27,971.35
		3. TOTAL SHAREHOLDERS' FUNDS.....		<b>27,714.28</b>	34,173.98
		4. WARRANTS ISSUED BY A SUBSIDIARY COMPANY.....		<b>17.46</b>	17.46
		5. MINORITY INTEREST .....		<b>894.88</b>	832.70
		6. LOANS			
C	237	a. Secured .....	34,329.26		35,414.99
D	237	b. Unsecured .....	<u>25,571.24</u>		<u>18,209.75</u>
		c. Total Loans.....		<b>59,900.50</b>	53,624.74
		7. DEFERRED TAX LIABILITY (See Note 21, Page 270).....		<b>1,785.55</b>	2,464.68
		8. PROVISION FOR EMPLOYEE SEPARATION COMPENSATION (See Note 11(a), Page 257).....		<b>1,042.41</b>	1,080.05
		9. TOTAL FUNDS EMPLOYED .....		<b>91,355.08</b>	<u>92,193.61</u>
		<b>APPLICATION OF FUNDS :</b>			
E	238	10. FIXED ASSETS			
		a. Gross Block .....	1,08,388.74		1,05,128.71
		b. Less — Impairment .....	3,225.07		3,223.50
		c. Less — Depreciation .....	<u>59,858.09</u>		<u>59,938.92</u>
		d. Net Block .....		<b>45,305.58</b>	41,966.29
F	239	11. INVESTMENTS .....		<b>6,411.10</b>	3,367.43
		12. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (See Note 11(c), Page 257).....		<b>471.66</b>	—
		13. GOODWILL ON CONSOLIDATION.....		<b>15,364.92</b>	18,049.96
		14. DEFERRED TAX ASSET (See Note 21, Page 270).....		<b>76.12</b>	10.26
		15. A. CURRENT ASSETS			
		a. Stores and spare parts.....	1,852.71		1,654.97
G	239	b. Stock-in-trade.....	19,815.99		21,409.37
H	240	c. Sundry debtors.....	13,031.63		18,697.82
		d. Interest accrued on investments.....	6.81		8.96
I	240	e. Cash and Bank balances .....	<u>6,148.36</u>		<u>4,231.86</u>
			40,855.50		46,002.98
J	240	B. LOANS AND ADVANCES .....	13,015.73		15,459.81
			53,871.23		61,462.79
		16. Less : CURRENT LIABILITIES AND PROVISIONS			
K	241	A. Current Liabilities .....	23,093.30		26,360.74
L	241	B. Provisions .....	<u>7,157.71</u>		<u>6,458.01</u>
			30,251.01		32,818.75
		17. NET CURRENT ASSETS .....		<b>23,620.22</b>	28,644.04
M	241	18. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted).....		<b>105.48</b>	155.63
		19. TOTAL ASSETS (Net).....		<b>91,355.08</b>	<u>92,193.61</u>
N	242	Contingent Liabilities (See Note 3, Page 254)			
		NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

As per our report attached  
For DELOITTE HASKINS & SELLS  
Chartered Accountants,

P R RAMESH  
Partner.

For and on behalf of the Board

RATAN N TATA

Chairman

JAMES LENG  
NUSLI N WADIA  
S M PALIA  
ISHAAT HUSSAIN  
JAMSHED J IRANI  
SUBODH BHARGAVA  
JACOBUS SCHRAVEN  
ANDREW ROBB

Directors

B MUTHURAMAN  
KIRBY ADAMS  
H M NERURKAR

Managing Director  
Director  
Executive Director

J C BHAM  
Company Secretary

## Consolidated Profit and Loss Account for the year ended 31st March, 2009

Schedule	Page		Rupees crores	Rupees crores	Previous Year Rupees crores
		<b>INCOME :</b>			
1	234	1. SALES AND OTHER OPERATING INCOME .....	1,49,984.94		1,34,086.77
		Less — EXCISE DUTY .....	2,655.68		2,553.14
			<u>1,47,329.26</u>		<u>1,31,533.63</u>
2	234	2. OTHER INCOME .....	265.67	<b>1,47,594.93</b>	475.86
					<u>1,32,009.49</u>
		<b>EXPENDITURE :</b>			
4	235	3. MANUFACTURING AND OTHER EXPENSES .....	1,29,984.66		1,14,298.96
		4. DEPRECIATION .....	4,265.39		4,136.95
			<u>1,34,250.05</u>		<u>1,18,435.91</u>
		5. Less — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS.....	783.07		547.76
			<u>1,33,466.98</u>		<u>1,17,888.15</u>
3	234	6. NET FINANCE CHARGES .....	3,290.18		4,085.41
		7. TOTAL EXPENDITURE .....		<b>1,36,757.16</b>	1,21,973.56
		<b>PROFIT BEFORE TAXES AND EXCEPTIONAL ITEMS .....</b>		<b>10,837.77</b>	10,035.93
		8. a. CONTRIBUTION FOR SPORTS INFRASTRUCTURE .....	—		(150.00)
		b. EXCHANGE GAIN/(LOSS) .....	—		578.29
		c. ACTUARIAL GAIN/(LOSS) ON FUNDS FOR EMPLOYEE BENEFITS.....	—		5,906.84
		d. RESTRUCTURING, IMPAIRMENT AND DISPOSALS .....	(4,094.53)		—
		(See Note 24, Page 271)			
				<b>(4,094.53)</b>	6,335.13
		<b>PROFIT BEFORE TAXES .....</b>		<b>6,743.24</b>	16,371.06
		9. TAXES			
		a. CURRENT TAX .....	1,997.12		3,353.73
		b. DEFERRED TAX .....	(121.93)		674.58
		c. FRINGE BENEFIT TAX .....	18.81		20.99
				<b>1,894.00</b>	4,049.30
		<b>PROFIT AFTER TAXES .....</b>		<b>4,849.24</b>	12,321.76
		10. MINORITY INTEREST.....	40.94		(139.94)
		11. SHARE OF PROFITS OF ASSOCIATES .....	60.72		168.16
				<b>101.66</b>	28.22
		<b>PROFITS AFTER TAXES, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES .....</b>		<b>4,950.90</b>	12,349.98
		12. BALANCE BROUGHT FORWARD FROM LAST YEAR/PREVIOUS PERIOD .....		<b>8,234.03</b>	4,840.39
		<b>AMOUNT AVAILABLE FOR APPROPRIATIONS .....</b>		<b>13,184.93</b>	17,190.37
		13. APPROPRIATIONS :			
		a. PROPOSED DIVIDENDS.....	1,167.88		1,167.86
		b. DIVIDEND ON CUMULATIVE CONVERTIBLE PREFERENCE SHARES ...	109.45		22.19
		c. TAX ON DIVIDENDS.....	217.64		207.75
		d. SPECIAL RESERVE.....	4.24		6.32
		e. ACTUARIAL GAIN/(LOSS).....	—		5,906.84
		f. STATUTORY RESERVE.....	51.53		96.30
		g. GENERAL RESERVE.....	672.23		1,549.08
				<b>2,222.97</b>	8,956.34
		<b>BALANCE CARRIED TO BALANCE SHEET .....</b>		<b>10,961.96</b>	8,234.03
		<b>Basic Earnings per Share (Rs.)</b> (See Note 20, Page 270) .....		<b>66.07</b>	176.81
		<b>Diluted Earnings per Share (Rs.)</b> (See Note 20, Page 270).....		<b>58.99</b>	162.62
N	242	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

As per our report attached  
For DELOITTE HASKINS & SELLS  
Chartered Accountants,

P R RAMESH  
Partner.

Mumbai, 25th June, 2009

J C BHAM  
Company Secretary

For and on behalf of the Board

RATAN N TATA  
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Chairman

Directors

Managing Director  
Director  
Executive Director

## Consolidated Cash Flow Statement for the year ended 31st March, 2009

	Year Ended 31-03-2009 Rupees crores	Year Ended 31-03-2008 Rupees crores
<b>A. Cash Flow from Operating Activities :</b>		
Profit before Taxes, Minority Interest & Share of Profits of Associates	6,743.24	16,371.06
Adjustments for :		
Depreciation	4,265.39	4,136.95
Income from other investments	(79.62)	(77.00)
(Profit)/Loss on sale of other investments	(114.45)	(18.41)
(Profit)/Loss on sale of assets/discarded assets written off	(44.94)	(254.36)
Restructuring, Impairment and disposals	4,094.53	-
Interest and income from current investments	(500.51)	(453.96)
Interest charged to profit and loss account	3,790.69	4,539.37
(Gain)/Loss on cancellation of forward covers/options	(26.66)	(124.30)
Amortisation of employee separation compensation	223.70	227.12
Contribution for sports infrastructure written off	-	150.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	159.84	(741.02)
Unrealised Foreign exchange on consolidation net (gain)/loss	(100.66)	(285.87)
Preliminary expenditure written off	0.01	2.63
Actuarial (gain)/loss on funds for employee benefits	-	(5,906.84)
Provision for wealth tax	1.68	1.73
Other amortisation and non-cash expenditure	380.17	735.25
	<u>12,049.17</u>	<u>1,931.29</u>
Operating Profit before Working Capital Changes	<b>18,792.41</b>	<b>18,302.35</b>
Adjustments for :		
Trade and other receivables	2,945.06	3,858.53
Inventories	1,012.02	(2,701.34)
Trade payables and other liabilities	(3,731.70)	(3,379.87)
	<u>225.38</u>	<u>(2,222.68)</u>
Cash Generated from Operations	<b>19,017.79</b>	<b>16,079.67</b>
Direct taxes paid	(3,387.87)	(2,686.02)
	<u>(3,387.87)</u>	<u>(2,686.02)</u>
<b>Net Cash from Operating Activities</b>	<b><u>15,629.92</u></b>	<b><u>13,393.65</u></b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase of fixed assets	(8,433.46)	(8,419.73)
Sale of fixed assets	72.68	423.05
Pre-operative expenses	(0.07)	-
Purchase of investments	(60,892.93)	(33,389.53)
Acquisition of subsidiaries/joint ventures (net of disposals)	(182.75)	(40,740.45)
Sale of investments	58,068.33	35,353.45
Interest and income from current investments received	503.09	464.74
Dividend received	108.41	110.02
	<u>(10,756.70)</u>	<u>(46,198.45)</u>
<b>Net Cash from Investing Activities</b>	<b><u>(10,756.70)</u></b>	<b><u>(46,198.45)</u></b>

## Consolidated Cash Flow Statement for the year ended 31st March, 2009

	Year Ended 31-03-2009 Rupees crores	Year Ended 31-03-2008 Rupees crores
<b>C. Cash Flow from Financing Activities :</b>		
Issue of equity capital	0.25	4,881.45
Capital contribution received	14.15	3.87
Issue of cumulative convertible preference shares	0.14	5,472.52
Proceeds from borrowings	10,508.52	52,465.30
Repayment of borrowings	(8,456.42)	(35,458.06)
Amount received on cancellation of forward covers/options	(10.12)	134.41
Long term loan expenses paid	(36.63)	(1,737.00)
Interest paid	(3,547.25)	(4,272.09)
Dividend paid	(1,226.62)	(947.82)
<b>Net Cash from Financing Activities</b>	<b>(2,753.98)</b>	<b>20,542.58</b>
<b>Net increase/(decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>2,119.24</b>	<b>(12,262.22)</b>
<b>Opening Cash and Cash equivalents</b> (as per Schedule I, Page No. 240)	(iii) <b>4,029.12</b>	(iv) <b>16,494.08</b>
<b>Closing Cash and Cash equivalents</b> (as per Schedule I, Page No. 240)	(v) <b>6,148.36</b>	<b>4,231.86</b>

**Notes :** (i) Figures in brackets represent outflows.

(ii) Interest paid is exclusive of, and purchase of fixed assets is inclusive of, interest capitalised **Rs. 75.70** crores (2007-08 : Rs. 49.27 crores).

(iii) Includes **Rs. 63.74** crores of opening cash and cash equivalents in the books of Tayo Rolls Limited which became a subsidiary during the year and excludes **Rs. 51.99** crores in respect of a joint venture and **Rs. 214.49** crores in respect of subsidiaries of Tata Steel Europe Limited which were disposed off during the year.

(iv) Includes Rs. 5,606.13 crores of opening cash and cash equivalents in the books of Corus Group Limited (Rs. 5,579.73 crores), Tata Metaliks Ltd. (Rs. 25.82 crores) and Tata Steel Global Minerals Holdings Pte. Limited (Rs. 0.58 crore) which became subsidiaries of the group during the year.

(v) Cash and cash equivalents include unrealised gain of **Rs. 30.20** crores (31.03.2008: unrealised loss Rs. 275.49 crores) on account of translation of foreign currency cash and bank balances.

Also includes **Rs. 0.24** crore (31.03.2008: Rs. 5.65 crores) refund orders issued on account of over subscription of rights issue of equity shares not encashed as on 31st March, 2009.

(vi) Previous year figures have been recast/restated wherever necessary.

As per our report attached  
For DELOITTE HASKINS & SELLS  
Chartered Accountants,

P R RAMESH  
Partner.

Mumbai, 25th June, 2009

J C BHAM  
Company Secretary

For and on behalf of the Board

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ANDREW ROBB	
B MUTHURAMAN	Managing Director
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H M NERURKAR	Executive Director

**Schedules forming part of the Consolidated profit and loss account**
**SCHEDULE 1 : SALES AND OTHER OPERATING INCOME :—**  
 (Item No. 1, Page 231)

	Rupees crores	Previous Year Rupees crores
(a) Sale of products .....	1,47,085.83	1,32,558.71
(b) Sale of power and water.....	647.38	568.06
(c) Income from town, medical and other services .....	608.79	517.18
(d) Other operating income.....	1,642.94	442.82
	<b>1,49,984.94</b>	<b>1,34,086.77</b>

**SCHEDULE 2 : OTHER INCOME :—**  
 (Item No. 2, Page 231)

	Rupees crores	Previous Year Rupees crores
(a) Income from other Investments.....	79.62	77.00
(b) Profit on sale/redemption of other investments.....	114.45	18.41
(c) Profit on sale of capital assets (net of loss on assets sold/scrapped/written off).....	44.94	254.36
(d) Gain from swaps and cancellation of forward covers/options .....	26.66	124.30
(e) Miscellaneous Income.....	—	1.79
	<b>265.67</b>	<b>475.86</b>

**SCHEDULE 3 : NET FINANCE CHARGES :—**  
 (Item No. 6, Page 231)

	Rupees crores	Rupees crores	Previous Year Rupees crores
1. Interest on			
(i) Debentures and Fixed loans .....	3,644.20		4,409.38
(ii) Others .....	222.19		179.26
		<b>3,866.39</b>	4,588.64
Less — Interest capitalised .....		<b>75.70</b>	49.27
		<b>3,790.69</b>	4,539.37
2. Less :			
(i) Interest received on sundry advances, deposits, customers' balances etc. ...	259.54		355.61
(ii) Income from current investments.....	104.84		86.68
(iii) Profit/(loss) on sale of current investments.....	136.13		11.67
		<b>500.51</b>	453.96
		<b>3,290.18</b>	<b>4,085.41</b>

## Schedules forming part of the Consolidated profit and loss account

### SCHEDULE 4 : MANUFACTURING AND OTHER EXPENSES :— (Item No. 3, Page 231)

	Rupees crores	Rupees crores	Previous Year Rupees crores
1. PURCHASE OF FINISHED, SEMI-FINISHED STEEL AND OTHER PRODUCTS.....		<b>31,405.91</b>	26,969.38
2. RAW MATERIALS CONSUMED .....		<b>41,531.74</b>	33,259.31
3. PAYMENTS TO AND PROVISION FOR EMPLOYEES :			
(a) Wages and salaries, including bonus.....	15,058.69		14,607.75
(b) Company's contributions to provident and other funds.....	2,916.37		2,291.82
		<b>17,975.06</b>	16,899.57
4. OPERATION AND OTHER EXPENSES :			
(a) Stores and spares consumed .....	9,519.81		8,412.75
(b) Fuel oil consumed .....	1,027.71		719.01
(c) Repairs to buildings.....	575.83		431.78
(d) Repairs to machinery .....	5,817.25		6,345.38
(e) Relining expenses.....	100.82		63.01
(f) Conversion charges .....	1,085.73		879.71
(g) Purchase of power .....	5,957.39		4,929.32
(h) Rent.....	3,689.03		3,757.18
(i) Royalty .....	234.99		177.81
(j) Rates and taxes .....	627.45		571.07
(k) Insurance charges.....	276.02		376.33
(l) Commission, discounts and rebates .....	376.65		380.76
(m) Provision for wealth tax.....	1.68		1.73
(n) Adjustments relating to previous years (net).....	(15.01)		10.40
(o) Other expenses .....	1,656.81*		5,631.21
		<b>30,932.16</b>	32,687.45
5. FREIGHT AND HANDLING CHARGES.....		<b>6,024.85</b>	6,038.51
6. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES.....		<b>174.57</b>	58.29
7. EXCISE DUTY .....		<b>(35.57)</b>	35.60
		<b>1,28,008.72</b>	1,15,948.11
8. (ACCRETION)/REDUCTION IN STOCKS OF FINISHED AND SEMI-FINISHED PRODUCTS AND WORK-IN-PROGRESS (DEDUCTED)/ADDED:			
(a) Opening Stock.....	14,052.69#		13,131.32
(b) Foreign exchange movement.....	(634.42)		(758.62)
(c) Less – Closing Stock.....	11,442.33		14,021.85
		<b>1,975.94</b>	(1,649.15)
		<b>1,29,984.66</b>	1,14,298.96

# Includes **Rs. 30.84** crores for Tayo Rolls Ltd. which became a subsidiary during the year.

\* Includes goodwill written off **Rs. 30.15** crores (2007-08 : Rs. 127.59 crores).

## Schedules forming part of the Consolidated balance sheet

**SCHEDULE A : SHARE CAPITAL :—**  
 (Item No. 1, Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
<b>Authorised :</b>		
<b>1,75,00,00,000</b> Ordinary Shares of Rs. 10 each ..... <i>(31.03.2008 : 1,75,00,00,000 Shares of Rs. 10 each)</i>	<b>1,750.00</b>	1,750.00
<b>2,50,00,000</b> Cumulative Redeemable Preference Shares of Rs. 100 each..... <i>(31.03.2008 : 2,50,00,000 Shares of Rs. 100 each)</i>	<b>250.00</b>	250.00
<b>60,00,00,000</b> 2% Cumulative Convertible Preference Shares of Rs. 100 each..... <i>(31.03.2008 : 60,00,00,000 Shares of Rs. 100 each)</i>	<b>6,000.00</b>	6,000.00
	<b><u>8,000.00</u></b>	<b><u>8,000.00</u></b>
<b>Issued :</b>		
<b>73,06,98,048@</b> Ordinary Shares of Rs. 10 each..... <i>(31.03.2008 : 73,06,98,048 Shares of Rs. 10 each)</i>	<b>730.70</b>	730.70
<b>54,80,75,571</b> 2% Cumulative Convertible Preference Shares of Rs. 100 each..... <i>(31.03.2008 : 54,80,75,571 Shares of Rs. 100 each)</i>	<b>5,480.76</b>	5,480.76
<b>Subscribed :</b>		
<b>72,99,21,016@</b> Ordinary Shares of Rs. 10 each fully paid up ..... <i>(31.03.2008 : 72,99,12,865 Shares of Rs. 10 each)</i> Add — Amount paid up on 3,89,516 Shares forfeited ..... <i>(31.03.2008 : 3,89,516 Shares of Rs. 10 each)</i>	<b>729.92</b> <b>0.20</b>	729.91 0.20
<b>54,72,66,011</b> 2% Cumulative Convertible Preference Shares of Rs. 100 each..... <i>(31.03.2008 : 54,72,51,605 Shares of Rs. 100 each)</i>	<b>5,472.66</b>	5,472.52
	<b><u>6,202.78</u></b>	<b><u>6,202.63</u></b>
@ Excludes <b>6,71,455</b> (31.03.2008 : 6,71,455 shares) Ordinary Shares held by a Subsidiary.		

**SCHEDULE B : RESERVES AND SURPLUS :—**  
 (Item No. 2, Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Securities premium account .....	<b>6,112.77</b>	6,392.14
(b) Amalgamation reserve.....	<b>1.12</b>	1.12
(c) Debenture redemption reserve.....	<b>646.00</b>	646.00
(d) Capital redemption reserve.....	<b>20.78</b>	20.78
(e) Capital reserve.....	<b>19.30</b>	16.45
(f) Capital reserve (arising on consolidation) .....	<b>16.47</b>	16.21
(g) General reserve .....	<b>7,839.36</b>	7,697.15
(h) Investment allowance (utilised) reserve.....	<b>0.23</b>	0.23
(i) Export profits reserve .....	<b>1.25</b>	1.25
(j) Foreign exchange fluctuation reserve.....	<b>14.00</b>	39.71
(k) Foreign currency translation reserve .....	<b>(4,871.18)</b>	(1,273.33)
(l) Contributions for capital expenditure .....	<b>57.17</b>	46.52
(m) Contingency reserve.....	<b>100.00</b>	100.00
(n) Debenture forfeiture reserve.....	<b>0.04</b>	0.04
(o) Special reserve .....	<b>34.14</b>	29.91
(p) Statutory reserve .....	<b>147.83</b>	96.30
(q) Actuarial gain/(loss) .....	<b>410.26</b>	5,906.84
(r) Profit and loss account .....	<b>10,961.96</b>	8,234.03
	<b><u>21,511.50</u></b>	<b><u>27,971.35</u></b>

## Schedules forming part of the Consolidated balance sheet

### SCHEDULE C : SECURED LOANS :— (Item No. 6(a), Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Joint plant committee-steel development fund [including funded interest <b>Rs. 233.91</b> crores (31.03.2008 : Rs. 227.82 crores)].....	<b>1,752.40</b>	1,700.63
(b) Privately placed non-convertible debentures.....	<b>86.83</b>	83.42
(c) Banks and financial institutions.....	<b>31,726.86</b>	32,726.12
(d) Working capital demand loan from banks .....	<b>26.51</b>	119.96
(e) Cash credits/packing credits from banks .....	<b>368.40</b>	368.72
(f) Government of India .....	<b>0.02</b>	0.02
(g) Assets under lease .....	<b>368.24</b>	416.12
	<b><u>34,329.26</u></b>	<u>35,414.99</u>

### SCHEDULE D : UNSECURED LOANS :— (Item No. 6(b), Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Fixed deposits (including interest accrued and due) .....	<b>6.82</b>	14.43
(b) Housing Development Finance Corporation Ltd.....	<b>3.03</b>	5.50
(c) Privately placed non-convertible debentures.....	<b>3,250.00</b>	—
(d) Banks and financial institutions.....	<b>16,156.68</b>	13,008.76
(e) 1% Convertible Alternative Reference Securities – US \$ 875 million equivalent (See Note 23, Page 270) .....	<b>5,473.92</b>	4,329.92
(f) Assets under lease .....	<b>633.93</b>	793.12
(g) Interest free loans under Sales Tax Deferral Scheme .....	<b>0.45</b>	0.46
(h) Others .....	<b>46.41</b>	57.56
	<b><u>25,571.24</u></b>	<u>18,209.75</u>



## Schedules forming part of the Consolidated balance sheet

**SCHEDULE E : FIXED ASSETS :—**

(Item No. 10, Page 230)

Rupees crores

Fixed Assets	Land and Roads	Buildings (4)	Leasehold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property (5)	Live-stock & Vehicles	Intangibles	Total
Gross Block as at 1.04.2008	<b>1,283.85</b>	<b>8,708.36</b>	<b>2,298.72</b>	<b>677.99</b>	<b>80,202.99</b>	<b>1,174.56</b>	<b>361.63</b>	<b>236.21</b>	<b>1,285.04</b>	<b>96,229.35</b>
Assets of New Companies <sup>(1)</sup>	389.90	1,773.54	236.56	116.92	16,668.86	202.14	383.87	195.81	116.18	20,083.78
	—	4.65	0.05	—	95.36	1.25	—	0.70	5.24	107.25
871.73	6,889.89	2,066.71	513.35	61,633.92	976.70	—	24.67	894.99	73,871.96	
Additions during the year <sup>(2) &amp; (6)</sup>	<b>125.07</b>	<b>375.36</b>	<b>45.54</b>	<b>53.71</b>	<b>7,579.55</b>	<b>80.98</b>	<b>18.55</b>	<b>18.40</b>	<b>443.75</b>	<b>8,740.91</b>
29.69	333.31	79.91	35.04	5,156.29	35.39	2.57	24.33	271.69	5,968.22	
Exchange Movement	<b>21.55</b>	<b>19.22</b>	<b>(82.78)</b>	<b>6.71</b>	<b>(2,720.49)</b>	<b>88.03</b>	<b>0.81</b>	<b>4.91</b>	<b>(6.46)</b>	<b>(2,668.50)</b>
6.89	(99.45)	(63.70)	12.68	(1,942.04)	69.26	—	0.59	5.02	(2,010.75)	
Deductions during the year <sup>(3)</sup>	<b>60.68</b>	<b>153.62</b>	<b>63.38</b>	<b>28.56</b>	<b>2,534.12</b>	<b>55.40</b>	<b>5.57</b>	<b>49.01</b>	<b>2.84</b>	<b>2,950.34</b>
14.36	188.93	20.76	—	1,314.04	108.93	24.81	9.19	2.84	1,683.86	
Gross Block as at 31.03.2009	<b>1,369.79</b>	<b>8,953.97</b>	<b>2,198.15</b>	<b>709.85</b>	<b>82,623.29</b>	<b>1,289.42</b>	<b>380.99</b>	<b>254.65</b>	<b>1,678.56</b>	<b>99,458.67</b>
	1,283.85	8,708.36	2,298.72	677.99	80,202.99	1,174.56	361.63	236.21	1,285.04	96,229.35
Capital work-in-progress [including advances for capital expenditure <b>Rs. 1,310.65</b> crores (31.03.2008 : Rs. 961.81 crores)]										<b>8,930.07</b>
										8,899.36
										<b>1,08,388.74</b>
										1,05,128.71
Impaired Assets as at 1.04.2008	<b>162.73</b>	<b>104.66</b>	<b>41.36</b>	—	<b>2,837.60</b>	<b>0.46</b>	—	—	<b>24.89</b>	<b>3,171.70</b>
99.16	1.25	—	—	—	—	—	—	—	—	100.41
Impairment of New Companies <sup>(1)</sup>	—	—	—	—	—	—	—	—	—	—
59.10	71.69	31.22	—	2,715.24	0.37	—	—	—	26.63	2,904.25
Impairment during the year	<b>9.40</b>	<b>65.32</b>	<b>61.56</b>	<b>14.96</b>	<b>814.33</b>	—	—	—	—	<b>965.57</b>
0.07	32.29	12.44	—	204.26	0.10	—	—	—	—	249.16
Impairment on assets written off	<b>1.59</b>	<b>27.54</b>	<b>1.41</b>	—	<b>695.27</b>	<b>0.02</b>	—	—	—	<b>725.83</b>
—	—	—	—	8.36	—	—	—	—	—	8.36
Exchange Movement	<b>3.24</b>	<b>(7.62)</b>	<b>(8.26)</b>	<b>(1.14)</b>	<b>(212.34)</b>	<b>(0.04)</b>	—	—	<b>(2.24)</b>	<b>(228.40)</b>
4.40	(0.57)	(2.30)	—	(73.54)	(0.01)	—	—	—	(1.74)	(73.76)
Impaired assets as at 31.03.2009	<b>173.78</b>	<b>134.82</b>	<b>93.25</b>	<b>13.82</b>	<b>2,744.32</b>	<b>0.40</b>	—	—	<b>22.65</b>	<b>3,183.04</b>
162.73	104.66	41.36	—	2,837.60	0.46	—	—	24.89	3,171.70	
Accumulated Depreciation upto 1.04.2008	<b>292.89</b>	<b>5,719.47</b>	<b>1,059.99</b>	<b>527.91</b>	<b>50,472.35</b>	<b>1,047.24</b>	<b>171.92</b>	<b>110.68</b>	<b>536.47</b>	<b>59,938.92</b>
48.02	729.38	12.09	61.89	7,824.67	135.07	160.52	77.81	39.76	9,089.21	
Depreciation on New Companies <sup>(1)</sup>	—	1.40	—	—	70.77	0.67	—	0.32	5.19	78.35
247.41	5,068.73	872.33	445.69	42,167.71	920.25	—	17.67	360.35	50,100.14	
Depreciation during the year	<b>14.17</b>	<b>278.24</b>	<b>153.91</b>	<b>14.56</b>	<b>3,614.99</b>	<b>44.62</b>	<b>34.59</b>	<b>23.73</b>	<b>143.35</b>	<b>4,322.16</b>
12.19	271.53	203.70	11.64	3,460.39	37.79	36.21	22.79	123.68	4,179.92	
Depreciation on assets written off during the year	<b>0.40</b>	<b>153.64</b>	<b>33.39</b>	<b>28.57</b>	<b>1,768.40</b>	<b>58.19</b>	—	<b>5.45</b>	<b>17.25</b>	<b>2,065.29</b>
3.17	173.18	(0.90)	2.50	1,184.99	118.00	24.81	7.84	(6.78)	1,506.81	
Exchange Movement	<b>(20.79)</b>	<b>(101.23)</b>	<b>(50.63)</b>	<b>5.40</b>	<b>(2,340.20)</b>	<b>81.53</b>	—	<b>2.36</b>	<b>7.51</b>	<b>(2,416.05)</b>
(11.56)	(176.99)	(29.03)	11.19	(1,795.43)	72.13	—	0.25	5.90	(1,923.54)	
Accumulated Depreciation upto 31.03.2009	<b>285.87</b>	<b>5,744.24</b>	<b>1,129.88</b>	<b>519.30</b>	<b>50,049.51</b>	<b>1,115.87</b>	<b>206.51</b>	<b>131.64</b>	<b>675.27</b>	<b>59,858.09</b>
292.89	5,719.47	1,059.99	527.91	50,472.35	1,047.24	171.92	110.68	536.47	59,938.92	
Total Accumulated Depreciation & Impairment upto 31.03.2009	<b>459.65</b>	<b>5,879.06</b>	<b>1,223.13</b>	<b>533.12</b>	<b>52,793.83</b>	<b>1,116.27</b>	<b>206.51</b>	<b>131.64</b>	<b>697.92</b>	<b>63,041.13</b>
455.62	5,824.13	1,101.35	527.91	53,309.95	1,047.70	171.92	110.68	561.36	63,110.62	
Net Block as at 31.03.2009	<b>910.14</b>	<b>3,074.91</b>	<b>975.02</b>	<b>176.73</b>	<b>29,829.46</b>	<b>173.15</b>	<b>174.48</b>	<b>123.01</b>	<b>980.64</b>	<b>36,417.54</b>
828.23	2,884.23	1,197.37	150.08	26,893.04	126.86	189.71	125.53	723.68	33,118.73	
Impairment on Capital work-in-progress										<b>42.03</b>
										51.80
Capital Work in progress [including advances for capital expenditure <b>Rs. 1,310.65</b> crores (31.03.2008 : Rs. 961.81 crores)]										<b>8,888.04</b>
										8,847.56
										<b>45,305.58</b>
										41,966.29

- (1) Represents assets, impaired assets and accumulated depreciation of Tayo Rolls Limited which became part of Tata Steel Group during the year.
- (2) Additions include adjustments for inter se transfers.
- (3) Deductions include cost of assets scrapped/sold/surrendered during the year.
- (4) Buildings include **Rs. 2.32** crores (31.03.2008 : Rs. 2.32 crores) being cost of shares in Co-operative Housing Societies & Limited Companies.
- (5) Development of property represents expenditure incurred on development of mines/collieries.
- (6) Rupee Liability has increased by a net amount of **Rs. 76.62** crores (2007-08 : Rs. 6.45 crores) arising out of realignment of the value of foreign currency loans for procurement of fixed assets, including **Rs. 54.81** crores considered pursuant to the Accounting Standard 11 vide notification No. GSR 225(E) dated 31.03.2009 issued by Ministry of Corporate Affairs which was charged off in previous years. The increase has been adjusted to the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year includes **Rs. 2.04** crores arising on account of this adjustment.
- (7) Depreciation charge in the profit and loss account is net of **Rs. 56.77** crores (2007-08 : Rs. 42.97 crores) on account of an asset against which a specific grant has been received.

## Schedules forming part of the Consolidated balance sheet

### SCHEDULE F : INVESTMENTS :— (Item No. 11, Page 230)

	Rupees crores	Rupees crores	As at 31-03-2008 Rupees crores
<b>A. LONG TERM INVESTMENTS</b> (At Cost less provision for diminution in value)			
1. In Associates (see Note 1, Page 250)			
Cost of investment .....	361.09		302.79
(including <b>Rs. 12.66</b> crores (31.03.2008 : Rs. 12.69 crores) of Goodwill net of Capital Reserve arising on consolidation)			
Add – Share of post acquisition profit (net of losses) .....	290.68		259.08
		<b>651.77</b>	<u>561.87</u>
2. Others			
(a) Shares (Quoted) .....		<b>717.72</b>	363.88
(b) Shares (Unquoted) .....		<b>1,537.10</b>	1,153.81
<b>B. INVESTMENT PROPERTIES</b> .....		<b>106.77</b>	154.13
<b>C. CURRENT INVESTMENTS</b> (at lower of cost and fair value)			
(Quoted)			
3. Units in Unit Trust of India .....	–		10.21
4. Others .....	6.97		1.74
		<b>6.97</b>	<u>11.95</u>
(Unquoted)			
5. Investment in Mutual Funds .....		<b>3,390.77</b>	1,111.70
6. Others .....		–	10.09
		<b>6,411.10</b>	<u>3,367.43</u>

### SCHEDULE G : STOCK-IN-TRADE :— (Item No. 15A(b), Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Finished and semi-finished products produced and purchased by the Company, at lower of cost and net realisable value (including purchased goods-in-transit).....	<b>7,861.08</b>	9,359.99
(b) Work-in-progress (at lower of cost and net realisable value) .....	<b>3,581.25</b>	4,661.86
	<b>11,442.33</b>	<u>14,021.85</u>
(c) Coal, iron ore and other raw materials produced and purchased by the Company, at lower of cost and net realisable value (including purchased raw materials-in-transit) .....	<b>8,373.66</b>	7,387.52
	<b>19,815.99</b>	<u>21,409.37</u>

**Schedules forming part of the Consolidated balance sheet**

**SCHEDULE H : SUNDRY DEBTORS :—**  
(Item No. 15A(c), Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Over six months old.....	804.28	752.27
(b) Others .....	<u>12,714.33</u>	<u>18,420.94</u>
	<b>13,518.61</b>	<b>19,173.21</b>
Less — Provision for doubtful debts .....	<u>486.98</u>	<u>475.39</u>
	<u><b>13,031.63</b></u>	<u><b>18,697.82</b></u>
	Rupees crores	As at 31-03-2008 Rupees crores
Sundry debts, secured and considered good.....	2,234.86	4,403.70
Sundry debts, unsecured and considered good.....	<u>10,796.77</u>	<u>14,294.12</u>
Sundry debts, considered doubtful.....	<u>486.98</u>	<u>475.39</u>
	<u><b>13,518.61</b></u>	<u><b>19,173.21</b></u>

**SCHEDULE I : CASH AND BANK BALANCES :—**  
(Item No. 15A(e), Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Cash in hand [including cheques in hand] .....	83.77	139.22
(b) Remittance in transit .....	4.86	16.07
(c) Balance in current and deposit accounts		
(i) With scheduled banks .....	1,683.28	392.47
(ii) With other banks .....	<u>4,376.45</u>	<u>3,684.10</u>
	<u><b>6,148.36</b></u>	<u><b>4,231.86</b></u>

**SCHEDULE J : LOANS AND ADVANCES :—**  
(Item No. 15B, Page 230)

	Rupees crores	As at 31-03-2008 Rupees crores
(a) Advances with public bodies .....	588.15	566.48
(b) Other advances .....	<u>12,423.75</u>	<u>14,969.46</u>
(c) Advance payment against taxes.....	<u>186.01</u>	<u>126.05</u>
	<b>13,197.91</b>	<b>15,661.99</b>
Less — Provision for doubtful advances .....	<u>182.18</u>	<u>202.18</u>
	<u><b>13,015.73</b></u>	<u><b>15,459.81</b></u>
	Rupees crores	As at 31-03-2008 Rupees crores
Loans and Advances, secured and considered good.....	—	0.08
Loans and Advances, unsecured and considered good.....	<u>13,015.73</u>	<u>15,459.73</u>
Loans and Advances, considered doubtful.....	<u>182.18</u>	<u>202.18</u>
	<u><b>13,197.91</b></u>	<u><b>15,661.99</b></u>

## Schedules forming part of the Consolidated balance sheet

### SCHEDULE K : CURRENT LIABILITIES :— (Item No. 16A, Page 230)

	Rupees crores	Rupees crores	As at 31-03-2008 Rupees crores
(a) Sundry creditors :			
(i) For supplies/services .....	10,578.85		10,652.87
(ii) For accrued wages and salaries.....	2,624.69		2,779.17
(iii) For other liabilities .....	8,611.33		12,225.85
		<b>21,814.87</b>	<b>25,657.89</b>
(b) Interest accrued but not due .....		<b>550.20</b>	318.57
(c) Advances received from customers .....		<b>678.31</b>	336.81
(d) Unpaid Dividend .....		<b>49.92</b>	47.47
		<b>23,093.30</b>	<b>26,360.74</b>

### SCHEDULE L : PROVISIONS :— (Item No. 16B, Page 230)

	Rupees crores	Rupees crores	As at 31-03-2008 Rupees crores
(a) Provision for employee benefits .....		<b>2,686.73</b>	2,044.32
(b) Provision for taxation .....		<b>1,397.22</b>	2,254.23
(c) Provision for fringe benefits tax .....		<b>19.78</b>	19.91
(d) Proposed dividends .....		<b>1,277.33</b>	1,190.05
(e) Others .....		<b>1,776.65</b>	949.50
		<b>7,157.71</b>	<b>6,458.01</b>

### SCHEDULE M : MISCELLANEOUS EXPENDITURE (to the extent not written off) :— (Item No. 18, Page 230)

	Rupees crores	Rupees crores	As at 31-03-2008 Rupees crores
(a) Employee separation compensation (see Note 11(a), Page 257) .....		<b>105.38</b>	155.59
(b) Preliminary expenditure.....		<b>0.10</b>	0.04
		<b>105.48</b>	<b>155.63</b>

Signatures to Schedules 1 to 4 and  
A to M and Notes on pages 242 to 271

For and on behalf of the Board

RATAN N TATA Chairman

JAMES LENG  
NUSLI N WADIA  
S M PALIA  
ISHAAT HUSSAIN  
JAMSHED J IRANI  
SUBODH BHARGAVA  
JACOBUS SCHRAVEN  
ANDREW ROBB } Directors

B MUTHURAMAN Managing Director  
KIRBY ADAMS Director  
H M NERURKAR Executive Director

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09**
**1. Principles of Consolidation :**

The Consolidated Financial Statements relate to Tata Steel Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis :

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign currency translation reserve.
- The difference between the cost of investment in the subsidiaries and joint ventures, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the company's shareholders.  
Minority interest in the net assets of consolidated subsidiaries consists of :
  - a) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
  - b) The minorities' share of movements in equity since the date the parent subsidiary relationship came into existence.
- Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- In case of Associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, investments in those associates are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- The company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the company and its associates to the extent of its share, through its profit and loss account, to the extent such change is attributable to the associates' profit and loss account and through its reserves for the balance, based on available information.
- The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries, associates and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2009, except for certain associates (indicated as # below) for which financial statements as on reporting date are not available. These have been consolidated based on last available financial statements.

The list of subsidiary companies and joint ventures which are included in the consolidation and the Company's holdings therein are as under :

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2008-09	2007-08	
<b>A. Subsidiaries</b>				
i)	<b>Adityapur Toll Bridge Company Ltd.</b>	<b>60.35</b>	55.05	India
ii)	<b>Gopalpur Special Economic Zone Ltd.</b>	<b>100.00</b>	100.00	India
iii)	<b>Hooghly Met Coke &amp; Power Company Ltd.</b>	<b>100.00</b>	100.00	India
iv)	<b>Jamshedpur Utilities &amp; Services Company Ltd.</b>	<b>100.00</b>	100.00	India
	1. Haldia Water Management Limited *	<b>60.00</b>	–	India
	2. Naba Diganta Water Management Ltd.	<b>74.00</b>	51.00	India
	3. SEZ Adityapur Ltd.	<b>51.00</b>	51.00	India
v)	<b>Kalimati Investment Company Ltd.</b>	<b>100.00</b>	100.00	India
	1. Bangla Steel & Mining Co. Ltd.	<b>100.00</b>	100.00	Bangladesh
vi)	<b>Lanka Special Steels Ltd.</b>	<b>100.00</b>	100.00	Sri Lanka
vii)	<b>NatSteel Asia Pte. Ltd.</b>	<b>100.00</b>	100.00	Singapore
	1. NatSteel Iranian Private Joint Stock Company	<b>100.00</b>	100.00	Iran
	2. NatSteel Middle East FZE	<b>100.00</b>	100.00	UAE
	3. Tata Steel Asia (Hong Kong) Ltd.	<b>100.00</b>	100.00	Hongkong
	4. Tata Steel Resources Australia Pty. Ltd.	<b>100.00</b>	100.00	Australia
	5. Wuxi NatSteel Metal Products Co. Ltd.*	<b>95.00</b>	95.00	China
viii)	<b>Rawmet Ferrous Industries Ltd.</b>	<b>100.00</b>	100.00	India
ix)	<b>Sila Eastern Ltd.@</b>	<b>49.00</b>	49.00	Thailand
x)	<b>Tata Incorporated</b>	<b>100.00</b>	100.00	USA

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2008-09	2007-08	
xi)	<b>Tata Korf Engineering Services Ltd.</b>	<b>100.00</b>	<b>99.99</b>	India
xii)	<b>Tata Metaliks Ltd.</b>	<b>50.04</b>	<b>50.04</b>	India
	1. Tata Metaliks Kubota Pipes Ltd.	<b>25.52</b>	<b>25.52</b>	India
xiii)	<b>Tata Refractories Ltd.</b>	<b>71.28</b>	<b>71.28</b>	India
	1. TRL Asia Pvt. Limited	<b>62.73</b>	<b>62.73</b>	Singapore
	2. TRL China Limited	<b>71.28</b>	<b>71.28</b>	China
xiv)	<b>Tayo Rolls Ltd.*</b>	<b>54.45</b>	–	India
xv)	<b>Tata Steel (KZN) (Pty) Ltd.</b>	<b>90.00</b>	<b>90.00</b>	South Africa
xvi)	<b>Tata Steel Holdings Pte. Ltd.</b>	<b>100.00</b>	<b>100.00</b>	Singapore
	a) <b>Tata Steel Global Holdings Pte Ltd.*</b>	<b>100.00</b>	–	Singapore
	I <b>Corus International (Singapore) Holding Pte. Ltd.</b>	<b>100.00</b>	<b>100.00</b>	Singapore
	1. Corus Asia Limited	<b>100.00</b>	<b>100.00</b>	Hong Kong
	2. Corus Holdings (Thailand) Ltd.	<b>100.00</b>	<b>100.00</b>	Thailand
	3. Corus International (Guangzhou) Ltd.	<b>100.00</b>	<b>100.00</b>	China
	4. Corus International (Shanghai) Ltd.	<b>100.00</b>	<b>100.00</b>	China
	5. Corus International Trading Limited	<b>100.00</b>	<b>100.00</b>	Hong Kong
	6. Corus Metals (Malaysia) Sdn. Bhd.	<b>100.00</b>	<b>100.00</b>	Malaysia
	7. Corus Metals (Thailand) Limited	<b>100.00</b>	<b>100.00</b>	Thailand
	8. Corus South East Asia Pte Limited	<b>100.00</b>	<b>100.00</b>	Singapore
	II <b>NatSteel Holdings Pte. Ltd.*</b>	<b>100.00</b>	–	Singapore
	1. Best Bar (Vic) Pte. Ltd.	<b>71.00</b>	<b>71.00</b>	Australia
	2. Best Bar Pty. Ltd.	<b>71.00</b>	<b>71.00</b>	Australia
	3. Burwill Trading Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	4. Easteel Construction Services Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	5. Easteel Services (M) Sdn. Bhd.	<b>100.00</b>	<b>100.00</b>	Malaysia
	6. Eastern Steel Fabricators Phillipines, Inc.	<b>67.00</b>	<b>67.00</b>	Phillipines
	7. Eastern Steel Services Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	8. Eastern Wire Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	9. Materials Recycling Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	10. Nafferrous Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	11. NatSteel (Xiamen) Ltd.	<b>100.00</b>	<b>100.00</b>	China
	12. NatSteel Asia (S) Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	13. NatSteel Australia Pty. Ltd.	<b>100.00</b>	<b>100.00</b>	Australia
	14. NatSteel Equity IV Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	15. NatSteel Trade International (Shanghai) Company Ltd.	<b>100.00</b>	<b>100.00</b>	China
	16. NatSteel Trade International Pte. Ltd.	<b>100.00</b>	<b>100.00</b>	Singapore
	17. NatSteel Vina Co. Ltd.	<b>56.50</b>	<b>56.50</b>	Vietnam
	18. PT Materials Recycling Indonesia	<b>100.00</b>	<b>100.00</b>	Indonesia
	19. Siam Industrial Wire Company Ltd.	<b>100.00</b>	<b>100.00</b>	Thailand
	20. Wuxi Jinyang Metal Products Co. Ltd.	<b>95.00</b>	<b>95.00</b>	China
III	<b>Orchid Netherlands (No.1) B.V. *</b>	<b>100.00</b>	–	Netherlands
IV	<b>Tata Steel Europe Ltd.</b>	<b>100.00</b>	<b>100.00</b>	UK
	1. Almana Steel Dubai (Jersey) Limited	<b>100.00</b>	<b>100.00</b>	Jersey
	2. Aluminium Delfzijl B.V. *	<b>100.00</b>	<b>100.00</b>	Netherlands
	3. Apollo Metals Ltd.	<b>100.00</b>	<b>100.00</b>	USA
	4. Ashorne Hill Management College	<b>100.00</b>	<b>100.00</b>	UK
	5. Augusta Grundstucks GmbH	<b>100.00</b>	<b>100.00</b>	Germany
	6. Automotive Laser Technologies Limited	<b>100.00</b>	<b>100.00</b>	UK
	7. Automotive Tailored Blanks B.V. *	<b>100.00</b>	<b>100.00</b>	Netherlands
	8. B S Pension Fund Trustee Ltd.	<b>100.00</b>	<b>100.00</b>	UK
	9. Bailey Steels Limited *	<b>100.00</b>	–	UK
	10. Beheermaatschappij Industriële Producten B.V.	<b>100.00</b>	<b>100.00</b>	Netherlands
	11. Belfin Beheermaatschappij B.V.	<b>100.00</b>	<b>100.00</b>	Netherlands
	12. Bell & Harwood Limited	<b>100.00</b>	<b>100.00</b>	UK
	13. Blastmega Limited (United Steel Forgings Ltd.)	<b>100.00</b>	<b>100.00</b>	UK
	14. Blume Stahlservice GmbH	<b>100.00</b>	<b>100.00</b>	Germany
	15. Blume Stahlservice Polska Sp. Z.O.O	<b>100.00</b>	<b>100.00</b>	Poland
	16. Bore Samson Group Ltd.	<b>100.00</b>	<b>100.00</b>	UK
	17. Bore Steel Ltd.	<b>100.00</b>	<b>100.00</b>	UK

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2008-09	2007-08	
18.	British Guide Rails Ltd.	100.00	100.00	UK
19.	British Steel Holdings B.V.	100.00	100.00	Netherlands
20.	British Steel Nederland International B.V.	100.00	100.00	Netherlands
21.	British Steel Benelux B.V.	100.00	100.00	Netherlands
22.	British Steel Corporation Ltd	100.00	100.00	UK
23.	British Steel De Mexico S.A. de C.V.	100.00	100.00	Mexico
24.	British Steel Directors (Nominees) Limited	100.00	100.00	UK
25.	British Steel Employee Share Ownership Trustees Ltd.	100.00	100.00	UK
26.	British Steel Engineering Steels (Exports) Limited	100.00	100.00	UK
27.	British Steel International B.V.	100.00	100.00	Netherlands
28.	British Steel Samson Limited	100.00	100.00	UK
29.	British Steel Service Centres Ltd.	100.00	100.00	UK
30.	British Steel Tubes Exports Ltd.	100.00	100.00	UK
31.	British Transformer Cores Ltd.	100.00	100.00	UK
32.	British Tubes Stockholding Ltd.	100.00	100.00	UK
33.	Bs Quest Trustee Limited	100.00	100.00	UK
34.	Bskh Corporate Services (UK) Limited	100.00	100.00	UK
35.	Burgdorfer Grundstuecks GmbH	100.00	100.00	Germany
36.	Business Park Ymond B.V. *	100.00	100.00	Netherlands
37.	C V Benine	76.92	76.92	Netherlands
38.	C Walker & Sons (Steel) Ltd.	100.00	100.00	N Ireland
39.	C Walker & Sons Ltd.	100.00	100.00	UK
40.	Catnic GmbH	100.00	100.00	Germany
41.	Catnic Limited	100.00	100.00	UK
42.	Cbs Investissements SAS	100.00	100.00	France
43.	Cladding & Decking (UK) Limited	100.00	100.00	UK
44.	Cogent Power Inc.	100.00	100.00	Canada
45.	Cogent Power Inc.	100.00	100.00	Mexico
46.	Cogent Power Inc.	100.00	100.00	USA
47.	Cogent Power Limited	100.00	100.00	UK
48.	Cold Drawn Tubes Ltd.	100.00	100.00	UK
49.	Color Steels Limited	100.00	100.00	UK
50.	Corbeil Les Rives SCI	67.30	67.30	France
51.	Corby (Northants) & District Water Co.	100.00	100.00	UK
52.	Cordor (C & B) Limited	100.00	100.00	UK
53.	Corus - Sistemas Constructivos E Revestimentos Metalicos, Lda	100.00	100.00	Portugal
54.	Corus Aerospace Service Centre Suzhou Co Ltd *	100.00	-	China
55.	Corus Aluminium Beheer B.V.	100.00	100.00	Netherlands
56.	Corus Aluminium Limited	100.00	100.00	UK
57.	Corus Aluminium Verwaltungsgesellschaft Mbh	100.00	100.00	Germany
58.	Corus Aluminium Voerde GmbH *	100.00	100.00	Germany
59.	Corus America Holdings Inc.	100.00	100.00	USA
60.	Corus America Inc.	100.00	100.00	USA
61.	Corus Batiment Et Systemes SAS	100.00	100.00	France
62.	Corus Belgium Bvba	100.00	100.00	Belgium
63.	Corus Benelux B.V.	100.00	100.00	Netherlands
64.	Corus Beteiligungs GmbH	100.00	100.00	Germany
65.	Corus Brokers Limited	100.00	100.00	UK
66.	Corus Building Systems Bulgaria AD *	100.00	-	Bulgaria
67.	Corus Building Systems N.V.	100.00	100.00	Belgium
68.	Corus Building Systems SAS	100.00	100.00	France
69.	Corus Byggesystemer A/S	100.00	100.00	Denmark
70.	Corus Byggsystem AB	100.00	100.00	Sweden
71.	Corus Byggsystemer A/S	100.00	100.00	Norway
72.	Corus Central Europe S.R.O.	100.00	100.00	Czech Republic
73.	Corus Cic Holdings Inc.	100.00	100.00	Canada
74.	Corus Cic Inc.	100.00	100.00	Canada
75.	Corus CNBV Investments	100.00	100.00	UK
76.	Corus Coatings Usa Inc.	100.00	100.00	USA
77.	Corus Cold Drawn Tubes Limited	100.00	100.00	UK

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2008-09	2007-08	
78.	Corus Construction Products (Thailand) Limited	82.35	82.35	Thailand
79.	Corus Consulting And Technical Services B.V.	100.00	100.00	Netherlands
80.	Corus Consulting B.V.	100.00	100.00	Netherlands
81.	Corus Consulting Limited	100.00	100.00	UK
82.	Corus Consulting Romania SRL	100.00	100.00	Romania
83.	Corus Degels GmbH	100.00	100.00	Germany
84.	Corus Denmark A/S	100.00	100.00	Denmark
85.	Corus Deutschland GmbH	100.00	100.00	Germany
86.	Corus Distribution Europe BV	100.00	100.00	Netherlands
87.	Corus Electrical Limited	100.00	100.00	UK
88.	Corus Engineering Limited	100.00	100.00	UK
89.	Corus Engineering Steels (UK) Limited	100.00	100.00	UK
90.	Corus Engineering Steels Holdings Limited	100.00	100.00	UK
91.	Corus Engineering Steels Limited	100.00	100.00	UK
92.	Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
93.	Corus Finance Limited	100.00	100.00	UK
94.	Corus Finland Oy	100.00	100.00	Finland
95.	Corus France SAS	100.00	100.00	France
96.	Corus Group Limited	100.00	100.00	UK
97.	Corus Holdings Ltd.	100.00	100.00	UK
98.	Corus Holdings SA	100.00	100.00	France
99.	Corus Hungary Trading Limited Liability Company	100.00	100.00	Hungary
100.	Corus India Ltd.	100.00	100.00	India
101.	Corus International (India) Pvt. Limited	100.00	100.00	India
102.	Corus International (Overseas Holdings) Limited	100.00	100.00	UK
103.	Corus International Bulgaria Limited *	100.00	-	Bulgaria
104.	Corus International Deutschland GmbH	100.00	100.00	Germany
105.	Corus International Limited	100.00	100.00	UK
106.	Corus International Nigeria *	100.00	-	Nigeria
107.	Corus International Representacoes Do Brasil Ltda.	100.00	100.00	Brazil
108.	Corus International Romania SRL	100.00	100.00	Romania
109.	Corus International Services N.V	100.00	100.00	Belgium
110.	Corus International Trading Limited	100.00	100.00	UK
111.	Corus International Trading Limited	100.00	100.00	USA
112.	Corus Investment B.V.	100.00	100.00	Netherlands
113.	Corus Investments Ltd.	100.00	100.00	UK
114.	Corus Ireland Ltd.	100.00	100.00	Ireland
115.	Corus Italia SRL	100.00	100.00	Italy
116.	Corus Laminacion Y Derivados, S.L.	100.00	100.00	Spain
117.	Corus Large Diameter Pipes Limited	100.00	100.00	UK
118.	Corus Liaison Services (India) Limited	100.00	100.00	UK
119.	Corus Management Limited	100.00	100.00	UK
120.	Corus Met B.V.	100.00	100.00	Netherlands
121.	Corus Metal Iberica S.A	100.00	100.00	Spain
122.	Corus Metals Limited	100.00	100.00	UK
123.	Corus Middle East FZE	100.00	100.00	UAE
124.	Corus Multi-Metals Limited	100.00	100.00	UK
125.	Corus Nederland B.V.	100.00	100.00	Netherlands
126.	Corus New Zealand Limited	100.00	100.00	New Zealand
127.	Corus Norge A/S	100.00	100.00	Norway
128.	Corus Packaging Plus Belgium N.V	100.00	100.00	Belgium
129.	Corus Packaging Plus Norway A/S	100.00	100.00	Norway
130.	Corus Perfo B.V.	100.00	100.00	Netherlands
131.	Corus Polska Sp.Z.O.O.	100.00	100.00	Poland
132.	Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
133.	Corus Properties (Germany) Limited	100.00	100.00	UK
134.	Corus Property	100.00	100.00	UK
135.	Corus Quest Trustee Limited	100.00	100.00	UK
136.	Corus Rail Consultancy Limited	100.00	100.00	UK



**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
	2008-09	2007-08	
137. Corus Rail France S.A	100.00	100.00	France
138. Corus Rail Limited	100.00	100.00	UK
139. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
140. Corus Schweiz AG	100.00	100.00	Switzerland
141. Corus Service Center Milano Spa	100.00	100.00	Italy
142. Corus Service Centre Maastricht B.V.	100.00	100.00	Netherlands
143. Corus Services Nederland B.V.	100.00	100.00	Netherlands
144. Corus Sheet & Tube Inc.	100.00	100.00	USA
145. Corus Special Strip Asia Limited	100.00	100.00	Hong Kong
146. Corus Staal B.V.	100.00	100.00	Netherlands
147. Corus Stahl GmbH	100.00	100.00	Germany
148. Corus Stainless Limited	100.00	100.00	UK
149. Corus Stainless NI B.V.	100.00	100.00	Netherlands
150. Corus Stainless UK Ltd.	100.00	100.00	UK
151. Corus Star-Frame B.V.	100.00	100.00	Netherlands
152. Corus Steel Limited	100.00	100.00	UK
153. Corus Steel Usa Inc.	100.00	100.00	USA
154. Corus Sverige AB	100.00	100.00	Sweden
155. Corus Technology B.V.	100.00	100.00	Netherlands
156. Corus Trico Holdings Inc.	100.00	100.00	USA
157. Corus Tubes B.V.	100.00	100.00	Netherlands
158. Corus Tuscaloosa Corp.	100.00	100.00	USA
159. Corus UK Healthcare Trustee Limited *	100.00	-	UK
160. Corus UK Limited	100.00	100.00	UK
161. Corus Vlietjonge B.V.	100.00	100.00	Netherlands
162. Corus Yasan Metal Sanayi Ve Ticaret AS	88.00	62.50	Turkey
163. Cpn 85 Limited	100.00	100.00	UK
164. Crucible Insurance Company Ltd.	100.00	100.00	I of Man
165. Demka B.V.	100.00	100.00	Netherlands
166. Dsrn Group Plc.	100.00	100.00	UK
167. Ees Group Services Limited	100.00	100.00	UK
168. Ees Nederland B.V.	100.00	100.00	Netherlands
169. Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden
170. Esmil B.V.	100.00	100.00	Netherlands
171. Euro-Laminations Limited	100.00	100.00	UK
172. European Electrical Steels Limited	100.00	100.00	UK
173. European Profiles Limited *	100.00	100.00	UK
174. Europressings Limited	100.00	100.00	UK
175. Firsteel Coated Strip Limited *	100.00	100.00	UK
176. Firsteel Cold Rolled Products Limited *	100.00	100.00	UK
177. Firsteel Group Limited	100.00	100.00	UK
178. Firsteel Group Pension Trustee Limited	100.00	100.00	UK
179. Firsteel Holdings Limited	100.00	100.00	UK
180. Firsteel Resources Limited *	100.00	100.00	UK
181. Firsteel Steel Processing Limited	100.00	100.00	UK
182. Firsteel Strip Mill Products Limited	100.00	100.00	UK
183. Fischer Profielen NV	100.00	100.00	Belgium
184. Fischer Profil GmbH	100.00	100.00	Germany
185. Gamble Simms Metals Ltd.	100.00	100.00	Ireland
186. Grant Lyon Eagre Ltd.	100.00	100.00	UK
187. H E Samson Ltd.	100.00	100.00	UK
188. Hadfields Holdings Ltd.	62.50	62.50	UK
189. Hammermega Limited	100.00	100.00	UK
190. Harrowmills Properties Ltd.	100.00	100.00	UK
191. Hille & Muller GmbH	100.00	100.00	Germany
192. Hille & Muller Italia SRL.	100.00	100.00	Italy
193. Hille & Muller Usa Inc.	100.00	100.00	USA
194. Holorib GmbH	100.00	100.00	Germany

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
	2008-09	2007-08	
195. Hoogovens (UK) Limited	100.00	100.00	UK
196. Hoogovens Aluminium UK Limited	100.00	100.00	UK
197. Hoogovens Finance B.V.	100.00	100.00	Netherlands
198. Hoogovens Technical Services Coahuila B.V.	100.00	100.00	Netherlands
199. Hoogovens Technical Services Mexico De S. De R.L. De C.V.	100.00	100.00	Mexico
200. Hoogovens Technical Services Monclova B.V.	100.00	100.00	Netherlands
201. Hoogovens Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
202. Hoogovens Usa Inc.	100.00	100.00	USA
203. Huizenbezit "Breesaap" B.V.	100.00	100.00	Netherlands
204. Ickles Cottage Trust	100.00	100.00	UK
205. Immobiliere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
206. Industrial Steels Limited	100.00	100.00	UK
207. Inter Metal Distribution SAS	100.00	100.00	France
208. K&S Management Service Limited	100.00	100.00	UK
209. Kalzip Asia Pte	100.00	100.00	Singapore
210. Kalzip GmbH	100.00	100.00	Austria
211. Kalzip GmbH	100.00	100.00	Germany
212. Kalzip Guanhzou Limited	100.00	100.00	China
213. Kalzip Inc	100.00	100.00	USA
214. Kalzip Limited	100.00	100.00	UK
215. Kalzip Spain S.L.U.	100.00	100.00	Spain
216. Lister Tubes Ltd.	100.00	100.00	Ireland
217. London Works Steel Company Ltd.	100.00	100.00	UK
218. Midland Steel Supplies Ltd.	100.00	100.00	UK
219. Mistbury Investments Limited	100.00	100.00	UK
220. Montana Bausysteme AG	100.00	100.00	Switzerland
221. Myriad Deutschland GmbH	100.00	100.00	Germany
222. Myriad Espana Sl	100.00	100.00	Spain
223. Myriad Nederland B.V.	100.00	100.00	Netherlands
224. Myriad SA	100.00	100.00	France
225. Myriad United Kingdom Limited	100.00	100.00	UK
226. Namascor B.V.	100.00	100.00	Netherlands
227. Nationwide Steelstock Limited	100.00	100.00	UK
228. Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	100.00	100.00	Netherlands
229. Oostflank B.V.	100.00	100.00	Netherlands
230. Orb Electrical Steels Limited	100.00	100.00	UK
231. Ore Carriers Ltd.	100.00	100.00	UK
232. Oremco Inc.	100.00	100.00	USA
233. Plated Strip International Limited	100.00	100.00	UK
234. Precision Metal Forming Limited	100.00	100.00	UK
235. Precoat International Limited	100.00	100.00	UK
236. Precoat Limited	100.00	100.00	UK
237. Rafferty-Brown North Carolina Co. *	100.00	100.00	USA
238. Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA
239. Richard Thomas And Baldwins 1978 Limited	100.00	100.00	New Zealand
240. Richard Thomas And Baldwins (Australia) Pty Ltd.	100.00	100.00	Australia
241. Round Oak Steelworks Ltd.	100.00	100.00	UK
242. Runblast Limited	100.00	100.00	UK
243. Runmega Limited	100.00	100.00	UK
244. S A B Profiel B.V.	100.00	100.00	Netherlands
245. S A B Profil GmbH	100.00	100.00	Germany
246. SA Intertubes	100.00	100.00	Belgium
247. Sacra-Nord SAS	100.00	100.00	France
248. Scrap Processing Holding B.V.	100.00	100.00	Netherlands
249. Seamless Tubes Ltd.	100.00	100.00	UK
250. Sia Corus Building Systems	100.00	100.00	Latvia
251. Simiop Investments Ltd.	100.00	100.00	UK
252. Simiop Ltd.	100.00	100.00	UK
253. Simms Steel Holdings Ltd.	100.00	100.00	UK

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2008-09	2007-08	
	254. Skruv Erik AB	100.00	100.00	Sweden
	255. Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium
	256. Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
	257. Steel Company (N.I.) Ltd.	100.00	100.00	UK
	258. Steel Stockholdings Ltd.	100.00	100.00	UK
	259. Steelstock Ltd.	100.00	100.00	UK
	260. Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
	261. Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
	262. Stocksbridge Cottage Trust	100.00	100.00	UK
	263. Strata-Color (Coated Steels) Limited *	100.00	100.00	UK
	264. Surahammar Bruks AB	100.00	100.00	Sweden
	265. Swinden Housing Association	100.00	100.00	UK
	266. Tata Steel Netherlands B.V.	100.00	100.00	Netherlands
	267. Tata Steel UK Ltd.	100.00	100.00	UK
	268. Telmag (Holdings) Limited	100.00	100.00	UK
	269. Telmag Magnetic Components Limited	100.00	100.00	UK
	270. The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
	271. The Stanton Housing Company Ltd.	100.00	100.00	UK
	272. The Steel Company Of Ireland Limited	100.00	100.00	Ireland
	273. The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
	274. Thomas Processing Company	100.00	100.00	USA
	275. Thomas Steel Strip Corp.	100.00	100.00	USA
	276. Tinsley Trailers Limited	100.00	100.00	UK
	277. Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
	278. Trierer Walzwerk GmbH	100.00	100.00	Germany
	279. Tulip Netherlands (No. 1) B.V.	100.00	100.00	Netherlands
	280. Tulip Netherlands (No. 2) B.V.	100.00	100.00	Netherlands
	281. Tulip UK Holdings (No. 2) Ltd.	100.00	100.00	UK
	282. Tulip UK Holdings (No. 3) Ltd.	100.00	100.00	UK
	283. U.E.S. Bright Bar Limited	100.00	100.00	UK
	284. UK Steel Enterprise Ltd.	100.00	100.00	UK
	285. Ukse Fund Managers Limited	100.00	100.00	UK
	286. Ukse Fund Mangers (General Partner) Limited	100.00	100.00	UK
	287. United Steels Co (N Z) Ltd.	100.00	100.00	New Zealand
	288. Unitol SAS	100.00	100.00	France
	289. Walker Manufacturing And Investments Ltd.	100.00	100.00	UK
	290. Walkersteel (Ni) Ltd. *	100.00	100.00	UK
	291. Walkersteelstock Ireland Limited	100.00	100.00	Ireland
	292. Walkersteelstock Ltd.	100.00	100.00	UK
	293. Westwood Steel Services Ltd.	100.00	100.00	UK
	294. Whitehead (Narrow Strip) Ltd.	100.00	100.00	UK
V	<b>Tata Steel Global Minerals Holdings Pte Ltd.</b>	<b>100.00</b>	<b>100.00</b>	Singapore
	1. Al Rimal Mining LLC	70.00	70.00	Oman
	2. Black Ginger 461 Proprietary Ltd	100.00	100.00	South Africa
	3. Kalimati Coal Company Pty. Ltd.	100.00	100.00	Australia
	4. Tata Steel Cote D' Ivoire S.A.*@	85.00	-	Ivory Coast
VI	<b>Tata Steel (Thailand) Public Company Ltd.</b>	<b>67.90</b>	<b>67.90</b>	Thailand
	1. NTS Steel Group Plc	67.67	67.67	Thailand
	2. The Siam Construction Steel Co. Ltd.	67.89	67.89	Thailand
	3. The Siam Iron And Steel (2001) Co. Ltd.	67.89	67.89	Thailand
xvii)	<b>TM International Logistics Ltd.</b>	<b>51.00</b>	<b>51.00</b>	India
	1. International Shipping Logistics FZE	51.00	51.00	UAE
	2. TKM Global China Ltd.*	51.00	-	China
	3. TKM Global GmbH	51.00	51.00	Germany
	4. TKM Global Logistics Ltd.	51.00	51.00	India
xviii)	<b>The Indian Steel and Wire Products Ltd.</b>	<b>91.36</b>	<b>91.36</b>	India
xix)	<b>The Tata Pigments Ltd.</b>	<b>100.00</b>	<b>100.00</b>	India

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
	2008-09	2007-08	
<b>B. Joint Venture of</b>			
i) <b>Jamshedpur Utilities &amp; Services Company Ltd.</b>			
1. Haldia Water Management Limited*	33.00	–	India
ii) <b>Tata Steel Ltd.</b>			
1. Bhubaneshwar Power Pvt. Ltd.*	26.00	–	India
2. mjunction services ltd.	50.00	50.00	India
3. S & T Mining Company Pvt. Ltd.*	50.00	–	India
4. Tata Bluescope Steel Ltd.	50.00	50.00	India
5. Tata NYK Shipping Pte Ltd.	50.00	50.00	Singapore
6. Tata Ryerson Ltd.	50.00	50.00	India
7. The Dhamra Port Company Ltd.	50.00	50.00	India
iii) <b>Tata Steel Holdings Pte. Ltd.</b>			
a) <b>Tata Steel Global Holdings Pte Ltd</b>			
I <b>Tata Steel Europe Ltd.</b>			
1. Afon Tinplate Company Limited	64.00	64.00	UK
2. Air Products Llanwern Limited	50.00	50.00	UK
3. B V Ijzerleew	50.00	50.00	Netherlands
4. Bsr Pipeline Services Limited	50.00	50.00	UK
5. Caparo Merchant Bar Plc	25.00	25.00	UK
6. Cindu Chemicals B.V.	50.00	50.00	Netherlands
7. Corus Celik Ticaret AS	50.00	50.00	Turkey
8. Corus Cogifer Switches And Crossings Limited	50.00	50.00	UK
9. Corus Kalpinis Simos Rom SRL.	50.00	50.00	Romania
10. Danieli Corus Technical Services B.V.	50.00	50.00	Netherlands
11. Framing Solutions Plc. *	50.00	50.00	UK
12. Grantrail Group Ltd. *	50.00	50.00	UK
13. Hks Scrap Metals B.V.	50.00	50.00	Netherlands
14. Ijzerhandel Geertsema Staal B.V.	50.00	50.00	Netherlands
15. Industrial Rail Services Ijmond B.V.	50.00	50.00	Netherlands
16. Laura Metaal Holding B.V.	49.00	49.00	Netherlands
17. Norsk Stal AS	50.00	50.00	Norway
18. Norsk Stal Tynnplater AS	50.00	50.00	Norway
19. Ravenscraig Limited	100.00	100.00	UK
20. Tata Elastron SA	50.00	50.00	Greece
21. Tata Elastron SA Steel Service Center*	50.00	–	Greece
22. Texturing Technology Limited	50.00	50.00	UK
II <b>Tata Steel Global Minerals Holdings Pte. Ltd.</b>			
1. Riversdale Energy (Mauritius) Ltd.	35.00	35.00	Singapore Mauritius

\* Part of the Year .

@ By virtue of management control.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

The Associates of the Company and the ownership interest are as follows :

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2009 Rs. crores	Carrying amount of Investments as at 31.03.2009 Rs. crores
Ab Norskstal AS	50.00	-	-	-	-
	50.00	-	-	-	-
Albi Profils SRL (b) \$	-	-	-	-	-
	30.00	0.11	-	0.01	0.12
Almora Magnesite Limited	39.00	0.78	-	0.38	1.16
	39.00	0.78	-	0.16	0.94
Altos Hornos De Mexico S.A. de C.V.	4.50	-	-	-	-
	4.50	-	-	-	-
Antheus Magnesium B.V.	25.00	-	-	-	-
	25.00	-	-	-	-
Appleby Frodingham Cottage Trust Limited	33.30	-	-	-	-
	33.30	-	-	-	-
Business Park (b) \$	-	-	-	-	-
	50.00	0.01	-	(0.01)	-
Combulex B.V.	50.00	10.97	-	2.57	13.54
	50.00	10.97	-	1.24	12.21
Cv Gasexpansie Ijmond	50.00	0.26	-	0.04	0.30
	50.00	0.26	-	0.03	0.29
Danieli Corus Canada Inc.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Asia B.V.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Braseq Ltda	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus B.V.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Construction Services B.V	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Construction Services USA Inc.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Do Brasil Ltda	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Inc.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus Services USA Inc.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli Corus South Africa Pty. Ltd.	50.00	-	-	-	-
	50.00	-	-	-	-
Danieli India (Pvt.) Ltd. (b)	50.00	-	-	-	-
	-	-	-	-	-
Endex European Energy Derivates Exchanges NV	0.23	-	-	-	-
	0.23	-	-	-	-
European Profiles (Marketing) Sdn. Bhd.	10.20	-	-	-	-
	10.20	-	-	-	-
European Profiles Malaysia (M) Sdn. Bhd.	20.00	6.35	-	0.69	7.04
	20.00	6.35	-	0.11	6.46
Galvpro LP	45.50	-	-	-	-
	45.50	-	-	-	-
Gietwalsonderhoudcombinatie B.V.	50.00	9.66	-	4.53	14.19
	50.00	9.66	-	3.50	13.16
Hoogovens Court Chrome Vof	50.00	9.86	-	3.57	13.43
	50.00	9.86	-	2.25	12.11

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2009 Rs. crores	Carrying amount of Investments as at 31.03.2009 Rs. crores
Hoogovens Gan Multimedia S A de CV	<b>50.00</b> 50.00	—	—	—	—
Indian Steel Rolling Mills Limited (Re.1/-)(a)	<b>20.56</b> 20.56	—	—	—	—
Industrial Energy Limited	<b>26.00</b> 26.00	<b>86.58</b> 26.00	—	<b>(0.21)</b> —	<b>86.37</b> 26.00
Isolation Du Sud Sa	<b>0.33</b> 0.33	—	—	—	—
Issb Limited	<b>50.00</b> 50.00	—	—	—	—
Jamipol Limited	<b>31.78</b> 30.00	<b>4.38</b> 3.38	<b>0.01</b> 0.01	<b>13.52</b> 10.92	<b>17.90</b> 14.30
Kalinga Aquatics Limited (Re.1/-)(a)#	<b>30.00</b> 30.00	—	—	—	—
Kumardhubi Fireclay & Silica Works Limited (Re.1/-)(a)#	<b>27.78</b> 27.78	—	—	—	—
Kumardhubi Metal Casting & Engineering Limited (Re.1/-)(a)#	<b>49.31</b> 49.31	—	—	—	—
Metal Corporation of India Limited (Re.1/-)(a)#	<b>42.05</b> 42.05	—	—	—	—
MDC Sublance Probe Technology (b)	<b>50.00</b> —	—	—	—	—
Nicco Jubilee Park Limited (Re.1/-)(a)#	<b>23.46</b> 21.60	<b>0.38</b> 0.35	—	<b>(0.38)</b> (0.35)	—
Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied NV	<b>6.67</b> 6.67	<b>0.92</b> 0.92	—	<b>0.15</b> 0.08	<b>1.07</b> 1.00
Richard Lees Steel Decking Asia Snd. Bhd.	<b>10.00</b> 10.00	—	—	—	—
Rsp Holding B.V.	<b>13.19</b> 13.19	—	—	—	—
Rujuvalika Investments Limited	<b>24.12</b> 24.12	<b>0.60</b> 0.60	<b>(0.29)</b> (0.29)	<b>4.36</b> 3.73	<b>4.96</b> 4.33
Schreiner Fleischer AS	<b>50.00</b> 50.00	—	—	—	—
Shanghai Bao Yi Beverage Can Making Co. Ltd.	<b>12.50</b> 12.50	—	—	—	—
SMS Mevac UK Limited	<b>45.00</b> 45.00	<b>3.70</b> 3.70	—	<b>(3.16)</b> (0.24)	<b>0.54</b> 3.46
Southern Steel, Berhad	<b>27.03</b> 27.03	<b>100.13</b> 100.13	—	<b>73.71</b> 97.66	<b>173.84</b> 197.79
Steel Asia Development and Management Corporation (Re.1/-)(a)	<b>40.00</b> 40.00	—	—	—	—
Steel Asia Industries, Inc. (Re.1/-)(a)	<b>50.00</b> 50.00	—	—	—	—
Steel Asia Manufacturing Corporation (Re.1/-)(a)	<b>40.00</b> 40.00	—	—	—	—

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2009 Rs. crores	Carrying amount of Investments as at 31.03.2009 Rs. crores
Stuwadoorsbedrijf Velserkom B.V.	<b>50.00</b> 50.00	<b>5.76</b> 5.76	— —	<b>(1.78)</b> (0.14)	<b>3.98</b> 5.62
Tata Construction & Projects Limited (Re.1/-)(a)#	<b>29.66</b> 29.66	— —	— —	— —	— —
Tata Sponge Iron Limited	<b>43.24</b> 43.24	<b>20.74</b> 20.74	<b>11.42</b> 11.42	<b>146.86</b> 98.41	<b>167.60</b> 119.15
Tayo Rolls Limited*	— 36.53	— 3.36	— 0.03	— 13.37	— 16.73
Tinplate Company of India Limited	<b>32.34</b> 32.12	<b>30.26</b> 30.09	— —	<b>(0.60)</b> (14.93)	<b>29.66</b> 15.16
Thoresen & Thorvaldsen AS	<b>50.00</b> 50.00	— —	— —	— —	— —
TKM Overseas Limited	<b>49.00</b> 49.00	<b>1.13</b> 1.13	— —	<b>(0.75)</b> (0.83)	<b>0.38</b> 0.30
TRF Limited	<b>36.49</b> 36.49	<b>6.11</b> 6.11	<b>1.52</b> 1.52	<b>42.98</b> 31.01	<b>49.09</b> 37.12
Trico Llc	<b>25.00</b> 25.00	— —	— —	— —	— —
Weirton/hoogovens Gp	<b>50.00</b> 50.00	— —	— —	— —	— —
Workington Cottage Trust	<b>33.00</b> 33.00	— —	— —	— —	— —
Wupperman Staal Nederland B.V.	<b>30.00</b> 30.00	<b>62.52</b> 62.52	— —	<b>4.20</b> 13.10	<b>66.72</b> 75.62
<b>Total</b>		<b>361.09</b> 302.79	<b>12.66</b> 12.69	<b>**290.68</b> **259.08	<b>**651.77</b> **561.87

\* Earlier an associate, became a subsidiary during the year. Carrying value of investment on the date of becoming a subsidiary Rs. 35.13 crores.

\*\* Includes exchange fluctuation and other adjustments to carrying value not routed through the profit and loss account.

(a) Investment in these associates have been reported at Nil value as the Company's share of losses exceeds the carrying amount of investment.

(b) Part of the year.

\$ Disposed off during the year.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**
**2. Accounting Policies**
**(a) Basis for Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

**(b) Revenue Recognition**

- (i) Sales comprises sale of goods and services, net of trade discounts.
- (ii) Export incentive under the Duty Entitlement Pass Book Scheme has been recognised on the basis of credits afforded in the pass book.
- (iii) In one of the subsidiaries, income from services are recognised upon completion of the relevant shipping activities and related services. Income and expenses relating to incomplete voyages are carried forward as voyages-in-progress. Despatch earnings are accounted for on receipt basis.

**(c) Employee Benefits**

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- (ii) Post employment benefits are recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate. In some foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iii) Other long-term employee benefits are recognised as an expense in the Profit and Loss Account for the period in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the current value, using the market yield on government bonds, as on the date of balance sheet, as the discounting rate.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are recognised in the Profit and Loss Account.

However in one of the subsidiary (Tata Steel Europe Limited) because of potential volatility caused by periodic changes in the assumptions underlying the computation of the pension liabilities, it is not considered practicable to adopt a common accounting policy for accounting for the pension liability of the company and Tata Steel Europe Limited. The actuarial gains and losses for these pension plans of Tata Steel Europe Limited have been accounted in Reserves and Surplus.

**(v) Miscellaneous Expenditure**

In respect of the Employee Separation Scheme (ESS), net present value of the future liability for pension payable is amortised equally over five years or upto financial year ending 31st March, 2010, whichever is earlier.

The increase in the net present value of the future liability for pension payable to employees who have opted for retirement under the Employee Separation Scheme of the Company is charged to the Profit and Loss Account.

**(d) Fixed Assets**

All fixed assets are valued at cost less depreciation. Pre-operating expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of fixed assets. Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

**(e) Depreciation**

- (I) Capital assets whose ownership does not vest in the Company is depreciated over their estimated useful life or five years, whichever is less.
- (II) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or based on estimated useful life whichever is higher. However, asset value upto Rs. 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of assets is as under :
  - (i) Buildings — 30 to 62 years.
  - (ii) Plant and Machinery — 6 to 21 years.
  - (iii) Railway Sidings — 21 years.
  - (iv) Vehicles and Aircraft — 5 to 18 years.
  - (v) Furniture, Fixtures and Office Equipment — 5 years.
  - (vi) Intangibles (Computer Software) — 5 to 10 years.
  - (vii) Development of property for development of mines and collieries are depreciated over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
  - (viii) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
  - (ix) Freehold land is not depreciated.
  - (x) Leasehold land is amortised over the life of the lease.
  - (xi) Roads — 30 to 62 years.

In some subsidiaries, joint ventures and associates depreciation is calculated on written down value basis and intangible assets are amortised over the period for which the rights are obtained. The depreciation charge in respect of these units is not significant in the context of the consolidated financial statements.

In case of certain foreign subsidiaries, the assets are depreciated on a straight line basis over the estimated useful life of the assets.

**(f) Foreign Currency Transactions**

Foreign Currency Transactions (FCT) and forward exchange contracts used to hedge FCT (including firm commitments and forecast transactions) are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities relating to foreign currency transactions and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The company and its Indian subsidiaries and joint ventures have opted for accounting the exchange differences arising on reporting of long-term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating



**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Items Translation Difference Account" to be amortised over the balance period of the long-term monetary items or 31st March, 2011 whichever is earlier. Exchange difference recognised in the Profit & Loss Account up to last financial year ended 31st March, 2008 relating to said long term monetary items in foreign currency has been adjusted against opening revenue reserve as provided in the rules.

The differences in translation of FCT and forward exchange contracts used to hedge FCT (excluding the long term foreign currency monetary items accounted in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009) and realised gains and losses, other than those relating to fixed assets are recognised in the Profit and Loss Account. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Profit and Loss Account.

Exchange difference relating to monetary items that are in substance forming part of the Company's net investment in non integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.

**(g) Investments**

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Stock in trade in case of one of the subsidiaries, being an investment company, has been valued at cost or at market quotation whichever is lower scripwise. When investment is made in partly convertible debentures with a view to retain only the convertible portion of the debentures, the excess of the face value of the non-convertible portion over the realisation on sale of such portion is treated as a part of the cost of acquisition of the convertible portion of the debenture.

**(h) Inventories**

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realisable value.

Work-in-progress is carried at lower of cost and net realisable value.

Coal, iron ore and other raw materials produced and purchased by the Company are carried at lower of cost and net realisable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of inventories is generally ascertained on the 'weighted average' basis. Work-in-progress and finished and semi-finished products are valued on full absorption cost basis.

**(i) Relining Expenses**

Relining expenses other than expenses on Blast Furnace relining are charged as an expense in the year in which they are incurred.

**(j) Research and Development**

Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

**(k) Deferred Tax**

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.

**(l) Taxes on Income**
**i) Indian Companies :**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.

**ii) Foreign Companies :**

Foreign Companies recognise tax liabilities and assets in accordance with the applicable local laws.

**(m) In case of certain subsidiaries, goodwill is amortised over a period of 60 months.**
**3. Contingent Liabilities**
**(a) Guarantees**

The Company has given guarantees aggregating **Rs. 930.97** crores (31.03.2008 : Rs. 1,109.67 crores) to banks and financial institutions on behalf of others. As at 31st March, 2009 the contingent liabilities under these guarantees amounted to **Rs. 930.97** crores (31.03.2008 : Rs. 1,109.67 crores).

**(b) Claims not acknowledged by the Company :**

	As at 31.03.2009 Rs. crores	As at 31.03.2008 Rs. crores
(i) Excise	410.35	226.62
(ii) Customs	13.88	13.86
(iii) Sales Tax	473.87	452.56
(iv) State Levies	161.78	99.32
(v) Suppliers and Service Contract	70.66	81.35
(vi) Labour Related	36.04	33.84
(vii) Income Tax	179.97	63.87
(viii) Others	564.96	404.14

**(c) Claim by a party arising out of conversion arrangement - Rs. 195.82 crores (31.03.2008 : Rs. 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of Rs. 139.65 crores (31.03.2008 : Rs. 139.65 crores) on the party. The matter is pending before the Calcutta High Court.**

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

- (d) The Excise Department has raised a demand of **Rs. 235.48** crores (31.03.2008 : Rs. 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.
- (e) The State Government of Orissa introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Orissa, challenging the validity of the Act. Orissa High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Orissa moved to Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The liability, if it materialises, as at 31.03.2009 would be **Rs. 1,041.67** crores (31.03.2008 : Rs. 588.78 crores).
- (f) The Industrial Tribunal, Ranchi has passed an award on 20.10.1998 with reference to an industrial dispute regarding permanent absorption of contract labourers engaged by the Company prior to 1981, directing the Company to absorb 658 erstwhile contract labourers w.e.f. 22.08.1990. A single bench of the Patna High Court has upheld this award. The Company challenged this award before the division bench of the Jharkhand High Court which has set aside the order of the single bench of Patna High Court as well as the Tribunal and remanded back the case to the Tribunal for fresh hearing on all issues in accordance with law. The Industrial Tribunal, Ranchi by its award dated 31.03.2006 pronounced on 13.06.2006, held that the contract workers were not engaged by the management of the Company in the permanent and regular nature of work before 11.02.1981 and they are not entitled to permanent employment under the principal employer. The Tata Workers Union has filed SLP against this award in the Supreme Court. The liability, if it materialises, would be to the tune of **Rs. 155.79** crores (31.03.2008 : Rs. 133.10 crores).
- (g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by TSL an option to sell 52,46,590 equity shares in TTSL to the SP, as part of a secondary sale of 25,31,63,941 equity shares effected along with a primary issue of 84,38,79,801 shares by TTSL to the SP. Accordingly, the company realised Rs. 60.91 crores on sale of these shares resulting in a profit of Rs. 49.77 crores. If certain performance parameters and other conditions are not met, should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above. Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of Rs. 78.75 crores. The exercise of the option by SP being contingent on several variables the liability, if any, is remote and indeterminable.
- (h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23.07.2002 passed by the Jharkhand High Court. However, the State Government demanded royalty on processed coal at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental royalty, paid under protest, during November 2008 to March 2009 of **Rs. 4.07** crores has been charged off to Profit and Loss Account. The incremental amount, if payable, for the period till October 2008 works out to **Rs. 232.57** crores (31.03.2008 : Nil) and has been considered as a contingent liability.
- (i) Uncalled liability on partly paid shares and debentures **Rs. 0.01** crore (31.03.2008 : Rs. 0.01 crore).
- (j) Bills discounted **Rs. 497.90** crores (31.03.2008 : Rs. 450.02 crores).
- (k) Cheques discounted : Amount indeterminate.

4. The Indian Steel and Wire Products Limited (ISWPL), a subsidiary, was declared a sick industrial company within the meaning of Section 3(i)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as 'SICA'). The Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme vide its Order dated 22nd October, 2003, 21st November, 2003 and 18th December, 2003 for rehabilitation of the ISWPL by takeover of its management by Tata Steel Limited.

The significant notes appearing in the accounts of The Indian Steel and Wire Products Limited are given below :

As per clause 6.12 (xiii) of BIFR order dated 21st November, 2003, all liabilities not disclosed in the audited balance sheet for the year ended 31st March, 2002 including notes on accounts as then would be the personal responsibility of the erstwhile promoters to discharge. In view of the above, the following liabilities, which were not disclosed in the said balance sheet including the notes on accounts, have not been provided for or recognised in the accounts for financial year 2004-05, 2005-06, 2006-07, 2007-08 as well as accounts for financial year 2008-09.

Particulars	Rs. crores
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)	2.99
The Sales Tax Assessment is pending from the year 1998-99 onwards.	
Additional liability, if any, for pending assessments has not been ascertained (Under Appeal)	4.77
Employee State Insurance demand (Under Appeal)	1.49
Gratuity for ex-employees	-
Leave liability for ex-employees	0.33
Labour court cases	0.01
Income tax demand (Under Appeal)	3.05
Railway dues	0.04
Power dues	6.21
Liability for loan for Learjet Aircraft purchase	1.49
Wealth tax	3.90
Liability for Security Services	0.32

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

The items indicated above are not exhaustive and any other liability, which may come to the notice of the present management also would be the personal liability of the erstwhile promoters.

5. The Company has given undertakings to (a) IDBI Bank Ltd. and IFCI not to dispose of its investment in Tinsplate Company of India Limited, (b) ICICI Bank Ltd. (formerly ICICI), IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation, (c) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (d) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (e) SBI, State Bank of Indore, State Bank of Hyderabad, State Bank of Patiala and WBIDC Ltd., not to dispose of its investment in Hooghly Met Coke and Power Co. Ltd., (f) State Bank of India not to dispose of its investment in Tata BlueScope Ltd. (g) Standard Chartered Bank and Hong Kong and Shanghai Banking Corporation, not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (h) Mizuho Corporate Bank Limited, not to dispose of its investments in Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long term debt), (i) IL&FS Trust Company Ltd. not to transfer, dispose off, assign, charge or lien or in any way encumber its holding in Taj Air Ltd., without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these nine companies remains outstanding.

The Company has furnished a Security Bond in respect of its immovable property to the extent of Rs. 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters' (i.e. L & T Infrastructure Development Projects Ltd. and Tata Steel Ltd.) combined investments in The Dhamra Port Company Ltd., (DPCL) representing 51% of DPCL's paid-up equity share capital are pledged with IDBI Trusteeship Services Ltd.

The Promoters' (i.e. The Tata Power Company Limited. and Tata Steel Ltd.) combined investments in Industrial Energy Limited., (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Corporation Limited (IDFC).

The Company has provided a financing commitment to the extent of £ 425 million to Tata Steel Europe Limited, an indirect wholly-owned subsidiary of the Company, to enable it to meet the financial covenants of the Senior Facilities Agreements with its Lenders.

6. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The state government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of Rs. 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is less. The scheme is yet to be formed and no contribution has been made till 31st March, 2009.
7. The Company had issued during 1992-93, 1,15,50,000 Secured Premium Notes (SPN) of Rs. 300 each aggregating to Rs. 346.50 crores with Warrants attached for subscribing to one ordinary share of Rs. 10 each per SPN at a premium of Rs. 70 per share. The warrant holders have exercised their option in respect of 1,11,61,201 Detachable Warrants. For the balance of 3,88,799 Detachable Warrants for which option has not been exercised, the option is deemed to have lapsed except in respect of approximately 12,446 Detachable Warrants applicable to matters which are in dispute and for which the option is deemed to be kept alive for the time being. In terms of issue of SPNs, they have been redeemed on 24.08.1999.
8. The company completed the restructuring of its foreign subsidiaries during the current year with Tata Steel Global Holdings Pte. Ltd. Singapore (TSGH) (a subsidiary of Tata Steel Ltd.) as the international holding company of the Tata Steel Group. Tata Steel Global Holdings holds investments of steel business of Europe and South East Asia and also the international raw materials assets of the group.
- Further as a part of the restructuring process the following transactions were also affected during the year:
- Shares of Tata Steel (Thailand) Public Company Ltd., previously held by Tata Steel Ltd. and NatSteel Asia Pte Ltd. (NSA Group) were transferred to Tata Steel Global Holdings Pte Ltd.
  - Shares of eight erstwhile subsidiaries of Tata Steel Europe Group namely Corus Asia Ltd., Corus South East Asia Pte. Ltd., Corus Holdings (Thailand) Ltd. and Corus Metal Thailand Ltd. were transferred to Corus International (Singapore) Holdings Pte. Ltd., a subsidiary of Tata Steel Global Holdings Pte. Ltd.
  - The steel business units of NatSteel Asia Pte. Ltd. (NSA Group) were transferred to NatSteel Holdings Pte. Ltd., (NSH Group), a subsidiary of Tata Steel Global Holdings Pte. Ltd.
9. The notes to accounts of Tata Korf Engineering Services Limited (TKES), a subsidiary, state that : The accumulated losses of the Company as at 31st March, 2009 exceed its paid up Share Capital. The Company has practically closed its operations. Pending the preparation of a scheme, the financial statements have been prepared on a "going concern" basis. The report of the auditors to the members of TKES contains an audit qualification on this account.
- Tata Korf Engineering Services Ltd. has a negative net worth as on 31.03.2009 of **Rs. 8.60** crores (31.03.2008 : Rs. 8.21 crores).
10. **Fixed Assets**
- Estimated amount of contracts remaining to be executed on Capital Account and not provided for : **Rs. 13,525.33** crores (31.03.2008 : Rs. 10,072.51 crores).
  - The Company has taken on lease Plant and Machinery, having an aggregate cost of **Rs. 3.79** crores (31.03.2008 : Rs. 3.79 crores). The element of the lease rental applicable to the cost of the assets has been charged to the Profit and Loss Account over the estimated life of the asset and financing cost has been allocated over the life of the lease on an appropriate basis. The total charge

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

to the Profit and Loss Account for the year is **Rs. 0.73 crore** (2007-08 : *Rs. 0.73 crore*). The break up of total minimal lease payments due as at 31st March, 2009 and their corresponding present value are as follows :

Period	As at 31.03.2009		As at 31.03.2008	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
	Not later than one year	0.46	0.42	0.72
Later than one year but not later than five years	—	—	0.48	0.40
Later than five years	—	—	—	—
<b>Total</b>	<b>0.46</b>	<b>0.42</b>	<b>1.20</b>	<b>1.06</b>

The break-up of total minimum lease payments for operating lease due as on 31st March, 2009, entered into by the company, its subsidiaries and joint ventures are as follows:

Period	As at 31.03.2009		As at 31.03.2008	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
	Not later than one year	1,225.02	898.23	898.23
Later than one year but not later than five years	3,101.24	2,313.64	2,313.64	2,313.64
Later than five years	1,271.37	1,724.82	1,724.82	1,724.82
<b>Total</b>	<b>5,597.63</b>	<b>4,936.69</b>	<b>4,936.69</b>	<b>4,936.69</b>

The total charge to the Profit and Loss Account for the year on account of operating lease is **Rs. 999.68** crores (2007-08: *Rs. 815.58 crores*).

The company, its subsidiaries and joint venture have taken certain leaseholds on finance lease, having an aggregate cost of **Rs. 1,596.84** crores (31.03.08: *1,729.84 crores*). The break up of total minimum lease payments for finance lease due as on 31st March, 2009 and their corresponding present values, are as follows :

Period	As at 31.03.2009		As at 31.03.2008	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
	Not later than one year	137.53	121.83	192.06
Later than one year but not later than five years	597.69	378.67	600.59	464.59
Later than five years	589.37	501.80	708.38	605.94
<b>Total</b>	<b>1,324.59</b>	<b>1,002.30</b>	<b>1,501.03</b>	<b>1,218.37</b>

**11. Profit and Loss Account**

- a) i) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including **Rs. 76.93** crores (31.03.2008 : *Rs. 57.31 crores*) in respect of schemes introduced during the year.
- ii) The amounts payable within one year under the ESS aggregates to **Rs. 203.37** crores (31.03.2008 : *Rs. 208.75 crores*).
- iii) The amount shown under Miscellaneous Expenditure on ESS account, represents the balance amount to be amortised over five years or the financial year ending 31st March, 2010, whichever is earlier.
- b) The manufacturing and other expenses shown in the profit and loss account include **Rs. 912.02** crores (2007-08 : *Rs. 617.91 crores*) in respect of Research and Development activities undertaken during the year.
- c) The company and its Indian subsidiaries and joint ventures have opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009.

As a result of this change in the accounting, the exchange difference of **Rs. 530.03** crores (net of tax) recognised in the Profit & Loss Account up to last financial year ended 31st March, 2008 relating to long term monetary items in foreign currency has been adjusted against opening revenue reserve. As on 31st March, 2009, **Rs. 471.66** crores remains to be amortised in the "Foreign Currency Monetary Items Translation Difference Account" after taking a charge of **Rs. 30.79** crores in the Profit and Loss Account and **Rs. 32.54** crores (net of deferred tax **Rs. 16.76** crores) adjusted against Securities Premium Account during the current financial year on account of amortisation. Consequently the depreciation for the year ended 31st March, 2009 is higher by **Rs. 2.04** crores and the profit after taxes, minority interest and share of profit of associates for the year ended 31st March, 2009 is higher by **Rs. 899.58** crores.

- d) The consolidated Profit and Loss Account includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 71% of the consolidated total income. The pension liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS). IFRS permits the impact of changes in the assets and liabilities, inter alia, due to assumption of variables like bond yield rates, inflation and demographic assumptions to be accounted for in "Reserves and Surplus". This practice is consistently followed by Tata Steel Europe Limited. The Indian Accounting Standard (AS-15) is different from the above and requires such changes to be accounted for in the Profit and Loss

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

Account. Given the large share of Tata Steel Europe Limited in the consolidated Profit and Loss Account of the company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the pension liabilities, it is not considered practicable to adopt a common accounting policy for accounting for the actuarial gains/losses in respect of the pension liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of **Rs. 5,496.58** crores (Net of tax) recognised in Tata Steel Europe Limited has been accounted in Reserves and Surplus in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – Consolidated Financial Statements. Had the Company followed the previous practice of recognising changes in actuarial valuations in respect of the pension plans of Tata Steel Europe Limited, in the Profit and Loss Account, the profit after taxes, minority interest and share of profit of associates would have been lower by **Rs. 5,496.58** crores.

12. The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements for the year ended 31st March, 2009 are given below :

	Rs. crores	
	Acquisition	Disposal
<b>FUNDS EMPLOYED</b>		
Share Capital	10.26	371.76
Reserves & Surplus	79.60	(55.83)
Secured Loans	85.71	1.78
Unsecured Loans	0.84	400.47
Deferred Tax Liability	–	15.94
Current Liabilities	41.82	386.75
Provisions	18.24	203.71
<b>APPLICATION OF FUNDS</b>		
Net Block (including CWIP)	141.92	93.70
Investment	4.16	–
Deferred Tax Asset	–	36.04
Current Assets	78.88	1,194.84
Loans & Advances	10.39	–
Miscellaneous Expenditure	1.12	–
<b>INCOME</b>		
Sales and other Operating Income	42.06	2,564.73
Other Income	(0.13)	–
<b>EXPENDITURE</b>		
Manufacturing and other Expenses	50.14	2,725.37
Depreciation	1.13	27.84
Expenditure Transferred to Capital	(2.32)	(4.89)
Net Finance Charges	1.24	12.71
Exceptional Items	–	389.10
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>(8.26)</b>	<b>(585.40)</b>

13. NatSteel Asia Pte. Ltd. and its subsidiaries (NSA Group) had an unquoted equity investment in an associate company, Southern Steel Berhad ("SSB"), which was transferred to NatSteel Holdings Pte. Ltd., (NSH Group) w.e.f. 1st August, 2008 in the business restructuring of the group. The investment in this associate company is stated in the financial statement at the carrying value of **S\$ 52,142,000** (31.03.2008 : S\$ 68,079,000). The carrying value is arrived at after accounting for share of results in SSB's loss after tax and minority interest, translation loss and dividend of **S\$ 6,345,000**, **S\$ 3,499,000** and **S\$ 5,923,000** respectively for the financial year ended 31st March, 2009. (31.03.2008 : profit after tax and minority interest S\$ 30,822,000, translation loss S\$ 1,314,000 and dividend S\$ 6,254,000). The figures used for equity accounting of SSB's results for the financial year from 1st April, 2008 to 31st March, 2009 used for the purpose of consolidation are unaudited and are prepared under the Financial Reporting Standards in Malaysia.

14. For the following companies unaudited Financial Statements have been considered for consolidation:  
 Corus International (Singapore) Holding Pte. Ltd., Corus Asia Limited, Corus Holdings (Thailand) Ltd., Corus International (Guangzhou) Ltd., Corus International (Shanghai) Ltd., Corus International Trading Limited, Corus Metals (Malaysia) Sdn. Bhd., Corus Metals (Thailand) Limited, Corus South East Asia Pte Limited, Easteel Services (M) Sdn. Bhd., Eastern Steel Fabricators Phillipines, Inc., Materials Recycling Pte. Ltd., NatSteel Equity IV Pte. Ltd., NatSteel Middle East FZE, NatSteel Trade International (Shanghai) Company Ltd., PT Materials Recycling Indonesia, Wuxi NatSteel Metal Products Co. Ltd., TRL Asia Pte. Ltd. and TRL China Ltd., Orchid Netherlands (No. 1) B.V. being subsidiaries.

mjunction services ltd. being a joint venture.

Almora Magnesite Ltd., Steel Asia Development and Management Corp., Steel Asia Industries Inc., Steel Asia Manufacturing Corp. and Southern Steel, Berhard being associates.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

15. In one subsidiary, in terms of the Licence Agreement dated 29.01.2002 with Board of Trustees for the Port of Kolkata, the subsidiary is required to invest in equipment and infrastructure as follows :

Sl. No.	Purpose of Investment	Phasing of Investment (Rs. crores)			
		Within 18 months	Within 24 months	Within 36 months	Total
1.	For Procurement of Equipment for ship to shore handling & vice versa and horizontal transfer of cargo	23.06	2.85	–	25.91
2.	Storage of cargo	–	1.74	1.20	2.94
3.	Office building, workshop etc.	–	0.75	0.25	1.00
4.	Utility Services	–	0.22	–	0.22
	<b>Total</b>	<b>23.06</b>	<b>5.56</b>	<b>1.45</b>	<b>30.07</b>

As at 31st March, 2009 the subsidiary's investments in equipments and infrastructure aggregate to **Rs. 25.80** crores (31.03.2008 : Rs. 25.80 crores). The management of the subsidiary company has requested the Port Trust Authorities for suitable modification to the investment obligation in view of the changes in the business and economic scenario. The Port Trust Authorities have, subject to sanction of Central Government approved the changes proposed by the subsidiary in the specifications of the equipments and other required infrastructure.

16. In respect of joint ventures the contingent liabilities and capital commitment are as follows :

Name of the Joint Venture Company	Country of Incorporation	Contingent Liabilities Rs. crores	Capital Commitment Rs. crores
Tata Ryerson Limited	India	<b>30.49</b> 30.40	<b>10.21</b> 18.10
mjunction services ltd.	India	<b>0.32</b> 0.29	– –
The Dhamra Port Company Limited	India	– –	<b>432.99</b> 518.20
Tata BlueScope Steel Limited	India	<b>13.36</b> 7.91	<b>172.37</b> 135.96
Tata NYK Shipping Pte. Ltd.	Singapore	– –	<b>439.44</b> –
Bhubaneshwar Power Private Ltd.	India	<b>1.00</b> –	– –
S & T Mining Company Private Ltd.	India	<b>0.25</b> –	– –

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**
**17. Employee Benefits**

- a) The Company has recognised, in the profit and loss account for the current year, an amount of **Rs. 237.50** crores (31.03.2008: Rs. 203.56 crores) as expenses under the following defined contribution plans :

	Rs. crores	
<b>Benefit Contribution to</b>	<b>2008-09</b>	<b>2007-08</b>
Provident Fund	<b>116.55</b>	96.49
Superannuation Fund	<b>32.67</b>	28.87
Employees Pension Scheme/Coal Mines Pension Scheme	<b>77.20</b>	69.07
TISCO Employees Pension Scheme	<b>10.98</b>	8.56
Employees State Insurance	<b>0.10</b>	0.57
<b>Total</b>	<b>237.50</b>	203.56

- b) The Company operates post retirement defined benefit plans as follows :

- a. Funded
  - i. Post Retirement Gratuity
  - ii. Post Retirement Pension Plan
- b. Unfunded
  - i. Post Retirement Medical Benefits
  - ii. Pensions to Directors
  - iii. Farewell Gifts
  - iv. Packing and Transportation Expenses

- c) Details of the Post Retirement Gratuity Plan are as follows:

	Rs. crores	
<b>Description</b>	<b>2008-09</b>	<b>2007-08</b>
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Obligation as at the beginning of the year	<b>814.42</b>	740.00
b. Current Service Cost	<b>40.49</b>	33.16
c. Interest Cost	<b>61.80</b>	56.92
d. Obligation of New Companies	<b>8.43</b>	1.96
e. Actuarial (Gain)/Loss	<b>284.23</b>	48.29
f. Exchange Rate Variation	<b>3.15</b>	(0.43)
g. Benefits Paid	<b>(79.56)</b>	(65.48)
h. Obligation as at the end of the year	<b>1,132.96</b>	814.42
The defined benefit obligation as at 31.03.2009 is funded except in the case of Hooghly Met Coke and Power Company Ltd., Tata BlueScope Steel Ltd., NatSteel Asia Pte. Ltd., NatSteel Holdings Pte. Ltd. and Lanka Special Steel Ltd.		
<b>2. Change in Plan Assets (Reconciliation of opening &amp; closing balances)</b>		
a. Fair Value of Plan Assets as at beginning of the year	<b>731.31</b>	663.13
b. Expected Return on Plan Assets	<b>59.67</b>	53.94
c. Assets of New Companies	<b>7.45</b>	0.96
d. Actuarial Gain/(Loss)	<b>33.62</b>	(5.82)
e. Employers' Contributions	<b>91.05</b>	84.58
f. Benefits Paid	<b>(77.98)</b>	(65.48)
g. Fair Value of Plan Assets as at end of the year	<b>845.12</b>	731.31
<b>3. Reconciliation of fair value of assets and obligations</b>		
a. Fair Value of Plan Assets as at end of the year	<b>845.12</b>	731.31
b. Present Value of Obligation as at end of the year	<b>1,132.96</b>	814.42
c. Amount recognised in the Balance Sheet :	<b>287.84</b>	83.11
- Provisions	<b>287.93</b>	83.18
- Loans and Advances	<b>(0.09)</b>	(0.07)
<b>4. Expense recognised in the period</b>		
a. Current Service Cost	<b>40.49</b>	33.16
b. Interest Cost	<b>61.80</b>	56.92
c. Expected Return on Plan Assets	<b>(59.67)</b>	(53.94)
d. Actuarial (Gain)/Loss	<b>250.61</b>	54.11
e. Exchange Rate Variation	<b>3.15</b>	(0.43)
f. Expense recognised during the year	<b>296.38</b>	89.82

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Description	Rs. crores	
	31.03.2009	31.03.2008
	<b>% invested</b>	<b>% invested</b>
<b>5. Investment Details</b>		
a. GOI Securities	15.00	16.00
b. Public Sector Unit Bonds	36.00	37.00
c. State/Central Government Guaranteed Securities	11.00	9.00
d. Special Deposit Schemes	12.00	27.00
e. Private Sector Unit Bonds	5.00	5.00
f. Others (including bank balances)	21.00	6.00
	<b>100.00</b>	<b>100.00</b>
<b>6. Assumptions</b>		
a. Discount Rate (per annum)	1.65-8.50%	8.00%
b. Estimated Rate of return on Plan Assets (per annum)	8-9.58%	8.00%
c. Rate of Escalation in Salary (per annum)	3.6-10%	3-12%
<b>7. Other Disclosures</b>		
a. Experience Adjustment on Plan Liabilities – Gain / (Loss)	(202.65)	30.68
b. Experience Adjustment on Plan Assets – Gain / (Loss)	33.62	(5.38)

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows:

The major portions of the assets are invested in PSU bonds and Special Deposits. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government bonds.

d) Details of Post Retirement Pension plans are as follows:

Description	Rs. crores	
	2008-09	2007-08
<b>1. Reconciliation of opening and closing balances of obligation</b>		
a. Obligation as at beginning of the year	1,06,330.88	–
b. Current Service Cost	1,106.62	1,451.10
c. Interest Cost	6,655.43	5,425.12
d. Obligation of New Companies	–	1,13,518.77
e. Actuarial (Gain)/Loss	(9,834.03)	(6,051.73)
f. Exchange Rate Variation	(4,341.28)	(2,958.28)
g. Services and Curtailments	(31.40)	–
h. Benefits Paid	(5,823.50)	(5,680.71)
i. Employee Contribution	604.33	577.14
j. Past Service Cost	54.94	49.47
k. Obligation as at end of the year	94,721.99	1,06,330.88
<b>2. Change in Plan Assets (Reconciliation of opening &amp; closing balances)</b>		
a. Fair Value of Plan Assets as at beginning of the year	1,17,619.62	–
b. Expected Return on Plan Assets	6,804.55	6,422.75
c. Actuarial Gain/(Loss)	(15,932.23)	(222.61)
d. Assets of New Companies	–	1,17,226.30
e. Contributions Employee	1,891.46	577.14
f. Contributions Employer	–	2,456.97
g. Benefits Paid	(5,862.74)	(5,705.45)
h. Exchange Rate Variation	(4,818.26)	(3,135.48)
i. Net Fair Value of Plan Assets as at end of the year	99,702.40	1,17,619.62
<b>3. Reconciliation of fair value of assets and obligations</b>		
a. Fair Value of Plan Assets as at end of the year	99,702.40	1,17,619.62
b. Present Value of Obligation as at end of the year	94,721.99	1,06,330.88
c. Amount recognised in the Balance Sheet – Assets	4,980.41	11,288.74
– Provisions	(509.84)	Nil
– Loans and Advances	5,490.25	11,288.74



**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**

	Rs. crores	
Description	2008-09	2007-08
<b>4. Expense recognised in the period</b>		
a. Current Service Cost	1,106.62	1,451.10
b. Interest Cost	6,655.43	5,425.12
c. Expected Return on Plan Assets	(6,804.55)	(6,422.75)
d. Actuarial (Gain)/Loss	6,098.20*	(5,829.12)
e. Past Service Cost	54.94	49.47
f. Exchange Rate Variation	–	–
g. Services and Curtailment	(31.40)	–
h. Expense recognised during the year	7,079.24	(5,326.18)
	<b>31.03.2009</b>	<b>31.03.2008</b>
<b>5. Investment Details</b>	<b>% invested</b>	<b>% invested</b>
a. Equities	23.00	25.00
b. Bonds	65.00	62.00
c. Property	8.00	7.00
d. Others (including Bank Balances)	4.00	6.00
	<b>100.00</b>	<b>100.00</b>
<b>6. Assumptions</b>		
a. Discount Rate (per annum)	3.9-7%	4.7-6.6%
b. Estimated Rate of return on Plan Assets (per annum)	3.5-9.10%	3.5-9.10%
c. Rate of Escalation in Salary (per annum)	2-4%	2.5-4.5%
<b>7. Other Disclosures</b>		
a. Experience Adjustment on Plan Liabilities – Gain/(Loss)	(2,150.46)	(923.42)
b. Experience Adjustment on Plan Assets – Gain/(Loss)	(15,908.68)	(222.61)

\* The amount has been accounted in Reserves and Surplus.

e) Details of unfunded Post Retirement defined benefit obligations are as follows:

	Rs. crores			
Description	2008-09		2007-08	
	Medical	Others	Medical	Others
<b>1. Reconciliation of opening and closing balances of obligation</b>				
a. Obligation as at beginning of the year	513.23	685.80	461.72	34.18
b. Current/Employer Service Cost	6.55	24.73	5.99	10.97
c. Interest Cost	39.91	34.72	36.73	60.43
d. Obligation of New Companies	2.82	1.50	–	656.28
e. Actuarial (Gain)/Loss	25.50	(2.20)	41.40	(72.04)
f. Past Service Cost	–	7.85	–	(16.11)
g. Exchange Rate Variation	–	(5.61)	–	38.49
h. Benefits Paid	(34.56)	(182.66)	(32.61)	(26.40)
i. Obligation as at end of the year	553.45	564.13	513.23	685.80
<b>2. Expense recognised in the period</b>				
a. Current/Employer Service Cost	6.55	24.73	5.99	10.97
b. Interest Cost	39.91	34.72	36.73	60.43
c. Past Service Cost	–	7.85	–	(16.11)
d. Exchange Rate Variation	–	(5.61)	–	38.49
e. Actuarial (Gain)/Loss	25.50	(2.20)	41.40	(72.04)
f. Expense recognised during the year	71.96	59.49	84.12	21.74
<b>3. Assumptions</b>				
a. Discount Rate (per annum) on beginning of the year	8.00%	4.40-8.00%	8.00%	4.20-8.00%
b. Discount Rate (per annum) on end of the year	7.75-8%	4.40-8.00%	8.00%	4.40-8.00%
c. Medical Costs Inflation Rate	5.00%	5.00%	5.00%	5.00%
d. Average Medical Cost (Rs./person) on beginning of the year	2,170.00		1,970.00	
e. Average Medical Cost (Rs./person) on end of the year	2,290.00		2,170.00	
f. Effect of a 1% change in (Health Care Cost)	Increase	Decrease	Increase	Decrease
– aggregate current service and Interest cost	5.51	(5.24)	6.85	(4.11)
– closing balance of obligation	75.48	(61.86)	54.63	(52.75)
<b>4. Other Disclosures</b>				
a. Experience Adjustment on Plan Liabilities – Gain/(Loss)	(9.02)	3.57	26.98	(7.05)
b. Experience Adjustment on Plan Assets – Gain/(Loss)	–	–	–	–

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

**18. Information about Primary Business Segments**

Particulars	Business Segments		Unallocable Rs. crores	Eliminations Rs. crores	Total Rs. crores
	Steel Rs. crores	Others Rs. crores			
<b>Revenue :</b>					
<b>Total External Sales</b>	<b>1,33,481.82</b>	<b>13,175.53</b>	<b>671.91</b>	<b>-</b>	<b>1,47,329.26</b>
	1,17,733.23	13,386.03	414.37	-	1,31,533.63
Inter segment sales	<b>15,902.76</b>	<b>3,329.68</b>	<b>941.81</b>	<b>(20,174.25)</b>	<b>-</b>
	16,916.65	2,442.90	676.08	(20,035.63)	-
<b>Total Revenue</b>	<b>1,49,384.58</b>	<b>16,505.21</b>	<b>1,613.72</b>	<b>(20,174.25)</b>	<b>1,47,329.26</b>
	1,34,649.88	15,828.93	1,090.45	(20,035.63)	1,31,533.63
<b>Segment Result before Interest, Exceptional Items and Tax</b>	<b>13,079.05</b>	<b>1,164.68</b>	<b>(242.75)</b>	<b>126.97</b>	<b>14,127.95</b>
	14,196.93	1,162.60	(1,198.90)	(39.29)	14,121.34
Less : Net Finance Charges (See Schedule 3, Page 234)					<b>3,290.18</b>
					4,085.41
Profit before exceptional items and tax					<b>10,837.77</b>
					10,035.93
<b>Exceptional items :</b>					
Contribution for Sports Infrastructure					-
					(150.00)
Exchange Gain/(Loss)					-
					578.29
Actuarial gain/(loss) on funds for employee benefits					-
					5,906.84
Restructuring, impairment and disposals (See Note 24, Page 271)					<b>(4,094.53)</b>
					-
<b>Profit before Tax</b>					<b>6,743.24</b>
					16,371.06
Taxes					<b>1,894.00</b>
					4,049.30
<b>Profit after Taxes</b>					<b>4,849.24</b>
					12,321.76
Segment Assets	<b>84,944.98</b>	<b>6,448.27</b>	<b>16,504.94</b>	<b>(8,444.05)</b>	<b>99,454.14</b>
	80,844.29	8,084.97	21,196.85	(6,436.69)	1,03,689.42
Segment Liabilities	<b>28,231.49</b>	<b>2,422.85</b>	<b>8,022.07</b>	<b>(8,425.40)</b>	<b>30,251.01</b>
	27,022.26	3,316.78	8,912.32	(6,432.61)	32,818.75
Total Cost incurred during the year to acquire segment assets	<b>7,301.08</b>	<b>823.22</b>	<b>313.94</b>	<b>(4.78)</b>	<b>8,433.46</b>
	7,025.45	1,175.08	230.86	(11.66)	8,419.73
Segment Depreciation	<b>3,965.58</b>	<b>189.93</b>	<b>109.88</b>	<b>-</b>	<b>4,265.39</b>
	3,638.49	259.36	239.10	-	4,136.95
Non-Cash Expenses other than depreciation	<b>379.40</b>	<b>7.31</b>	<b>318.98</b>	<b>-</b>	<b>705.69</b>
	396.56	75.17	57.99	-	529.72

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**
**Information about Secondary Segments : Geographical**

	<b>2008-09</b>	<i>2007-08</i>
	<b>Rs. crores</b>	<i>Rs. crores</i>
Revenue by Geographical Market		
India .....	<b>26,299.57</b>	<i>20,170.88</i>
Outside India.....	<b>1,21,029.69</b>	<i>1,11,362.75</i>
	<b>1,47,329.26</b>	<i>1,31,533.63</i>
Additions to Fixed Assets and Intangible Assets		
India .....	<b>3,723.56</b>	<i>3,252.16</i>
Outside India.....	<b>4,709.90</b>	<i>5,167.57</i>
	<b>8,433.46</b>	<i>8,419.73</i>
	<b>As at</b>	<i>As at</i>
	<b>31.03.2009</b>	<i>31.03.2008</i>
	<b>Rs. crores</b>	<i>Rs. crores</i>
Carrying Amount of Segment Assets		
India .....	<b>29,340.63</b>	<i>22,021.93</i>
Outside India.....	<b>70,113.51</b>	<i>81,667.49</i>
	<b>99,454.14</b>	<i>1,03,689.42</i>

**Notes :**

- (i) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel. Other business segments comprises of Tubes, Bearings, Refractories, Pigments, Port operations, town services and Investment activities.
- (ii) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

- (iii) Total Unallocable Assets exclude :

	<b>As at</b>	<i>As at</i>
	<b>31.03.2009</b>	<i>31.03.2008</i>
	<b>Rs. crores</b>	<i>Rs. crores</i>
Investments .....	<b>6,133.77</b>	<i>3,107.09</i>
Miscellaneous Expenditure .....	<b>105.48</b>	<i>155.63</i>
Goodwill on consolidation .....	<b>15,364.92</b>	<i>18,049.96</i>
Deferred Tax Asset.....	<b>76.12</b>	<i>10.26</i>
	<b>21,680.29</b>	<i>21,322.94</i>
Total Unallocable Liabilities exclude :		
Secured Loans.....	<b>34,329.26</b>	<i>35,414.99</i>
Unsecured Loans.....	<b>25,571.24</b>	<i>18,209.75</i>
Provision for Employee Separation Compensation .....	<b>1,042.41</b>	<i>1,080.05</i>
Deferred Tax Liability .....	<b>1,785.55</b>	<i>2,464.68</i>
Share Warrants issued by a subsidiary company.....	<b>17.46</b>	<i>17.46</i>
Minority Interest .....	<b>894.88</b>	<i>832.70</i>
	<b>63,640.80</b>	<i>58,019.63</i>

- (iv) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

**19. Related Party Disclosures**

**(a) List of Related Parties and Relationships**

Party	Relationship
<p>A. i) <b>Kalimati Investment Company Ltd.</b> 1. Rujvalika Investments Ltd.</p>	Associate – Where the Company exercises significant influence
<p>ii) <b>NatSteel Asia Pte. Ltd.</b> 1. Steel Asia Development and Management Corp. 2. Steel Asia Industries Inc. 3. Steel Asia Manufacturing Corp.</p>	
<p>iii) <b>Tata Incorporated</b> 1. TKM Overseas Ltd.</p>	
<p>iv) <b>Tata Refractories Ltd.</b> 1. Almora Magnesite Ltd.</p>	
<p>v) <b>Tata Steel Ltd.</b> 1. Indian Steel Rolling Mills Ltd. 2. Industrial Energy Ltd. 3. Jamipol Ltd. 4. Kalinga Aquatics Ltd. 5. Kumardhubi Fireclay &amp; Silica Works Ltd. 6. Kumardhubi Metal Casting &amp; Engineering Ltd. 7. Nicco Jubilee Park Ltd. 8. Tata Construction &amp; Projects Ltd. 9. Tata Sponge Iron Ltd. 10. Tayo Rolls Ltd.* 11. Tinplate Company of India Ltd. 12. TRF Ltd.</p>	
<p>vi) <b>Tata Steel Holdings Pte. Ltd.</b></p>	
<p>a) <b>Tata Steel Global Holdings Pte Ltd.</b></p>	
<p>I <b>Corus International (Singapore) Holding Pte. Ltd.</b> – European Profiles Malaysia (M) Sdn. Bhd.</p>	
<p>II <b>NatSteel Holdings Pte. Ltd.</b> – Southern Steel, Berhard</p>	
<p>III <b>Tata Steel Europe Ltd.</b></p>	
<p>1. Ab Norskstal AS 2. Albi Profils SRL 3. Altos Hornos De Mexico S.A. de C.V. 4. Antheus Magnesium B.V. * 5. Appleby Frodingham Cottage Trust Limited 6. Combulex B.V. 7. Cv Gasexpansie Ijmmond 8. Danieli Corus Canada Inc. 9. Danieli Corus Asia B.V. 10. Danieli Corus B.V. 11. Danieli Corus Braseq Ltda. 12. Danieli Corus Construction Services B.V. 13. Danieli Corus Construction Services Usa Inc. 14. Danieli Corus Do Brasil Ltda. 15. Danieli Corus Inc. 16. Danieli Corus Services Usa Inc. 17. Danieli Corus South Africa Pty. Ltd. 18. Danieli India (PVT) Ltd * 19. Endex European Energy Derivates Exchanges N.V. 20. European Profiles (Marketing) Sdn. Bhd. 21. Galvpro LP. 22. Gietwalsonderhoudcombinatie B.V. 23. Hoogovens Court Chrome Vof 24. Hoogovens Gan Multimedia S.A. De C.V. 25. Isolation Du Sud SA 26. Issb Limited 27. MDC Sublance Probe Technology * 28. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. 29. Richard Lees Steel Decking Asia Snd. Bhd. 30. Rsp Holding B.V. 31. Schreiner Fleischer AS 32. Shanghai Bao Yi Beverage Can Making Co. Ltd.</p>	

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Party	Relationship
33. Sms Mevac UK Limited 34. Stuwadoorsbedrijf Velserkom B.V. 35. Thoresen & Thorvaldsen AS 36. Trico LLC 37. Weirton/Hoogovens GP 38. Workington Cottage Trust 39. Wupperman Staal Nederland B.V. vii) <b>The Indian Steel and Wire Products Ltd.</b> 1. Metal Corporation of India Ltd.	
<b>B. i) Jamshedpur Utilities &amp; Services Company Ltd.</b> 1. Haldia Water Management Limited* ii) <b>Tata Steel Ltd.</b> 1. Bhubaneswar Power Pvt. Ltd.* 2. mjunction services ltd. 3. S & T Mining Company Pvt. Ltd.* 4. Tata Bluescope Steel Ltd. 5. Tata NYK Shipping Pte Ltd. 6. Tata Ryerson Ltd. 7. The Dhamra Port Company Ltd. iii) <b>Tata Steel Holdings Pte. Ltd.</b> a) <b>Tata Steel Global Holdings Pte Ltd</b> I <b>Tata Steel Europe Ltd.</b> 1. Afon Tinplate Company Limited 2. Air Products Llanwern Limited 3. B V Ijzerleew 4. Bsr Pipeline Services Limited 5. Caparo Merchant Bar Plc 6. Cindu Chemicals B.V. 7. Corus Celik Ticaret AS 8. Corus Cogifer Switches And Crossings Limited 9. Corus Kalpinis Simos Rom SRL 10. Tata Elastron SA 11. Danieli Corus Technical Services B.V. 12. Framing Solutions Plc. * 13. Grantrail Group Ltd. * 14. Hks Scrap Metals B.V. 15. Ijzerhandel Geertsema Staal B.V. 16. Industrial Rail Services Ijmond B.V. 17. Laura Metaal Holding B.V. 18. Norsk Stal AS 19. Norsk Stal Tynnplater AS 20. Ravenscraig Limited 21. Tata Elastron SA Steel Service Center 22. Texturing Technology Limited II <b>Tata Steel Global Minerals Holdings Pte. Ltd.</b> 1. Riversdale Energy (Mauritius) Ltd.	Joint Venture
<b>C. Tata Sons Ltd.</b>	Promoters' holding together with its Subsidiaries is more than 20%
<b>D. Key Management Personnel</b> Mr. B. Muthuraman	Whole Time Director
<b>E. Relatives of Key Management Personnel</b> Ms. Sumathi Muthuraman	Relative of Whole Time Director

\* Part of the year.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

**19. (b) Related Party Transactions**

Rs. crores

Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
<b>Purchase of Goods</b>					
Gietwalsonderhoudcombinatie B.V.	131.00 85.09	—	—	—	131.00 85.09
Wupperman Staal Nederland B.V.	109.20 98.49	—	—	—	109.20 98.49
BSR Pipeline Services Limited	71.07 41.92	—	—	—	71.07 41.92
Caparo Merchant Bar Plc	68.33 194.50	—	—	—	68.33 194.50
Jamipol Ltd.	61.04 50.79	—	—	—	61.04 50.79
Others	159.24 347.29	—	—	—	159.24 347.29
	599.88 818.08	—	—	—	599.88 818.08
<b>Sale of Goods</b>					
Southern Steel, Berhard	1,599.00 1,111.59	—	—	—	1,599.00 1,111.59
Tata Ryerson Ltd.	773.31 795.12	—	—	—	773.31 795.12
Wupperman Staal Nederland B.V.	612.53 489.33	—	—	—	612.53 489.33
Others	784.42 795.46	—	—	—	784.42 795.46
	3,769.26 3,191.50	—	—	—	3,769.26 3,191.50
<b>Receiving of Services</b>					
Tinplate Company of India Ltd.	358.63 222.73	—	—	—	358.63 222.73
Tata NYK Shipping Pte Ltd.	219.55 —	—	—	—	219.55 —
Tata Ryerson Ltd.	88.77 92.32	—	—	—	88.77 92.32
Others	23.74 20.60	0.02	0.02	53.83 0.69	77.57 21.33
	690.69 335.65	—	—	53.83 0.69	744.52 336.38
<b>Rendering of Services</b>					
Tinplate Company of India Ltd.	45.41 35.83	—	—	—	45.41 35.83
Tata Blue Scope Steel Ltd.	37.04 27.08	—	—	—	37.04 27.08
Others	19.56 11.03	—	—	0.24 0.14	19.80 11.17
	102.01 73.94	—	—	0.24 0.14	102.25 74.08
<b>Purchase of Fixed Assets</b>					
TRF Ltd.	17.10 43.25	—	—	—	17.10 43.25
Others	0.40 7.33	—	—	—	0.40 7.33
	17.50 50.58	—	—	—	17.50 50.58
<b>Dividend and Fraction Bonus amount paid to Shareholders</b>					
Tata Sons Ltd.	—	—	—	333.07	333.07
Others	—	*	**	260.81	260.81
	—	***	****	—	0.01
	—	*	**	333.07	333.08
	—	***	****	260.81	260.82
<b>Dividend income</b>					
Norsk Stal AS	38.46 28.22	—	—	—	38.46 28.22
Danieli Corus Technical Services B.V.	19.49 —	—	—	—	19.49 —
Southern Steel, Berhard	18.93 18.05	—	—	—	18.93 18.05
Others	56.74 65.16	—	—	—	56.74 65.16
	133.62 111.43	—	—	—	133.62 111.43

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**
**19. (b) Related Party Transactions**

Rs. crores					
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
<b>Interest Expense</b>					
Danieli Corus Technical Services B.V	2.17 3.05	- -	- -	- -	2.17 3.05
	2.17 3.05	- -	- -	- -	2.17 3.05
<b>Interest Income</b>					
Tinplate Company of India Ltd.	17.21 0.64	- -	- -	- -	17.21 0.64
Industrial Energy Ltd.	6.10 1.76	- -	- -	- -	6.10 1.76
Others	2.07 163.47	- -	- -	- -	2.07 163.47
	25.38 165.88	- -	- -	- -	25.38 165.88
<b>Management contracts including deputation of employees</b>					
Tata Sons Ltd.	- -	- -	- -	50.00 42.79	50.00 42.79
	- -	- -	- -	50.00 42.79	50.00 42.79
<b>Finance Provided</b>					
Tinplate Company of India Ltd.	110.00 70.00	- -	- -	- -	110.00 70.00
Tata NYK Shipping Pte Ltd.	87.84 21.01	- -	- -	- -	87.84 21.01
Industrial Energy Ltd.	130.53 86.15	- -	- -	- -	130.53 86.15
Others	72.28 90.00	- -	- -	- -	72.28 90.00
	400.65 267.16	- -	- -	- -	400.65 267.16
<b>Unsecured advances/Deposits accepted</b>					
Tinplate Company of India Ltd.	- 0.95	- -	- -	- -	- 0.95
	- 0.95	- -	- -	- -	- 0.95
<b>Remuneration Paid</b>					
Mr. B. Muthuraman	- -	5.07 3.66	- -	- -	5.07 3.66
Dr. T. Mukherjee (upto 31.10.2007)	- -	- 1.91	- -	- -	- 1.91
Mr. A. N. Singh (upto 30.09.2007)	- -	- 1.27	- -	- -	- 1.27
	- -	5.07 6.84	- -	- -	5.07 6.84
<b>Guarantees and collaterals given</b>					
Tinplate Company of India Ltd.	25.00 -	- -	- -	- -	25.00 -
	25.00 -	- -	- -	- -	25.00 -
<b>Guarantees outstanding</b>					
Others	- 25.00	- -	- -	- -	- 25.00
	- 25.00	- -	- -	- -	- 25.00

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

**19. (b) Related Party Transactions**

					Rs. crores
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
<b>Outstanding Receivables</b>					
Tinplate Company of India Ltd.	<b>191.18</b>	—	—	—	<b>191.18</b>
	115.48	—	—	—	115.48
Ravenscraig Limited	<b>158.90</b>	—	—	—	<b>158.90</b>
	164.32	—	—	—	164.32
Norsk Stal AS	<b>152.53</b>	—	—	—	<b>152.53</b>
	27.65	—	—	—	27.65
Others	<b>618.25</b>	—	—	<b>4.01</b>	<b>622.26</b>
	390.84	0.01	0.01	3.36	394.22
	<b>1,120.86</b>	—	—	<b>4.01</b>	<b>1,124.87</b>
	698.29	0.01	0.01	3.36	701.67
<b>Outstanding Payables</b>					
Tinplate Company of India Ltd.	<b>33.78</b>	—	—	—	<b>33.78</b>
	11.69	—	—	—	11.69
Tata Sons Ltd.	—	—	—	<b>55.68</b>	<b>55.68</b>
	—	—	—	46.95	46.95
Gietwalsonderhoudcombinatie B.V.	<b>19.67</b>	—	—	—	<b>19.67</b>
	19.77	—	—	—	19.77
Others	<b>61.54</b>	—	—	—	<b>61.54</b>
	152.61	—	—	—	152.61
	<b>114.99</b>	—	—	<b>55.68</b>	<b>170.67</b>
	184.07	—	—	46.95	231.02

Notes :  
 \* Rs. 43,389  
 \*\* Rs. 20,829  
 \*\*\* Rs. 33,883  
 \*\*\*\* Rs. 19,995

# Transactions with Joint Ventures have been disclosed at full value.



**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2008-09 :- continued**
**20. Earnings per Share (EPS)**

	<b>2008-09</b>	<i>2007-08</i>
	<b>Rs. crores</b>	<i>Rs. crores</i>
(i) Profit after Tax and Minority Interest .....	<b>4,950.90</b>	<i>12,349.98</i>
Less: Preference dividend including tax thereon .....	<b>128.05</b>	<i>25.96</i>
Profit attributable to ordinary shareholders .....	<b>4,822.85</b>	<i>12,324.02</i>
Profit attributable to ordinary shareholders – for Diluted EPS.....	<b>5,213.74</b>	<i>12,305.26</i>
	<b>Nos.</b>	<i>Nos.</i>
(ii) Weighted Average No. of Ordinary Shares for Basic EPS.....	<b>72,99,13,379</b>	<i>69,70,12,514</i>
Add : Adjustment for <b>8,750</b> (2007-08: 8,750) Convertible Alternative Reference Securities .....	<b>6,27,16,057</b>	<i>3,59,84,623</i>
Adjustment for Options relating to <b>12,446</b> (2007-08: 12,446)		
Detachable Warrants (See Note 7, Page 256).....	<b>7,613</b>	<i>11,010</i>
Adjustment for <b>54,72,66,011</b> (2007-08: 54,72,51,605) Cumulative Convertible Preference Shares .....	<b>9,12,08,752</b>	<i>2,36,74,364</i>
Weighted Average No. of Ordinary Shares for Diluted EPS .....	<b>88,38,45,801</b>	<i>75,66,82,511</i>
	<b>Rs. 10.00</b>	<i>Rs. 10.00</i>
(iii) Nominal Value of Ordinary Shares.....	<b>Rs. 66.07</b>	<i>Rs. 176.81</i>
(iv) Basic Earnings per Ordinary Share.....	<b>Rs. 58.99</b>	<i>Rs. 162.62</i>
(v) Diluted Earnings per Ordinary Share .....		

**21. Deferred Tax Liability (Net)**

	Deferred Tax (Asset)/Liability as at	
	<b>31-03-2009</b>	<i>31-03-2008</i>
	<b>Rs. crores</b>	<i>Rs. crores</i>
<b>Deferred Tax Liabilities</b>		
(i) Difference between book and tax depreciation.....	<b>3,067.17</b>	<i>2,783.86</i>
(ii) Prepaid expenses .....	<b>32.56</b>	<i>38.53</i>
(iii) Actuarial Gain / (Loss) .....	<b>1,281.65</b>	<i>2,759.96</i>
(iv) Others.....	<b>1,037.21</b>	<i>847.77</i>
	<b>(A)</b>	<i>(A)</i>
	<b>5,418.59</b>	<i>6,430.12</i>
<b>Deferred Tax Assets</b>		
(i) Employee Separation Compensation .....	<b>(504.87)</b>	<i>(503.87)</i>
(ii) Wage Provision .....	<b>(70.19)</b>	<i>(65.28)</i>
(iii) Provision for doubtful debts and advances.....	<b>(38.95)</b>	<i>(35.23)</i>
(iv) Disallowance under Section 43B .....	<b>(172.40)</b>	<i>(117.64)</i>
(v) Provision for Leave Salary.....	<b>(149.73)</b>	<i>(140.62)</i>
(vi) Provision for Employee Benefits.....	<b>(78.24)</b>	<i>(77.46)</i>
(vii) Differences in written down value of development of property .....	<b>(66.48)</b>	<i>(13.39)</i>
(viii) Other Provisions .....	<b>(2,328.62)</b>	<i>(2,743.69)</i>
(ix) Redemption premium on CARS (See Note 23, Page 270) .....	<b>(299.68)</b>	<i>(278.52)</i>
	<b>(B)</b>	<i>(B)</i>
	<b>(3,709.16)</b>	<i>(3,975.70)</i>
<b>Deferred Tax Liability (Net)</b>	<b>(A+B)</b>	<i>(A+B)</i>
	<b>1,709.43</b>	<i>2,454.42</i>

22. Figures pertaining to the subsidiary companies and joint ventures have been reclassified wherever necessary to bring them in line with the Company's financial statements.

23. The Company raised Rs. 3,578.75 crores (US \$ 875 million) through the issue of Foreign Currency Convertible Alternative Reference Securities ("CARS") during FY 2007-08. The CARS will be convertible into either qualifying securities (which may be in the form of depository receipts with restricted rights of withdrawal representing underlying ordinary shares with differential rights as to voting) or ordinary shares only between 4th September, 2011 to 6th August, 2012 and are redeemable in foreign currency only in September, 2012, if not converted into equity. The CARS will be convertible at a conversion price of Rs. 758.10 per share as adjusted for the rights issue. The CARS carry a coupon rate of 1% p.a. The outstanding CARS, if any, at maturity will be redeemable at a premium of 23.34% of the principal amount, with an effective YTM of 5.15%.

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**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES  
FOR THE FINANCIAL YEAR 2008-09 :- continued**

Premium payable on redemption and the expenses related to the issue of CARS are adjusted against the Securities Premium Account. Changes to premium payable on account of exchange fluctuation is transferred to "Foreign Currency Monetary Items Translation Difference Account" in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009. Such exchange fluctuation on the premium payable is amortised over the balance period of CARS but not beyond 31st March, 2011, by adjusting the same to Securities Premium Account. Accordingly, an amount of **Rs. 32.54** crores (net of deferred tax **Rs. 16.76** crores) has been amortised and adjusted against Securities Premium Account during the current financial year. During 2007-08, Rs. 10.51 crores (net of deferred tax Rs. 5.41 crores) being the gain on revaluation of the premium payable was adjusted against the Securities Premium Account. Fees to Mandated Lead Arrangers for revision in certain terms and conditions of standby letter of credit in the issue of CARS has been considered as issue expenses based on a legal opinion. The issue expenses of **Rs. 229.74** crores (*2007-08: Rs. 111.86 crores*) has been adjusted to Securities Premium Account.

24. Restructuring, impairment and disposals included in exceptional items relate to disposal/impairment of assets and restructuring arising out of the 'Fit for the Future' programme at Tata Steel Europe Limited.
25. Previous year's figures have been recast/restated wherever necessary.
26. Figures in italics are in respect of the previous year.

## Consolidated Financial Ratios

	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
1. EBIDTA/Turnover	<b>12.55%</b>	13.90%	30.73%	32.23%	39.35%	31.19%	23.79%	15.85%
2. PBT/Turnover	<b>7.43%</b>	7.65%	25.09%	27.20%	34.08%	24.27%	14.10%	3.04%
3. Return on Avg. Capital Employed	<b>15.57%</b>	21.13%	23.31%	39.47%	48.31%	27.71%	16.12%	6.32%
4. Return on Avg. Net Worth	<b>16.18%</b>	50.96%	34.16%	43.57%	62.02%	45.96%	35.60%	7.68%
5. Asset Turnover	<b>128.54%</b>	108.27%	76.65%	120.89%	107.44%	100.15%	79.18%	65.43%
6. Inventory Turnover (in days)	<b>56.00</b>	37.00	46.00	45.00	42.00	40.00	45.00	55.00
7. Debtors Turnover (in days)	<b>39.00</b>	28.00	21.00	23.00	24.00	30.00	47.00	63.00
8. Gross Block to Net Block	<b>2.39</b>	2.51	1.65	1.67	1.65	1.70	1.65	1.57
9. Net Debt to Equity	<b>1.65</b>	1.99	0.84	0.06	0.22	0.42	1.14	1.82
10. Current Ratio	<b>1.78</b>	1.87	2.45	1.35	1.11	1.07	1.39	1.63
11. Interest Cover ratio	<b>4.32</b>	3.46	16.38	35.21	28.52	21.89	5.09	1.56
12. Networth per share (post CCPS conversion)	<b>330.70</b>	472.27	223.35	181.53	128.95	81.52	89.23	68.16
13. Earnings per share	<b>66.07</b>	176.81	64.66	67.62	65.27	32.40	28.00	5.17
14. Dividend Payout	<b>30.00%</b>	11.00%	26.00%	22.00%	23.00%	23.00%	32.00%	78.00%
15. P/E Ratio	<b>3.12</b>	3.92	6.95	7.93	6.14	11.84	4.78	18.89

1. EBIDTA/Turnover : Earnings Before Interest Depreciation Tax and Exceptional Items/Turnover.  
(EBIDTA : PAT after minority & share of associates + Taxes +(-) Exceptional Items + Net Finance Charges + Depreciation).  
(Turnover : Sales & Other Operating Income less Excise Duty).
2. PBT/Turnover : Profit Before Tax/Turnover.  
( PAT after minority & share of associates + Taxes +(-) Exceptional Items).
3. Return on Average Capital Employed : EBIT/Average Capital Employed.  
(Capital Employed : Total Funds Employed – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff Account)).  
(EBIT : PAT after minority & share of associates + Taxes +(-) Exceptional Items + Net Finance Charges).
4. Return on Average Net Worth : PAT after minority & share of associates/Average Net Worth.  
(Net Worth : Equity Share Capital + Preference Share Capital + Reserves & Surplus – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff Account).
5. Asset Turnover : Net Sales/(Total Assets - Investments - Misc Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff Account - Advance Against Equity + Current Liabilities & Provisions).
6. Inventory Turnover : Average Inventory/Sale of Products in days.
7. Debtors Turnover : Average Debtors/Turnover in days.
8. Gross Block to Net Block : Gross Block/Net Block.
9. Net Debt to Equity : Net Debt/Avg. Net Worth.  
(Net Debt :Secured Loan+Unsecured loan -Cash & Bank - Current Investments).
10. Current Ratio : Current Assets (excluding advance against equity)/Current Liabilities.
11. Interest Cover Ratio : Earnings Before Interest and Tax/Net Finance Charges.
12. Net Worth per share : Net Worth/Average Number of Equity Shares (post CCPS conversion).
13. Earnings per share(Basic) : Profit attributable to Ordinary Shareholders/Weighted average number of ordinary shares.
14. Dividend Payout : Dividend/PAT after minority & share of associates.
15. P/E Ratio : Market Price/Earnings per share (Basic).