

Foreign Exchange earnings and outgo:

a. Export performance

1. Activities relating to exports:

Tata Steel exported products such as H R Coils, Ferro Chrome, Wires to the USA, European Union, Middle East, Thailand, Vietnam, Korea, Iraq, Jordan, Qatar, Afghanistan and to SAARC countries in the Financial Year 2013-14. The Company exported H R Coils to customers in neighbouring markets, Middle East, Thailand, and South Africa to enhance utilisation of TSCR (Thin Slab Caster) products. The Long Products Division continued to strengthen its presence in markets of strategic importance, predominantly the SAARC countries. Wires Division registered a 45% year on year growth in Financial Year 2013-14 and increased its enquiry to order turn around ratio from 7% last year to 14% this year. Ferro Alloys Minerals Division was recognised as a “Star Performer in Ferro Alloys in 2012-13” in the Financial Year 2013-14 by Engineering Export Promotion Council (EEPC India).

2. Initiatives taken to increase exports during the Financial Year 2013-14:

- **Steel Products:** Tata Steel increased its share of business with key customers in neighbouring markets by 50% and also exported products to countries in SE Asia, Middle East and South Africa.
- **Wires:** The Division obtained approval for supplies of PC Strand wires to select markets in the Gulf and also developed NatSteel Holdings, Singapore as a channel partner for sales to the construction segment in Singapore and Malaysia. Wires Division strengthened its presence in the construction segment in the Middle East, which is a market of strategic importance and of interest to the Company. There has been a three-fold increase in sale of wires for this segment.

- **Ferro Alloys and Minerals:** Trials were undertaken at NatSteel and TSTH for use of a new product- Silico Manganese 50 grade, a Manganese alloy. In Ferro Alloys, DDU (Delivered Duty Unpaid) service was established at Korea, with 10,738 MT being sold to POSCO SS through this mode. New customers were also acquired in Korea and Japan.

3. Development of new export markets for products and services:

- **Flat Products:** During the Financial Year 2013-14, the Company developed several new customers in countries including Thailand, South Africa, Bangladesh and Sri Lanka. Approximately 20% of total export sales came from these new customers.
- **Wires:** The Company developed 15 new customers this year, with supplies being affected for the first time, contributing ~ 23% to total sales. The Company also entered into new markets in the EU and Canada for sales of GI Wires.
- **Ferro Alloys and Minerals:** The Division established DDU (Delivered Duty Unpaid) service in Korea, achieving 10,738 MT sales through this mode. The Company entered into a Long Term contract with M/s Nucor in US for sale of Ferro Chrome. The Division reported its highest ever export of Silico Manganese at 46,700 MT.

4. Export plans:

- **Flat Products:** Going forward in Financial Year 2014-15, export of Flat Products – approximately 180k tonnes primarily of H.R. Coils and 98k tonnes of CR coils are planned to be sold to SAARC countries, South East Asia, Middle East and South Africa.
- **Long Products:** In the near term the Company intends to maintain a presence with some key relationship customers in the SAARC region.

- **Wires:** In Financial Year 2014-15, the Division will further develop existing markets and seek product approvals from new customers and new geographies.
 - **Ferro Alloys and Minerals:** The Division plans to develop more customers in Japan & Korea and to increase tonnage under long-term contracts for Ferro Chrome. In Manganese alloys, it will also drive development of end users for the Silico Manganese 50 grade and remain a dominant supplier to in-house customers in South East Asia.
- b. Total foreign exchange used and earned**
- This has been covered as a part of the notes to the financial statements in this Annual Report.