NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material. Production stripping costs are accounted for as inventories to the extent the benefit from production stripping activity is realised in the form of inventories.

The Group recognises a stripping activity asset in the production phase if, and only if, all of the following are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the Group
- the Group can identify the component of the ore body for which access has been improved and
- the costs relating to the improved access to that component can be measured reliably.

Such costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

(r) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Cash and bank balances

Cash and bank balances consists of:

(i) **Cash and cash equivalents** - which include cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

(ii) **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group in respect of equity investments (other than associates and joint arrangements) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the consolidated statement of profit and loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Group recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated statement of profit and loss.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments and hedge accounting

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange base metal prices and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, forward rate agreements, cross currency swaps, interest rate swaps and collar. The consolidated instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/ firm contractual commitments. These derivatives contracts do not generally extend beyond six months, except for certain currency swaps and interest rate derivatives.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

The Group adopts hedge accounting for forward, interest rate and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the consolidated statement of profit and loss.

When hedge accounting is applied:

- for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the consolidated statement of profit and loss and compensated for the effective portion of symmetrical changes in the fair value of the derivatives
- for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in equity and the ineffective portion is taken to the consolidated statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised

NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the consolidated statement of profit and loss in the same period in which the hedged item affects the consolidated statement of profit and loss.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the consolidated statement of profit and loss as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated statement of profit and loss for the period.

(s) Employee benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the consolidated balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

(t) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spare parts are carried at lower of cost and net realisable value.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

(u) Provisions

Provisions are recognised in the consolidated balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions where:

(a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and

(b) as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

(v) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract

NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(w) Government grants

Government grants related to expenditure on property, plant and equipment are credited to the consolidated statement of profit and loss over the useful lives of qualifying assets or other systematic basis representative of the pattern of fulfilment of obligations associated with the grant received. Total grants received less the amounts credited to the consolidated statement of profit and loss at the reporting date are included in the consolidated balance sheet as deferred income.

(x) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Group must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the consolidated statement of profit and loss, with all prior periods being presented on this basis.

(y) Income taxes

Tax expense for the year comprises of current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and they are in the same taxable entity, or a Group of taxable entities where the tax losses of one entity are used to offset the taxable profits of another and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the consolidated statement of profit and loss, except when they relate to items credited or debited either

NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Consolidated balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(z) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured either at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Commission income

Commission income is recognised when the services are rendered.

(aa) Foreign currency transactions and translation

The consolidated financial statements of the Group are presented in (₹), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the consolidated financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Group has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind As 101-"First time adoption of Indian Accounting Standard" are recognised directly in equity or added/deducted to/from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the consolidated statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the consolidated statement of profit and loss for the period.

For the purpose of presenting financial statements, the assets and liabilities of the Company's foreign operations are expressed in ₹ using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Company are reclassified to the consolidated statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate

NOTES forming part of the consolidated financial statements

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

(ab) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the consolidated statement of profit or loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

3. PROPERTY, PLANT AND EQUIPMENT

[Item No. I(a), Page 252]

(₹ crore)

	Land including roads	Buildings	Plant and Machinery	Furniture, Fixtures and Office Equipments (FFOE)	Vehicles	Leased FFOE and Vehicles	Railway Sidings	Total
Cost/Deemed cost as at April 1, 2016	16,499.12	11,057.73	73,865.03	414.35	335.35	0.33	756.84	1,02,928.75
Additions	299.98	977.74	25,780.03	157.13	26.80	0.38	609.28	27,851.34
Disposals	(20.26)	(130.22)	(1,013.11)	(4.43)	(8.91)	-	-	(1,176.93)
Disposal of group undertakings	(15.77)	(290.07)	(1,576.92)	(3.14)	(1.22)	-	-	(1,887.12)
Re-classified as held for sale	-	-	(457.29)	-	-	-	-	(457.29)
Other re-classifications	8.02	0.14	44.83	3.00	-	-	-	55.99
Exchange differences on consolidation	(225.66)	(474.25)	(3,180.80)	(23.48)	(0.34)	(0.02)	(16.59)	(3,921.14)
Cost /Deemed cost as at March 31, 2017	**16,545.43**	**11,141.07**	**93,461.77**	**543.43**	**351.68**	**0.69**	**1,349.53**	**1,23,393.60**
Accumulated Impairment as at April 1, 2016	302.36	250.67	2,323.42	3.91	0.40	-	18.13	2,898.89
Charge for the year	10.16	22.21	245.82	(0.10)	(0.09)	-	-	278.00
Disposals	-	(0.01)	(47.51)	-	-	-	-	(47.52)
Re-classified as held for sale	-	-	(255.12)	-	-	-	-	(255.12)
Other re-classifications	(0.78)	(0.02)	(55.97)	-	-	-	-	(56.77)
Exchange differences on consolidation	(38.29)	(23.12)	(230.18)	(0.14)	(0.05)	-	(2.70)	(294.48)
Accumulated impairment as at March 31, 2017	**273.45**	**249.73**	**1,980.46**	**3.67**	**0.26**	**-**	**15.43**	**2,523.00**
Accumulated Depreciation as at April 1, 2016	289.34	3,828.48	28,831.82	266.29	143.25	0.05	101.39	33,460.62
Charge for the year	108.39	432.02	4,698.62	91.55	34.07	0.26	51.24	5,416.15
Disposals	-	(83.59)	(849.83)	(4.03)	(6.50)	-	-	(943.95)
Disposal of group undertakings	-	(158.18)	(1,122.48)	(0.04)	-	-	-	(1,280.70)
Re-classified as held for sale	-	-	(102.72)	-	-	-	-	(102.72)
Other re-classifications	(0.02)	(2.17)	29.97	(3.07)	(0.02)	-	-	24.69
Exchange differences on consolidation	(0.17)	(318.42)	(2,239.45)	(18.12)	0.05	(0.02)	(7.95)	(2,584.08)
Accumulated depreciation as at March 31, 2017	**397.54**	**3,698.14**	**29,245.93**	**332.58**	**170.85**	**0.29**	**144.68**	**33,990.01**
Net carrying value as at April 1, 2016	15,907.42	6,978.58	42,709.79	144.15	191.70	0.28	637.32	66,569.24
Net carrying value as at March 31, 2017	**15,874.44**	**7,193.20**	**62,235.38**	**207.18**	**180.57**	**0.40**	**1,189.42**	**86,880.59**

NOTES forming part of the consolidated financial statements

3. PROPERTY, PLANT & EQUIPMENT (CONTD.)

[Item No. I(a), Page 252]

(₹ crore)

	Land including roads	Buildings	Plant and Machinery	Furniture, Fixtures and Office Equipments (FFOE)	Vehicles	Leased FFOE and Vehicles	Railway Sidings	Total
Cost/Deemed cost as at April 1, 2015	16,151.73	10,247.30	68,583.15	387.39	307.02	0.17	699.66	96,376.42
Additions	163.61	451.56	3,077.50	44.45	34.04	0.15	38.35	3,809.66
Disposals	(15.04)	(80.75)	(913.26)	(13.38)	(10.00)	-	-	(1,032.43)
Re-classified as held for sale	-	-	21.77	-	-	-	-	21.77
Other re-classifications	(17.45)	(26.87)	111.35	9.37	3.20	-	1.79	81.39
Exchange differences on consolidation	216.27	466.49	2,984.52	(13.48)	1.09	0.01	17.04	3,671.94
Cost/Deemed cost as at March 31, 2016	**16,499.12**	**11,057.73**	**73,865.03**	**414.35**	**335.35**	**0.33**	**756.84**	**1,02,928.75**
Accumulated Impairment as at April 1, 2015	285.85	222.10	1,861.65	0.87	0.23	-	17.61	2,388.31
Charge for the year	4.50	8.44	314.01	3.66	1.18	-	-	331.79
Disposals	-	(0.32)	(0.94)	(0.30)	(1.02)	-	-	(2.58)
Other re-classifications	-	(0.04)	117.67	(0.53)	-	-	-	117.10
Exchange differences on consolidation	12.01	20.49	31.03	0.21	0.01	-	0.52	64.27
Accumulated impairment as at March 31, 2016	**302.36**	**250.67**	**2,323.42**	**3.91**	**0.40**	**-**	**18.13**	**2,898.89**
Accumulated Depreciation as at April 1, 2015	234.10	3,089.31	23,119.42	230.39	118.29	-	47.05	26,838.56
Charge for the year	55.18	491.57	4,540.02	65.20	31.35	0.05	51.07	5,234.44
Disposals	-	(41.42)	(809.10)	(10.52)	(6.88)	-	-	(867.92)
Re-classified as held for sale	-	-	0.72	-	-	-	-	0.72
Other re-classifications	-	1.09	1.04	0.48	0.06	-	-	2.67
Exchange differences on consolidation	0.06	287.93	1,979.72	(19.26)	0.43	-	3.27	2,257.15
Accumulated depreciation as at March 31, 2016	**289.34**	**3,828.48**	**28,831.82**	**266.29**	**143.25**	**0.05**	**101.39**	**33,460.62**
Net carrying value as at April 1, 2015	15,631.78	6,935.89	43,602.08	156.13	188.50	0.17	635.00	67,149.55
Net carrying value as at March 31, 2016	**15,907.42**	**6,978.58**	**42,709.79**	**144.15**	**191.70**	**0.28**	**637.32**	**66,569.24**

(i) The net carrying value of land comprises of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Leasehold land			
Cost/Deemed cost	26.84	46.49	43.30
Accumulated depreciation and impairment losses	1.22	1.02	0.07
	25.62	**45.47**	**43.23**
Freehold land	15,848.82	15,861.95	15,588.55
	15,874.44	**15,907.42**	**15,631.78**

NOTES forming part of the consolidated financial statements

3. PROPERTY, PLANT & EQUIPMENT (CONTD.)

[Item No. I(a), Page 252]

(ii) The net carrying value of building comprises of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Leasehold building			
Cost/Deemed cost	359.11	445.68	381.90
Accumulated depreciation and impairment losses	175.92	167.69	124.99
	183.19	**277.99**	**256.91**
Freehold building	7,010.01	6,700.59	6,678.98
	7,193.20	**6,978.58**	**6,935.89**

(iii) The net carrying value of plant and machinery comprises of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April1, 2015
Assets held under finance leases			
Cost/Deemed cost	4,286.06	3,619.98	3,399.17
Accumulated depreciation and impairment losses	2,066.55	2,025.94	1,895.58
	2,219.51	**1,594.04**	**1,503.59**
Owned assets	**60,015.87**	**41,115.75**	**42,098.49**
	62,235.38	**42,709.79**	**43,602.08**

(iv) The net carrying value of furniture, fixtures and office equipments comprises of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Furniture and fixtures			
Cost/Deemed cost	142.38	140.72	154.93
Accumulated depreciation and impairment losses	101.88	90.39	95.56
	40.50	**50.33**	**59.37**
Office equipments			
Cost/Deemed cost	401.05	273.63	232.46
Accumulated depreciation and impairment losses	234.37	179.81	135.70
	166.68	**93.82**	**96.76**
	207.18	**144.15**	**156.13**

(v) ₹**284.22** crore (2015-16: ₹1,283.35 crore) of borrowing costs has been capitalised during the year on qualifying assets. The capitalisation rate ranges between **0.34% to 9.50%** (2015-16: 0.18% to 9.50%).

(vi) Rupee liability has increased by ₹**136.22** crore (2015-16: ₹110.63 crore) arising out of realignment of the value of long-term foreign currency loans and liabilities for procurement of property, plant and equipment. This increase has been adjusted against the carrying cost of assets and has been depreciated over their remaining useful life. The depreciation for the current year is higher by ₹**3.60** crore (2015-16: ₹6.90 crore) on account of this adjustment.

NOTES forming part of the consolidated financial statements

3. PROPERTY, PLANT & EQUIPMENT (CONTD.)

[Item No. I(a), Page 252]

(vii) With effect from April 1, 2016, the Company and some of its subsidiaries have revised the useful life of certain items of property, plant and equipment based on technical evaluation on assessment of the physical condition of the underlying assets and benchmarking with peers across the industry. Had there been no change in the useful life of assets, depreciation for the year would have been higher by ₹**653.44** crore.

(viii) During the year, the Group recognised an impairment charge of ₹**503.46** crore (2015-16:1,909.74 crore) against property, plant and equipment (including CWIP). The impairments were primarily contained in the European, South-east Asian and mining businesses.

Within the European business, consistent with annual test for impairment of goodwill as at March 31, 2017, property, plant and equipment (including CWIP) were also tested for impairment as at that date where indicators of impairment existed. The outcome of the test indicated that the value in use of certain CGU's within the European business against which the property, plant and equipment (including CWIP) is included, using a discount rate of **7.80%** (2015-16: 7.40%) was lower than its carrying value due to a significant detoriation of trading conditions, which are expected to remain weak over the medium term. Accordingly, an impairment charge of ₹**410.87** crore (2015-16: ₹ 438.55 crore) was recognised which was contained in the following units : Strip Products MLE ₹**79.04** crore (2015-16: ₹ Nil crore), Longs UK ₹**35.13** crore (2015-16: ₹ 323.57 crore), Speciality and bar business ₹**122.95** crore (2015-16: ₹ 24.02 crore), Packaging ₹ **79.04** crore (2015-16: ₹ 17.65 crore), tubes ₹**17.56** (2015-16: ₹11.77 crore) and other smaller UK downstream business ₹**77.15** crore (2015-16: ₹ 61.54 crore).

Out of the total impairment recognised during the year, ₹**148.37** crore has been included within exceptional items with the balance being primarily included in profit and loss from discontinued operations.

Within the South East Asian business, impairment charge of ₹**90.52** crore (2015-16: Nil) was recognised during the year which primarily relates to the Thailand operations. The impairment relates to assets, which are not under operations and where the carrying value exceeded the recoverable value based on fair of such assets. The fair value is based on interests expressed by potential unrelated buyer for such assets. The impairment recognised has been included within exceptional items in the consolidated statement of profit and loss.

During the year ended March 31, 2016, significant volatility in commodity prices triggered an impairment assessment for mining operations carried out by the Group. This resulted in an impairment of ₹1,306.54 crore being recognised for mining operations carried out by the Group in Canada. The recoverable value was based on value in use using cash flow projections for 16 years and a discount rate of 8.30%. The impairment recognised has been included within exceptional items in the consolidated statement of profit and loss.

The balance impairment charge for the year ended March 31, 2017 amounting to ₹**2.07** crore (2015-16: ₹164.65 crore) relates to other small businesses within the Group.

The Group has conducted sensitivity analysis on the impairment tests of the carrying value of the Group's CGUs and property, plant and equipment. The directors believe that no reasonably possible change in any of the key assumptions used in the value in use calculations would cause the carrying value of property, plant and equipment in any CGU to materially exceed its value in use.

(ix) The details of property, plant and equipment pledged against borrowings are presented in Note 22, Page 300.

NOTES forming part of the consolidated financial statements

4. LEASES

The Group has taken land, buildings, plant and machinery under operating and finance leases. The following is the summary of future minimum lease rental payments under non-cancellable operating leases and finance leases entered into by the Group:

A. Operating leases:

Significant leasing arrangements include lease of land for periods ranging between 12 to 99 years with renewal option, lease of office spaces, assets dedicated for use under long term arrangements, and time charter hire vessels with lease period varying from 2 to 7 years. Payments under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets, executory services and for output based on the underlying contractual terms and conditions. Any change in the allocation assumptions may have an impact on lease assessment and/or lease classification. Payments linked to changes in inflation index under lease arrangements have been considered as contingent rent and recognised in the consolidated statement of profit and loss as and when incurred.

Future minimum rentals payable under non-cancellable operating leases are as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not later than one year	673.50	920.36	954.25
Later than one year but not later than five years	1,479.80	2,980.52	3,052.59
Later than five years	2,589.76	2,424.88	2,798.17
	4,743.06	**6,325.76**	**6,805.01**

During the year ended March 31, 2017, total operating lease rental recognised in the consolidated statement of profit and loss was ₹**949.62**crore, (2015-16: ₹964.69 crore) including contingent rent of ₹**37.07** crore (2015-16: ₹37.24 crore).

NOTES forming part of the consolidated financial statements

4. LEASES (CONTD.)

B. Finance leases:

Significant leasing arrangements include assets dedicated for use under long term arrangements. The arrangements covers a substantial part of the economic life of the underlying asset and contain a renewal option on expiry. Payments under long term arrangements involving use of dedicated assets are allocated between those relating to the right to use of assets, executory services and for output based on the underlying contractual terms and conditions. Any change in the allocation assumptions may have an impact on lease assessment and/or lease classification.

The minimum lease payments and the present value of minimum lease payments in respect of arrangements classified as finance leases are as below:

(₹ crore)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments	Minimum Lease payments	Present value of minimum lease payments
Not later than one year	592.56	218.27	555.42	242.54	515.00	203.26
Later than one year but not later than five years	2,019.93	758.36	1,788.86	754.79	1,704.83	660.60
Later than five years	4,739.86	2,068.83	3,945.33	1,742.87	4,148.49	1,769.86
Total future minimum lease commitments	**7,352.35**	**3,045.46**	**6,289.61**	**2,740.20**	**6,368.32**	**2,633.72**
Less: future finance charges	4,306.89		3,549.41		3,734.60	
Present value of minimum lease payments	**3,045.46**		**2,740.20**		**2,633.72**	
Disclosed as:						
Non-current borrowings (Refer Note 22, Page 300)	2,826.83		2,513.62		2,438.62	
Other financial liabilities - Current (Refer Note 23, Page 303)	218.63		226.58		195.10	
	3,045.46		**2,740.20**		**2,633.72**	

5. GOODWILL ON CONSOLIDATION

[Item No. I(c) Page 252]

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Cost as at beginning of the year	5,529.07	5,380.28
Exchange differences on consolidation	(788.77)	148.79
Cost as at end of the year	**4,740.30**	**5,529.07**
Impairment as at beginning of year	1,461.51	1,419.43
Exchange differences on consolidation	(215.94)	42.08
Impairment as at end of the year	**1,245.57**	**1,461.51**
Net carrying value as at beginning of the year	**4,067.56**	**3,960.85**
Net carrying value as at end of the year	**3,494.73**	**4,067.56**

NOTES forming part of the consolidated financial statements

5. GOODWILL ON CONSOLIDATION (CONTD.)

[Item No. I(c) Page 252]

The carrying value predominantly relates to the goodwill that arose on the acquisition of erstwhile Corus Group Plc. and has been tested against the recoverable amount of Strip Products Mainland Europe cash generating unit (CGU) by the Tata Steel Europe, a wholly owned subsidiary of the Tata Steel Group. This goodwill relates to expected synergies from combining Corus' activities with those of the Group and to assets, which could not be recognised as separately identifiable intangible assets. The goodwill is tested annually for impairment more frequently if there are any indications that the goodwill may be impaired.

The recoverable amount of Strip Products Mainland Europe CGU has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which cover a period of three years and future projections taking the analysis out to 15 years. Key assumptions for the value in use calculation are those regarding expected changes to selling prices and raw material costs, EU steel demand, exchange rates and a discount rate of **7.8%** (March 31, 2016: 7.4%, April 1, 2015: 8.0%). Changes in selling prices, raw material costs, exchange rates and EU steel demand are based on expectations of future changes in the steel market based on external market sources. A nil growth rate is used to extrapolate the cash flow projections beyond the three-year period of the financial budgets to 15 years The pre-tax discount rate is derived from the Tata Steel Europe (TSE) weighted average cost of capital (WACC) and the WACCs of its main European steel competitors. The outcome of the Group's goodwill impairment test as at March 31, 2017 for the Strip Products Mainland Europe CGU resulted in no impairment of goodwill (March 31, 2016: Nil).

The directors believe that no reasonably possible change in any of the key assumptions used in the value in use calculation would cause the carrying value of the CGU to materially exceed its value in use.

6. OTHER INTANGIBLE ASSETS

[Item No. I(d), Page 252]

(₹ crore)

	Patents and Trademarks	Development costs	Software costs	Mining assets	Other intangible assets	Total
Cost/Deemed cost as at April 1, 2016	9.27	488.08	314.85	2,204.28	2,634.23	5,650.71
Additions	0.08	35.23	141.81	800.46	1.22	978.80
Disposals	-	(257.13)	(14.56)	-	(2,346.10)	(2,617.79)
Disposal of group undertakings	(0.40)	(0.68)	(5.12)	-	-	(6.20)
Other re-classifications	-	-	(1.78)	(609.35)	-	(611.13)
Exchange differences on consolidation	1.21	(26.28)	(9.91)	4.06	(195.41)	(226.33)
Cost/Deemed cost as at March 31, 2017	**10.16**	**239.22**	**425.29**	**2,399.45**	**93.94**	**3,168.06**
Accumulated impairment as at April 1, 2016	-	-	0.50	124.45	1,401.79	1,526.74
Charge for the year	-	-	0.20	1.13	-	1.33
Disposals	-	-	-	-	(1,265.72)	(1,265.72)
Other re-classifications	-	-	(0.21)	-	-	(0.21)
Exchange differences on consolidation	-	-	(0.07)	(3.01)	(105.42)	(108.50)
Accumulated impairment as at March 31, 2017	**-**	**-**	**0.42**	**122.57**	**30.65**	**153.64**
Accumulated amortisation as at April 1, 2016	5.97	390.73	213.24	758.55	1,192.52	2,561.01
Charge for the year	0.71	45.43	47.40	188.31	4.56	286.41
Disposals	-	(257.13)	(14.52)	-	(1,080.39)	(1,352.04)
Disposal of group undertakings	(0.40)	(0.68)	(1.66)	-	-	(2.74)
Other re-classifications	-	-	(1.47)	-	-	(1.47)
Exchange differences on consolidation	1.43	(19.06)	(1.63)	1.26	(89.98)	(107.98)
Accumulated amortisation as at March 31, 2017	**7.71**	**159.29**	**241.36**	**948.12**	**26.71**	**1,383.19**
Net carrying value as at April 1, 2016	3.30	97.35	101.11	1,321.28	39.92	1,562.96
Net carrying value as at March 31, 2017	**2.45**	**79.93**	**183.51**	**1,328.76**	**36.58**	**1,631.23**

NOTES forming part of the consolidated financial statements

6. OTHER INTANGIBLE ASSETS (CONTD.)

[Item No. I(d), Page 252]

(₹ crore)

	Patents and Trademarks	Development costs	Software costs	Mining assets	Other intangible assets	Total
Cost/Deemed cost as at April 1, 2015	4.99	397.03	275.70	3,440.28	2,558.80	6,676.80
Additions	0.06	42.60	35.27	1,482.37	0.03	1,560.33
Disposals	(0.19)	-	(8.75)	(6.46)	-	(15.40)
Other re-classifications	-	-	0.48	(2,779.02)	2.74	(2,775.80)
Exchange differences on consolidation	4.41	48.45	12.15	67.11	72.66	204.78
Cost/Deemed cost as at March 31, 2016	**9.27**	**488.08**	**314.85**	**2,204.28**	**2,634.23**	**5,650.71**
Accumulated impairment as at April 1, 2015	-	-	0.02	-	1,364.38	1,364.40
Charge for the year	-	-	0.50	126.07	-	126.57
Reversals during the year	-	-	(0.01)	-	(1.79)	(1.80)
Exchange differences on consolidation	-	-	(0.01)	(1.62)	39.20	37.57
Accumulated impairment as at March 31, 2016	**-**	**-**	**0.50**	**124.45**	**1,401.79**	**1,526.74**
Accumulated amortisation as at April 1, 2015	1.45	307.25	179.91	683.85	1,152.78	2,325.24
Additions through business combinations	-	-	-	-	-	-
Charge for the period	0.49	45.37	34.09	78.31	6.29	164.55
Disposals	-	-	(8.68)	(2.68)	-	(11.36)
Exchange differences on consolidation	4.03	38.11	7.92	(0.93)	33.45	82.58
Accumulated amortisation as at March 31, 2016	**5.97**	**390.73**	**213.24**	**758.55**	**1,192.52**	**2,561.01**
Net carrying value as at April 1, 2015	3.54	89.78	95.77	2,756.43	41.64	2,987.16
Net carrying value as at March 31, 2016	**3.30**	**97.35**	**101.11**	**1,321.28**	**39.92**	**1,562.96**

(i) Mining assets represent expenditure incurred in relation to acquisition of mines, mine development expenditure post establishment of technical and commercial feasibility and restoration obligations as per applicable regulations.

(ii) During the year, the Group recognised an impairment charge of ₹ **1.13** crore (2015-16: ₹ 35.92 crore) which was contained within India operations and related to expenditures incurred in connection with mines which are not being currently operated by the Group.

During the year ended March 31, 2016 significant volatility in commodity prices triggered an impairment assessment for mining operations carried out by the Group. This resulted in an impairment of ₹ **90.15** crore being recognised for mining operations carried out by the Group in Canada. The details of key assumptions used for impairment assessment are included in Note 3, Page 271.

NOTES forming part of the consolidated financial statements

7. EQUITY ACCOUNTED INVESTMENTS

[Item No. I(f), Page 252]

(a) Associates:

(i) The Group has no material associates as at March 31, 2017. The aggregate summarised financial information in respect of the Group's immaterial associates that are accounted for using the equity method is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carrying value of the Group's interest in associates*	**231.62**	**220.74**	**225.48**

	Year ended March 31, 2017	Year ended March 31, 2016
Group's share of profit/(loss) in associates*	44.00	11.49
Group's share of other comprehensive income in associates	(5.02)	(0.30)
Group's share of total comprehensive income in associates	**38.98**	**11.19**

(ii) Fair value of investments in equity accounted associates for which published price quotation is available, which is a level 1 input, was ₹**130.35** crore (March 31, 2016: ₹136.30 crore and April 1, 2015: ₹167.23 crore). The carrying value of such investments is **Nil** (March 31, 2016: Nil; April 1, 2015: ₹22.71 crore) as the Group's share in net assets of such associates exceeds the cost of investments made.

(iii) Share of unrecognised loss in respect of equity accounted associates amounted to ₹**105.17** crore for the year ended March 31, 2017 (2015-16: ₹59.53 crore). Cumulative shares of unrecognised losses in respect of equity accounted associates as at March 31, 2017 amounted to ₹**209.08** crore. (March 31, 2016: ₹108.84 crore; April 1, 2015: ₹45.96 crore)

(iv) The Group did not recognise any impairment in respect of its equity accounted associates during the current year as well as in previous year.

(b) Joint ventures:

(i) The Company holds 51% of the total equity share capital and voting rights in T M International Logistics Limited, Jamshedpur Continuous Annealing and Processing Company Private Limited and T M Mining Company Limited. The decisions in respect of activities which significantly affect the risks and rewards of these respective entities, however require an unanimous consent of all the shareholders. These entities have therefore been accounted for as joint ventures.

(ii) The Group has no material joint ventures as at March 31, 2017. The aggregate summarised financial information in respect of the Group's immaterial joint ventures that are accounted for using the equity method is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carrying value of the Group's interest in joint ventures*	**1,362.06**	**1,399.67**	**1,494.13**

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Group's share of profit/(loss) in joint ventures*	(36.35)	(121.91)
Group's share of other comprehensive income in joint ventures	6.22	27.71
Group's share of total comprehensive income in joint ventures	**(30.13)**	**(94.20)**

(iii) Share of unrecognised losses in respect of equity accounted joint ventures amounted to ₹**26.12** crore for the year ended March 31, 2017 (2015-16: ₹288.63 crore). Cumulative shares of unrecognised losses in respect of equity accounted joint ventures as at March 31, 2017 amounted to ₹**974.32** crore. (March 31, 2016: ₹1,309.89 crore; April 1, 2015: ₹962.65 crore).

(iv) The Group did not recognise any impairment in respect of its equity accounted joint ventures during the current year as well as in previous year.

NOTES forming part of the consolidated financial statements

7. EQUITY ACCOUNTED INVESTMENTS (CONTD.)

[Item No. I(f), Page 252]

(c) Summary of carrying value of the Group's interest in equity accounted investees:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carrying value in immaterial associates	231.62	220.74	225.48
Carrying value in immaterial joint ventures	1,362.06	1,399.67	1,494.13
	1,593.68	**1,620.41**	**1,719.61**

(d) Summary of Group's share of profit/(loss) in equity accounted investees:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Share of profit/(loss) in immaterial associates	44.00	11.49
Share of profit/(loss) in immaterial joint ventures	(36.35)	(121.91)
	7.65	**(110.42)**

(e) Summary of Group's share of other comprehensive income in equity accounted investees:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Share of other comprehensive income in immaterial associates	(5.02)	(0.30)
Share of other comprehensive income of immaterial joint venture	6.22	27.72
	1.20	**27.42**

* Group's share of net assets and profit/(loss) of equity accounted investees has been determined after giving effect for subsequent amortisation/depreciation and other adjustments arising on account of fair value adjustments made to the identifiable net assets of the equity accounted investee as at the date of acquisition and other adjustments (e.g. unrealised profits on inventories), arising under the equity method of accounting.

NOTES forming part of the consolidated financial statements

8. INVESTMENTS

[Item No. I(g)(i) and II(b)(i), Page 252]

(A) NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	**Investment carried at amortised cost:**			
	Investments in Government or Trust securities	0.02	0.02	0.02
	Investments in Bonds and Debentures	49.91	34.16	0.20
		49.93	**34.18**	**0.22**
(b)	**Investments carried at fair value through other comprehensive income:**			
	Investments in Equity shares	4,858.82	4,015.45	10,770.14
		4,858.82	**4,015.45**	**10,770.14**
(c)	**Investments carried at fair value through the consolidated statement of profit and loss:**			
	Investments in Bonds and Debentures	244.72	345.43	361.41
	Investments in Equity shares	36.84	34.69	27.00
		281.56	**380.12**	**388.41**
		5,190.31	**4,429.75**	**11,158.77**

(B) CURRENT

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investments carried at fair value through the consolidated statement of profit and loss:			
Investments in mutual funds	5,673.13	4,663.55	1,214.60
	5,673.13	**4,663.55**	**1,214.60**

(i) The carrying value and market value of quoted and unquoted investments is as follows:

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	**Quoted**			
	Carrying value	4,735.28	3,989.50	10,692.48
	Market value	4,735.28	3,989.50	10,692.48
(b)	**Unquoted#**			
	Carrying value	6,128.16	5,103.80	1,680.89

Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

NOTES forming part of the consolidated financial statements

9. LOANS

[Item No. I(g)(ii) and II(b)(v), Page 252]

A. NON-CURRENT

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Security deposits			
Unsecured, considered good	197.25	188.51	124.16
Unsecured, considered doubtful	1.31	1.42	1.75
Less: Allowance for credit losses	1.31	1.42	1.75
	197.25	**188.51**	**124.16**
(b) Loans to related parties			
Unsecured, considered good	13.53	15.29	8.78
Unsecured, considered doubtful	168.78	198.28	190.76
Less: Allowance for credit losses	168.78	198.28	190.76
	13.53	**15.29**	**8.78**
(c) Other loans			
Unsecured, considered good	162.28	208.43	157.15
Unsecured, considered doubtful	1,201.47	83.72	80.53
Less: Allowance for credit losses	1,201.47	83.72	80.53
	162.28	**208.43**	**157.15**
	373.06	**412.23**	**290.09**

B. CURRENT

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Security deposits			
Unsecured, considered good	34.77	27.84	33.59
Unsecured, considered doubtful	0.23	-	-
Less: Allowance for credit losses	0.23	-	-
	34.77	**27.84**	**33.59**
(b) Loans to related parties			
Unsecured, considered good	-	-	62.29
Unsecured, considered doubtful	778.83	795.62	711.61
Less: Allowance for credit losses	778.83	795.62	711.61
	-	**-**	**62.29**
(c) Other loans			
Unsecured, considered good	189.73	179.58	119.64
Unsecured, considered doubtful	2.07	2.00	2.00
Less: Allowance for credit losses	2.07	2.00	2.00
	189.73	**179.58**	**119.64**
	224.50	**207.42**	**215.52**

(i) Non-current security deposits include deposit with Tata Sons ₹**1.25** crore (March 31, 2016: ₹1.25 crore; April 1, 2015: ₹1.25 crore).

(ii) Non-current loans to related parties represent loans given to joint ventures ₹**172.76** crore (March 31, 2016: ₹202.35; April 1, 2015: ₹194.14 crore) and associates ₹**9.55** crore (March 31, 2016: ₹11.22; April 1, 2015: ₹5.40 crore).

(iii) Current loans to related parties represent loans given to joint ventures ₹**778.83** crore (March 31, 2016: ₹795.62; April 1, 2015: ₹ 711.61 crore) and associates **Nil** (March 31, 2016: Nil; April 1, 2015: ₹62.29 crore).

(iv) There are no outstanding debts from directors or other officers of the Company.

NOTES forming part of the consolidated financial statements

10. OTHER FINANCIAL ASSETS

[Item No. I(g)(iv) and II(b)(vii), Page 252]

A. NON-CURRENT

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Interest accrued on deposits, loans and advances			
Unsecured, considered good	2.43	2.79	6.74
Unsecured, considered doubtful	0.27	0.27	-
Less: Allowance for credit losses	0.27	0.27	-
	2.43	**2.79**	**6.74**
(b) Earmarked balances with bank	**40.87**	**36.14**	**41.46**
(c) Other balances with banks	**12.67**	**2.11**	**1.04**
(d) Other financial assets			
Unsecured, considered good	29.61	-	21.27
Unsecured, considered doubtful	117.42	-	37.50
Less: Allowance for credit losses	117.42	-	37.50
	29.61	**-**	**21.27**
	85.58	**41.04**	**70.51**

B. CURRENT

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Interest accrued on deposits and loans			
Unsecured, considered good	60.57	18.05	26.53
Unsecured, considered doubtful	107.70	75.54	26.74
Less: Allowance for credit losses	107.70	75.54	26.74
	60.57	**18.05**	**26.53**
(b) Other financial assets			
Unsecured, considered good	327.25	223.25	325.14
	327.25	**223.25**	**325.14**
	387.82	**241.30**	**351.67**

(i) Earmarked balances with bank represent fixed deposits placed as security with government bodies and margin money against issue of bank guarantees.

(ii) Other balances with banks, represent bank deposits not due for realisation within 12 months from the balance sheet date.

(iii) Non-current other financial assets include:

(a) advance against equity for purchase of shares in joint ventures **Nil** (March 31, 2016: Nil; April 1, 2015: ₹21.27 crore).

(b) advance for repurchase of equity shares in Tata Teleservices Limited (TTSL) from NTT Docomo Inc, ₹**144.07** crore (March 31, 2016: Nil; April 1, 2015: Nil).

(iv) Current other financial assets include amount receivable from post-employment benefit fund ₹**247.04** crore (March 31, 2016: ₹97.61 crore; April 1, 2015: ₹154.34 crore) on account of retirement benefit obligations paid by the Group.

NOTES forming part of the consolidated financial statements

11. RETIREMENT BENEFIT ASSETS AND OBLIGATIONS

[Item No. I(h), V(c) and VI(c) Pages 252 and 253]

(I) RETIREMENT BENEFIT ASSETS

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Pension	1,752.14	11,476.77	1,330.50
(b)	Retiring gratuities	0.50	0.67	0.13
		1,752.64	**11,477.44**	**1,330.63**

(II) RETIREMENT BENEFIT OBLIGATIONS

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Pension	1,005.03	1,500.29	1,562.91
(b)	Retiring gratuities	233.05	179.50	575.84
(c)	Post-retirement medical benefits	1,201.83	1,043.51	1,018.59
(d)	Other defined benefits	226.36	206.18	196.03
		2,666.27	**2,929.48**	**3,353.37**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Pension	26.43	40.95	47.74
(b)	Retiring gratuities	3.29	-	-
(c)	Post-retirement medical benefits	54.80	53.98	48.59
(d)	Other defined benefits	10.68	16.15	13.98
		95.20	**111.08**	**110.31**

(i) Detailed disclosure in respect post retirement defined benefit schemes is provided in Note 38, Page 312.

NOTES forming part of the consolidated financial statements

12. INCOME TAXES

[Item No. I(j) and V(e), Pages 252 and 253]

A. INCOME TAX EXPENSES/(BENEFITS)

The Company is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Company is liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

Companies can claim for tax exemptions/deductions under specific section subject to fulfilment of prescribed conditions as may be applicable. The effective tax rate of the Company was lower as a result of tax deduction claimed by the Company on account of investment allowance on capital expenditure, expenditure on research and development etc.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Apart from India, the major tax jurisdiction of the Group include Singapore, Thailand, United Kingdom and Netherlands. The number of years that are subject to tax assessments varies depending on tax jurisdiction.

The reconciliation of estimated income tax to income tax expense is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Profit/(loss) before tax	**2,473.63**	**2,732.75**
Income tax expense at applicable tax rates applicable to individual entities	**469.36**	**(1,518.60)**
(a) Tax on income at different rates	(32.01)	(2.29)
(b) Additional tax benefit for capital investment including research & development expenditures	(131.65)	(66.75)
(c) Items not deductible/income exempt from tax	1,292.55	2,686.45
(d) Undistributed earning of subsidiaries, joint ventures and equity accounted investees	8.26	5.35
(e) Deferred tax assets not recognised because realisation is not probable	1,774.16	884.18
(f) Adjustments to current tax in respect of prior periods	(11.86)	(29.07)
(g) Utilisation/credit of unrecognised tax losses unabsorbed depreciation and other tax benefits	(590.80)	(1,269.31)
Tax expense as reported	**2,778.01**	**689.96**

NOTES forming part of the consolidated financial statements

12. INCOME TAXES (CONTD.)

[Item No. I(j) and V(e), Pages 252 and 253]

B. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Components of deferred tax assets and liabilities as at March 31, 2017 is as below:

(₹ crore)

	Balance as at April 1, 2016	Recognised/ (reversed in profit or loss	Recognised in Other comprehensive Income	Recognised in equity	Disposal of group undertakings	Other reclassifications	Exchange differences on consolidation	Balance as at March 31, 2017
Deferred tax assets / (liabilities)								
Tax-loss carry forwards	2,477.63	(1,290.76)	-	-	-	0.24	(177.91)	1,009.20
Provisions	1,670.47	513.19	-	-	-	(3.39)	(28.47)	2,151.80
MAT credit entitlement	275.81	1,243.92	-	-	-	(6.43)	-	1,513.30
Others	22.37	52.15	(0.25)	-	-	-	(0.90)	73.37
	4,446.28	**518.50**	**(0.25)**	**-**	**-**	**(9.58)**	**(207.28)**	**4,747.67**
Deferred tax liabilities / (assets)								
Property plant and equipment	10,771.67	2,386.98	-	(10.84)	-	-	34.96	13,182.77
Intangible assets	28.12	29.01	-	-	-	-	8.61	65.74
Retirement benefit assets/ liabilities	1,808.61	(848.36)	(703.84)	-	15.51	-	(181.52)	90.40
Trade and other receivables	501.29	165.06	0.46	-	-	-	(83.11)	583.70
Others	130.03	(177.88)	13.82	-	5.31	7.77	(9.78)	(30.73)
	13,239.72	**1,554.81**	**(689.56)**	**(10.84)**	**20.82**	**7.77**	**(230.84)**	**13,891.88**
Net Deferred tax assets/ (liabilities)	**(8,793.44)**	**(1,036.31)**	**689.31**	**10.84**	**(20.82)**	**(17.35)**	**23.56**	**(9,144.21)**
Disclosed as :								
Deferred tax assets	**627.45**							**885.87**
Deferred tax liabilities	**9,420.89**							**10,030.08**
	(8,793.44)							**(9,144.21)**

NOTES forming part of the consolidated financial statements

12. INCOME TAXES (CONTD.)

[Item No. I(j) and V(e), Pages 252 and 253]

Components of deferred tax assets and liabilities as at March 31, 2016 is as below:

(₹ crore)

	Balance as at April 1, 2015	Recognised/ (reversed in profit or loss	Recognised in Other comprehensive Income	Recognised in equity	Disposal of group undertakings	Other reclassifications	Exchange differences on consolidation	Balance as at March 31, 2016
Deferred tax assets / (liabilities)								
Tax-loss carry forwards	1,618.94	772.01	-	-	-	(32.94)	119.62	2,477.63
Retirement benefit assets/ liabilities	6.29	(1,530.90)	(337.71)	-	-	-	53.71	(1,808.61)
Provisions	1,317.24	406.17	-	-	-	(56.78)	3.84	1,670.47
MAT credit entitlement	117.21	152.17	-	-	-	6.43	-	275.81
Others	22.10	(6.62)	(0.32)	-	-	-	-	15.16
	3,081.78	**(207.17)**	**(338.03)**	**-**	**-**	**(83.29)**	**177.17**	**2,630.46**
Deferred tax liabilities / (assets)								
Property plant and equipment	11,504.33	(795.92)	-	(15.89)	-	(0.47)	79.62	10,771.67
Intangible assets	81.67	(55.95)	-	-	3.13	-	(0.73)	28.12
Trade and other receivables	364.05	128.34	-	-	-	-	8.90	501.29
Others	257.24	(114.70)	(77.01)	-	(3.13)	25.59	34.83	122.82
	12,207.29	**(838.23)**	**(77.01)**	**(15.89)**	**-**	**25.12**	**122.62**	**11,423.90**
Net Deferred tax assets/ (liabilities)	**(9,125.51)**	**631.06**	**(261.02)**	**15.89**	**-**	**(108.41)**	**54.55**	**(8,793.44)**
Disclosed as :								
Deferred tax assets	**812.20**							**627.45**
Deferred tax liabilities	**9,937.71**							**9,420.89**
	(9,125.51)							**(8,793.44)**

(b) Deferred tax assets have not been recognised in respect of tax losses of ₹**48,041.91** crore (March 31, 2016: ₹56,541.95 crore; April 1, 2015: ₹50,811.34 crore) as its recovery is not considered probable in the foreseable future. These losses primarily relate to the Group's European operations.

(c) Unrecognised tax losses in respect of which deferred tax asset have not been recognised expire unutilised based on the year of origination as below:

(₹ crore)

	As at March 31, 2017
Not later than one year	66.21
Later than one year but less than five years	5,424.09
Later than five years but less than ten years	2,837.78
Later than ten years but less than twenty years	30.61
No expiry	39,683.22
	48,041.91

(d) Deferred tax assets have also not been recognised in respect of deductible temporary differences and unused tax credits of ₹**6,867.53** crore (March 31,2016: ₹2,660.87 crore; April 1, 2015: ₹2,532.38 crore) which do not carry an expiry date.

(e) At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries, joint ventures and associates for which deferred tax liabilities have not been recognised is ₹**10,228.02** crore (March 31, 2016: ₹9,883.61crore and April 1, 2015: ₹8,691.82 crore). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

NOTES forming part of the consolidated financial statements

13. OTHER ASSETS

[Item No. I(k) and II(d), Page 252]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Capital advances			
	Unsecured, considered good	618.16	835.18	1,052.50
	Unsecured, considered doubtful	88.61	75.88	2.45
	Less: Provision for doubtful advances	88.61	75.88	2.45
		618.16	**835.18**	**1,052.50**
(b)	Advance with public bodies			
	Unsecured, considered good	1,804.44	1,880.84	1,353.79
	Unsecured, considered doubtful	12.76	17.26	17.83
	Less: Provision for doubtful advances	12.76	17.26	17.83
		1,804.44	**1,880.84**	**1,353.79**
(c)	Prepaid lease payments	**925.67**	**854.40**	**699.87**
(d)	Capital advances to related parties			
	Unsecured, considered good	**32.54**	**7.30**	**19.57**
(e)	Other assets			
	Unsecured, considered good	294.15	264.51	228.70
	Unsecured, considered doubtful	19.34	11.90	13.08
	Less: Provision for doubtful advances	19.34	11.90	13.08
		294.15	**264.51**	**228.70**
		3,674.96	**3,842.23**	**3,354.43**

NOTES forming part of the consolidated financial statements

13. OTHER ASSETS (CONTD.)

[Item No. I(k) and II(d), Page 252]

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Capital advances			
	Unsecured, considered good	**0.55**	**0.34**	**-**
(b)	Advance with public bodies			
	Unsecured, considered good	1,394.09	1,316.66	1,198.29
	Unsecured, considered doubtful	2.85	3.08	1.85
	Less: Provision for doubtful advances	2.85	3.08	1.85
		1,394.09	**1,316.66**	**1,198.29**
(c)	Prepaid lease payments	**0.59**	**0.57**	**0.56**
(d)	Advances to related parties			
	Unsecured, considered good	**5.14**	**5.38**	**1.00**
(e)	Other assets			
	Unsecured, considered good	794.01	704.92	758.21
	Unsecured, considered doubtful	139.13	151.75	288.40
	Less: Provision for doubtful advances	139.13	151.75	288.40
		794.01	**704.92**	**758.21**
		2,194.38	**2,027.87**	**1,958.06**

(i) Advance with public bodies primarily relate to duty credit entitlements and amounts paid under protest in respect of demands from regulatory authorities.

(ii) Prepaid lease payments relate to land leases classified as operating in nature as the title is not expected to transfer at the end of the lease term and considering that land has an indefinite economic life.

(iii) Other assets include advances against supply of goods and services and advances paid to employees.

14. INVENTORIES

[Item No. II(a), Page 252]

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Raw materials	8,020.23	5,152.94	7,901.33
(b)	Work-in-progress	4,378.75	4,301.09	4,652.24
(c)	Finished and semi-finished goods	9,045.31	7,252.49	8,440.88
(d)	Stock-in-trade	139.91	100.32	391.31
(e)	Stores and spares	3,219.62	3,206.49	3,207.60
		24,803.82	**20,013.33**	**24,593.36**
Included above, goods-in-transit:				
(i)	Raw materials	650.30	382.42	1,418.68
(ii)	Finished and semi-finished goods	138.55	30.29	210.56
(iii)	Stock-in-trade	97.09	65.31	23.85
(iv)	Stores and spares	142.85	160.70	151.31
		1,028.79	**638.72**	**1,804.40**

(i) The value of inventories above is stated after impairment of ₹**565.11** crore (March 31, 2016: ₹1,164.56 crore; April 1, 2015: ₹1,037.84 crore) for write-down to net realisable value and provision for slow moving and obsolete item.

NOTES forming part of the consolidated financial statements

15. TRADE RECEIVABLES

[Item No. II(b)(ii), Page 252]

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Unsecured considered good	11,586.82	12,066.22	13,579.77
(b) Unsecured considered doubtful	226.86	319.95	249.17
	11,813.68	**12,386.17**	**13,828.94**
Less: Allowance for credit losses	226.86	319.95	249.17
	11,586.82	**12,066.22**	**13,579.77**

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(i) Movements in allowance for credit losses of receivables is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Balance at the beginning of the year	319.95	249.17
Change in consolidated statement of profit and loss	26.60	83.01
Utilised during the period	(42.44)	(7.44)
Disposal of group undertakings	(38.58)	-
Reclassified to assets held for sale	(1.09)	-
Exchange differences in consolidation	(37.58)	(4.79)
Balance at the end of the year	**226.86**	**319.95**

(ii) Ageing of trade receivables and credit risk arising there from is as below :

(₹ crore)

	As at March 31, 2017			
	Gross credit risk	Subject to credit insurance cover	Impairment provision	Net credit risk
Amounts not yet due	10,643.96	6,737.16	1.11	3,905.69
One month overdue	471.47	211.79	0.37	259.31
Two months overdue	113.74	73.66	0.02	40.06
Three months overdue	77.79	22.14	2.81	52.84
Between three to six months overdue	126.21	53.20	13.85	59.16
Greater than six months overdue	380.51	72.18	208.70	99.63
	11,813.68	**7,170.13**	**226.86**	**4,416.69**

(₹ crore)

	As at March 31, 2016			
	Gross credit risk	Subject to credit insurance cover	Impairment provision	Net credit risk
Amounts not yet due	10,235.58	6,889.99	12.68	3,332.91
One month overdue	1,100.36	806.33	0.79	293.24
Two months overdue	121.22	68.65	0.20	52.37
Three months overdue	116.78	19.77	3.12	93.89
Between three to six months overdue	203.90	57.61	21.06	125.23
Greater than six months overdue	608.33	254.63	282.10	71.60
	12,386.17	**8,096.98**	**319.95**	**3,969.24**

NOTES forming part of the consolidated financial statements

15. TRADE RECEIVABLES (CONTD.)

[Item No. II(b)(ii), Page 252]

(₹ crore)

	As at April 1, 2015			
	Gross credit risk	Subject to credit insurance cover	Impairment provision	Net credit risk
Amounts not yet due	12,169.01	8,268.81	26.48	3,873.72
One month overdue	796.91	544.05	1.91	250.95
Two months overdue	205.68	150.43	0.63	54.62
Three months overdue	167.99	99.27	24.46	44.26
Between three to six months overdue	181.08	122.28	24.78	34.02
Greater than six months overdue	308.27	61.59	170.91	75.77
	13,828.94	**9,246.43**	**249.17**	**4,333.34**

(iii) The Group considers its maximum exposure to credit risk with respect to customers as at March 31, 2017 to be ₹**4,416.69** crore (March 31, 2016: ₹3,969.24 crore; April 1, 2015: ₹4,333.34 crore), which is the fair value of trade receivables (after allowance for credit losses). The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer.

(iv) There are no outstanding receivable due from directors or officers of the respective entities.

16. CASH AND CASH EQUIVALENTS

[Item No. II(b)(iii), Page 252]

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Cash in hand	0.80	0.75	1.38
(b) Cheques, drafts on hand	29.44	34.29	54.10
(c) Remittance in-transits	59.27	4.49	4.45
(d) Unrestricted balances with banks	4,742.78	6,069.52	8,117.20
	4,832.29	**6,109.05**	**8,177.13**

Currency profile of cash and cash equivalents is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
INR	1,444.16	1,284.70	792.95
GBP	614.63	(144.85)	1,435.60
EURO	(70.44)	2,002.92	1,300.29
USD	2,037.50	2,546.22	4,209.67
Others	806.44	420.06	438.62
Total	**4,832.29**	**6,109.05**	**8,177.13**

INR-Indian rupees, GBP- Great Britain Pound, USD-United states dollars.

(i) Others primarily include SGD-Singapore dollars, CAD- Canadian dollars and THB-Thai Baht.

NOTES forming part of the consolidated financial statements

17. OTHER BALANCES WITH BANK

[Item No. II(b)(iv), Page 252]

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Earmarked balances with bank	88.76	77.29	71.34
	88.76	**77.29**	**71.34**

(a) Currency profile of Earmarked balances is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
INR	74.16	70.43	64.36
USD	14.60	-	-
Others	-	6.86	6.98
Total	**88.76**	**77.29**	**71.34**

INR-Indian rupees, GBP- Great Britain Pound, USD-United States dollars.

(i) Others primarily include SGD-Singapore dollars, CAD-Canadian dollars and THB-Thai Baht.

(b) Earmarked balances with bank represents balances held for unpaid dividends, margin money against issue of bank guarantees and deposits made against contract performance.

(c) In accordance with the MCA notification G.S.R. 308(E) dated March 30, 2017, details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016, are given below:

(₹)

	SBNs	ODNs	Total
Closing cash in hand as on November 8, 2016	54,93,500	15,07,262	70,00,762
Add: Unpermitted receipts	1,15,20,000	-	1,15,20,000
Add: Permitted receipts	23,36,000	7,81,04,948	8,04,40,948
Less: Unpermitted payments	70,000	-	70,000
Less: Permitted payments	-	1,23,92,544	1,23,92,544
Less: Amounts deposited in Banks	1,89,80,000	6,21,24,540	8,11,04,540
Closing cash in hand as on December 30, 2016	**2,99,500**	**50,95,126**	**53,94,626**

(i) Unpermitted receipts include:

1. Company hospital receipts ₹1,06,21,500 which includes receipts at Tata Main Hospital, Jamshedpur of ₹1,04,34,000. Since Tata Main Hospital is the only hospital equipped with modern facilities and super-speciality services in the region, on advice from the district administration, specified notes were accepted.
2. Refund of advances by employees & internal departments ₹74,500.
3. Canteen receipts of ₹5,90,500 are primarily received from Contractor's employees.
4. Refund of advance by Steel Welfare Workers Society ₹2,33,500.

(ii) Unpermitted payments represents amount collected by Company's employees and exchanged for new notes against their individual Permanent Account Number.

NOTES forming part of the consolidated financial statements

18. ASSETS AND LIABILITIES HELD FOR SALE

[Item No. III and VII, Pages 252 and 253]

(a) On May 1, 2017, the Group's wholly owned subsidiary Tata Steel UK Limited completed the sale of its speciality steels business. As at March 31, 2017, the Speciality Steels business has been classified as a disposal group held for sale. Following this classification, a write down of ₹ **181.32** crore was recognised to reduce the carrying value of the assets in the disposal group to their fair value less costs to sell. The impairment charge has been included within profit/loss of discontinued operations in the consolidated statement of profit and loss.

The major classes of assets and liabilities held for sale as on the respective reporting dates is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets classified as held for sale:			
Property, Plant and Equipment	-	21.05	-
Equity accounted investments	-	5.06	145.42
Inventories	778.12	-	-
Trade receivables	292.50	-	-
Cash and bank balances	1.03	-	-
Other financial assets	2.78	-	-
	1,074.43	26.11	145.42
Less: Write down to fair value less costs to sell	(181.32)	-	-
	893.11	**26.11**	**145.42**
Liabilities classified as held for sale:			
Non-current financial liabilities	8.89	-	-
Provisions	10.03	-	-
Other Non-current liabilities	0.01	-	-
Trade payables	228.51	-	-
Other financial liabilities	2.49	-	-
Short term provisions	27.16	-	-
Current tax liabilities	0.46	-	-
Other Current liabilities	12.21	-	-
	289.76	**-**	**-**

(b) As at March 31, 2017, the Group has also reclassified certain assets with carrying value of ₹ **98.31** crore pertaining to the South East Asian operations as held for sale since it expects to recover the carrying value principally through sale and is in the process of identifying a prospective buyer. The Group expects to complete the sale within a period of one year from the reporting date. The Group has recognised an impairment loss of ₹ **90.48** crore on reclassification of such items as held for sale which is included within the exceptional items in the consolidated statement of profit and loss.

(c) As at March 31, 2016, assets classified as held for sale relates to certain items of plant and machinery relating to European operations.

(d) On May 6, 2015, the Group's wholly owned subsidiary Tata Steel Nederland Consulting and Technical Services B.V. completed the sale of its 50% interest in Danieli Corus Technical Services B.V. to Industrielle Beteiligung S.A. (the other 50% shareholder) for proceeds of ₹ 167.47 crore, of which ₹ 49.26 crore is related to deferred consideration. Prior to the classification as held for sale, the Group's interest in Danieli Corus Technical Services B.V. was accounted for as an equity investment with a carrying value of ₹ 174.97 crore. On classification as held for sale at March 31, 2015, the Group has recognised an impairment charge of ₹ 29.55 crore to write down the carrying value of the equity investment to the fair value less costs to sell. On completion the Group has recognised a profit on disposal of ₹ 25.01 crore, including foreign exchange recycled to the consolidated statement of profit and loss. This has been included within exceptional items in the consolidated statement of profit and loss for the year ended March 31, 2016.

NOTES forming part of the consolidated financial statements

19. EQUITY SHARE CAPITAL

[Item No. IV(a), Page 253]

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised:				
1,75,00,00,000	Ordinary Shares of ₹10 each	1,750.00	1,750.00	1,750.00
	(March 31, 2016: 1,75,00,00,000 Ordinary Shares of ₹10 each)			
	(April 1, 2015: 1,75,00,00,000 Ordinary Shares of ₹10 each)			
35,00,00,000	"A" Ordinary Shares of ₹10 each	350.00	350.00	350.00
	(March 31, 2016: 35,00,00,000 "A" Ordinary Shares of ₹10 each)			
	(April 1, 2015: 35,00,00,000 "A" Ordinary Shares of ₹10 each)			
2,50,00,000	Cumulative Redeemable Preference Shares of ₹100 each	250.00	250.00	250.00
	(March 31, 2016: 2,50,00,000 Shares of ₹100 each)			
	(April 1, 2015: 2,50,00,000 Shares of ₹100 each)			
60,00,00,000	Cumulative Convertible Preference Shares of ₹100 each	6,000.00	6,000.00	6,000.00
	(March 31, 2016: 60,00,00,000 Shares of ₹100 each)			
	(April 1, 2015: 60,00,00,000 Shares of ₹100 each)			
		8,350.00	**8,350.00**	**8,350.00**
Issued:				
97,21,26,020	Ordinary Shares of ₹10 each	972.13	972.13	972.13
	(March 31, 2016: 97,21,26,020 Ordinary Shares of ₹10 each)			
	(April 1, 2015: 97,21,26,020 Ordinary Shares of ₹10 each)			
Subscribed and Paid up:				
97,00,47,046	Ordinary Shares of ₹10 each fully paid up	970.04	970.04	971.21
	(March 31, 2016: 97,00,47,046 Ordinary Shares of ₹10 each)			
	(April 1, 2015: 97,12,15,439 Ordinary Shares of ₹10 each)			
	Amount paid up on 3,89,516 Ordinary Shares forfeited	0.20	0.20	0.20
	(March 31, 2016: 3,89,516 Shares of ₹10 each)			
	(April 1, 2015: 3,89,516 Shares of ₹10 each)			
		970.24	**970.24**	**971.41**

(a) Subscribed and paid up capital excludes **11,68,393** Ordinary shares (March 31, 2016: 11,68,393 ordinary shares and April 1, 2015: Nil) held by a wholly owned subsidiary.

(b) The movement in subscribed and paid up share capital is as below:

	As at March 31, 2017		As at March 31, 2016	
	No. of shares	₹ crore	No. of shares	₹ crore
Ordinary shares of ₹10 each				
Balance at the beginning of the year	**97,00,47,046**	970.24	97,12,15,439	971.41
Adjustment for cross holdings	-	-	11,68,393	1.17
Balance at the end of the year	**97,00,47,046**	**970.24**	**97,00,47,046**	**970.24**

(c) As at March 31, 2017, **3,01,183** Ordinary Shares (March 31, 2016: 3,01,183 ordinary shares and April 1, 2015: 3,01,183 ordinary shares) are kept in abeyance in respect of right issue of 2007.

NOTES forming part of the consolidated financial statements

19. EQUITY SHARE CAPITAL (CONTD.)

[Item No. IV(a), Page 253]

(d) Details of shareholders holding more than 5 percent shares in the Company is as below:

(₹ crore)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of ordinary shares	%	No. of ordinary shares	%	No. of ordinary shares	%
Name of shareholders						
(a) Tata Sons Limited	28,88,98,245	29.75	28,88,98,245	29.75	28,88,98,245	29.75
(b) Life Insurance Corporation of India	12,20,50,996	12.57	14,17,39,415	14.59	14,17,39,185	14.59

(e) **1,55,10,420** shares (March 31, 2016: 2,25,14,584 shares; April 1, 2015: 1,79,07,847 shares) of face value of ₹10 per share represent the shares underlying Global Depositary Receipts (GDRs) which were issued during 1994 and 2009. Each GDR represents one underlying Ordinary Share.

(f) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principal rights are as below:

A. Ordinary Shares of ₹10 each

(a) In respect of every Ordinary Share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such Ordinary Share bears to the total paid up Ordinary Capital of the Company.

(b) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

B. 'A' Ordinary Shares of ₹10 each

(a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that :

– in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.

– in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares

(ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such shares including in relation to any scheme under Sections 391 to 394 of the Companies Act, 1956.

(b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

C. Preference Shares

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹100 per share.

(a) Such shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid up or credited as paid up thereon.

NOTES forming part of the consolidated financial statements

19. EQUITY SHARE CAPITAL (CONTD.)

[Item No. IV(a), Page 253]

(b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.

(c) The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956, or any re-enactment thereof.

(d) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

20. HYBRID PERPETUAL SECURITIES

[Item No. IV(b), Page 253]

The detail of movement in Hybrid Perpetual Securities is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance at the beginning of the year	2,275.00	2,275.00	2,275.00
Balance at the end of the year	**2,275.00**	**2,275.00**	**2,275.00**

The Group had issued Hybrid Perpetual Securities of ₹775.00 crore and ₹1,500.00 crore in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Group. The distribution on these securities are 11.50% p.a. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Group if in the six months preceding the relevant distribution payment date, the Group has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities are perpetual in nature and the Group does not have any redemption obligation, these have been classified as equity.

21. OTHER EQUITY

[Item No. IV(c), Page 253]

A. OTHER COMPREHENSIVE INCOME RESERVES

(a) Cash flow hedge reserve

The cumulative effective portion of gain or losses arising on changes in the fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are reclassified to the consolidated statement of profit and loss when the hedged item affects the profit or loss or are included as an adjustment to the cost of the related non-financial hedged item.

The Company has designated certain foreign currency contracts, commodity contracts and interest rate swaps as cash flow hedges in respect of foreign exchange, commodity price and interest rate risks.

The details of movement in Cash flow hedge reserve are as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	(10.34)	(127.35)
Other comprehensive income recognised during the year	116.33	117.01
Balance at the end of the year	**105.99**	**(10.34)**

NOTES forming part of the consolidated financial statements

21. OTHER EQUITY (CONTD.)

[Item No. IV(c), Page 253]

The details of Other Comprehensive income recognised is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Fair value changes recognised during the year	344.74	204.15
Fair value changes reclassified to the statement of profit and loss/cost of underlying items	(188.96)	(72.22)
Tax impact on above (net)	(39.45)	(14.92)
	116.33	**117.01**

During the year, ineffective portion of cash flow hedges recognised in the consolidated statement of profit and loss amounted to Nil (2015-16: ₹0.05 crore).

The amount recognised in the cash flow hedge reserve is expected to impact the consolidated statement of profit and loss within the next one year.

(b) Investment revaluation reserve

The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in investment revaluation reserve. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

The details of movement in investment revaluation reserve are as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	2,955.52	9,734.97
Other comprehensive income recognised during the year	834.63	(3,408.30)
Transfers within equity	(1.75)	(3,371.15)
Balance at the end of the year	**3,788.40**	**2,955.52**

(c) Foreign currency translation reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, associates and joint ventures are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries, associates and joint ventures.

The details of movement in foreign currency translation reserve are as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	6,495.52	6,738.57
Other comprehensive income recognised during the year	2,038.95	(254.08)
Transfers within equity	-	11.03
Balance at the end of the year	**8,534.47**	**6,495.52**

NOTES forming part of the consolidated financial statements

21. OTHER EQUITY (CONTD.)

[Item No. IV(c), Page 253]

B. OTHER CONSOLIDATED RESERVES

(a) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

There is no movement in securities premium during the current and previous year.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	18,871.66	18,871.66
Balance at the end of the year	**18,871.66**	**18,871.66**

(b) Debenture redemption reserve

The Companies Act requires that where a Company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the debenture redemption reserve cannot be utilised by the Company except to redeem debentures.

There is no movement in debenture redemption reserve during the current and previous year.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	2,046.00	2,046.00
Balance at the end of the year	**2,046.00**	**2,046.00**

(c) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	12,181.97	12,197.48
Adjustments for cross holding	-	21.78
Transfers within equity	-	(37.29)
Balance at the end of the year	**12,181.97**	**12,181.97**

NOTES forming part of the consolidated financial statements

21. OTHER EQUITY (CONTD.)

[Item No. IV(c), Page 253]

(d) Capital redemption reserve

The Companies Act requires that where a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares. The Group established this reserve pursuant to the redemption of preference shares issued in earlier years.

There is no movement in capital redemption reserve during the current and previous year.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	133.11	133.11
Balance at the end of the year	**133.11**	**133.11**

(e) Special reserve

The special reserve represents the reserve created by two subsidiaries of the Company pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act") and related regulations applicable to those companies. Under the RBI Act, a non-banking finance company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this reserve fund is permitted only for the purposes specified by the RBI.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	6.19	5.77
Transfers within equity	0.47	0.42
Balance at the end of the year	**6.66**	**6.19**

(f) Others

Others primarily include:

(i) the balance of foreign currency monetary item translation difference account ("FCMITDA") created for recognising exchange differences on revaluation of long term foreign currency monetary items as per the Previous GAAP. Such exchange differences recognised are transferred to the consolidated statement of profit and loss on a systematic basis.

(ii) amounts appropriated out of profit or loss for unforeseen contingencies. Such appropriations are free in nature.

The details of movement in others are as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	223.17	192.76
Additions during the year	191.39	42.04
Transfer to consolidated statement of profit and loss	(40.22)	(8.18)
Transfers within equity	(7.99)	(3.45)
Changes in ownership interests	1.75	-
Other movements	(15.28)	-
Balance at the end of the year	**352.82**	**223.17**

NOTES forming part of the consolidated financial statements

22. BORROWINGS

[Item No. V(a)(i) and VI(a)(i), Page 253]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	**Secured**			
(i)	Loans from Joint Plant Committee - Steel Development Fund	2,420.66	2,338.91	2,232.35
(ii)	Term loans from banks and financial institutions	14,864.84	18,862.19	16,891.52
(iii)	Finance leases obligations	440.08	541.08	425.09
		17,725.58	**21,742.18**	**19,548.96**
(b)	**Unsecured**			
(i)	Bonds and debentures	21,219.30	20,343.25	19,938.02
(ii)	Non-convertible preference shares	19.97	19.97	19.97
(iii)	Term loans from banks and financial institutions	22,613.77	20,745.14	20,655.00
(iv)	Finance leases obligations	2,386.75	1,972.54	2,013.53
(v)	Deferred payment liabilities	9.61	5.58	2.53
(vi)	Other loans	47.29	44.12	73.55
		46,296.69	**43,130.60**	**42,702.60**
		64,022.27	**64,872.78**	**62,251.56**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	**Secured**			
(i)	Loans from banks and financial institutions	4,848.96	6,691.71	6,005.49
(ii)	Repayable on demand from banks and financial institutions	244.66	147.04	392.46
(iii)	Other Loans	19.41	4.59	2.08
		5,113.03	**6,843.34**	**6,400.03**
(b)	**Unsecured**			
(i)	Loans from banks and financial institutions	9,918.07	4,906.70	2,509.96
(ii)	Commercial papers	2,323.54	3,234.85	-
(iii)	Other loans	973.46	737.23	783.26
		13,215.07	**8,878.78**	**3,293.22**
		18,328.10	**15,722.12**	**9,693.25**

(a) As at March 31, 2017, ₹**22,838.61** crore (March 31, 2016: ₹28,585.52 crore; April 1, 2015: ₹25,949.00 crore) of the total outstanding borrowings were secured by a charge on property, plant and equipment, inventories and receivables. The security details of major borrowings of the Group are as below:

(i) Loans from Joint Plant Committee - Steel Development Fund

It is secured by mortgages on, all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated April 13, 1967 and in favour of Government of Bihar under two deeds of mortgage dated May 11, 1963, immovable properties and movable assets of the Tube Division, Bearing Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under deferred payment schemes/bill re-discounting schemes/asset credit schemes.

NOTES forming part of the consolidated financial statements

22. BORROWINGS (CONTD.)

[Item No. V(a)(i) and VI(a)(i), Page 253]

It is repayable in 16 equal semi-annual installments after completion of four years from the date of the tranche.

The Company has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is subjudice.

The loan includes funded interest ₹**781.32** crore (March 31, 2016: ₹699.58 crore and April 1, 2015: ₹593.03 crore).

It includes ₹**1,639.33** crore (March 31, 2016: ₹1,639.33 crore and April 1, 2015: ₹1,639.33 crore) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction is not secured by charge on movable assets of the Company.

(ii) Term loans from banks/financial institution

The majority of the secured borrowings from banks and financial institutions relates to the senior facility arrangement of Tata Steel Europe, a wholly owned subsidiary of the Company. The facilities are secured by guarantees and debentures granted by material subsidiaries of Tata Steel Europe (other than Tata Steel Nederland B.V. and its subsidiaries) and by a pledge over the shares in Tata Steel Nederland B.V.

(iii) Commercial papers

Commercial papers raised by the Company are short-term in nature ranging between one to three months.

(iv) Finance lease obligations

The Group has taken certain items of plant and machinery as lease for business purpose. In addition the Company has entered into long term arrangements whose fulfillment is dependent on the use of dedicated assets. Some of these arrangements have been assessed as being in the nature of lease and have been classified as finance leases.

Finance lease obligations represent the present value of minimum lease payments payable over the lease term. The arrangements have been classified as secured or unsecured based on the legal form.

(b) Bonds and debentures

The details of major unsecured borrowings taken by the Group are given below:

(i) The debentures issued by the Group are non convertible in nature with interest rates ranging from 2% to 11%.

ABJA Investment Company Pte Ltd. a wholly owned subsidiary of the Company has issued bonds that are listed on the Singapore Stock Exchange and Frankfurt Stock Exchange. Details of the bonds outstanding at the end of the year are as follows:

Issued on	Currency	Initial principal due (in millions)	Outstanding principal (in millions)			Interest rate	Redeemable on
			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
July 2014	USD	1000	1000	1000	1000	5.95%	July 2024
July 2014	USD	500	500	500	500	4.85%	January 2020
May 2013	SGD	300	300	300	300	4.95%	May 2023

The above figures do not include current maturities of long term debt and finance lease obligations of ₹**664.12** crore (March 31, 2016: ₹1,392.03 crore; April 1, 2015: ₹4,848.48 crore).

NOTES forming part of the consolidated financial statements

22. BORROWINGS (CONTD.)

[Item No. V(a)(i) and VI(a)(i), Page 253]

(c) The currency and interest exposure of borrowings (including current maturities of long term debt and finance lease obligations) at the end of the reporting period is as below:

(₹ crore)

	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
INR	15,862.80	10,819.76	26,682.56	15,050.46	13,731.89	28,782.35	12,878.24	11,588.73	24,466.97
GBP	172.69	4,643.07	4,815.76	479.95	5,663.89	6,143.84	527.14	5,554.88	6,082.02
EURO	957.11	14,270.14	15,227.25	1,182.61	15,527.78	16,710.39	983.88	13,312.05	14,295.93
USD	14,348.92	19,089.66	33,438.58	11,090.90	16,669.79	27,760.69	10,235.30	18,149.17	28,384.47
Others	1,722.96	1,127.38	2,850.34	1,837.86	751.80	2,589.66	1,963.81	1,600.09	3,563.90
Total	**33,064.48**	**49,950.01**	**83,014.49**	**29,641.78**	**52,345.15**	**81,986.93**	**26,588.37**	**50,204.92**	**76,793.29**

INR-Indian rupees, GBP- Great Britain Pound, USD-United states dollars.

(i) Others primarily include SGD-Singapore dollars, CAD- Canadian dollars and THB-Thai Baht.

(ii) The majority of floating rate borrowings are bank borrowings bearing interest rates based on LIBOR, EURIBOR or local official rates. Of the total floating rate borrowings as at March 31, 2017, ₹**10,881.83** crore (March 31, 2016, ₹12,785.67; April 1, 2015, ₹14,782.33) has been hedged using interest rate swaps and collars, with contracts covering a period of more than one year.

(d) The maturity profile of Group's borrowings is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not later than one year or on demand	19,392.30	17,468.24	14,898.80
Later than one year but not two years	2,415.91	1,735.75	2,755.03
Later than two years but not three years	13,407.73	3,254.24	4,635.79
Later than three years but not four years	12,316.42	14,834.81	4,725.90
Later than four years but not five years	12,126.29	13,465.81	14,483.98
More than five years	29,031.25	36,553.17	40,916.15
	88,689.90	**87,312.02**	**82,415.65**
Less: Future finance charges on financial leases	4,306.89	3,549.41	3,734.60
Less: Capitalisation of transaction costs	1,368.52	1,775.68	1,887.76
	83,014.49	**81,986.93**	**76,793.29**

(e) Some of the Group's major financing arrangements include financial covenants, which require compliance to certain debt-equity ratios and debt coverage ratios in the various entities in the Group which have such covenants. Additionally, certain negative covenants may limit the Group's ability to borrow additional funds or to incur additional liens, and/or provide for increased costs in case of breach.

NOTES forming part of the consolidated financial statements

23. OTHER FINANCIAL LIABILITIES

[Item No. V(a)(iii) and VI(a)(iv), Page 253]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Interest accrued but not due	12.37	-	-
(b)	Creditors for other liabilities	96.41	454.42	900.55
		108.78	**454.42**	**900.55**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Current maturities of long-term borrowings	445.49	1,165.45	4,653.38
(b)	Current maturities of finance lease obligations	218.63	226.58	195.10
(c)	Interest accrued but not due	752.02	616.60	814.25
(d)	Unclaimed dividends	62.81	63.62	63.39
(e)	Creditors for other liabilities	4,836.56	4,828.87	4,802.44
		6,315.51	**6,901.12**	**10,528.56**

(i) Non-current and current creditors for other liabilities includes creditors for capital supplies and services of ₹**3,076.96** crore (March 31, 2016: ₹3,550.13 crore; April 1, 2015: ₹3,890.16 crore).

24. PROVISIONS

[Item No. V(b) and VI(b), Page 253]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Employee benefits	2,583.23	2,733.97	1,911.80
(b)	Insurance provisions	882.46	957.51	287.88
(c)	Others	814.00	749.00	773.81
		4,279.69	**4,440.48**	**2,973.49**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Employee benefits	398.94	829.39	324.80
(b)	Insurance provisions	-	3.00	1.49
(c)	Others	588.44	689.47	490.19
		987.38	**1,521.86**	**816.48**

NOTES forming part of the consolidated financial statements

24. PROVISIONS (CONTD.)

[Item No. V(b) and VI(b), Page 253]

(i) Non current and current provision for employee benefits include provision for leave salaries of ₹**1,094.03** crore (March 31, 2016: ₹986.28 crore; April 1, 2015: ₹913.55 crore). It also includes provision for early separation and disability scheme amounting to ₹**1,789.59** crore (March 31, 2016 : ₹1,968.94 crore; April 1, 2015: ₹1,131.54 crore).

(ii) The Insurance provisions relate to Crucible Insurance Company which underwrites marine cargo, public liability and retrospective hearing impairment policies of Tata Steel Europe. These provisions represent losses incurred but not yet reported in respect of risks retained by the Group rather then passed to third party insurers and include amounts in relation to certain disease insurance claims. Such provisions are subject to regular review and are adjusted as appropriate. The value of final insurance settlements is uncertain and so is the timing of the expenditure.

(iii) Others primarily include:

a. Provision for compensatory afforestation mine closure and rehabilitation obligations of ₹**529.31** crore (March 31, 2016: ₹226.13 crore; April 1, 2015: ₹68.30 crore). These amounts become payable upon closure of the mines and are expected to be incurred over a period of 1 to 35 years.

b. Provision in respect of onerous leases. The outstanding term of these leases ranges between 1 to 16 years.

(iv) The detail of movement in provision balances is as below:

As at March 31, 2017

(₹ crore)

	Insurance Provisions	Others	Total
Balance at the beginning of the year	960.51	1,438.47	2,398.98
Recognised during the year	126.23	537.03	663.26
Disposal of group undertakings	-	(351.73)	(351.73)
Utilised during the year	(49.87)	(113.51)	(163.38)
Classified as held for sale	-	(9.57)	(9.57)
Exchange differences on consolidation	(154.41)	(98.25)	(252.66)
Balance at the end of the year	**882.46**	**1,402.44**	**2,284.90**

As at March 31, 2016

(₹ crore)

	Insurance Provisions	Others	Total
Balance at the beginning of the year	289.37	1,264.00	1,553.37
Recognised during the year	715.23	300.93	1,016.16
Utilised during the year	(32.45)	(185.80)	(218.25)
Exchange differences on consolidation	(11.64)	59.34	47.70
Balance at the end of the year	**960.51**	**1,438.47**	**2,398.98**

NOTES forming part of the consolidated financial statements

25. DEFERRED INCOME

[Item No. V(d) and VI(d), Page 253]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Grants relating to property, plant and equipment	1,979.19	2,339.12	2,229.81
(b)	Others	78.40	92.29	105.38
		2,057.59	**2,431.41**	**2,335.19**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Grants relating to property, plant and equipment	0.22	0.21	0.01
(b)	Others	22.30	3.49	3.07
		22.52	**3.70**	**3.08**

(i) Grants relating to property, plant and equipment relates to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme the Group is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Group would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the consolidated statement of profit and loss based on fulfillment of export obligations.

(ii) During the year, an amount of ₹**351.73** crore (2015-16: ₹5.24 crore) was released to consolidated statement of profit and loss on fulfillment of export obligations.

26. OTHER LIABILITIES

[Item No. V(f) and VI(f), Page 253]

A. NON-CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Statutory dues	55.31	64.06	-
(b)	Other credit balances	171.20	264.99	320.49
		226.51	**329.05**	**320.49**

B. CURRENT

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Advances received from customers	548.42	421.16	297.55
(b)	Employee recoveries and employer contributions	65.89	77.62	75.17
(c)	Statutory dues	3,683.41	3,104.33	2,442.32
(d)	Other credit balances	17.55	34.90	21.72
		4,315.27	**3,638.01**	**2,836.76**

(i) Statutory dues primarily include payables in respect of excise duties, service tax, sales tax, VAT, tax deducted at source and royalties.

NOTES forming part of the consolidated financial statements

27. TRADE PAYABLES

[Item No. VI(a)(ii), Page 253]

(₹ crore)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Creditors for supplies and services	14,543.26	14,918.59	14,581.81
(b)	Creditors for accrued wages and salaries	4,031.20	3,638.11	3,484.85
		18,574.46	**18,556.70**	**18,066.66**

28. REVENUE FROM OPERATIONS

[Item No. I, Page 254]

(₹ crore)

		Year ended March 31, 2017	Year ended March 31, 2016
(a)	Sale of products	1,15,055.90	1,04,062.82
(b)	Sale of power and water	1,418.87	1,399.87
(c)	Income from town, medical and other services	207.80	220.49
(d)	Other operating income	737.37	656.74
		1,17,419.94	**1,06,339.92**

29. OTHER INCOME

[Item No. II, Page 254]

(₹ crore)

		Year ended March 31, 2017	Year ended March 31, 2016
(a)	Dividend income	73.03	67.09
(b)	Finance income	184.76	117.98
(c)	Net gain/(loss) on investments carried at fair value through consolidated statement of profit and loss	316.95	184.22
(d)	Net gain/(loss) on sale of non-current investments	0.97	-
(e)	Profit/(loss) on sale of capital assets (net of loss on assets sold/scrapped/written off)	0.15	33.56
(f)	Gain/(loss) on cancellation of forwards, swaps and options	(67.95)	(1.23)
(g)	Other miscellaneous income	19.56	10.60
		527.47	**412.22**

(i) Finance income includes:

(a) Income from financial assets carried at amortised cost of ₹**172.25** crore (2015-16: ₹109.76 crore).

(b) Income from financial assets carried at fair value through consolidated profit and loss of ₹**12.51** crore (2015-16: ₹8.22 crore).

NOTES forming part of the consolidated financial statements

30. EMPLOYEE BENEFIT EXPENSES

[Item No. IV(d), Page 254]

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
(a) Salaries and wages	14,011.31	13,784.22
(b) Contribution to provident and other funds	2,735.44	3,226.55
(c) Staff welfare expenses	505.47	576.86
	17,252.22	**17,587.63**

During the year, the Group recognised an amount of ₹**18.13** crore (2015-16: ₹17.94 crore) as remuneration to key managerial personnel. The details of such remuneration is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
(a) Short term employee benefits	17.13	17.24
(b) Post employment benefits	0.71	0.42
(c) Other long term employee benefits	0.29	0.28
	18.13	**17.94**

31. FINANCE COSTS

[Item No. IV(e), Page 254]

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Interest expense on:		
(a) Bonds, debentures, bank borrowings and others	4,978.26	5,190.81
(b) Finance leases	378.16	313.95
	5,356.42	**5,504.76**
Less: Interest capitalised	284.22	1,283.35
	5,072.20	**4,221.41**

32. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. IV(f), Page 254]

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of tangible and amortisation of intangible assets	5,685.67	5,319.76
Less : Amount released from specific grants	12.79	13.41
	5,672.88	**5,306.35**

NOTES forming part of the consolidated financial statements

33. OTHER EXPENSES

[Item No. IV(g), Page 254]

(₹ crore)

		Year ended March 31, 2017	Year ended March 31, 2017
(a)	Consumption of stores and spares	7,881.07	8,287.91
(b)	Repairs to buildings	100.95	113.69
(c)	Repairs to machinery	5,332.98	5,534.34
(d)	Relining expenses	141.00	117.95
(e)	Fuel oil consumed	467.12	486.27
(f)	Purchase of power	4,753.71	4,507.62
(g)	Conversion charges	2,343.14	1,980.39
(h)	Freight and handling charges	7,268.08	6,832.11
(i)	Rent	2,364.10	2,729.55
(j)	Royalty	1,188.46	997.72
(k)	Rates and taxes	1,644.30	1,157.33
(l)	Insurance charges	426.13	295.76
(m)	Commission, discounts and rebates	235.01	258.40
(n)	Allowance for credit loss/provision for advances	45.95	101.08
(o)	Excise duty (including recovered on sales)	5,120.52	4,375.20
(p)	Others	5,307.19	3,480.15
		44,619.71	**41,255.47**

(i) Other expenses include foreign exchange gain/(loss) of ₹**576.57** crore [2015-16: ₹(110.65) crore]

(ii) Revenue expenditure charged to consolidated statement of profit and loss in respect of research and development activities undertaken during the year is ₹**646.24** crore (2015-16: ₹637.55 crore)

34. EXCEPTIONAL ITEMS

[Item No. VII, Page 254]

(a) Profit on sale of investments in subsidiaries, associates and joint ventures of ₹**22.70** crore (2015-16: ₹47.17 crore)

(b) Profit on sale of assets amounting to ₹**85.87** crore (2015-16: Nil) of a subsidiary in South East Asia on liquidation.

(c) Provision for advances paid for repurchase of equity shares in Tata Teleservices Limited from NTT Docomo Inc. of ₹**125.45** crore (2015-16: Provision of ₹72.99 crore relating to advances paid for a project which the Company has decided to discontinue).

(d) Impairment loss recognised in respect of property, plant and equipment (including capital work-in-progress) and intangible assets of ₹**267.93** crore (2015-16: ₹1,530.17 crore)

The impairment loss relates to the reportable segments as below. The same however has been shown as an exceptional item and does not form part of segment result in the segment report:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Tata Steel India	-	51.51
Other Indian Operations	1.44	-
Tata Steel Europe	148.37	81.97
South East Asian Operations	118.12	-
Rest of the World	-	1,396.69
	267.93	**1,530.17**

NOTES forming part of the consolidated financial statements

34. EXCEPTIONAL ITEMS(CONTD.)

[Item No. VII, Page 254]

(e) Provision of ₹**218.25** crore for demands and claims in relation to the Indian operations (2015-16: ₹880.05 crore)

(f) Provision of ₹**207.37** crore on account of employee separation scheme in relation to the Indian operations (2015-16: ₹556.25 crore)

(g) Restructuring and other provisions of ₹**3,613.80** crore primarily include curtailment charge relating to closure of Tata Steel Europe's British Steel Pension Scheme (BSPS) to future accrual (2015-16: Represents a gain of ₹6,982.67 crore primarily on account of changes to BSPS and Stichting Pensioenfonds Hoogovens (SPH) scheme and other restructuring exercise relating to the European operations).

35. DISCONTINUED OPERATIONS

[Item No. XI, Page 254]

The recognition of non-current assets (or disposal group) as held for sale is dependent upon whether its carrying value will be recovered principally through a sale transaction rather than through continuing use. Significant judgement is required to assess whether the sale of the assets (or disposal group) is highly probable. A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale. Judgement is required to assess whether the component represents a separate major line of business or geographical area of operation, and is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operation.

These businesses have been classified as discontinued operations during the current year following a coordinated plan to dispose of these businesses which do not form part of the Group's core Strip Products. The previous year figures have also been restated accordingly.

On May 31, 2016, the Group disposed of the trade and other assets of its Long Products Europe business to Greybull Capital LLP.

On February 9, 2017, the Group announced a definitive sales agreement to dispose of the trade and other assets of its Speciality Steels business. The disposal was completed on May 1, 2017.

The results of the discontinued operations in each of the reporting periods are as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations	3,123.77	12,751.73
Other income	0.05	(2.27)
	3,123.82	**12,749.46**
Expenses		
Raw materials consumed	738.97	3,423.61
Purchases of finished, semi-finished and other products	257.81	418.15
Employee benefit expense	981.05	3,711.82
Finance costs	39.34	(18.39)
Depreciation and amortisation expense	16.89	86.73
Other expenses	1,860.62	7,612.99
	3,894.68	**15,234.91**
Profit/(loss) before tax from discontinued operations	**(770.86)**	**(2,485.45)**
Tax expenses:	**8.01**	**54.43**
(a) Current tax	10.31	47.28
(b) Deferred tax	(2.30)	7.15
Profit/(loss) after tax from discontinued operations	**(778.87)**	**(2,539.88)**
Profit/(loss) on disposal of discontinued operations	(3,085.32)	-
Total Profit/(loss) from discontinued operations	**(3,864.19)**	**(2,539.88)**

An impairment charge of ₹ **196.63** crore was recognised during the year being the write down to fair value less costs to sell for assets classified as held for sale.

During the year, discontinued operations resulted in an outflow of ₹ **500.59** crore (March 31, 2016: ₹ 1,255.08 crore) to the Group's net operating cash flows, an outflow of ₹ **105.39** crore (March 31, 2016: ₹ 529.49 crore) in respect of investing activities and an outflow of **Nil** (March 31, 2016: ₹ 19.61 crore) in respect of financing activities.

NOTES forming part of the consolidated financial statements

36. DISPOSAL OF SUBSIDIARIES

On May 31,2016 the Group completed the sale of its long products Europe business to Greybull Capital LLP. On March 29, 2017, the Group also completed the sale of its subsidiary Kalzip (Guangzhou) Limited to Shangai Qinheng International Trade Co. Ltd

(a) The details of net assets disposed off and profit/(loss) on disposal is as below:

(₹ crore)

	Year ended March 31, 2017
Property,plant and equipment	608.17
Other Intangible assets	3.56
Deferred tax Assets	20.82
Inventories	1,421.22
Trade receivables	1,887.12
Cash and bank balances	30.99
Long term borrowings	(193.07)
Long term provisions	(49.43)
Non-Current retirement benefit obligations	(318.38)
Trade payables	(1,973.29)
Short term borrowings	(18.07)
Short term provisions	(314.52)
Current tax liabilities	(7.81)
Carrying value of net assets disposed off	**1,097.31**

(₹ crore)

	Year ended March 31, 2017
Sale consideration	(1,169.18)
Exchange differences recycled to consolidated statement of profit and loss	42.01
Transaction costs	48.87
Pension curtailment	(887.01)
Net consideration	(1,965.31)
Carrying value of net assets disposed off	1,097.31
Profit/(Loss) on disposal	**(3,062.62)**

(b) The net cash flow arising on disposal is as below:

(₹ crore)

	Year ended March 31, 2017
Consideration paid in cash and cash equivalents	(1,169.18)
Deferred consideration	87.82
Less: Cash and cash equivalents disposed off	30.99
Net cash flow arising on disposal	**(1,112.35)**

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NOTES forming part of the consolidated financial statements

37. EARNINGS PER SHARE

[Item No. XVII, XVIII and XIX, Page 255]

The following table reflects the profit and shares data used in the computation of basic and diluted earnings per share.

(₹ crore)

		Year ended March 31, 2017	Year ended March 31, 2016
(a)	Profit after tax from continuing operations	(304.38)	2,042.79
	Less: Distribution on Hybrid Perpetual Securities (net of tax)	174.01	174.06
	Profit after tax from continuing operations attributable to Ordinary Shareholders - for Basic and Diluted EPS (A)	(478.39)	1,868.73
	Profit after tax from discontinued operations attributable to Ordinary Shareholders - for Basic and Diluted EPS (B)	(3,864.19)	(2,539.88)
	Profit after tax from continuing and discontinued operations attributable to Ordinary Shareholders - for Basic and Diluted EPS (A+B)	(4,342.58)	(671.15)
		Nos.	Nos.
(b)	Weighted average number of Ordinary Shares for Basic EPS	97,00,47,046	97,01,42,816
	Weighted average number of Ordinary Shares for Diluted EPS	97,00,47,100	97,01,42,816
(c)	Nominal value of Ordinary Shares (₹)	10.00	10.00
(d)	Basic and Diluted Earnings per Ordinary Share (₹) - continuing operations	(4.93)	19.26
	Basic and Diluted Earnings per Ordinary Share (₹) - discontinued operations	(39.84)	(26.18)
	Basic and Diluted Earnings per Ordinary Share (₹) - continuing and discontinued operations	(44.77)	(6.92)

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS

A. Defined Contribution Plans

The Group participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Group at rates specified by the rules of those plans. The only amounts included in the consolidated balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Group are as below:

(a) Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, eligible employees of the Company and its Indian subsidiaries are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company and its Indian subsidiaries, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

(b) Superannuation fund

The Company and some of its Indian subsidiaries have a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company and its Indian subsidiaries contributes up to 15% of the eligible employees' salary or ₹1,00,000, whichever is lower,to the trust every year. Such contributions are recognised as an expense as and when incurred. The Company and its Indian subsidiaries does not have any further obligations beyond this contribution.

The total expenses recognised in the consolidated statement of profit and loss during the year on account of defined contribution plans amounted to ₹**1,014.56** crore (2016: ₹841.10 crore).

B. Defined Benefit Plans

The defined benefit plans operated by the Group are as below:

(a) Retiring gratuity

The Company and its Indian subsidiaries have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes annual contributions to gratuity funds established as trusts or insurance companies. The Company and its Indian subsidiaries accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

(b) Post retirement medical benefits

Under this unfunded scheme, employees of the Company and some of its subsidiaries receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company and its subsidiaries under an early separation scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company and such subsidiaries accounts for the liability for post-retirement medical scheme based on an actuarial valuation.

(c) Pension Plan

Tata Steel Europe operates a number of defined benefit pension and post-retirement schemes covering the majority of employees. The benefits offered by these schemes are largely based on pensionable pay and years of service at retirement. With the exception of certain unfunded arrangements, the assets of these schemes are held in administered funds that are legally separated from Tata Steel Europe. For those pension schemes set up under a trust, the trustees are required by law to act in the best interests of the schemes beneficiaries in accordance with the scheme rules and relevant pension legislation. The trustees are generally responsible for the investment policy with regard to the assets of the fund, after consulting with the sponsoring employer.

Tata Steel Europe accounts for all pension and post-retirement defined benefit arrangements using Ind AS 19 'Employee Benefits', with independent actuaries being used to calculate the costs, assets and liabilities to be recognised

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

in relation to these schemes. The present value of the defined benefit obligation, the current service cost and past service costs are calculated by these actuaries using the Projected unit credit method. However, the ongoing funding arrangements of each scheme, in place to meet their long term pension liabilities, are governed by the individual scheme documentation and national legislation. The accounting and disclosure requirements of Ind AS 19 do not affect these funding arrangements.

The principal defined benefit pension scheme of the Group at March 31, 2017 was the BSPS, which is the main scheme for historic and present employees based in the UK. The main scheme for historic and present employees in the Netherlands is the SPH which, from July 7, 2015, switched from being classified as a defined benefit scheme to a defined contribution scheme.

(d) Other defined benefits

Other benefits provided under unfunded schemes include pension payable to directors on their retirement, farewell gifts and reimbursement of packing and transportation charges to the employees based on their last drawn salary.

The defined benefit plans expose the Group to a number of actuarial risks as below:

(i) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(ii) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(iii) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(iv) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(v) Inflation risk: Some of the Group's Pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although), in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation).

C. Details of defined benefit obligation and plan assets:

(a) Retiring gratuity:

(i) The following table sets out the amounts recognised in the consolidated financial statements in respect of retiring gratuity plan:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Change in defined benefit obligation:		
Obligation at the beginning of the year	2,824.78	2,735.84
Current service costs	131.24	128.13
Interest costs	205.11	199.78
Remeasurement (gains)/losses	156.62	77.27
Benefits paid	(336.57)	(316.24)
Obligation at the end of the year	**2,981.18**	**2,824.78**

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Change in plan assets:		
Fair value of plan assets at the beginning of the year	2,646.07	2,160.13
Interest income	198.90	177.57
Remeasurement gains/(losses)	56.93	46.22
Employers' contributions	179.94	578.39
Benefits paid	(336.50)	(316.24)
Fair value of plan assets at the end of the year	**2,745.34**	**2,646.07**

Amounts recognised in the consolidated balance sheet consists of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Fair value of plan assets at the beginning/end of the year	2,745.34	2,646.07	2,160.13
Present value of obligation at the beginning/end of the year	2,981.18	2,824.78	2,735.84
	(235.84)	**(178.71)**	**(575.71)**
Recognised as:			
Retirement benefit assets - Non-current	0.50	0.67	0.13
Retirement benefit liability - Current	(3.29)	-	-
Retirement benefit liability - Non-current	(233.05)	(179.38)	(575.84)
	(235.84)	**(178.71)**	**(575.71)**

Expenses recognised in the consolidated statement of profit and loss consists of:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Employee benefits expenses:		
Current service costs	131.24	128.13
Net interest expenses/(income)	6.21	22.21
	137.45	**150.34**
Other comprehensive income:		
(Gain)/loss on plan assets	(56.93)	(46.22)
Actuarial (gain)/loss arising from changes in financial assumption	160.54	2.27
Actuarial (gain)/loss arising from changes in experience adjustments	(3.92)	75.00
	99.69	**31.05**
Expenses recognised in the consolidated statement of profit and loss	**237.14**	**181.39**

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

(ii) The fair value of plan assets as at March 31, 2017, March 31, 2016 and April 1, 2015 by category are as below:

(%)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets category (%)			
Quoted			
Equity instruments	0.21	-	-
Debt instruments	29.53	31.40	39.58
Other assets	0.04	-	0.05
	29.78	**31.40**	**39.63**
Unquoted			
Debt instruments	0.42	0.42	0.45
Insurance products	69.32	67.35	59.14
Other assets	0.48	0.83	0.78
	70.22	**68.60**	**60.37**
	100.00	**100.00**	**100.00**

The Group's policy is driven by considerations of maximising returns while ensuring credit quality of debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Group evaluates the risks, transaction costs and liquidity for potential investments. To measure plan assets performance, the Group compares actual returns for each asset category with published benchmarks.

(iii) The key assumptions used in accounting for retiring gratuity is as below:

(%)

		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	Discount rate	7.00-7.50%	7.50-7.80%	7.50-7.80%
(b)	Rate of escalation in salary	5.00-10.00%	5.00-10.00%	6.00-10.00%

(iv) The weighted average duration of the obligation as at March 31, 2017 ranges between **6 to 22** years (March 31, 2016: 6 to 15 years and April 1, 2015: 6 to 16 years).

(v) The Group expects to contribute ₹**234.17** crore to the plan during the financial year 2017-18.

(vi) The table below outlines the effect on obligation in the event of a decrease/ increase of 1% in the assumptions used.

As at March 31, 2017

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹210.17 crore, increase by ₹245.32 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹239.40 crore, decrease by ₹210.16 crore

As at March 31, 2016

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹193.37 crore, increase by ₹208.56 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹212.36 crore, decrease by ₹188.39 crore

As at April 1, 2015

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹184.99 crore, increase by ₹212.29 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹209.55 crore, decrease by ₹185.03 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

(b) Tata Steel Europe Pension Plan

(i) The following table sets out the amounts recognised in the consolidated financial statements for Tata Steel Europe's pension plans.

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Change in defined benefit obligations:		
Obligation at the beginning of the year	1,21,336.52	1,86,236.91
Current service costs	834.31	1,500.21
Interest costs	3,583.16	4,481.02
Past service costs	3,627.07	(7,697.15)
Remeasurement (gains)/losses	18,662.81	(7,811.38)
Employees' contributions	105.39	274.55
Curtailment	895.79	-
Settlements	-	(56,743.21)
Benefits paid	(6,832.59)	(7,020.59)
Obligations of companies disposed off	(878.23)	-
Exchange differences on consolidation	(19,388.02)	8,116.16
Obligation at the end of the year	**1,21,946.21**	**1,21,336.52**

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Change in plan assets:		
Fair value of plan assets at beginning of the year	1,31,204.14	1,85,888.76
Interest income	3,890.54	4,726.15
Remeasurement gains/(losses)	14,560.97	(5,814.54)
Employers' contributions	526.94	1,588.46
Employees' contributions	105.39	274.55
Settlements	-	(56,184.31)
Benefits paid	(6,797.46)	(6,981.37)
Assets of companies disposed off	(562.06)	-
Exchange differences on consolidation	(20,317.32)	7,706.44
Fair value of plan assets at end of the year	**1,22,611.14**	**1,31,204.14**

Amount recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Fair value of plan assets at the beginning/end of the year	1,22,611.14	1,31,204.14	1,85,888.76
Present value of obligation at the beginning/end of the year	1,21,946.21	1,21,336.52	1,86,236.91
	664.93	**9,867.62**	**(348.15)**
Recognised as:			
Retirement benefit assets - Non-current	1,752.14	11,476.77	1,330.50
Retirement benefit liability - Current	(27.07)	(46.21)	(52.83)
Retirement benefit liability - Non-current	(1,060.14)	(1,562.94)	(1,625.82)
	664.93	**9,867.62**	**(348.15)**

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

Expenses recognised in the consolidated statement of profit and loss consist of:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Employee benefit expenses:		
Current service costs	834.31	1,500.21
Past service costs	3,627.07	(7,697.15)
Net interest expenses/(income)	(307.38)	(245.13)
Settlements	-	(558.90)
Curtailments	895.79	-
	5,049.79	**(7,000.97)**
Other comprehensive income:		
Return on plan assets	(14,560.97)	5,814.54
Actuarial (gain)/loss arising from changes in demographic assumptions	(702.58)	-
Actuarial (gain)/loss arising from changes in financial assumption	20,199.17	(6,373.43)
Actuarial (gain)/loss arising from changes in experience adjustments	(833.78)	(1,437.95)
	4,101.84	**(1,996.84)**
Expenses recognised in the consolidated statement of profit and loss	**9,151.63**	**(8,997.81)**

(ii) The fair value of plan assets as at March 31, 2017, March 31, 2016 and April 1, 2015 by category is as below:

(%)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets category (%)			
Quoted			
(a) Equity - UK Entities	0.79	8.02	5.96
(b) Equity - Non-UK Entities	8.79	19.08	22.28
(c) Bonds - Fixed rate	39.71	17.69	24.84
(d) Bonds - indexed linked	42.20	44.13	30.75
(e) Others	0.23	0.05	0.17
	91.72	**88.97**	**84.00**
Unquoted			
(a) Property	8.49	9.42	7.84
(b) Others	(0.21)	1.61	8.16
	8.28	**11.03**	**16.00**
	100.00	**100.00**	**100.00**

(iii) The key assumptions used in accounting for the pension plans is as below:

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Discount rate	0.5-4.1%	0.4-4.1%	0.8-4.5%
(b) Rate of escalation in salary	1.0-3.0%	1.0-2.5%	1.0-3.0%
(c) Inflation rate	1.0-2.0%	1.0-3.0%	1.0-3.0%

(iv) The weighted average duration of the obligation as at March 31, 2017 is **16** years (March 31, 2016: 16 years and April 1, 2015: 16 years).

(v) The Group expects to contribute ₹**1,194.39** crore to the plan during the financial year 2017-18.

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

(vi) The table below outlines the effect on obligation in the event of a decrease/ increase of 10 bps in the assumptions used.

As at March 31, 2017

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 10 bps, decrease by 10 bps	Decrease by 1.5%, increase by 1.5%
Rate of escalation in salary	Increase by 10 bps, decrease by 10 bps	Increase by 0.3%, decrease by 0.3%
Inflation rate	Increase by 10 bps, decrease by 10 bps	Increase by 1.2%, decrease by 1.2%

As at March 31, 2016

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 10 bps, decrease by 10 bps	Decrease by 1.5%, increase by 1.5%
Rate of escalation in salary	Increase by 10 bps, decrease by 10 bps	Increase by 0.3%, decrease by 0.3%
Inflation rate	Increase by 10 bps, decrease by 10 bps	Increase by 1.2%, decrease by 1.2%

As at April 1, 2015

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 10 bps, decrease by 10 bps	Decrease by 1.5%, increase by 1.5%
Rate of escalation in salary	Increase by 10 bps, decrease by 10 bps	Increase by 0.3%, decrease by 0.3%
Inflation rate	Increase by 10 bps, decrease by 10 bps	Increase by 1.4%, decrease by 1.4%

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(c) Post retirement medical and other defined benefit plans

(i) The following table sets out the amounts recognised in the consolidated financial statements for post retirement medical and other defined benefit plans.

(₹ crore)

	As at March 31, 2017		As at March 31, 2016	
	Medical	Others	Medical	Others
Change in defined benefit obligations:				
Obligations at the beginning of the year	1,097.49	154.42	1,067.18	142.01
Current service cost	19.89	11.83	18.22	12.27
Interest cost	82.41	9.04	80.69	8.69
Remeasurement (gain)/loss:				
(i) Actuarial (gain)/loss arising from changes in financial assumptions	128.33	8.98	0.28	3.22
(ii) Actuarial (gain)/loss arising from changes in experience adjustments	(10.23)	5.95	(16.54)	(0.44)
(iii) Actuarial (gain)/loss arising from changes in demographic assumptions	(0.02)	-	(0.02)	-
Exchange differences on consolidation	-	(0.20)	-	(0.35)
Benefits paid	(61.50)	(14.49)	(52.32)	(10.98)
Past service costs	0.26	5.76	-	-
Obligations at the end of the year	**1,256.63**	**181.29**	**1,097.49**	**154.42**

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

Amounts recognised in the consolidated balance sheet consist of:

(₹ crore)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Medical	Others	Medical	Others	Medical	Others
Present value of obligations at the beginning/end of the year	1,256.63	181.29	1,097.49	154.42	1,067.18	142.01
Recognised as:						
(a) Retirement benefit liability - Current	54.80	10.04	53.98	10.89	48.59	8.89
(b) Retirement benefit liability - Non-current	1,201.83	171.25	1,043.51	143.53	1,018.59	133.12

Expenses recognised in the consolidated statement of profit and loss consist of:

(₹ crore)

	As at March 31, 2017		As at March 31, 2016	
	Medical	Others	Medical	Others
Employee benefit expenses:				
Current service costs	19.89	11.83	18.22	12.27
Past service costs	0.26	5.76	-	-
Interest costs	82.41	9.04	80.69	8.69
	102.56	**26.63**	**98.91**	**20.96**
Other comprehensive income consist of:				
Actuarial (gain)/loss arising from changes in demographic assumption	(0.02)	-	(0.02)	-
Actuarial (gain)/loss arising from changes in financial assumption	128.33	8.98	0.28	3.22
Actuarial (gain)/loss arising from changes in experience adjustments	(10.23)	5.95	(16.54)	(0.44)
	118.08	**14.93**	**(16.28)**	**2.78**
Expenses recognised in the consolidated statement of profit and loss	**220.64**	**41.56**	**82.63**	**23.74**

(ii) The key assumptions used in accounting for the post-retirement medical benefits and other defined benefits is as below:

	As at March 31, 2017		As at March 2016		As at April 1, 2015	
	Medical	Others	Medical	Others	Medical	Others
(a) Discount rate	7.00-7.50%	0.51-7.75%	7.50-7.75%	0.51-7.75%	7.75-7.90%	3.02-7.90%
(b) Rate of escalation in salary	N.A.	4.95-15.00%	N.A.	5.00-15.00%	N.A.	4.00-15.00%
(c) Inflation rate	6.00-8.00%	4.00-8.00%	6.00-8.00%	4.00-8.00%	6.00-8.00%	4.00-8.00%

(iii) The weighted average duration of the post-retirement medical benefit obligations as at March 31, 2017 ranges between **4-10** years (March 31, 2016: 6-10 years and April 1, 2015: 6-10.5 years).

The weighted average duration of the other defined benefit obligations as at March 31, 2017 ranges between **6-12** years (March 31, 2016: 6-11 years and April 1, 2015: 6-10.5 years).

NOTES forming part of the consolidated financial statements

38. EMPLOYEE BENEFITS (CONTD.)

(iv) The table below outlines the effect on the post-retirement medical benefit obligations in the event of a decrease/increase of 1% in the assumptions used:

As at March 31, 2017

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹166.77 crore, increase by ₹213.97 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹203.91 crore, decrease by ₹162.92 crore

As at March 31, 2016

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹140.03 crore, increase by ₹170.96 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹168.46 crore, decrease by ₹140.65 crore

As at April 1, 2015

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹135.83 crore, increase by ₹165.58 crore
Medical cost inflation rate	Increase by 1%, decrease by 1%	Increase by ₹163.34 crore, decrease by ₹136.77 crore

(v) The table below outlines the effect on other defined benefit obligations in the event of a decrease/increase of 1% in the assumptions used:

As at March 31, 2017

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹13.27 crore, increase by ₹14.18 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹14.29 crore, decrease by ₹12.42 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹11.62 crore, decrease by ₹9.96 crore

As at March 31, 2016

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹13.13 crore, increase by ₹15.11 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹9.47 crore, decrease by ₹8.31 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹7.87 crore, decrease by ₹6.96 crore

As at April 1, 2015

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1%, decrease by 1%	Decrease by ₹9.90 crore, increase by ₹11.36 crore
Rate of escalation in salary	Increase by 1%, decrease by 1%	Increase by ₹5.10 crore, decrease by ₹4.46 crore
Inflation rate	Increase by 1%, decrease by 1%	Increase by ₹9.12 crore, decrease by ₹7.82 crore

The above sensitivities may not be representative of the actual change as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTES forming part of the consolidated financial statements

39. CONTINGENCIES AND COMMITMENTS

A. CONTINGENCIES

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

Litigations

The Group is involved in legal proceedings, both as plaintiff and as defendant. There are claims which the Group does not believe to be of material nature, other than those described below.

Income Tax

The Group has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Group as deductions and the computation of, or eligibility of the Group's use of certain tax incentives or allowances.

Most of these disputes and/or disallowances, being repetitive in nature, have been raised by the income tax authorities consistently in most of the years.

As at March 31, 2017, there are matters and/or disputes pending in appeal amounting to ₹**1,442.95** crore (March 31, 2016: ₹1,334.73 crore; April 1, 2015: ₹1,070.66 crore) which includes ₹**7.71** crore (March 31, 2016: ₹7.24 crore, April 1, 2015: ₹5.52 crore) in respect of equity accounted investees.

The details of demands for more than ₹100 crore is as below:

Interest expenditure on loans taken by the Company for acquisition of a subsidiary has been disallowed in assessments with tax demand raised for ₹**1,217.79** crore (inclusive of interest) (March 31, 2016: ₹1,124.48 crore, April 1, 2015: ₹870.36 crore). The Company has deposited ₹**515.00** crore (March 31, 2016: ₹415 crore; April 1, 2015: ₹340.00 crore) as part payment as a precondition to obtain stay of demand. The Company expects to sustain its position on ultimate resolution of the appeals.

Customs, Excise Duty and Service Tax

As at March 31, 2017, there were pending litigation for various matters relating to customs, excise duty and service taxes involving demands of ₹**804.84** crore (March 31, 2016: ₹741.96 crore, April 1, 2015: ₹691.76 crore), which includes ₹**43.35** crore (March 31, 2016: ₹41.42 crore, April 1, 2015: ₹42.17 crore) in respect of equity accounted investees.

Sales Tax /VAT

The total sales tax demands that are being contested by the Group amounted to ₹**438.06** crore (March 31, 2016: ₹622.74 crore, April 1, 2015: ₹477.97 crore), which includes ₹**28.10** crore (March 31, 2016: ₹9.12 crore, April 1, 2015: ₹7.04 crore) in respect of equity accounted investees.

Other Taxes, Dues and Claims

Other amounts for which the Group may contingently be liable aggregate to ₹**9,421.13** crore (March 31, 2016: ₹7,969.49 crore, April 1, 2015: ₹7,158.85 crore), which includes ₹**68.54** crore (March 31, 2016: ₹67.49 crore, April 1, 2015: ₹68.26) in respect of equity accounted investees.

The details of demands for more than ₹100 crore is as below:

(a) Claim by a party arising out of conversion arrangement- ₹**195.82** crore (March 31, 2016: ₹195.82 crore; April 1, 2015: ₹195.82 crore). The Company has not acknowledged this claim and has instead filed a claim of ₹**139.65** crore (March 31, 2016: ₹139.65 crore; April 1, 2015: ₹139.65 crore) on the party. The matter is pending before the Calcutta High Court.

(b) The State Government of Odisha 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 Odisha moved to the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The potential liability, as at March 31, 2017 would be approximately ₹**5,880.83** crore (March 31, 2016: ₹5,501.98 crore; April 1, 2015: ₹4,805.18 crore).

(c) For the purpose of payment of royalty, there are two salient provisions viz. Section 9 in Mines and Minerals (Development and Regulation) Act (MMDR) 1957, related to the incidence of royalty and Rules 64B and 64C of Mineral Concession Rules (MC Rules), 1960. The Company has been paying royalty on coal extracted from its coal mines pursuant to the judgement and order dated July 23, 2002 passed by the Jharkhand High

NOTES forming part of the consolidated financial statements

39. CONTINGENCIES AND COMMITMENTS (CONTD.)

Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company contested the above demand, it started paying, under protest, royalty on processed coal from November 2008. The demand of the state mining authority was confirmed by the High Court vide its judgement dated March 12, 2014. The Court concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending Special Leave Petitions (SLP) filed by State and Company in the year 2004.

In the appeals filed by the Company in respect of the issues related to Coal royalty, the Hon'ble Supreme Court has pronounced the judgement on March 17, 2015 in which it has interpreted Section 9 and approved the law that removal of coal from the seam in the mine and extracting it through the pithead to the surface satisfies the requirement of Section 9 (charging section) of the MMDR Act in order to give rise to a liability for royalty. In regard to the interpretation of Rules 64B and 64C of MC Rules, the Supreme Court has clarified that the constitutional validity or the vires of the Rules has not been adjudicated upon. Therefore it is open to the Company either to revive the appeals limited to this question or to separately challenge the constitutionality and vires of these Rules. Accordingly, the Company has filed writ petitions challenging the constitutionality and vires of Rules 64B and 64C of MC Rules on May 19, 2015 at Hon'ble High Court of Jharkhand. Vide it's judgement dated 26.06.2015, High Court has held that, the writ petitions are maintainable. It is also pertinent to mention that the Union of India in its counter affidavit has stated that the provisions of Rules 64B and 64C may not be applicable to the mineral coal.

All demands are solely based on application of Rules 64B and 64C. In view of (i) the clear interpretation of charging Section 9 by Supreme Court by three judges Bench following two earlier three Judge Bench orders (ii) the affidavit of Union of India and (iii) the liberty given by Supreme Court, the Company is of the opinion that any related present/probable demands are not payable. Out of the principal demand of ₹190.25 crore an amount of ₹163.80 crore has been paid till FY 15 and balance has been provided for. As the Hon'ble High Court of Jharkhand refused to grant stay on demand raised in case of West Bokaro division, the Company started providing for differential royalty in the books. Interest amount of ₹**1,043.79** crore (March 31, 2016: ₹324.06 crore; April 1, 2015: ₹318.45 crore) being interest raised on all the demands, which are disputed in several cases has been considered as a contingent liability. The interest demand has been raised after several years for the entire past period and is being contested. ₹12.92 crore, being interest on District Mineral Fund (DMF) and National Mineral Foundation Trust contribution on differential royalty is also considered as a contingent liability.

(d) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.

A demand of ₹411.08 crore has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on November 14, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Mines tribunal vide its order dated November 13, 2014 has stayed the demand of royalty on iron ore for Joda east of ₹314.28 crore upto the period ending March 31, 2014. For the demand of ₹96.80 crore for April, 2014 to September, 2014, a separate revision application was filed before Mines Tribunal. The matter was heard by Mines Tribunal on July 14, 2015 and stay was granted on the total demand with directive to Government of Odisha not to take any coercive action for realisation of this demanded amount. Likely demand of Royalty on fines at sized ore rate as on March 31, 2017: ₹**847.96** crore (March 31, 2016: ₹411.08 crore: April 1, 2015: ₹411.08 crore.

B. COMMITMENTS

(a) The Group has entered into various contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature amounting to ₹**6,737.88** crore, which includes ₹**21.80** crore in respect of equity accounted investees as at March, 2017 (₹9,173.79 crore, which includes ₹10.77 crore in respect of equity accounted investees as at March 31, 2016 and ₹9,739.60 crore which includes ₹5.15 crore in respect of equity accounted investees as at April 1, 2015), which are yet to be executed.

Other commitments amounts to ₹**0.01** crore which includes Nil in respect of equity accounted investees as at March 31, 2017 (₹0.01 crore which includes Nil in respect of equity accounted investees as at March 31, 2016, ₹0.01 crore which includes Nil in respect of equity accounted investees as at April 1, 2015.

(b) The Company has given undertakings to: (a) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (b) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (c) Mizuho Corporate Bank Limited and Japan Bank for International Co-operation, not to dispose of its investments in Tata NYK Shipping Pte Limited, (minimal stake required to be able to provide a

NOTES forming part of the consolidated financial statements

39. CONTINGENCIES AND COMMITMENTS (CONTD.)

corporate guarantee towards long-term debt), (d) ICICI Bank Limited to directly or indirectly continue to hold atleast 51% shareholding in Jamshedpur Continuous Annealing and Processing Company Private Limited.

(c) The Company has furnished a security bond in respect of its immovable property to the extent of ₹20 crore 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.

(d) The Promoters of Tata BlueScope Steel Limited (TBSL) (i.e. Bluescope Steel Asia Holdings Pty Limited, Australia and Tata Steel. Limited) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, and State Bank of India not to reduce collective shareholding in TBSL, below 51 % without prior consent of the Lender. Further, the Company has given an undertaking to State Bank of India to intimate them before diluting its shareholding in TBSL below 50%.

(e) The Company, as a promoter, has pledged 4,41,55,800 equity shares of Industrial Energy Limited with Infrastructure Development Finance Corporation Limited.

(f) The Company along with TS Alloys Limited (Promoters) has given an undertaking to Power Finance Corporation Limited (PFC) and Rural Electrification Corporation Limited (REC) (Lenders) not to dispose off /transfer their equity holding of 26% of total equity in Bhubaneshwar Power Private Limited (BPPL) without prior written approval of lenders. Such shareholding of promoters may be transferred to the Company or its affiliates subject to compliance of applicable laws. The Company along with TS Alloys Limited has pledged 60% of their equity contribution in BPPL to PFC and REC.

(g) T S Global Minerals Holdings Pte Ltd. (formerly known as Tata Steel Global Minerals Holdings Pte Ltd.), an indirect subsidiary and Riversdale Mining Pty Limited (formerly Riversdale Mining Limited) have executed a deed of cross charge in favour of each other to secure the performance of obligation under Joint Venture agreement and funding requirements of the Joint Venture Minas De Benga (Mauritius) Limited (formerly Rio Tinto Benga (Mauritius) Limited) upto a maximum amount of US$ 100 million on the shares of Minas De Benga (Mauritius) Limited and all of its present and future benefits and rights under the joint venture agreement.

(h) The Group has given guarantees aggregating ₹**223.78** crore (March 31, 2016: ₹323.44 crore, April 1, 2015: ₹337.29 crore) details of which are as below:

(i) in favour of Timken India Limited for **Nil,** (March 31, 2016: ₹80.00 crore; April 1, 2015: ₹80.00 crore) against renewal of lease of land pending with State Government and ₹**1.07** crore (March 31, 2016: ₹1.07 crore; April 1, 2015: ₹1.07 crore) on behalf of Timken India Limited to Commissioner of Customs in respect of goods imported.

(ii) in favour of Mizuho Corporate Bank Ltd., Japan for ₹**45.38** crore (March 31, 2016: ₹65.04 crore; April 1, 2015: ₹78.89 crore) against the loan granted to a joint venture Tata NYK Shipping Pte. Limited.

(iii) in favour of The President of India for ₹**177.18** crore (March 31, 2016: ₹177.18 crore; April 1, 2015: ₹177.18 crore) against performance of export obligation under the various bonds executed by a joint venture Jamshedpur Continuous Annealing & Processing Company Private Limited.

(iv) in favour of President of India for ₹**0.15** crore (March 31, 2016: ₹0.15 crore; April 1, 2015: ₹0.15 crore) against advance license.

40. OTHER SIGNIFICANT LITIGATIONS

(a) Odisha legislative assembly issued an amendment to Indian Stamp Act on May 9, 2013 and inserted a new provision (Section 3a) in respect of stamp duty payable on grant/ renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company had filed a writ petition challenging the constitutionality of the Act on July 5, 2013. The Hon'ble High Court, Cuttack passed an order on July 9, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company received demand notices for the various mines at Odisha totalling to ₹**5,579** crore. On the basis of external legal opinion, the Company has concluded that it is remote that the claim will sustain on ultimate resolution of the legal case by the courts. In April, 2015 the Company has received an intimation from Government of Odisha, granting extension of validity period for leases under the MMDR Amendment Act, 2015 up to March 31, 2030 in respect of eight mines and up to March 31, 2020 for two mines subject to execution of supplementary lease deed within 3 months from the date of the intimation. Liability has been provided in the books of accounts as on March 31, 2017 as per the existing provisions of the Stamp Act 1899 and the Company has since paid the stamp duty and registration charges totalling ₹413.72 crore for supplementary deed execution in respect of eight mines out of the above mines.

NOTES forming part of the consolidated financial statements

40. OTHER SIGNIFICANT LITIGATIONS (CONTD.)

(b) Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹3,828 crore for the excess production over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done within the sanctioned mining lease area and accordingly the Company has filed revision petitions before the Mines Tribunal against all such demand notices. Consequent to it stay has been granted by the Mines Tribunal against the entire demand of ₹3,828 crore and directed the State that no coercive action should be taken for recovery of demand.

Based on the judgement of Hon'ble High court of Jharkhand on December 11, 2014 in the matter of writ petition filed by the Company for renewal of lease and continuation of operation at Noamundi iron mine, the Government of Jharkhand approved the renewal of lease of Noamundi Mines by an express order on December 31, 2014. Express Order also held mining operation carried out between January 1, 2012 to August 31, 2014 to be unlawful and computed an amount of ₹3,568 crore on account of such alleged unlawful mining.

The Mines and Minerals Development and Regulation (MMDR) Amendment Ordinance 2015 promulgated on January 12, 2015 provides for renewal of the above mines. Based on the new Ordinance, Jharkhand Government revised the Express Order on February 12, 2015 for lease renewal up to March 31, 2030 with following terms and conditions:

- value of iron ore produced by alleged unlawful mining during the period January 1, 2012 to April 20, 2014 for ₹2,994.49 crore to be decided on the basis of disposal of writ petition filed before Hon'ble High Court of Jharkhand.
- value of iron ore produced from April 21, 2014 to July 17, 2014 amounting to ₹421.83 crore to be paid in maximum 3 installments.
- value of iron ore produced from July 18, 2014 to August 31, 2014 i.e. ₹152 crore to be paid immediately.

The Company paid ₹152 crore under protest. District Mining Officer Chaibasa on March 16, 2015 has issued demand notice for payment of ₹421.83 crore, payable in three monthly installments. The Company replied on March 20, 2015, since the lease has been extended till March 31, 2030, the above demand is not tenable. The Company paid ₹50 crore under protest on July 27, 2015.

A writ petition was filed before Hon'ble High Court of Jharkhand and heard on September 9, 2015. An interim order has been given by Hon'ble High Court of Jharkhand on September 18, 2015 wherein court has directed the company to pay outstanding amount of ₹371.83 crore in 3 equal installments, first installment by October 15, 2015, second installment by November 15, 2015 and third installment by December 15, 2015.

In view of the order of Hon'ble High Court of Jharkhand, ₹124 crore was paid on September 28, 2015, ₹124 crore was paid on November 12, 2015 and ₹123.83 crore on December 14, 2015 under protest.

(c) During Financial Year 2014-15, the Income Tax department had reopened assessments of earlier years on account of excess mining and raised cumulative demand for ₹1,086 crore. During 2015-16, the Commissioner of Income Tax (Appeals) has adjudicated the matter in favour of the Company and quashed the entire demand on account of reopened assessments. The demand outstanding as on March 31, 2017 is **Nil** (March 31, 2016: Nil; April 1, 2015: ₹1,086 crore).

(d) During the current year, NTT Docomo Inc. had filed a petition with the Delhi High Court for implementation of the arbitration award (damages along with cost and interest) by the London Court of International Arbitration. The Delhi High Court directed Tata Sons to deposit the damages including costs and interest in an escrow account. During the year, the Company has accordingly remitted its share of ₹**152** crore to Tata Sons and recognised a provision of ₹**125.44** crore being the difference between the fair value of equity shares to be repurchased and the consideration payable to NTT Docomo Inc.

NOTES forming part of the consolidated financial statements

41. CAPITAL MANAGEMENT

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan of the entities within the Group coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long and short term bank borrowings and issue of non-convertible debt securities.

The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current and earmarked balances) and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Group.

(₹ crore)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Equity share capital	970.24	970.24	971.41
Hybrid Perpetual Securities	2,275.00	2,275.00	2,275.00
Other equity	34,574.08	40,487.31	43,867.22
Equity attributable to shareholders of the Company	**37,819.32**	**43,732.55**	**47,113.63**
Non controlling interests	1,601.70	780.94	854.18
Total Equity (A)	**39,421.02**	**44,513.49**	**47,967.81**
Non-current borrowings	64,022.27	64,872.78	62,251.56
Current borrowings	18,328.10	15,722.12	9,693.25
Current maturities of non-current borrowings and finance lease obligations	664.12	1,392.03	4,848.48
Gross Debt (B)	**83,014.49**	**81,986.93**	**76,793.29**
Total Capital (A+B)	**1,22,435.51**	**1,26,500.42**	**1,24,761.10**
Gross Debt as above	83,014.49	81,986.93	76,793.29
Less: Current investments	5,673.13	4,663.55	1,214.60
Less: Cash and cash equivalents	4,832.29	6,109.05	8,177.13
Less: Other balances with bank (including non-current and earmarked balances)	142.30	115.54	113.84
Net Debt (C)	**72,366.77**	**71,098.79**	**67,287.72**
Net debt to equity	**1.72**	**1.54**	**1.40**

Net debt to equity as at March 31, 2017 and March 31, 2016 has been computed based on average equity and as on April 1, 2015, it is based on closing equity.

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2(r), Page 266 to the consolidated financial statements.

(a) Financial assets and liabilities

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2017, 2016 and April 1, 2015.

As at March 31, 2017 (₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through consolidated statement profit and loss	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances	4,921.05	-	-	-	-	4,921.05	4,921.05
Trade receivables	11,586.82	-	-	-	-	11,586.82	11,586.82
Investments	49.93	4,858.82	-	-	5,954.69	10,863.44	10,863.44
Derivatives	-	-	90.42	96.79	-	187.21	187.21
Loans	373.06					373.06	373.06
Other financial assets	697.90	-	-	-	-	697.90	697.90
	17,628.76	**4,858.82**	**90.42**	**96.79**	**5,954.69**	**28,629.48**	**28,629.48**
Financial liabilities							
Trade and other payables	18,574.46	-	-	-	-	18,574.46	18,574.46
Borrowings	83,014.49	-	-	-	-	83,014.49	84,870.68
Derivatives	-	-	221.47	632.18	-	853.65	853.65
Other financial liabilities	5,760.17	-	-	-	-	5,760.17	5,760.17
	1,07,349.12	**-**	**221.47**	**632.18**	**-**	**1,08,202.77**	**1,10,058.96**

As at March 31, 2016 (₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through consolidated statement profit and loss	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances	6,186.34	-	-	-	-	6,186.34	6,186.34
Trade receivables	12,066.22	-	-	-	-	12,066.22	12,066.22
Investments	34.18	4,015.45	-	-	5,043.67	9,093.30	9,093.30
Derivatives	-	-	296.67	45.77	-	342.44	342.44
Loans	412.23					412.23	412.23
Other financial assets	489.76	-	-	-	-	489.76	489.76
	19,188.73	**4,015.45**	**296.67**	**45.77**	**5,043.67**	**28,590.29**	**28,590.29**
Financial liabilities							
Trade and other payables	18,556.70	-	-	-	-	18,556.70	18,556.70
Borrowings	81,986.93	-	-	-	-	81,986.93	82,321.20
Derivatives			430.06	233.69	-	663.75	663.75
Other financial liabilities	5,963.51	-	-	-	-	5,963.51	5,963.51
	1,06,507.14	**-**	**430.06**	**233.69**	**-**	**1,07,170.89**	**1,07,505.16**

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

As at April 1, 2015 (₹ crore)

	Amortised cost	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Fair value through consolidated statement profit and loss	Total Carrying Value	Total Fair Value
Financial assets							
Cash and bank balances	8,248.47					8,248.47	8,248.47
Trade receivables	13,579.77					13,579.77	13,579.77
Investments	0.22	10,770.14			1,603.01	12,373.37	12,373.37
Derivatives			615.77	969.74		1,585.51	1,585.51
Loans	290.09					290.09	290.09
Other financial assets	637.70					637.70	637.70
	22,756.25	**10,770.14**	**615.77**	**969.74**	**1,603.01**	**36,714.91**	**36,714.91**
Financial liabilities							
Trade and other payables	18,066.66					18,066.66	18,066.66
Borrowings	76,793.29					76,793.29	78,123.41
Derivatives			603.63	307.91		911.54	911.54
Other financial liabilities	6,580.63					6,580.63	6,580.64
	1,01,440.58	**-**	**603.63**	**307.91**	**-**	**1,02,352.12**	**1,03,682.23**

(i) Investments in mutual funds and derivative instruments are mandatorily classified as fair value through the consolidated statement of profit and loss.

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets and liabilities, that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Group's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ crore)

	As at March 31, 2017			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	5,673.13	-	-	5,673.13
Investments in equity shares	4,490.38	-	405.28	4,895.66
Investments in bonds and debentures	244.72	-	-	244.72
Derivative financial assets	-	187.21	-	187.21
	10,408.23	**187.21**	**405.28**	**11,000.72**
Financial liabilities:				
Derivative financial liabilities	-	853.65	-	853.65
	-	**853.65**	**-**	**853.65**

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

(₹ crore)

	As at March 31, 2016			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	4,663.55	-	-	4,663.55
Investments in equity shares	3,643.86	-	406.28	4,050.14
Investments in bonds and debentures	345.43	-	-	345.43
Derivative financial assets	-	342.44	-	342.44
	8,652.84	**342.44**	**406.28**	**9,401.56**
Financial liabilities:				
Derivative financial liabilities	-	663.75	-	663.75
	-	**663.75**	**-**	**663.75**

(₹ crore)

	As at April 1, 2015			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in mutual funds	1,214.60	-	-	1,214.60
Investments in equity shares	10,330.86	-	466.28	10,797.14
Investments in bonds and debentures	361.41	-	-	361.41
Derivative financial assets	-	1,585.51	-	1,585.51
	11,906.87	**1,585.51**	**466.28**	**13,958.66**
Financial liabilities:				
Derivative financial liabilities	-	911.54	-	911.54
	-	**911.54**	**-**	**911.54**

Notes:

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(iii) Investments carried at fair value are generally based on market price quotations. Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iv) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

(v) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(vi) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2017, March 31, 2016 and April 1, 2015.

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

(c) Derivative financial instruments

Derivative instruments used by the Group include forward exchange contracts, interest rate swaps, currency swaps, options, commodity futures and interest rate caps/collars. These financial instruments are used to hedge future transactions and cash flows and are subject to hedge accounting under Ind AS 109 "Financial Instruments" to the extent possible. The Group does not hold or issue derivative financial instruments for trading purposes. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table sets out the fair value of derivatives held by the Group as at the end of the reporting period.

(₹ crore)

		As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
(i)	Foreign currency forwards, futures and options	165.07	823.57	279.05	607.78	1,560.80	622.04
(ii)	Commodity futures and options	0.66	11.46	45.65	10.82	0.11	85.33
(iii)	Interest rate swaps and collars	21.48	18.62	17.74	45.15	24.60	204.17
		187.21	**853.65**	**342.44**	**663.75**	**1,585.51**	**911.54**
Classified as :							
Non-current		83.17	179.98	32.82	165.47	88.17	174.91
Current		104.04	673.67	309.62	498.28	1,497.34	736.63

At the end of the reporting period, the total notional amount of outstanding foreign currency contracts, commodity futures, options and interest rate swap/collars that the Group has committed to are as follows:

(USD million)

		As at March 31, 2017	As at March 31, 2016	As at April1, 2015
(i)	Foreign currency forwards, futures and options	7,282.80	6,186.69	5,994.55
(ii)	Commodity futures and options	142.37	84.74	113.87
(iii)	Interest rate swaps and collars	1,872.57	2,132.08	2,560.49
		9,297.74	**8,403.51**	**8,668.91**

(d) Transfer of financial assets

The Group transfers certain trade receivables under discounting arrangements with banks and financial institutions. Some of such arrangements do not qualify for de-recognition due to recourse arrangement being in place. Consequently, the proceeds received from transfer are recorded as short-term borrowings from banks and financial institutions.

The carrying value of trade receivables not de-recognised along with the associated liabilities is as below:

(₹crore)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying value of asset transferred	Carrying value of associated liabilities	Carrying value of asset transferred	Carrying value of associated liabilities	Carrying value of asset transferred	Carrying value of associated liabilities
Trade receivables	654.88	654.88	517.46	517.46	558.98	558.98

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

(e) Financial risk management

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, commodity prices, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency, commodity prices and interest rate fluctuations on the entity's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity prices, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(a) Market risk - Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the consolidated statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Great British Pound, Euro, Singapore dollar, and Thai Baht against the respective functional currencies of the Company and its subsidiaries.

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange rate exposure. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

A 10% appreciation/depreciation of the foreign currencies with respect to functional currency of the entities within the Group would result in a decrease/increase in the Group's net profit before tax by approximately ₹**885.74** crore for the year ended March 31, 2017, (₹804.18 crore for the year ended March 31, 2016; ₹960.64 crore as on April 1, 2015) and increase/decrease in carrying value of property, plant and equipment (before considering depreciation impact) by approximately ₹**185.49** crore as at March 31, 2017 (March 31, 2016: ₹215.55 crore).

The foreign exchange rate sensitivity is calculated by assuming a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the entities within the Group .

The sensitivity analysis has been based on the composition of the Group's financial assets and liabilities at March 31, 2017, March 31, 2016 and April 1, 2015 excluding trade payables, trade receivables, other non-derivative and derivative financial instruments not forming part of debt and which do not present a material exposure. The period end balances are not necessarily representative of the average debt outstanding during the period.

(b) Market risk - Interest rate risk:

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations.

Based on the composition of debt as at March 31, 2017 and March 31, 2016 a 100 basis points increase in interest rates would increase the Group's finance costs and thereby consequently reduce net profit before tax by approximately ₹**421.73** crore for the year ended March 31, 2017 (2015-16: ₹424.73 crore and ₹389.12 crore as on April 1, 2015).

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(c) Market risk - Equity price risk:

Equity price risk is related to the change in market reference price of investments in equity securities held by the Group.

The fair value of quoted investments held by the Group exposes the Group to equity price risks. In general, these investments are not held for trading purposes.

The fair value of quoted equity investments as at March 31, 2017, March 31, 2016 and April 1, 2015, was ₹**4,490.38** crore, ₹3,643.86 crore and ₹10,330.86 crore respectively.

A 10% change in equity prices of investments held as at March 31, 2017, March 31, 2016 and April 1, 2015, would result in an impact of ₹**449.03** crore, ₹364.38 crore and ₹1,033.08 crore respectively on equity before considering tax impact.

(ii) Commodity risk

The Group makes use of commodity futures contracts and options to manage its purchase price risk for certain commodities. Across the Group forward purchases are also made of zinc, tin and nickel to cover sales contracts with fixed metal prices.

There was no significant market risk relating to the income statement since the majority of commodity derivatives are treated as cash flow hedges with movements being reflected in equity and the timing and recognition in the income statement would depend on the point at which the underline hedged transactions were also recognised.

(iii) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The entities within the Group have a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹**16,188.63** crore, ₹15,953.78 crore, ₹16,218.92 crore, as at March 31, 2017, March 31, 2016 and April 1, 2015 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

The risk relating to trade receivables is presented in Note 15, Page 290.

The Group's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at March 31, 2017, March 31, 2016 and April 1, 2015.

In respect of financial guarantees provided by the Group to banks and financial institutions, the maximum exposure which the Group is exposed to is the maximum amount which the Group would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Group considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

NOTES forming part of the consolidated financial statements

42. DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD.)

(iv) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Group invests its surplus funds in bank fixed deposit and mutual funds, which carry no or low mark to market risk.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Group's derivative and non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period. Cash flows in foreign currencies are translated using the period end spot rates.

(₹crore)

	As at March 31, 2017				
	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings including interest obligations	83,014.49	1,05,464.32	21,183.49	50,574.60	33,706.23
Trade payables	18,574.46	18,574.46	18,574.46	-	-
Other financial liabilities	5,760.17	5,760.17	5,651.40	36.29	72.48
	1,07,349.12	**1,29,798.95**	**45,409.35**	**50,610.89**	**33,778.71**
Derivative financial liabilities	**853.65**	**853.65**	**673.67**	**96.76**	**83.22**

(₹crore)

	As at March 31, 2016				
	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings including interest obligations	81,986.93	1,07,085.79	19,476.33	45,441.00	42,168.46
Trade payables	18,556.70	18,556.70	18,556.70	-	-
Other financial liabilities	5,963.51	5,963.51	5,509.11	405.87	48.53
	1,06,507.14	**1,31,606.00**	**43,542.14**	**45,846.87**	**42,216.99**
Derivative financial liabilities	**663.75**	**663.75**	**498.28**	**136.74**	**28.73**

(₹crore)

	As at April 1, 2015				
	Carrying value	Contractual cash flows	less than one year	between one to five years	More than five years
Non-derivative financial liabilities:					
Borrowings including interest obligations	76,793.29	1,08,896.16	17,565.67	41,505.35	49,825.14
Trade payables	18,066.66	18,066.66	18,066.66	-	-
Other financial liabilities	6,580.63	6,580.63	5,680.07	848.34	52.22
	1,01,440.58	**1,33,543.45**	**41,312.40**	**42,353.69**	**49,877.36**
Derivative financial liabilities	**911.54**	**911.54**	**736.64**	**117.82**	**57.08**

NOTES forming part of the consolidated financial statements

43. SEGMENT REPORTING

(I) The Group is engaged in the business of manufacturing steel products across the globe. The operating segments have been identified based on the different geographical areas where major entities within the Group operate and which is also the basis on which the Chief Operating Decision Maker (CODM) reviews and assess the Group's performances.

The Group's reportable segments and segment information is presented below:

(₹ crore)

	Tata Steel India	Other Indian operations	Tata Steel Europe	Other trade related operations	South-East Asian operations	Rest of the world	Inter-segment eliminations	Total
Segment revenue								
External revenue	**48,741.51**	**5,142.09**	**52,017.48**	**3,258.07**	**7,653.25**	**607.54**	**-**	**1,17,419.94**
	39,718.65	*4,595.53*	*53,225.87*	*840.44*	*7,558.92*	*400.51*	*-*	*1,06,339.92*
Intersegment revenue	**4,519.45**	**1,557.75**	**67.48**	**20,493.30**	**482.65**	**22.41**	**(27,143.04)**	**-**
	2,978.79	*1,631.10*	*329.49*	*14,196.83*	*508.05*	*140.55*	*(19,784.81)*	*-*
Total Revenue	**53,260.96**	**6,699.84**	**52,084.96**	**23,751.37**	**8,135.90**	**629.95**	**(27,143.04)**	**1,17,419.94**
	42,697.44	*6,226.63*	*53,555.36*	*15,037.27*	*8,066.97*	*541.06*	*(19,784.81)*	*1,06,339.92*
Segment results before exceptional items, interest, tax and depreciation :	**11,952.75**	**580.08**	**4,704.91**	**261.62**	**531.27**	**(19.56)**	**(985.70)**	**17,025.37**
	7,792.31	*606.91*	*(513.20)*	*1,278.10*	*197.41*	*(152.63)*	*(1,258.11)*	*7,950.79*
Segment results include:								
Share of profit/(loss) of joint ventures and associates	**(30.01)**	**2.53**	**48.29**	**-**	**(13.16)**	**-**	**-**	**7.65**
	(89.69)	*1.65*	*(14.05)*	*-*	*(8.33)*	*-*	*-*	*(110.42)*
Reconciliation to profit/(loss) for the year:								
Finance income								**517.57**
								319.34
Finance cost								**5,072.20**
								4,221.41
Depreciation and Amortisation								**5,672.88**
								5,306.35
Profit before exceptional items and tax								**6,797.86**
								(1,257.63)
Exceptional items								**(4,324.23)**
								3,990.38
Profit before tax								**2,473.63**
								2,732.75
Tax								**2,778.01**
								689.96
Profit after tax from continuing operations								**(304.38)**
								2,042.79
Profit after tax from discontinued operations								**(3,864.19)**
								(2,539.88)
Net profit/(loss) for the period								**(4,168.57)**
								(497.09)
Segment assets	**1,09,180.60**	**5,532.26**	**43,687.31**	**43,413.50**	**5,091.43**	**7,904.66**	**(41,476.52)**	**1,73,333.24**
	1,02,929.47	*4,910.99*	*55,585.99*	*42,616.15*	*4,936.98*	*7,347.91*	*(40,816.05)*	*1,77,511.44*
Segment assets include:								
Equity accounted investments	**1,281.05**	**25.62**	**275.26**	**-**	**11.75**	**-**	**-**	**1,593.68**
	1,295.14	*33.93*	*275.66*	*-*	*15.68*	*-*	*-*	*1,620.41*
Segment liabilities	**62,542.95**	**3,274.90**	**73,061.71**	**33,208.34**	**2,724.50**	**2,205.11**	**(43,105.29)**	**1,33,912.22**
	59,213.64	*2,894.21*	*78,656.38*	*25,471.36*	*2,797.20*	*6,213.81*	*(42,248.65)*	*1,32,997.95*
Additions to non-current assets	**3,846.73**	**419.81**	**3,665.80**	**3.17**	**5.38**	**216.67**	**-**	**8,157.56**
	6,074.92	*367.67*	*3,539.24*	*0.57*	*32.03*	*1,582.09*	*-*	*11,596.52*

Figures in italics represents comparative figures of previous year.

NOTES forming part of the consolidated financial statements

43. SEGMENT REPORTING (CONTD.)

Details of revenue by nature of business is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
Steel	1,05,611.52	96,321.74
Others	11,808.42	10,018.18
	1,17,419.94	**1,06,339.92**

Revenue from other business primarily relate to from ferro alloys, power, town and medical services.

Details of revenue based on geographical location of customers is as below:

(₹ crore)

	Year ended March 31, 2017	Year ended March 31, 2016
India	50,982.81	43,603.61
Outside India	66,437.13	62,736.31
	1,17,419.94	**1,06,339.92**

Revenue outside India primarily relates to the United Kingdom and other European countries.

Details of non-current assets (property, plant and equipment, intangibles and goodwill on consolidation) based on geographical area is as below:

(₹ crore)

	As at March 31, 2017	As at March 31, 2016
India	81,097.26	80,455.74
Outside India	26,693.42	27,740.11
	1,07,790.68	**1,08,195.85**

Notes:

(i) Segment performance is reviewed by the CODM on the basis of profit or loss from continuing operations before finance income and finance cost, depreciation and amortisation and tax expenses. Segment results reviewed by the CODM also exclude income or expenses which are non-recurring in nature and are classified as exceptional.

Information about segment assets and liabilities provided to the CODM, however, include the related assets and liabilities arising on account of items excluded in measurement of segment results. Such amounts, therefore, form part of the reported segment assets and liabilities.

(ii) No single customer represents 10% or more of the Group's total revenue during the year ended March 31, 2017 and March 31, 2016

(iii) The accounting policies of the reportable segments are the same as of the Group's accounting policies.

NOTES forming part of the consolidated financial statements

44. RELATED PARTY TRANSACTIONS

The Group's related parties primarily consists of its associates and joint ventures, Tata Sons Limited including its subsidiaries and joint ventures. The Group's routinely enters into transactions with these related parties in the ordinary course of business at market rates and terms. Transactions and balances between the Company, its subsidiaries and fellow subsidiaries are eliminated on consolidation.

The following table summarises related-party transactions and balances included in the consolidated financial statements for the year ended/as at March 31, 2017, March 31, 2016 and April 1, 2015.

(₹ crore)

	Associates	Joint Arrangements	Tata Sons and its subsidiaries and joint ventures	Total
Purchase of goods	**591.96**	**261.68**	**1,055.02**	**1,908.66**
	537.74	*411.83*	*580.93*	*1,530.50*
Sale of goods	**814.09**	**1,942.58**	**190.15**	**2,946.82**
	657.35	*1,923.24*	*63.48*	*2,644.07*
Services received	**13.88**	**1,894.82**	**111.40**	**2,020.10**
	29.90	*1,212.42*	*118.95*	*1,361.27*
Services rendered	**14.57**	**102.17**	**0.85**	**117.59**
	9.15	*110.54*	*0.23*	*119.92*
Interest income recognised	**-**	**0.39**	**-**	**0.39**
	-	*1.79*	-	*1.79*
Interest expenses recognised	**-**	**-**	**16.16**	**16.16**
	0.94	*0.37*	*0.83*	*2.14*
Dividend paid	**-**	**-**	**236.48**	**236.48**
	-	-	*236.61*	*236.61*
Dividend received	**23.83**	**48.36**	**0.54**	**72.73**
	9.50	*43.32*	*40.94*	*93.76*
Provision for receivables recognised during the year	-	-	-	-
	0.03	-	-	*0.03*
Management contracts	**0.86**	**1.89**	**131.22**	**133.97**
	0.71	*0.88*	*145.41*	*147.00*
Purchase of Investments	-	-	-	-
	8.15	-	-	*8.15*
Sale of Investments	**-**	**-**	**-**	**-**
	-	-	*2,603.63*	*2,603.63*
Finance provided during the year	**-**	**7.00**	**-**	**7.00**
	0.91	*60.61*	*7.69*	*69.21*
	-	*207.47*	-	*207.47*

NOTES forming part of the consolidated financial statements

44. RELATED PARTY TRANSACTIONS (CONTD.)

(₹ crore)

	Associates	Joint Arrangements	Tata Sons and its subsidiaries and joint ventures	Total
Outstanding loans and receivables	**95.19**	**1,056.44**	**82.03**	**1,233.66**
	80.34	*1,269.78*	*38.56*	*1,388.68*
	87.37	*1,319.97*	*37.04*	*1,444.38*
Provision for outstanding loans and receivables	**2.98**	**944.66**	**-**	**947.64**
	3.50	*990.43*	*-*	*993.93*
	3.37	*899.00*	*-*	*902.37*
Outstanding Payables	**56.52**	**435.89**	**288.21**	**780.62**
	75.87	*339.23*	*229.01*	*644.11*
	91.56	*316.20*	*233.77*	*641.53*
Guarantees provided outstanding	**-**	**222.56**	**-**	**222.56**
	-	*242.22*	-	*242.22*
	-	256.07	-	256.07

Figures in italics represents comparative figures of previous years.

(i) The details of remuneration paid to the managerial personnel is provided in Note 30, Page 307.

In addition, during the year the Group has paid dividend of ₹**21,936.00** (2015-16: ₹21,936.00) to key managerial personnel and ₹**2,648.00** (2015-16: ₹2,648.00) to relatives of key managerial personnel.

(ii) During the year, the Group has contributed ₹**471.09** crore (2015-16: ₹865.30 crore) to post employment benefit plans.

(iii) Transactions with joint ventures have been disclosed at full value and not at their proportionate share.

NOTES forming part of the consolidated financial statements

45. ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS)

A. Mandatory exceptions to retrospective application

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(i) Estimates

On assessment of estimates made under the Previous GAAP financial statements, the Group has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates.

(ii) Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

B. Optional exemptions from retrospective application

Ind AS 101 "First time adoption of Indian Accounting Standards" permits Companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS during transition. The Group has accordingly on transition to Ind AS availed the following key exemptions:

i. Fair value as deemed cost for items of property, plant and equipment

The Company and some of its subsidiaries has elected to treat fair value as deemed cost for certain items of its property, plant and equipment.

The aggregate fair value of property, plant and equipment where the exemption was availed amounted to ₹47,580.78 crore with an aggregate adjustment of ₹14,129.68 crore being recognised to the carrying value reported under the Previous GAAP.

ii. Business combination

The Group has elected to apply the principles of Ind AS 103, 'Business Combinations' retrospectively to acquisitions made on or after April 2, 2007. The assets acquired and liabilities assumed in such business combinations have thus been accounted for at their respective fair values as on the acquisition date adjusted till the date of transition and for subsequent reporting periods.

iii. Designation of previously recognised financial instruments

As per Ind AS 109, "Financial Instruments" at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in fair value of an investment in equity instrument in other comprehensive income.

Ind AS 101 "First time Adoption of Indian Accounting Standards" allows such designation of previously recognised financial assets as "fair value through other comprehensive income" on the basis of facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Group has designated its investments in equity instruments at fair value through other comprehensive income on the basis of facts and circumstances that existed at the date of transition to Ind AS.

iv. Effects of changes in exchange rates

In respect of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period, the Company and some of its subsidiaries have elected to recognise exchange differences on translation of such long term foreign currency monetary items in line with their Previous GAAP accounting policy.

In respect of long term foreign currency monetary items recognised in the financial statements beginning with the first Ind AS financial reporting period, exchange differences are recognised in the consolidated statement of profit and loss

NOTES forming part of the consolidated financial statements

46. EXPLANATION OF TRANSITION TO IND AS

C. Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(a) Reconciliation of total equity as at April 1, 2015 and March 31, 2016.

(b) Reconciliation of total comprehensive income for the year ended March 31, 2016.

(c) Reconciliation of consolidated statement of cash flows for the year ended March 31, 2016.

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.

(a) Reconciliation of total equity

(₹ crore)

	Note	As at March 31, 2016	As at April 1, 2015
Equity as per Previous GAAP		28,478.86	31,349.41
Re-measurements on transition to Ind AS:			
(1) Property, plant and equipment	(ii)	21,012.12	14,041.01
(2) Financial instruments	(i)	3,904.78	10,458.08
(3) Re-classification of Hybrid Perpetual Securities	(v)	2,275.00	2,275.00
(4) Reversal of proposed dividend and tax thereon	(vii)	946.37	943.15
(5) Leases	(iii)	(153.69)	(164.92)
(6) Employee benefits	(viii)	531.82	1,414.91
(7) Change in method/scope of consolidation	(vi)	902.68	610.52
(8) Re-classification of non-controlling interests	(x)	935.89	1,016.58
(9) Business combinations	(iv)	(7,677.03)	(7,229.09)
(10) Others	(xi)	(380.35)	(346.84)
(11) Tax impact on above adjustments	(ix)	(6,262.96)	(6,400.00)
Equity as per Ind AS		**44,513.49**	**47,967.81**

(b) Reconciliation of total comprehensive income

(₹ crore)

	Note	Year ended March 31, 2016
Profit/(loss) after tax as per Previous GAAP		(3,049.32)
Re-measurements on transition to Ind AS:		
(1) Financial instruments	(i)	(3,761.81)
(2) Property, plant and equipment	(ii)	7,207.40
(3) Employee benefits	(viii)	(1,707.18)
(4) Others	(xi)	81.40
(5) Tax impact on above adjustments	(ix)	732.42
Profit/(loss) after tax as per Ind AS		**(497.09)**
Other Comprehensive Income/(loss)	(xii)	(1,898.17)
Total Comprehensive Income/(loss) as per Ind AS		**(2,395.26)**

NOTES forming part of the consolidated financial statements

46. EXPLANATION OF TRANSITION TO IND AS (CONTD.)

(c) Reconciliation of consolidated statement of cash flows

(₹ crore)

	Note	Amount as per Previous GAAP	Effect of transition to Ind AS	Amount as per Ind AS
Net cash generated from/(used in) operating activities	(xiii-xv)	11,116.96	338.39	11,455.35
Net cash generated from/(used in) investing activities	(xiii-xv)	(9,192.46)	(61.36)	(9,253.82)
Net cash generated from/(used in) financing activities	(xiii-xv)	(4,313.77)	(415.35)	(4,729.12)
Net increase/(decrease) in cash and cash equivalents		**(2,389.40)**	**(138.19)**	**(2,527.59)**
Cash and cash equivalents as at April 1, 2015	(xiii-xv)	8,525.66	(348.53)	8,177.13
Effect of exchange rate on translation of foreign currency cash and cash equivalents	(xiii-xv)	472.73	(13.22)	459.51
Cash and cash equivalents as at March 31, 2016	(xiii-xv)	6,608.99	(499.94)	6,109.05

Notes to reconciliation of total equity and total comprehensive income

(i) Financial Instruments

(a) In accordance with Ind AS 109 "Financial Instruments", investments in quoted equity instruments (other than in subsidiaries, associates and joint ventures) have been recognised at fair value at each reporting date through other comprehensive income.

Consequently, on eventual sale of such investments, profit or loss recognised in the consolidated statement of profit and loss under the Previous GAAP has been reversed as the fair value changes are recognised through other comprehensive income.

(b) In accordance with Ind AS 109 "Financial Instruments", premium payable on redemption, discount on issue, transaction costs on issue of bonds and debentures are required to be considered as effective finance costs and recognised in the consolidated statement of profit and loss using the effective interest rate.

Consequently, premium on redemption/discount on issue and transaction costs recognised directly in equity or amortised using a different approach under the Previous GAAP have been reversed and are now recognised through the consolidated statement of profit and loss using effective interest rate.

(c) In accordance with Ind AS 109 "Financial Instruments", investments in mutual funds are recognised at fair value through the consolidated statement of profit and loss at each reporting period.

(d) In accordance with Ind AS 109 "Financial Instruments", all derivative financial instruments are recognised at fair value as at each reporting date through the consolidated statement of profit and loss except where designated in a hedging relationship.

(ii) Property, plant and equipment

On transition to Ind AS, the Company and some of its subsidiaries have treated fair value as deemed cost for certain items of property, plant and equipment resulting in an uplift in the carrying value as compared to the Previous GAAP.

The consequential impact of additional depreciation on fair value uplift is recognised in the consolidated statement of profit and loss.

(iii) Leases

As per Ind AS 17, "Leases", the Group has assessed long term arrangements, fulfilment of which is dependant on use of specified assets and where the Group has the right to control the use of such assets for being in the nature of a lease.

This resulted in certain arrangements being treated as a lease and classified as finance lease. The impact on total equity and profit and loss is on account of timing difference in recognition of expenses under the lease accounting model as compared to those recognised under the Previous GAAP.

(iv) Business combinations

The Group has fair valued business combinations effected on or after April 2, 2007. The assets acquired and liabilities assumed in such business combinations have thus been recorded at fair values on the date of acquisition and adjusted for subsequent depreciation and amortisation till the date of transition to Ind AS and for subsequent reporting periods.

NOTES forming part of the consolidated financial statements

46. EXPLANATION OF TRANSITION TO IND AS (CONTD.)

(v) Re-classification of Hybrid Perpetual Securities

In accordance with Ind AS 109 "Financial Instruments", Hybrid Perpetual Securities have been re-classified as equity based on its substance and the fact that the Company has an unconditional right to avoid making payments on the instrument as per the contractual terms.

(vi) Equity accounting of joint ventures and changes in scope of consolidation

In accordance with Ind AS 28, "Investments in Associates and Joint Ventures", the Group has accounted for its joint ventures using the equity method unlike proportionate line by line method under the previous GAAP.

In addition, certain entities consolidated as subsidiaries under the Previous GAAP have been consolidated as joint ventures and accounted for using the equity method under Ind AS.

(vii) Reversal of proposed dividend

In accordance with Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", dividend recommended by the Board of Directors is recognised only once approved by the shareholders as compared to the Previous GAAP where it was considered as an adjusting event.

(viii) Employee benefits

(a) In accordance with Ind AS 19, "Employee benefits" re-measurement gains and losses on post employment defined benefit obligations are recognised in other comprehensive income as compared to the consolidated statement of profit and loss under the Previous GAAP.

(b) Interest expense/income on the net defined benefit liability/asset is recognised in the consolidated statement of profit and loss using the discount rate used for defined benefit obligation as compared to the expected rate used for recognising income from plan assets under the Previous GAAP.

(c) Plan administration costs are recognised in the consolidated statement of profit and loss as and when incurred, as compared to the Previous GAAP where the same was included in the valuation of obligations or assets as the case may be.

(ix) Deferred Taxes

In accordance with Ind AS 12, "Income Taxes", the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences , i.e. profit and loss approach.

The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re-measurement changes.

(x) Non-controlling Interests

Under the Previous GAAP, non-controlling interest was not considered as part of total equity and was presented separately. In the consolidated statement of profit and loss, share of non-controlling interest for the year was shown as a deduction from Group's profit or loss.

Under Ind AS, non-controlling interests are considered as a part of total equity and its share in profit or loss for the year and total comprehensive income is shown as an allocation instead of as a deduction from profit or loss for the year.

Further, under Ind AS, profit or loss and each component of other comprehensive income is attributed to the owners of the Company and to non-controlling interests even if this results in the non-controlling interests having a deficit balance. Under the Previous GAAP, the excess of such losses attributable to non-controlling interests over its interest in the equity of subsidiary was attributed to the owners of the Company.

(xi) Other Adjustments

(a) In accordance with Ind AS 20 "Government Grants", duty saved on import of capital goods and spares under the EPCG scheme has been treated as a Government grant.

The benefit has been grossed up with the cost of the related asset and has been recognised as a deferred income. Such deferred income is released to the consolidated statement of profit and loss based on fulfilment of related export obligations. The duty benefit grossed up to the cost of the asset is depreciated based on its useful economic life or as and when the spares are consumed.

(b) Other adjustments also include consequential impact on inventory valuation due to Ind AS transition.

NOTES forming part of the consolidated financial statements

46. EXPLANATION OF TRANSITION TO IND AS (CONTD.)

(xii) Other comprehensive Income

Under Ind AS, all items of income and expense recognised during the year are included in the profit or loss for the year, unless Ind AS requires or permits otherwise. Items that are not recognised in profit or loss but are shown in the consolidated statement of profit and loss and other comprehensive income include re-measurements gains or losses on defined benefit plans, effective portion of gains or losses on cash flow hedges, fair value changes of equity investments and foreign currency translation differences of foreign subsidiaries.

The concept of other comprehensive income did not exist under the Previous GAAP.

Notes to reconciliation of consolidated statement of cash flows

(xiii) The Group transfers trade receivables under discounting arrangements with banks and financial institutions. Some of the arrangements do not meet the de-recognition criteria due to recourse arrangements being in place. Consequently, proceeds received from such transactions are recorded as short term borrowings and trade receivables continue to be recognised in the consolidated financial statements. Under the Previous GAAP, such transactions were de-recognised and recorded as a sale.

As a result, cash flow from operating activities under Ind AS is lower and cash flow from financing activities is higher.

(xiv) On transition to Ind AS, long term arrangements have been assessed as being in the nature of a lease and classified as finance leases, where applicable. Under the Previous GAAP, such long term contracts were treated as a normal contract for purchase of output. Payments made under such contracts have therefore been re-classified as part of financing activities under Ind AS as compared to operating activities under the Previous GAAP.

As a result, cash flow from operating activities under Ind AS is higher and cash flow from financing activities is lower.

(xv) Under the Previous GAAP, joint ventures were consolidated using line by line proportionate method whereas under Ind AS joint ventures have been accounted for using the equity method. As a result, proportionate cash flows for operating, investing and financing activities including cash and cash equivalents of joint ventures included in the consolidated cash flow under the Previous GAAP do not form part of consolidated cash flow under Ind AS.

47. DIVIDEND

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. On May 16, 2017, the Board of Directors of the Company have proposed a dividend of ₹10 per share in respect of the year ended March 31, 2017 subject to the approval of shareholders at the Annual General Meeting. If approved, the dividend would result in a cash outflow of ₹1,167.76 crore inclusive of a dividend distribution tax of ₹197.72 crore.

For and on behalf of the Board of Directors

sd/- **N. Chandrasekaran** Chairman (DIN: 00121863)	sd/- **Ishaat Hussain** Director (DIN: 00027891)	sd/- **Andrew Robb** Director (DIN: 01911023)	sd/- **O. P. Bhatt** Director (DIN: 00548091)	sd/- **Mallika Srinivasan** Director (DIN: 00037022)	sd/- **Peter Blauwhoff** Director (DIN: 07728872)
sd/- **Aman Mehta** Director (DIN: 00009364)	sd/- **Deepak Kapoor** Director (DIN: 00162957)	sd/- **D. K. Mehrotra** Director (DIN: 00142711)	sd/- **Koushik Chatterjee** Group Executive Director (Finance, Corporate & Europe) (DIN: 00004989)	sd/- **T. V. Narendran** Managing Director (DIN: 03083605)	sd/- **Parvatheesam K.** Company Secretary (ACS: 15921)

Mumbai, May 16, 2017

NOTES forming part of the consolidated financial statements

48. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST

	Name of the Entity	Reporting Currency	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
A.	**PARENT**									
	Tata Steel Limited	INR	**19.64%**	**51,934.01**	**(44.44%)**	**3,444.55**	**(27.94%)**	**675.79**	**(40.52%)**	**4,120.34**
B.	**SUBSIDIARIES**									
a)	**Indian**									
1	Adityapur Toll Bridge Company Limited	INR	0.02%	39.79	0.05%	(3.50)	0.00%	-	0.03%	(3.50)
2	Tata Steel Special Economic Zone Limited	INR	0.05%	132.62	0.02%	(1.31)	0.00%	(0.00)	0.01%	(1.31)
3	Indian Steel & Wire Products Ltd.	INR	0.02%	63.41	(0.08%)	6.12	0.04%	(0.97)	(0.05%)	5.15
4	Jamshedpur Utilities & Services Company Limited	INR	0.02%	63.88	(0.67%)	51.56	0.00%	0.05	(0.51%)	51.61
5	Haldia Water Management Limited	INR	(0.06%)	(160.84)	0.18%	(13.57)	0.00%	-	0.13%	(13.57)
6	Rujuvalika Investments Limited	INR	0.03%	84.14	(0.03%)	2.38	(0.80%)	19.41	(0.21%)	21.79
7	T S Alloys Limited	INR	0.04%	112.79	(0.01%)	0.84	0.01%	(0.14)	(0.01%)	0.70
8	Tata Korf Engineering Services Ltd.	INR	0.00%	(9.80)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
9	Tata Metaliks Ltd.	INR	0.08%	207.18	(1.50%)	116.48	0.09%	(2.26)	(1.12%)	114.22
10	Tata Sponge Iron Limited	INR	0.34%	864.85	(0.75%)	58.18	0.06%	(1.36)	(0.56%)	56.82
11	TSIL Energy Limited	INR	0.00%	1.14	0.00%	0.03	0.00%	-	0.00%	0.03
12	Kalzip India Private Limited	INR	0.00%	10.33	(0.01%)	0.90	0.00%	-	(0.01%)	0.90
13	Tata Steel International (India) Limited	INR	0.02%	43.18	(0.05%)	4.06	0.00%	-	(0.04%)	4.06
14	Tata Steel Odisha Limited	INR	0.00%	(0.01)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
15	Tata Steel Processing and Distribution Limited	INR	0.20%	536.76	(0.52%)	40.41	0.07%	(1.76)	(0.38%)	38.65
16	Tayo Rolls Limited	INR	(0.15%)	(422.66)	1.08%	(84.00)	0.00%	0.02	0.83%	(83.98)
17	Tata Pigments Limited	INR	0.02%	46.45	(0.08%)	6.46	0.03%	(0.68)	(0.06%)	5.78
18	The Tinplate Company of India Ltd	INR	0.25%	622.29	(0.36%)	27.86	0.14%	(3.27)	(0.24%)	24.59
19	Tata Steel Foundation	INR	0.00%	0.99	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
b)	**Foreign**									
1	ABJA Investment Co. Pte. Ltd.	USD	(0.10%)	(265.46)	(0.97%)	75.52	0.00%	-	(0.74%)	75.52
2	NatSteel Asia Pte. Ltd.	USD	0.56%	1,493.07	0.94%	(72.97)	3.87%	(93.62)	1.64%	(166.59)
3	TS Asia (Hong Kong) Ltd.	USD	0.04%	115.31	(0.19%)	15.01	0.00%	-	(0.15%)	15.01
4	Tata Steel (KZN) (Pty) Ltd.	ZAR	(0.38%)	(1,011.91)	0.00%	-	0.00%	-	0.00%	-
5	T Steel Holdings Pte. Ltd.	GBP	17.98%	47,527.01	0.00%	(0.07)	0.00%	-	0.00%	(0.07)
6	T S Global Holdings Pte Ltd.	GBP	11.88%	31,410.60	69.17%	(5,361.11)	0.00%	-	52.72%	(5,361.11)
7	Orchid Netherlands (No.1) B.V.	EUR	0.00%	1.58	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
8	NatSteel Holdings Pte. Ltd.	SGD	0.00%	2.49	(0.25%)	19.60	(0.16%)	3.90	(0.23%)	23.50
9	Easteel Services (M) Sdn. Bhd.	MYR	0.01%	28.78	0.00%	(0.33)	0.00%	-	0.00%	(0.33)
10	Eastern Steel Fabricators Philippines, Inc.	SGD	(0.02%)	(39.91)	0.00%	-	0.00%	-	0.00%	-
11	NatSteel (Xiamen) Ltd.	CNY	(0.04%)	(101.09)	(1.23%)	95.39	0.00%	-	(0.94%)	95.39
12	NatSteel Recycling Pte Ltd.	SGD	0.07%	195.06	(0.05%)	4.23	0.00%	-	(0.04%)	4.23
13	NatSteel Trade International (Shanghai) Company Ltd.	CNY	0.00%	(0.27)	0.00%	(0.07)	0.00%	-	0.00%	(0.07)

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48. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST (CONTD.)

	Name of the Entity	Reporting Currency	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
14	NatSteel Trade International Pte. Ltd.	USD	0.01%	15.03	(0.01%)	0.75	0.00%	-	(0.01%)	0.75
15	NatSteel Vina Co. Ltd.	VND	0.03%	75.59	(0.09%)	7.19	0.00%	-	(0.07%)	7.19
16	The Siam Industrial Wire Company Ltd.	THB	0.38%	1,003.63	(1.10%)	85.01	(0.04%)	0.85	(0.84%)	85.86
17	TSN Wires Co., Ltd.	THB	0.02%	56.85	0.13%	(10.05)	(0.01%)	0.16	0.10%	(9.89)
18	Tata Steel Europe Limited	GBP	6.39%	16,877.27	12.64%	(979.59)	0.00%	-	9.64%	(979.59)
19	Apollo Metals Limited	USD	0.03%	70.62	(0.51%)	39.57	(0.20%)	4.73	(0.44%)	44.30
20	Augusta Grundstucks GmbH	EUR	0.00%	(1.87)	0.01%	(1.12)	(0.01%)	0.30	0.01%	(0.82)
21	Automotive Laser Technologies Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
22	B S Pension Fund Trustee Limited	GBP	0.01%	17.93	0.00%	-	0.00%	-	0.00%	-
23	Beheermaatschappij Industriele Produkten B.V.	EUR	(0.02%)	(47.80)	0.00%	(0.34)	0.00%	-	0.00%	(0.34)
24	Bell & Harwood Limited	GBP	0.00%	(10.23)	0.00%	-	0.00%	-	0.00%	-
25	Blastmega Limited	GBP	0.28%	753.24	0.00%	-	0.00%	-	0.00%	-
26	Blume Stahlservice GmbH	EUR	0.02%	53.02	0.13%	(10.45)	0.06%	(1.44)	0.12%	(11.89)
27	Blume Stahlservice Polska Sp.Z.O.O	PLZ	0.00%	-	0.00%	0.06	0.00%	-	0.00%	0.06
28	Bore Samson Group Limited	GBP	0.05%	121.54	0.00%	-	0.00%	-	0.00%	-
29	Bore Steel Limited	GBP	0.05%	138.07	0.00%	-	0.00%	-	0.00%	-
30	British Guide Rails Limited	GBP	0.01%	39.35	0.00%	-	0.00%	-	0.00%	-
31	British Steel Corporation Limited	GBP	0.09%	247.04	0.00%	-	0.00%	-	0.00%	-
32	British Steel Directors (Nominees) Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
33	British Steel Engineering Steels (Exports) Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
34	British Steel Nederland International B.V.	EUR	0.16%	432.16	(0.07%)	5.56	0.00%	-	(0.05%)	5.56
35	British Steel Service Centres Limited	GBP	0.16%	433.06	0.00%	-	0.00%	-	0.00%	-
36	British Tubes Stockholding Limited	GBP	0.03%	85.29	0.00%	-	0.00%	-	0.00%	-
37	C V Benine	EUR	0.01%	15.00	0.00%	-	0.00%	-	0.00%	-
38	C Walker & Sons Limited	GBP	0.05%	131.58	0.00%	-	0.00%	-	0.00%	-
39	Catnic GmbH	EUR	0.02%	40.57	(0.05%)	4.03	0.00%	-	(0.04%)	4.03
40	Catnic Limited	GBP	0.00%	(0.49)	0.10%	(8.10)	0.00%	-	0.08%	(8.10)
41	CBS Investissements SAS	EUR	0.00%	1.64	0.00%	0.15	0.00%	-	0.00%	0.15
42	Cogent Power Inc.	CAD	0.06%	146.88	(0.09%)	6.80	0.00%	-	(0.07%)	6.80
43	Tata Steel International Mexico SA de CV	USD	0.00%	(0.45)	0.01%	(0.46)	0.00%	-	0.00%	(0.46)
44	Cogent Power Inc.	USD	0.01%	19.75	0.11%	(8.21)	0.00%	-	0.08%	(8.21)
45	Cogent Power Limited	GBP	0.04%	107.16	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
46	Color Steels Limited	GBP	0.01%	36.71	0.00%	-	0.00%	-	0.00%	-
47	Corbeil Les Rives SCI	EUR	0.00%	8.51	0.00%	-	0.00%	-	0.00%	-
48	Corby (Northants) & District Water Company Limited	GBP	0.00%	4.65	0.00%	-	0.00%	-	0.00%	-
49	Cordor (C& B) Limited	GBP	0.00%	2.63	0.00%	-	0.00%	-	0.00%	-
50	Corus Aluminium Verwaltungsgesellschaft Mbh	EUR	0.00%	3.60	(0.11%)	8.23	0.00%	-	(0.08%)	8.23
51	Corus Beteiligungs GmbH	EUR	0.00%	1.76	0.24%	(18.35)	0.00%	-	0.18%	(18.35)
52	Corus Building Systems Bulgaria AD	LEV	(0.01%)	(23.98)	0.03%	(2.32)	0.00%	-	0.02%	(2.32)
53	Corus CNBV Investments	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-

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54	Corus Cold drawn Tubes Limited	GBP	(0.01%)	(13.95)	0.00%	-	0.00%	-	0.00%	-
55	Corus Engineering Steels (UK) Limited	GBP	0.14%	370.97	0.00%	-	0.00%	-	0.00%	-
56	Corus Engineering Steels Holdings Limited	GBP	1.37%	3,629.26	0.00%	-	0.00%	-	0.00%	-
57	Corus Engineering Steels Limited	GBP	1.46%	3,851.26	0.00%	-	0.00%	-	0.00%	-
58	Corus Engineering Steels Overseas Holdings Limited	GBP	0.00%	8.05	0.00%	-	0.00%	-	0.00%	-
59	Corus Engineering Steels Pension Scheme Trustee Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
60	Corus Group Limited	GBP	0.33%	868.46	3.52%	(273.03)	0.00%	-	2.68%	(273.03)
61	Corus Holdings Limited	GBP	0.00%	3.35	(0.01%)	0.52	0.00%	-	(0.01%)	0.52
62	Corus International (Overseas Holdings) Limited	GBP	1.44%	3,806.01	(0.81%)	62.86	0.00%	-	(0.62%)	62.86
63	Corus International Limited	GBP	0.93%	2,447.49	(0.11%)	8.85	0.00%	-	(0.09%)	8.85
64	Corus International Romania SRL.	RON	0.00%	0.40	0.00%	0.01	0.00%	-	0.00%	0.01
65	Corus Investments Limited	GBP	0.07%	183.68	0.00%	-	0.00%	-	0.00%	-
66	Corus Ireland Limited	EUR	0.00%	5.34	(0.01%)	1.08	0.00%	-	(0.01%)	1.08
67	Corus Large Diameter Pipes Limited	GBP	0.22%	589.10	0.00%	-	0.00%	-	0.00%	-
68	Corus Liaison Services (India) Limited	GBP	(0.01%)	(19.36)	0.00%	-	0.00%	-	0.00%	-
69	Corus Management Limited	GBP	(0.14%)	(367.21)	0.00%	-	0.00%	-	0.00%	-
70	Corus Primary Aluminium B.V.	EUR	(0.05%)	(121.51)	0.03%	(2.49)	0.00%	-	0.02%	(2.49)
71	Corus Property	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
72	Corus Service Centre Limited	GBP	0.05%	129.26	0.00%	-	0.00%	-	0.00%	-
73	Corus Steel Service STP LLC	RUB	0.00%	(1.68)	0.00%	0.19	0.00%	-	0.00%	0.19
74	Corus Tubes Poland Spolka Z.O.O	EUR	0.00%	(1.58)	0.00%	-	0.00%	-	0.00%	-
75	Corus UK Healthcare Trustee Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
76	Corus Ukraine Limited Liability Company	UAH	0.00%	0.02	0.00%	-	0.00%	-	0.00%	-
77	CPN (85) Limited	GBP	0.00%	(0.68)	0.00%	-	0.00%	-	0.00%	-
78	Crucible Insurance Company Limited	GBP	0.11%	278.99	(0.55%)	42.50	0.00%	-	(0.42%)	42.50
79	Degels GmbH	EUR	(0.01%)	(15.84)	(0.30%)	23.58	0.00%	-	(0.23%)	23.58
80	Demka B.V.	EUR	0.02%	60.79	0.00%	(0.10)	0.00%	-	0.00%	(0.10)
81	DSRM Group Plc.	GBP	0.06%	160.70	0.00%	-	0.00%	-	0.00%	-
82	Eric Olsson & Soner Forvaltnings AB	SEK	0.01%	16.03	0.00%	-	0.00%	-	0.00%	-
83	Esmil B.V.	EUR	0.01%	18.60	0.00%	0.05	0.00%	-	0.00%	0.05
84	Europressings Limited	GBP	0.00%	5.17	0.00%	-	0.00%	-	0.00%	-
85	Firsteel Group Limited	GBP	(0.03%)	(71.24)	2.79%	(216.43)	0.00%	-	2.13%	(216.43)
86	Firsteel Holdings Limited	GBP	0.02%	62.68	0.00%	-	0.00%	-	0.00%	-
87	Fischer Profil GmbH	EUR	0.00%	(7.29)	0.55%	(42.30)	(0.06%)	1.43	0.40%	(40.87)
88	Gamble Simms Metals Limited	EUR	0.00%	(1.95)	0.00%	-	0.00%	-	0.00%	-
89	Grant Lyon Eagre Limited	GBP	0.02%	47.70	0.00%	-	0.00%	-	0.00%	-
90	H E Samson Limited	GBP	0.02%	42.30	0.00%	-	0.00%	-	0.00%	-
91	Hadfields Holdings Limited	GBP	(0.02%)	(65.07)	0.00%	-	0.00%	-	0.00%	-
92	Halmstad Steel Service Centre AB	SEK	0.02%	64.90	0.10%	(8.08)	0.00%	-	0.08%	(8.08)

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			As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
93	Hammermega Limited	GBP	0.01%	18.22	0.00%	-	0.00%	-	0.00%	-
94	Harrowmills Properties Limited	GBP	0.06%	154.24	0.00%	-	0.00%	-	0.00%	-
95	Hille & Muller GmbH	EUR	0.04%	110.14	(0.04%)	3.15	0.03%	(0.74)	(0.02%)	2.41
96	Hille & Muller USA Inc.	USD	0.04%	114.90	(0.04%)	2.93	0.00%	-	(0.03%)	2.93
97	Hoogovens USA Inc.	USD	0.18%	475.58	(0.01%)	0.89	0.00%	-	(0.01%)	0.89
98	Huizenbezit "Breesaap" B.V.	EUR	0.00%	(7.47)	0.00%	0.06	0.00%	-	0.00%	0.06
99	Ickles Cottage Trust Limited	GBP	0.00%	1.63	0.00%	-	0.00%	-	0.00%	-
100	Inter Metal Distribution SAS	EUR	0.01%	34.38	(0.12%)	9.63	0.01%	(0.12)	(0.09%)	9.51
101	Kalzip Asia Pte Limited	SGD	(0.04%)	(114.09)	0.33%	(25.66)	0.00%	-	0.25%	(25.66)
102	Kalzip FZE	AED	0.00%	4.69	(0.01%)	0.85	0.00%	-	(0.01%)	0.85
103	Kalzip GmbH	EUR	0.00%	0.96	0.00%	-	0.00%	-	0.00%	-
104	Kalzip GmbH	EUR	0.01%	18.03	(0.03%)	2.57	(0.13%)	3.10	(0.06%)	5.67
105	Kalzip Inc	USD	(0.02%	(45.24)	0.00%	0.14	0.00%	-	0.00%	0.14
106	Kalzip Italy SRL	EUR	0.00%	0.30	0.00%	0.04	0.00%	-	0.00%	0.04
107	Kalzip Limited	GBP	0.01%	15.76	(0.03%)	2.05	0.00%	-	(0.02%)	2.05
108	Kalzip Spain S.L.U.	EUR	0.00%	10.40	0.00%	0.11	0.00%	-	0.00%	0.11
109	Layde Steel S.L.	EUR	0.03%	71.09	(0.23%)	17.90	0.00%	-	(0.18%)	17.90
110	Lister Tubes Limited	EUR	0.00%	11.21	0.00%	-	0.00%	-	0.00%	-
111	London Works Steel Company Limited	GBP	(0.03%)	(83.46)	0.00%	-	0.00%	-	0.00%	-
112	Midland Steel Supplies Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
113	Montana Bausysteme AG	CHF	0.04%	93.45	(0.15%)	11.62	(0.27%)	6.51	(0.18%)	18.13
114	Naantali Steel Service Centre OY	EUR	0.01%	27.76	0.09%	(6.77)	0.00%	-	0.07%	(6.77)
115	Nationwide Steelstock Limited	GBP	0.00%	(9.18)	0.00%	-	0.00%	-	0.00%	-
116	Norsk Stal Tynnplater AS	NOK	0.02%	47.58	(0.11%)	8.77	0.00%	-	(0.09%)	8.77
117	Norsk Stal Tynnplater AB	NOK	0.01%	15.67	(0.04%)	2.94	0.00%	-	(0.03%)	2.94
118	Orb Electrical Steels Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
119	Ore Carriers Limited	GBP	0.01%	23.07	0.00%	-	0.00%	-	0.00%	-
120	Oremco Inc.	USD	0.00%	(10.31)	0.02%	(1.61)	0.00%	-	0.02%	(1.61)
121	Plated Strip International Limited	GBP	0.01%	14.39	0.00%	-	0.00%	-	0.00%	-
122	Precoat International Limited	GBP	0.02%	62.78	0.00%	-	0.00%	-	0.00%	-
123	Precoat Limited	GBP	(0.01%)	(17.18)	0.00%	-	0.00%	-	0.00%	-
124	Rafferty-Brown Steel Co Inc Of Conn.	USD	0.01%	28.95	0.00%	(0.20)	0.00%	-	0.00%	(0.20)
125	Round Oak Steelworks Limited	GBP	(0.15%)	(388.02)	0.00%	-	0.00%	-	0.00%	-
126	Runblast Limited	GBP	0.16%	421.42	0.00%	-	0.00%	-	0.00%	-
127	Runmega Limited	GBP	0.00%	3.52	0.00%	-	0.00%	-	0.00%	-
128	S A B Profiel B.V.	EUR	0.12%	321.10	(1.97%)	152.37	0.00%	-	(1.50%)	152.37
129	S A B Profil GmbH	EUR	0.05%	119.85	(0.08%)	6.56	0.00%	-	(0.06%)	6.56
130	Seamless Tubes Limited	GBP	0.06%	150.37	0.00%	-	0.00%	-	0.00%	-
131	Service Center Gelsenkirchen GmbH	EUR	0.13%	345.19	2.84%	(220.56)	0.15%	(3.56)	2.20%	(224.12)
132	Service Centre Maastricht B.V.	EUR	0.01%	28.93	(0.33%)	25.64	0.00%	-	(0.25%)	25.64

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133	Skruv Erik AB	SEK	0.00%	0.50	0.00%	-	0.00%	-	0.00%	-
134	Societe Europeenne De Galvanisation (Segal) Sa	EUR	0.07%	187.90	(0.05%)	3.59	0.00%	-	(0.04%)	3.59
135	Staalverwerking en Handel B.V.	EUR	0.47%	1,233.89	(5.32%)	412.46	0.00%	-	(4.06%)	412.46
136	Steel StockHoldings Limited	GBP	0.01%	37.10	0.00%	-	0.00%	-	0.00%	-
137	Steelstock Limited	GBP	0.00%	0.16	0.00%	-	0.00%	-	0.00%	-
138	Stewarts & Lloyds Of Ireland Limited	EUR	0.00%	(1.61)	0.00%	-	0.00%	-	0.00%	-
139	Stewarts And Lloyds (Overseas) Limited	GBP	0.06%	165.74	0.00%	-	0.00%	-	0.00%	-
140	Stocksbridge Works Cottage Trust Limited	GBP	0.00%	0.89	0.00%	-	0.00%	-	0.00%	-
141	Surahammar Bruks AB	SEK	0.05%	130.74	0.09%	(7.16)	(0.14%)	3.28	0.04%	(3.88)
142	Swinden Housing Association Limited	GBP	0.00%	5.23	0.00%	-	0.00%	-	0.00%	-
143	Tata Steel Belgium Packaging Steels N.V.	EUR	0.07%	192.85	(0.05%)	3.79	0.00%	-	(0.04%)	3.79
144	Tata Steel Belgium Services N.V.	EUR	0.14%	360.70	(0.12%)	9.09	0.00%	-	(0.09%)	9.09
145	Tata Steel Denmark Byggsystemer A/S	DKK	0.01%	18.79	0.03%	(2.71)	0.00%	-	0.03%	(2.71)
146	Tata Steel Europe Distribution BV	EUR	(0.01%)	(21.05)	(0.03%)	1.99	0.00%	-	(0.02%)	1.99
147	Tata Steel Europe Metals Trading BV	EUR	0.10%	257.22	0.00%	(0.31)	0.00%	-	0.00%	(0.31)
148	Tata Steel France Batiment et Systemes SAS	EUR	0.01%	13.63	0.19%	(14.72)	0.00%	-	0.14%	(14.72)
149	Tata Steel France Holdings SAS	EUR	0.30%	781.39	0.75%	(58.15)	0.13%	(3.23)	0.60%	(61.38)
150	Tata Steel Germany GmbH	EUR	0.00%	2.96	5.29%	(410.34)	0.05%	(1.21)	4.06%	(411.55)
151	Tata Steel IJmuiden BV	EUR	6.30%	16,647.07	(21.27%)	1,648.83	(2.63%)	63.50	(16.84%)	1,712.33
152	Tata Steel International (Americas) Holdings Inc	USD	0.22%	589.21	0.25%	(19.70)	0.00%	-	0.19%	(19.70)
153	Tata Steel International (Americas) Inc	USD	0.40%	1,044.64	(0.40%)	31.16	(0.13%)	3.11	(0.34%)	34.27
154	Tata Steel International (Benelux) BV	EUR	0.00%	8.67	0.00%	0.07	0.00%	-	0.00%	0.07
155	Tata Steel International (Canada) Holdings Inc	CAD	0.00%	1.74	0.00%	-	0.00%	-	0.00%	-
156	Tata Steel International (Czech Republic) S.R.O	CZK	0.00%	8.83	(0.04%)	3.17	0.00%	-	(0.03%)	3.17
157	Tata Steel International (Denmark) A/S	DKK	0.00%	0.48	0.00%	(0.28)	0.00%	-	0.00%	(0.28)
158	Tata Steel International (Finland) OY	EUR	0.00%	0.89	0.00%	-	0.00%	-	0.00%	-
159	Tata Steel International (France) SAS	EUR	0.01%	31.73	(0.01%)	0.41	0.00%	-	0.00%	0.41
160	Tata Steel International (Germany) GmbH	EUR	0.00%	0.79	(0.03%)	2.62	0.00%	0.10	(0.03%)	2.72
161	Tata Steel International (South America) Representações LTDA	USD	0.00%	0.53	0.00%	0.34	0.00%	-	0.00%	0.34
162	Tata Steel International Hellas SA	EUR	0.00%	1.02	0.00%	-	0.00%	-	0.00%	-
163	Tata Steel International (Italia) SRL	EUR	0.00%	12.40	(0.05%)	3.81	0.00%	-	(0.04%)	3.81
164	Tata Steel International (Middle East) FZE	AED	0.08%	209.76	(0.10%)	7.84	0.00%	-	(0.08%)	7.84
165	Tata Steel International (Nigeria) Ltd.	NGN	0.00%	-	0.00%	-	0.00%	-	0.00%	-
166	Tata Steel International (Poland) sp Zoo	PLZ	0.00%	3.04	(0.02%)	1.90	0.00%	-	(0.02%)	1.90
167	Tata Steel International (Schweiz) AG	CHF	0.00%	4.50	0.00%	(0.22)	0.00%	-	0.00%	(0.22)
168	Tata Steel International (Sweden) AB	SEK	0.00%	6.13	(0.03%)	2.07	0.00%	-	(0.02%)	2.07
169	Tata Steel International Iberica SA	EUR	0.00%	3.82	(0.04%)	3.04	0.00%	-	(0.03%)	3.04
170	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	0.01%	16.58	0.02%	(1.20)	0.00%	-	0.01%	(1.20)
171	Tata Steel Latvia Building Systems SIA	EUR	0.00%	0.09	0.00%	0.01	0.00%	-	0.00%	0.01

NOTES forming part of the consolidated financial statements

48. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST (CONTD.)

	Name of the Entity	Reporting Currency	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
172	Tata Steel Maubeuge SAS	EUR	0.05%	136.96	(0.99%)	76.88	0.11%	(2.73)	(0.73%)	74.15
173	Tata Steel Nederland BV	EUR	4.11%	10,856.48	(3.02%)	234.40	0.00%	-	(2.30%)	234.40
174	Tata Steel Nederland Consulting & Technical Services BV	EUR	0.01%	37.97	0.00%	(0.06)	0.00%	-	0.00%	(0.06)
175	Tata Steel Nederland Services BV	EUR	0.10%	275.48	1.15%	(89.40)	0.00%	-	0.88%	(89.40)
176	Tata Steel Nederland Star-Frame BV	EUR	0.00%	0.16	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
177	Tata Steel Nederland Technology BV	EUR	0.18%	477.16	(0.25%)	19.22	0.00%	-	(0.19%)	19.22
178	Tata Steel Nederland Tubes BV	EUR	(0.02%)	(41.60)	(0.33%)	25.70	0.00%	-	(0.25%)	25.70
179	Tata Steel Netherlands Holdings B.V.	EUR	2.78%	7,341.47	(2.37%)	184.08	(0.78%)	18.82	(1.99%)	202.90
180	Tata Steel Norway Byggsystemer A/S	NOK	0.02%	45.16	(0.09%)	7.06	0.00%	-	(0.07%)	7.06
181	Tata Steel Speciality Service Centre Suzhou Co. Limited	USD	0.00%	(3.90)	0.04%	(3.10)	0.00%	-	0.03%	(3.10)
182	Tata Steel Sweden Byggsystem AB	SEK	0.01%	20.38	0.21%	(15.94)	0.00%	-	0.16%	(15.94)
183	Tata Steel Speciality Service Centre Xian Co. Limited	USD	0.00%	5.88	0.00%	0.27	0.00%	-	0.00%	0.27
184	Tata Steel UK Consulting Limited	GBP	0.00%	3.14	(0.01%)	0.60	0.00%	-	(0.01%)	0.60
185	Tata Steel UK Holdings Limited	GBP	6.44%	16,992.15	4.79%	(371.92)	0.00%	-	3.66%	(371.92)
186	Tata Steel UK Limited	GBP	(6.38%)	(16,902.83)	88.67%	(6,873.37)	132.03%	(3,193.36)	99%	(10,066.73)
187	Tata Steel USA Inc.	USD	0.03%	79.70	(0.07%)	5.53	0.00%	-	(0.05%)	5.53
188	The Newport And South Wales Tube Company Limited	GBP	0.00%	0.13	0.00%	-	0.00%	-	0.00%	-
189	The Stanton Housing Company Limited	GBP	0.00%	7.80	0.00%	-	0.00%	-	0.00%	-
190	The Templeborough Rolling Mills Limited	GBP	0.05%	128.55	0.00%	-	0.00%	-	0.00%	-
191	Thomas Processing Company	USD	0.05%	135.94	0.02%	(1.40)	0.00%	-	0.01%	(1.40)
192	Thomas Steel Strip Corp.	USD	(0.08%)	(207.97)	(0.44%)	33.78	(3.27%)	79.15	(1.11%)	112.93
193	Toronto Industrial Fabrications Limited	GBP	0.00%	(4.02)	0.00%	-	0.00%	-	0.00%	-
194	Trierer Walzwerk Verwaltungsgsellschaft mbH	EUR	0.01%	26.40	0.01%	(0.73)	(0.06%)	1.45	(0.01%)	0.72
195	TS South Africa Sales Office Proprietary Limited	SAR	0.00%	4.61	(0.01%)	0.94	0.00%	-	(0.01%)	0.94
196	Tulip UK Holdings (No.2) Limited	GBP	5.04%	13,319.31	0.00%	-	0.00%	-	0.00%	-
197	Tulip UK Holdings (No.3) Limited	GBP	4.87%	12,862.25	4.18%	(322.96)	0.00%	-	3.18%	(322.96)
198	U.E.S. Bright Bar Limited	GBP	0.00%	12.15	0.00%	-	0.00%	-	0.00%	-
199	UK Steel Enterprise Limited	GBP	0.05%	125.24	0.07%	(5.66)	0.00%	-	0.06%	(5.66)
200	UKSE Fund Managers Limited	GBP	0.00%	0.37	0.00%	-	0.00%	-	0.00%	-
201	Unitol SAS	EUR	0.03%	69.86	(0.46%)	36.00	0.00%	0.03	(0.35%)	36.03
202	Walker Manufacturing And Investments Limited	GBP	0.05%	125.12	0.00%	-	0.00%	-	0.00%	-
203	Walkersteelstock Ireland Limited	EUR	0.00%	3.38	0.00%	-	0.00%	-	0.00%	-
204	Walkersteelstock Limited	GBP	0.00%	8.10	0.00%	-	0.00%	-	0.00%	-
205	Westwood Steel Services Limited	GBP	0.07%	190.31	0.00%	-	0.00%	-	0.00%	-
206	Whitehead (Narrow Strip) Limited	GBP	0.04%	92.88	0.00%	-	0.00%	-	0.00%	-
207	T S Global Minerals Holdings Pte Ltd.	USD	1.95%	5,135.42	0.89%	(69.95)	(0.29%)	7.00	0.62%	(62.95)
208	Al Rimal Mining LLC	OMR	0.00%	6.16	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
209	Black Ginger 461 (Proprietary) Ltd	ZAR	0.04%	115.49	(0.67%)	52.27	0.00%	-	(0.51%)	52.27
210	Kalimati Coal Company Pty. Ltd.	AUD	(0.07%)	(189.17)	(0.02%)	1.55	0.00%	-	(0.02%)	1.55
211	Sedibeng Iron Ore Pty. Ltd.	ZAR	0.03%	86.37	(0.72%)	55.57	0.00%	-	(0.55%)	55.57

NOTES forming part of the consolidated financial statements

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			As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
212	Tata Steel Cote D' Ivoire S.A	FCFA	0.02%	64.24	0.02%	(1.26)	0.00%	-	0.01%	(1.26)
213	TSMUK Limited	USD	1.79%	4,744.06	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
214	Tata Steel Minerals Canada Limited	USD	1.71%	4,516.02	2.09%	(162.28)	0.00%	-	1.61%	(162.28)
215	T S Canada Capital Ltd	USD	0.01%	32.38	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
216	Tata Steel International (Singapore) Holdings Pte. Ltd.	HKD	0.14%	378.18	0.00%	0.07	0.00%	-	0.00%	0.07
217	Tata Steel International (Shanghai) Ltd.	CNY	0.00%	7.20	0.00%	0.13	0.00%	-	0.00%	0.13
218	Tata Steel International (Singapore) Pte. Ltd.	SGD	0.01%	32.58	(0.05%)	3.85	0.00%	-	(0.04%)	3.85
219	Tata Steel International (Asia) Limited	HKD	0.20%	538.79	(0.01%)	0.40	0.00%	-	0.00%	0.40
220	Tata Steel (Thailand) Public Company Ltd.	THB	0.94%	2,497.71	(1.28%)	99.58	(0.07%)	1.75	(0.97%)	99.58
221	N.T.S Steel Group Plc.	THB	0.06%	146.88	0.74%	(57.36)	0.00%	-	0.56%	(57.36)
222	The Siam Construction Steel Co. Ltd.	THB	0.14%	380.52	(0.94%)	73.18	0.00%	-	(0.72%)	73.18
223	The Siam Iron And Steel (2001) Co. Ltd.	THB	0.08%	218.11	(0.39%)	30.39	0.00%	-	(0.30%)	30.39
224	T S Global Procurement Company Pte. Ltd.	USD	0.86%	2,264.92	(0.88%)	67.97	0.00%	-	(0.67%)	67.97
225	ProCo Issuer Pte. Ltd.	GBP	1.07%	2,841.49	(2.33%)	180.55	0.00%	-	(1.78%)	180.55
C.	**JOINT VENTURES**									
a)	**Indian**									
1	Industrial Energy Limited	INR	0.08%	212.93	0.00%	(0.00)	0.00%	0.08	0.00%	0.08
2	Jamipol Limited	INR	0.02%	53.93	0.00%	0.00	(0.01%)	0.14	0.00%	0.14
3	Strategic Energy Technology Systems Ltd	INR	0.00%	-	0.00%	-	0.00%	-	0.00%	-
4	TRF Limited	INR	(0.02%)	(43.94)	0.00%	-	0.00%	-	0.00%	-
5	TRL Krosaki Refractories Limited	INR	0.03%	88.75	0.00%	0.00	(0.31%)	7.52	(0.07%)	7.52
6	YORK Transport Equipment India Pvt. Ltd	INR	0.02%	52.18	0.00%	0.00	0.00%	-	0.00%	0.00
b)	**Foreign**									
1	European Profiles (M) Sdn. Bhd.	MYR	0.00%	-	0.00%	-	0.00%	-	0.00%	-
2	New Millennium Iron Corp.	CAD	0.02%	64.43	0.87%	(67.74)	0.00%	-	0.67%	(67.74)
3	Albi Profils SRL	EUR	0.00%	-	0.00%	-	0.00%	-	0.00%	-
4	Appleby Frodingham Cottage Trust Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
5	Fabsec Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
6	Gietwalsonderhoudcombinatie B.V.	EUR	0.01%	17.16	(0.01%)	0.62	0.00%	-	(0.01%)	0.62
7	Hoogovens Court Roll Service Technologies VOF	EUR	0.00%	-	0.00%	-	0.00%	-	0.00%	-
8	Hoogovens Gan Multimedia S.A. De C.V.	MEX PESO	0.00%	-	0.00%	-	0.00%	-	0.00%	-
9	ISSB Limited	GBP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
10	Wupperman Staal Nederland B.V.	EURO	0.04%	116.99	(0.27%)	21.30	0.00%	-	(0.21%)	21.30
11	YORK Transport Equipment (Asia) Pte Ltd	USD	0.05%	122.80	0.05%	(4.08)	0.00%	-	0.04%	(4.08)
12	YORK Transport Equipment Pty Ltd	AUD	0.00%	(7.12)	0.00%	0.06	0.00%	-	0.00%	0.06
13	YORK Sales (Thailand) Co. Ltd	BHT	0.01%	16.72	0.00%	0.34	0.00%	-	0.00%	0.34
14	YTE Transport Equipment (SA) (Pty) Limited	RAND	0.00%	0.27	(0.01%)	0.91	0.00%	-	(0.01%)	0.91
15	Rednet Pte Ltd.	USD	0.00%	(5.88)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)

NOTES forming part of the consolidated financial statements

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16	PT YORK Engineering	Rupiah	0.00%	(2.21)	0.00%	-	0.00%	-	0.00%	-
17	YTE Special Products Pte Ltd	USD	0.00%	6.68	0.01%	(0.97)	0.00%	-	0.01%	(0.97)
18	Qingdao YTE Special Products Co. Ltd	RMB	(0.01%)	(17.07)	0.06%	(4.85)	0.00%	-	0.05%	(4.85)
19	YORK Transport Equipment (Shanghai) Co. Ltd	RMB	0.01%	16.52	0.01%	(0.81)	0.00%	-	0.01%	(0.81)
20	Dutch Lanka Trailer Manufacturing Limited	USD	0.00%	11.81	(0.02%)	1.89	0.00%	-	(0.02%)	1.89
21	Durch Lanka Engineering Private Limited	LKR	0.00%	4.54	(0.03%)	2.62	0.00%	-	(0.03%)	2.62
22	Durch Lanka Trailers Manufacturing LLC	OMR	0.00%	1.51	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
23	Hewit Robins International Limited	GBP	0.01%	30.59	(0.05%)	3.61	0.00%	-	(0.04%)	3.61
24	Hewit Robins International Holdings Limited	GBP	0.00%	0.60	0.00%	-	0.00%	-	0.00%	-
25	TRF Singapore Pte Limited	SGD	0.08%	215.34	0.01%	(0.78)	0.00%	-	0.01%	(0.78)
26	TRF Holding Pte Limited	USD	(0.01%)	(35.93)	0.07%	(5.31)	0.00%	-	0.05%	(5.31)
D.	**Joint Ventures**									
a)	**Indian**									
1	Bhubaneshwar Power Private Limited	INR	0.02%	52.41	0.08%	(6.25)	0.00%	0.01	0.06%	(6.24)
2	Himalaya Steel Mills Services Private Limited	INR	0.00%	2.07	0.00%	(0.06)	0.00%	0.00	0.00%	(0.06)
3	mjunction services Limited	INR	0.04%	114.34	(0.15%)	11.65	0.01%	(0.12)	(0.11%)	11.53
4	S & T Mining Company Private Limited	INR	0.00%	(0.50)	0.03%	(2.53)	0.00%	(0.00)	0.02%	(2.53)
5	Tata Bluescope Steel Limited	INR	0.07%	188.57	(0.36%)	28.20	(0.02%)	0.41	(0.28%)	28.61
6	Tata NYK Shipping (India) Pvt. Ltd.	INR	0.00%	2.61	0.00%	0.07	0.00%	-	0.00%	0.07
7	Naba Diganta Water Management Limited	INR	0.01%	16.41	(0.03%)	2.53	0.00%	-	(0.02%)	2.53
8	SEZ Adityapur Limited	INR	0.00%	(0.06)	0.00%	-	0.00%	-	0.00%	-
9	Jamshedpur Continuous Annealing & Processing Company Private Limited	INR	0.09%	235.19	1.35%	(104.88)	0.00%	(0.12)	1.03%	(105.00)
10	T M Mining Company Limited	INR	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
11	TM International Logistics Limited	INR	0.11%	289.44	(0.27%)	20.70	(0.04%)	0.94	(0.21%)	21.64
12	TKM Global Logistics Limited	INR	0.01%	24.89	0.00%	0.28	0.00%	(0.07)	0.00%	0.21
b)	**Foreign**									
1	Tata NYK Shipping Pte Ltd.	USD	0.02%	60.93	(0.27%)	21.11	(0.01%)	0.31	(0.21%)	21.42
2	Minas De Benga (Mauritius) Limited	USD	(0.33%)	(878.56)	(4.26%)	329.85	0.00%	-	(3.24%)	329.85
3	Minas de Benga Limited-Mozambique	USD	(0.61%)	(1,623.46)	0.51%	(39.58)	0.00%	-	0.39%	(39.58)
4	BlueScope Lysaght Lanka (Pvt) Ltd	LKR	0.01%	18.40	(0.06%)	4.35	0.00%	-	(0.04%)	4.35
5	International Shipping and Logistics FZE	USD	0.08%	214.87	(0.15%)	11.85	0.19%	(4.49)	(0.07%)	7.36
6	TKM Global China Ltd	CNY	0.00%	3.12	0.00%	(0.18)	0.01%	(0.29)	0.00%	(0.47)
7	TKM Global GmbH	EUR	0.06%	166.30	(0.64%)	49.95	0.29%	(7.12)	(0.42%)	42.83
8	Afon Tinplate Company Limited	GBP	0.01%	31.29	(0.04%)	2.73	0.00%	-	(0.03%)	2.73

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9	Caparo Merchant Bar Plc	GBP	0.00%	(5.13)	(0.02%)	1.23	0.00%	-	(0.01%)	1.23
10	Industrial Rail Services IJmond B.V.	EUR	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Laura Metaal Holding B.V.	EUR	0.05%	128.11	(0.20%)	15.14	0.00%	-	(0.15%)	15.14
12	Ravenscraig Limited	GBP	(0.01%)	(37.70)	0.10%	(8.11)	0.00%	-	0.08%	(8.11)
13	Tata Elastron Steel Service Center SA	EUR	0.00%	9.26	0.06%	(4.48)	0.00%	-	0.04%	(4.48)
14	Tata Steel Ticaret AS	TRY	0.00%	12.11	(0.02%)	1.17	0.00%	-	(0.01%)	1.17
15	Air Products Llanwern Limited	GBP	0.00%	6.08	(0.03%)	2.48	0.00%	-	(0.02%)	2.48
16	BSR Pipeline Services Limited	GBP	0.00%	7.77	0.00%	0.19	0.00%	-	0.00%	0.19
17	Texturing Technology Limited	GBP	0.00%	4.70	(0.03%)	2.61	0.00%	-	(0.03%)	2.61
18	TVSC Construction Steel Solutions Limited	HKD	0.00%	2.95	0.19%	(14.75)	0.00%	-	0.15%	(14.75)
	TOTAL		**100.00%**	**2,64,383.29**	**100.00%**	**(7,750.62)**	**100.00%**	**(2,418.86)**	**100.00%**	**(10,169.48)**
D.	**Adjustment due to consolidation**			(2,26,563.97)		3,509.82		1,859.34		5,369.16
E.	**Minority Interests in subsidiaries**									
a)	**Indian Subsidiaries**									
1	The Tinplate Company of India Limited	INR		155.84		5.91		(0.82)		5.09
2	Indian Steel & Wire Products Ltd	INR		3.16		0.31		(0.05)		0.26
3	Tata Metaliks Ltd.	INR		103.40		57.40		(0.91)		56.49
4	Adityapur Toll Bridge Company Ltd	INR		4.57		1.44		-		1.44
5	Tata Sponge Iron Ltd	INR		397.50		25.50		(0.62)		24.88
6	Jamshedpur Utilities & Services Company Limited	INR		(10.32)		(5.43)		-		(5.43)
7	Tayo Rolls Limited	INR		(190.57)		(35.86)		0.01		(35.85)
b)	**Foreign Subsidiaries**									
1	Tata Steel (Thailand) Public Company Ltd.	THB		326.72		13.00		5.02		18.02
2	TATA Steel Europe Limited	GBP		(4.04)		(0.72)		-		(0.72)
3	Natsteel Holdings Pte. Ltd.	SGD		56.22		(0.74)		1.75		1.01
4	T S Global Minerals Holdings Pte Ltd.	USD		860.41		11.42		(0.68)		10.74
5	Tata Steel (KZN) (Pty) Ltd.	ZAR		(101.19)		-		(7.25)		(7.25)
				1,601.70		**72.23**		**(3.54)**		**68.69**
	Consolidated Net Asset / Profit after Tax			**39,421.02**		**(4,168.57)**		**(563.06)**		**(4,731.63)**

NOTES forming part of the consolidated financial statements

48. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND MINORITY INTEREST (CONTD.)

List of subsidiaries, associates and joint ventures which have not been consolidated and reasons for not consolidating

Sl. No.	Name	Reason
1	Fabsec Limited	The operations of the companies are not significant and hence are immaterial for consolidation
2	Industrial Rail Services IJmond B.V.	The operations of the companies are not significant and hence are immaterial for consolidation
3	European Profiles (M) Sdn. Bhd.	The operations of the companies are not significant and hence are immaterial for consolidation
4	New Millennium Iron Corp.	The operations of the companies are not significant and hence are immaterial for consolidation
5	Albi Profils SRL	The operations of the companies are not significant and hence are immaterial for consolidation
6	Hoogovens Gan Multimedia S.A. De C.V.	The operations of the companies are not significant and hence are immaterial for consolidation
7	ISSB Limited	The operations of the companies are not significant and hence are immaterial for consolidation
8	Kalinga Aquatics Ltd.	Not Consolidated as the financials were not available
9	Kumardhubi Fireclay & Silica Works Ltd.	Not Consolidated as the financials were not available
10	Kumardhubi Metal Casting & Engineering Ltd.	Not Consolidated as the financials were not available
11	Nicco Jubilee Park Limited	Not Consolidated as the financials were not available
12	Tata Construction & Projects Ltd.	Not Consolidated as the financials were not available
13	Malusha Travels Pvt Ltd.	Not Consolidated as the financials were not available
14	Mohar Export Services Pvt. Ltd	Not Consolidated as the financials were not available
15	Metal Corporation of India	Not Consolidated as the financials were not available
16	Medica TS Hospital Pvt. Ltd.	Not Consolidated as the financials were not available