

106th Annual Report 2012-2013



*The journey towards
enduring sustainability*

INTEGRATED REPORTING

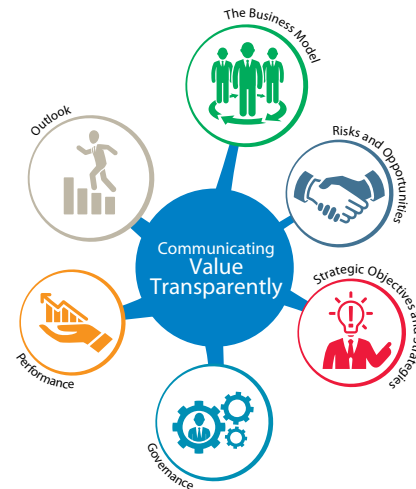
Communicating Value Transparently

At the very core of the concept of **Integrated Reporting (IR)**, is the growing recognition that a number of factors determine the value of an organisation – some of these are financial or tangible in nature and are easy to account for in financial statements. However others, like people, natural resources, intellectual capital, markets, competition, etc., are harder to measure.

This is where the concept of Integrated Reporting comes in. IR enables an organisation to communicate in a clear manner on how it is utilising its resources and relationships to create, preserve and grow value in the short, medium and long-term. And thus helping investors to manage risks and allocate resources most efficiently.

The IR reporting framework covers six parameters:

- ❖ *Organisational Overview of the Business Model*
- ❖ *Operating Context, Risks and Opportunities*
- ❖ *Strategic Objectives and Strategies*
- ❖ *Governance*
- ❖ *Performance*
- ❖ *Outlook*



This Annual Report is Tata Steel's maiden attempt to report in accordance with the above parameters. It is in keeping with Tata Steel's own belief in transparency, accountability and ethics. A belief that Tata Steel has held strong for over a century.



The journey towards enduring sustainability

Tata Steel has embarked on the journey toward sustainability with the objective of building a sustainable business while generating long-term value for its stakeholders.

Responsible businesses are increasingly seen as corporate citizens who must set examples, actively contribute to the well-being of society, not just in economic terms, but also through actions that are aimed at conserving the environment and contributing to the growth of society. As boundaries of responsibility are redefined, businesses must be proactive, they must define and drive a vision that welds the goals of the society in which they function, with their own aspirations for growth.

What does sustainability mean to us at Tata Steel?

Tata Steel has been one of the first companies in India to adopt sustainability as a policy. It is a core value, built on our respect for people, our desire for growth and our respect for the environment. Building further on this vision, Tata Steel is the first Indian company to be a part of the International Integrated Reporting Council (IIRC) – an international initiative towards voluntary communication on how an organisation's strategy, governance, performance and prospects lead to the creation of value over the short, medium and long-term.



INTEGRATED REPORTING

Helping stakeholders to understand an organisation's strategy, governance, performance and prospects that will lead to the creation of value over the short, medium and long-term.

An integrated report thus communicates the factors most important to the creation of value over time.



Organisational Overview of the Business Model

This provides a perspective of the core business of the company so that stakeholders have a clear understanding of what the company does – and how it does it.



Governance

The ethical standards of a company are an important aspect that a stakeholder is concerned about when investing. Transparent reporting on the governance process helps reassure stakeholders and builds trust.



Operating Risks and Opportunities

It is important for every stakeholder to understand and weigh for themselves the risks the company is exposed to – as well as the opportunities that come its way.



Performance

Performance – whether it is operational, quality, delivery, innovation or CSR – is of paramount importance for the investing community.



Strategic Objectives and Strategies

One of the key aspects of understanding a company is the knowledge of its strategies and growth plans.



Outlook

The macro economic environment globally continues to be uncertain and volatile. Under such conditions it is important for the stakeholders to be appreciative of the company's long-term plans.



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The Annual General Meeting will be held on Wednesday, 14th August, 2013 at Birla Matushri Sabhagar at 3.00 p.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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CHAIRMAN'S STATEMENT

Dear Shareholders,

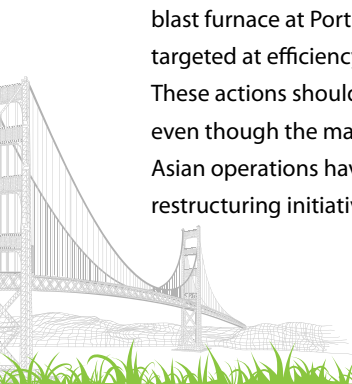
During the year, the world economy has struggled on a path to uniform and widespread economic stability. Most emerging markets and developing economies have shown moderate growth, whereas the developed economies have moved on divergent paths, with pickup in growth in the US and weak economic conditions in the euro zone area. The Indian economy has slowed down in the last 12 months and some of the sectors including the automotive and capital goods have been faced with demand slowdown that is unlikely to turnaround quickly. The Chinese economy too has witnessed a moderation in its growth rate and it is widely expected that following the political transition, China would look at rebalancing the economy to a sustainable level.

In 2012, the world's crude steel production stood at 1.54 billion tonnes, an increase of roughly 0.7% over the previous year. This has been the slowest rate of growth since the crisis of 2008. The overhang of the economic crisis and significant overcapacity in regions like Europe and China continues to stress global capacity utilisation and the demand supply balance. In our key overseas markets of Europe and UK where the Company has significant manufacturing presence, the economic downturn has significantly affected steel demand, which is now almost 30% lower than the pre-2008 financial crisis level. The outlook for the euro zone area currently continues to be depressed and we have had to revise our cash flow expectation and valuations of the Group's European operations. It is in this context, that we took an impairment charge in the last quarter. A clear industrial policy with special emphasis on manufacturing competitiveness and infrastructure spending will be the key requirement for revival of demand in markets like the UK.

On the operational front, we have made significant progress in the last year. In India, the Company commissioned the 3 mtpa brownfield expansion project at Jamshedpur. The facilities have been gradually ramping up and should enhance the product offerings and earnings of the Tata Steel Group in the future. The operational capabilities in Europe have also been strengthened on the back of investments made in the last year that included the rebuilding of a blast furnace at Port Talbot in the UK and the improvement initiatives that are targeted at efficiency enhancements, product rationalisation and restructuring. These actions should improve the competitiveness of the European operations even though the market is expected to remain challenging. The South-East Asian operations have already started reporting better results on the back of restructuring initiatives undertaken earlier. The operational initiatives across the



The operational initiatives across the Group are aimed to make the Tata Steel Group a stronger and more competitive business that can withstand external shocks better and create long term value for its stakeholders.



Group are aimed to make the Tata Steel Group a stronger and more competitive business that can withstand external shocks better and create long-term value for its stakeholders.

The most important growth project for the Tata Steel Group is the 6 mtpa greenfield steel plant in Odisha, where work is continuing at full speed for the first phase of 3 million tonnes. All efforts are concentrated on commissioning the first phase of the project as per schedule, which when ready, will help strengthen the product portfolio in India and help rebalance steelmaking capacities across the Group. Despite several challenges, the management team is currently working very hard to ensure timely completion of the project and build state-of-the-art facilities that will enhance Tata Steel's market positioning and generate life cycle returns for its shareholders.

The consumption of steel, a key ingredient in several industries such as construction, infrastructure, automobiles and consumer goods, will continue to be linked closely to the economic prospects of a country or region. In the face of volatile raw material prices and systemic weakness in demand in key markets, the next 18-24 months will be challenging for Tata Steel. However, I believe, we will emerge on a stronger footing, through a series of management initiatives targeted at strengthening our core operations including investment in select facilities, product rationalisations and right-sizing of manufacturing assets.

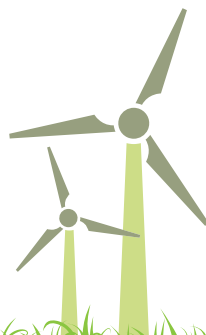
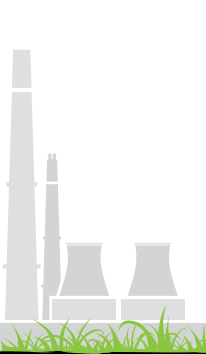
In these trying times, I would like to place on record my appreciation to all employees, unions, lenders, shareholders and other stakeholders, for their dedication and support. Tata Steel is committed to improving the efficiencies in its operations and differentiating itself in the market-place through customer focussed innovation in product and services, so as to build a stronger and sustainable future for our Company. Finally, I would like to thank our Chairman Emeritus Mr. Ratan N. Tata for his visionary leadership and extraordinary stewardship with which he led the Company through many challenges during his tenure as the Chairman of Tata Steel.

Cyrus P. Mistry

Chairman

Mumbai, 11th June, 2013

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Mr. Cyrus P. Mistry, *Chairman*



Mr. B. Muthuraman, *Vice Chairman*



Mr. Nusli N. Wadia



Mr. Jacobus Schraven



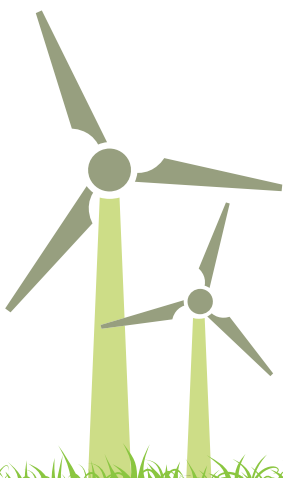
Mr. Andrew Robb



Mr. O. P. Bhatt



**Mr. H. M. Nerurkar,
*Managing Director,
Tata Steel Limited***





Mr. Ishaat Hussain



Mr. Subodh Bhargava



Mrs. Mallika Srinivasan



Mr. D. K. Mehrotra



Dr. Karl-Ulrich Koehler,
*Managing Director and Chief Executive
Officer, Tata Steel Europe*



Mr. Koushik Chatterjee,
*Executive Director and Group Chief
Financial Officer*

COMPANY SECRETARY

Mr. A. Anjeneyan

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Website : www.tsrdarashaw.com

LEGAL ADVISORS

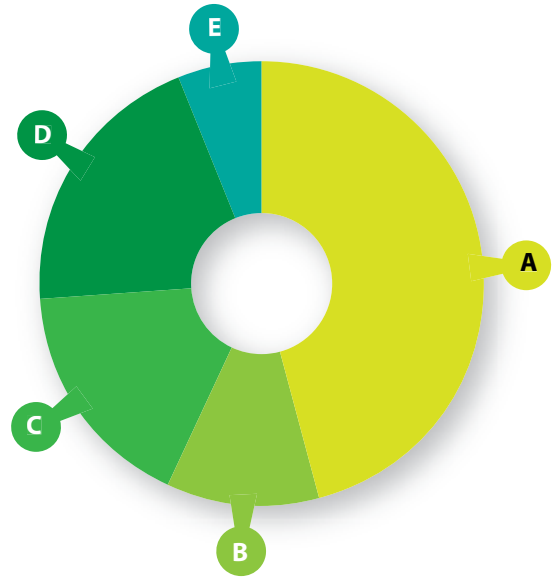
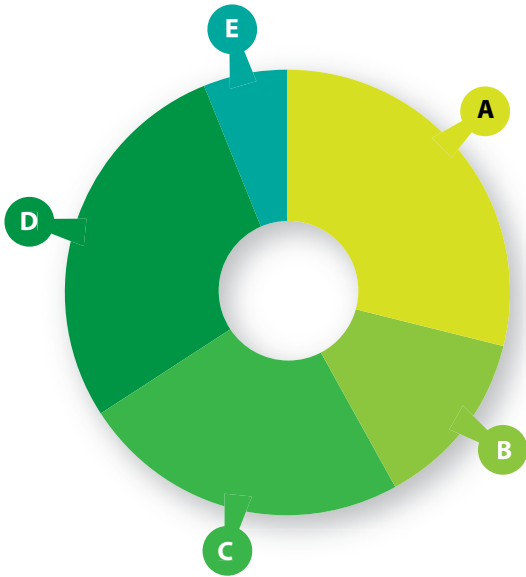
AZB & Partners,
Amarchand & Mangaldas &
Suresh A. Shroff & Co.,
Mulla & Mulla and Craigie Blunt & Caroe,
Cleary Gottlieb Steen & Hamilton LLP,
Linklaters LLP

AUDITORS

Messrs Deloitte Haskins & Sells



Consolidated Financial Highlights 2012-13



Geographical Distribution of Revenue

India	29%	A
Asia excluding India	13%	B
UK	24%	C
EU excluding UK	28%	D
Rest of World	6%	E
Total	100%	

Capital Employed by Geographies

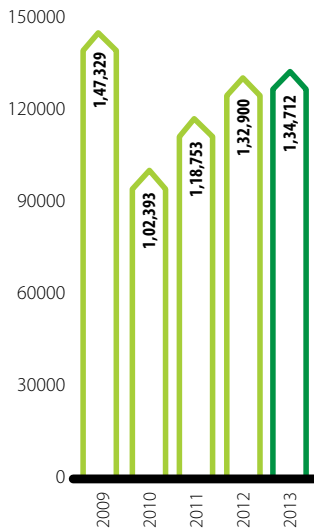
India	46%
Asia excluding India	11%
UK	17%
EU excluding UK	20%
Rest of World	6%
Total	100%



Key Consolidated Financial Highlights 2012-13

Turnover

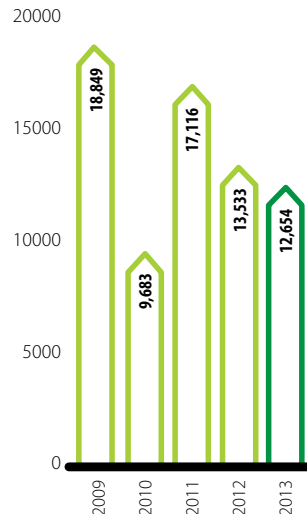
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Turnover = Revenue from operations (-)
Excise Duty

EBITDA

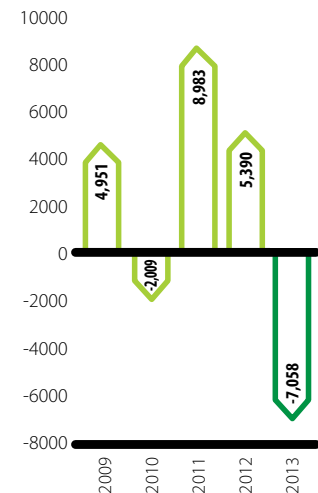
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EBITDA = Profit before exceptional items
and taxes (+) Net Finance Charges (+)
Depreciation (-) Minority Interest (+)
Share of Profit of Associates

Profit after Tax

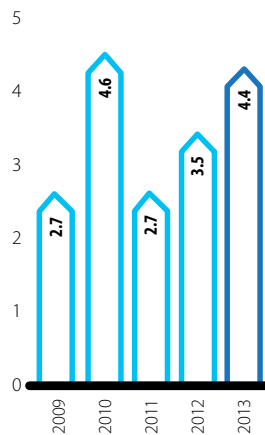
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Profit after tax, minority interest and
share of profit of associates

Net Debt/EBITDA

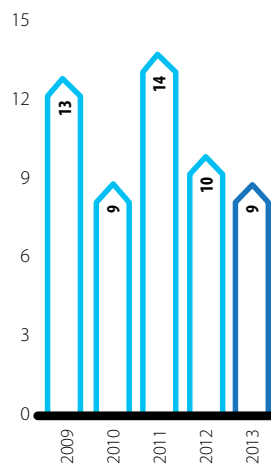
(Number of times)



Net Debt/EBITDA (Annualised)

EBITDA Margin

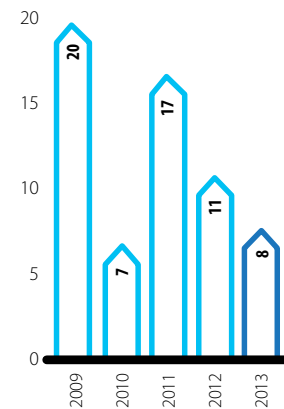
(%)



EBITDA Margin = EBITDA/Turnover

Return on Invested Capital (Pre-tax)

Excluding exceptional items
(%)



ROIC = Adjusted Operating Profit before tax
and exceptional items/Average Invested
Capital [Invested Capital = Net Fixed Assets
(excluding WIP) + Goodwill + Investments +
Adjusted Net Current Assets]

The journey continues...

The global slowdown over the last few years has impacted several industries across the world. However, the Tata Steel Group has been able to put into place measures that will enable it to take advantage of every opportunity that presents itself. By focusing on strategic expansion and leveraging on the distribution network and product differentiation, Tata Steel expects to continue on a journey of building long-term value for the stakeholders.

Mr. H. M. Nerurkar (Managing Director, Tata Steel), **Dr. Karl-Ulrich Koehler** (Managing Director and Chief Executive Officer, Tata Steel Europe) and **Mr. Koushik Chatterjee** (Executive Director and Group Chief Financial Officer) share their views on strategy and performance in the Financial Year 2012-13.

Q. How would the Tata Steel Group approach the next twelve to eighteen months given the macro economic climate ?

The macro environment both in India and Europe is unlikely to change very significantly in the next year or so. While India is looking for some stability in the underlying economic conditions, even if the country's GDP does not grow very sharply, one would hope that the European economic environment would start to grow green shoots and stop declining as it has, in the last couple of years. The key issue for the steel industry will be the manner in which the over capacity in China will be handled in the next couple of years.

For the Tata Steel Group, the Indian operations will continue to ramp up the capacity incrementally over Financial Year 2013-14 and Financial Year 2014-15 to reach the saleable



Mr. H. M. Nerurkar,
Managing Director, Tata Steel Limited



Dr. Karl-Ulrich Koehler,
*Managing Director and Chief Executive Officer,
Tata Steel Europe*



Mr. Koushik Chatterjee,
Executive Director and Group Chief Financial Officer

steel capacity of 9.2 mtpa (equivalent to crude steel capacity of 9.7 mtpa). We should be ready with our first phase of implementation of the Kalinganagar project by the end of Financial Year 2014-15, which effectively means, that Tata Steel will continue to enhance volumes in the next 36 to 48 months. We will continue to leverage our distribution capacity and focus marketing efforts towards new products developed, finding new customers and enhancing service standards as we have done in the past. This is the big differentiator for Tata Steel in the market place.

On the other hand, the European operations continue their journey towards rationalisation of its cost base through several initiatives and pursue product differentiation to make the business fitter in the future. Our focus is on improving our supply chain capability, IT systems and the product range. This combined with right sizing is expected to provide the platform for enhanced competitiveness in the future.

Q. Many steel sector investments announced in recent years, have not proceeded as planned. What are the key reasons behind this and the steps required for the smooth execution of these investment plans? How is the ramp up of the 2.9 mtpa expansion planned?

In the not so recent past, several capacity addition plans were announced in India by domestic and global steelmakers. India was the chosen hub as it is rich in resources, had comparatively cheaper factors of production and served as a captive market with a huge growth potential. In the last two years, India too has been facing uncertainty in its economic growth due to many factors – both internal and external.

Simplification of the process of land acquisition, expediting the process of environmental and forest clearances and putting in place a mechanism for mining allocations, in our view, will give the required impetus to steel investment plans and lend certainty to project execution.

The 2.9 mtpa brownfield expansion was perhaps the most ambitious project undertaken by the Company. To undertake the brownfield expansion in excess of 40% volume on a running plant, has its own challenges for the engineering, projects and the operations team. The teams rose to the

The 2.9 mtpa brownfield expansion was perhaps the most ambitious project undertaken by the Company.

occasion and have done a great job. This expansion covered the entire value chain of the integrated steel operations – from the expansion of the raw material facilities at the mines to the entire steel manufacturing operations, covering Raw Material Handling systems, Coke plant, Pellet plant, Steel making and finishing facilities.

The ramp up of the capacity has been planned in phases. We have produced and sold about 1 million tonnes additionally in Financial Year 2012-13 and are planning to add another one million tonnes in the next financial year with the balance capacity coming in Financial Year 2014-15. The production ramp up is linked to some of the support facilities like the coke ovens which are being commissioned in phases. In the last quarter of Financial Year 2012-13, we sold almost 2.3 million tonnes which is the highest ever quarterly volume in



2.9 mtpa expansion at Jamshedpur, India





Greenfield expansion at Odisha, India

our history, despite the market being very weak as was seen from the sub 5% annual GDP growth number for India.

Q. What steps are being taken by the Indian operations to improve on its performance in Financial Year 2013-14?

The Indian Steel industry witnessed an increase in crude steel production of 5.4% year-on-year, whereas the real consumption increased only by 3.3% with imports registering a sharp increase on account of lower import duties applicable to ASEAN countries. The slowdown in fixed asset investment and lacklustre automotive demand impacted margins of steelmakers adversely. In Financial Year 2013-14, Indian operations are expected to benefit on account of stabilisation of the commissioned capacity, sourcing coke internally and reduced impact of exchange fluctuations because of part liquidation of foreign currency loans. The shift to an enhanced product-mix with new cold rolling facilities being set up and the collaboration with Nippon Steel to produce high strength automotive steels is expected to aid profitability. These will be supplemented by cost reduction initiatives and penetration in new market segments like the small and medium enterprises.

Q. Can you explain the market conditions in Europe and the performance of Tata Steel Europe (TSE) in Financial Year 2012-13?

The apparent steel demand in the European Union continued to deteriorate during Financial Year 2012-13 having decreased by about 9.7% in 2012. In aggregate, the steel demand in Europe is currently about 30% below pre-crisis levels, which has impacted the demand and customer buying behaviour significantly. TSE's performance in the Financial Year 2012-13 was also impacted on account of operational issues faced in rebuilding the Blast Furnace at Port Talbot, UK and undertaking of major repairs of the Blast Furnace at IJmuiden. Our performance, however, was significantly better in the 4th quarter of Financial Year 2012-13 on account of higher volumes and better spread between raw material and steel prices. Even though the market demand was relatively muted, we had a significant turnaround in our operating performance in the last quarter of the Financial Year 2012-13 compared to the previous two quarters. The rebuilding of the Blast Furnace and other management tasks and initiatives will position us on a better platform for Financial Year 2013-14 even though the market is expected to be subdued for the next 12 months. The European operations are undertaking structural improvement measures including supply chain transformation, differentiated product strategy, reduction of manufacturing costs and overheads (head count currently 25% below pre-crisis levels). These initiatives will provide the platform for enhancing the competitiveness of the European operations in the near future.

Q. Can you explain the impairment charge taken by the Company in the Financial Year 2012-13?

As required by the Indian Accounting Standards, Tata Steel undertook an impairment review of the consolidated financial statements for the year ended 31st March, 2013.

The impairment exercise entails a review of the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the carrying amount of the assets may not be recoverable through continuing use. The goodwill arising on an acquisition is allocated to each cash generating unit and the recoverable amount of the



cash generating units is determined from the value in use calculations derived on key assumptions of the expected changes to the selling price, raw material costs, conversion costs, market growth rates, weighted average cost of capital, etc.

The review was undertaken, taking into consideration the muted global macro economic conditions, especially in Europe, the demand-supply imbalance of the global steel industry and the prudent view of the forecast of the businesses.

The apparent steel demand in Europe has fallen significantly in Financial Year 2012-13, by almost 10%, which in aggregate results in almost a 30% fall since the emergence of the global financial crisis in 2007. The underlying conditions are expected to continue over the near and medium term and this has led to the downward revision of cash flow expectations from the European business. The impairment also includes the effect of write down of assets in the ferro chrome business in South Africa and the mini blast furnace in Tata Steel Thailand, which has been impacted by the high cost of raw material feedstock.

Based on the above, the Company undertook the non-cash write down of the goodwill and assets in the consolidated financial statements for the year ended 31st March, 2013 of around ₹ 8,356 crores.



Inside the shell of the new No. 4 Blast Furnace at Port Talbot

In Financial Year 2013-14, Indian operations are expected to benefit on account of stabilisation of the commissioned capacity, sourcing coke internally and the reduced impact of exchange fluctuations.

Q. Could you elaborate on the financial strategy being pursued by the Company?

The Company is pursuing an ambitious greenfield project in Odisha, the completion of which remains a top priority for the Group. Given the current weakness that exists in the economy and the sector, it is imperative that no project undertaken, slows down for want of funds.

We have ensured that the funds required for capital expenditure programmes are tied up, though we retain the flexibility to replace debt with higher internal accruals, on commissioning of the recent brownfield expansion. We are conscious of allocating capital for projects that are value accretive though we are at the same time keeping a check on gross debt levels by reducing liquidity in hand and arranging for just in time funds.

The Board of Directors review the Company's investment portfolio periodically, and have raised around USD 2 billion (₹ 11,000 crores) in the last four years, through portfolio divestment.

We have embarked on recalibrating our capital structure by replacing higher cost debt with debt carrying a lower rate, making prepayment of loans and extending debt maturities. The recent SGD 300 million 4.95% Unsecured Notes was the lowest coupon ever achieved on a 10-year international bond issue for an Indian private sector company. The financing strategy encompasses liquidity management through strategic initiatives such as implementation of "Cash Pooling" in South East Asian entities and other working capital programmes across the Group.





Organisational Overview of the Business Model

The business model of the Tata Steel Group is aligned to its vision of “Becoming the Benchmark in Value Creation and Corporate Citizenship” in the steel industry. Through this it maintains a strategic focus on continuous value creation for all its stakeholders. The Company is one of the largest steel producers in the world and one of the world's most geographically diversified, with operations in 26 countries and a commercial presence in over 50 countries. With a focus on continuous improvement, the Company meets diverse customer requirements across multiple segments globally.

India

The Company successfully implemented its 2.9 mtpa brownfield expansion at Jamshedpur which increased its total crude steel capacity to 9.7 mtpa.

India witnessed an economic slowdown with GDP growth of 5% in Financial Year 2012-13. Lacklustre demand coupled with increasing imports impacted profitability of the Indian operations. Increasing share of bought out material, volatility in steel prices and increased cost due to stabilisation of the 2.9 mtpa brownfield expansion project at Jamshedpur in the first year of commissioning put further pressure on profitability.

The recently commissioned LD#3 furnace has exceeded 1 million tonnes of liquid steel production in the first year of operation.

The Indian operations, notwithstanding the enormity of the internal and external challenges faced, posted a robust EBITDA of ₹11,698 crores as against ₹11,559 crores in the previous year. The Indian operations recorded best ever performance in Hot Metal, Crude Steel, Saleable Steel production and sales. The recently commissioned LD#3 furnace has exceeded 1 million tonnes of liquid steel production in the first year of operation.

Crude Steel production of 8.13 million tonnes in Financial Year 2012-13 registered a 14% increase over the previous year while achieving best ever sales of 7.48 million tonnes. Flat product deliveries increased by 20% over the previous year due to the capacity expansion in Indian operations. The Company expanded its marketing efforts to sectors such as



Hot metal coil, Jamshedpur, India

Lifting & Excavation, Railways, Ship building and Defence. "Tata Astrum", the recent addition to the Company's branded portfolio was developed to penetrate the SME market, earlier serviced by opportunistic brokers. Long Products achieved highest ever sales of 2.98 million tonnes with an all time high channel sales of 1.7 million tonnes in Financial Year 2012-13, primarily leveraging the Company's retail presence through its distribution network and offering better value propositions to its customers. Superior quality long products and just-in-time inventory practices ensured premium pricing over secondary steel manufacturers. The Ferro Alloys and Minerals Division (FAMD) continued to support the steel division's profitability in spite of lower production and sales compared to the previous year. FAMD increased its focus on domestic sales of ferro chrome recognising the shift in the pattern of global ferro chrome production on account of increased chrome ore exports from South Africa to China.

The Tubes Division, a Strategic Business Unit (SBU) of the Company, manufactures and markets a wide range of steel tubes and pipes. It is the only tube manufacturer with a pan

India presence in three product segments namely Conveyance, Structural and Precision. It is the domestic market leader in Conveyance and Structural Tubes, with a significant national presence in Precision Tubes catering to the automotive and engineering segments. The products and services of the SBU are differentiated in the market with the brands such as Tata Pipes in conveyance, Tata Structura in construction and Tata Precision Tubes in the automotive segments. The Company's upstream growth in capacity is synchronised with the downstream expansion of the product portfolio such as Tubes and Cold Rolled products. The SBU's growth is linked with the expansion of the Flat Product value chain. Going forward, in line with the expansion of the Flat Product's capacity, the Tubes SBU is poised to increase capacity by around 0.6 million tonnes in the next five years to grow to 1 million tonnes, consolidating its leadership position in the chosen market segment with its value added downstream products and best in class service to its customers.

The Company is now embarking on its next phase of growth and is setting up a 6 mtpa greenfield steel project in Odisha. A new subsidiary, Tata Steel Odisha Limited, has been set up



Brownfield expansion at Jamshedpur, India





IT-enabled production process at Tata Steel, Europe

specifically for this project. The project will be implemented in 2 phases of 3 mtpa each. The Company has successfully finalised the project financing of ₹ 22,800 crores with a consortium of 21 banks and financial institutions.

The Company continued its pursuit of value creation for all stakeholders following the Total Quality Management (TQM) approach systematically. In 2012, the Company became the first integrated steel company in the world to win the "Deming Grand Prize" awarded by JUSE, Japan.

Europe

The manufacturing facilities at Tata Steel Europe comprise of manufacturing hubs (Strip Products Mainland Europe, Strip Products UK, Long Products Europe and Downstream Operations) and Integrated Businesses (Plating, Cogent Power, Speciality and Bar).

Tata Steel has organised its European business into strategic market sectors. The sector teams develop the commercial plan

of the business taking into account its differentiated product strategy to secure long-term relationships with its customers. The single pan-European supply chain allocates demand across the manufacturing facilities and distribution channels to maximise operational efficiencies and minimise costs.

The European operations have made good progress in moving to a customer-focused, market sector-based operating model with a cost competitive asset base. Tata Steel Europe has increased the proportion of high-value differentiated products and services in its sales by almost 20% over the last two years. It has also succeeded in taking £200 million of fixed cost out of the business and reduced its steel stocks to record lows by the year-end.

The product differentiation strategy secured some notable successes during the year, including:

- Recognition as a Core Supplier by PSA Peugeot Citroën in the Automotive sector.
- Supplier Performance Award 2012 from JCB for the Lifting & Excavating sector.



Tata Steel Europe undertook several measures during the year to focus on cash flow management including working capital initiatives, controlling functional costs and overheads.

The Company continued to play its part within the European Steel Association to engage and discuss with the European Commission on the emerging regulations on carbon emissions while also addressing the issues that are required to enhance the competitiveness of the steel industry in Europe.

South East Asia

The South East Asian operations performed well with improving demand, product differentiation, efficiency improvements and restructuring measures.

Riding on buoyant construction demand, operations in Singapore performed exceedingly well with an overall sales volume of 900 ktpa despite increased competition and pressure on margins. Implementation of energy saving technologies made NatSteel's Electric Arc Furnace (EAF) one of the most energy efficient arc furnaces worldwide. In its journey towards becoming a specialist construction



Riding on buoyant construction steel demand, Natsteel, Singapore

In 2012, the Company became the first integrated steel company in the world to win the "Deming Grand Prize".

solutions company, NatSteel has enriched its mix to 66% of value added products. During the year, NatSteel was awarded the World Steel Association Safety & Health Recognition, the Energy Efficiency Partnership Award, the Singapore Compact Green Champion Award and the Singapore Platinum Health Award.

NatSteel's operations in China performed remarkably inspite of volatility in steel prices, weakening construction demand and competition amongst several players. The recent capacity expansion from the new Fuzhou plant increased coverage in China's Fujian province where demand is expected to be relatively stronger. NatSteel also started its downstream operations in Xiamen in March 2013. Thailand posted a y-o-y GDP growth of 6.4% staging a recovery from floods that affected the country in 2011.

Tata Steel Thailand (TSTH) recorded a modest increase in sales volume by 3%, though lower prices in 2012 versus 2011 caused revenues to fall 5% y-o-y. TSTH has further strengthened its leadership position in rebars by increasing its market share from 25% to 29%, helped by strong construction growth in upcountry regions of Thailand while the wire rod product line was adversely affected by cheaper imports from China.

In terms of significant achievements, TSTH has recorded its lowest ever Lost Time Injury Frequency Rate (LTIFR) of 0.46 with zero fatality and has improved its EBITDA performance by 2.5 times compared to the previous year. TSTH has continued its focus on development of new products and launched seismic rebars, an earthquake resistant rebar, for the first time in Thailand.





Operating Context, Risks and Opportunities

Tata Steel's long-term strategy takes into account the challenges faced by the Company and the opportunities it needs to leverage for value creation.

Brownfield expansion

The 2.9 mtpa brownfield expansion is the largest ever expansion undertaken at the Jamshedpur Works, taking the capacity of the Jamshedpur facilities to 9.7 mtpa.

The expansion project involved setting up of facilities, including a 3.05 mtpa capacity 'I' Blast Furnace, a 2.4 mtpa Thin Slab Casting and Rolling Facility (TSCR), two Coke Oven batteries each with a capacity of 0.7 mtpa, a 6 mtpa Pellet plant, a Linz-Donawitz (LD) Basic Oxygen converter and a Lime Calcining plant.

The 'I' Blast Furnace achieved rated capacity in 24 days with 94% availability in the first month. The furnace is currently producing at 9,000 tonnes per day (tpd) corresponding to 3.15 million tonnes annualised with a headcount of 115 employees making it one of the most productive plants in the world. The performance of the earlier 'H' Blast Furnace has been bettered by 'I' Blast Furnace on all counts (Figure 1).

LD3 TSCR is the third steel melting shop at the Jamshedpur works and the second dedicated to Flat Products. A unique feature of this steel melting shop is that it integrates a Thin Slab Caster and a Rolling mill (a new energy efficient 'Compact Strip Processing' technology) with the upstream LD3 steel making facility. The first strand was commissioned in February 2012 and the two strand operations started working simultaneously from the beginning of December 2012.

In Financial Year 2012-13, the TSCR plant achieved 1 million tonnes of slab production, registering higher yield and producing higher value products (Figure 2).

Ramp up of the 'I' Blast Furnace:

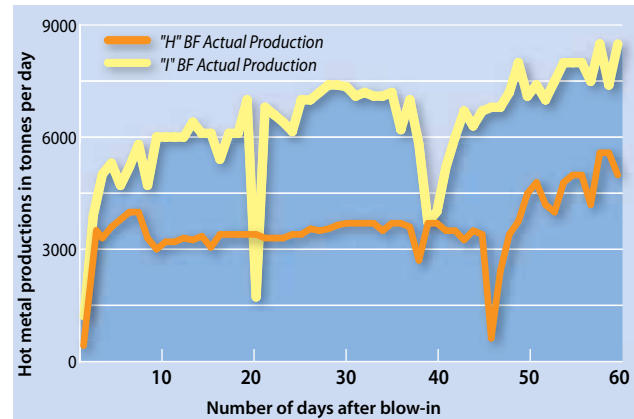


Figure 1

The monthly production at TSCR in Financial Year 2012-13:

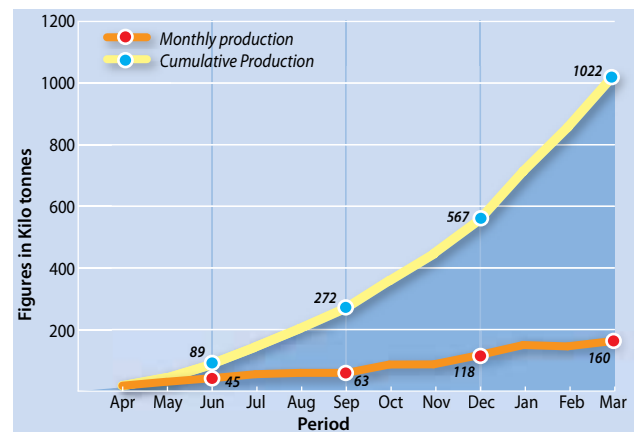


Figure 2



Brownfield expansion "I" Blast furnace, Jamshedpur, India

The 6 mtpa Pellet Plant will enable the Company to use extra-fine iron ore as the feed after beneficiation rather than scarce lumps, resulting in improved Blast Furnace productivity, due to increased percentage of agglomerate in the Blast Furnace burden. As mineral resources are scarce and exhaustible, the Company is continuously working to increase the life of its existing mines by improving productivity and enhancing its capabilities to mine and process inferior ores.

The increase in capacity without the proportionate increase in manpower is set to improve labour productivity on a per tonne basis. The raw material capacity augmentation in the mines, ensured that the additional production was integrated with iron ore, eliminating the possibility of relying on external sources in an already constrained iron ore market, following closure of mines in India's mineral rich states.

Greenfield project

Tata Steel's greenfield project in Odisha is currently under construction. The first phase is likely to go into production by the end of the Financial Year 2014-15.



Greenfield project – Kiln 2, Odisha, India



OPERATING CONTEXT, RISKS AND OPPORTUNITIES

Setting up the project will benefit the further development of the local community and society. A training centre has been set up for up-skilling some of the people in the local community. A large local community has also evolved into successful entrepreneurs assisting others by providing gainful employment. Women are empowered through self help groups set up by the Company, enabling them to earn a living.

Designed to deliver value added steel for different applications, the project will enable development of a wider range of products for the Company that can cater to advanced applications.

Global Wires Business

The Global Wires Business (GWB) of the Company is one of the largest wire manufacturers in the world. It operates as a separate profit centre within the Group. GWB comprises Tata Steel's Wire Division in India, Siam Industrial Wire in Thailand and Lanka Special Steels Limited in Sri Lanka. GWB in Financial Year 2012-13 recorded revenues of USD 496 million on sale of 535 kt.

In Financial Year 2012-13, Global Wires through Siam Industrial Wire entered into a 60:40 joint venture with Nichia Steel Works, Japan. The joint venture "TSN Wires Co. Ltd" is in the process of setting up a 36,000 tpa greenfield plant at Rayong in Thailand for the manufacture of premium galvanised and aluminium coated steel wires. The products made at TSN Wires will be sold in Thailand, the ASEAN region and Oceania markets.

Tata Growth Shop

Tata Growth Shop (TGS) is a multi disciplinary engineering complex that designs and manufactures heavy engineering and material handling equipment including special purpose Electric Overhead Travelling Cranes. The manufacturing unit is situated in Gamharia, near Jamshedpur, spread over more than 350 acres.

TGS provides in-house design and manufacturing capability and contributes to the capital projects of the Company, notably, projects associated with the brownfield expansion at Jamshedpur. The various jobs executed by TGS for the 3 mtpa expansion project are as follows:



Wires produced in India



Growth shop at Gamharia, India

- Designed, manufactured, erected and commissioned various equipment, EOT cranes, industrial structurals.
- Completed and handed over Lime Calcination Plant on EPC basis.
- Erected and commissioned Ladle Furnace and Hot Metal Desulphurisation plant.

This novel business model led to changes in the cost structure, combined with leveraging channel capabilities to the maximum, to generate operating profits. Today the brand 'Tata Agrico – a bond of trust' has captured the mindshare of its customers.

Execution of the above work by TGS has resulted in savings of ~₹ 100 crores through innovative solutions in both design and strategic procurement. TGS is now involved in the fabrication of the structurals and equipments for the Odisha project on a much larger scale and is poised to move up the value chain with enhanced product offerings.

Agrico

The Agrico division has been in operation since 1923-24 and owns one of the oldest Tata brands to reach the Indian households–Tata Agrico. The product range includes Hoes, Sickles, Crowbars, Shovels, Pick Axes, Hammers and others. Tata Agrico has played a major role in developing agricultural implements which are much easier to use and provide better value to Indian farmers. The Agrico division of Tata Steel follows a unique model of not having its own manufacturing facilities but outsourcing its entire product range to external processing agents.



Tata Steel supplies agricultural equipment





Strategic Objectives and Strategies

Strategy at Tata Steel is driven by continuous efforts to stay alert to changing market requirements and to respond through initiatives that drive change.

India: Creating long-term value

Kar Vijay Har Shikhar – Continuous improvement programme

Kar Vijay Har Shikhar (“KVHS”) is a fast paced, analytics based process with in-built rigour and review systems. The methodology is a well-defined six step process involving TQM and statistical tools. Some of the key themes through which improvements are taken up are – Throughput, Value-in-use, Energy Efficiency, Opportunistic Plays, Logistics & Supply Chain.

Last year, KVHS was effectively launched in marketing and sales for the Indian operations. In the current financial year, the primary focus was on mines and production processes in India. Through KVHS, several innovative and breakthrough projects were launched including, several ‘first time’ ideas in Tata Steel – Load Haul Dumpers at Jharia Mines, Synthetic Collector for improving Clean Coal yield, Excavator Hanger at West Bokaro, Desilicisation trials at Blast Furnaces, TBD Resleeving Machine at LD#1 (first time in Asia), Quick Tap Drop System at LD#1, Seven Roll Feeder installation at SP#3, Micropelletisation of Super Fines for use in Sinter Making, Paving Bricks from LD Slag. Some of these have been implemented while others are in trial phase. Sustainability has been recognised as a critical area for overall improvement, hence sustainability activities like mine life, solid waste utilisation and energy efficiency have been added to the portfolio of initiatives under KVHS.

The KVHS journey has been a balanced mix of activities for EBITDA maximisation, process improvement, innovation

and capability building. Going forward, the KVHS group has the responsibility of finding avenues for improved cash flow which remains a challenge for the Group.

Branded product portfolio

Tata Steel has been a pioneer in de-commoditising and branding steel for over a decade now in India. The existing portfolio of Tata Steel’s brands spans sectors that include construction (Tata Tiscon and Tata Structura), roofing (Tata Shaktee), panels & furniture (Tata Steelium and Galvano) and agricultural implements (Tata Agrico). These brands, put together, contribute ~30% to the top line of the Company.

“Tata Astrum”, the brand for Hot Rolled (HR) Sheets and Coils, is the latest offering from the Company’s stable. This is the first time the Company has made a foray into branding



Moving towards a common vision, Jamshedpur, India

of HR steel. In line with the capacity expansion plans, a pan-India market mapping exercise was carried out to understand the consumption pockets, patterns and needs of the customers for HR steel. The Company identified this segment as an Emerging Corporate Account (ECA) with a requirement for small tonnages.

In order to better understand the needs of the segment, a structured pilot programme called Emerging Corporate Value Management (ECVM) was launched. As an outcome of this, the Company mapped 4,500 customers falling into 37 application based segments and appointed 47 distributors to serve them.

"Tata Astrum" is being supplied to customers in processed form from service centres, which have a tie-up with distributors and conform to the Tata Steel quality standards. "Tata Astrum" expects to grow its market share in this segment in the future.

Tinplate and Tata Sponge

In continuation of growth efforts, Tata Steel made successful open offers to increase its stake in Tinplate Company of India Ltd (TCIL) by 14% and Tata Sponge Iron Ltd (TSIL) by 11.26% respectively. Pursuant to these open offers, TSIL has become a subsidiary of the Company.

TCIL is today the largest producer of tin coated and tin free steel sheets for the packaging industry in India, with a capacity of 379,000 tonnes per annum.

TSIL is a manufacturer of sponge iron with an installed capacity of 390,000 tonnes per annum and a power producer with generating capacity of 26 MW. TSIL is also developing coal blocks in Angul, Odisha and is continuing with its efforts to improve its upstream synergies, providing a platform for alternate steel making in the future.

Europe: Elements of Strategy

"To be the long-term preferred partner in our chosen markets by unlocking the potential of steel".

This is the mission that Tata Steel in Europe has defined for itself in order to fully contribute to the Group's vision. As part of the mission, five key strategic priorities have been identified:

a) Customer focus

- A single sales and marketing function with particular industry focus on automotive, construction, lifting & excavating, energy & power.
- A major 'Supply Chain Transformation' project aimed at improving customer service levels.
- Invested in projects to improve product mix and service offering.

b) Innovation

- 14 new products launched in the Financial Year 2012-13, with the majority in automotive.
- A new chair for research into low carbon materials technology at the University of Warwick, jointly funded with the Royal Academy of Engineering.
- Implementation of a Project and Portfolio Management Tool known as 'Trakker' to manage the Company's new product development process, involving regular monthly reviews. In January 2013, Tata Steel Europe won CA Technologies' Innovation Award for the use and further development of the 'Trakker' Portfolio Management Tool.

c) Operational excellence

Over the last two years Tata Steel Europe has aligned its industrial footprint with market conditions. The Company continues to upgrade its plants with the aim of improving asset performance and cost competitiveness. Some of the significant initiatives underway or completed include:

- Implementation of a multi-year improvement programme at the IJmuiden steelworks. Once complete, IJmuiden's annual effective capacity will rise from 7.2 million tonnes to 7.7 million tonnes of liquid steel.
- The No. 4 Blast Furnace at the Port Talbot steelworks in the UK has been restarted following the completion of the rebuild project.
- The restructuring of the Scunthorpe works, announced in May 2011, was implemented according to plan over the following 10 month period.
- Investment in the 108m long rail facility at Hayange was completed during the year re-inforcing its position as a top class rail manufacturer.



STRATEGIC OBJECTIVES AND STRATEGIES

d) Responsible behaviour

Tata Steel in Europe aims to act responsibly in all areas of its business, and in particular in relation to the environment, the communities within which it operates and its employees' safety.

Significant initiatives undertaken during the year are:

- Leading role in the European Ultra Low CO₂ Steelmaking ('ULCOS') collaborative project.
- Bringing forward completion of the Company's new bag filter facility in IJmuiden's sinter plant, which is expected to reduce emissions of fine particles, heavy metals and dioxins from the sintering process by at least 75%.
- Commissioning of a new cooling system in the Port Talbot BOS plant, reducing the site's need for external power by about 15%.

e) People

Tata Steel Europe is committed to its people who are instrumental in its success. In managing its people, the focus is on the following three areas:

- Engaging employees at all levels of the organisation.
- Developing the capabilities of the workforce through training and recruitment targeted at filling capability gaps.
- Managing the employment cost base in a responsible manner.

The Company invests significantly in the up-skilling and development of its employees.

Restructuring initiatives

During the year the operations in Europe also undertook several restructuring initiatives.

- Proposals to restructure administrative and management functions at Port Talbot steelworks to reduce headcount.
- Proposed consolidation of the UK distribution activities into six key sites.
- Proposed closure of the Company's colour-coating operations at Tafarnaubach and Cross Keys in South Wales and of the Namascor site at Moerdijk in the Netherlands.
- The sale of non-core assets, such as Vlietjonge BV and a 50% stake in recycler HKS Scrap Metals Co, both in the Netherlands; and of the Company's third-party international steel trading business to Tata International.
- A restructuring of the Company's European Tubes business, proposed at the end of the previous financial year, was completed.

NatSteel: Improvement plans

In the current financial year, NatSteel initiated several measures to achieve its strategic objectives. These initiatives coupled with strong demand in Singapore led the Company to return its best ever performance in the last 10 years.

- NatSteel implemented numerous IT and automation projects to enhance productivity across its operations in Singapore, China and Australia.
- Singapore continues to grow its value added product line in the Reinforcement Solutions business. This year the Company completed several projects in the mesh plant in Singapore and initiated a revamp in the Cut and Bend lines. Next year, will see the execution of key projects in Scrap processing, EAF Shaft Furnace upgrade, Bar and Wire Rod Mill upgrade, with the objective of significantly improving labour productivity.
- The Company grew its footprint in the Reinforcement Solutions business by initiating operations in Xiamen, China and Johor in Malaysia. NatSteel Xiamen, known



Driving innovation at Tata Steel in Europe

for producing high end reinforcement bars with seismic properties, has started operations in Fuzhou, in the Fujian province of China in August 2012.

- As part of the portfolio restructuring activity in NatSteel, the Company divested its stake in the Wires business in Wuxi, China and exited from its downstream operations in Brisbane, Sunshine Coast and Townsville in Australia.

Tata Steel Thailand: Strategic approach

Tata Steel Thailand is adopting a comprehensive strategy to improve its performance. The plan is as follows:

- To run three Electric Arc Furnace (EAF) plants in an integrated manner using higher domestically sourced scrap.
- The strategy of sourcing higher domestic scraps led to segmentation of scrap vendors and deploying 'Value in Use' approach to monitor off-take in line with market demands and effective management of working capital.
- Increase sales of branded rebars, specifically Tata Tiscon in Thailand as well as in the neighbouring countries and gain market share in automotive segment.

Raw Material Strategy

Raw material integration is a strategy, pursued by the Company since inception. Securing raw material linkages, has assumed greater importance, given the volatility that exists in the raw material prices today. Iron ore and coking coal are two basic raw materials required for manufacturing steel. Access to raw materials through our investment provides stability in terms of quality and availability and provides a hedge against volatile prices.

The Company has made the following investments in overseas raw material projects:

Benga Coal Project: Mozambique

Tata Steel partners Rio Tinto in the Benga project, located in the Moatize basin of Mozambique. The Company holds 35% equity stake and is entitled to 40% off-take of coking coal produced in the project. The project started producing coal and made its first shipment in June 2012. The project is planned in phases. The full ramp up of Phase 1 is expected to produce 5.3 mtpa Run of Mine (ROM) coal (1.5 mtpa clean coking coal and 0.9 mtpa thermal coal).

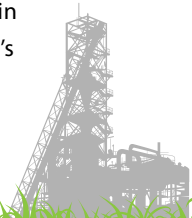


A strategic approach at Tata Steel Thailand

Iron Ore Project: Canada

Tata Steel through its subsidiary Tata Steel Minerals Canada Limited (TSMC) is developing the Direct Shipping Ore (DSO) project in Canada. The Company holds 80% equity stake in TSMC with the balance 20% equity stake held by New Millennium Iron Corporation (NML), a Canadian listed mining company. Direct Shipping Ore project successfully completed trial production in 2012 with initial mining and dry processing of ~63% Fe grade iron ore. TSMC is targeting production of 1 million tonnes of iron ore in Financial Year 2013-14. The production is expected to be ramped up to about 6 mtpa.

Tata Steel in March 2013 entered into a framework arrangement through TSMC with Labrador Iron Mines (LIM) for the acquisition of a 51% stake in LIM's Howse deposit to exploit significant synergies that exist between the two mine deposits. Iron ore produced in Canada is meant to partially integrate the Company's European operations.





Governance Systems

A strong focus on Value Creation and Corporate Citizenship has helped the Tata Steel Group build an enviable corporate reputation founded on ethical and transparent approaches.

The Tata Code of Conduct

The Tata Code of Conduct is a periodically reviewed document that takes into account business practices in different parts of the globe. It is meant to be a guiding principle and is shared with all stakeholders – including employees, partners, vendors, suppliers, contractors, etc. – as it governs all aspects of fair practice.



Committees

Several focused Committees have been constituted by the Board who meet periodically to review their respective terms of reference. These include:

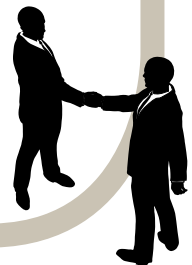
- The Audit Committee
- Executive Committee of the Board
- The Remuneration Committee
- Investors' Grievance Committee
- Ethics and Compliance Committee
- Safety, Health and Environment Committee
- Committee of Investments and Projects



Management of Business Ethics

The business ethos of the Tata Code of Conduct is deployed through a specially formulated structure called the Management of Business Ethics (MBE). It is based on the four pillars of:

- Leadership
- Communication and Awareness
- Compliance Structure
- Evaluation of Effectiveness



Policies

A number of policies have been put into place to ensure that governance standards are met. They are based on zero tolerance towards corruption and unethical behaviour. These include:

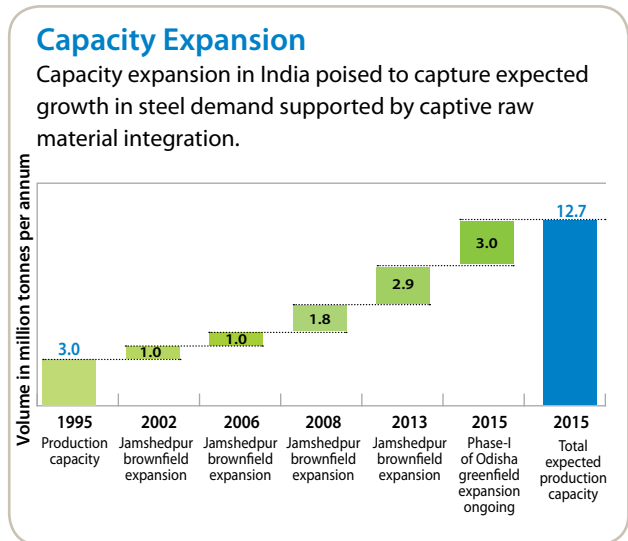
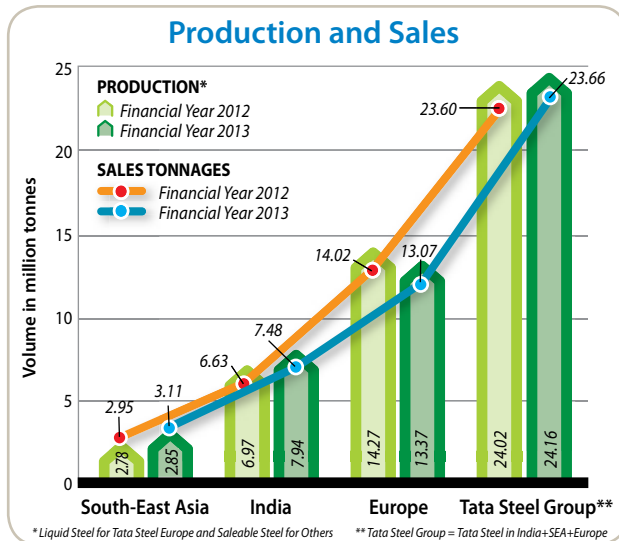
- The Gift Policy
- Whistle Blower Policy
- Whistle Blower Reward Policy
- Vendors Whistle Blower Policy
- Sexual Harassment Prevention and Redressal Guidelines





Performance

In a year of volatile market fluctuations, Tata Steel focused on its stated objective of growing in a sustainable manner that would create long-term value for its stakeholders. In line with the concept of 'Integrated Reporting', here are a few of the non-financial performance indicators.



Awards and Accolades

- The Deming Grand Prize by Japanese Union of Scientists and Engineers (JUSE), Japan.
- Prime Minister's Trophy for the year 2010-11.
- Fortune magazine's 'World's Most Admired Company' award.
- 'Best Managed Board in India' ~Aon Hewitt – Mint Study 2012.
- CII-ITC Sustainability Prize for 2012 for Sustainable Development.



Initiatives in CSR

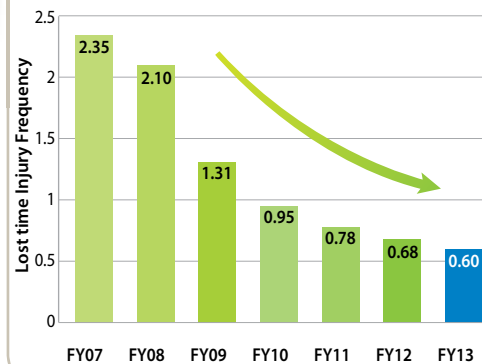
The focus on CSR continued and some noteworthy initiatives included:

- Skill development for employment.
- Health care initiatives.
- The HIV-Aids awareness coverage expanded.
- Adult literacy programme expanded.
- Focus on ethnic inclusion.



Health and Safety

Reduction continues in lost time injuries - a 12% improvement in performance in Financial Year 2012-13, over the previous year





Outlook

Tata Steel is geared to meet market requirements through a strategy that aims to mitigate possible challenges, while making the most of every opportunity.

India

Economic growth has been subdued in Financial Year 2012-13 against the backdrop of the global slowdown, high interest rates impacting consumption and slowing down of fixed asset investments.

The slowdown in the Indian economy has not altered the belief in the long-term potential of the economy. Decisive policy actions on issues such as curbing wasteful subsidies, attracting foreign direct investment to reduce the current account deficit and an increase in infrastructure spending are expected to restore business confidence and lead to stronger growth. However, continual lack of action on the policy front in a pre-election year may act as a deterrent to realise the full potential of the economy.

Flat steel demand is expected to remain challenging due to slow growth in the automotive and other consuming industries. Long steel demand is expected to be slightly better off, driven by a steady construction sector outlook.

Europe

The macro-economic outlook in Europe remains challenging. Fears have receded of an imminent collapse of the eurozone economies, but they are not widely expected to grow this year. Growth is only expected to return in the second half of the year.

The eurozone GDP outlook is matched by forecast steel demand in Europe. The World Steel Association predicts EU demand will drop by a further 0.5% in 2013, following the 9.3% drop in 2012. However, the WSA forecasts suggest a return to relatively robust growth of 3.3% in 2014.

Taking into account the current demand supply conditions in the European steel industry, the Company has focused its strategy in Europe on its customers and, in particular, on providing them with an expanded portfolio of premium products and services.

South East Asia

South East Asia (SEA) remains an attractive market for steel consumption as demand growth in the region has been resilient in recent times. Steel demand in SEA has grown by 10 mtpa in the last 5 years, driven primarily by the construction sector, and is expected to continue growing with a strong line-up of infrastructure projects.

However, macro-economic factors and regulatory changes in the region remain a key business risk, with China likely to remain the largest steel exporter to SEA.

In Singapore, the downstream reinforcement solutions operations of the Company will target a third consecutive year of ~15% y-o-y growth in sales of value added products. In Thailand, the Company plans to strengthen its leadership position as a player in the construction space with a steady increase in the growing automotive segment.





NVG Principles

Since its inception, the Tata Steel Group has laid extreme emphasis on transparency, ethics and care for the community. The National Voluntary Guidelines (NVG) re-inforce the Company's belief in the stated principles and help maintain its focus.

PRINCIPLE 1

Ethics, Transparency and Accountability



The Tata Code of Conduct (TCoC) encapsulates the ethical practices followed by all Tata Group companies for over a century. These guidelines – repeatedly and continuously reaffirmed – has led to Tata Steel being ranked, once again, among the “World’s Most Ethical Companies” in 2013 by the Ethisphere Institute.

All employees, suppliers, vendors, contractors and their work forces, partners and joint ventures are expected to adopt TCoC or a joint code of conduct incorporating all elements of the TCoC. The Management of Business Ethics stands on the four-pillar concept of Leadership, Communication and Awareness; Compliance structure; and Evaluation of Effectiveness.

To improve the implementation of the TCoC, the Company has adopted various policies like the Gift Policy, Whistle Blower Policy, Sexual Harassment Prevention and Redressal Guidelines, etc.

Tata Steel has a zero tolerance policy towards corruption or violations of the TCoC. All officers have to submit a Conflict of Interest declaration (COI).



PRINCIPLE 2

Maximising the sustainability of goods and services throughout their lifecycle



The Company places great emphasis on making products and processes more efficient and sustainable. The Company’s Technology Roadmap identifies projects aimed at increasing the yield of high quality raw materials while effecting reductions in energy use and emissions.

Making extensive use of life cycle assessment, the Company advises customers at the design stage of their products made from steel to help minimise energy usage. Tata Steel in Europe has invested significantly in the development of life cycle assessment models for many sectors.

Developments in the automobile sector are driven by fuel efficiency, eco-friendliness, safety and cost. High strength steel makes automobiles safer and reduces the weight of vehicles thus reducing steel consumption, achieving greater fuel efficiency due to the lighter weight of the car and reducing carbon emissions throughout the value chain.

NatSteel’s Singapore plant processes and recycles ferrous scrap materials, in one of the world’s most energy efficient Electric Arc Furnace, into high quality steel products used in the building and construction industry.



PRINCIPLE 3

Enriching the quality of life of employees and maximising their potential



The Company believes that healthy employee unions, consultative and collective bargaining forums, platforms for employee participation and grievance redressal mechanisms secure employee well-being and industrial harmony.

The core principles enshrined in its Human Resources Policy, and now applied across the Tata Steel Group worldwide, are: equality of opportunity, continuing personal development, fairness, mutual trust and teamwork. The Company conducts employee engagement surveys through expert agencies to identify areas to improve upon towards building a motivated and productive workforce.

Both Tata Steel and NatSteel received the World Steel Safety & Health Excellence Recognition Award 2012 for positively embracing the safety and health principles of the World Steel Association.

Tata Steel encourages its employees to prioritise between work and a satisfying, enriching life. Based on the results of an Employee Happiness Survey, the Company focused on improvements in employee housing, services at its hospitals, canteens as well as other amenities. Several initiatives for women have promoted their work-life balance.

PRINCIPLE 4

Inclusive growth through stakeholder engagement



The Company's value creation process encompasses the interest of all its stakeholders. It believes in fostering relationships built on trust, mutual respect, open and credible communication with various stakeholders like customers, suppliers, vendors, employees, communities, investors, governmental bodies, media, etc. Various stakeholder facing departments exist to take the engagement forward by identifying issues and opportunities. The senior and top management also participate in these interactions as per well laid out engagement plans.

The interests of rural communities where the Company operates, which are among the least developed regions of the country, are served through multiple agencies with well-defined objectives. Their purpose is to enhance the quality of life of people through interventions in health, education, agriculture, skills development, self-help groups and ethnicity.

To foster greater social cohesion among communities for a sustainable society, the Company brings together community committee members and local opinion leaders with the management through structured mechanisms that encourage joint efforts to resolve local problems. The Company has created a Grievance Redressal Group to conduct third-party social audits of its Rehabilitation and Resettlement measures by an eminent group of people.





PRINCIPLE 5

Businesses should respect and promote human rights



Tata Steel believes that embedding respect for the human rights of stakeholders across its operations is central to creating a positive impact on the community it serves. Therefore, all constituent units of the Company accord the highest value to human rights, endorsing their universal, inalienable and incontrovertible nature.

The Company also aims to guarantee equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality and different ability status.

Deployment of the Tata Code of Conduct through a formal structure for the Management of Business Ethics and auditable frameworks such as SA 8000 allow for widespread understanding of the applicability of human rights in business operations, including its supply chain.

The Company's Corporate Social Responsibility & Accountability Policy, Human Resource Policy, Affirmative Action Policy, Sustainability Policy, Sexual Harassment Policy, Responsible Procurement Policy and vendor management process are aimed at perpetuating and promoting norms that reflect the commitment of the Company to ensure Human Rights for all stakeholders.

PRINCIPLE 6

Protecting the Environment



Over the years, the Company has invested in initiatives that proactively nurture the environment. Various divisions of the Company across the world have each contributed to this effort.

By-products of the steel making processes are not always easily recyclable – and thus the Company invests substantially in R&D efforts to enhance yield and maximise utilisation of raw material. Reduce, reuse and recycle is the mantra that the Tata Steel Group follows.

A key focus is the reduction of CO₂. Across all facilities of the Company, targeted emission parameters are monitored. All manufacturing sites have implemented Environment Management Systems. Regular audits and reviews ensure that continual improvement is achieved and wherever required, corrective actions are taken.

Programmes such as Clean Green and Safe in Singapore, Green Team in Canada, YmGreen in the Netherlands and Greenfection in India have resulted in proactive action and significant energy saving.





PRINCIPLE 7

Policy advocacy



As India's leading corporate entity and a member of the World Steel Association, the Company's endeavour is to bring an understanding of sector-specific, local and global sustainability concerns to local and national policy making processes. The Company is a member of the Steel Manufacturing, Mining and Environment committees of the Confederation of Indian Industries and the Federation of Indian Chambers of Commerce and Industry, as well as an executive committee member of the Federation of Indian Mineral Industries.

The Company is listed among the "World's Most Ethical Companies". With a strong belief in sustainable progress, the Company has made suggestions to the Government of India to put into place certain procedures to aid in the area of Environmental Clearances, Mining issues and Policy Legislation.

NatSteel, Singapore regularly engages with key government stakeholders to foster better relations and positively influence the construction industry.

PRINCIPLE 8

Inclusive growth and equitable development



The operational areas of the Company in the states of Jharkhand and Odisha are plagued by poor social infrastructure for health services, education, roads, electricity and other basic amenities. The Tata Steel Rural Development Society and Tribal Cultural Society undertake development interventions in consultation with the community to complement the efforts of local government agencies. The thrust areas for the Company are education, sustainable livelihood – especially skill development and employability training – and health care, all of which are an element of the Human Development Index, a quality of life indicator. The Company's initiatives touched nearly 2 million lives last year.

The Company's range of interventions encompassed infrastructure support to rural and urban schools through scholarships and coaching classes as well as incentives like free mid-day meals to encourage attendance form part of its key thrust area for improving the quality of life.

NatSteel, Singapore operations span several countries. It is actively involved in community work and corporate philanthropy through its "Building Beyond Borders" programme.



PRINCIPLE 9

Value to customers



Value creation is the process of going beyond meeting the customer's basic needs. The Company at its various geographies, has developed a wide range of products that add value at multiple levels.

The Indian and European operations have been working on developing further higher strength steels for more fuel efficient automobiles and efficient steel usage in construction. The Company also develops products which reduce the environmental impact during processing at its downstream industries.

Tata Shaktee, a flat product brand from the Company, introduced 'Roof Junction' – a solution to ameliorate problems caused by improper fixing resulting in rainwater leakage and subsequent rusting.

Responsible Architectural Initiatives and Structural Engineering (RAISE) drives responsible construction practices. BuildWISE offers individual home builders 'Supervisory Services' and the support of Customer Service.

Notice

THE HUNDRED AND SIXTH ANNUAL GENERAL MEETING OF TATA STEEL LIMITED will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Wednesday, the 14th August, 2013, at 3.00 p.m., to transact the following business:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Ordinary Shares.
3. To appoint a Director in the place of Mr. Nusli N. Wadia, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. Subodh Bhargava, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in the place of Mr. Jacobus Schraven, who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in the place of Dr. Karl-Ulrich Koehler, who retires by rotation and is eligible for re-appointment.
7. To appoint auditors and fix their remuneration.
8. To appoint a Director in the place of Mr. D. K. Mehrotra, who was appointed an Additional Director of the Company by the Board of Directors with effect from 22nd October, 2012 under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.
9. To appoint a Director in the place of Mr. Koushik Chatterjee, who was appointed an Additional Director of the Company by the Board of Directors with effect from 9th November 2012 under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.
10. To appoint a Director in the place of Mr. O. P. Bhatt, who was appointed an Additional Director of the Company by the Board of Directors with effect from 10th June, 2013 under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.

11. **Appointment of Mr. Koushik Chatterjee as Executive Director and Group Chief Financial Officer**

To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act, the Company hereby approves the appointment and terms of remuneration of Mr. Koushik Chatterjee, Executive Director and Group Chief Financial Officer of the Company for the period from 9th November, 2012 to 8th November, 2017 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. Koushik Chatterjee.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

NOTES:

- (a) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 8 to 11 above, are annexed hereto. The relevant details of directors seeking appointment/re-appointment under Item Nos. 3 to 6 and 8 to 10 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.

- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
- (c) The Register of Members and Transfer Books of the Company will be closed from Wednesday, 17th July, 2013 to Tuesday, 23rd July, 2013 (both days inclusive).
- (d) If dividend on Ordinary Shares as recommended by the Board of Directors is passed at the meeting, payment of such dividend will be made on and from 16th August, 2013 to those members whose names are on the Company's Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before Wednesday, 17th July, 2013. In respect of Ordinary Shares held in electronic form, the dividend will be paid to the beneficial owners of shares as at the end of business hours on 16th July, 2013, as per details furnished by the Depositories for this purpose.
Shareholders are requested to provide Bank details to facilitate payment of dividend, etc., either in electronic mode or for printing on the payment instruments.
- (e) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- (f) As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrars of the Company.
- (g) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the Financial Year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period, are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to

Office of Registrar of Companies
Central Government Office Bldg.,
'A' Wing, 2nd Floor, Next to Reserve Bank of India,
CBD, Belapur 400 614.

Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

Accordingly, the Company has transferred to the IEPF all unclaimed/unpaid dividends in respect of the financial years 1995-96 to 2004-05. Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2006 onwards, are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year 2005-06 declared on 5th July, 2006 can be claimed by the shareholders by 4th July, 2013.

By Order of the Board of Directors

A ANJENEYAN

*Company Secretary &
Chief of Compliance*

Mumbai, 11th June, 2013.

Registered Office:

Bombay House,
24, Homi Mody Street, Fort,
Mumbai 400 001.

Annexure to Notice

As required by Section 173 of the Companies Act, 1956, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 8 to 11 of the accompanying Notice dated 11th June, 2013.

2. **Item Nos. 8,9 and 10:** Mr. D. K. Mehrotra was appointed as an Additional Director by the Board with effect from 22nd October, 2012, Mr. Koushik Chatterjee was appointed as an Additional Director by the Board with effect from 9th November 2012 and Mr. O. P. Bhatt was appointed as an Additional Director by the Board with effect from 10th June, 2013.
3. In terms of Section 260 of the Act and Article 121 of the Company's Articles of Association, Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt hold office as Directors only till the date of the forthcoming Annual General Meeting, but are eligible for appointment. Notices have been received from members as required by Section 257 of the Act, signifying their intention to propose the candidatures of Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt for the office of Director.
4. Mr. D. K. Mehrotra is an honours Graduate in Science from the University of Patna. He has attended several important knowledge forums in India and abroad and is associated with the apex training institutes of insurance in India like the National Insurance Academy and the Insurance Institute of India. He was formerly Chairman of Life Insurance Corporation of India and presently is a Director on the Board of ITC Ltd.
5. Mr. Koushik Chatterjee is an honours Graduate in Commerce from Calcutta University and is a Fellow Member of the Institute of Chartered Accountants of India. He was appointed as a Whole-Time Director of the Company with effect from 9th November, 2012 designated as Executive Director and Group Chief Financial Officer. He has been associated with the Company since 1995. Mr. Chatterjee has been performing the role of the Chief Financial Officer since his appointment as Vice President (Finance) on 1st August, 2004. He has wide experience in Financial Reporting, International Finance, Mergers and Acquisitions, Treasury and other areas of Finance and Management. He is on the Board of several Tata Steel Group companies including Tata Steel Europe, NatSteel Holdings Pte. Limited, Tata Steel (Thailand) Public Company Limited, and others.
6. Mr. O. P. Bhatt is a graduate in Science and post graduate in English Literature (Gold Medal). His last assignment from 1st July, 2006 to 31st March, 2011 was as Chairman, State Bank Group which includes amongst others State Bank of India, India's largest commercial bank, five associate banks in India and five banks overseas. He also served as Chairman of Indian Banks' Association, the apex body of Indian Banks.
7. The Board considers it desirable that the Company should continue to avail itself of the services of Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt as Directors and accordingly commend the Resolutions at Item Nos. 8, 9 and 10 for approval by the Members.
8. None of the Directors other than Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt are interested in the Resolutions at Item Nos. 8, 9 and 10.
9. **Item No. 11:** The Board of Directors has appointed Mr. Koushik Chatterjee as a Whole-Time Director of the Company for a period of 5 years with effect from 9th November, 2012, subject to the approval of the shareholders and he is designated as Executive Director and Group Chief Financial Officer.

Mr. Koushik Chatterjee is an Honours Graduate in Commerce from Calcutta University and a Fellow Member of the Institute of Chartered Accountants of India. He joined the Company in 1995 and worked in the area of Corporate Finance and Planning. He moved to Tata Sons Limited in 1999 and was appointed General Manager Corporate Finance in 2002. On 1st August, 2003 he re-joined the Company as Joint Chief Controller, on 1st August 2004 he was appointed Vice President (Finance) and he was re-designated as Group Chief Financial Officer with effect from 1st January, 2008.

On the recommendation of the Remuneration Committee, the Board, at its meeting held on 14th December, 2012 approved the terms and conditions of Mr. Koushik Chatterjee's appointment, subject to the approval of the shareholders.

The main terms and conditions relating to the appointment of Mr. Koushik Chatterjee as Executive Director and Group Chief Financial Officer (ED & GCFO) are as follows:

- (1) Period: From 9th November, 2012 to 8th November, 2017.
- (2) Nature of Duties:

The ED & GCFO shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies

and/or joint venture companies and/or subsidiaries. This includes performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or joint venture companies and/or subsidiaries or any other executive body or any committee of such a company for which he may be allowed to receive remuneration as may be determined by the Board of such associated companies and/or joint venture companies and/or subsidiaries, subject to compliance with the applicable provisions of the prevailing laws and regulations.

- (3) A. Remuneration:
- (a) Salary : ₹ 5,00,000/- per month, in the scale of ₹ 5,00,000/- to ₹ 8,00,000/- per month, with annual increments effective 1st April, each year, as may be decided by the Board, based on merit and taking into account the Company's performance for the year;
 - (b) Bonus/performance linked incentive, Long Term Incentive Plan and/or commission based on certain performance criteria laid down by the Board;
 - (c) Benefits, perquisites and allowances as will be determined by the Board from time to time.
- B. Minimum Remuneration:
- Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of ED & GCFO, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits and perquisites and allowances, bonus/performance linked incentive, Long Term Incentive Plan as approved by the Board.
- (4) (i) The ED & GCFO shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- (ii) The terms and conditions of his appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule XIII to the Act, or any amendments made hereinafter in this regard in such manner as may be agreed to between the Board and him, subject to such approvals as may be required.
- (iii) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- (iv) The employment of the ED & GCFO may be terminated by the Company without notice or payment in lieu of notice:
- (a) If the ED & GCFO is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or joint venture company or associated company to which he is required by the Agreement to render services; or
 - (b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement to be executed between the Company and him or
 - (c) In the event the Board expresses its loss of confidence in him.
- (v) Upon the termination by whatever means of the ED & GCFO's employment:
- (a) He shall immediately tender his resignation from other offices held by him in any subsidiary or joint venture company or associated company and other entities without claim for compensation for loss of office.
 - (b) He shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiaries or joint venture companies or associated companies.
- (vi) The ED & GCFO is being appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283(1)(l) of the Act. He shall not be liable to retire by rotation.
- (vii) If and when the agreement expires or is terminated for any reason whatsoever, the ED & GCFO will cease to be Executive Director & Group Chief Financial Officer and also cease to be a Director. If at any time he ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the ED & GCFO and the agreement shall forthwith terminate. If at any time, he ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and ED & GCFO of the Company.
- (viii) The terms and conditions of appointment of ED & GCFO also include clauses pertaining to adherence to the Tata Code of Conduct, intellectual property, non competition, no conflict of interest with the Company and maintenance of confidentiality.
10. An abstract of the terms of remuneration of Mr. Koushik Chatterjee pursuant to Section 302 of the Companies Act, 1956 was sent to the members in December 2012.

11. Except Mr. Koushik Chatterjee, no other Director is concerned or interested in the passing of this resolution.
12. In compliance with the provisions of Sections 198, 269, 309 and other applicable provisions of the Act, read with Schedule XIII to the Act, the approval of the members is sought for the appointment and terms of remuneration of Mr. Koushik Chatterjee as ED & GCFO as set out above.
13. The Resolution regarding the appointment of the ED & GCFO at Item No. 11 is commended for approval by the members.

By Order of the Board of Directors

A ANJENEYAN
*Company Secretary &
 Chief of Compliance*

Mumbai, 11th June, 2013.

Registered Office:

Bombay House,
 24, Homi Mody Street, Fort,
 Mumbai 400 001

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting
 (in pursuance of Clause 49 of the Listing Agreements)

Name of Director	Mr. Nusli N Wadia	Mr. Subodh Bhargava	Mr. Jacobus Schraven	Dr. Karl-Ulrich Koehler
Date of Birth	15.02.1944	30.03.1942	08.02.1942	01.04.1956
Date of Appointment	29.08.1979	29.05.2006	17.05.2007	12.11.2010
Expertise in specific functional areas	Industrialist with rich business experience in general	Wide experience across various industries	Lawyer	Wide experience in steel industry
Qualifications	Educated in UK	Mechanical Engineer from University of Roorke	Masters Degree in Law	Doctorate from Clausthal University of Technology, Germany
Directorship held in other public companies (excluding foreign companies)	The Bombay Dyeing and Manufacturing Company Limited Wadia Techno Engineering Services Limited The Bombay Burmah Trading Corporation Britannia Industries Limited Tata Chemicals Limited Tata Motors Limited Go Airlines (India) Limited	Tata Communications Limited TRF Limited Carborundum Universal Limited GlaxoSmithKline Consumer Healthcare Limited Batliboi Limited Larsen & Toubro Limited Tata Motors Limited	NIL	NIL
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	NIL	Audit Committee - Chairman Carborundum Universal Limited Audit Committee - Member Tata Communications Limited Batliboi Limited GlaxoSmithKline Consumer Healthcare Limited	NIL	NIL
Shareholdings in the Company	NIL	1012	NIL	NIL

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(in pursuance of Clause 49 of the Listing Agreements)

Name of Director	Mr. D. K. Mehrotra	Mr. Koushik Chatterjee	Mr. O. P. Bhatt
Date of Birth	05.05.1953	03.09.1968	07.03.1951
Date of Appointment	22.10.2012	09.11.2012	10.06.2013
Expertise in specific functional areas	Rich and varied experience in Insurance Sector	Wide experience in the field of Finance and Management	Wide experience in Banking and Financial Markets
Qualifications	Honours Graduate in Science from Patna University.	B.Com(Hons) from Calcutta University and Fellow Member of the Institute of Chartered Accountants of India	Graduate in Science and Post Graduate in English Literature (Gold Medal)
Directorship held in other public companies (excluding foreign companies)	ITC Limited Axis Bank Limited	Tata Services Limited The Tinplate Company of India Limited Tata Metaliks Limited Tata Steel Odisha Limited	Oil and Natural Gas Corporation Limited Hindustan Unilever Limited Tata Consultancy Services Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	NIL	NIL	Audit Committee – Member Tata Consultancy Services Limited Hindustan Unilever Limited Oil and Natural Gas Corporation Limited Stakeholders Relationship Committee – Chairman Hindustan Unilever Limited Shareholders'/Investors' Grievance Committee Tata Consultancy Services Limited Oil and Natural Gas Corporation Limited
Shareholdings in the Company	NIL	1320	NIL

Directors' Report

To the Members,

The Board of Directors hereby presents the 106th annual report on the business and operations of your Company along with the standalone and consolidated summary financial statements for the year ended 31st March, 2013.

₹ Crores

	Tata Steel Standalone		Tata Steel Group	
	2012-13	2011-12	2012-13	2011-12
Income from Operations	38,199.43	33,933.46	134,711.54	132,899.70
Total expenditure before finance cost, depreciation (net of expenditure transferred to capital)	27,073.19	22,396.69	122,390.33	120,482.91
Operating Profit	11,126.24	11,536.77	12,321.21	12,416.79
Add: Other income	902.04	886.43	479.15	1,573.03
Profit before finance cost, depreciation, exceptional items and taxes	12,028.28	12,423.20	12,800.36	13,989.82
Less: Finance costs	1,876.77	1,925.42	3,968.11	4,250.11
Profit before depreciation, exceptional items and taxes	10,151.51	10,497.78	8,832.25	9,739.71
Less: Depreciation	1,640.38	1,151.44	5,575.32	4,516.65
Profit before exceptional items and taxes	8,511.13	9,346.34	3,256.93	5,223.06
Add/(Less): Profit on sale of non-current Investments	12.33	511.01	966.03	3,361.92
Add/(Less): Provision for diminution in the value of investment/doubtful advances	(686.86)	-	-	-
Add/(Less): Provision for impairment of non-current assets	-	-	(8,355.91)	-
Profit/(Loss) before taxes	7,836.60	9,857.35	(4,132.95)	8,584.98
Less: Provision for current taxation	1,770.54	3,115.11	2,325.40	3,517.65
Less: MAT credit	(399.84)	-	(410.12)	(5.41)
Less: Provision for deferred taxation	1,402.93	45.82	1,314.16	124.22
Profit/(Loss) after taxes	5,062.97	6,696.42	(7,362.39)	4,948.52
Add: Share of profit of Associates	-	-	90.31	268.11
Less: Minority Interest	-	-	(214.46)	(173.14)
Profit/(Loss) after minority interest and share of profit of associates	-	-	(7,057.62)	5,389.77
Distribution on hybrid perpetual securities	266.21	256.54	266.21	256.54
Tax effect on distribution of hybrid perpetual securities	(86.37)	(83.24)	(86.37)	(83.24)
	4,883.13	6,523.12	(7,237.46)	5,216.47
Add: Balance brought forward from the previous year	21,145.04	16,639.46	16,125.42	12,959.16
Add: Profit and Loss account balance relating to acquisitions	-	(0.87)	-	-
Balance	26,028.17	23,161.71	8,887.96	18,175.63
Which the Directors have apportioned as under to: -				
(i) Dividend on Preference Shares	-	-	0.21	0.21
(ii) Proposed dividend on Ordinary Shares	776.97	1,165.46	776.97	1,165.46
(iii) Tax on Dividends	128.73	181.57	226.41	185.71
(iv) General Reserve	506.30	669.64	665.56	680.51
(v) Statutory Reserve	-	-	8.29	-
(vi) Special Reserve	-	-	161.28	11.77
(vii) Capital Redemption Reserve	-	-	9.86	6.55
Total	1,412.00	2,016.67	1,848.58	2,050.21
Balance to be carried forward	24,616.17	21,145.04	7,039.38	16,125.42

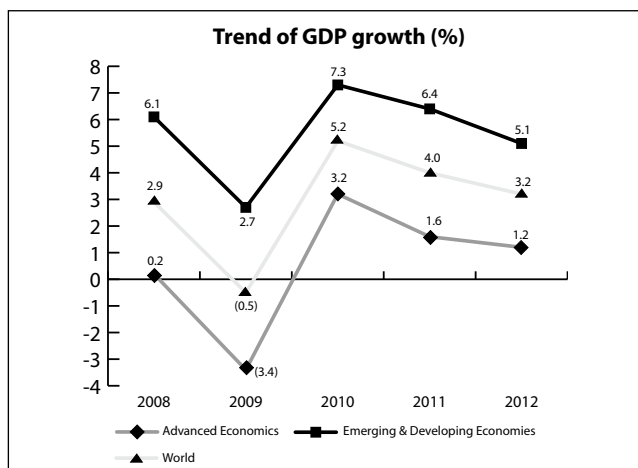
DIVIDEND:

The Board recommended dividend of ₹ 8 per Ordinary Share on 97,12,15,229 Ordinary Shares (Financial Year 2011-12: ₹ 12 per Ordinary Share on 97,12,14,450 Ordinary Shares of ₹ 10 each) for the year ended 31st March, 2013.

The dividend on Ordinary Share is subject to the approval of the shareholders at the Annual General Meeting. The total dividend payout works out to 18% (Financial Year 2011-12: 20%) of the net profit for the standalone results.

GLOBAL ECONOMIC CONDITIONS

The world Gross Domestic Product (GDP), as reported by the International Monetary Fund, witnessed a moderate growth of 3.2% in 2012 as compared to a growth of 4.0% in 2011. While the growth in the advanced economies was 1.2% in 2012 in contrast to 1.6% in 2011, growth in the emerging and developing economies fell to 5.1% in 2012 compared to 6.4% in 2011. There was a noticeable slowdown in the emerging market and developing economies during 2012, a reflection of the sharp deceleration in demand from key advanced economies. Global prospects have improved but the road to recovery in the advanced economies is still uncertain and volatile.



The US GDP increased by 2.2% in 2012 reflecting significant legacy effects from the financial crisis, continued fiscal consolidation, a weak external environment and disruptions in the northeast following Superstorm Sandy. The recovery is beginning to show some bright spots as credit growth has picked up and bank lending conditions have been easing

slowly from tight levels. However, the impact of recent recovery is yet to show material impact on the economy. In comparison to the US, the euro zone economy contracted by 0.6% in 2012 over 2011. Amongst the euro zone countries, Germany posted a marginal growth of 0.9% while Italy and Spain posted a decrease of 2.4% and 1.4% respectively. Decisive policy actions at the European level—including Outright Monetary Transactions, the completion of the European Stability Mechanism, the Greek debt relief programme and the agreement on the Single Supervisory Mechanism—have increased confidence in the viability of the Economic and Monetary Union. However, lower sovereign spreads and improved bank liquidity are yet to translate into either improved private sector borrowing conditions or stronger economic activity. Emerging economies of eastern Europe experienced a sharp growth slowdown in 2012 reflecting spillover effect from the euro area crisis and domestic policy tightening in the larger economies. For 2012 as a whole, EU apparent steel consumption is estimated to have decreased by -9.7% to 140 million tonnes, with lower demand due to poor economic situation in the euro zone and reduced global trade. Output in the main EU27 steel using sectors declined in 2012 (Construction -5%, Automotive -4%, Mechanical Engineering -1%).

The GDP of Association of South East Asian Nation (ASEAN) (Indonesia, Malaysia, the Philippines, Thailand and Vietnam) grew at 6.1% reflecting resilient domestic demand. Thailand economy grew at 6.4% while that of Indonesia grew by 6.2% in 2012. It is estimated that the public spending by the Government especially in infrastructure and public reconstruction will sustain the growth in Thailand in the future. It is expected that continued remittance flows and low interest rates should continue to support the private consumption and investments in the region.

Steel consumption in the ASEAN region (Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Burma, Cambodia, Laos and Vietnam) have surged by 7.6% year on year to 56.4 million tonnes in 2012. Thailand registered the highest growth rate of 13.9% year on year followed by Vietnam at 9.9%, and Indonesia at 8.8%. Malaysia and Philippines both registered marginal increases in steel demand of 1.7% and 2.2%, respectively, while steel demand in Singapore declined marginally during the year.

The domestic economy in India witnessed a significant slowdown during the year with certain sectors like automotive, capital goods showing a marked slowdown in demand. The moderation in the industrial growth particularly in the manufacturing sector is largely attributed to sluggish growth in investments and tighter monetary policy. Growth in services was 6.6% as compared to a growth of 8.2% in 2011-12. Amongst the key macro-economic indicators, the current account deficit is currently at a very high level which would put significant pressure on the economy especially on the currency.

In India the flat steel consumption grew by 4.3% in the fiscal, while long steel consumption grew by 4.7%. Amongst the main steel consuming sectors, the construction sector grew at around 5.9% and the consumer durables sector grew by 4.5% while the capital goods is expected to have declined significantly by around 10.1% and the automotive sector grew by 1.2%.

TATA STEEL GROUP PERFORMANCE:

In the backdrop of a weak global economy and a challenging market situation, the gross deliveries of the Tata Steel Group at 24.1 million tonnes in 2012-13 were almost at the similar levels as the previous year of 24.2 million tonnes. The turnover of the Tata Steel India operations increased by 13% primarily due to enhanced volume from the newly commissioned facilities of the 2.9 million tonnes per annum capacity expansion in Jamshedpur and enhanced product mix in the Long Products segment. However, there was a decrease in the turnover in Tata Steel Europe by 15% (in its reporting currency) primarily due to weaker market conditions and lower operating volume in Europe.

The consolidated profit before finance costs, depreciation, exceptional items and taxes of the Group was ₹ 12,800 crores in the Financial Year 2012-13 lower by 9% over the previous year primarily due to lower operating performance in Europe, relatively weaker steel prices across all geographies. Consequently, the consolidated Profit before exceptional items and taxes were ₹ 3,257 crores in the Financial Year 2012-13 compared to ₹ 5,223 crores in the previous year.

Indian operations:

The Financial Year 2012-13 marked a major milestone in operating history of Tata Steel as the capacity expansion at Jamshedpur was completed with most of the facilities

of 2.9 mtpa brownfield expansion being commissioned for production. The expansion project includes the commissioning of the 6 mtpa Pellet Plant, a 3.05 mtpa Blast Furnace (I Furnace), a new LD Shop (LD#3) and the 2.54 mtpa Thin Slab Caster and Rolling (TSCR), and two new Lime Kilns (Nos. 8 & 9) (600 tpd each). The other capital projects commissioned during the Financial Year 2012-13 were the augmentation of Noamundi and Joda Iron Ore Mines and setting up of one 0.7 mtpa Coke Ovens Battery (No.10) along with the By-Product Plant.

In order to prepare for marketing the additional volume of production from the new expansion, the Company has been working on significant initiatives on the marketing front which included (a) the launch of the Astrum brand (HR coils) to serve the large SME market, (b) acquisition and expansion of large commercial accounts in tubing, cold rolling, packaging and LPG segments, (c) developing international markets for the products and (d) initiating new product development process for securing customer approvals in the automotive segment.

The Company completed the Financial Year 2012-13 with an overall increase of approximately 14% in production and sales volumes. The production of Hot Metal (8.86 million tonnes), Crude Steel (8.13 million tonnes) and Saleable Steel (7.94 million tonnes) reached their respective highest levels till date. Correspondingly, the deliveries recorded new highs at 7.48 million tonnes for the year.

There were also several best performances recorded by many of the other operating units of the Company during the Financial Year 2012-13 some of which are as follows:

- a. The Ferro Alloys and Mineral Division (FAMD) achieved the highest ever Ferrochrome production (218k tonnes) and sales (223k tonnes). FAMD launched "Tata Silcomag," India's first branded Ferro Alloy for the SME segment.
- b. Global Wires achieved its highest ever total wires production of 315,000 tonnes.
- c. The Tubes Division production at 391,000 tonnes and sales at 387,000 tonnes in the Financial Year 2012-13 was the highest ever. The Division developed new products like Red Oxide Pipes, Thin Organic Coated galvanised tubes and GP tubes for retail segment. Tata Pipes also won the Zee Business 'Good Home Award' 2012 in pipes category.

- d. The Bearings Division commissioned a new line of Bearings – 'HUB Bearings', specifically used in passenger vehicles. The Division also inaugurated a state of art 'testing and validation centre' based on latest technology to meet the increasing expectations of the automotive customers. The Bearings Division production was 33.73 million numbers and sales was 32.03 million numbers in the Financial Year 2012-13. The Bearings Division won the 'Economic Times – Frost and Sullivan – IMEA' Gold Award excellence in manufacturing & supply chain, and the Bajaj Gold Consistency Award for QCD, second year in a row in the Financial Year 2012-13.
- e. The Agrico Division has launched two new products 'Seed Drill' and 'Cultivator' under the Grasshopper sub brand, and has achieved its best ever sales of ₹ 162 crores (a growth of ~5%) in the Financial Year 2012-13.

The Company achieved a savings of approximately ₹ 1,625 crores by improving operational excellence through focused initiatives in the Financial Year 2012-13. The special improvement initiative 'KVHS' (Kar Vijay Har Shikhar – Conquer Every Peak) launched during the Financial Year 2011-12, contributed approximately ₹ 1,057 crores in the Financial Year 2012-13. This initiative is focused on Tata Steel's aspiration to improve its earnings through generation of new ideas and deploying the same through a structured framework. It is a multi-unit, multi-location and a cross functional improvement programme that aims to excel across the entire value chain – from the raw materials mining to the operating units across all divisions.

In spite of very challenging market conditions and weak steel prices in India, the Company sold an additional 850,000 tonnes during the Financial Year 2012-13. During the fourth quarter of the financial year, the Company sold around 2.2 million tonnes of steel that is the highest quarterly volume in the history of the Company. This was possible due to the successful ramp up of the new facilities in Jamshedpur and the marketing initiatives taken by the Company to gear up to sell the additional volume of the expanded capacity. The profit before finance costs, depreciation, exceptional items and taxes for the stand alone Tata Steel was ₹ 12,028 crores for the Financial Year 2012-13 which was marginally lower by about 3% compared to the previous financial year.

European operations:

Tata Steel Europe's (TSE) turnover for the Financial Year 2012-13 was 15% lower than the previous year. This was due to lower deliveries by about 7% compared to the previous year and a 8% lower average revenue per tonne caused by the deterioration in the market conditions and volatile currency exchange rates in the Financial Year 2012-13. The deliveries in Financial Year 2012-13 were impacted by the lower volume of production due to the rebuilding of Blast Furnace 4 (Port Talbot, United Kingdom), and hearth issues at Blast Furnace 7 in IJmuiden (Netherlands). The blast furnace #4 rebuild, was completed and the furnace was relighted in February 2013. The company continued to press forward with its structured improvement programme OGSM (Objectives Goals Strategies and Measurement) and posted significant gains from the success of this programme. The above improvement programme along with the other short-term management interventions could offset some of the adverse impact of the external market deterioration.

In order to enhance customer service levels, TSE is implementing a major 'supply chain transformation' project aimed at allocating customer demand in the most efficient and timely manner (thereby reducing inventory levels, reducing costs to serve, and improving delivery and availability standards), whilst at the same time improving customer service levels. The company has also been accelerating its new product development programme as 17 new products were introduced in the market.

South-East Asian operations:

NatSteel achieved its best ever performances in Singapore and China driven by capacity expansion in China. NatSteel's Singapore downstream domestic sales achieved a new high of 500,000 tonnes, a 19% increase over the Financial Year 2011-12. This makes it one of the largest reinforcement solutions business in the world with an enhanced product mix of 66% value added products. Other operating entities like NatSteel Vina in Vietnam and China also showed improved performance compared to the previous year. NatSteel's operations in Australia have also undergone a major transformation, with the restructuring of its Queensland operations in Australia.

Tata Steel Thailand (TSTH) production in the Financial Year 2012-13 at 1.167 million tonnes was at par with the previous financial year though it recorded an increase in the finished

goods sales by 3% during the year. The enhanced growth in construction sector in Thailand helped in the increase of rebars sales though the wire rods product line was adversely affected by the cheaper imports from China. TSTH further strengthened its leadership position in rebars by increasing its market share from 25% to 29% and also established a stronger foothold of its brand Tata Tiscon in the regional markets of Thailand. The year also saw the launch of Seismic rebars, an earthquake resistant rebar for the first time in Thailand.

Review of Impairment risks:

Under the Indian Accounting Standards a company is required to undertake an impairment review of its assets and investments based on certain triggers relating to the business or the operating environment.

Based on the above review, the Company has made a provision in the stand alone financial statements of ₹ 687 crores towards impairment in respect of equity investment in and loans granted to Tata Steel KZN Pty. Limited, South Africa. Further, the Company has recognised a non-cash write down of goodwill and other assets of ₹ 8,356 crores in the consolidated financial statements. The above impairment provision relates partly towards the write down of the assets in some parts of the business in Tata Steel Europe and also part write down of goodwill created on the acquisition of Corus Group plc (now Tata Steel Europe) in 2007. The balance provision relates to the investments made by the Company in Tata Steel KZN Pty. Limited, South Africa, Kalimati Coal Company Limited, Australia, Tata Steel Thailand and Tata Metaliks Limited (Redi Plant). The recoverable value of these companies have been adversely affected by various reasons including severe contraction in demand, especially in construction sector, declining output prices and very high raw material prices that has impacted competitive strength of the above businesses. The above provisions are non-cash charges and do not affect any of the financial covenants and the funding position of Tata Steel Group.

EXPANSION PROJECTS:

Brownfield Projects:

Jamshedpur expansion project (2.9 million tonnes)

Tata Steel India has completed implementation of the 2.9 mtpa expansion project at Jamshedpur Works to increase its

crude steel capacity from 6.8 mtpa to 9.7 mtpa. The expansion project also entailed augmentation of Noamundi and Joda Iron Ore Mines and related facilities along with a By-Product Plant. Besides the main production units, the expansion project also included setting up the required support systems such as power, water, utilities, raw material handling and plant logistics. All the production facilities have been commissioned in phases. The facilities are currently in various stages of ramp up.

Continuous Annealing and Processing Line

Jamshedpur Continuous Annealing & Processing Company Private Limited (JCAPCPL), a joint venture company between Nippon Steel & Sumitomo Metal Corporation (NSSMC) and Tata Steel was formed in early 2012 for producing high end cold rolled coils and sheets for the Indian automotive market. It is currently undertaking the construction of a 0.6 mtpa Continuous Annealing & Processing Line (CAPL). The construction of the CAPL and all other related facilities is progressing as per schedule.

Greenfield Project

The greenfield project execution in Odisha to produce flat steel products with an ultimate capacity of 6 mtpa in two phases has made significant progress on all fronts during the year. Major orders for all zones of the phase 1 of the project have been placed and construction work is in full swing.

The new facility coming up at Kalinganagar will augment Tata Steel's product range to meet the changing customer needs in segments that the Company serves currently. These include Automotive, Packaging, Tubing, Construction, Appliances and Railways.

The Kalinganagar facility will also enable Tata Steel to enter and have a significant presence in segments such as Oil & Gas, Lifting & Excavation, Infrastructure, Defence, Shipbuilding, Energy, Power, etc. This will help Tata Steel to improve its market share in the domestic market in the future. The first phase is expected to be completed by 2015.

RAW MATERIAL PROJECTS:

Tata Steel continued to implement its long-term strategy to secure ownership of assets that will increase its raw materials security and share of value-added products. During the Financial Year 2012-13 the Company's primary focus remained

on expediting implementation of its existing ventures and stabilising the operation of operating ventures.

Benga Coal Project, Mozambique:

In November 2007, the Company entered into Definitive Agreement with Riversdale Mining Company, an Australian listed company for purchasing 35% stake in its Mozambique Coal Project. In April 2011, British Australian Mining Company, Rio Tinto took over Riversdale Mining Company.

The Company holds 35% in RioTinto Benga (Mauritius) Ltd. (RTBML) with the balance 65% held by Rio Tinto. In Financial Year 2012-13 RTBML produced 1.41 Million tonnes of Coal (0.67 million tonne of coking coal and 0.74 million tonne of thermal coal).

Iron Ore Projects in Canada:

The Company holds 26.31% in New Millennium Iron Corp., Canada (NML). NML owns Direct Shipping Ore (DSO Project) and Taconite Iron Ore Projects. A joint venture Company Tata Steel Minerals Canada Limited (TSMC) was formed in October 2010 for development of DSO Project. Tata Steel holds 80% equity stake in TSMC and the balance 20% equity stake is held by NML.

TSMC has commenced production in September 2012 and achieved the production of 0.30 million tonnes in the Financial Year 2012-13 against the plan of 0.25 million tonnes. A production of 2 million tonnes is planned for the Financial Year 2013-14.

In recognition of the progress made by the Company, TSMC has been conferred with the 'Miner of the Year Award' by the Canadian Institute of Mining, Minerals and Petroleum (CIM), New Foundland and Labrador.

In March 2013, the Company through its subsidiary TSMC, entered into a framework arrangement with Labrador Iron Mines (LIM) for acquisition of 51% stake in LIM's Howse deposit which is near the Company's DSO Project. This arrangement is expected to enhance resource and production and will also improve operational flexibility relating to DSO Project.

HEALTH AND SAFETY:

Tata Steel has identified excellence in health and safety in all its operations as a key business imperative. The Company has adopted and applied a range of programmes, including those

from DuPont the world benchmark in safety, to establish a strong safety culture by inculcating safe behaviour among its employees and contractors. In Tata Steel the Lost Time Injury Frequency Rate for the Financial Year 2012-13 is 0.60 which is an improvement of 12% over last year.

The health initiatives, driven through Wellness@Workplace programme in India has a special focus on the health of women employees. These are designed to provide an injury-free working environment for a healthy and happy workforce. Tata Steel India has taken a special drive on Fatality Risk Control Programme and elimination of commonly accepted unsafe practices. This initiative has enabled correction of more than 10,000 unsafe conditions and 969 unsafe practices.

In Tata Steel India, a series of safety initiatives helped in enhancing of production capacity from 5 mtpa to 10 mtpa in the last eight years while maintaining complete harmony with the community. Further expansion of 6mtpa at Kalinganagar, Odisha is being carried out by promoting safety culture among the employees including contractors as also involving community through a special project 'AAKAR' to promote the local acceptance. In its endeavour to address the issue of community safety, Tata Steel India is working with external consultants to drive systematic domestic safety management and safety education initiatives for school and college students in Jamshedpur and at the different mines and collieries.

In Tata Steel Europe health and safety improvements are embedded in the business strategic plan (OGSM) and these were delivered well in the Financial Year 2012-13 enabling a 18% reduction in Lost Time Injuries and recordables (4.55 in 2012-13 compared to 5.56 in 2011-12). 'Recordables' are defined as all work related incidents resulting in harm to a person or persons, excluding those that require no more than first aid treatment. Highlights during the period was the full project re-build of Blast Furnace 4 at Port Talbot with no lost time injuries. TSE launched two enabling strategies that were Health & Safety Excellence for senior leaders and positive safety conversation training and implementation for all employees to move to a mature safety culture.

Operations in South East Asia at Tata Steel Thailand and NatSteel are strengthening their safety practices particularly in the areas of positive isolation, stock yard management and

employees involvement through train the trainers programme. These are carried out through theme based onsite visits, reviews, recommendations and trainings.

In 2012-13 Tata Steel was again recognised by its peers in the World Steel Association with a health and safety recognition award for Tata Steel and NatSteel.

ENVIRONMENT:

The Company believes that respect for the environment is critical to the success of its business and strives for continuous improvement in environmental performance. The Group approach towards environmental protection is guided by the Founder's Vision, Environmental Policy, Tata Group Climate Change Policy, commitment towards a sustainable planet and a clean environment as well as a healthy workplace for employees. All key sites involved in mining and manufacturing are certified under EMS ISO 14001, the international environmental management standard.

The Company focuses on environmental management not only to comply with the applicable regulatory regime but also strives to contribute positively to the communities around its operations through varied community initiatives, encouraging biodiversity and nature conservation. The Company's products are part of the solution to climate change as steel has inherent environmental advantages by being durable, adaptable, reusable and recyclable. CO₂ and other emissions in steel production are therefore offset by reductions in emissions through the life cycle of steel products achieved through effective product development & design and through recycling at end of life.

The Group continues to invest substantially in short to medium term CO₂ emissions, reduction and energy efficiency improvement programme.

The Company continues to participate in the World Steel Association Climate Action programme and has further endorsed the United Nations global compact's CEO water mandate.

Indian Operations :

The regulatory framework in India is transforming. In March 2012, new set of emissions and effluent standards applicable to Iron and Steel facilities were notified by the Government

of India. Tata Steel India has started gearing up to meet this challenge to the new set of norms.

A new facility for waste storage and processing started during the year enabled enhanced solid waste utilisation at Jamshedpur Steel Works to 84% from 75% achieved in 2011-12. The projects under 'Zero Effluent Discharge' are being commissioned in phases to reduce discharges from operations of water substantially.

The CO₂ emission level for Jamshedpur Steel Works in the Financial Year 2012-13 was 2.52 tCO₂/tcs that was in the similar level as in the previous year. The Company is examining means to reduce energy consumption and CO₂ emissions to retain its position as the Indian benchmark in CO₂ emissions in the Iron and Steel sector (BF-BOF route) by increasing process efficiency, scrap utilisation and reduction of alumina of iron ore and ash in coal through beneficiation.

Overseas Operations

European Operations (Tata Steel Europe – TSE):

CO₂ emissions in TSE during the Financial Year 2012-13 were 1.90 tCO₂/tcs (compared with 1.93 tCO₂/tcs in 2011-12) and the compliance with the environmental permit conditions across TSE continued to be at a very high level during the financial year.

TSE met its environmental obligations in Phase 1 (2005 to 2007) and Phase 2 (2008 to 2012) of the EU ETS and expects to do the same in Phase 3 (2013 to 2020).

TSE currently participates in a voluntary agreement with the Dutch government regarding energy efficiency improvements over the period 2013 to 2016 (with the previous agreement extending from 2009 to 2012 inclusive). The primary requirement of the agreement is an energy efficiency improvement of 2% per annum, covering both energy used within the manufacturing process and energy saved across the product life cycle.

In the United Kingdom (UK), as a result of achieving the 2010 (the most recent milestone year) target within the Tata Steel Climate Change Levy ('CCL') agreement, TSE has continued to benefit from the reduced rates in relation to the CCL. The UK government has reviewed the CCL agreement system and a revised system, which is smaller in scope that eliminates any

overlap with EU ETS, is being applied from 2013 onwards. In this regard, a specific energy reduction target of -7% by 2020 (compared to 2008) has been agreed with the UK Government. Achievement of this target and the various intermediate milestone year targets will allow TSE to continue to benefit from reduced rates of CCL.

Tata Steel Europe is also working with other steelmakers in Europe on major research and development project, ULCOS (ultra low CO₂ steelmaking), which aims to develop breakthrough technologies which can reduce CO₂ emissions per tonne of steel produced by at least 50%. In this regard, Hlsarna TM, a smelting reduction technology which offers the potential to eliminate the sinter, pellet and coke production steps from the primary iron making process and which in principle offers a 20% energy (and CO₂) reduction opportunity without carbon capture and storage, is being piloted in IJmuiden, the Netherlands, jointly with other partners with a successful second campaign undertaken during 2012. A third campaign will be carried out in 2013.

South East Asia Operations:

NatSteel Holdings and Tata Steel Thailand have continued to operate with a high level of compliance with the environmental regulations. During the Financial Year 2012-13 there was a focus on energy efficiency improvements. At NatSteel a system to recover waste heat from the reheating furnace was installed during the Financial Year 2012-13. This system will generate approximately 1MW of electrical power, thereby reducing reliance on external electricity supplies and reducing CO₂ emissions by over 3000t/year. Furthermore, the site was certified to the international energy management standard, ISO 50001, during the year.

SUBSIDIARIES

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards. The Ministry of Corporate Affairs, Government of India vide its Circular No. 5/12/2007-CL-III dated 8th February 2011 has granted general exemption under Section 212(8) of the

Companies Act, 1956, from attaching the balance sheet, profit and loss account and other documents of the subsidiary companies to the balance sheet of the Company, provided certain conditions are fulfilled. Accordingly, annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at its Head Office in Mumbai and that of the subsidiary companies concerned.

Details of major subsidiaries of the Company are covered in this Annual Report.

DIRECTORS

Mr. Ratan N. Tata joined the Board as a Non Executive Director in 1977 and was appointed as the Chairman in 1993. He stepped down as the Chairman and Director of the Company on 28th December, 2012 on reaching the age of 75 years and was appointed as 'Chairman Emeritus' by the Board on the same date. The Directors would like to place on record their sincere appreciation of Mr. Tata's relationship of nearly five decades with the Company during which his visionary leadership, strategic direction and stewardship contributed immensely in the growth of the Company and the Tata Steel Group.

Mr. Cyrus P. Mistry was appointed as Chairman of the Board with effect from 28th December, 2012.

Mr. S. M. Palia stepped down as a Director of the Company on 25th April, 2013 on reaching the age of 75 years. The Directors would like to place on record their sincere appreciation of the contributions made by Mr. S. M. Palia during his tenure on the Board since 1989.

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Nusli N. Wadia, Mr. Subodh Bhargava, Mr. Jacobus Schraven and Dr. Karl-Ulrich Koehler retire by rotation and are eligible for re-appointment.

Mr. D. K. Mehrotra, Chairman of Life Insurance Corporation of India was appointed as Additional Director by the Board with effect from 22nd October, 2012.

Mr. Koushik Chatterjee, was appointed as Additional Director designated as Executive Director and Group Chief Financial Officer of the Company with effect from 9th November, 2012.

Mr. O. P. Bhatt, former Chairman of State Bank of India was appointed as Additional Director by the Board with effect from 10th June, 2013.

Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt will hold office till the date of the forthcoming Annual General Meeting and notices have been received from a Member proposing the candidatures of Mr. D. K. Mehrotra, Mr. Koushik Chatterjee and Mr. O. P. Bhatt for being appointed as Directors of the Company.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules there under, in respect of the employees of the Company, is provided in the Annexure forming part of this Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM, and if any Member is interested in obtaining a copy thereof such Member may write to the Company Secretary, whereupon a copy would be sent.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A Business Responsibility Report on the Company's corporate sustainability initiatives is also included.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm that –

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. they have, in the selection of the Accounting Policies, consulted the Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis.

On behalf of the Board of Directors

CYRUS P. MISTRY

Chairman

Mumbai, 11th June, 2013

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted Tata Code of Conduct for its employees including the Managing Director and Whole time Directors. In addition, the Company has adopted the Tata Code of Conduct for Non Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the Financial Year ended 31st March, 2013, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on 31st March, 2013.

Mumbai, 11th June, 2013

H. M. NERURKAR

Managing Director

Annexure 'A' to the Directors' Report:

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988:

Conservation of Energy

a. Energy Conservation measures taken:

- i. Commissioning of TRT at 'I' Blast Furnace.
- ii. Higher steam generation through CDQ of battery # 5, 6 and 7.
- iii. Enhanced use of lean gas for heating and reheating purposes.
- iv. Use of Pellets at Blast Furnaces to reduce coke rate.
- v. Mixing of propane (in-house designed) in CO gas main to enhance the calorific value, thereby building capability to use more LD gas.
- vi. Efficient use of by-product gases for Power Generation – Highest ever in-house power generation through by-product gases.

b. Additional investments and proposal for reduction of consumption of energy:

- i. Commissioning and operation of new LD Gas holder and its export system so as to recover LD Gas from all the three (3) steel melting shops at a benchmark level of 80 Nm³/tcs.
- ii. Recovery of sensible heat of coke by installation of Coke Dry Quenching system in battery 10 and 11 at Coke Plant.
- iii. Replacement of one boiler of higher efficiency at Power House # 4.
- iv. Energy Audit.

c. Impact of the above Measures:

Energy Conservation measures during the Financial Year 2012-13 has resulted in achieving:

- i. Plant specific energy consumption – 6.083 Gcal/tcs.
- ii. Highest ever LD Gas recovery – 58,893 Nm³/hr.
- iii. Highest ever combine boiler efficiency – 85.55%.
- iv. Lowest ever fuel rate at New Bar Mill – 0.207 Gcal/t.

Form - A

Form for disclosure of particulars with respect to Conservation of energy: 2012-13

Particulars	2012-13	2011-12	Difference	Reasons for variation
A. POWER & FUEL CONSUMPTION				
1. Electricity				
(a) Purchased				
Units (M. KWH)	3,348.18	2,545.63	802.55	Increase in consumption due to commissioning of new facilities under 3 mtpa project.
Total Amount (₹ Lakhs) #	133,144.51	98,653.43	34,491.08	
Average Rate/Unit (₹/KWH)	3.98	3.88	0.10	
(b) Own Generation				
(i) Through Diesel Generator				
Units (M. KWH)	5.08	4.09	0.99	Increase in Diesel price.
Units per litre of Diesel Oil (KWH)	3.59	3.73	(0.14)	
Average Cost/Unit (₹/KWH)	39.13	37.49	1.65	
(ii) Through Steam Turbine/Generator				
Units (M. KWH)	1,021.50	995.83	25.67	In house generation increased due to increase in demand.
Units per tonne of Coal (KWH)	8,509	9,107	(597.95)	
Average Cost/Unit (₹/KWH)	2.52	2.41	0.12	
(* This includes generation of PH4 in M KWH which is operated on by-product gases upto 95%)	324.64	242.62		
(iii) Through TRT				
Units (M. KWH)	129.23	105.24	23.99	Power generation started through Top recovery turbine of 'I' Blast Furnace.
Average Cost/Unit (₹/KWH)	2.00	2.00	(0.00)	
2. Coal				
(i) Coking Coal & Cokeries				
Quantity (Million Tonnes)	5.57	5.39	0.18	Increase in coke production.
Total cost (₹ Lakhs)	448,487.37	469,866.54	(21,379.17)	
Average Rate (₹/Tonnes)	8,057.72	8,721.82	(664.10)	
(ii) Blast Furnace Injection Coal				
Quantity (Million Tonnes)	0.95	0.87	0.08	Decrease in imported Coal price.
Total cost (₹ Lakhs)	107,439.33	116,867.14	(9,427.81)	
Average Rate (₹/Tonnes)	11,303.04	13,412.19	(2,109.15)	
(iii) Middling Coal and ROM				
Quantity (Million Tonnes)	0.11	0.10	0.01	Increase in middling cost at West Bokaro.
Total cost (₹ Lakhs)	1,990.41	1,679.89	310.52	
Average Rate (₹/Tonne)	1,732.00	1,602.43	129.57	
3. Furnace Oil				
Quantity (Kilo Litres)	13,063.84	15,424.23	(2,360.39)	
Total Amount (₹ Lakhs)	5,492.49	5,637.40	(144.91)	
Average Rate (₹/KL)	42,043.44	36,548.98	5,494.47	
4. Others				
L.D.O.				
Quantity (Kilo Litres)	2,618.95	2,390.15	228.80	Higher generation of power through DG.
Total cost (₹ Lakhs)	1,527.46	1,264.22	263.24	
Average Rate (₹/KL)	58,323.51	52,892.98	5,430.53	Increase in Diesel price.
5. Others				
L.P.G.				
Quantity (Tonnes)	7,644.60	7,623.76	20.84	
Total cost (₹ Lakhs)	4,627.98	3,933.98	694.00	
Average Rate (₹/Tonnes)	60,539.20	51,601.57	8,937.63	
6. Others				
HSD. Oil				
Quantity (Kilo Litres)	44.86	49.69	(4.83)	
Total cost (₹ Lakhs)	21.44	22.40	(0.96)	
Average Rate (₹/Tonnes)	47,793.13	45,079.49	2,713.64	

Excludes electricity duty paid on purchases.

B. CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Steel (per tonne)	Tubes (per tonne)	Bearings (per no.)	F.A.M.D. (per tonne)	Growth Shop (per tonne)	CRC West (per tonne)	Wire Div. (per tonne)
Electricity (KWH)	416.00 (351.00)	107.00 (105.00)	0.38 (0.33)	3,580.59 (3,728.05)	537.68 (531.67)	84.03 (81.88)	209.22 (216.14)
Furnace Oil (Litres)					13.59 (10.09)	3.61 (4.55)	21.10 (25.50)
Coking Coal (Tonnes)*	0.55 (0.59)						
Others:							
Light Diesel Oil (Litres)	0.27 (0.26)						1.66 2.04
High Speed Diesel Oil (Litres)		0.21 (0.20)					
L.P.G. (kg)						9.61 (9.99)	19.46 (20.01)

* Coal consumed in HMC for producing Coke has not been considered for this calculation.

Form - B

Form for disclosure of particulars with respect of Technology Absorption 2012-13.

Research and Development

1. Specific Areas in which R&D was carried out by the Company:

- Raw Materials
- Cost and productivity
- Market and new products
- Energy and Environment

2. Benefits derived

- Coal leaching technology has been demonstrated successfully at pilot scale for producing 8% ash clean coal from washery tailings. Regeneration of the chemicals and reduction of energy cost are the remaining challenges for commercial exploitation of the technology.
- Promising results obtained for extracting low ash (4%) coal with reasonable coking properties from some non-coking coals through organo-refining process. Energy reduction and technology up-scaling are the remaining challenges going forward.
- Successful pilot scale demonstration made for recovering concentrate with <2.5% alumina from iron ore ultra-fines rejects (<25 micron). The process has been included in the iron ore total beneficiation scheme.
- Remarkable improvement in pellet strength and RDI has been achieved by adopting a new flux combination (Pyroxenite & Limestone). Future challenges include decreasing the dust generation during pellet making and pellet handling.
- R&D studies have helped in eliminating inconsistency in liquid steel chemistry prior to continuous casting for welding electrode steels at LD1.
- Implementation of new SEN designs developed by R&D for reducing slivers in coils, process improvement has been recorded at LD2, product testing is under way.
- NEST IN Brand has been developed jointly with M&S FP. Response is good – price optimisation in process.

- Thin organic coating (TOC) for GI tubes (Tata Pipes) developed by R&D for the first time in India, process facility commissioned in Tubes Division, optimisation is the challenge ahead.
- Successful commercialisation trials of Fire Resistant Steel for Structura Tubes completed.
- Application of laser-cladded rolls has resulted in significant life enhancement of LD2 foot rolls.
- Major EVI carried out with M&S FP for Tata Motors, TVS and Bajaj. Cost savings have been reported by M&S. VAVE workshop hold with Volkswagen globally for the first time.

3. Future plan of action

In order to maximise value creation and create stake holder delight by world class differentiating research R&D shall continue to improve the competitive position of Tata Steel by carrying out research related to Tata Steel's present operations as well as its future business needs. Being a corporate function, R&D aligns itself to the objectives and strategies outlined in the Corporate Vision. Financial Year 2013-14 shall continue with the objectives of process and product innovations, improving existing production processes, support new product development and building world class R&D to sustain and excel.

4. Expenditure on R&D

(₹ in crores)

(a) Capital	3.96
(b) Recurring	55.77
(c) Total	59.73
(d) Total R&D expenditure as a % of Total Turnover	0.15%

Technology Absorption, Adaptation and Innovation

Efforts made on the process front:

Product:

- Improvement in surface quality with respect to rolled in scale resulted in increase of skin panel yield.
- Reduction in strip breakages at PLTCM through Process Control measures.
- Development of Chemistry and rolling parameters in TSCR for grades such as Yst-38, SAPH 540, API-60 etc. All these grades have shown consistency in mechanical properties through this development. This is a positive trend towards TSCR stabilisation.

- Development of suitable passivation for PLASMA coated rebar and stabilisation of the pilot line at Nagpur for the production of coated rebars.
- Development of air cooled rebars with high UTS/YS ratio (above 1.25) for the applications requiring earthquake resistance.

Pellets:

- Improvement in CCS by addition of flux (lime stone), which resulted in better slag bonding. Utilisation of pellet in bigger iron making furnaces improved.

Sinter:

- Reduction in RDI sinter through magnesium chloride coating.

Nut coke:

- Improvement in reactivity of coke through iron oxide coating. Charging of nut coke and sinter together improved the reactivity of nut coke and thereby the consumption of nut coke could be increased to 200 kg/t HM in E furnace.

Waste to wealth

- Projects to do with
 1. Development of iron ore slime briquettes as a replacement of iron ore lump in LD converter.
 2. Production of DRI from slime and waste coal.
 3. Development of smelting process for the production of hot metal from waste materials such as Iron oxide slime and Jhama Coal. In the process strong briquettes containing iron ore slime and Jhama coal have been developed. The melting will be done in low shaft furnace. The whole process development will result in generation of several patents.
 4. Production of pavement bricks and sewer covers from steelmaking slag.

Patents and Technical papers

- NML-TSL initiative has taken off well. Many good projects were completed. Quite a few of them have resulted in International publication and generation of patents.

Biodiesel

- A detailed project report has been made for the production of Diesel from Jatropa.

Tubes Division:

- New Straightener installed in Precision Tube Mills to increase the contribution from Telescopic Front Fork (TFF) Production.
- Thin Organic Coating (TOC) line installed in Standard Tube Mills to improve the quality of Plumbing Tubes.
- New Welding Machine installed in 3" PT Mill.
- Development of Online Zinc Coating mechanism on welded seams at EPAs.
- Stabilisation of Cold Saw Technology in Precision Tube Mills to get burr free ends.
- Development of low cost high strength Cold Rolled Coils for Precision Tubes.
- Development of 300x200 mm tubes for structural application.
- Development of value added components like Strut, Keel and Rib for AREVA Solar.
- Development of Ultra Thin Galvanised Tubes for Structural Application.
- Development of Thin Organic Coated Pipes for Plumbing segment. Commercialisation underway.

Bearings Division:

- HUB Bearings manufacturing facility has been installed. Imported grinding machines from IZUMI and assembly machines from R&S successfully installed. Following HUB bearings manufactured through this HUB bearing line.
- Design and development done by using Advanced software ROMAX TECHNOLOGIES, U.K.
- 3D-Modelling software SOLID WORKS installed for DEVELOPING mistake proof Drawings.
- The product and process know how & why has been absorbed from IZUMI and R&S fully automatic HUB Bearings.
- Component design parameters have been benchmarked from customers, suppliers from abroad and India.

FORM B - PARTICULARS OF TECHNOLOGY IMPORTED DURING LAST FIVE YEARS

Steel Division	Absorption	Status of Implementation
a) Electric Blowers for 'H' Blast Furnace	2009	Commissioned
b) Top Gas Recovery Turbine for 'H' Blast Furnace	2009	Commissioned
c) Flat Cast House Design for 'H' Blast Furnace	2009	Commissioned
d) Internal Stoves for 'H' Blast Furnace	2009	Commissioned
e) Use of mixed gas in place for CO gas, for firing in 7th Lime Kiln	2009	Commissioned
f) New Billet Caster having all the latest facilities and having 9 m casting radius installed in an existing building suitable for 6 m casting radius, by going underground and taking the pass line to (-)3.3 m level	2009	Commissioned
g) Use of hydraulic mould occilator and hydraulically operated turn over cooling bed at CC 3 at LD Shop 1	2009	Commissioned
h) Robotised Sample Testing Laboratory at LD Shop No. 1	2009	Commissioned
i) Top Gas Recovery Turbine for 'G' Blast Furnace	2010	Commissioned
j) 4th Stove for 'G' Blast Furnace to facilitate relining of other stoves, without hampering hot metal production	2010	Commissioned
k) Continuous Emission Monitoring stations at 4 locations inside Tata Steel Works	2010	Commissioned
l) Installation of Roll Coating & Drying System at Continuous Galvanising Line at Cold Rolling Mill	2011	Commissioned
m) Use of Blast Furnace Gas at New Reheating Furnace using regenerative burners at Hot Strip Mill	2011	Commissioned
n) Installation of Chiller system for maintaining temperature of cooling medium for 'H' Bl. Fce Blower Drives at Blower House No. 5	2011	Commissioned
o) Installation of 6.0 mtpa Pellet Plant for making pellets using iron ore fines, for use in Blast Furnaces	2012	Commissioned
p) Installation of New Steel Melting Shop (LD3), and one strand of Thin Slab Casting & Rolling (TSCR) facility	2012	Commissioned
q) Pipe Conveyor in the Lime handling circuit	2012	Commissioned
r) Rapid Loading Station at Dispatch Yard of Noamundi Iron Ore Mines, including Extromat Silo Extractor in the fines circuit	2012	Commissioned
s) Barrel Reclaimer at Noamundi Iron Mines	2012	Commissioned
t) Installation of 0.25 mtpa FHCR (Full Hard Cold Rolling) Mill at Bara in Jamshedpur	2012	Commissioned
u) Installation of Coke Dry Quenching facilities at Coke Oven Battery Nos. 5, 6 & 7	2012	Commissioned
v) Installation of Compactor at Wire Rod Mill	2012	Commissioned
w) Installation of 0.7 mtpa capacity 5 metres tall Stamp Charge Coke Oven Battery No. 10 with pushing, charging and quenching emission control systems	2013	Commissioned
x) 2 Nos. of 600 tpd capacity, suspended cylinder Lime Kilns	2013	Commissioned
y) Installation of second strand of TSCR	2013	Commissioned
z) Online continuous emission monitoring system for stack emissions and ambient air quality	2013	Commissioned
aa) Coromax Technology for Power Saving in ESP at Sinter Plant No. 3	2013	Commissioned
ab) Composting Plant for Canteen waste	2013	Commissioned

Foreign Exchange earnings and outgo:

a. Export performance

1. Activities relating to exports:

Tata Steel exported to USA, European Union, Middle East, Thailand, Vietnam, Korea, Iraq, Jordan, Qatar, Afghanistan and to SAARC countries its products like H.R. Coils, Ferro Chrome, Wires in the Financial Year 2012-13. The Company exported H.R. Coils to customers in Middle East, Thailand, Vietnam & Korea to enhance utilisation of TSCR (Thin Slab Caster) products. The long products division continued to have its presence in markets of strategic importance viz., SAARC countries. Wires division explored new and more remunerative markets like Iraq, Jordan, Qatar and Afghanistan. Ferro Alloys Division was awarded in the Financial Year 2012-13 by Engineering Export Promotion Council (EEPC India) for 'Star Performer in Ferro Alloys in 2010-11'.

2. Initiatives taken to increase exports during the Financial Year 2012-13:

- **Flat Products:** Tata Steel has increased its share of business in neighbouring markets by 60% with Key Customers and also exported our products to Countries in SE Asia and Middle East.
- **Wires:** In wires new and more remunerative markets like Iraq, Jordan, Qatar and Afghanistan were explored in the Financial Year 2012-13. The tonnage exported was 1200 mt.
- **Ferro Alloys and Minerals:** The division completed REACH (Registration Evaluation & Authorisation of Chemicals) registration for sales of Ferro Chrome in EU and trial orders were executed. In US, DDP (Delivered Duty Paid) supply capability was achieved and trial orders were executed to the tune of 988 mt of Ferro Chrome.

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

- **Flat Products:** The Company developed several new customers in countries such as Thailand, Vietnam, South Korea and UAE. In neighbouring markets of

Bangladesh and Sri Lanka the Company served new customers for H.R. Coils. 130 kt of H.R. Coils from TSCR was exported in the Financial Year 2012-13.

- **Wires:** We developed 5 new markets and 15 new customers (including winning back lost customers). Approx. 20% of total sales came from these customers/markets.
- **Ferro Alloys and Minerals:** FAM Division increased export sales of Manganese alloys by 112% and Ferro Chrome by 13%, while expanding presence in premium geographies like Korea, Japan, Taiwan and Europe. In Manganese Alloys, highest ever exports was achieved in the Financial Year 2012-13 ~56 kt. For the future, new products are being developed for new markets in Ferro Chrome and Manganese Alloys.

4. Export plans:

- **Flat Products:** Going Forward, in the Financial Year 2013-14 Flat products exports ABP is for ~ 350 kt primarily of H.R. Coils.
- **Long Products:** Near term plan is to maintain the presence with some key relationship customers.
- **Wires:** In the Financial Year 2013-14 the focus is to further develop export markets for key products.
- **FAM Division:** Going forward, FAM Division plans to set up DDP (Delivered Duty Paid) facilities in Korea and EU to expand market share in these geographies. The Company plans to increase Ferro Chrome export sales by 7% in the Financial Year 2013-14, with focus on Japan, Korea and Taiwan market. In Manganese Alloys, there is a planned increase of export sales by 40% in the Financial Year 2013-14, with entry into unexplored geographies.

b. Total foreign exchange used and earned:

This has been covered as a part of the notes to the financial statements in this Annual Report.

Management Discussion and Analysis 2012-13

OVERVIEW

The following operating and financial review is intended to convey the management's perspective on the financial condition and on the operating performance of the Company as at the end of the Financial Year 2012-13. The following discussion of the Company's financial condition and result of operations should be read in conjunction with the Company's financial statements, schedules and notes thereto and the other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India.

I. INDUSTRY STRUCTURE

1. Global Steel Industry:

While global industrial production in 2012 dropped to its lowest level since 2009, global steel production reached a record high of 1.55 billion tonnes, up by 1.2% as compared to 2011. The growth came mainly from Asia and North America while production in the European Union and South America decreased in 2012 compared to 2011. Global steelmakers continued to witness supply growth outpacing demand, with capacity utilisation rates remaining consistently below 80%. Subdued steel prices and a slowdown in demand growth from China continued to weigh on the global steel sector in the past year.

Annual production for Asia was 1.01 billion tonnes of crude steel in 2012, an increase of 2.6% as compared to 2011. China's crude steel production in 2012 reached 716.5 million tonnes, an increase of 3.1% on 2011, resulting in a hike in the country's share of world crude steel production from 45.4% in 2011 to 46.3% in 2012. The EU meanwhile recorded a decrease of 4.7% compared to 2011, producing 169.4 million tonnes

of crude steel in 2012. Among specific countries, Germany produced 42.7 million tonnes of crude steel, a decrease of 3.7% on 2011. Italy produced 27.2 million tonnes, a 5.2% decrease over 2011. France's crude steel production in 2012 was 15.6 million tonnes, a decrease of 1.1%. Spain produced 13.6 million tonnes of crude steel in 2012, a 12.1% decrease on 2011. In 2012, crude steel production in North America was 121.9 million tonnes, an increase of 2.5% on 2011 while that for South America was 46.9 million tonnes, a decrease of 3.0% on 2011. The US produced 88.6 million tonnes of crude steel, 2.5% higher than 2011.

The past year proved to be a challenge for the steel industry with apparent steel usage increasing at the slowest rate since 2009. The euro zone crisis persisted throughout 2012 and macro-economic pressures in major economies contributed significantly to the global slowdown. Lower industrial production and reduced investment in large scale infrastructure projects resulted in a marked decrease in the growth of steel demand from both the developed and emerging markets. Apparent global steel usage in 2012 had grown by only 1.2%. A modest pick-up in global steel demand is expected in 2013. Global apparent steel usage is forecasted to increase by 2.9% to 1.45 billion tonnes in 2013, following the slower-than-expected growth in 2012. Demand is likely to improve faster in emerging markets. Apparent steel use in China, the largest steel producer and consumer, is expected to grow by 3.5% in 2013 to 668.8 million tonnes following a 1.9% increase in 2012. There are trends of demand recovery in the property sector and the demand for infrastructure has also been strong since June, 2012. However, underlying demand in the EU is not expected to improve much in 2013 despite moderate restocking seen in the beginning of the year. Overall, steel demand is expected to remain weak due to the continuing economic crisis in the developed countries and the structural shift in the Chinese economy.

The following table shows the crude steel production volume of the top 10 steel producing nations:

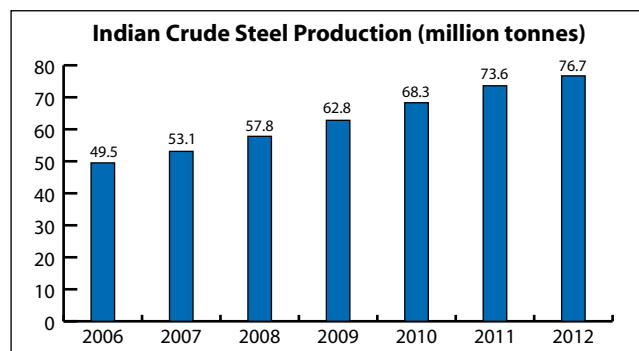
in million tonnes

Rank	Country	2012	2011	Change %
1	China	716.5	694.8	3.1
2	Japan	107.2	107.6	(0.4)
3	United States	88.6	86.4	2.5
4	India	76.7	73.6	4.2
5	Russia	70.6	68.9	2.5
6	South Korea	69.3	68.5	1.2
7	Germany	42.7	44.3	(3.6)
8	Turkey	35.9	34.1	5.3
9	Brazil	34.7	35.2	(1.4)
10	Ukraine	32.9	35.3	(6.8)

Source: World Steel Association

2. Steel Industry in India:

During 2012, India maintained its ranking as the 4th largest steel producing country in the world behind China, Japan and the US with a crude steel production of 76.7 million tonnes representing a 4.3% growth over 2011.



The Indian steel industry continued to showcase trends of higher consumption of finished steel and continued to be a net importer on account of increased demand for special grades of steel in the country.

As GDP growth weakened more than expected in 2012 on account of stalled investment against the backdrop of tightening policies, widening trade and fiscal deficit, high inflation and weak FDI inflows, the Financial Year 2012-13 was a year of subdued activity for steel using sectors in particular the auto segment; it is expected that 2013 will continue to remain a challenging year for the automotive sector as high interest rates and fuel expenses will continue to act as a drag on demand. However, the

construction sector remained relatively resilient in 2012 and is expected to remain stable.

Steel demand has remained sluggish so far in 2013 amidst weak activity and poor sentiment; however, activity is expected to accelerate modestly in the coming months. Steel demand is expected to grow by 5.9% to 75.8 million tonnes in 2013 following 2.5% growth in 2012 as monetary easing is expected to support investment activities. Strengthening domestic consumption and improving external conditions will also help underpin the growth of steel using sectors.

3. UK and European Steel Industry:

With the debt crisis having weighed heavily on economic activity, especially during the last quarter of 2012 due to continued uncertainty, apparent steel use in EU 27 during 2012 fell by 9.3% with a widening gap seen at the country level. Economic growth remained uneven among major European countries, and steel demand continued to be depressed. Most of the countries in the EU witnessed contraction in steel usage during 2012. It was not only the debt-ridden countries such as Spain and Italy that experienced a decline in apparent steel consumption, but also resilient economies such as Germany that also faced demand pressure. In particular, in Italy and Spain, the apparent steel use contracted by over 18% in 2012. Slow domestic demand in the EU was characterised by a further drop in business sentiment and intensifying financing restraints resulting in a further decline in activity in the steel using sectors with automotive and construction showing the worst trend. Export demand had also come under pressure due to the slowdown in global economic growth. The outlook for 2013 remains bleak. Steel demand in EU 27 is expected to contract further by 0.5% in 2013, but is forecasted to return to a growth of 3.3% in 2014 to reach 144.1 million tonnes. Total activity in the steel using sectors is expected to register a decline in 2013 due to the continuation of difficult operating conditions across most sectors. Domestic demand is expected to remain sluggish due to austerity, weak confidence and difficult access to finance. However, stimulus packages in major global economies, measures from the European Central Bank to contain the debt crisis and signs of stabilisation in the overall economic situation are expected to improve steel outlook by late 2013 but the sentiment of uncertainty continues to dominate the market.

4. South East Asian Steel Industry:

The South East Asian region continues to show signs of economic resilience, backed by strong domestic demand. All the ASEAN member countries of SEAISI (South East Asian Iron & Steel Institute), with the exception of Singapore, registered growth rates of more than 5% in 2012. Philippines headed the pack with a strong growth rate of 6.6%, followed by Thailand (6.4%), Indonesia (6.2%), Malaysia (5.6%) and Vietnam (5.1%). Singapore, the most advanced country in the region, recorded a slow growth rate of 1.3% in 2012.

Thailand's economy had rebounded strongly from 0.1% in 2011 to register a growth rate of 6.4% last year. As a result of the strong economic recovery in the country, Thailand's apparent steel consumption also surged significantly in 2012, rising by 13.9% year on year (y-o-y), the highest in the region followed by Vietnam at 9.9% and Indonesia at 8.8%. Malaysia and Philippines both registered marginal increases in steel demand of 1.7% and 2.2% respectively while steel demand in Singapore declined by 4.9% y-o-y. Thailand's total steel consumption rose from 14.5 million tonnes in 2011 to 16.6 million tonnes in 2012, driven mainly by robust demand in the construction, automotive and appliance sectors. The country continued to remain one of the top 10 steel importing countries in the world having imported a total of 15 million tonnes of steel products in 2012 while exports stagnated at 1.2 million tonnes. Import of flat products was in excess of 8.8 million tonnes.

Production in the region is estimated to have declined slightly, by 2% y-o-y to 25.5 million tonnes in 2012 as a result of a decline in steel output in most of the countries in the region, except Philippines. Imports surged significantly, by 8% y-o-y to 36.9 million tonnes in 2012 while exports from the region are estimated to have declined by 22% y-o-y to 6 million tonnes in 2012. All countries in the region except Singapore registered a decline in the volume of exports.

II. TATA STEEL GROUP OPERATIONS

Tata Steel Group deliveries at 24.1 million tonnes were almost at par with previous year (24.2 million tonnes). Deliveries of Tata Steel India, NatSteel Holding and Tata Steel Thailand were higher by 13%, 7% and 3% respectively, whereas deliveries at Tata Steel Europe were lower by 7% as compared to the previous year. The deliveries in Tata Steel India were higher by almost a million tonnes compared to the previous year due to the commissioning of the new capacity expansion in Jamshedpur. The deliveries at Tata Steel Europe were lower due to the economic conditions in

Europe, rebuilding of Blast Furnace 4 (BF4) at Port Talbot during most part of the year and the impact of restructuring at Long products. The turnover for the Group at ₹ 1,34,712 crores during the Financial Year 2012-13 was 1.4% higher than the turnover in the Financial Year 2011-12 (₹ 1,32,900 crores). While the Group's operation in India and South East Asia registered an increase in turnover, the same was partially offset by a decrease in turnover at its European operations. EBITDA for the Group in the Financial Year 2012-13 was ₹ 12,654 crores as compared to ₹ 13,533 crores in the Financial Year 2011-12.

The Group reported a consolidated loss after tax (after minority interest and share of profit of associates) of ₹ 7,058 crores during the Financial Year 2012-13 (Profit of ₹ 5,390 crores in the Financial Year 2011-12), which also included an exceptional charge on the impairment of ₹ 8,356 crores.

1. Tata Steel India

in ₹ crores

	FY 13	FY 12
Turnover	38,199	33,933
Profit before tax (PBT)	7,837	9,857
Profit after tax (PAT)	5,063	6,696

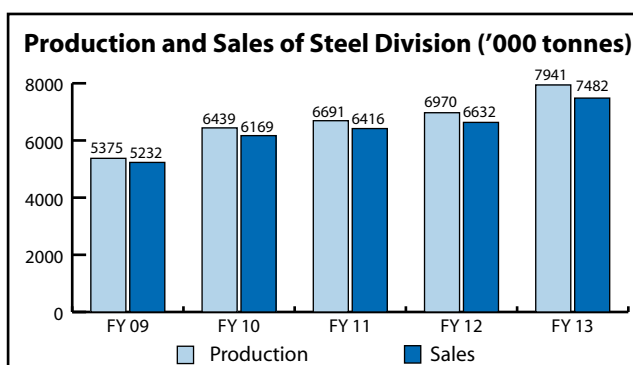
a) Steel division

The production and sales figures of the steel division of the Company are shown in the following table:

in million tonnes

	FY 13	FY 12	Change %
Hot Metal	8.86	7.75	14.3
Crude Steel	8.13	7.13	14.0
Saleable Steel	7.94	6.97	13.9
Sales	7.48	6.63	12.8

The trend of steel production and sales is shown below:



The major production and sales highlights for the Financial Year 2012-13 are shown below:

Production

	in million tonnes	
Best ever	FY 13	Previous best
Hot Metal production	8.86	7.75 – FY 12
Wire Rolling Mill production	0.43	0.42 – FY 12
LD#1 (Billets production)	3.18	3.12 – FY 12
New Bar Mill production	0.80	0.78 – FY 12
Lime Plant production	0.82	0.78 – FY 12
West Bokaro clean coal production	2.34	2.30 – FY 12

Sales

- Overall sales at 7.48 million tonnes grew by 13% over last year (6.63 million tonnes in the Financial Year 2011-12).
- Due date performance (which measures delivery compliance) was sustained at 96% in Flat products and improved from 96% to 98% in Long products.

Flat Products

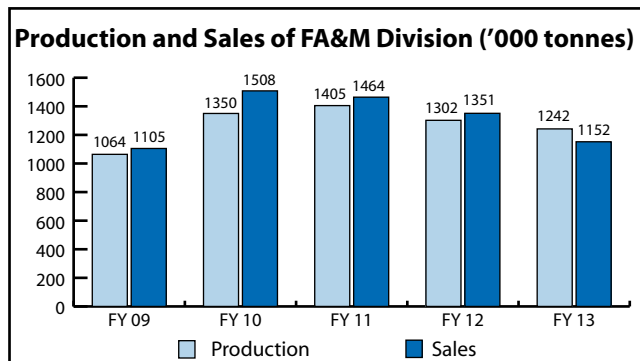
- The sales of Flat products at 4.49 million tonnes increased by 20% in the Financial Year 2012-13 (3.74 million tonnes in the Financial Year 2011-12).
- The division achieved the best ever sales performance in Tata Shaktee GC sheets and Durashine (0.26 million tonnes).

Long Products

- The sales of Flat Products at 2.99 million tonnes increased by 3% in the Financial Year 2012-13 (2.90 million tonnes in the Financial Year 2011-12).
- The division achieved the highest ever annual sales of Tata Tiscon in the retail segment at 1.16 million tonnes.

b) Ferro Alloys and Minerals Division

The trend of production and sales volumes of the Ferro Alloys and Minerals division is shown below:



The total sales volume in the Financial Year 2012-13 was 1,152k tonnes against the volume of 1,351k tonnes in the Financial Year 2011-12.

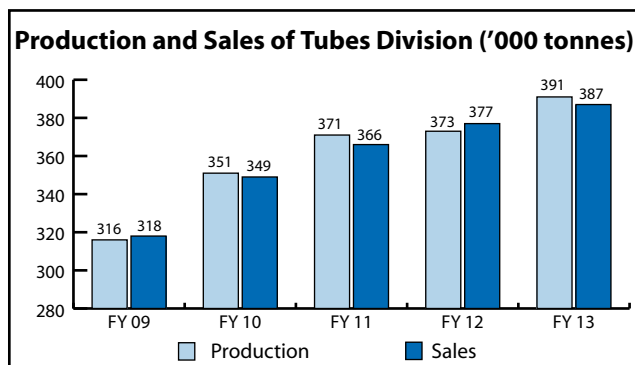
Growth in the Financial Year 2012-13 continued to be subdued globally, with EU remaining in recession and fiscal cliff issues plaguing US.

The outlook for next year is of cautious optimism, with China's growth coming under pressure and the continuing liquidity crunch in India. Global stainless steel production is likely to see a growth in the range of 5-6%, primarily driven by China. Demand for ferro alloys is likely to marginally increase, growing at about 5%. In the next year, the division has plans to increase its production of manganese alloys, with a focus on cost reduction. Buoyed by the success of the launch of 'Tata Silicomag', first ever branded ferro alloys in the world, the division plans to ramp up its sales by launching the same in different territories in India.

The division won the 'National Safety Award' for its Sukinda mines in the lowest injury frequency category and was recognised as 'Overall Best Performer' during the Odisha Metalliferous Mines Safety campaign for 2012-13. Sanjivani, an all lady quality circle team from Sukinda was awarded the 3 star (Gold) award at the International convention on Quality Control Circle, 2012 at Kuala Lumpur, Malaysia.

c) Tubes Division

The trend of production and sales volume of the tubes division over the last five years is shown below:



During the Financial Year 2012-13, the Tubes division registered a steady volume growth in production and sales by 5% and 3% respectively, despite the slow down in the market.

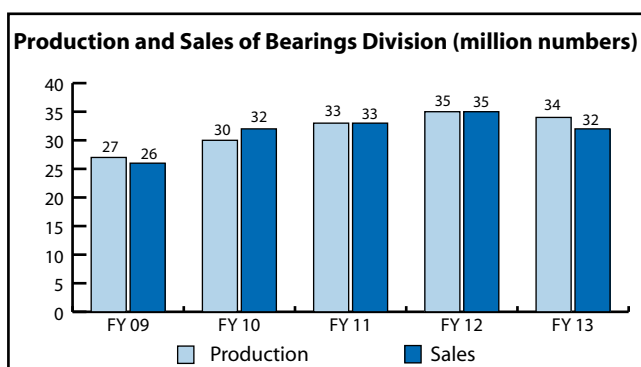
The key performance highlights of the division are as under:

- During the year, the division developed new products like Red Oxide Pipes, Thin Organic Coated Galvanised Tubes and GP Tubes for retail segment.
- 'Tata Structura' sales registered 20% volume growth during the year with best ever sales at 1,35,000 tonnes.

The Tubes division received the Zee Business 'Good Home Award' 2012 in pipes category for 'Tata Pipes'. The division's small group activity (SGA) team was adjudged 'Winner of State and Regional Finals of 25th QC Convention' organised by the Confederation of Indian Industry (CII).

d) Bearings Division

The performance of the bearings division in terms of production and sales volume is shown below:



During the Financial Year 2012-13, the division registered lower production and sales volumes due to de-growth in the auto sector, especially motorcycles and commercial vehicles.

During the year, the division commissioned a new line of bearings 'HUB Bearings', specifically used in passenger vehicles.

During the Financial Year 2012-13, the division was bestowed with a number of awards and accolades. The division was conferred with the Gold award by Economic Times and Frost & Sullivan for excellence in Manufacturing and Supply Chain. It also received the Bajaj Auto Gold Award for delivery, cost and quality besides 'Zero PPM' rating from Toyota, Tata Motors and Rane Madras for supplies of bearings.

2. Tata Steel Europe

in ₹ crores

	FY 13	FY 12
Turnover	78,012	82,153
Profit/(loss) before tax (PBT)	(12,789)	(4,281)
Profit/(loss) after tax (PAT)*	(12,649)	(4,242)

* PAT represents PAT after minority interest and share of profit of associates.

Tata Steel Europe's (TSE) revenue of ₹ 78,012 crores for the Financial Year 2012-13 was 5% lower than the previous year in rupee terms (15% lower in GBP terms, being TSE's reporting currency). This reflects an 8% decrease in the average revenue per tonne caused by a deterioration to market conditions through the second half of the Financial Year 2011-12 and into the Financial Year 2012-13. In addition, deliveries reduced by 7% in the Financial Year 2012-13 because Financial Year 2011-12 included a period of three blast furnace operation at Scunthorpe and two blast furnace operation at Port Talbot. In the Financial Year 2012-13, output levels were impacted by Scunthorpe operating only two blast furnaces following the restructuring measures and Port Talbot operating only one blast furnace due to the outage to rebuild Blast Furnace 4 (BF4).

TSE's profit before tax for the Financial Year 2012-13 includes a non-cash impairment provision of ₹ 7,354 crores in the wake of continuing weak market conditions in Europe.

TSE's crude steel production for the Financial Year 2012-13 stood at 13.3 million tonnes, a 5% drop over the previous year. Deliveries at 13.1 million tonnes were 7% lower over the Financial Year 2011-12.

The production and sales performance of TSE are shown below:

in million tonnes

	FY 13	FY 12	Change %
Crude steel production	13.3	14.0	(5.0)
Deliveries	13.1	14.0	(6.8)

In the Financial Year 2012-13, about 75% of TSE's crude steel production was used in hot rolled coils. Most of the remainder was further processed into sections, plates, speciality steels or wire rods, or sold in a semi-finished form. Approximately 30% of hot

rolled coil was sold without further processing and 65% was further processed in cold rolling mills and coating lines. The remainder was transferred to the TSE's tube mills for the manufacture of welded tubes. Principal end user markets for the Group's steel products are the construction, automotive, packaging, lifting and excavating, energy and power, and rail sectors.

Crude steel production at different facilities in TSE along with their capacity is shown below:

	in million tonnes	
	Production capacity	Actual production
Port Talbot steelworks, West Glamorgan, Wales	4.9	3.0
Scunthorpe steelworks, South Humberside, England	4.5	3.1
Rotherham steelworks, South Yorkshire, England	1.2	0.6
Ijmuiden steelworks, the Netherlands	7.2	6.6
Total	17.8	13.3

3. NatSteel Holdings

	in ₹ crores	
	FY 13	FY 12
Turnover	9,393	8,600
Profit/(loss) before tax (PBT)	155	35
Profit/(loss) after tax (PAT)*	113	18

* PAT represents PAT after minority interest and share of profit of associates.

During the Financial Year under review, NatSteel Holdings (NSH) achieved a production level of 1.68 million tonnes as compared to 1.63 million tonnes of the Financial Year 2011-12, registering an increase of 3%. Sales volume at 1.93 million tonnes was higher by 7% as compared to 1.81 million tonnes during the Financial Year 2011-12.

With its recent capacity expansion in China, NatSteel's production reached a new high of 81k tonnes per month during the 4th quarter of the Financial Year 2012-13. Overall sales for the year from China stood at 653k tonnes, a 21% growth over the Financial Year 2011-12. Sales in Vietnam stood at 112k tonnes,

registering a growth of 14% over the Financial Year 2011-12. Australian operations have undergone a major transformation, with the closure of Queensland operations and significant improvement in productivity across all other facilities.

4. Tata Steel Thailand

	in ₹ crores	
	FY 13	FY 12
Turnover	4,436	4,110
Profit/(loss) before tax (PBT)	(626)	(211)
Profit/(loss) after tax (PAT)*	(635)	(323)

* PAT represents PAT after minority interest and share of profit of associates.

Thailand showed a robust recovery from floods in late 2011 and posted a y-o-y GDP growth of 6.4% led by demand in the automotive and construction segment.

Tata Steel Thailand (TSTH) recorded a sales volume of 1.18 million tonnes during the Financial Year 2012-13, registering an increase of 3% over the Financial Year 2011-12 (1.14 million tonnes). While the enhanced growth in the construction sector helped in increased rebar sales, the wire rods product line was adversely affected by cheaper imports. The mini blast furnace, which was mothballed in August, 2011, continued to stay temporarily shut due to the comparatively higher cost of billet from the hot metal route, as against the scrap route. The company strengthened its leadership position by increasing its market share in rebars and by establishing a stronger foothold of its brand 'Tata Tiscon' in the regional markets of Thailand. The year also saw the launch of Seismic rebars, an earthquake resistant rebar for the first time in Thailand.

TSTH's profit before tax for the Financial Year 2012-13 includes a non-cash impairment provision of ₹ 518 crores.

5. Tata Metaliks Limited

	in ₹ crores	
	FY 13	FY 12
Turnover	995	1,231
Profit/(loss) before tax (PBT)	(114)	(170)
Profit/(loss) after tax (PAT)*	(87)	(113)

* PAT represents PAT after minority interest and share of profit of associates.

Tata Metaliks Limited (TML), a subsidiary of Tata Steel Limited, is one of the largest producers of Foundry Grade Pig Iron in India. The company has two plants in India – in Kharagpur (West Bengal) and Redi (Maharashtra) – with a total capacity of 6.5 lakh tonnes per annum. Tata Metaliks Kubota Pipes Limited (TMKPL) is a subsidiary of Tata Metaliks Limited engaged in the manufacturing of DI (Ductile Iron) Pipe with a total capacity of 1.10 lakh tonnes per annum. The production and sales for the Financial Year 2012-13 and the Financial Year 2011-12 are shown below:

in '000 tonnes

Production	FY 13	FY 12
Pig iron	289	343
Ductile Iron Pipe	62	50

in '000 tonnes

Sales	FY 13	FY 12
Pig iron	274	356
Ductile Iron Pipe	61	47

During the financial year under review, there has been a significant improvement in the operating margin of the Kharagpur plant after the upgradation of the Blast Furnace and setting up of the Sinter Plant which has been recently commissioned. The company is also evaluating different options to divest its Redi Plant which remained closed since November 2011. The company has done an independent valuation of its plant and machinery and other assets (excluding land) at Redi Plant and recognised an impairment loss of ₹ 45 crores during the Financial Year 2012-13.

On 10th April, 2013, Tata Steel Limited announced the merger of TML and TMKPL with itself through a composite scheme of amalgamation to be sanctioned through a court approval process. Tata Steel will issue 4 (four) equity shares of ₹10 each for every 29 (twenty-nine) equity shares of ₹10 each held by the public shareholders of TML upon approval of the scheme by the courts. Tata Steel along with a subsidiary holds 50.09% of the equity share capital of TML.

6. TM International Logistics Limited

in ₹ crores

	FY 13	FY 12
Turnover	1,047	929
Profit/(loss) before tax (PBT)	65	68
Profit/(loss) after tax (PAT)	53	55

TM International Logistics Limited (TMILL) and its subsidiaries offer logistic services pertaining to port-based services, shipping, freight forwarding and marine services.

TMILL runs terminal operations in Haldia, Kolkata and Paradip. Port management services of TMILL include container stuffing/destuffing facility and handling of various types of clean cargo, both bulk and break bulk including project cargo. The company owns a fleet of pay loaders, forklifts and trailers to provide port services and also a vast open storage area along with covered warehousing facilities. During the Financial Year 2012-13, TMILL commenced its operations at Sohar Port Terminal, Oman. The company recorded an increase of 13% in turnover over the Financial Year 2011-12, however there was a slight reduction in profit due to additional depreciation. The shipping business arm of TMILL achieved a milestone by handling 7.9 million tonnes of cargo during the Financial Year 2012-13, exceeding its previous best of 5.28 million tonnes in the Financial Year 2010-11.

The key performance highlights of the company during the Financial Year 2012-13 are:

Division		FY 13	FY 12	Change %
Port operations	Million tonnes	16.1	9.9	62.6
Shipping	Million tonnes	7.9	5.2	51.9
CHA (Bulk clearance)	Million tonnes	5.6	4.4	27
CHA & Inland Logistics (excl. bulk clearance)	CIF in ₹ crores	4,073	3,218	26.6
Freight forwarding	Volume in TEUs	32,629	34,070	(4.2)

7. Tayo Rolls Limited

in ₹ crores

	FY 13	FY 12
Turnover	178	140
Profit/(loss) before tax (PBT)	(34)	(53)
Profit/(loss) after tax (PAT)	(34)	(53)

Tayo Rolls Limited, a subsidiary of Tata Steel Limited, is a leading roll manufacturer in India, promoted by Tata Steel Limited, Yodogawa Steel Works, Japan and Sojitz Corporation Japan in 1968.

The rolls industry, which is largely driven by the steel industry, continues to be under immense pressure both in terms of volume and realisation. The weak economy during the last year is expected to further the adverse effect on the roll industry going forward. During the Financial Year 2012-13, the liquidity position of the company was fragile due to lower off take and sluggish economy and the company faced a major challenge in managing adequacy of working capital as well as its variable costs.

Forged Roll and Engineering Forgings have provided the company with an opportunity to explore newer markets, which may isolate it from the volatility of the steel industry. The company is currently relooking at options to restructure its businesses.

The key highlights during the year are shown below:

	in '000 tonnes		
	FY 13	FY 12	Change %
Rolls Production	8.1	7.3	11
Rolls Sales	8.1	7.2	13
Pig Iron Production (conversion)	25.6	12.2	110
Pig Iron Sales (conversion)	23.8	10.7	122
Ingot production	5.3	1.9	179
Ingot Sales	1.4	1.3	8

8. Tata Steel Processing and Distribution Limited

	in ₹ crores	
	FY 13	FY 12
Turnover	1,643	1,864
Profit/(loss) before tax (PBT)	60	81
Profit/(loss) after tax (PAT)	41	55

Tata Steel Processing and Distribution Limited (TSPDL) is the largest steel service centre in India with a steel processing capacity of around 2 million tonnes. It has eight steel processing units and several distribution locations across the country.

During the year under review, the company, being a dominant player in auto steel servicing, got adversely affected by the

slowdown of the economy at large, particularly that of the auto sector in the Financial Year 2012-13. The auto sales of major manufacturers in the Financial Year 2012-13 were at its lowest levels as compared to its past. However, the company, retained its share of business with the key customers, despite the shrinkage in the market. The company also took various operational and financial initiatives to reduce its fixed and financing costs and also enhanced its product mix and net margins. These measures helped in mitigating to a great extent the adverse impact on the bottom line of the company.

Different units of the company received reputable accolades, notable amongst which are:

- TSPDL Pune has been ranked the Best Service centre among all India distributors at the ACE+ awards 2012.
- Jamshedpur, Pune, Pantnagar and Faridabad units were successfully recertified for OHSAS 18001: Safety Management System.
- Jamshedpur unit won 1st prize from Jamshedpur Blood Bank for highest blood donation.
- TSPDL Pantnagar stood as winner at the Northern Region Tata Innovista Award for the 3rd consecutive year.

9. The Tinsplate Company of India Limited

	in ₹ crores	
	FY 13	FY 12
Turnover	893	641
Profit/(loss) before tax (PBT)	50	28
Profit/(loss) after tax (PAT)	28	17

The Tinsplate Company of India Limited (TCIL) is the largest indigenous producer of tin-coated and tin-free steel sheets in India, manufacturing various grades of electrolytic tinplates (ETP) and tin-free steel (TFS) sheets used for metal packaging. TCIL has also been 'value-adding' its ETP/TFS products by way of providing printing and lacquering facility to reach closer to food processors/fillers.

The company had completed the commissioning of its second cold rolling mill in the Financial Year 2011-12 with the objective of producing the required feedstock for full utilisation of the tinning lines. Consequently, the overall

production from the two cold rolling mills for the Financial Year 2012-13 was at 323k tonnes, 22% higher than the Financial Year 2011-12 production of 264k tonnes. The tinning lines production at 310k tonnes during the Financial Year 2012-13 was also 21% higher than the Financial Year 2011-12 production of 256k tonnes.

The turnover of the company increased by 39% on the strength of increased conversion volumes and higher export volumes. The Profit after tax increased by 65% primarily on account of increase in volumes as well as lower input costs.

10. Tata NYK Shipping Pte Ltd.

in ₹ crores

	FY 13	FY 12
Turnover	1,091	698
Profit/(loss) before tax (PBT)	(125)	(114)
Profit/(loss) after tax (PAT)	(125)	(114)

Tata NYK Shipping Pte Ltd., a 50:50 joint venture between Tata Steel Ltd., India and NYK Line, a Japanese shipping major was incorporated to cater the growing sea-borne trade for the Tata Group and the Indian markets.

The company has diversified, high performance, environment friendly Japanese and Korean built vessels. The Company has a current fleet size of 23 ships (5 owned and 18 chartered).

Despite low shipping indices in the recent past and very difficult market conditions, the company registered a growth of 50% in the cargo carriage (16.8 million tonnes in the Financial Year 2012-13 as compared to 11.2 million tonnes in the Financial Year 2011-12). On the same lines, revenues were higher by 56% in Rupee terms (higher by 38% in USD, being the functional currency of the company). This was primarily due to the commencement of long term cape business with Tata Group companies during the current year. However, due to the challenging shipping market in the short term, the company incurred losses on the supramax operations, resulting in an overall loss of ₹ 125 crores during the Financial Year 2012-13 as compared to a loss of ₹ 114 crores in the Financial Year 2011-12.

11. Tata Sponge Iron Limited

in ₹ crores

	FY 13	FY 12
Turnover	798	636
Profit/(loss) before tax (PBT)	126	112
Profit/(loss) after tax (PAT)	85	76

Tata Sponge Iron Limited (TSIL), a manufacturer of sponge iron and producer of power is located at Joda, Odisha. During the Financial Year 2012-13, the company registered a growth of 33% in production volumes due to an improvement in the supply of iron ore.

In the Power business, the company achieved a generation of 178.92 million kwh of power in the Financial Year 2012-13 as compared to 134.39 million kwh in the Financial Year 2011-12. The sale of surplus power during the Financial Year 2012-13 was 123.81 million kwh as compared to 88.31 million kwh in the Financial Year 2011-12. The increase in generation and sale of power is primarily on account of higher operating days of sponge iron kilns. TSIL was an associate company of Tata Steel till the Financial Year 2011-12 and became a subsidiary with effect from 28th August, 2012.

III. STRATEGY

Tata Steel's strategy development and deployment has been aligned to its vision of becoming a global steel industry benchmark in value creation and corporate citizenship. In the Financial Year 2012-13, the Company faced several challenges due to external market conditions as the key segments of automotive and capital goods were faced with slowdown and the performance of the Indian economy declined substantially during the year. The Company also faced challenges on account of volatile exchange rates and demand slowdown in the economy.

Tata Steel's strategy of improving operational excellence through focused improvement initiative achieved a savings of ₹ 1,625 crores against a plan of ₹ 1,324 crores in the Financial Year 2012-13. Its flagship initiative 'KVHS' (Kar Vijay Har Shikhar-conquer every peak) contributed ₹ 1,057 crores in the Financial Year 2012-13.

Tata Steel, in the Financial Year 2012-13, also continued its focused improvements in the quality of products and services.

The Corporate Quality Assurance system has brought about a steep improvement in quality as it integrated the divisional quality assurance systems which had been in existence and delivering value to the customers. Customer claims from existing facilities have shown significant reduction in the Financial Year 2012-13.

In line with Tata Steel Group's vision of being a global benchmark in value creation and corporate citizenship, Tata Steel Europe has defined its own vision that is tailored for the European business environment; namely: "To be the long-term preferred partner in our chosen markets by unlocking the potential of steel." As part of the vision, TSE has identified five key strategic priorities:

Customer focus

- Single sales and marketing function with particular industry focus on automotive, construction, lifting and excavating, and energy and power.
- Major 'supply chain transformation' project aimed at improving customer service levels.
- Investment projects to improve product mix and service offering.

Innovation

- Projects aimed at providing leadership position in the future.
- Jointly funded with the Royal Academy of Engineering a new chair for research into low carbon materials technology at the University of Warwick.
- Implementation of a Project and Portfolio Management Tool known as 'Trakker' for managing Tata Steel's new product development stage gate process and putting in place regular monthly reviews. In January 2013, TSE won the Innovation Award from CA Technologies for the use and further development of the 'Trakker' Portfolio Management Tool.

Operational excellence

- Alignment of industrial footprint with market conditions.
- Upgradation of plants with the aim of improving asset performance and cost competitiveness. To this end, some of the more significant initiatives underway are:
 - a. The steelworks at IJmuiden, the Netherlands, is implementing a five-year improvement programme,

which is designed to maintain the plant's position as a world-class steelmaker. The focus will be on three goals: further enhancing product quality, improving reliability and reducing costs. As a consequence, IJmuiden's annual effective capacity will rise from 7.2mt to 7.7mt of liquid steel.

- b. TSE has restarted its second blast furnace at the Port Talbot steelworks in the UK following the completion of a rebuild project. The state-of-the-art new furnace is more efficient and will allow Tata Steel to continue to meet the demanding requirements of UK and European manufacturing industry.
- c. The restructuring of the Scunthorpe, England site was announced in May 2011 and implemented according to plan over the following 10 month period.
- d. Investment in the production of 108m long rail at Hayange was completed during the year assuring the sites continued position as a top class rail manufacturer.

Responsible behaviour

- TSE aims to act responsibly towards the environment, the communities within which it operates and its employees' safety.
- Leading contributor to the European Ultra Low CO₂ Steelmaking ('ULCOS') collaborative project.
- TSE's proposed bag filter facility in IJmuiden's sinter plant is expected to reduce emissions of fine particles, heavy metals and dioxins from the sintering process by at least 75%.
- Proposed new cooling system in the Port Talbot BOS plant which would reduce the site's need for external power by about 15%.

People

TSE is committed to its people who are instrumental to its success. In managing its people, TSE focuses on three strategic building blocks:

- Engaging employees at all levels of the organisation.
- Developing the capability of the workforce through training and recruitment targeted towards filling capability gaps.
- Managing the employment cost base in a responsible manner.

TSE invests significantly in the upskilling and development of its employees. The primary mechanism for delivering this is the Tata Steel Academy, which has been in existence since April 2011.

The Group is thriving towards technological leadership by continuous research and development. Currently about 800 researchers are employed in five technological centres, four in Europe and one in India.

Tata Steel, India continues its expansion projects to maintain and strengthen market share in the growing Indian market. While expanding capacity, Tata Steel India, intends to retain raw material self-sufficiency levels close to the current levels. A detailed section has been included in the 'Directors' Report' on Tata Steel India's most significant expansion and raw material projects.

IV. OUTLOOK

Global economy continues on the recovery path although the macro-economic risks have remained. The major risks of euro area breakup and sharp fiscal consolidation in the US were averted with timely political intervention. While the unemployment still remains high in the US, growth is expected to continue on the back of stronger private demand and low policy rates. Forecasts for the euro area continue to remain depressing with weakening core countries apart from the already weak peripheries. Japan is expected to move on the growth path with strong monetary easing and fiscal stimulus. China is expected to have moderation in their growth as it continues to rebalance the economy in the near future. According to the forecasts of the International Monetary Fund, the World GDP is expected to grow by 3.3% in 2013 with advanced economies growing by 1.2% and the emerging and developing economies growing by a much faster rate of 5.3%; while the euro area continues to contract mildly by 0.3%.

Steel prices bottomed out around October 2012 and increased across regions until about February 2013 when overcapacity issues and weaker demand prospects dampened the sentiment. Indian domestic steel prices, however, did not improve due to slowing demand and gradually increasing production. Prices of iron ore in the seaborne market have stabilised in the recent months while there has been a downward trend for the coking coal prices. With the reopening of more iron ore mines in Karnataka, domestic supply of iron ore is expected

to increase gradually and prices are expected to fall in the domestic market.

Steel demand growth globally is expected to continue due to growth in the emerging and developing economies. As per the forecasts from World Steel Association (WSA), worldwide apparent steel demand is expected to grow by 2.9% to 1,454 mt in 2013 and by 3.2% in 2014 to 1,500 mt (following the 1.2% growth in 2012). Steel demand in China is expected to grow by 3.5% and by 2.5% in 2013 and 2014 respectively as the country tries to rebalance the growth model and gradually focuses on the service sectors. Growth in the NAFTA region is expected to be slow following the strong growth in 2012, mainly due to fiscal consolidation measures in the US. Continuing worries concerning the euro zone may reduce the steel demand by 0.5% in 2013 before growth resumes in the next year. India's steel demand growth is projected at 5.9% and 7.0% in 2013 and 2014 respectively with expected support from the reform measures and narrowing of fiscal deficits.

V. FINANCE

In the context of the difficult macro-economic environment, the Company adopted a financing strategy for the year focused on two key components – (a) maintenance of a liquidity buffer for continued global operations (the total liquidity headroom of the company was ₹ 16,644 crores as of 31st March, 2013, comprising cash & cash equivalents and undrawn lines) and (b) sustenance of leverage pressures on account of increasing volumes and capital expenditure requirements in India. With this objective, a new unsecured rupee term loan facility of ₹ 2,000 crores tied up in March 2012 was utilised through the year while two short-term commercial papers for ₹ 975 crores each were issued and repaid post September 2012. The Company also issued two series of debentures – (a) non-convertible debentures worth ₹ 1,500 crores carrying a coupon of 2% with redemption premium for a tenor of 10 years on a private placement basis in April 2012 and (b) non-convertible unsecured debentures worth ₹ 1,000 crores carrying a coupon of 9.15% repayable in equal instalments in January 2019 and January 2021. The Company set up a buyers credit facility of Yen 1,198 mn (approx. US\$15 mn) with Japan Bank for International Co-operation and The Bank of Tokyo-Mitsubishi UFJ Ltd., in September 2012. Further, the Company has also raised ₹ 1,300 crores (SGD 300 million) in April 2013

through 4.95% senior unsecured notes due in 2023 through its wholly owned subsidiary in Singapore, Abja Investments Pte Ltd. The bonds are listed on the Singapore stock exchange. The Company plans to utilise these amounts towards funding its capital expenditure requirements.

The financing initiatives of the Company have been closely linked as enablers of various operational and business requirements. This has been endorsed by multiple independent ratings agencies as reflected in their existing ratings of the Company being maintained for the year despite the declining external environment. In August 2012, Fitch reaffirmed Tata Steel Limited's rating at BB+ while changing its outlook from "Stable" to "Negative". The Domestic Rating of Tata Steel Limited and the loans availed from banks has been reaffirmed at AA. Short term facilities have also been reaffirmed at A+. Further, Moody's Investors Service reaffirmed Tata Steel Limited's Corporate Family Rating at Ba3 while changing its outlook from "Stable" to "Negative" while S&P revised Tata Steel Outlook to Negative from Stable and re-affirmed 'BB' Rating. The decline in the near term outlook across the agencies are due to a challenging external environment for the global steel industry. However, the Company remains geared to meet these challenges through an increased emphasis on deleveraging the balance sheet, reconfiguring capital expenditure requirements and adopting a flexible financing strategy. The full benefit of the 3 mtpa expansion in Jamshedpur is also expected to accrue in the future which will further strengthen the performance of the Company.

VI. FINANCIAL PERFORMANCE

1. Tata Steel standalone

Profit After Tax at ₹ 5,063 crores during the Financial Year 2012-13 was lower by 24% as compared to the Financial Year 2011-12 (₹ 6,696 crores) primarily due to non-cash impairment provision of ₹ 687 crores in the Financial Year 2012-13 and profit on sale of non-current investments of ₹ 511 crores in the Financial Year 2011-12. The diluted earnings per share was at ₹ 50.28 for the Financial Year 2012-13 (Financial Year 2011-12: ₹ 66.62) while the basic earnings per share was at ₹ 50.28 for the Financial Year 2012-13 (Financial Year 2011-12: ₹ 67.84).

The analysis of major items of the financial statements is shown below:

a) Net sales and other operating income

in ₹ crores

	FY 13	FY 12	Change %
Sale of products	40,925	35,656	14.8
Sale of power and water	875	980	(10.7)
Income from town, medical and other services	43	51	(15.7)
Other operating income	474	318	49.1
Total sales and other operating income	42,317	37,005	14.4
Less: Excise Duty	4,118	3,072	34.0
Total net sales and other operating income	38,199	33,933	12.6

Net sales increased during the Financial Year 2012-13 by 13% as compared to the Financial Year 2011-12. This increase was primarily due to increase in sales volume at steel division during the Financial Year 2012-13 which recorded an increase of 13% over the Financial Year 2011-12. There was also an improvement in average steel prices of Long products during the year. However the impact of the same was partly offset by lower realisations in Flat Products due to market slowdown and higher proportion of Hot Rolled Coils. Division wise net sales are as shown below:

in ₹ crores

Net Sales	FY 13	FY 12	Change %
Steel	33,705	29,874	12.8
Tubes	1,790	1,783	0.4
Ferro Alloys and Minerals	2,544	2,100	21.1
Bearings	160	176	(9.1)
Total	38,199	33,933	12.6

b) Purchase of finished, semi-finished steel and other products

in ₹ crores

	FY 13	FY 12	Change %
Purchase of finished, semi-finished steel and other products	453	210	115.7

Purchase of finished, semi-finished steel and other products during the Financial Year 2012-13 at ₹ 453 crores were higher by ₹ 243 crores as compared to the Financial Year 2011-12. A significant portion of this increase was on account of higher purchases by Tata Steel Growth Shop (TGS) to support project activities at Kalinganagar as well as higher purchases at Wires division.

c) Raw materials consumed

in ₹ crores

	FY 13	FY 12	Change %
Raw Materials consumed	9,877	8,014	23.2

Raw materials consumed increased primarily due to higher production volumes as well as rates, higher consumption of purchased coke and increase in freight and handling of own materials. The increases were partly offset by reduction in the cost of imported coal during the year.

d) Payments to and Provisions for employees

in ₹ crores

	FY 13	FY 12	Change %
Payments to and provisions for employees	3,609	3,047	18.4

The payments to and provisions for employees increased by 18% on account of normal salary increases and consequential increase in retiring benefits provisions. Retiring benefits provisions increased further during the year due to change in actuarial assumptions.

e) Stores and spares consumed

in ₹ crores

	FY 13	FY 12	Change %
Stores and spares consumed	2,091	1,693	23.5

Stores consumed (including industrial gases and spares) increased over the Financial Year 2011-12 primarily on account of higher consumption of operational spares, industrial gases and other stores and spares to support higher production.

f) Repairs to machinery

in ₹ crores

	FY 13	FY 12	Change %
Repairs to machinery	1,381	1,163	18.7

Increase in repairs to machinery as compared to the Financial Year 2011-12 was mainly on account of increase in mechanical contract jobs at mines and collieries and overhauling and other maintenance activities at various steel making facilities in the Steel Works.

g) Conversion charges

in ₹ crores

	FY 13	FY 12	Change %
Conversion charges	1,955	1,514	29.1

There was an increase in the conversion charges by 29% over the Financial Year 2011-12 primarily due to increase in conversion activities at Ferro Alloys and Minerals division and Long products. There were also rate increases at both Long products and Flat products and Ferro Alloys and Minerals division. Higher volume and rates for tin coating activities resulted in further increase in the conversion charges.

h) Purchase of power

in ₹ crores

	FY 13	FY 12	Change %
Purchase of power	2,321	1,804	28.7

Power purchase cost increased by 29% during the Financial Year 2012-13. This was mainly due to increase in cost for own use and higher purchases for outside sales. Increase in own use was both on account of rate and volume to support higher production of hot metal.

i) Freight and handling charges

in ₹ crores

	FY 13	FY 12	Change %
Freight and handling charges	2,261	1,704	32.7

Higher volumes of despatches along with increase in rates and change in destination mix led to 33% increase in freight and handling charges.

j) Royalty

in ₹ crores

	FY 13	FY 12	Change %
Royalty	1,152	912	26.3

Royalty charges in the Financial Year 2012-13 were higher due to increase in royalty rates and volume of both iron ore and coal.

k) Rates and Taxes

	in ₹ crores		
	FY 13	FY 12	Change %
Rates and taxes	423	372	13.7

Increase in rates and taxes were mainly due to provision for entry tax and increase in water tax charges.

l) Other expenses

	in ₹ crores		
	FY 13	FY 12	Change %
Other expenses	2,830	2,662	6.3

Increase in other expenses is primarily on account of increase in forex losses during the year, increase in repairs to buildings and increases in various other expense heads.

m) Finance cost and Net finance cost

	in ₹ crores		
	FY 13	FY 12	Change %
Finance cost	1,877	1,925	(2.5)
Net finance cost	1,546	1,062	45.6

While the gross finance cost for the Financial Year 2012-13 was slightly lower as compared to the previous year, the net finance cost was higher by 46% due to lower interest income and lower profit on sale of current investment during the year.

n) Exceptional items

	in ₹ crores		
	FY 13	FY 12	Change %
Exceptional items	(675)	511	(232.1)

Exceptional items during the Financial Year 2012-13 includes a non-cash impairment provision of ₹ 687 crores with regard to Tata Steel's investment and advances to Tata Steel KZN Ltd. Exceptional items for the Financial Year 2011-12 represents profit on sale of investments in Tata Refractories Limited (now known as TRL Krosaki Refractories Limited).

o) Fixed assets

	in ₹ crores		
	FY 13	FY 12	Change %
Gross Block	47,254	39,532	19.5
Less: Impairment	137	133	3.0
Less: Depreciation	13,520	11,986	12.8
Net Block	33,597	27,413	22.6

The increase in fixed assets represents primarily the 2.9 mtpa expansion at Jamshedpur and Kalinganagar project at Odisha.

p) Investments

	in ₹ crores		
	FY 13	FY 12	Change %
Investments in subsidiary, JVs and associates	48,782	48,223	1.2
Other investments	1,203	856	40.5
Investment in mutual funds	434	1,204	(64.0)
Total investments	50,419	50,283	0.3

During the year the Company increased its investments in some of the subsidiaries which includes Jamshedpur Continuous Annealing and Processing Company Private Limited, The Tinsplate Company of India Limited and Tata Sponge Iron Limited (which became a subsidiary during the year). Increase in other investments represents additional investments in equity shares of The Tata Power Company Limited and investments in debentures of Kalimati Investments Company Limited during the year.

q) Inventories

	in ₹ crores		
	FY 13	FY 12	Change %
Stores & Spares	1,473	923	59.6
Stock-in-trade	3,785	3,936	(3.8)
Total inventories	5,258	4,859	8.2

Increase in stores and spares were primarily due to increase in mechanical and electrical spares stock to support 3 million tonnes expansion activities at Jamshedpur. Decrease in

inventories was primarily due to decrease in cost of imported coal partly offset by increase at Ferro Alloys and Minerals division and increase in finished and semi-finished stock mainly in Flat products.

r) Sundry Debtors

in ₹ crores

	FY 13	FY 12	Change %
Gross Debtors	811	915	(11.4)
Less: Provision for doubtful debts	14	11	27.3
Net Debtors	797	904	(11.8)

Decrease in debtors is mainly on account of new debtors discounting scheme introduced from June, 2012. This was partly offset by increase in month-end export debtors.

s) Loans and advances

in ₹ crores

	FY 13	FY 12	Change %
Loans and advances	8,782	8,130	8.0

Increase in Loans and Advances is primarily on account of increase in advance against equity to Tata Steel Holdings (TSH) offset by provision for doubtful advances of Tata Steel KZN.

t) Cash flow and Net debt

Cash flow

in ₹ crores

	FY 13	FY 12	Change %
Net Cash flow from operating activities	11,069	10,424	6.2
Net Cash flow/(used) from investing activities	(8,522)	(2,859)	198.1
Net Cash flow/(used) from financing activities	(4,282)	(7,767)	(44.9)
Net increase/(decrease) in cash & cash equivalents	(1,735)	(202)	758.9

Net cash flow from operating activities: The net cash generated from operating activities was ₹ 11,069 crores during the year ended on 31st March, 2013 as compared to ₹ 10,424 crores during April to March 2012. The cash operating profit before working capital changes and direct taxes during the Financial Year 2012-13 was ₹ 11,587 crores, as compared to ₹ 11,829 crores during the Financial Year 2011-12. Decrease in trade and other

receivables and increase in trade payables were partly offset by increase in inventories in the current period resulting in the overall decrease in working capital.

Net cash from investing activities: The net cash outflow from investing activities amounted to ₹ 8,522 crores in the Financial Year 2012-13 as compared to an outflow of ₹ 2,859 crores during the Financial Year 2011-12. The outflow during the Financial Year 2012-13 broadly represents an incremental investment in subsidiaries (₹ 2,124 crores) and capex (₹ 7,509 crores) partly offset by the sale of current investment (₹ 992 crores) and interest and dividend income received (₹ 204 crores).

Net cash from financing activities: The net cash outflow from financing activities was ₹ 4,282 crores during the Financial Year 2012-13 as compared to an outflow of ₹ 7,767 crores during the Financial Year 2011-12. The outflow during the year was primarily due to repayment of borrowings net of fresh drawal (₹ 1,093 crores) and interest and dividend payments (₹ 2,808 crores).

Net debt

in ₹ crores

	FY 13	FY 12	Change %
Gross Debt	27,508	26,172	5.1
Less: Cash and Bank balances	2,221	3,950	(43.8)
Less: Current investments	434	1,204	(64.0)
Net Debt	24,853	21,018	18.2

During the year, the increase in gross debt is primarily on account of increase in fresh drawals, partly offset by repayments of CARS. Current investments and cash balances were lower by ₹ 2,499 crores as compared to 31st March, 2012, contributing to the 18% increase in net debts.

2. Tata Steel Group

Tata Steel Group posted a consolidated loss after tax (after minority interest and share of profit of associates) of ₹ 7,058 crores against a profit of ₹ 5,390 crores in the previous year primarily due to a non-cash impairment provision of ₹ 8,356 crores during the Financial Year 2012-13 and continuing weak market conditions in Europe that impacted the operating performance of the European operations.

a) Net sales and other operating income

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	38,199	33,933	12.6
Tata Steel Europe	78,012	82,153	(5.0)
NatSteel Holding	9,393	8,600	9.2
Tata Steel Thailand	4,436	4,110	7.9
Others	28,255	22,566	25.2
Eliminations & adjustments	(23,583)	(18,462)	27.7
Group Total	1,34,712	1,32,900	1.4

Tata Steel, India recorded a turnover growth of 13% primarily on account of higher volumes as well as better prices. Turnover of Tata Steel Europe was 5% lower than previous year (15% lower in GBP terms) on account of lower realisations (by 8%) and lower volumes (by 7%) reflecting weak market conditions. Turnover of NSH and TSTH reduced by 4% reflecting lower prices (increase in rupee terms on account of exchange rate impact).

b) Purchase of finished, semi-finished and other products

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	453	210	115.7
Tata Steel Europe	7,633	10,274	(25.7)
NatSteel Holding	7,050	6,595	6.9
Tata Steel Thailand	2,700	2,826	(4.5)
Others	4,267	5,367	(20.5)
Eliminations & adjustments	(3,629)	(4,199)	(13.6)
Group Total	18,474	21,073	(12.3)

Purchases at the Indian operations increased primarily on account of higher purchases to support project activities at Kalinganagar. Purchases at TSE reduced due to lower production. Excluding exchange translation impact, purchases at NSH and TSTH decreased by 6% and 15% respectively, on account of lower costs. Decrease in 'Others' primarily reflects lower purchases at TSPDL.

c) Raw materials consumed

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	9,877	8,014	23.2
Tata Steel Europe	29,674	35,853	(17.2)
NatSteel Holding	93	116	(19.8)
Tata Steel Thailand	246	514	(52.1)
Others	17,449	12,502	39.6
Eliminations & adjustments	(16,696)	(11,541)	44.7
Group Total	40,643	45,458	(10.6)

The increase in raw material consumed at Tata Steel India is primarily due to higher production volume as well as rates, higher consumption of purchased coke and increase in freight and handling on own material. Consumption at TSE reduced by 26% (in GBP terms) primarily due to lower production volumes. Reduction in TSTH is primarily on account of lower cost of materials.

d) Payments to and provisions for employees

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	3,609	3,047	18.4
Tata Steel Europe	13,762	12,885	6.8
NatSteel Holding	664	563	17.9
Tata Steel Thailand	131	114	14.9
Others	752	620	21.3
Eliminations & adjustments	-	-	-
Group Total	18,918	17,229	9.8

The increase in Tata Steel India, was on account of normal salary increases and consequential increase in retiral provisions. The wage cost at TSE was lower by 4% in GBP terms due to restructuring activities at Long products and the impact of the curtailment gain on the BSPPS (but reflects increases on account of exchange rate impact on translation).

e) Purchase of power

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	2,321	1,804	28.7
Tata Steel Europe	1,995	2,046	(2.5)
NatSteel Holding	418	392	6.6
Tata Steel Thailand	432	341	26.7
Others	558	414	34.8
Eliminations & adjustments	(170)	(82)	107.3
Group Total	5,554	4,915	13.0

Increase in power purchase cost at Tata Steel, India was primarily on account of increase in cost for own usage due to higher rate and volume to support higher production levels as well as higher purchases for outside sales. Reduction in TSE reflects lower consumption. Increase in TSTH is primarily due to higher usage. Increase in 'Others' is mainly on account of higher consumption at TSKZN due to increased production.

f) Freight and handling charges

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	2,261	1,704	32.7
Tata Steel Europe	3,922	3,823	2.6
NatSteel Holding	168	181	(7.2)
Tata Steel Thailand	34	31	9.7
Others	1,155	1,014	13.9
Eliminations & adjustments	(106)	(93)	14.0
Group Total	7,434	6,660	11.6

Higher volume of despatches along with increase in rates and change in destination mix led to 33% increase in freight and handling charges at Tata Steel, India. TSE registered an 8% decrease (in GBP terms) in the freight and handling cost due to lower deliveries as compared to previous year (increases due to exchange rate impact on translation). Increase in 'Others' primarily reflects higher freight and handling activity by TMILL at ISL Dubai.

g) Other expenditure

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	8,957	7,839	14.3
Tata Steel Europe	18,626	16,568	12.4
NatSteel Holding	774	620	24.8
Tata Steel Thailand	543	502	8.2
Others	2,618	1,875	39.6
Eliminations & adjustments	(1,572)	(1,470)	6.9
Group Total	29,946	25,934	15.5

Other expenditure represents the following expenditure:

in ₹ crores

	FY 13	FY 12	Change %
Stores & spares consumed	9,838	8,024	22.6
Fuel oil consumed	990	1,020	(2.9)
Repairs to Building	512	486	5.3
Repairs to Machinery	5,152	5,244	(1.8)
Relining expenses	131	116	12.9
Conversion charges	1,931	1,168	65.3
Rent	3,386	3,377	0.3
Royalty	1,199	928	29.2
Rates & Taxes	980	830	18.1
Insurance charges	332	249	33.3
Commission, rebates & discounts	271	257	5.4
Provision for wealth tax	2	2	-
Adjustments relating to previous years (net)	(5)	(19)	(73.7)
Other expenses	6,286	4,933	27.4
Provision for doubtful debts and advances	116	82	41.5
Excise Duty	142	95	49.5
Less: Exp. (other than interest) transferred to capital and other accounts	1,317	858	53.5
Group Total	29,946	25,934	15.5

Increase in Tata Steel, India was mainly due to higher forex losses on revaluation of loans, increase in royalty, stores consumed and conversion charges. Expenditure in TSE increased 3% in GBP terms primarily due to higher conversion cost (higher increase in rupee terms due to exchange rate impact on translation).

h) Finance costs and net finance cost

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	1,877	1,925	(2.5)
Tata Steel Europe	3,090	3,253	(5.0)
NatSteel Holding	56	53	5.7
Tata Steel Thailand	77	52	48.1
Others	1,167	1,039	12.3
Eliminations & adjustments	(2,299)	(2,072)	11.0
Group Total	3,968	4,250	(6.6)

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	1,546	1,062	45.6
Tata Steel Europe	2,996	3,201	(6.4)
NatSteel Holding	51	46	10.9
Tata Steel Thailand	74	50	48.0
Others	250	199	25.6
Eliminations & adjustments	(1,400)	(1,206)	16.1
Group Total	3,517	3,352	4.9

In Tata Steel, India, while the gross finance cost for the Financial Year 2012-13 was slightly lower as compared to previous year, the net finance cost was higher by 46% due to lower interest income and lower profit on sale of current investments during the year. Net Finance cost in TSE was lower primarily due to reduction in interest payable relating to revolving credit facility (RCF) and senior facility agreement (SFA).

i) Exceptional items

in ₹ crores

	FY 13	FY 12
Tata Steel	(675)	511
Tata Steel Europe	(7,340)	-
NatSteel Holding	(24)	-
Tata Steel Thailand	(518)	-
Others	673	3,072
Eliminations & adjustments	494	(221)
Group Total	(7,390)	3,362

The exceptional items in the Financial Year 2012-13 includes the non-cash provision for impairment in TSE (₹ 7,354 crores), TSTH (₹ 518 crores), TSGMH (₹ 132 crores), Tata Steel KZN (₹ 307 crores) and Tata Metaliks (₹ 45 crores) partly offset by profit on sale of non-current investment by Kalimati Investments Company Limited (₹ 966 crores). Exceptional in the Financial Year 2011-12 includes profit on sale of investment in Tata Refractories Limited (₹ 442 crores) and profit on sale of stake in Riversdale Mining Limited (₹ 2,920 crores).

j) Stores and spares stock

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	1,473	923	59.6
Tata Steel Europe	887	803	10.5
NatSteel Holding	89	84	6.0
Tata Steel Thailand	280	301	(7.0)
Others	236	155	52.3
Eliminations & adjustments	-	-	-
Group Total	2,965	2,266	30.8

In Tata Steel, India, increase in stores and spares were primarily due to increase in mechanical and electrical spares stock to support 3 million tonnes expansion activities at Jamshedpur.

k) Stock-in-trade

in ₹ crores

	FY 13	FY 12	Change %
Finished goods	8,291	8,657	(4.2)
WIP	4,946	5,679	(12.9)
Raw materials	7,889	8,996	(12.3)
Total inventory	21,126	23,332	(9.5)

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	3,785	3,936	(3.8)
Tata Steel Europe	14,858	17,060	(12.9)
NatSteel Holding	1,118	915	22.2
Tata Steel Thailand	639	844	(24.3)
Others	994	932	6.7
Eliminations & adjustments	(268)	(355)	(24.5)
Group Total	21,126	23,332	(9.5)

The overall finished and semi-finished inventory decreased over March 2012, primarily at TSE on account of lower stocks by 163k tonnes. Reduction in raw material inventory at TSE was primarily on account of lower cost of raw materials whereas in Tata Steel, India, raw material inventories were lower primarily due to decrease in imported coal cost.

l) Sundry debtors

in ₹ crores

	FY 13	FY 12	Change %
Tata Steel	797	904	(11.8)
Tata Steel Europe	5,824	7,449	(21.8)
NatSteel Holding	726	696	4.3
Tata Steel Thailand	166	133	24.8
Others	15,891	13,607	16.8
Eliminations & adjustments	(9,410)	(7,911)	18.9
Group Total	13,994	14,878	(5.9)

Decrease in debtors at Tata Steel, India is mainly on account of new debtors discounting scheme introduced from June 2012, partly offset by increase in month-end export debtors. TSE debtors decreased primarily reflecting the utilisation of securitisation arrangements with Tata Steel Global Proco.

m) Cash flow and net debt

Cash flow

in ₹ crores

	FY 13	FY 12	Change %
Net cash from operating activities	13,324	11,385	17.0
Net cash flow/(used) from investing activities	(12,321)	(3,705)	232.6
Net cash flow/(used) from financing activities	(2,045)	(8,462)	(75.8)
Net increase/(decrease) in cash and cash equivalents	(1,042)	(782)	33.2

Net cash flow from operating activities: The Group generated ₹ 13,324 crores from operations during the Financial Year 2012-13 as compared to ₹ 11,385 crores in the Financial Year 2011-12. The cash generated from operations prior to the changes in

working capital and tax payments in the current period was ₹ 12,764 crores against ₹ 13,779 crores in the previous year. Cash from operations was higher than last year due to decrease in working capital by ₹ 3,129 crores in the current year as against a decrease of ₹ 1,072 crores in the previous year.

Net cash from investing activities: A sum of ₹ 12,321 crores was applied in the current year towards investing activities including capex of ₹ 15,472 crores partly offset by sales of current and non-current investments.

Net cash from financing activities: Cash used in financing activities (equity raised/loans availed net of repayments and interest payments) in the current year is ₹ 2,045 crores as compared to ₹ 8,462 crores during the previous year.

Net decrease in cash and cash equivalent was ₹ 1,042 crores, excluding ₹ 198 crores effect of exchange rate on translation of foreign currency cash and bank balances, in the Financial Year 2012-13 resulting in a cash and cash equivalent balance of ₹ 9,695 crores as on 31st March, 2013 for the Group.

Net debt

in ₹ crores

	FY 13	FY 12	Change %
Gross Debt	66,074	59,897	10.3
Less: Cash and Bank balance (including non-current balances)	9,892	10,841	(8.8)
Less: Current investments	760	1,398	(45.6)
Net Debts	55,422	47,658	16.3

Net debt at ₹ 55,422 crores at 31st March, 2013 was higher than March 2012 by ₹ 7,764 crores due to increase in the gross debt level as well as reduction in cash and bank balances. Gross debt was higher mainly due to increase in the fresh draws net of repayments during the period and exchange rate impact on revaluation.

VII. RISKS, OPPORTUNITIES AND THREATS

Tata Steel Group aims to address risks, opportunities and threats posed by the business environment by developing appropriate risk mitigation measures. Tata Steel's response to these elements are discussed in the following section.

1. Macro environment

During the Financial Year 2012-13, the European economy continued to face headwinds as the effect of austerity measures continued across the continent.

This impacted the underlying demand for steel in Europe resulting in a contraction of steel consumption by 10% compared to the previous year. In India too, the economy slowed down considerably with high interest rates impacting the consumption sectors and capital investments. Considering the fragile macro-environment, the Company has been pursuing an active operating risk management process across the Group that takes into account the market realities.

2. Industry Cyclicality

The steel industry is subject to cyclical swings arising from factors such as excess capacity, regional demand and supply imbalances and volatile swings in market demand and prices, more recently exacerbated by swings in input prices as well as changes in the regulatory environment.

Due to unfavourable economic conditions globally, steel demand experienced only a marginal increase in 2012. Capacity utilisation rates in the sector remain below 80% globally, and excess capacity remains a major concern in the steel sector, particularly in Europe and China. The steel consumption growth in India has been relatively resilient, even though some user segments like automotives has been under stress in terms of demand growth.

Considering the industry volatility, Tata Steel Europe continued to calibrate its production at levels consistent with market demand in the United Kingdom and Europe. In India, the Company continued its journey of developing new market segments and enhancing value added services to its customers.

3. Growth Projects

The Group continues to pursue its growth strategy, particularly in the Indian market, where it sees significant market opportunities. The Group completed the brownfield expansion of its Jamshedpur facility in December 2012 that increased capacity by 2.9 million tonnes per annum (mtpa).

The Group has commenced work to develop the 6.0 mtpa greenfield steel plant in the state of Odisha, India, in two phases of 3.0 mtpa each. The Group has obtained the necessary land and construction approvals for the first and second phase of this new steel plant in Odisha with financial closure already achieved for the first phase. Tata Steel's installed capacity in Europe is sufficient to address regional demand.

4. Raw Materials Security and Price Volatility

The volatility of prices of critical raw materials for steel making like iron ore and coal has increased significantly in the last few years. Therefore mitigating the impact of the price volatility is a key objective of the Company.

As part of this strategy, various growth projects are under development in Africa, Canada and India to develop new resources.

During the Financial Year 2012-13, the steady expansion of coking coal supply and the slower pace of growth in China meant the supply/demand balance improved with increasing availability of coal. This enabled the Group to develop new supplies whilst maintaining its long-term strategic relationships.

5. Health, Safety and Environmental Risks

The manufacture of steel involves steps that are potentially hazardous if not executed with due care and attention. The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to health, safety and the environment in the countries in which it operates. Indian operations were hitherto driven mainly by environmental compliance with norms issued by Ministry of Environment & Forests and respective pollution control boards. Extra efforts are being taken to ensure workplace safety in the mines and collieries in India and our new construction sites.

To meet environmental standards, dust and other emission levels are monitored to ensure they stay within permissible limits. The Group continues to invest to improve energy efficiency and to reduce CO₂ emissions. In India, the capacity increases take into account the planned improvement targets in CO₂ emissions per tonne.

6. Technology Risks

A key challenge of the Group is to ensure that its facilities are equipped with technologies that can produce value added products that are competitive in the market.

The Group's R&D efforts are oriented towards improvements in the existing process and product capability that can serve the customer better. R&D efforts are also being made to advance the Group's proprietary knowledge in order to produce new generations of steel products.

7. Financing

Tata Steel Group's growth strategy is dependent on the internal cash generation levels and ability to draw external capital for growth projects.

Financing for the Odisha project was a specific risk to the Group given the volatility in the global financial markets and the availability of credit. In May 2013, the Company achieved financial closure for its project in Odisha for which it contracted long-term Rupee borrowing aggregating to ₹ 22,800 crores to the subsidiary company, Tata Steel Odisha Limited to be drawn over the next 5 years and to be repaid over a period of 12 years. In addition to this, Tata Steel has taken advantage of favourable credit and liquidity conditions by raising ₹ 2,500 crores worth of Non-Convertible Debentures during the year.

8. Pensions Risk

Tata Steel UK has significant pension obligations arising from the provision of retirement benefits.

TSE has two major pension schemes viz., The British Steel Pension Scheme (BSPS) for which the sponsor is Tata Steel UK and the Stichting Pensioenfond Hoogovens (SPH) at the Netherlands where the members along with the Company contribute to meet the cost of future service benefits subject to review at the future actuarial valuations.

As part of a comprehensive range of revisions to the contribution and benefits framework in the BSPS Scheme to address costs and risks, there have been modifications in the benefits accrued after 1st April, 2012 that Tata Steel UK has agreed with the employees and their representatives including the accrual rate, calculation of benefits by reference to highest

consecutive three years average pensionable earnings, linking pension increases to the Retail Prices Index and a longevity adjustment factor to be introduced for pensions coming into payment from 1st April, 2015 to provide greater protection in case future increases in life expectancy are greater than that assumed. Additional measures such as the longevity adjustment factor and fixed earnings cap will provide further protection against future long-term risks. Currently, the BSPS is open to new entrants. However, new employees from April 2014 will be enrolled in a 'nursery' pension arrangement on a defined contribution basis which can be revised based on the future funding position of the Scheme.

9. Forex, Credit, Liquidity and Counterparty Risk

Through its global operations, the Group operates in several currencies. Volatility in the currency markets can adversely affect the outcome of commercial transactions and cause trading uncertainties.

The Group has foreign exchange hedging policies in place to protect its trading and manufacturing margins against rapid and significant foreign exchange movements.

10. Regulatory and Compliance Risks

The Group operates in multiple geographies and thus has compliance obligations with diverse and complex laws and regulations. To limit such risk, country risk assessments are conducted as part of the investment evaluation. Protecting the reputation of Tata Steel and the wider Tata Group is an integral part of this objective.

VIII. INTERNAL CONTROL SYSTEMS

In Tata Steel India, the Corporate Audit Division continuously monitors the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The division also assesses opportunities for improvement in business processes, systems and controls; provides recommendations designed to add value to the organisation and follows up on the implementation of corrective actions and improvements in business processes after review by the Audit Committee and the Senior Management.

The scope and authority of the Corporate Audit division is derived from the Audit Charter approved by the Audit Committee. The Charter is designed in a manner that the Audit Plan is focused on the following objectives:

- All operational and related activities are performed efficiently and effectively.
- Significant financial, managerial and operating information that is relevant, accurate and reliable, is provided on time.
- Review the process of identification and management of business risks.
- Resources are acquired economically, used efficiently and safeguarded adequately.
- Employees' actions are in accordance with the Company's policies and procedures, Tata Code of Conduct and applicable laws and regulations.
- Significant legislative and regulatory provisions impacting the organisation are recognised and addressed appropriately.
- Opportunities identified during audits, for improving management control, business targets and profitability, process efficiency and the organisation's image, are communicated to the appropriate level of management.
- Shareholders' and other Stakeholders' wealth and welfare are preserved, protected and enhanced.

Corporate Audit division develops an annual audit plan based on the risk profile of business activities of the organisation and the business activities are prioritised for audit accordingly. The audit plan is approved by the Audit Committee which regularly reviews the compliance to the plan.

During the year, the Audit Committee met regularly to review the reports submitted by the Corporate Audit Division. All significant audit observations and follow-up actions thereon were reported to the Audit Committee.

The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed

by the Company. The Audit Committee's observations and suggestions were acted upon by the Management.

In Tata Steel Europe, the Board of Directors is responsible for TSE's system of internal control and reviewing its effectiveness. The Company has a well-established internal audit function that reports to the Director Finance on a day-to-day basis and has direct access to the chairman of the Audit committee, who meets with the Director Audit several times each year. The Audit committee receives reports from the internal audit function four times a year and also considers the terms of reference, plans and effectiveness of the function. The internal audit function works closely with the external auditors. It provides independent and objective assurance to the Board, the Audit committee and the Executive committee on the systems of internal control employed in the Group, and provides a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance procedures.

There were no changes in internal control over financial reporting that occurred during the period under review that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

TSE's system of internal control has been designed in order to provide the directors with reasonable assurance that its assets are safeguarded, that transactions are authorised and properly recorded and that material errors and irregularities are either prevented or would be detected within a timely period.

IX. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Tata Steel Group recognises people as the primary source of its competitiveness and continues to focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations.

The change in the business scenario across the world has been a centre stage of the recent conversations across the Tata Steel Group. While meeting the current business challenge has been the focus, there is a clear mandate to make a continued resolve to not only 'weather the storm' but to prepare and

equip Tata Steel Group for a healthy future as a leading global steel company. Further, the business environment is rapidly changing, bringing in its own set of opportunities and challenges, and at the same time, Tata Steel Group is also evolving and expanding its reach strategically, geographically and culturally. Both the new geographies and the shifting environments of the businesses demand the need to prepare our current and future leaders to face and overcome such business adversities and opportunities.

Major highlights of the new initiatives in these areas in Tata Steel India, during the financial year under review were:

- a) For sustainable future, Leadership Development across all levels is the focus area for Tata Steel Group. During the Financial Year 2012-13, a Talent Appreciation Process (TAP) was conducted for 85 top leaders of Tata Steel India. Further, the Global Leadership Development Programme (GLDP) was also conducted for 40 leaders (20 from Europe and 20 from India and South East Asia) across the Tata Steel Group.
- b) People development and growth of employees have always been the focal point of HRM practices at Tata Steel which is imbibed in the culture of care for people. The Company has held the view that people are its greatest asset. It has, therefore, adopted the best standards for employee well-being and quality of life, strongly promoting the workforce rights. This year, there has also been a special emphasis on working towards the well-being of our own as well as contractor workers.

During the year, the Company made various HR policy improvements, particularly on rules related to Greenfield sites of Tata Steel. E.g., Housing policy for Kalinganagar Project Operations (KPO), Mediclaim for Diploma Engineer Trainees (DETs) at KPO, etc. For employees across the India operations, an insurance policy has been introduced for employees' children located away from their parents for education purpose.

In the area of 'Training and Development', as a first time initiative, structured training programmes were designed and delivered for the focus area/groups covering Management Trainees at KPO, External Processing Agencies (EPAs) of Long

products division and employees of Jamshedpur Continuous Annealing and Processing Company Private Limited (JCAPCPL). The efforts continued on capability building of employees at all levels in order to build organisational capability in functional and project management areas, fulfill the technical skill requirement arising out of advanced mechanisation and preparing bench strength of skilled manpower for critical positions in existing operations as well as for foreseen future requirements.

As a result of such focused approaches, the employee productivity improved from 457 tonnes of crude steel (tcs)/man/year in the Financial Year 2011-12 to 513/tcs/man/year in the Financial Year 2012-13 considering Works and Services manpower. The employees strength of permanent employees in Indian operations increased to 35,905 as on 31st March, 2013 as compared to 35,793 as on 31st March, 2012, primarily due to increase in the number of officers at the KPO site during the Financial Year 2012-13. Industrial Relations remained normal at all locations during the reporting period.

A unique knowledge sharing platform, The Round Table, has created a brand and won the hearts of many especially the youngsters. It is a platform for individuals to get together, share with each other their ideas, and join in thoughtful conversation with knowledgeable persons in the pursuit of holistic learning.

In the process of converting the learning centres into 'Counselling Centres' extending even to employees' family, several programmes were conducted like 'Psychology of Life' focused at employee wards in class XI and XII; 'Search for Meaning Together' for Officer couples and 'Samarthya', a forum launched by XLRI students whereby children are led through workshops to deal and cope with their emotions.

During the year the Company received various rewards and recognition in HRM area as enumerated below:

- Tata Steel won the World Championship (7th Virtual Steel Making Challenge) organised by World Steel Association at Brussels. Manjunathan M and Chandra Prakash S, Management Trainees of 2012 batch represented Tata Steel and were declared World Champions. Earlier in the

Middle East-India-Africa region all the top 10 teams were also from Tata Steel. This feat was achieved for the 2nd time in succession.

- For the 2nd time in succession, Tata Steel was adjudged the 'Best Company' and Shavak Nanavati Technical Institute was declared the 'Best Establishment' at the 24th CII National Work Skill Competition held at Delhi.
- Tata Steel received the 'Leadership in HR Excellence' award instituted by CII.

The European operations have not experienced any significant industrial relations problems during the year. The number of employees in TSE at the end of March 2013 was 32,100 as compared to 33,300 on 31st March, 2012. The reduction mainly resulted from restructuring measures due to the continued economic downturn.

During the Financial Year 2012-13, TSE announced various restructuring measures which included consolidation of activities of two of its subsidiaries in the Netherlands, sale of certain non-core assets in the Netherlands and taking measures at its UK operations to improve the level of competitiveness. These restructuring measures have helped the TSE to right size its workforce at some places and have also created some new jobs at the same time.

One of the Group's policies is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities, and employ them where suitable work can be found. The requirements of job applicants and existing members of staff who have a disability are reviewed to ensure that

reasonable adjustments are made to enable them to perform as well as possible during the recruitment process and while employed. All reasonable measures are taken to ensure that disabled employees are given the opportunity and facilities to participate fully in the workplace, in training and in career development and promotion opportunities. In addition, every effort is made to find appropriate alternative jobs for those who become disabled while working for the Group.

X. STATUTORY COMPLIANCE

The Managing Director makes a declaration at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmation from all the units of the Company. The Company Secretary ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The Executive Director and Group Chief Financial Officer as the Compliance Officer ensures compliance with the guidelines for prevention of insider trading.

XI. CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Corporate Governance Report for the year 2012-13

(as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. The Company's Corporate Governance Philosophy

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

In accordance with the Tata Steel Group Vision, Tata Steel Group ('the Group') aspires to be the global steel industry benchmark for value creation and corporate citizenship. The Group expects to realise its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

2. Board of Directors

Profile –

Mr. Cyrus P. Mistry joined the Company as a Director on 21st May, 2012. During the year he was appointed as Chairman Designate and took over as Chairman w.e.f. 28th December, 2012. In addition to being Chairman of the Company, Mr. Mistry is also the Chairman of all major Tata Group companies, viz., Tata Sons Limited, Tata Industries Limited, Tata Motors Limited, Tata Consultancy Services Limited, The Tata Power Company Limited, Tata Teleservices Limited, The Indian Hotels Company Limited, Tata Global Beverages Limited, Tata Chemicals Limited, etc.

Mr. Mistry is a graduate of Civil Engineering from Imperial College, UK and has a M.Sc. in Management from London Business School. He was also bestowed with the Alumni Achievement Award by the London Business School.

Mr. Mistry was earlier the Managing Director of Shapoorji Pallonji Group. Under his tenure Shapoorji Pallonji's construction business grew manifold. The companies evolved from pure construction to executing large projects in the marine, oil, gas and rail sectors. Under Mr. Mistry's stewardship, the companies executed many landmark projects in India – construction of the tallest residential towers, the longest rail bridge, the largest dry dock and the largest affordable housing project. The group's international construction business also expanded substantially with presence in over 10 countries. Mr. Mistry was responsible for building the infrastructure development vertical in the Shapoorji Pallonji Group.

Mr. B. Muthuraman holds degrees in Bachelor of Technology in Metallurgical Engineering from IIT, Madras and a Masters of Business Administration from XLRI, Jamshedpur. He has also completed the Advanced Management Programme at European Centre for Executive Development (CEDEP), France and has undergone the "Challenge of Leadership" Programme at INSEAD, France. Mr. Muthuraman was bestowed an Honorary Degree of Doctor of Humane Letters, Honoris Causa from Loyola University, Chicago. Mr. Muthuraman joined Tata Steel in 1966 and has held various positions at the Company including Vice President (Marketing & Sales) & Vice President (Cold Rolling Mill Projects). He was appointed as Executive Director in 2000, Managing Director of the Company in 2001 and non-executive Vice Chairman in 2009. He is the Chairman of Tata International Ltd. and is on the Board of several companies which include Bosch India Limited, Tata Industries Limited, Strategic Energy Technology Systems Pvt. Limited and Tata Africa SA (Pty.) Limited. Under his visionary leadership, Tata Steel became a truly global company. The acquisition of Corus, UK and Netherlands in 2007, a landmark event, not only in the history of Indian Steel industry but also in the history of India which demonstrated the "coming of age" of Indian companies on Global Map.

Mr. Muthuraman has been conferred with the prestigious “Padma Bhushan” award in 2012, from Government of India for his significant contribution to Indian Trade & Industry. He received the Distinguished Alumnus Award from IIT Madras in 1997 and the Tata Gold Medal from the Indian Institute of Metals in 2002. He also received the “CEO of the Year Award” from Business Standard in 2005, “CEO with HR Orientation Award” from World HRD Congress in 2005, Economic Times Award for Corporate Excellence in 2008 and IIM JRD Tata Award conferred by Indian Institute of Metals. He has been bestowed an Honorary Degree of Doctor of Science (Honoris Causa) from Indian Institute of Technology, Kharagpur. XLRI, Jamshedpur has conferred him with the Lifetime Achievement Award.

Mr. Nusli N. Wadia joined the Company on August 29, 1979 as a Director. Mr. Wadia is a well-known Indian Industrialist. He is the Chairman of Wadia Group companies and also Director on the Board of several Indian companies. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Mill Owners’ Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and also of MOA. Mr. Wadia was appointed on the Prime Minister’s Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is Trustee of the Executive Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

Mr. S. M. Palia joined the Company in 1989 as a nominee Director of IDBI and was appointed as a Director in 1994. He holds a Bachelors degree in Commerce and in Law from Mumbai University. He is also a Certified Associate of the Indian Institute of Bankers and is a Development Banker by profession. He was with IDBI Bank from 1964 to 1989 during which period he held various responsible positions including that of an executive director of IDBI Bank. Mr. Palia has also acted as an advisor to Industrial Bank of Yemen, Saana (North Yemen) and Industrial Bank of Sudan, Khartoum (Sudan) under World Bank Assistance Programmes. He was also the Managing Director of Kerala Industrial and Technical Consultancy Organisation Limited which was set up to provide consultancy services to micro enterprises and small and medium enterprises. Mr. Palia is on the Boards of various companies in the industrial and financial service sectors and is also actively involved as a trustee in various NGOs and Trusts.

Mr. Ishaat Hussain is a Non-Executive Director of Tata Sons Limited and was the Finance Director of Tata Sons Limited for over a decade. Mr. Hussain has been with the Tata Group for 30 years. Prior to joining the Tata Sons Board in 1999, he held various positions in Tata Steel Limited and was the Finance Director of Tata Steel Limited for ten years from 1989. Mr. Hussain is a graduate in Economics from the Delhi University and a Member of the ICAEW. He has also attended the Advanced Management Programme at the Harvard Business School. Besides being on the Board of Tata Sons Limited, he represents Tata Sons on the Boards of various Tata Companies and is the Chairman of Voltas Limited and Tata Sky Limited. Mr. Hussain has been a member of the Board of Trade of India and is currently the Chairman of the SEBI Committee On Disclosure & Accounting (SCODA). He is a member of The Committee for Reforming the Regulatory Environment for doing business in India (Damodaran Committee) and the Bihar State Industrial & Investment Advisory Committee. He is also a Trustee of the India Foundation of the Arts and The Marg Foundation.

Mr. Subodh Bhargava is a Mechanical Engineer from the University of Roorkee. He was the Group Chairman and Chief Executive Officer of Eicher Group of companies. He was the President of the Confederation of Indian Industries, the President of the Association of Indian Automobile Manufacturers and the Vice President of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees including as a member of the

Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He has been closely associated with various IIMs, IITs and other Management and Technical Institutions as also with a number of NGOs. He is currently Chairman of Tata Communications Limited, TRF Limited, Tata Communications International Pte Limited and Director on the Boards of a number of companies including Tata Motors Limited, Larsen & Toubro Limited, etc. He is also the recipient of the first Distinguished Alumnus Award in 2005 by Indian Institute of Technology, Roorkee and in 2011, the "Gaurav Shri Award" from Agra University. He has also been recognised as the "Best Independent Director 2011" by Asian Centre for Corporate Governance & Sustainability.

Mr. Jacobus Schraven was appointed as Director of the Company in May 2007. Mr. Schraven was appointed a Non-executive Director and Deputy Chairman of Corus Group plc. in December 2004. Additionally, in 2005 he was appointed a member and Chairman of the supervisory board of Corus Nederland BV (now renamed Tata Steel Nederland BV). He had an international career with the Royal Dutch Shell Group and became Chairman of the board of Shell Nederland BV. He was also President of the Confederation of The Netherlands Industry and Employers and a vice-chairman of Business Europe. Currently, he is a Chairman of the supervisory board of Stork B.V. and of the Trust Foundation Unilever N.V. Additionally, he is a member of the supervisory board of NUON Energy B.V. and of BNP OBAM NV. He is also Chairman of the board of trustees of the Netherlands Blood Institute Sanquin, Chairman of the Netherlands Normalisation Institute and treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is a Commander of the Order of Orange Nassau (Netherlands) and an Officer of the Legion d'Honneur (France).

Mr. Andrew Robb is a Fellow Member of the Chartered Institute of Management Accountants and holds a Joint Diploma in Management Accounting. Mr. Robb has been a Non-Executive Independent Director of the Company since November 22, 2007. He joined the Board of Corus Group plc, and became Chairman of the audit committee in August 2003. Following the takeover of Corus by Tata Steel in March 2007, Mr. Robb remained on the Board and in November 2007, he became a Non-Executive Independent Director of the Company. He is currently also the Chairman of the Board and the Audit Committee of Tata Steel Europe Limited. Mr. Robb was Finance Director of the Peninsular and Oriental Steam Navigation Co., between 1983 and 1989 and then became Finance Director of Pilkington Group PLC from 1989 to 2001. Mr. Robb remained a Director of Pilkington until January 28, 2003. He has been chairman of the board of Tata Steel Europe Limited since March 2009 and its Independent Director since August 1, 2003. He is also a Non-Executive Director of Jaguar Land Rover Automotive Plc. and Paypoint Plc.

Mrs. Mallika Srinivasan joined the Company as a Director in May 2012. She is the Chairman and Chief Executive Officer of Tractors and Farm Equipment Limited and TAFE Motors and Tractors Limited. A thorough leader and strategist, recognised for her commitment to excellence and contribution to Indian Industry, she has been at the helm of affairs of leading industry bodies and trade associations. She is also a Director on the Board of Tata Global Beverages Limited. Ms. Srinivasan is the recipient of several business leadership awards and has an avid interest in academia, particularly management education.

Mr. D.K. Mehrotra joined the Company as a Director in October 2012. He is an honours Graduate in Science from the University of Patna. Mr. Mehrotra has attended several important knowledge forums in India and abroad and is associated with the apex training institutes of insurance in India like the National Insurance Academy and the Insurance Institute of India. He is Chairman of LIC of India and Director of ITC Limited among others.

Mr. Hemant M. Nerurkar was appointed Executive Director of India and South East Asia of the Company on April 9, 2009 and was appointed as Managing Director from October 01, 2009. A Bachelor of Technology in metallurgical engineering from the College of Engineering, Pune University, Mr. Nerurkar has attended several management courses in India and overseas, including CEDEP in France. He is associated with several professional organisations such as Indian Institute of

Metals, Institute for Steel Development and Growth and All India Management Association, amongst others. Mr. Nerurkar joined the Company on February 1, 1982 and has held various positions including Chief Metallurgist, Senior Divisional Manager (LD-1), Deputy General Manager (Steel & Primary Mills), General Manager (Marketing), Senior General Manager (Supply Chain). He has over 35 years of experience in steel industry in various functions. Mr. Nerurkar is an Executive with multifaceted experience ranging from Project Execution, Manufacturing, Quality Control, Supply Chain and Marketing. He became the Vice President (Flat Products) in November 2002 and in September 2007, was appointed Chief Operating Officer.

During his illustrious career, Mr. Nerurkar has been conferred with several prestigious awards such as 'NMD Award 1987', 'Visveswaraya Award - 1988', 'SAIL Gold Medal - 1989', 'Steel 80's Award - 1990', 'SMS Demag Excellence Award 2002', the 'Tata Gold Medal 2004', 'CEO with HR Orientation Award - 2010'. He has been conferred with the Maxell Foundation & Maharashtra Corporate Excellence Award - 2012.

Dr. Karl-Ulrich Koehler was appointed a Director of the Company in November 2010. He studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. Dr. Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2010. He was appointed as Chief Operating Officer of Tata Steel Europe Limited in February 2010. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a former member of the executive committee of the World Steel Association and Vice-chairman of VDEh, the German Iron and Steel Institute. For most of his more than 30 years in the steel industry, he has worked at the companies that today comprise ThyssenKrupp Steel, where he was ultimately Chairman of the Executive Board and a member of the Board of the parent company, ThyssenKrupp AG. Dr. Koehler is based at IJmuiden in the Netherlands.

Mr. Koushik Chatterjee is an honours Graduate in Commerce from Calcutta University and is a Fellow Member of the Institute of Chartered Accountants of India. He was appointed as a Whole-Time Director of the Company with effect from 9th November, 2012 designated as Executive Director and Group Chief Financial Officer. He is responsible for Group Financial Reporting, Investor Relations, Financing Strategy including debt and equity raising, Corporate M&A, Risk Management and Compliance, Taxation Strategy and Planning and Co-ordination of statutory and management reporting. He has been associated with Tata Steel since 1995. He is on the Board of several Tata Steel Group companies including Tata Steel Europe Limited, NatSteel Asia Pte Limited & NatSteel Holdings Pte Limited, Singapore and Tata Steel (Thailand) Public Company Limited.

CORPORATE GOVERNANCE

The Company has a Non-Executive Chairman and the number of Independent Directors is more than fifty percent of the total number of Directors in compliance with the Clause 49 of the listing Agreement. As on 31st March, 2013, the Company has 13 Directors on its Board, of which 7 Directors are independent. The number of Non-Executive Directors (NEDs) is more than fifty percent of the total number of Directors. The Company is in compliance with the Clause 49 of the Listing Agreements pertaining to compositions of Directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies and Shareholdings are given below:

Name of the Director	Director Identification Number	Category	No. of Board Meetings attended during 2012-13	Attendance at the last AGM	No. of Directorships in other public companies * as on 31.03.2013		No. of Committee positions held in other public companies** as on 31.03.2013		Share holdings#
					Chairman	Member	Chairman	Member	Ordinary Shares of ₹ 10/- each
Mr. R. N. Tata (Chairman Emeritus)@	00000001	Not Independent Non-Executive	6	Yes	NA	NA	NA	NA	NA
Mr. Cyrus P. Mistry (Chairman) @@	00010178	Not Independent Non-Executive	6	Yes	9	-	-	1	-
Mr. B. Muthuraman (Vice-Chairman)	00004757	Not Independent Non-Executive	7	Yes	1	3	-	1	6,230
Mr. Nusli N. Wadia	00015731	Independent Non-Executive	7	No	4	3	-	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	8	Yes	-	6	2	3	3,208
Mr. Ishaat Hussain	00027891	Not Independent Non-Executive	8	Yes	2	12	3	5	2,216
Mr. Subodh Bhargava	00035672	Independent Non-Executive	8	Yes	2	5	1	3	1,012
Mr. Jacobus Schraven	01462126	Independent Non-Executive	8	Yes	-	-	-	-	-
Mr. Andrew Robb	01911023	Independent Non-Executive	8	Yes	-	-	-	-	-
Mrs. Mallika Srinivasan (Appointed w.e.f. 21 st May 2012)	00037022	Independent Non-Executive	4	No	3	3	-	1	-
Mr. D. K. Mehrotra (Appointed w.e.f. 22 nd October 2012)	00142711	Independent Non-Executive	2	NA	5	2	-	-	-
Mr. H. M. Nerurkar (Managing Director)	00265887	Not Independent Executive	8	Yes	2	-	-	-	845
Dr. Karl-Ulrich Koehler	03319129	Not Independent Non-Executive	8	Yes	-	-	-	-	-
Mr. Koushik Chatterjee (Appointed w.e.f. 9 th November 2012)	00004989	Not Independent Executive	3	NA	2	2	-	-	1,320

* Excludes Directorships in associations, private, foreign and Section 25 companies.

** Represents Chairmanships/Memberships of Audit Committee and Shareholders'/Investors' Grievance Committee.

@ Appointed as Chairman Emeritus on stepping down as Chairman and Director w.e.f. 28th December, 2012.

@@ Appointed as Director w.e.f. 21st May, 2012 and as Chairman w.e.f. 28th December, 2012.

Shareholdings represent holdings in Director's personal capacity and either as sole or first or joint holder. Total Shareholding of the Directors as on 31st March, 2013 – 14,831 Ordinary Shares.

Eight Board Meetings were held during the Financial Year 2012-13 and the gap between two meetings did not exceed four months.

The details of meetings attended by the Directors are given below:

Date of Meeting	Mr. R. N. Tata	Mr. Cyrus P. Mistry	Mr. B. Muthuraman	Mr. Nusli N. Wadia	Mr. S. M. Palia	Mr. Ishaat Hussain	Mr. Subodh Bhargava
11th April, 2012	Yes	NA	Yes	Yes	Yes	Yes	Yes
18th May, 2012	Yes	NA	Yes	No	Yes	Yes	Yes
11th July, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
13th August, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
18th September, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9th November, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
14th December, 2012	No	Yes	Yes	Yes	Yes	Yes	Yes
13th February, 2013	NA	Yes	No	Yes	Yes	Yes	Yes

Date of Meeting	Mr. Jacobus Schraven	Mr. Andrew Robb	Mrs. Mallika Srinivasan	Mr. D. K. Mehrotra	Mr. H. M. Nerurkar	Dr. Karl-Ulrich Koehler	Mr. Koushik Chatterjee
11th April, 2012	Yes	Yes	NA	NA	Yes	Yes	NA
18th May, 2012	Yes	Yes	NA	NA	Yes	Yes	NA
11th July, 2012	Yes	Yes	Yes	NA	Yes	Yes	NA
13th August, 2012	Yes	Yes	No	NA	Yes	Yes	NA
18th September, 2012	Yes	Yes	Yes	NA	Yes	Yes	NA
9th November, 2012	Yes	Yes	Yes	No	Yes	Yes	Yes
14th December, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
13th February, 2013	Yes	Yes	No	Yes	Yes	Yes	Yes

Dates for the Board Meetings in the ensuing year are decided well in advance and communicated to the Directors. Board Meetings are held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

Three Meetings of the Committee of Directors constituted by the Board for specific purposes from time to time were held during the Financial Year 2012-13.

The dates on which the Committee meetings were held are as follows:

8th June, 2012, 15th June, 2012 and 1st October, 2012.

During the Financial Year 2012-13, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Mr. B. Muthuraman to whom the Company paid retiring benefits aggregating to ₹ 69.35 lakhs.

The Company has adopted the Tata Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Managing Director as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Tata Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the year under review. Both the Codes are posted on the website of the Company.

3. Audit Committee

The Company had constituted an Audit Committee in the year 1986. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows:

- a. To review compliance with internal control systems;
- b. To review the findings of the Internal Auditor relating to various functions of the Company;
- c. To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors;
- d. To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- e. To make recommendations to the Board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
- f. Recommending the appointment of cost auditors and statutory auditors and fixation of their remuneration.
- g. Review of Cost Audit Report.
- h. Reviewing the Company's financial and risk management policies.

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 14th August, 2012.

Six meetings of the Audit Committee were held during the Financial Year 2012-13.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Date of Meeting	Mr. Subodh Bhargava Chairman, Independent, Non-Executive	Mr. S. M. Palia Member, Independent, Non-Executive	Mr. Ishaat Hussain Member, Not Independent, Non-Executive	Mr. Andrew Robb Member, Independent, Non-Executive
10th April, 2012	Yes	Yes	Yes	Yes
17th May, 2012	Yes	Yes	Yes	Yes
13th August, 2012	Yes	Yes	Yes	Yes
17th September, 2012	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes
12th February, 2013	Yes	Yes	Yes	Yes

Audit Committee meetings are attended by the Executive Director & Group Chief Financial Officer, Chief (Corporate Audit) and Chief Financial Controller (Corporate) and Representatives of Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

The necessary quorum was present at the meetings.

Whistle Blower Policy

The Audit Committee at its meeting held on 25th October, 2005, approved framing of a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counsellor/Chairman of the Audit Committee.

Cost Auditor's details

The Central Government has approved the appointment of M/s Shome & Banerjee, Cost Accountants as Cost Auditors for conducting Cost Audit of the Company for the Financial Year 2012-13.

The due date for filing the Cost Audit Reports for the Financial Year ended 31st March, 2013 is 30th September, 2013.

The due date for filing the Cost Audit Report of the Company for the Financial Year ended 31st March, 2012 was 30th September, 2012 and the Cost Audit Report was filed by the Cost Auditor M/s Shome & Banerjee, Cost Accountants, on 4th December, 2012 in XBRL Mode as mandated by the Ministry of Corporate Affairs vide their circular no.8/2012 dated 10th May, 2012.

The Company was felicitated by the Institute of Cost Accountants of India for being the first company in India to file the Cost Audit Report in XBRL Mode.

4. Remuneration Committee

The Company had constituted a Remuneration Committee in the year 1993. The broad terms of reference of the Remuneration Committee are as follows:

- a. Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- b. Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- c. Finalise the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- d. Recommend to the Board, retirement benefits to be paid to the Managing Director and Whole-time Directors under the Retirement Benefit Guidelines adopted by the Board.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

Three meetings of the Remuneration Committee were held during the Financial Year 2012-13.

The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below:

Date of Meeting	Mr. S. M. Palia Chairman, Independent, Non-Executive	Mr. R. N. Tata* Member, Not Independent, Non-Executive	Mr. Cyrus P. Mistry** Member, Not Independent, Non-Executive	Mr. Nusli N. Wadia Member, Independent, Non-Executive
17th May, 2012	Yes	Yes	NA	No
10th July, 2012	Yes	Yes	NA	Yes
14th December, 2012	Yes	No	NA	Yes

* Stepped down as member w.e.f. 28th December, 2012.

** Appointed as member w.e.f. 12th February, 2013.

The Chairman of the Remuneration Committee, Mr. S.M. Palia was present at the Annual General Meeting held on 14th August, 2012.

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

Remuneration Policy

The Company while deciding the remuneration package of the senior management members takes into consideration the following items:

- (a) employment scenario
- (b) remuneration package of the industry and
- (c) remuneration package of the managerial talent of other industries.

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

The Non-Executive Directors (NEDs) are paid remuneration by way of Commission and Sitting Fees. In terms of the shareholders' approval obtained at the AGM held on 3rd August, 2011, the Commission is paid at a rate not exceeding 1% per annum of the profits of the Company (computed in accordance with Section 309(5) of the Companies Act, 1956). The distribution of Commission amongst the NEDs is placed before the Board. The Commission is distributed on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent on operational matters other than at the meetings.

The Company pays sitting fees of ₹ 20,000 per meeting to the NEDs for attending the meetings of the Board, Executive Committee of the Board, Remuneration Committee, Audit Committee, Safety, Health and Environment Committee, Nomination Committee, Committee of Investment & Projects and Committees constituted by the Board from time to time. For other meetings, viz. Investors' Grievance Committee and Ethics and Compliance Committee, the Company pays to the NEDs sitting fees of ₹ 5,000 per meeting.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary is paid within the range approved by the Shareholders. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. Specific amount payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

Details of remuneration for 2012-13

Non-Whole-time Directors

(₹ lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. R. N. Tata	250.00	3.20
2. Mr. Cyrus P. Mistry	-	3.80
3. Mr. B. Muthuraman	@ 80.00	3.80
4. Mr. Nusli N. Wadia	55.00	3.20
5. Mr. S. M. Palia	80.00	6.85
6. Mr. Ishaat Hussain	50.00	6.30
7. Mr. Subodh Bhargava	50.00	3.10
8. Mr. Jacobus Schraven	20.00	2.20
9. Mr. Andrew Robb	20.00	4.25
10. Mrs. Mallika Srinivasan	10.00	0.80
11. Mr. D.K. Mehrotra	10.00	0.40
12. Dr. Karl-Ulrich Koehler	-	3.80
Total	625.00	41.70

* Payable in 2013-14.

@ Excluding retirement benefits of ₹ 69.35 lakhs paid to Mr. B. Muthuraman.

Executive Directors

Name	Salary ₹ lakhs	Perquisites & Allowances ₹ lakhs	Commission @ ₹ lakhs	Stock Options
Mr. H. M. Nerurkar (Managing Director)	125.35	72.50	375.00	NIL
Mr. Koushik Chatterjee (Executive Director & GCFO)*	87.26	13.85	298.50	NIL

* Appointed as Executive Director w.e.f. 9th November, 2012.

@ Payable in 2013-14.

Service Contracts, Severance Fees and Notice Period

Period of Contract of MD : From 01.10.2009 to 31.10.2013

Period of Contract of ED & GCFO : From 09.11.2012 to 08.11.2017

The respective contracts may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

There is no separate provision for payment of severance fees.

5. Shareholders' Committee

An Investors' Grievance Committee was constituted on 23rd March, 2000 to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

One meeting of the Investors' Grievance Committee was held on 11th July, 2012.

The composition of the Investors' Grievance Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	Mr. Ishaat Hussain Chairman, Not Independent, Non-Executive	Mr. S. M. Palia Member, Independent, Non-Executive	Mr. Subodh Bhargava Member, Independent, Non-Executive
11 th July 2012	Yes	Yes	Yes

Name, designation & address of
Compliance Officer:

Mr. A. Anjeneyan
Company Secretary & Chief of Compliance
Bombay House,
24, Homi Mody Street,
Fort, Mumbai - 400 001.

Phone: (022) 6665 7279

Fax: (022) 6665 7724/25

Email: cosec@tatasteel.com

Name, designation & address of
Investor Relations Officer:

Mrs. Samita Shah
Chief – Group Financial Strategy & Investor Relations
Bombay House,
24, Homi Mody Street,
Fort, Mumbai - 400 001.

Phone: (022) 6665 7371

Fax: (022) 6665 7724/25

Email: samita.shah@tatasteel.com

Shareholder/Investor Complaints:

Complaints pending as on 1st April, 2012	:	7
During the period 1st April, 2012 to 31st March, 2013, complaints identified and reported under Clause 41 of the Listing Agreements	:	275
Complaints disposed off during the year ended 31st March, 2013	:	274
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2013	:	8
No. of pending share transfers of Ordinary Shares as on 31st March, 2013	:	99*

* Transfers lodged in the last two weeks of March 2013 and hence pending as on 31st March, 2013.

Note:

The correspondence identified as investor complaints are letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, (where the Company/Registrars is involved and is accused of deficiency in service) fraudulent encashment, non-receipt of dividend/fractional warrants (received after one month from the date of payment and where reconciliation of the payment was in progress) and non-receipt of refund orders/allotment of shares pertaining to Rights issue/Follow-on Public Offer. The above figures are consolidated figures which includes complaints received by Link Intime India Pvt. Ltd. and TSR Darashaw Private Ltd.

Committees

In addition to the above Committees, the Board has constituted 6 more Committees, viz. Executive Committee of the Board, the Nomination Committee, the Ethics and Compliance Committee, the Safety, Health and Environment Committee, the Committee of Investments and Projects and Committee of Directors.

The terms of reference of the **Executive Committee of the Board (ECOB)** are to approve capital expenditure schemes and donations within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes, to consider new businesses, acquisitions, divestments, changes in organisational structure and also to periodically review the Company's business plans and future strategies.

Eight ECOB Meetings were held during the Financial Year 2012-13.

The composition of the ECOB and details of the meetings attended by the Directors are given below:

Date of Meeting	Mr. R. N. Tata Chairman, Not Independent, Non-Executive*	Mr. Cyrus P. Mistry Chairman, Not Independent, Non-Executive**	Mr. B. Muthuraman Member, Not Independent, Non-Executive	Mr. Nusli N. Wadia Member, Independent, Non-Executive	Mr. S. M. Palia Member, Independent, Non-Executive
17th May, 2012	Yes	NA	Yes	No	Yes
14th June, 2012	Yes	Yes	Yes	No	Yes
10th July, 2012	Yes	Yes	Yes	Yes	Yes
12th August, 2012	Yes	Yes	Yes	Yes	Yes
17th September, 2012	Yes	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes	Yes
5th December, 2012	Yes	Yes	Yes	Yes	Yes
12th February, 2013	NA	Yes	No	Yes	Yes

Date of Meeting	Mr. Ishaat Hussain Member, Not Independent, Non-Executive	Mr. Andrew Robb Member, Independent, Non-Executive	Mr. H. M. Nerurkar Member, Not Independent, Executive	Dr. Karl-Ulrich Koehler Member, Not Independent, Non- Executive	Mr. Koushik Chatterjee Member, Not Independent, Executive***
17th May, 2012	Yes	Yes	Yes	Yes	NA
14th June, 2012	Yes	Yes	Yes	Yes	NA
10th July, 2012	Yes	Yes	Yes	Yes	NA
12th August, 2012	Yes	No	Yes	Yes	NA
17th September, 2012	Yes	Yes	Yes	Yes	NA
8th November, 2012	Yes	Yes	Yes	Yes	NA
5th December, 2012	Yes	Yes	Yes	Yes	NA
12th February, 2013	Yes	Yes	Yes	Yes	Yes

* Stepped down as Chairman & Member w.e.f. 28th December, 2012

** Appointed as Member w.e.f. 21st May, 2012 and as Chairman w.e.f. 12th February, 2013

*** Appointed as Member w.e.f. 12th February, 2013

The **Nomination Committee** has been constituted on 18th May, 2006 with the objective of identifying Independent Directors to be inducted to the Board from time to time and to take steps to refresh the constitution of the Board from time to time.

One meeting of the Nomination Committee was held on 28th September, 2012.

The composition of the Nomination Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	Mr. Nusli N. Wadia Chairman, Independent, Non-Executive	Mr. R.N.Tata Member, Not Independent, Non-Executive *	Mr. Cyrus P. Mistry Member, Not Independent, Non-Executive **	Mr. S. M. Palia Member, Independent, Non-Executive	Mr. Subodh Bhargava Member, Independent, Non-Executive
28th September, 2012	Yes	Yes	NA	Yes	Yes

* Stepped down as Member w.e.f. 28th December, 2012.

** Appointed as Member w.e.f. 12th February, 2013.

Ethics and Compliance Committee

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the revised Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other Employees. The Code is based on the principle that Directors, Officers and Employees of a Tata Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

In terms of the said Code, a Committee has been constituted on 30th May, 2002, called Ethics and Compliance Committee.

One meeting of the Ethics and Compliance Committee was held on 9th November, 2012.

The composition of the Ethics and Compliance Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	Mr. Ishaat Hussain Chairman, Not Independent, Non-Executive	Mr. Subodh Bhargava Member, Independent, Non-Executive	Mr. Andrew Robb Member, Independent, Non-Executive
9th November, 2012	Yes	Yes	Yes

The Board has also appointed the Executive Director & Group Chief Financial Officer as the Compliance Officer to ensure compliance and effective implementation of the Regulations and also the Code across the Company.

During the year under review, the Compliance Officer submitted periodic Reports on the compliance of the Tata Code of Conduct for Prevention of Insider Trading.

Safety, Health and Environment Committee

The Safety, Health and Environment Committee of the Board was constituted on 25th June, 2009 to oversee the policies and their implementation across Tata Steel Group. The main remit of the Committee is to:

- Review operational performance, anticipate potential issues and provide support in setting direction for improvements;
- Reduce carbon emissions per tonne of steel produced; and
- Functional health, safety and environmental team would provide a coordinated and effective specialist advisory support to the said Committee.

Three meetings of the Safety, Health and Environment Committee were held during the Financial Year 2012-13.

The composition of the Safety, Health and Environment Committee and the details of the meetings attended by the Directors are given below:

Date of Meeting	Mr. Jacobus Schraven Chairman, Independent, Non-Executive	Mr. S. M. Palia Member, Independent, Non-Executive	Mr. B. Muthuraman Member, Not Independent, Non-Executive	Mr. H. M. Nerurkar Member, Not Independent, Executive	Dr. Karl-Ulrich Koehler Member, Not Independent, Non-Executive
10th July, 2012	Yes	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes	Yes
12th February, 2013	Yes	Yes	No	Yes	Yes

Company Secretary acts as the Secretary of the Safety, Health and Environment Committee.

Committee of Investments and Projects

The Committee of Investments and Projects was constituted on 11th July, 2012 to approve placing of large orders of equipment, plant and machinery relating to the projects and monitor the progress of the projects.

Six meetings of the Committee of Investments and Projects were held during the Financial Year 2012-13.

The composition of the Committee of Investments and Projects and the details of the meetings attended by the Directors are given below:

Date of Meeting	Mr. Ishaat Hussain Chairman, Not Independent, Non-Executive	Mr. Cyrus P. Mistry Member, Not Independent, Non-Executive	Mr. S. M. Palia Member, Independent, Non-Executive	Mr. H. M. Nerurkar Member, Not Independent, Executive	Mr. Koushik Chatterjee Member, Not Independent, Executive
25th July, 2012	Yes	Yes	Yes	Yes	Yes
8th August, 2012	Yes	Yes	Yes	Yes	Yes
18th September, 2012	Yes	Yes	Yes	Yes	Yes
6th November, 2012	Yes	Yes	Yes	Yes	Yes
18th December, 2012	Yes	Yes	Yes	Yes	Yes
26th February, 2013	Yes	Yes	No	Yes	Yes

The **Committee of Directors** has been re-constituted on 26th May, 2010 to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant Powers of Attorney to the Officers of the Company, to appoint representatives to attend general meetings or through postal ballot on behalf of the Company etc.

The Members of this Committee as on 31st March, 2013 are – Mr. Cyrus P. Mistry (Chairman), Mr. S. M. Palia (Member), Mr. Ishaat Hussain (Member), Mr. H. M. Nerurkar (Member) and Mr. Koushik Chatterjee (Member).

Mr. R.N.Tata stepped down as Chairman of the Committee of Directors w.e.f. 28th December, 2012.

Mr. Cyrus P. Mistry was appointed as Chairman & Mr. Koushik Chatterjee was appointed as Member w.e.f. 12th February, 2013.

The business of the Committee is transacted by passing Circular Resolutions which are placed before the Board at its next meeting.

6. General Body Meetings

a) Location and time, where last three Annual General Meetings (AGMs) were held:

Financial Year	Details of Location	Date & Time
2011-12	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020.	14th August, 2012 at 3.00 p.m.
2010-11		3rd August, 2011 at 3.00 p.m.
2009-10		13th August, 2010 at 3.30 p.m.

- b) No Extra-Ordinary General Meeting of the shareholders was held during the year.
- c) Special Resolutions passed in previous three Annual General Meetings:
 - 1. At the last Annual General Meeting held on 14th August, 2012, no Special Resolutions were passed.
 - 2. At the Annual General Meeting held on 3rd August, 2011, Special Resolution for commission to Directors other than the Managing and whole-time Directors was passed unanimously.
 - 3. At the Annual General Meeting held on 13th August, 2010, no Special Resolutions were passed.None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

7. Disclosures

- i) The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
- ii) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 7 of the Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behaviour. No personnel has been denied access to the Ethics Counsellor/Chairman of the Audit Committee.
- iv) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a) The Company has set up a Remuneration Committee. Please see para 4 for details.
 - b) The Company has moved towards a regime of unqualified financial statements.

Reconciliation of Share Capital Audit

- i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- ii) A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with Depositories).

8. Means of Communication

Quarterly/Half-yearly results –

The quarterly/half-yearly and annual results of the Company are published in the newspapers and posted on the website of the Company. As a part of the Green initiative, the quarterly/half-yearly results are sent by email to Shareholders whose email ids are registered with the Depositories/Registrars and Transfer Agents of the Company.

Results –

The quarterly/half-yearly and annual results along with the Segmental Report are generally published in The Indian Express, Financial Express, Nav Shakti, Free Press Journal, Loksatta, Nav Bharat and also displayed on the website of the Company www.tatasteel.com shortly after its submission to the Stock Exchanges.

Presentation to Institutional Investors or to analysts –

Official news releases and presentations made to Institutional Investors and analysts are posted on the Company's website.

Annual Report –

Annual Report containing inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Annual Report is also available on the Company's website in a freely downloadable format.

Management Discussion & Analysis Report (MD&A Report) –

The MD&A Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said Report.

Intimation to Stock Exchanges –

All price sensitive information and matters which are material and relevant to shareholders are intimated to all the Stock Exchanges where the securities of the Company are listed.

Corporate Filing and Dissemination System (CFDS) and NSE Electronic Application Processing System (NEAPS) -

In accordance with Clause 52 of the Listing Agreement, all disclosures and communications to BSE Limited and National Stock Exchange of India Limited are filed electronically through CFDS website www.corpfiling.co.in. The Company also submits to NSE all quarterly compliances, disclosures and communications through NSE's NEAPS portal.

Company's Corporate Website –

The Company's website is a comprehensive reference on Tata Steel's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investors' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars & transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Media' includes all major press reports and releases, awards, campaigns.

9. General Shareholder Information

AGM: Date, time & venue – 14th August, 2013 at 3.00 p.m.
Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.

As required under Clause 49 IV(G)(i), particulars of Directors seeking appointment/reappointment are given in the Explanatory Statements to the Notice of the Annual General Meeting to be held on 14th August, 2013.

Financial Calendar

– Year ending	March 31
AGM	August
Dividend Payment	Generally in August

Date of Book Closure – Wednesday, 17th July, 2013 to Tuesday, 23rd July, 2013 (both days inclusive).

Dividend Payment Date – The dividend warrants will be posted on and from 16th August, 2013.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
Up to and including the Financial Year 1994-95	Transferred to the General Revenue Account of the Central Government	Yes	Office of Registrar of Companies, Central Government Office Building, 'A' Wing, 2 nd Floor, Next to Reserve Bank of India, CBD, Belapur – 400 614	Claim to be forwarded in prescribed Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978
For the Financial Years 1995-96 to 2004-05	Transferred to the IEPF of the Central Government	No	Not Applicable	None
For the Financial Years 2005-06 to 2011-12	Lying in respective Unpaid Dividend Accounts	Yes	TSR Darashaw Private Limited, Registrars and Transfer Agents	Letter on plain paper

The Company has hosted on its website the details of the unclaimed dividend/interest/principal amounts for the Financial Year 2011-12 and 2012-13 as per the Notification No.G S R 352 (E) dated 10th May 2012 of Ministry of Corporate Affairs.

The date of declaration of dividend in respect of Financial Years 2005-06 to 2011-12 and the last date for claiming such dividend is given in the table below:

Financial Year	Date of Declaration	Rate	Last Date of Claiming payment from TSRDPL*
2005-06	July 5, 2006	130%	July 4, 2013
2006-07	August 29, 2007	155%	August 28, 2014
2007-08	August 28, 2008	160%	August 27, 2015
2008-09	August 27, 2009	160%	August 26, 2016
2009-10	August 13, 2010	80%	August 12, 2017
2010-11	August 3, 2011	120%	August 2, 2018
2011-12	August 14, 2012	120%	August 13, 2019

*Indicative dates. Actual dates may vary.

The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/interest payments. Attention of the stakeholders is again drawn to this matter through the Annual Report.

Shareholders/Depositors are requested to get in touch with the Registrars for encashing the unclaimed dividend/interest/principal amount, if any, standing to the credit of their account.

Nomination Facility

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 109A of the Companies Act, 1956, may submit to TSR Darashaw Private Limited the prescribed Form 2B. The Nomination Form can be downloaded from the Company's website www.tatasteel.com under the section 'Investors'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. TSR Darashaw Pvt. Limited.

Updation of bank details for remittance of dividend/cash benefits in electronic form

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 (“Circular”) to all listed companies requires them to update bank details of their shareholders holding shares in demat mode and/or physical form, to enable usage of the electronic mode of remittance i.e. ECS [LECS (Local ECS)/RECS (Regional ECS)/NECS (National ECS)], NEFT, etc. for distributing dividends and other cash benefits to the shareholders.

The Circular further states that in cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents (RTA) may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

Shareholders to note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/delay in transit, etc. They are requested to opt for any of the above mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- In case of holdings in dematerialised form, by contacting their Depository Participant and giving suitable instructions to update the bank details in their demat account.
- In case of holdings in physical form, by informing the Company’s RTA viz. TSR Darashaw Pvt Ltd. their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions (CBS) and the 9 digit MICR Code Number.

Those Shareholders who do not wish to avail of the electronic facility of remittance, are requested to furnish to the DPs/ Registrars, the Name and Branch of the Bank and the Bank Account Number allotted by their banks after implementation of Core Banking Solutions, which will be printed on the warrants.

Listing on Stock Exchanges –

The Company’s Ordinary shares are listed on BSE Limited and National Stock Exchange of India Limited in India:

Stock Exchanges	ISIN	Stock Code	Address	Website
BSE Limited	INE081A01012	500470	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	www.bseindia.com
National Stock Exchange of India Limited	INE081A01012	TATASTEEL	Exchange Plaza, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	www.nseindia.com

Perpetual Hybrid Securities in the form of Non-Convertible Debentures are listed on the Wholesale Debt Market segments of the Stock Exchanges as under:

Distribution Rate (%)	ISIN	Principal Amount (₹ crores)	Date of Maturity	Debenture Trustee	Stock Exchange where listed
11.80	INE081A08165	1,500	Perpetual	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate Mumbai-400 001	National Stock Exchange of India Limited & BSE Limited
11.50	INE081A08173	775	Perpetual		National Stock Exchange of India Limited

Unsecured Redeemable Non-Convertible Debentures (NCDs) are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited:

Coupon Rate (%)	ISIN	Principal Amount (₹ crores)	Date of Maturity	Debenture Trustee
10.20	INE081A07175	620	7th May, 2015	IDBI Trusteeship Services Ltd., Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400 001.
10.25	INE081A08140	500	₹ 166.67 crores – 22nd December, 2028 ₹ 166.67 crores – 22nd December, 2029 ₹ 166.66 crores – 22nd December, 2030	
10.25	INE081A08157	2,500	₹ 833.34 crores – 6th January, 2029 ₹ 833.33 crores – 6th January, 2030 ₹ 833.33 crores – 6th January, 2031	
12.50	INE081A08116	1,250	₹ 416.67 crores – 19th November, 2014 ₹ 416.67 crores – 19th November, 2015 ₹ 416.66 crores – 19th November, 2016	
10.40	INE081A08124	650.9	15th May, 2019	
11.00	INE081A08132	1,500	19th May, 2019	
2.00	INE081A08181	1,500	23rd April, 2022	
9.15	INE081A08199	500	24th January, 2019	
9.15	INE081A08207	500	24th January, 2021	

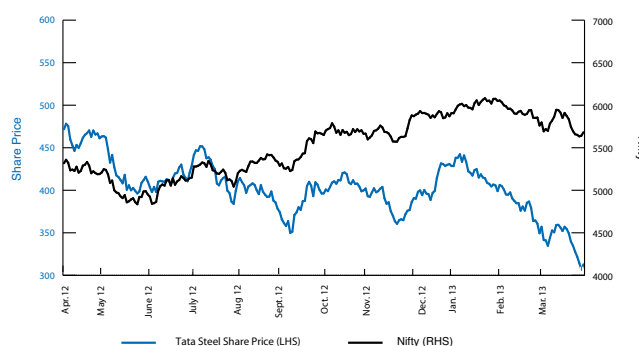
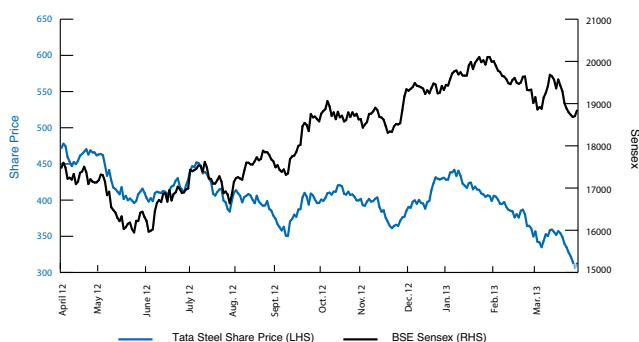
International Listings of securities issued by the Company are as under:

Security	Year of Issue	Stock Exchanges & Address	ISIN	Website
Global Depository Receipts (GDRs)	1994	Luxembourg Stock Exchange 11, Avenue de la porte – Neuve, L - 2227, Luxembourg	US87656Y1091	www.bourse.lu
4.5% Replacement Foreign Currency Convertible Bonds (FCCBs)	2009	Singapore Exchange Securities Trading Limited 2, Shenton Way, #19-00 SGX Center 1, Singapore-068804	XS0466930780	www.sgx.com
Global Depository Receipts (GDRs)	2009	London Stock Exchange 10 Paternoster Square, London - EC4M 7LS	US87656Y4061	www.londonstockexchange.com

Market Information

Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year.

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of shares)
Apr-12	482.00	444.10	1,47,03,712	482.25	443.60	6,37,33,552
May-12	469.70	389.00	2,09,78,518	469.40	388.70	8,80,97,697
Jun-12	443.90	389.10	1,51,39,136	444.00	389.10	7,22,24,942
Jul-12	454.90	382.15	1,40,16,152	455.60	382.00	7,65,87,611
Aug-12	416.70	358.30	1,69,04,844	416.80	358.10	8,83,27,200
Sep-12	415.00	347.55	1,70,20,331	415.15	347.25	9,32,98,671
Oct-12	426.00	388.65	1,64,56,938	426.50	339.00	8,07,09,766
Nov-12	408.85	359.15	1,20,52,521	408.75	359.10	5,99,06,222
Dec-12	436.75	386.10	1,47,15,137	436.85	386.70	8,05,75,757
Jan-13	448.10	397.10	1,56,60,911	448.00	397.10	8,17,75,015
Feb-13	411.85	338.80	1,44,66,523	411.70	338.00	7,96,95,227
Mar-13	362.75	300.85	1,49,36,885	362.85	300.70	7,67,59,330



Registrars and Transfer Agents

For Share related matters, Members are requested to correspond with the Company's Registrars and Transfer Agents – TSR Darashaw Private Limited quoting their folio no./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence:

TSR Darashaw Private Limited, Unit: Tata Steel Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, (Nr. Famous Studios) Mahalaxmi, Mumbai - 400 011. Tel.: 022-6656 8484; Fax: 022- 6656 8494; E-mail: csg-unit@tsrdarashaw.com; Website: www.tsrdarashaw.com

2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Private Limited:

(i) 503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road, Bengaluru - 560 001. Tel.: 080-25320321; Fax: 080-25580019; E-mail: tsrdlbg@tsrdarashaw.com

(ii) Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001. Tel.: 0657-2426616; Fax: 0657-2426937; Email: tsrdljsr@tsrdarashaw.com

(iii) Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata-700 071. Tel.: 033-22883087; Fax: 033-22883062; E-mail: tsrdlcal@tsrdarashaw.com

(iv) Plot No. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi-110 002. Tel.: 011-23271805; Fax: 011-23271802; E-mail: tsrdldel@tsrdarashaw.com

(v) Agent: Shah Consultancy Services Pvt. Limited: 3-Sumathinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad - 380 006. Telefax: 079-2657 6038; E-mail: shahconsultancy8154@gmail.com

Share Transfer System:

Share Transfers in physical form can be lodged with TSR Darashaw Private Limited at the above mentioned addresses. The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

Distribution of Shareholding of Ordinary Shares as on 31st March, 2013.

Shareholding	Total No. of Shareholders		% to total holders		Total No. of Shares		% to total capital	
	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012
1 to 100	6,96,371	6,84,877	65.26	66.03	2,57,12,108	2,45,13,068	2.64	2.52
101 to 500	2,94,483	2,81,041	27.60	27.10	6,30,07,698	5,93,14,943	6.49	6.11
501 to 1000	40,601	37,619	3.81	3.63	2,90,25,736	2,67,37,202	2.99	2.75
1001 to 10,000	33,359	31,546	3.13	3.04	7,98,28,315	7,55,36,790	8.22	7.78
10,001 and above	2,182	2,126	0.20	0.20	77,36,41,372	78,51,12,447	79.66	80.84
Total	10,66,996	10,37,209	100.00	100.00	97,12,15,229	97,12,14,450	100.00	100.00

Shareholding Pattern as on 31st March, 2013.

Particulars	Number of shareholders		Number of Ordinary Shares held		Voting strength %	
	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
Tata Group Companies	24	24	30,45,14,362	30,45,14,362	31.35	31.35
Mutual Funds/UTI	307	302	3,28,27,764	3,67,05,665	3.38	3.78
Financial Institutions/ Banks	373	381	49,91,974	46,06,993	0.52	0.47
Central & State Govt. & Govt. Cos.	7	7	1,21,659	1,21,659	0.01	0.01
Insurance Companies	148	175	22,66,93,084	23,39,45,722	23.34	24.09
Foreign Institutional Investors	511	577	13,45,27,705	13,94,39,388	13.85	14.36
Other Foreign holdings	10	10	2,24,519	2,12,797	0.02	0.02
Shares held by Custodians & against which Depository Receipts have been issued	1	1	2,17,38,923	1,80,91,089	2.24	1.86
Bodies Corporate	7,439	7,601	2,81,89,021	2,90,24,559	2.90	2.99
Individuals	10,58,176	10,28,131	21,73,86,218	20,45,52,216	22.39	21.06
Total	10,66,996	10,37,209	97,12,15,229	97,12,14,450	100.00	100.00

Top Ten Ordinary Shareholders of the Company as on 31st March, 2013

Serial No.	Name of Shareholder	Total holdings	Percentage to capital
1	Tata Sons Limited	288,898,245	29.75
2	Life Insurance Corporation of India	145,467,247	14.98
3	HDFC Trustee Company Limited	16,880,099	1.74
4	Government of Singapore	16,417,074	1.69
5	ICICI Prudential Life Insurance Company Limited	12,803,098	1.32
6	National Insurance Company Ltd	11,179,459	1.15
7	The New India Assurance Company Limited	10,784,993	1.11
8	Blackrock	9,646,280	0.99
9	Abu Dhabi Investment Authority	8,827,193	0.91
10	SBI Life Insurance Co.Ltd	8,132,934	0.84

Dematerialisation of shares as on 31st March, 2013 and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

93,74,28,256 Ordinary Shares of the Company representing 96.52% of the Company's share capital is dematerialised as on 31st March, 2013.

The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information.

As per Clause 5A of the Listing Agreements with the Stock Exchanges, the details of shares in the suspense accounts of Link Intime India Pvt. Ltd., Registrars to the Issues are given below:

Issues	Securities	As on 1st April, 2012		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31st March, 2013	
		No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Rights Issue – 2007	Ordinary Shares	126	3,018	–	–	126	3,018
Follow-on Public Issue – 2011		08	621	01	291	07	330

The voting rights in respect of the balance shares in the suspense accounts will be frozen, in the event of a poll at the general meetings of the Company.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

- i) 3,867 GDRs (each GDR representing 1 Ordinary Share of the Company)
- ii) 2,17,35,056 GDRs (out of 6,54,10,589 GDRs issued during Financial Year 2010) with each GDR representing right to receive 1 Ordinary Share of the Company.
- iii) 5,469.35 – 4.5% Replacement FCCBs of US \$1,00,000 each aggregating US \$546.935 million, convertible into 4,25,96,510 fully paid up Ordinary Shares of the Company at ₹ 595.2578 per share.

Major Plant Locations

Company's Steel Works and Tubes Division .. Jamshedpur (Jharkhand)	Bearings Division .. Kharagpur (West Bengal)
Ferro Manganese Plant .. Joda (Odisha)	Charge Chrome Plant .. Bamnival (Odisha)
Cold Rolling Complex .. Tarapur (Maharashtra)	Mines, Collieries & Quarries .. States of Jharkhand, Odisha and Karnataka
Wire Division .. Tarapur (Maharashtra)	
	Bengaluru (Karnataka)

Address for Correspondence:

Tata Steel Limited, Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.

Phone: (022) 6665 8282, Fax: (022) 6665 7724/6665 7725, E-mail: cosec@tatasteel.com, Website: www.tatasteel.com

10. Other information to the shareholders

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, Quarterly, Half-yearly results etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/ Company/Registrars & Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with TSR Darashaw Private Limited, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Depository Services

Shareholders may write to the respective Depository or to TSR Darashaw Private Limited for guidance on depository services. Address for correspondence with Depositories are as follows:-

1. **National Securities Depository Limited** - Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Telephone: (022) 2499 4200, Facsimile: (022) 2497 6351, E-mail: info@nsdl.co.in, Website: www.nsdl.co.in
2. **Central Depository Services (India) Limited** – Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai - 400 001. Telephone: Toll free: 1800-200-5533, E-mail: helpdesk@cdslindia.com, Website: www.cdslindia.com

Certificate

**To the Members of
TATA STEEL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Tata Steel Limited, for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS

Chartered Accountants
Registration No.: 117366W

N. VENKATRAM

Partner
Membership No.: 71387

Mumbai, 11th June, 2013

Business Responsibility Report

Introduction

The value underpinning all business actions at Tata Steel is to serve Common Good, ensuring that all its excellence programmes integrate economic, environmental and social performance drivers.

The Company's focus remains steadfast on the efficient deployment and utilisation of resources - people, processes and materials – for the production of eco-efficient, safe products, whilst its operations and presence lead to an improvement in the quality of life of the communities it serves. An enduring legacy of sustainability, this focus is articulated in the two components of its Vision – Value Creation and Corporate Citizenship.

The Tata Steel Group operates in a large number of geographies across the world. Therefore, sustainability initiatives and programmes are implemented across a number of locations according to the specific needs of diverse groups.

Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L27100MH1907PLC000260
2. **Name of the Company:** Tata Steel Limited
3. **Registered address:** Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001
4. **Website:** www.tatasteel.com
5. **E-mail id:** cosec@tatasteel.com
6. **Financial Year reported:** 2012-13
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**
 Manufacturer of Steel and Steel products
 National Industrial Classification (NIC) Code: 330
8. **Three key products/services manufactured (as in balance sheet):**
 (i) Hot Rolled Coils; (ii) Cold Rolled Coils and Galvanised Coils; (iii) Wire Rods and Rebars.
9. **Total number of locations where business activity is undertaken:**
 - i. Number of International Locations (5 major):
 Tata Steel Limited's (TSL) international production capacities are located largely in Europe and Asia Pacific. Majority of the steel business activity of Tata Steel Europe is at Port Talbot (UK), Scunthorpe (UK), Rotherham (UK), IJmuiden (Netherlands) while that of NatSteel is in Singapore.
 - ii. Number of national locations:
 TSL's Indian operations are mainly carried out from Jamshedpur in Jharkhand with manufacturing divisions in Kharagpur (West Bengal), Joda & Bamnival (Odisha) and Tarapur (Maharashtra). Mines, Collieries & Quarries are located in the states of Jharkhand, Odisha and Karnataka.
10. **Markets served by the Company:**
 The main markets for TSL's products are Europe and India with some sales in other markets of Asia and North America.

Section B: Financial Details of the Company

1. **Paid up Capital (₹):** 971.22 crores
2. **Total Turnover (₹):** 38,199.43 crores
3. **Total profit after taxes (₹):** 5,062.97 crores
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of PAT:**
 Total expenditure reported is ₹ 170.76 crores which is 3.37% of TSL's PAT excluding spend on Environment Sustainability which is about ₹ 300 crores.
5. **List of activities in which expenditure in 4 above has been incurred:**
 - i. Infrastructure Development to improve the quality of life of the community
 - ii. Community Development
 - iii. Health & Medical support
 - iv. Support to charities, NGOs and Government for social causes

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?

Yes. TSL had 315 subsidiary companies as on 31st March, 2013.

2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Each subsidiary company has its own CSR activities in its respective area of operations.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [>30%, 30-60%, < 60%]

Tata Steel supports and encourages standalone/independent activities by other entities with the exception of its wholly owned subsidiary Jamshedpur Utilities & Services Company Limited (JUSCO). The percentage is less than 30%.

Section D: BR Information

1. a. Details of Director/Directors responsible for BR implementation of the BR policy/policies

- i. **Name:** Mr. H M Nerurkar
- ii. **DIN Number:** 00265887
- iii. **Designation:** Managing Director
- iv. **Telephone Number:** 0657 2424602, 0657 6500432
- v. **Email id:** hmnerurkar@tatasteel.com

b. Details of BR head: Same as above

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
P5	Businesses should respect and promote human rights
P6	Business should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

	Principle Wise Policies	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The spirit and intent of the Tata Code of Conduct, all applicable national and international laws as well as international conventions are captured in the policies articulated by Tata Steel. In addition they reflect the purpose and intent of the United Nation Global Compact, the World Steel Sustainable Development Charter, GRI guidelines and international standards such as ISO 14001, OHSAS 18001 and SA 8000.								

4	Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.tatasteelindia.com/sustainability/2012/tata-code-of-conduct.asp								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Governance related to BR

- i. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within three months, 3-6 months, annually, more than 1 year:

Quarterly

- ii. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Corporate Sustainability Report for Tata Steel India is published annually and uploaded on its website. The 2012 Report is available on: <http://www.tatasteelindia.com/sustainability/2012>.

Section E: Principle-wise Performance

Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? (Yes/No). Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Yes. The Tata Code of Conduct (available on www.tatasteel.com and www.tata.com) serves as the ethical roadmap for all Tata companies. All suppliers, partners and joint ventures are expected to adopt TCoC or a joint code of conduct incorporating all elements of the TCoC.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved? If so, provide details thereof, in about 50 words or so.

A total of 210 stakeholder complaints were received in Financial Year 2013. Of them 95 were not valid and 18 not applicable. All except 32 have been satisfactorily resolved during the year.

Stakeholder wise Concerns Received in Financial Year 2013	
Anonymous Employees	86
Anonymous Vendors	25
Contract Employee	15
Employee	60
Non-Employee	4
Vendor	20

Concern Analysis		
Stage	FY 12	FY 13
Open	1	32
Not Applicable	38	18
Not Valid	105	95
Valid	65	65

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- **High strength steel:** Automotive high strength steel grades maintain the safety standards of vehicles whilst improving fuel efficiency, through light weighting
- **New CRS:** Has higher corrosion resistance than the existing CRS rebars
- **Lean rebars:** The design aspects included minimum requirement of ferro alloys
- **Fe 600 rebars:** Higher strength have the potential to reduce steel consumption at site by 40%.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

- **High strength steel:** In terms of process change and the cross flow of material between units, the difference during the steel making process in resource input is minimal. Therefore the Company focuses on the overall parameters rather than individual steel grades.
- **New CRS:** The production downtime in the steel making shop, during the CRS campaign decreased considerably, reducing the cost of production.
- **Lean rebars (Fe 500D):** Provided a cost savings of ₹ 1.5 crores per year as against conventional rebars produced earlier on account of savings in ferro alloy only. Also the rationalisation of the chemistry has had a positive impact on the production planning.
- **Fe 600:** They further increase the benefits of resource efficient rebars as demonstrated by the success of Fe 500D.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

- **High strength steel:** While exact measures are not possible Tata Steel make extensive use of life cycle assessment to advise its customers in the design of their products made from steel to help minimise energy usage.
- **Lean rebars (Fe 500D):** the consumer benefits from less steel consumption by weight.
- **New CRS:** The customer benefits by the increased corrosion resistance of the rebars.
- **Fe 600 rebars:** Designed for higher strength in high rises where column space is a constraint, the customer benefits from ease in design and the overall decrease in steel consumption by 40%. The overall decrease in the project cost works out to about 30%.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

Tata Steel Group's Responsible Procurement Policy embeds Green Sourcing in the Annual Business Plan. Approximately 67% of the inputs (based on spend) are sourced sustainably. Tata Steel Europe has an implementation plan to draw up procedures out of the new Sustainability policy.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, 18-20% of total procurement spends including goods and services are from local SMEs, traders, service providers, Affirmative Action vendors and NGOs. Procurement Division has multiple supplier engagement programmes for improving the capacity and capability of strategic suppliers including local.

Tata Steel shares technical cum operational knowledge for improvements in the vendor value chain and safety standards. Opportunities are available during trials at the pilot scale to Plant level. Year on year targets for business to be given to local and small vendors are enhanced.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.

About 6% scrap is utilised during steel making in addition to slag generated, which contains 15-20% of steel. Tata Steel's Metal Recovery Plant separates and segregates its metallic components into various sizes. Metallic fines are used in the Sinter plants. Steel (below 300 mm size fraction) is re-melted for in-house steel making, while part of the 20-80 mm steel slag is used in the Blast Furnaces as a substitute for sinter. Remaining slag is used by the cement industry to manufacture clinker as a substitute for lime.

Principle 3 - Businesses should promote the wellbeing of all employees

1. Total number of employees: 35905

2. Total number of employees hired on temporary/contractual/casual basis: 213

3. Number of permanent women employees: 2018

4. Number of permanent employees with disabilities: 70

5. Do you have an employee association that is recognised by management?

Yes. Tata Steel recognises 26 trade unions at various locations.

6. What percentage of your permanent employees is members of this recognised employee association?

85.08% of TSL's employees in India are members of recognised employee associations

7. Please indicate the number of complaints relating to:

(i) Child labour, forced labour, involuntary labour; (ii) Sexual harassment; (iii) Discriminatory employment in the last financial year and pending, as on the end of the financial year;

Apart from eight (8) cases of sexual harassment, no complaints were received in the other categories. However, none were pending to be resolved at the end of the financial year.

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

Over half or 50.29% of the Permanent Employees, 30.98% of Permanent Women Employees and 31.43% of Employees with Disabilities received training in Financial Year 2013 on safety and skill up-gradation. The temporary/contractual/casual employees at Tata Steel comprise experts in various fields/and/or consultants and advisors.

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. Has the Company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the Company identified the disadvantages, vulnerable and marginalised stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company's mines, collieries and its Steel works are located in areas that are dominated by disadvantaged, vulnerable and marginalised communities with poor socio-economic indicators. Tata Steel's structured and planned Affirmative Action initiatives mainstream tribal children and youth through education initiatives, employability training programmes and entrepreneurship development opportunities.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Clauses of the Tata Code of Conduct and SA 8000 standards extend to all suppliers/contractors while their provisions also being applicable to other business partners.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved?

No stakeholder complaints were received in Financial Year 2013.

Principle 6 - Business should respect, protect and make efforts to restore the environment

- 1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Policy covers the Company's operations. Tata Steel Group's Responsible Procurement Policy embeds Green Sourcing in the Annual Business Plan.

- 2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. Link: <http://www.tatasteelindia.com/sustainability/2012/emission-abatement.asp>

- 3. Does the Company identify and assess potential environmental risks?**

Yes - through ISO 14001 certified Environment Management Systems and through process of peer review during formulation of Annual Business plans.

- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, is any environmental compliance report filed?**

Yes. Tata Steel has one large scale Clean Development Mechanism Project (UNFCCC Project No.1648) titled "Top Gas Pressure Recovery based Power Generation from 'G' Blast Furnace" with estimated emission reduction potential of 60,811 tCO₂/year. Project link: <http://cdm.unfccc.int/Projects/DB/DNV-CUK1204542486.08>

Two verification reports have been submitted to UNFCCC seeking issuance of CERs against which 34,363 CERs have been issued as on 31st March, 2013 for the project performance between 24th December, 2009 and 30th April, 2011.

- 5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

Clean Technology:

<http://www.tatasteelindia.com/sustainability/2012/emission-abatement.asp>

Energy Efficiency initiatives:

<http://www.tatasteelindia.com/sustainability/2012/energy-efficiency.asp>

Renewable energy as part of Corporate Social Responsibility:

<http://www.tatasteelindia.com/sustainability/2012/improving-physical-infrastructure.asp>

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

- 7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

To the best of our knowledge there is no show cause /legal notice pending resolution by CPCB/SPCB.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**

Yes. TSL is a part of:

- (i) World Steel Association (WSA)
- (ii) Confederation of Indian Industry (CII)
- (iii) Federation of Indian Chambers of Commerce and Industry (FICCI)
- (iv) Federation of Indian Mineral Industries (FIMI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

Yes/No. If yes specify the broad areas.

Yes. The broad areas were:

- Governance and Administration
- Economic Reforms
- Inclusive Development Policies
- Energy security
- Water
- Sustainable Business Principles

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Tata Steel focuses on responsible business practices with community-centric interventions. The thrust areas for Tata Steel are sustainable livelihood - especially skill development and employability training, education and health care, all of which constitute the Human Development Index - a quality of life indicator.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

Tata Steel partners with NGOs, Governments and funding agencies to implement its CSR interventions in the thematic areas of health, education, livelihoods and ethnicity. Through employee volunteerism it also utilises in-house resource persons.

The CSR activities are implemented through the following delivery arms:

1. Corporate Sustainability Services comprising:
 - i. Tata Steel Rural Development Society (TSRDS)
 - ii. Tribal Cultural Society (TCS)
 - iii. Tata Steel Family Initiatives Foundation (TSFIF)
 - iv. Tata Steel Skill Development Society (TSSDS)
 - v. Urban Services
 - vi. Education
2. Medical Services
3. Sports Department
4. Tata Steel Adventure Foundation
5. Jamshedpur Utilities & Services Company Limited
6. Other societies such as Ardeshir Dalal Memorial Hospital, Blood Banks, Kanti Lal Gandhi Memorial Hospital, etc.
7. Tata Relief Committee

3. Have you done any impact assessment of your initiative?

Yes. The impact assessment is done through:

Social Audit: As a socially responsible corporate citizen, Tata Steel commissions social audits through independent professionals to get an authentic and comprehensive review of its social activities. The Social Audit is conducted once in ten years.

Aspiration Surveys: Conducted among communities residing in operational areas of Tata Steel in Odisha.

Village-level study of Human Development Index (HDI): Conducted by a team of researchers from Xavier Labour Research Institute (XLRI), Jamshedpur.

XISS JRD Tata Chair: The 'JRD Tata Chair' has been instituted at Xavier Institute of Social Service, Ranchi with the objective of conducting a study on 'Contributions of Tata Steel towards Sustainable Development'.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

Tata Steel's direct contribution to community development is ₹ 170.76 crores which is 3.37% of the Company's PAT. This is not inclusive of the expenditure on environment, which is more than ₹ 300 crores.

This amount was spent under the broad categories of a) Infrastructure development to improve the quality of life of the community, b) Community Development; c) Health and Medical support; and d) Support to Charities, NGOs and Government for social causes.

5. Have you taken steps to ensure that the community successfully adopts this community development initiative? Please explain in 50 words, or so.

Yes. For instance under the solar streetlight project Tata Steel installs solar streetlights in villages. To ensure the upkeep of installed lights and their sustained use by the village community, discussions were held with community resulting in the constitution of committees called 'Urja Samitee'. Select members from the village community are enlisted onto the Urja Samitees (energy committees) and are responsible for the maintenance of the solar panels.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

A total of 750 complaints were logged against Flat Products and 147 against Long Products in Financial Year 2013. Of these 53 or 7% of the customer complaints for Flat Products and 13 or 8% for Long Products were pending at the end of the financial year. Of the 13 cases pending against Long Products at the end of Financial Year 2013, one was logged in February all other 12 were logged in March of the year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Tata Steel has established unique brand identities for source authentication. Detailed Test Certificates are provided to customers as per the terms of the contracts with them. Information goes beyond the needs specified by statutory standards. The embossing on the rebar not only provides the brand name but its Yield Strength and other characteristics as Corrosion Resistance as CRS and Earthquake Resistance as Super Ductile (SD). Tata Steel is the only steel company to codify the diameter of the rebar embossed on the surface. This is for easy traceability at the construction site to reduce inadvertent misuse of rebar by bar-benders.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Tata Steel has not been found liable for any offence in the last five years relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Yes. Tata Steel conducts Customer Satisfaction surveys annually or as per the needs of the business to ascertain and fulfill customer needs and ensure satisfaction.

Highlights

₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2012-13	2011-12	2012-13	2011-12
Gross revenue	42,888.66	37,028.31	1,38,848.90	1,36,650.49
Profit/(Loss) before tax	7,836.60	9,857.35	(4,132.95)	8,584.98
Profit /(Loss) after tax	5,062.97	6,696.42	(7,362.39)	4,948.52
Profit /(Loss) after tax, minority interest and share of profits of associates	–	–	(7,057.62)	5,389.77
Dividends	776.97	1,165.46	777.18	1,165.67
Retained earnings	5,617.81	6,327.53	(2,665.73)	8,381.74
Capital employed	86,836.21	81,634.22	1,07,367.11	1,08,422.88
Net worth	57,484.68	54,491.46	36,468.45	44,931.11
Borrowings	27,507.79	26,172.25	66,074.32	59,896.77
	Ratio		Ratio	
Net Debt : Equity	0.44	0.41	1.36	1.16
	₹	₹	₹	₹
Net worth per Share as at year end	591.88	566.69	375.49	467.57
Earnings per Share:				
Basic	50.28	67.84	(74.54)	54.27
Diluted	50.28	66.62	(74.54)	53.61
Dividend per Ordinary Share	8.00	12.00	8.00	12.00
Employees (Numbers)	35,905	35,793	80,534	81,622
Shareholders (Numbers)	10,66,996	10,37,209		

Sources and Utilisation of Funds

₹ crores

	2012-13	2011-12	2010-11	Total for 2010-11 to 2012-13
SOURCES OF FUNDS :				
1. FUND GENERATED FROM OPERATIONS				
(a) PROFIT AFTER TAX	5,062.97	6,696.42	6,865.69	18,625.08
(b) DEPRECIATION	1,640.38	1,151.44	1,146.19	3,938.01
(c) OTHER INCOME AND ADJUSTMENTS	762.55	(530.54)	(88.13)	143.88
(d) TOTAL	7,465.90	7,317.32	7,923.75	22,706.97
2. SHARE CAPITAL (INCLUDING SHARE PREMIUM)	(1,039.42)	499.99	4,429.12	3,889.69
3. HYBRID PERPETUAL SECURITIES	–	775.00	1,500.00	2,275.00
4. NET INCREASE / (DECREASE) IN BORROWINGS	1,335.54	(2,128.87)	3,061.92	2,268.59
	7,762.02	6,463.44	16,914.79	31,140.25
UTILISATION OF FUNDS :				
5. CAPITAL EXPENDITURE	7,887.94	12,263.15	3,968.54	24,119.63
6. INVESTMENTS (NET)	136.28	3,717.58	1,585.27	5,439.13
7. DIVIDEND#	905.70	1,347.03	1,307.77	3,560.50
8. NET INCREASE/(DECREASE) IN OTHER ASSETS/(LIABILITIES)	(1,167.90)	(10,864.32)	10,053.21	(1,979.01)
	7,762.02	6,463.44	16,914.79	31,140.25

Including tax on dividend ₹ 128.73 crores (2011-12: ₹ 181.57 crores, 2010-11: ₹ 156.71 crores).

Financial Ratios

	Tata Steel Standalone			Tata Steel Group		
	2012-13	2011-12	2010-11	2012-13	2011-12	2010-11
1. EBITDA/Turnover	30.62%	34.06%	39.55%	9.39%	10.18%	14.41%
2. PBT/Turnover	22.28%	27.54%	31.05%	2.64%	4.26%	7.73%
3. Return on Average Capital Employed	11.94%	13.07%	14.87%	6.56%	8.62%	14.14%
4. Return on Average Net worth	9.04%	13.01%	16.04%	(17.34%)	13.14%	29.88%
5. Asset Turnover	77.84%	76.26%	79.88%	93.78%	93.05%	93.04%
6. Inventory Turnover (in days)	45	45	42	67	68	66
7. Debtors Turnover (in days)	8	7	5	39	41	40
8. Gross Block to Net Block	1.41	1.44	1.63	2.16	2.15	2.23
9. Net Debt to Equity	0.44	0.41	0.49	1.36	1.16	1.55
10. Current Ratio	0.88	0.97	1.63	1.62	1.69	1.83
11. Interest Cover ratio	6.50	9.80	7.76	2.01	2.69	3.61
12. Net worth per share (₹)	591.88	566.69	533.97	375.49	467.57	409.02
13. Basic Earnings per share (₹)	50.28	67.84	75.63	(74.54)	54.27	99.03
14. Dividend Payout	18%	20%	19%	(14%)	25%	15%
15. P/E Ratio	6.21	6.93	8.20	(4.19)	8.67	6.27

1. EBITDA/Turnover
(EBITDA: PAT after minority and share of associates + Tax +/- Exceptional Items + Net Finance Charges + Depreciation and amortisation)
(Net Finance Charges: Finance costs - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments)
(Turnover: Revenue from Operations less Excise Duty)
2. PBT/Turnover
(PBT: PAT after minority and share of associates + Tax +/- Exceptional Items)
3. Return on Average Capital Employed: EBIT/Average Capital Employed
(Capital Employed: Net worth + Minority interest + Long-term Borrowings + Current maturities of long-term borrowings + Short-term Borrowings + Deferred tax liabilities)
(EBIT: PAT after minority and share of associates + Tax +/- Exceptional Items + Net Finance Charges)
4. Return on Average Net worth: PAT after minority and share of associates/Average Net worth
(Net worth: Shareholders' funds + Preference Shares issued by subsidiary companies + Warrants issued by a subsidiary company + Hybrid Perpetual Securities)
5. Asset Turnover: Turnover/(Total Assets - Investments - Advance Against Equity)
6. Inventory Turnover: Average Inventory/Sale of Products in days
7. Debtors Turnover: Average Debtors/Turnover in days
8. Gross Block to Net Block: Gross Block/Net Block
(Gross Block: Cost of tangible assets + Capital work in progress + Cost of intangible assets + Intangible assets under development)
(Net Block: Gross Block - Accumulated depreciation and amortisation - Accumulated impairment)
9. Net Debt to Equity: Net Debt/Average Net Worth
(Net Debt: Long-term borrowings + Current maturities of long-term borrowings + Short-term borrowings - Current Investments - Non-current balances with banks - Cash and Bank Balances)
10. Current Ratio: Current Assets (excluding current investments)/Current Liabilities
(Current liabilities: Trade Payables + Other current liabilities + Short-term provisions - Current maturities of long-term borrowings)
11. Interest Cover Ratio: EBIT/Net Finance Charges
12. Net worth per share: Net Worth/Average Number of Equity Shares
13. Basic Earnings per share: Profit attributable to Ordinary Shareholders/Weighted average number of Ordinary Shares
14. Dividend Payout: Dividend/Profit after tax
15. P/E Ratio: Market Price per share/Basic Earnings per share

Production Statistics

Year	'000 Tonnes											
	Iron Ore	Coal	Iron	Crude Steel	Rolled/ Forged Bars and Structural	Plates	Sheets	Hot Rolled Coils/ Strips	Cold Rolled Coils	Railway Materials	Semi-Finished for Sale	Total Saleable Steel
1983-84	3,137	3,335	1,746	1,973	488	107	129	138	—	20	744	1,626
1984-85	3,454	3,582	1,804	2,049	512	122	139	168	—	19	754	1,714
1985-86	3,184	3,739	1,752	2,094	484	108	134	169	—	18	859	1,702
1986-87	3,305	3,796	1,940	2,250	436	93	122	152	—	13	1,091	1,861
1987-88	3,237	3,793	2,018	2,275	591	99	127	155	—	13	929	1,862
1988-89	3,569	3,793	2,238	2,313	637	93	131	166	—	13	904	1,900
1989-90	3,726	3,754	2,268	2,323	553	91	117	155	—	17	1,033	1,913
1990-91	3,509	3,725	2,320	2,294	558	88	118	153	—	14	1,013	1,901
1991-92	3,996	3,848	2,400	2,415	599	92	123	170	—	9	1,045	1,978
1992-93	4,126	3,739	2,435	2,477	575	78	122	163	—	7	1,179	2,084
1993-94	4,201	3,922	2,598	2,487	561	—	124	281	—	6	1,182	2,117
1994-95	4,796	4,156	2,925	2,788	620	—	137	613	—	2	1,074	2,391
1995-96	5,181	4,897	3,241	3,019	629	—	133	1,070	—	—	869	2,660
1996-97	5,766	5,294	3,440	3,106	666	—	114	1,228	—	—	811	2,783
1997-98	5,984	5,226	3,513	3,226	634	—	60	1,210	—	—	1,105	2,971
1998-99	6,056	5,137	3,626	3,264	622	—	—	1,653	—	—	835	3,051
1999-00	6,456	5,155	3,888	3,434	615	—	—	2,057	—	—	615	3,262
2000-01	6,989	5,282	3,929	3,566	569	—	—	1,858	356	—	647	3,413
2001-02	7,335	5,636	4,041	3,749	680	—	—	1,656	734	—	566	3,596
2002-03	7,985	5,915	4,437	4,098	705	—	—	1,563	1,110	—	563	3,975
2003-04	8,445	5,842	4,466	4,224	694	—	—	1,578	1,262	—	555	4,076
2004-05	9,803	6,375	4,347	4,104	706	—	—	1,354	1,445	—	604	4,074
2005-06	10,834	6,521	5,177	4,731	821	—	—	1,556	1,495	—	679	4,551
2006-07	9,776	7,041	5,552	5,046	1,230	—	—	1,670	1,523	—	506	4,929
2007-08	10,022	7,209	5,507	5,014	1,241	—	—	1,697	1,534	—	386	4,858
2008-09	10,417	7,282	6,254	5,646	1,350	—	—	1,745	1,447	—	833	5,375
2009-10	12,044	7,210	7,231	6,564	1,432	—	—	2,023	1,564	—	1,421	6,439
2010-11	13,087	7,024	7,503	6,855	1,486	—	—	2,127	1,544	—	1,534	6,691
2011-12	13,189	7,460	7,750	7,132	1,577	—	—	2,327	1,550	—	1,514	6,970
2012-13	15,005	7,295	8,858	8,130	1,638	—	—	3,341	1,445	—	1,518	7,941

Additional information:

Figures of total saleable steel are adjusted for:

(a) From 1985-86 and onwards - steel transferred to and produced at the Company's Tubes Division.

(b) Total saleable steel for 2003-04 includes production of the erstwhile Tata SSL Ltd., pursuant to its merger with the Company.

Financial Statistics

₹ crores

Year	CAPITAL ACCOUNTS						REVENUE ACCOUNTS							
	Capital	Reser- ves and Surplus	Borrow- ings	Gross Block *:	Net Block	Invest- ments	Income	Expen- diture ☆	Depre- ciation	Profit before Tax	Tax	Profit after Tax	Net Transfer to Reserves	Divi- dend
1983-84	72.02*	160.61	380.62	843.64	453.46	20.22	889.54	826.39	43.14	20.01	—	20.01	7.77	12.24
1984-85	72.02	230.24	398.52	911.55	451.55	103.12	1,105.02	938.33	69.95*	96.74	12.00	84.74	69.62	15.12
1985-86	82.74	334.19	447.43	1,115.76	577.41	144.54	1,285.51	1,078.55	49.28	157.68	50.00	107.68	90.88	20.60
1986-87	82.63	401.05	517.83	1,299.84	708.09	130.12	1,416.39	1,259.27	57.60	99.52	12.00	87.52	66.86	20.66
1987-88	136.01	476.33	576.65	1,525.46	861.88	163.52	1,526.78	1,340.65	73.98	112.15	20.00	92.15	62.81	29.34
1988-89	156.09	645.53	611.64	1,753.13	998.71	234.44	1,861.77	1,587.74	93.69	180.34	26.00	154.34	108.17	46.17
1989-90	229.43	1,103.11	954.11	2,062.76	1,200.09	795.32	2,135.57	1,840.95	118.79	175.83	27.30	148.53	97.94	50.59
1990-91	229.89	1,194.22	1,183.75	2,703.29	1,713.79	571.86	2,330.83	1,955.67	137.03	238.13	78.00	160.13	88.79	71.34
1991-92	230.12	1,315.36	2,051.30	4,026.16	2,878.19	248.77	2,869.70	2,426.65	164.89	278.16	64.00	214.16	133.61	80.55
1992-93	278.45	1,707.94	3,039.55	5,463.13	4,107.64	170.06	3,423.33	3,094.84	215.37	127.12	—	127.12	62.30	64.82
1993-94	335.21	2,189.53	3,428.59	6,439.94	4,924.39	261.62	3,822.64	3,464.10	177.70	180.84	—	180.84	84.29	96.55
1994-95	336.87	2,351.17	3,561.24	6,962.89	5,213.48	220.65	4,649.06	4,120.01	247.93	281.12	—	281.12	162.88	118.24
1995-96	367.23	3,375.17	3,842.14	7,408.46	5,393.56	410.94	5,879.96	5,016.56	297.61	565.79	—	565.79	408.82	156.97
1996-97	367.38	3,606.64	4,082.65	7,850.82	5,526.40	664.90	6,409.43	5,540.39	326.83	542.21	73.00	469.21	286.98	182.23 ^f
1997-98	367.56	3,697.32	4,579.14	8,948.52	6,300.04	623.45	6,516.58	5,810.02	343.23	363.33	41.25	322.08	160.10	161.98 ^f
1998-99	367.97	3,796.45	4,938.93	10,032.17	7,058.58	585.44	6,335.60	5,638.19	382.18	315.23	33.00	282.23	118.94	163.29 ^f
1999-00	517.97	4,040.43	4,907.23	10,668.33	7,426.38	803.10	6,943.33	6,040.20	426.54	476.59	54.00	422.59	250.69	171.90 ^f
2000-01	507.97	4,380.46	4,672.22	11,258.17	7,538.09	846.92	7,810.05	6,715.36	492.25	602.44	49.00	553.44	335.83	217.61 ^f
2001-02	367.97	3,077.99	4,705.48	11,742.44	7,543.70	912.74	7,682.70	6,906.95	524.75	251.00	46.10	204.90	55.51	149.39 ^f
2002-03	369.18	2,816.84	4,225.61	12,393.79	7,543.80	1,194.55	9,843.66	8,025.68	555.48	1,262.50	250.19	1,012.31	679.30	333.01 ^f
2003-04	369.18	4,146.68	3,382.21	13,269.47	7,857.85	2,194.12	12,069.62	8,778.55	625.11	2,665.96	919.74	1,746.22	1,329.97	416.25 ^f
2004-05	553.67	6,506.25	2,739.70	14,957.73	9,112.24	2,432.65	16,053.48	10,137.42	618.78	5,297.28	1,823.12	3,474.16	2,652.79	821.37 ^f
2005-06	553.67	9,201.63	2,516.15	16,470.71	9,865.05	4,069.96	17,398.98	11,383.92	775.10	5,239.96	1,733.58	3,506.38	2,685.95	820.43 ^f
2006-07	727.73	13,368.42	9,645.33	18,426.52	11,040.56	6,106.18	20,196.24	13,115.30	819.29	6,261.65	2,039.50	4,222.15	3,117.82	1,104.33 ^f
2007-08	6,203.30	21,097.43	18,021.69	20,746.57	12,623.56	4,103.19	22,526.80	14,625.83	834.61	7,066.36	2,379.33	4,687.03	3,293.48	1,393.55 ^f
2008-09	6,203.45	23,972.81	26,946.18	23,444.22	14,482.22	42,371.78	27,152.00	18,862.99	973.40	7,315.61	2,113.87	5,201.74	3,709.24	1,492.50 ^f
2009-10	887.41	36,074.39	25,239.20	26,043.59	16,006.03	44,979.67	27,611.59	19,314.11	1,083.18	7,214.30	2,167.50	5,046.80	4,168.35	878.45 ^f
2010-11	2,637.61	45,807.02	28,301.12	28,332.24	17,417.38	46,564.94	33,078.59	22,155.55	1,146.19	9,776.85	2,911.16	6,865.69	5,553.38	1,307.77 ^f
2011-12	3,246.41	51,245.05	26,172.25	39,399.18	27,413.01	50,282.52	38,403.15	27,394.36	1,151.44	9,857.35	3,160.93	6,696.42	5,176.09	1,347.03 ^f
2012-13	3,246.41	54,238.27	27,507.79	47,116.99	33,597.34	50,418.80	43,231.61	33,754.63	1,640.38	7,836.60	2,773.63	5,062.97	3,977.43	905.70^f

+ Excluding Preference Shares which have been cancelled with effect from 1-4-1983 and Non-Convertible Bonds issued in lieu thereof.

@ Including ₹ 15.05 crores additional depreciation for 1983-84.

Including tax on dividend.

* Gross block is net of impairment, if any.

☆ Expenditure includes excise duty recovered on sales.

Dividend Statistics

Year	First Preference (₹ 150)		Second Preference (₹ 100)			Ordinary (₹ 100 upto 1988-89 and ₹ 10 from 1989-90) ^c			Total ₹ lakhs
	Rate ₹	Dividend ₹ lakhs	Rate ₹	Dividend [@] ₹ lakhs	Tax on dividend ₹ lakhs	Rate ₹	Dividend [@] ₹ lakhs	Tax on dividend ₹ lakhs	
1983-84	—	—	—	—	—	17.00	1,224.28	—	1,224.28
1984-85	—	—	—	—	—	21.00	1,512.34	—	1,512.34
1985-86	—	—	—	—	—	25.00	2,059.43	—	2,059.43
1986-87	—	—	—	—	—	25.00	2,065.72	—	2,065.72
1987-88	—	—	—	—	—	25.00 ^a	2,934.29	—	2,934.29
1988-89	—	—	—	—	—	30.00 ^b	4,616.74	—	4,616.74
1989-90	—	—	—	—	—	3.00 ^{c, d}	5,059.30	—	5,059.30
1990-91	—	—	—	—	—	3.10	7,134.23	—	7,134.23
1991-92	—	—	—	—	—	3.50	8,054.78	—	8,054.78
1992-93	—	—	—	—	—	2.50 ^e	6,482.21	—	6,482.21
1993-94	—	—	—	—	—	3.00 ^f	9,655.44	—	9,655.44
1994-95	—	—	—	—	—	3.50 ^g	11,823.94	—	11,823.94
1995-96	—	—	—	—	—	4.50 ^h	15,697.11	—	15,697.11
1996-97	—	—	—	—	—	4.50	18,222.25	1,656.57	18,222.25
1997-98	—	—	—	—	—	4.00	16,198.05	1,472.55	16,198.05
1998-99	—	—	—	—	—	4.00	16,329.05	1,618.19	16,329.05
1999-00	—	—	9.25	860.80	85.30	4.00	16,329.07	1,618.20	17,189.87
2000-01	—	—	— ^{i, j}	1,496.58 ^{i, j}	275.88	5.00	20,264.09	1,875.50	21,760.67
2001-02	—	—	8.42	228.33	21.13	4.00	14,710.88	—	14,939.21
2002-03	—	—	—	—	—	8.00	33,299.88	3,781.33	33,299.88
2003-04	—	—	—	—	—	10.00	41,625.77	4,727.58	41,625.77
2004-05	—	—	—	—	—	13.00	82,137.22	10,185.74	82,137.22
2005-06	—	—	—	—	—	13.00	82,042.66	10,092.00	82,042.66
2006-07	—	—	—	—	—	15.50	1,10,432.51	16,041.72	1,10,432.51
2007-08	—	—	0.41	2,596.11	377.12 ^k	16.00	1,36,759.54	19,866.05	1,39,355.65
2008-09	—	—	2.00	12,805.48	1,860.16	16.00	1,36,443.72	19,549.31	1,49,249.20
2009-10	—	—	2.00	5,367.78	779.74	8.00	82,477.15	11,500.02	87,844.93
2010-11	—	—	—	—	—	12.00	1,30,777.35	15,671.62	1,30,777.35
2011-12	—	—	—	—	—	12.00	1,34,703.22	18,157.49	1,34,703.22
2012-13	—	—	—	—	—	8.00	90,569.91	12,872.69	90,569.91

a Including on Bonus Shares issued during the year.

b On the Capital as increased by Rights Issue of Ordinary Shares during 1987-88.

c The Ordinary Shares of ₹ 100 each have been sub-divided into Ordinary Shares of ₹ 10 each during 1989-90 and the rate of Dividend is per Ordinary Share of ₹ 10 each.

d On the Capital as increased by shares allotted on Conversion of Convertible Debentures.

e On the Capital as increased by Rights Issue of Ordinary Shares during 1992-93.

f On the Capital as increased by Ordinary Shares issued during 1993-94 against Detachable Warrants.

g On the Capital as increased by Ordinary Shares issued during 1994-95 against Detachable Warrants and Foreign Currency Convertible Bonds.

h On the Capital as increased by Ordinary Shares issued during 1995-96 against Detachable Warrants, Foreign Currency Convertible Bonds and Naked Warrants.

i Includes Dividend of ₹ 22.30 lakhs on 9.25% Cumulative Redeemable Preference Shares for the period 1st April, 2000 to 27th June, 2000.

j Includes Dividend of ₹ 1,198.40 lakhs on 8.42% Cumulative Redeemable Preference Shares for the period 1st June, 2000 to 31st March, 2001.

k Dividend paid for 74 days.

@ Includes tax on dividend.

Independent Auditors' Report

TO THE MEMBERS OF TATA STEEL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No. 71387)
Mumbai, 23 May, 2013

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/results during the year, clauses (x), (xii), (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished and semi-finished goods and raw materials at Works, Mines and Collieries were physically verified during the year by the Management. In respect to stores and spare parts and stocks at stockyards and with consignment/conversion agents, the Company has a programme of verification of stocks over a three year period. In our opinion, having regard to the nature and location of the stocks, the frequency of verification is reasonable. In case of materials lying with third parties, certificates for stocks held have been received.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs. five lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Company intends to obtain exemption from operations of Employees' State Insurance Act at all locations and necessary steps have been taken by the Company. We are also informed that actions taken by the authorities at some locations to bring the employees of the Company under the Employees' State Insurance Scheme has been contested by the Company and full payment has not been made of the contributions demanded.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise duty, Cess and other material statutory dues in arrears as at 31 March, 2013 for a period of more than six months from the date they became payable, except for collection of sales tax which we are informed are refundable to customers because they have been collected in excess or which have been collected pending receipt of necessary certificates from the customers.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on 31 March, 2013 on account of disputes are given below:

Name of the Statute (Nature of Dues)	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. In crores)
Customs Act	Supreme Court	1990-91 & 1993-94	9.68
	High Court	2002-03	0.03
	Commissioner	1993-94	3.92
Central Excise Act	Supreme Court	2004-05	235.48
	High Court	1988-89, 1989-90, 2000-01 & 2003-04 to 2008-09	14.54
	Tribunal	1990-91, 1992-93, 1996-97 & 1998-99 to 2012-13	755.32
	Commissioner	1988-89, 1989-90 & 1993-94 to 2012-13	14.17
	Deputy Commissioner	1985-86, 1986-87 & 1998-99	0.18
	Assistant Commissioner	1983-84 to 2005-06	0.85
Sales Tax	Supreme Court	2006-07 to 2011-12	25.59
	High Court	1973-74, 1991-92, 1992-93, 1994-95, 1996-97, 1999-2000 to 2005-06, 2007-08 to 2009-10 & 2012-13	119.31
	Tribunal	1980-81, 1981-82, 1984-85, 1987-88, 1989-90, 1995-96 & 1997-98 to 2011-12	71.97
	Commissioner	1983-84, 1984-85, 1988-89 to 1998-99 & 2008-09 to 2011-12	248.58
	Deputy Commissioner	1983-84, 1984-85, 1988-89 to 1998-99 & 2008-09 to 2011-12	116.94
	Assistant Commissioner	1973-74, 1980-81, 1983-84 to 1997-98, 1998-99 & 2000-01 to 2011-12	26.85

Name of the Statute (Nature of Dues)	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. In crores)
Cess on royalty, education, welfare etc.	High Court	1956-57 to 1993-94, 1999-2000 to 2001-02, 2003-04 to 2005-06 & 2007-08 to 2012-13	7.66

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xiv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long- term investment.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued unsecured debentures which did not require creation of any charge or security.
- (xvii) The Management has disclosed the end use of money raised by public issue in Note 2 to the financial statements and we have verified the same.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No.117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

Mumbai, 23 May, 2013

Statement of Profit and Loss for the year ended 31st March, 2013

Note	Page		₹ crores	
				<i>Previous Year</i>
		(1) REVENUE		
21	143	(a) Revenue from operations	42,317.24	37,005.71
		Less: Excise duty	<u>4,117.81</u>	<u>3,072.25</u>
			38,199.43	33,933.46
22	144	(b) Other income	<u>902.04</u>	<u>886.43</u>
		TOTAL REVENUE	39,101.47	34,819.89
		(2) EXPENSES		
23	144	(a) Raw materials consumed	9,877.40	8,014.37
24	144	(b) Purchase of finished, semi-finished and other products	453.34	209.52
25	145	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(404.60)	(220.72)
26	145	(d) Employee benefits expense	3,608.52	3,047.26
27	146	(e) Depreciation and amortisation expense	1,640.38	1,151.44
28	146	(f) Finance costs	1,876.77	1,925.42
29	146	(g) Other expenses	<u>14,414.66</u>	<u>11,824.49</u>
			31,466.47	25,951.78
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	<u>876.13</u>	<u>478.23</u>
		TOTAL EXPENSES	30,590.34	25,473.55
		(3) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	8,511.13	9,346.34
30	147	(4) EXCEPTIONAL ITEMS		
		(a) Profit on sale of non-current investments	12.33	511.01
		(b) Provision for diminution in the value of investment/ doubtful advances	<u>(686.86)</u>	<u>-</u>
			<u>(674.53)</u>	<u>511.01</u>
		(5) PROFIT BEFORE TAX	7,836.60	9,857.35
		(6) TAX EXPENSE		
		(a) Current tax	1,770.54	3,115.11
		(b) MAT credit	(399.84)	-
		(c) Deferred tax	<u>1,402.93</u>	<u>45.82</u>
			2,773.63	3,160.93
		(7) PROFIT AFTER TAX	5,062.97	6,696.42
	147	(8) NOMINAL VALUE PER SHARE (₹)	10	10
31	147	(9) BASIC EARNINGS PER SHARE (₹)	50.28	67.84
31	147	(10) DILUTED EARNINGS PER SHARE (₹)	50.28	66.62
1-47	124	Notes to Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

For and on behalf of the Board
CYRUS P MISTRY

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
ANDREW ROBB
D K MEHROTRA
KARL-ULRICH KOEHLER

Directors

H M NERURKAR
KOUSHIK CHATTERJEE

*Managing Director
Executive Director
& Group CFO*

A ANJENEYAN
Company Secretary

Cash Flow Statement for the year ended 31st March, 2013

	₹ crores	
		Year ended 31.03.2012
A. Cash Flow from Operating Activities:		
Profit before tax	7,836.60	9,857.35
Adjustments for:		
Depreciation and amortisation expense	1,640.38	1,151.44
Impairment of fixed assets	4.01	6.90
(Profit)/Loss on assets sold/discarded	3.00	52.98
Provision for diminution in the value of investments	90.13	–
Provision for doubtful advances in the nature of loans	610.63	–
Profit on sale of non-current investments	(12.33)	(511.01)
(Gain)/Loss on cancellation of forwards, swaps and options	127.93	41.92
Interest and income from current investments	(330.62)	(863.83)
Income from non-current investments	(702.35)	(117.50)
Finance costs	1,876.77	1,925.42
Provision for wealth tax	2.00	1.70
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	440.75	283.59
	3,750.30	1,971.61
Operating Profit before Working Capital Changes	11,586.90	11,828.96
Adjustments for:		
Trade and other receivables	873.33	1,512.79
Inventories	(398.95)	(905.23)
Trade payables and other liabilities	987.33	1,106.58
	1,461.71	1,714.14
Cash Generated from Operations	13,048.61	13,543.10
Direct tax paid	(1,979.94)	(3,119.25)
Net Cash Flow from/(used in) Operating Activities	11,068.67	10,423.85
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(7,508.55)	(7,059.20)
Sale of fixed assets	14.51	9.19
Purchase of investments in subsidiaries ⁽³⁾	(2,123.81)	(2,541.97)
Purchase of other non-current investments	(255.41)	(55.36)
Sale of non-current investments	0.87	–
Sale/Redemption of investments in subsidiaries	231.32	576.10
(Purchase)/Sale of current investments (net)	991.70	2,226.19
Inter-corporate deposits/Shareholders' loan given	(127.30)	(585.93)
Repayment of inter-corporate deposits/shareholders' loan	50.00	4,006.87
Interest received	59.09	447.50
Dividend received	145.18	117.50
Net Cash Flow from/(used in) Investing Activities	(8,522.40)	(2,859.11)

Cash Flow Statement for the year ended 31st March, 2013

	₹ crores	
	<i>Year ended 31.03.2012</i>	
C. Cash Flow from Financing Activities:		
Issue of Equity Shares	0.02	534.60
Capital contributions received	5.58	13.02
Proceeds from Hybrid Perpetual Securities	–	775.00
Proceeds from borrowings	6,087.61	2,317.43
Repayment of borrowings	(7,181.00)	(8,212.56)
Amount received/(paid) on cancellation of forwards, swaps and options	(122.81)	(31.82)
Expenses (incurred)/reimbursed on issue of equity instruments	2.40	(16.79)
Distribution on Hybrid Perpetual Securities	(265.76)	(222.47)
Interest paid ⁽²⁾	(1,456.42)	(1,592.85)
Dividend paid	(1,165.46)	(1,151.06)
Tax on dividend paid	(185.75)	(179.23)
	(4,281.59)	(7,766.73)
Net Cash Flow from/(used in) Financing Activities		
Net increase/(decrease) in Cash and Cash Equivalents	(1,735.32)	(201.99)
Opening Cash and Cash Equivalents	3,900.53	4,102.52
[Note 19, Page 142]		
Closing Cash and Cash Equivalents	2,165.21	3,900.53
[Note 19, Page 142]		

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 174.13 crores (2011-12: ₹ 284.49 crores).
- (3) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the year and includes application money on investments ₹ 1,318.15 crores (2011-12: ₹ 981.18 crores). The Company has transferred net assets of ₹ 296.46 crores (including ₹ 96.76 crores invested during the year) to Jamshedpur Continuous Annealing & Processing Company Private Limited against equity investments.
- (4) Previous year figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 23rd May, 2013

A ANJENEYAN
Company Secretary

For and on behalf of the Board

CYRUS P MISTRY	<i>Chairman</i>
B MUTHURAMAN	<i>Vice Chairman</i>
NUSLI N WADIA	} <i>Directors</i>
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
ANDREW ROBB	
D K MEHROTRA	
KARL-ULRICH KOEHLER	
H M NERURKAR	<i>Managing Director</i>
KOUSHIK CHATTERJEE	<i>Executive Director & Group CFO</i>

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS**1. ACCOUNTING POLICIES****(a) Basis for Accounting**

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

(b) Revenue Recognition

- (i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.
- (ii) Export incentive under various schemes notified by the Government has been recognised on the basis of credits afforded in the pass book/amount received.

(c) Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee has rendered services.
- (ii) For defined-benefit plans, the amount recognised in the balance sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognised. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yields on government bonds at the balance sheet date with remaining terms to maturity approximating those of the Company's obligations.
- (iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yield on Government Bonds, as on the date of balance sheet.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Statement of Profit and Loss.
- (v) In respect of the Employee Separation Scheme, the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Statement of Profit and Loss.

(d) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

(f) Depreciation and Amortisation

- (i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.
- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. However, asset value upto ₹ 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset are as under:
 - (a) Buildings and Roads — 30 to 62 years
 - (b) Plant and Machinery — 3 to 30 years
 - (c) Railway Sidings — 21 years
 - (d) Vehicles and Aircraft — 5 to 18 years
 - (e) Furniture, Fixtures and Office Equipments — 5 years
 - (f) Intangibles (Computer Softwares) — 5 to 10 years
 - (g) Development of property for development of mines and collieries are amortised over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.

- (h) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
- (i) Freehold land is not depreciated.
- (j) Leasehold land and other leasehold assets are amortised over the life of the lease.

(g) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(h) Foreign Currency Transactions

Foreign Currency Transactions (FCT) and forward exchange contracts entered into to hedge FCT are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities denominated in foreign currency and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

The differences in translation and settlement of FCT and forward exchange contracts used to hedge FCT [excluding the long-term foreign currency monetary items accounted in accordance with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009 as amended on 29th December, 2011] are recognised in the Statement of Profit and Loss. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Statement of Profit and Loss.

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

(i) Investments

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

(j) Inventories

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

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

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

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

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

(k) Relining Expenses

Relining expenses other than expenses on blast furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(l) Research and Development

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

(m) Deferred Tax

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

2. SHARE CAPITAL

[Item No. 1(a), Page 120]

		₹ crores	
		As at 31.03.2012	
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each <i>(31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)</i>	1,750.00	1,750.00
35,00,00,000	"A" Ordinary Shares of ₹ 10 each <i>(31.03.2012: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)</i>	350.00	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each <i>(31.03.2012: 2,50,00,000 Shares of ₹ 100 each)</i>	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each <i>(31.03.2012: 60,00,00,000 Shares of ₹ 100 each)</i>	6,000.00	6,000.00
		8,350.00	8,350.00
Issued:			
97,21,26,020	Ordinary Shares of ₹ 10 each <i>(31.03.2012: 97,21,26,020 Ordinary Shares of ₹ 10 each)</i>	972.13	972.13
Subscribed and Paid up:			
97,12,15,229	Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2012: 97,12,14,450 Ordinary Shares of ₹ 10 each)</i>	971.21	971.21
		0.20	0.20
		971.41	971.41

Additional information:

(1) The movement in subscribed and paid up share capital is set out below:

Ordinary Shares of ₹ 10 each			As at 31.03.2012	
	No. of shares	₹ crores	No. of shares	₹ crores
At beginning of the year	97,12,14,450	971.21	95,92,14,450	959.21
Shares allotted during the year ^(a) ^(b)	779^(a)	—	1,20,00,000 ^(b)	12.00
	97,12,15,229	971.21	97,12,14,450	971.21

- (a) (i) **73** Ordinary Shares of face value of ₹ 10 per share allotted on 22nd October, 2012 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.
- (ii) **22** Ordinary Shares of face value of ₹ 10 per share allotted on 22nd October, 2012 at a premium of ₹ 590 per share to holders of Cumulative Convertible Preference Shares in the ratio of 6:1 on conversion whose shares were kept in abeyance in the Rights issue made in 2007.
- (iii) **684** Ordinary Shares of face value of ₹ 10 per share allotted on 1st March, 2013 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.
- (b) **1,20,00,000** Ordinary Shares of face value of ₹ 10 per share were allotted on 20th January, 2012 to Tata Sons Limited on preferential basis on conversion of warrants at a price of ₹ 594 per share.
- (c) The balance Ordinary Shares kept in abeyance are **3,06,482** (31.03.2012: 3,07,807) in respect of Rights issue of 2007.

- (2) Shareholders holding more than 5 percent shares in the Company:

Name of shareholders	No. of Ordinary Shares		As at 31.03.2012	
		%	No. of Ordinary Shares	%
(a) Tata Sons Limited	28,88,98,245	29.75	28,88,98,245	29.75
(b) Life Insurance Corporation of India	14,54,67,247	14.98	14,57,09,733	15.00

- (3) Particulars of securities convertible into Ordinary Shares:

In November 2009, the Company had issued 5,469.35 numbers of 4.5% Foreign Currency Convertible Bonds (FCCBs) aggregating to USD 546.935 million. These represent **4,25,96,510** (31.03.2012: 4,21,12,300) underlying shares and are convertible at any time on or after 31st December, 2009 and upto 11th November, 2014 by the holders of such FCCBs at a conversion price of ₹ 595.2578 per share (31.03.2012: ₹ 602.1022 per share) and at a fixed USD/INR conversion rate of 46.36.

- (4) (a) **3,867** shares (31.03.2012: 3,867 shares) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 1994. Each GDR represents one underlying Ordinary Share.
- (b) **2,17,35,056** shares (31.03.2012: 1,80,87,222 shares) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 2010. Each GDR represents one underlying Ordinary Share.
- (5) Statement of utilisation of funds out of proceeds of Further Public Offering (FPO) of 5,70,00,000 Ordinary Shares of ₹ 10 each, allotted on 29th January, 2011:

Object of the issue	₹ crores	
	Actual	As at 31.03.2012
Gross Proceeds of the issue	3,477.00	3,477.00
Utilisation of funds		
Part finance the capital expenditure for expansion of the Company's existing works at Jamshedpur	1,875.00	1,875.00
Payment of redemption amounts on maturity of certain redeemable non-convertible debentures issued by the Company on a private placement basis	1,090.00	1,090.00
General corporate purposes	390.30	—
Issue related expenses	121.70	102.26
	<u>3,477.00</u>	<u>3,067.26</u>
Unutilised amount represented by:		
Investments in Mutual Funds	—	409.74
	<u>3,477.00</u>	<u>3,477.00</u>

- (6) 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 principle rights are as follows:

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 Act.
- (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.
- (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.

3. RESERVES AND SURPLUS

[Item No. 1(b), Page 120]

		₹ crores
		As at 31.03.2012
(a) Capital Reserve		
Balance as per last account	1.49	1.49
(b) Capital Redemption Reserve		
Balance as per last account	0.83	0.83
(c) Securities Premium Reserve		
Balance as per last account	18,877.91	18,211.72
Premium on issue of Ordinary Shares	0.02	–
Premium on conversion of warrants	–	700.80
Expenses related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	(7.99)	(9.39)
Exchange difference on redemption premium of CARS	(41.01)	(25.22)
Discount/Premium on non-convertible debenture	(990.44)	–
	17,838.49	18,877.91
(d) Debenture Redemption Reserve		
Balance as per last account	2,046.00	2,046.00
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	46.26	44.74
Received/Capitalised during the year	8.66	1.52
	54.92	46.26
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) General Reserve		
Balance as per last account	9,416.70	8,747.06
Amount transferred from Statement of Profit and Loss	506.30	669.64
	9,923.00	9,416.70
(l) Foreign Currency Monetary Item Translation Difference Account ⁽¹⁾		
Balance as per last account	(404.90)	–
Exchange gain/(loss) during the year	(459.62)	(685.44)
Amortisation during the year	506.17	280.54
	(358.35)	(404.90)
(m) Surplus in the Statement of Profit and Loss		
Balance as per last account	21,145.04	16,639.46
Balance of Centennial Steel Company Limited on amalgamation	–	(0.87)
Profit for the year	5,062.97	6,696.42
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 86.37 crores (2011-12: ₹ 83.24 crores)]	(179.84)	(173.30)
Proposed dividend on Ordinary Shares	(776.97)	(1,165.46)
Tax on dividend	(128.73)	(181.57)
Transfer to General Reserve	(506.30)	(669.64)
	24,616.17	21,145.04
	54,238.27	51,245.05

Additional information:

- (1) The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

In accordance with the announcement issued by the Institute of Chartered Accountants of India, "Foreign Currency Monetary Item Translation Difference Account" balance which was previously presented as a "Non-Current Asset" in the Balance Sheet has been reported under the head "Reserves and Surplus".

As on 31st March, 2013, a debit of ₹ 358.35 crores (31.03.2012: ₹ 404.90 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 444.93 crores (2011-12: debit ₹ 243.21 crores) in the Statement of Profit and Loss and ₹ 41.37 crores (net of deferred tax ₹ 19.87 crores) [2011-12: ₹ 25.22 crores (net of deferred tax ₹ 12.11 crores)] have been adjusted against Securities Premium Reserve on account of amortisation. The depreciation for the year ended 31st March, 2013 is higher by ₹ 6.05 crores (2011-12: higher by ₹ 2.52 crores) and the Profit before tax for the year ended 31st March, 2013 is higher by ₹ 34.60 crores (2011-12: higher by ₹ 425.77 crores).

4. HYBRID PERPETUAL SECURITIES

[Item No. 2, Page 120]

Hybrid Perpetual Securities

₹ crores	
2,275.00	As at 31.03.2012
<u>2,275.00</u>	<u>2,275.00</u>
<u>2,275.00</u>	<u>2,275.00</u>

Additional information:

- (1) The Company had issued Hybrid Perpetual Securities of ₹ 775.00 crores and ₹ 1,500.00 crores 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 Company. 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 Company if in the six months preceding the relevant distribution payment date, the Company 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 Company does not have any redemption obligation, these are not classified as 'debt'.

5. BORROWINGS

[Item No. 3(a) and 4(a), Page 120]

		₹ crores				
		As at 31.03.2012				
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
A. Secured Borrowings						
(a) Term loan						
(i) Joint Plant Committee – Steel Development Fund ^{1(a)}	2,036.02	–	2,036.02	1,915.47	–	1,915.47
	<u>2,036.02</u>	<u>–</u>	<u>2,036.02</u>	<u>1,915.47</u>	<u>–</u>	<u>1,915.47</u>
B. Unsecured Borrowings						
(a) Bonds/Debentures ^{2(a)}						
(i) Non-convertible debentures	11,442.87	–	11,442.87	7,328.40	–	7,328.40
(ii) 4.5% Foreign Currency Convertible Bonds	2,969.04	–	2,969.04	2,782.81	–	2,782.81
(b) Term loans						
(i) From banks ^{2(b)}	6,268.64	–	6,268.64	8,473.72	–	8,473.72
(ii) From financial institutions and others ^{2(c)}	849.00	–	849.00	849.00	–	849.00
(c) Deferred payment liabilities	–	–	–	3.80	–	3.80
(d) Other loans	–	70.94	70.94	–	65.62	65.62
	<u>21,529.55</u>	<u>70.94</u>	<u>21,600.49</u>	<u>19,437.73</u>	<u>65.62</u>	<u>19,503.35</u>
	<u>23,565.57</u>	<u>70.94</u>	<u>23,636.51</u>	<u>21,353.20</u>	<u>65.62</u>	<u>21,418.82</u>

Additional information:

(1) Details of outstanding secured borrowings are as follows:

- (a) Loan from Joint Plant Committee – Steel Development Fund which includes funded interest ₹ 406.45 crores (31.03.2012: ₹ 316.13 crores). It is repayable in 16 equal semi-annual installments after completion of 4 years from the date of receipt of the last tranche.

It is secured by mortgages on the Company's immovable properties situated at Jamshedpur, Dhanbad/West Bokaro and Adityapur in the state of Bihar (currently the State of Jharkhand) together with all buildings and structures thereon to the extent permitted to be mortgaged and all plant and machinery attached to the earth or permanently fastened to the earth.

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 sub-judice.

Loan from the Joint Plant Committee-Steel Development Fund includes ₹ 1,517.07 crores (31.03.2012: ₹ 1,411.84 crores) 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.

(2) Terms of repayment of outstanding unsecured borrowings are as follows:

(a) Bonds/Debentures

- (i) 10.25% p.a. interest bearing 25,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 6th January, 2029.
- (ii) 10.25% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 22nd December, 2028.
- (iii) 2.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at a premium of 85.03% of the face value on 23rd April, 2022.
- (iv) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2021.
- (v) 11.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 19th May, 2019.
- (vi) 10.40% p.a. interest bearing 6,509 debentures of face value ₹ 10,00,000 each are redeemable at par on 15th May, 2019.
- (vii) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2019.
- (viii) 10.20% p.a. interest bearing 6,200 debentures of face value ₹ 10,00,000 each are redeemable on 7th May, 2015.
- (ix) 12.50% p.a. interest bearing 12,500 debentures of face value ₹ 10,00,000 each are redeemable in 3 equal annual installments commencing from 19th November, 2014.

(b) Term loans from banks

- (i) USD 335.00 million equivalent to ₹ 1,818.55 crores (31.03.2012: USD 335.00 million equivalent to ₹ 1,704.48 crores) loan is repayable on 10th June, 2015.
- (ii) GBP 100.00 million equivalent to ₹ 822.14 crores (31.03.2012: GBP 100.00 million equivalent to ₹ 815.05 crores) loan is repayable on 4th April, 2015.
- (iii) JPY 4.50 million equivalent to ₹ 0.26 crore (31.03.2012: Nil) loan is repayable in 20 equal semi-annual installments commencing from 27th July, 2014.
- (iv) USD 19.59 million equivalent to ₹ 106.36 crores (31.03.2012: Nil) loan is repayable on 4th June, 2014.
- (v) Indian rupee loan amounting ₹ 1,500.00 crores (31.03.2012: ₹ 1,500.00 crores) is repayable on 28th July, 2013.
- (vi) Euro 48.63 million equivalent to ₹ 338.46 crores (31.03.2012: Euro 54.04 million equivalent to ₹ 367.03 crores) loan is repayable in 18 equal semi-annual installments; the next installment is due on 6th July, 2013.
- (vii) Euro 28.16 million equivalent to ₹ 195.95 crores (31.03.2012: Euro 32.85 million equivalent to ₹ 223.11 crores) loan is repayable in 12 equal semi-annual installments; the next installment is due on 1st July, 2013.
- (viii) Euro 4.85 million equivalent to ₹ 33.75 crores (31.03.2012: Euro 5.82 million equivalent to ₹ 39.52 crores) loan is repayable in 10 equal semi-annual installments; the next installment is due on 2nd May, 2013.
- (ix) Euro 181.50 million equivalent to ₹ 1,263.15 crores (31.03.2012: Euro 183.01 million equivalent to ₹ 1,243.03 crores) loan is repayable in 19 equal semi-annual installments; the next installment is due on 30th April, 2013.

- (x) Indian rupee loan amounting ₹ 2,000.00 crores (31.03.2012: ₹ 500.00 crores) is repayable in 9 semi-annual installments commencing from 30th April, 2013.
- (xi) JPY 35,799.00 million equivalent to ₹ 2,061.30 crores (31.03.2012: JPY 71,598.00 million equivalent to ₹ 4,437.64 crores) syndicated loan is repayable in 2 equal semi-annual installments; the next installment is due on 11th April, 2013.
- (c) Term loans from financial institutions and others
- (i) Indian rupee loan amounting ₹ 650.00 crores (31.03.2012: ₹ 650.00 crores) is repayable on 16th June, 2019.
- (ii) Indian rupee loan amounting ₹ 199.00 crores (31.03.2012: ₹ 199.00 crores) is repayable on 30th June, 2016.

6. DEFERRED TAX LIABILITIES (NET)

[Item No. 3(b), Page 120]

	<i>Deferred tax (asset)/ liability as at 01.04.2012</i>	Adjustment through Securities Premium Reserve	Current year charge/ (credit)	Deferred tax (asset)/ liability as at 31.03.2013
₹ crores				
Deferred tax liabilities				
(a) Differences in depreciation and amortisation for accounting and income tax purposes	1,910.05	–	1,473.88	3,383.93
(b) Prepaid expenses	77.73	–	(13.33)	64.40
	<u>1,987.78</u>	–	<u>1,460.55</u>	<u>3,448.33</u>
Deferred tax assets				
(a) Employee separation compensation	(396.87)	–	17.56	(379.31)
(b) Provision for doubtful debts and advances	(30.04)	–	(32.87)	(62.91)
(c) Disallowance under Section 43B of Income Tax Act, 1961	(182.07)	–	(52.30)	(234.37)
(d) Provision for leave salary	(157.00)	–	(33.32)	(190.32)
(e) Provision for employee benefits	(67.31)	–	(113.61)	(180.92)
(f) Loan prepayment charges	(4.88)	–	4.15	(0.73)
(g) Redemption Premium on issue of non-convertible debenture	–	(433.53)	40.74	(392.79)
(h) Discount on issue of non-convertible debenture	–	(76.48)	7.19	(69.29)
(i) Premium paid on CARS redeemed during the year	(141.12)	(19.69)	160.81	–
(j) Others	(37.98)	–	(55.97)	(93.95)
	<u>(1,017.27)</u>	<u>(529.70)</u>	<u>(57.62)</u>	<u>(1,604.59)</u>
	<u>970.51</u>	<u>(529.70)</u>	<u>1,402.93</u>	<u>1,843.74</u>
Net amount charged to Statement of Profit and Loss			<u>1,402.93</u>	
Deferred tax liabilities (net)	<u>970.51</u>			<u>1,843.74</u>

7. OTHER LONG-TERM LIABILITIES

[Item No. 3(c), Page 120]

		<i>As at 31.03.2012</i>
(a) Creditors for capital supplies/services	289.78	210.11
(b) Others	91.09	87.92
	<u>380.87</u>	<u>298.03</u>

8. PROVISIONS

[Item No. 3(d) and 4(d), Page 120]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2012		
				Long-Term	Short-Term	Total
(a) Provision for employee benefits ⁽¹⁾	1,570.74	79.35	1,650.09	1,254.40	76.58	1,330.98
(b) Provision for employee separation compensation ⁽²⁾	542.68	155.09	697.77	596.90	167.83	764.73
(c) Provision for taxation	–	528.12	528.12	–	757.78	757.78
(d) Provision for fringe benefit tax	–	4.73	4.73	–	4.73	4.73
(e) Proposed dividend	–	776.97	776.97	–	1,165.46	1,165.46
	<u>2,113.42</u>	<u>1,544.26</u>	<u>3,657.68</u>	<u>1,851.30</u>	<u>2,172.38</u>	<u>4,023.68</u>

Additional information:

- (1) Includes provision for leave salaries ₹ 559.93 crores (31.03.2012: ₹ 495.00 crores).
- (2) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 23.68 crores (2011-12: ₹ 18.23 crores) in respect of schemes introduced during the year.

9. TRADE PAYABLES

[Item No. 4(b), Page 120]

	₹ crores	
		As at 31.03.2012
(a) Creditors for supplies/services	5,188.45	5,021.76
(b) Creditors for accrued wages and salaries	1,181.46	862.16
	<u>6,369.91</u>	<u>5,883.92</u>

10. OTHER CURRENT LIABILITIES

[Item No. 4(c), Page 120]

	₹ crores	
		As at 31.03.2012
(a) Current maturities of long-term borrowings	3,871.28	4,753.43
(b) Interest accrued but not due on borrowings	586.81	601.51
(c) Unpaid dividend	48.28	45.81
(d) Application money received due for refund and interest accrued thereon	0.16	0.17
(e) Unpaid matured deposits and interest accrued thereon	0.20	0.33
(f) Advances received from customers	322.46	333.47
(g) Creditors for capital supplies/services	2,282.58	1,858.07
(h) Creditors for other liabilities ⁽¹⁾	1,391.77	1,123.78
	<u>8,503.54</u>	<u>8,716.57</u>

Additional information:

- (1) Includes liability for employee family benefit scheme ₹ 82.64 crores (31.03.2012: ₹ 76.54 crores)

11. TANGIBLE ASSETS

[Item No. 5(a)(i), Page 120]

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Buildings ⁽³⁾	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross block as at 01.04.2012	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
	440.02	191.65	1,175.11	0.90	19,900.69	36.13	96.72	193.75	190.34	22,225.31
Additions during the year ⁽¹⁾	65.36	–	1,485.08	–	13,187.24	9.08	23.82	40.26	202.30	15,013.14
	28.10	–	89.88	–	520.81	3.31	19.93	11.09	12.98	686.10
Deductions during the year ⁽²⁾	(0.05)	–	(0.02)	–	(107.66)	(0.15)	(1.20)	(7.76)	–	(116.84)
	(0.33)	–	(2.91)	–	(69.64)	(0.68)	(3.47)	(9.46)	–	(86.49)
Exchange fluctuations capitalised during the year	–	–	–	–	77.79	–	–	–	–	77.79
	–	–	–	–	32.76	–	–	–	–	32.76
Gross block as at 31.03.2013	533.10	191.65	2,747.14	0.90	33,541.99	47.69	135.80	227.88	405.62	37,831.77
	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
Impairment as at 01.04.2012	131.95	–	1.25	–	–	–	–	–	–	133.20
	125.05	–	1.25	–	–	–	–	–	–	126.30
Impairment during the year	4.01	–	–	–	–	–	–	–	–	4.01
	6.90	–	–	–	–	–	–	–	–	6.90
Impairment as at 31.03.2013	135.96	–	1.25	–	–	–	–	–	–	137.21
	131.95	–	1.25	–	–	–	–	–	–	133.20
Accumulated depreciation as at 01.04.2012	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
	25.47	11.09	379.88	0.69	9,862.82	33.22	79.49	87.61	86.16	10,566.43
Depreciation during the year	5.41	2.18	69.19	0.02	1,433.79	7.24	17.01	17.30	16.66	1,568.80
	4.37	2.18	34.96	0.03	1,016.13	3.81	10.97	14.55	8.83	1,095.83
Depreciation on assets written off during the year ⁽¹⁾	(0.03)	–	(0.02)	–	(98.37)	(0.14)	(1.17)	(7.17)	–	(106.90)
	(0.01)	–	(1.05)	–	(65.59)	(0.73)	(4.18)	(8.58)	–	(80.14)
Accumulated depreciation as at 31.03.2013	35.21	15.45	482.96	0.74	12,148.78	43.40	102.12	103.71	111.65	13,044.02
	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
Total accumulated depreciation and impairment as at 31.03.2013	171.17	15.45	484.21	0.74	12,148.78	43.40	102.12	103.71	111.65	13,181.23
	161.78	13.27	415.04	0.72	10,813.36	36.30	86.28	93.58	94.99	11,715.32
Net block as at 31.03.2013	361.93	176.20	2,262.93	0.16	21,393.21	4.29	33.68	124.17	293.97	24,650.54
	306.01	178.38	847.04	0.18	9,571.26	2.46	26.90	101.80	108.33	11,142.36

Additional information:

- (1) Additions and depreciation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Buildings include ₹ 2.32 crores (31.03.2012: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- (4) Rupee liability has increased by ₹ 77.79 crores (net) (2011-12: ₹ 32.76 crores) arising out of realignment of the value of long-term foreign currency loans for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ 3.54 crores (2011-12: ₹ 2.04 crores) arising on account of this adjustment.

11. TANGIBLE ASSETS (continued)

[Item No. 5(a)(i), Page 120]

(5) Tangible assets schedule includes the capital cost of in-house research recognised facility as under:

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Buildings	Leasehold Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross block as at 01.04.2012	–	–	0.02	–	42.37	1.87	0.07	0.03	–	44.36
	–	–	0.02	–	38.29	1.83	–	0.03	–	40.17
Additions during the year	–	–	–	–	5.11	0.05	0.18	0.06	–	5.40
	–	–	–	–	4.18	0.06	0.07	–	–	4.31
Deductions during the year	–	–	–	–	–	–	(0.01)	–	–	(0.01)
	–	–	–	–	(0.10)	(0.02)	–	–	–	(0.12)
Gross block as at 31.03.2013	–	–	0.02	–	47.48	1.92	0.24	0.09	–	49.75
	–	–	0.02	–	42.37	1.87	0.07	0.03	–	44.36
Capital work-in-progress										0.60
										2.04

12. INTANGIBLE ASSETS

[Item No. 5(a)(ii), Page 120]

Intangible Assets	₹ crores		
	Software Costs	Development of property ⁽³⁾	Total
Gross block as at 01.04.2012	81.52	546.43	627.95
	80.09	540.86	620.95
Additions during the year ⁽¹⁾	37.57	34.62	72.19
	1.47	5.57	7.04
Deductions during the year ⁽²⁾	–	–	–
	(0.04)	–	(0.04)
Gross block as at 31.03.2013	119.09	581.05	700.14
	81.52	546.43	627.95
Accumulated amortisation as at 01.04.2012	71.08	332.97	404.05
	64.46	283.97	348.43
Amortisation during the year	8.89	62.69	71.58
	6.61	49.00	55.61
Amortisation on assets written off during the year ⁽¹⁾	–	–	–
	0.01	–	0.01
Accumulated amortisation as at 31.03.2013	79.97	395.66	475.63
	71.08	332.97	404.05
Net block as at 31.03.2013	39.12	185.39	224.51
	10.44	213.46	223.90

Additional information:

- (1) Additions and amortisation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Development of property represents expenditure incurred on development of mines/collieries.

13. NON-CURRENT INVESTMENTS

[Item No. 5(b), Page 120]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores
			As at 31.03.2012
Trade investments			
(I) Investments in Equity Instruments			
(a) Investments in Subsidiary Companies			
(i) Quoted			
(1) Tata Metaliks Ltd.	1,17,99,992	11.80	11.80
(2) Tayo Rolls Limited	55,87,372	48.57	48.57
(3) Tata Sponge Iron Limited (Became subsidiary during the year) (17,34,040 shares acquired during the year)	78,54,000	73.01	—
(4) The Tinsplate Company of India Ltd. (1,46,53,470 shares acquired during the year)	7,68,72,692	388.78	301.09
		522.16	361.46
(ii) Unquoted			
(1) Adityapur Toll Bridge Company Limited	1,50,00,000	14.44	14.44
(2) Indian Steel & Wire Products Ltd. (68,608 shares acquired during the year)	55,42,638	0.96	—*
(3) Gopalpur Special Economic Zone Limited	10,00,000	1.00	1.00
(4) Jamshedpur Continuous Annealing & Processing Company Private Limited [44,56,90,000 (net) shares acquired during the year]	44,57,40,000	445.74	0.05
(5) Jamshedpur Utilities & Services Company Limited	2,03,50,000	20.35	20.35
(6) Kalimati Investment Company Ltd.	1,63,87,469	86.68	86.68
(7) Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	1.16	1.16
(8) NatSteel Asia Pte. Ltd. (Face value of SGD 1 each)	28,14,37,128	773.86	773.86
(9) Sila Eastern Ltd. (Face value of THB 100 each) (9,800 shares sold during the year)	—	—	0.10
(10) T M International Logistics Limited	91,80,000	9.18	9.18
(11) T M Mining Company Limited	74,000	0.07	0.07
(12) Tata Incorporated N.Y (Face value of USD 1,000 each)	1,500	1.64	1.64
(13) Tata Korf Engineering Services Ltd.*	2,40,386	—	—
(14) Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	84.70	84.70
(15) Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each)	5,65,90,52,090	45,588.50	45,588.50
(16) Tata Steel Processing and Distribution Limited	6,82,50,000	274.45	274.45
(17) Tata Steel Odisha Limited (50,000 shares acquired during the year)	50,000	0.05	—
(18) The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	0.70	0.70
(19) TS Alloys Limited (49,44,660 shares acquired during the year)	4,82,53,931	61.18	56.24
		47,364.66	46,913.12
Carried forward		47,886.82	47,274.58

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 120]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2012
Brought forward		47,886.82	47,274.58
(b) Investments in Joint Ventures			
(i) Unquoted			
(1) Bhubaneshwar Power Private Limited (59,75,340 shares acquired during the year)	1,16,66,140	11.67	5.69
(2) Himalaya Steel Mill Services Private Limited	36,19,945	3.61	3.61
(3) mjunction services limited	40,00,000	4.00	4.00
(4) S & T Mining Company Private Limited (15,00,000 shares acquired during the year)	74,46,400	7.45	5.95
(5) Tata BlueScope Steel Limited (3,00,00,000 shares acquired during the year)	35,80,00,000	358.00	328.00
(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each)	2,85,00,000	127.28	127.28
(7) The Dhamra Port Company Limited	32,40,00,000	324.00	324.00
		836.01	798.53
		836.01	798.53
(c) Investments in Associate Companies			
(i) Quoted			
(1) Indian Steel Rolling Mills Ltd.**	3,30,315	–	–
(2) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	–	–
(3) Tata Construction and Projects Ltd.*	5,61,335	–	–
(4) Tata Sponge Iron Ltd. (Became subsidiary during the year)	–	–	7.20
(5) TRF Ltd.	35,85,428	4.38	4.38
		4.38	11.58
(ii) Unquoted			
(1) Industrial Energy Ltd.	8,65,80,000	86.58	86.58
(2) Jamipol Limited	31,75,000	3.18	3.18
(3) Kalinga Aquatics Ltd.*	10,49,920	–	–
(4) Kumardhubi Metal Casting & Engineering Ltd.*	10,70,000	–	–
(5) Nicco Jubilee Park Limited *	3,40,000	–	–
(6) Strategic Energy Technology Systems Private Ltd. (25,50,500 shares acquired during the year)	2,47,09,500	24.71	22.16
(7) TRL Krosaki Refractories Ltd.	42,39,360	25.88	25.88
		140.35	137.80
		144.73	149.38
Carried forward		48,867.56	48,222.49

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 120]

				₹ crores
		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		As at 31.03.2012
Brought forward			48,867.56	48,222.49
(d) Investments in Others				
(i) Quoted				
(1)	Housing Development Finance Corporation Ltd. (Face value of ₹ 2 each)	7,900	0.01	0.01
(2)	Tata Motors Ltd. (Face value of ₹ 2 each)	14,78,10,695	261.43	261.43
(3)	The Tata Power Company Ltd. (Face value of ₹ 1 each) (1,70,00,000 shares acquired during the year)	3,43,18,180	196.25	30.48
(4)	Others ₹ 40,275 (31.03.2012: ₹ 40,275) ⁽³⁾		0.01	0.01
			457.70	291.93
(ii) Unquoted				
(1)	IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(2)	Panatone Finvest Ltd.	45,000	0.05	0.05
(3)	Steelscape Consultancy Pvt. Ltd. (50,000 shares partly redeemed during the year)	50,000	0.03	0.05
(4)	Tarapur Environment Protection Society	30,424	0.31	0.31
(5)	Tata Industries Ltd. (Face value of ₹ 100 each)	84,42,582	149.62	149.62
(6)	Tata International Ltd. (Face value of ₹ 1,000 each)	9,480	6.23	6.23
(7)	Tata Projects Ltd. (Face value of ₹ 100 each)	90,000	0.18	0.18
(8)	Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	0.16	0.16
(9)	Tata Teleservices Ltd.	6,31,53,638	134.06	134.06
(10)	Others ₹ 32,496 (31.03.2012: ₹ 32,496) ⁽⁴⁾		—	—
			290.74	290.76
			748.44	582.69
			49,616.00	48,805.18
(II) Investments in Preference Shares				
(a) Investments in Subsidiary Companies				
(i) Unquoted				
(1)	Tata Metaliks Ltd. 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	1,00,00,000	100.00	100.00
(2)	Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	65,00,000	65.00	65.00
(3)	The Tinsplate Company of India Ltd. 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (17,29,000 shares partly redeemed during the year)	1,09,90,000	99.53	108.17
			264.53	273.17
			264.53	273.17
(III) Investments in Debentures/Bonds				
(a) Investments in Subsidiary Companies				
(i) Unquoted				
(1)	Kalimati Investment Company Ltd. 2% Fully Convertible Debentures of ₹ 100 each (1,90,00,000 debentures subscribed during the year)	1,90,00,000	190.00	—
			190.00	—
Carried forward			50,070.53	49,078.35

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 120]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2012
Brought forward		50,070.53	49,078.35
(b) Investments in Associate Companies			
(i) Unquoted			
(1) Tata Construction & Projects Ltd.* 10% Convertible debentures of ₹ 100 each	43,000	—	—
		190.00	—
		50,070.53	49,078.35
Provision for diminution in the value of investments		(85.73)	—
		49,984.80	49,078.35

* These investments are carried at a book value of ₹ 1.00

♦ Dissolved during the year.

Additional information:

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2012
(1) Carrying value of Quoted Investments Market Value as at 31st March, 2013 ₹ 4,904.96 crores (31.03.2012: ₹ 4,911.43 crores)		984.24	664.97
(2) Carrying value of Unquoted Investments		49,000.56	48,413.38
		49,984.80	49,078.35
		₹	₹
(3) Equity instruments (Others) - Quoted - Others include:			
(a) Reliance Firebrick and Pottery Company Ltd. (Partly paid-up)	16,800	1	1
(b) Reliance Firebrick and Pottery Company Ltd.	2,400	1	1
(c) Sanderson Industries Ltd.	2,27,642	1	1
(d) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	40,260	40,260
(e) Standard Chrome Ltd.	5,58,000	1	1
(f) Timken India Ltd.	1	10	10
(g) Wellman Incandescent India Ltd.	8,99,100	1	1
		40,275	40,275
(4) Equity instruments (Others) - Unquoted - Others include:			
(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face Value of ₹ 25 each)	200	5,000	5,000
(b) Bokaro and Ramgarh Ltd.	100	16,225	16,225
(c) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(d) Jamshedpur Co-operative House Building Society Ltd. (Face Value of ₹ 100 each)	10	1,000	1,000
(e) Jamshedpur Co-operative Stores Ltd. (Face Value of ₹ 5 each)	50	250	250
(f) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face Value of ₹ 100 each)	50	5,000	5,000
(g) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(h) Malusha Travels Pvt. Ltd.	2	20	20
(i) Woodland Multispeciality Hospital Ltd.	1,25,000	1	1
		32,496	32,496

14. LOANS AND ADVANCES

[Item No. 5(c) and 6(e), Page 120]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2012		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
(a) Capital advances ⁽¹⁾						
Unsecured and considered good	2,509.16	–	2,509.16	2,459.88	–	2,459.88
(b) Security deposits						
Unsecured and considered good	104.42	–	104.42	83.72	–	83.72
Unsecured and considered doubtful	1.56	–	1.56	1.45	–	1.45
Less: Provision for bad & doubtful loans and advances	1.56	–	1.56	1.45	–	1.45
	<u>104.42</u>	<u>–</u>	<u>104.42</u>	<u>83.72</u>	<u>–</u>	<u>83.72</u>
(c) Advance with public bodies						
Unsecured and considered good	431.61	693.20	1,124.81	268.82	589.06	857.88
Unsecured and considered doubtful	13.09	1.87	14.96	16.45	1.87	18.32
Less: Provision for bad & doubtful loans and advances	13.09	1.87	14.96	16.45	1.87	18.32
	<u>431.61</u>	<u>693.20</u>	<u>1,124.81</u>	<u>268.82</u>	<u>589.06</u>	<u>857.88</u>
(d) Loans and advances to related parties ⁽²⁾						
Unsecured and considered good	2,796.60	124.18	2,920.78	1,907.28	175.21	2,082.49
Unsecured and considered doubtful	500.19	114.84	615.03	–	–	–
Less: Provision for bad & doubtful loans and advances	500.19	114.84	615.03	–	–	–
	<u>2,796.60</u>	<u>124.18</u>	<u>2,920.78</u>	<u>1,907.28</u>	<u>175.21</u>	<u>2,082.49</u>
(e) MAT credit entitlement						
Unsecured and considered good	–	399.84	399.84	–	–	–
(f) Advance payment against taxes						
Unsecured and considered good	405.33	–	405.33	279.19	–	279.19
(g) Other loans and advances ⁽³⁾						
Unsecured and considered good	327.03	990.61	1,317.64	1,302.19	1,064.98	2,367.17
Unsecured and considered doubtful	1.00	34.00	35.00	0.39	27.61	28.00
Less: Provision for bad & doubtful loans and advances	1.00	34.00	35.00	0.39	27.61	28.00
	<u>327.03</u>	<u>990.61</u>	<u>1,317.64</u>	<u>1,302.19</u>	<u>1,064.98</u>	<u>2,367.17</u>
	<u><u>6,574.15</u></u>	<u><u>2,207.83</u></u>	<u><u>8,781.98</u></u>	<u><u>6,301.08</u></u>	<u><u>1,829.25</u></u>	<u><u>8,130.33</u></u>

Additional information:

- (1) Include capital advance in respect of research and development activities of ₹ 0.79 crore (31.03.2012: ₹ 0.09 crore).
- (2) Loans and advances to related parties include:
 - (a) Advance against equity for purchase of shares in subsidiaries, joint ventures and associate ₹ 2,380.85 crores (31.03.2012: ₹ 1,021.10 crores).
 - (b) Loans and advances in the nature of loans given to subsidiaries and associate ₹ 595.09 crores (31.03.2012: ₹ 571.07 crores).

Disclosure as per clause 32 of the listing agreement:

Name of the Company	Relationship	As at	Maximum balance	Investment by the
		31.03.2013	outstanding during	loanee in the
		₹ crores	the year	shares of parent
			₹ crores	company
				No. of Shares
Tata Korf Engineering Services Ltd.	Subsidiary	—	—	—
		—	0.84	—
Indian Steel & Wire Products Ltd.	Subsidiary	—	8.09	—
		8.09	11.50	—
Tata Steel (KZN) (Pty) Ltd.	Subsidiary	495.79	525.10	—
		490.98	503.34	—
Tata Metaliks Ltd.	Subsidiary	22.00	72.00	—
		72.00	72.00	—
Adityapur Toll Bridge Company Limited	Subsidiary	10.60	10.60	—
		—	22.00	—
Tata Steel Holdings Pte. Ltd.	Subsidiary	—	—	—
		—	3,720.38	—
Tayo Rolls Limited	Subsidiary	—	—	—
		—	25.00	—
Industrial Energy Ltd.	Associate	43.20	43.20	—
		—	—	—
Jamshedpur Utilities & Services Company Limited	Subsidiary	11.50	11.50	—
		—	—	—
TS Alloys Ltd.	Subsidiary	12.00	12.00	—
		—	—	—

(c) Intercorporate deposits ₹ 499.30 crores (31.03.2012: ₹ 422.00 crores)

(3) Other loans and advances include:

(a) Loan due by an officer of the Company ₹ 96,250 (31.03.2012: ₹ 1,11,250)

(b) Intercorporate deposits ₹ 2.00 crores (31.03.2012: ₹ 2.00 crores)

15. OTHER NON-CURRENT ASSETS

[Item No. 5(d), Page 120]

	₹ crores	
	As at	As at
	31.03.2012	31.03.2012
(a) Balances with banks ⁽¹⁾	2.76	2.76
(b) Unamortised expenses	147.60	188.22
(c) Others	39.68	—
	<u>190.04</u>	<u>190.98</u>

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

16. CURRENT INVESTMENTS

[Item No. 6(a), Page 120]

	₹ crores	
	As at	As at
	31.03.2012	31.03.2012
Investments in Mutual Funds – Unquoted		
Liquid Funds	434.00	1,204.17
	<u>434.00</u>	<u>1,204.17</u>

17. INVENTORIES
(At lower of cost and net realisable value)

[Item No. 6(b), Page 120]

	₹ crores	
		<i>As at 31.03.2012</i>
(a) Raw materials	1,685.99	2,241.96
(b) Work-in-progress	65.88	53.83
(c) Finished and semi-finished goods	2,032.34	1,639.83
(d) Stock-in-trade of goods acquired for trading	0.80	0.76
(e) Stores and spares	1,472.93	922.61
	5,257.94	4,858.99
Included above, goods-in-transit:		
(i) Raw materials	306.42	462.40
(ii) Finished and semi-finished goods	0.75	1.55
(iii) Stores and spares	111.61	98.19
	418.78	562.14

18. TRADE RECEIVABLES

[Item No. 6(c), Page 120]

	₹ crores	
		<i>As at 31.03.2012</i>
(a) More than six months	32.94	34.51
(b) Others	778.32	880.91
	811.26	915.42
Less: Provision for doubtful trade receivables – More than six months	14.34	11.34
	796.92	904.08
Unsecured and considered good	796.92	904.08
Doubtful	14.34	11.34
	811.26	915.42

19. CASH AND BANK BALANCES

[Item No. 6(d), Page 120]

	₹ crores	
		<i>As at 31.03.2012</i>
(a) Cash in hand	0.39	0.36
(b) Cheques, drafts on hand	148.89	22.76
(c) Remittances in-transit	25.77	7.70
(d) Balances with banks	1,990.16	3,869.71
Total cash and cash equivalents	2,165.21	3,900.53
(e) Earmarked balances with banks	52.90	46.46
	2,218.11	3,946.99

Additional information:

(1) Balances with banks held as security against guarantees ₹ 28.50 crores (31.03.2012: ₹ 28.50 crores).

20. OTHER CURRENT ASSETS

[Item No. 6(f), Page 120]

	₹ crores	
		<i>As at 31.03.2012</i>
(a) Interest accrued on deposits, loans and advances	9.88	24.73
(b) Others	605.92	51.36
	<u>615.80</u>	<u>76.09</u>

21. REVENUE FROM OPERATIONS

[Item No. 1(a), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Sale of products ⁽¹⁾	40,924.81	35,655.99
(b) Sale of power and water	875.29	980.44
(c) Income from town, medical and other services	43.17	50.70
(d) Other operating income ⁽²⁾	473.97	318.58
	<u>42,317.24</u>	<u>37,005.71</u>

Additional information:

(1) Details of products sold:

Class of Products	₹ crores	
		<i>Previous Year</i>
(i) Saleable Steel (Finished)	31,817.79	27,587.53
(ii) Agrico Products	166.04	156.14
(iii) Semi-finished Steel and Scrap	1,558.52	1,427.84
(iv) Welded Steel Tubes	1,350.77	1,399.70
(v) By-Products, etc.	333.14	346.63
(vi) Raw Materials:		
– Ferro Manganese	186.10	140.69
– Charge Chrome/Ferro Chrome	1,523.81	1,157.61
– Other Raw Materials	3,130.52	2,677.68
(vii) Other Products [includes tubular steel structures ₹ 582.57 crores (2011-12: ₹ 495.58 crores)]	582.57	495.58
(viii) Bearings	180.14	193.90
(ix) Metallurgical Machinery	91.23	67.55
(x) Sale of Purchased Materials:		
– Raw Materials/Scrap/Other Materials	4.18	5.14
	<u>40,924.81</u>	<u>35,655.99</u>

(2) Includes lease rentals of ₹ 0.20 crores (2011-12: ₹ 0.20 crores) on wagons leased to railways under Own Your Wagon Scheme.

22. OTHER INCOME

[Item No. 1(b), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Dividend income		
(i) Investment in subsidiaries	627.60	46.18
(ii) Investment in joint ventures and associates	12.51	9.11
(iii) Other non-current investments	62.24	62.21
(b) Interest income	109.09	433.26
(c) Net gain/(loss) on sale of current investments	221.53	430.57
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(3.00)	(52.98)
(e) Gain/(Loss) on cancellation of forwards, swaps and options (net)	(127.93)	(41.92)
	<u>902.04</u>	<u>886.43</u>

23. RAW MATERIALS CONSUMED

[Item No. 2(a), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Iron Ore	1,746.21	1,203.83
(b) Coal [excluding ₹ 4,484.87 crores (2011-12: ₹ 4,698.67 crores) used for manufacturing coke]	1,145.26	1,382.27
(c) Coke	6,397.85	5,234.48
(d) Limestone and Dolomite	663.93	510.63
(e) Ferro Manganese	132.21	109.28
(f) Zinc and Zinc Alloys	259.59	251.35
(g) Spelter, Sulphur and Other Materials	1,834.21	1,409.45
	<u>12,179.26</u>	<u>10,101.29</u>

Additional information:

- The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- Raw materials consumed includes ₹ 2,301.86 crores (2011-12: ₹ 2,086.92 crores) charged to wages and salaries and other revenue accounts.

24. PURCHASE OF FINISHED, SEMI-FINISHED AND OTHER PRODUCTS

[Item No. 2(b), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) For Resale:		
(i) Finished/Semi-finished steel materials	3.30	4.35
(ii) Finished/Semi-finished steel materials - Agrico	20.60	16.60
(b) For Own Consumption:		
(i) Finished/Semi-finished steel materials ⁽¹⁾	418.65	178.03
(ii) Others	10.79	10.54
	<u>453.34</u>	<u>209.52</u>

Additional information:

- Includes components for manufacture of metallurgical machinery ₹ 206.18 crores (2011-12: ₹ 69.24 crores).

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

[Item No. 2(c), Page 121]

	₹ crores	
		<i>Previous Year</i>
Inventories at the end of the year		
(a) Work-in-progress	65.88	53.83
(b) Finished and semi-finished goods	2,032.34	1,639.83
(c) Stock-in-trade of goods acquired for trading	0.80	0.76
	<u>2,099.02</u>	<u>1,694.42</u>
Inventories at the beginning of the year		
(a) Work-in-progress	53.83	81.19
(b) Finished and semi-finished goods	1,639.83	1,391.91
(c) Stock-in-trade of goods acquired for trading	0.76	0.60
	<u>1,694.42</u>	<u>1,473.70</u>
	<u>404.60</u>	<u>220.72</u>

Additional information:

(1) Details of finished and semi-finished goods, stock-in-trade of goods acquired for trading:

Class of Products	₹ crores			
			<i>As at 31.03.2012</i>	
	Closing Stock	Opening Stock	Closing Stock	Opening Stock
(a) Saleable Steel (Finished)	1,133.75	832.20	832.20	829.40
(b) Agrico Products	11.15	14.25	14.25	11.55
(c) Semi-finished Steel and Scrap	657.79	591.42	591.42	345.68
(d) Welded Steel Tubes	69.78	62.22	62.22	77.33
(e) By-Products, etc.	9.38	9.14	9.14	5.61
(f) Other Products	122.59	111.88	111.88	107.11
(g) Bearings	27.90	18.72	18.72	15.23
(h) Sale of Purchased Materials - Raw Materials/Scrap/Other Materials	0.80	0.76	0.76	0.60
	<u>2,033.14</u>	<u>1,640.59</u>	<u>1,640.59</u>	<u>1,392.51</u>

26. EMPLOYEE BENEFITS EXPENSE

[Item No. 2(d), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Salaries and wages, including bonus	2,922.42	2,646.21
(b) Contribution to provident and other funds	419.42	299.29
(c) Staff welfare expenses	266.68	101.76
	<u>3,608.52</u>	<u>3,047.26</u>

27. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. 2(e), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Depreciation on tangible assets	1,568.80	1,095.83
(b) Amortisation of intangible assets	71.58	55.61
	1,640.38	1,151.44

28. FINANCE COSTS

[Item No. 2(f), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Interest expense		
(i) Debentures/bonds and fixed loans	1,846.00	1,993.61
(ii) Others ⁽¹⁾	119.38	110.55
(b) Other borrowing costs	85.52	105.75
	2,050.90	2,209.91
Less: Interest capitalised	174.13	284.49
	1,876.77	1,925.42

Additional information:

(1) Includes interest on income tax assessment for earlier years ₹ 41.28 crores (31.03.2012: ₹ 41.70 crores)

29. OTHER EXPENSES

[Item No. 2(g), Page 121]

	₹ crores	
		<i>Previous Year</i>
(a) Consumption of stores and spares	2,090.89	1,693.48
(b) Repairs to buildings	85.42	61.08
(c) Repairs to machinery	1,381.08	1,162.95
(d) Relining expenses	38.49	28.87
(e) Fuel oil consumed	189.06	186.44
(f) Purchase of power	2,321.11	1,803.72
(g) Conversion charges	1,955.19	1,513.97
(h) Freight and handling charges	2,260.76	1,703.98
(i) Rent	33.63	30.88
(j) Royalty	1,152.43	912.43
(k) Rates and taxes	423.18	371.71
(l) Insurance	41.77	36.48
(m) Commission, discounts and rebates	142.67	128.42
(n) Provision for wealth tax	2.00	1.70
(o) Provision for doubtful debts and advances	11.15	(5.41)
(p) Excise duty	134.97	94.95
(q) Others ⁽¹⁾	2,150.86	2,098.84
	14,414.66	11,824.49

Additional information:

	₹ crores	
		Previous Year
(1) Others include:		
(a) Adjustment to the carrying amount of investments	1.03	–
(b) Provision for impairment of fixed assets	4.01	6.90
(c) Net loss/(gain) on foreign currency transactions	536.90	467.12
(d) Auditors remuneration and out-of-pocket expenses		
(i) As auditors	4.00	4.00
(ii) For taxation matters	0.37	0.37
(iii) For other services [excluding ₹ 0.06 crore (2011-12: ₹ 0.10 crore being expenses relating to issue of Hybrid Perpetual Securities adjusted against the Securities Premium Reserve) being expenses relating to acquisition of equity investments]	0.43	0.50
(iv) Auditors out-of-pocket expenses	0.18	0.04
(e) Cost audit fees [including expenses ₹ 85,231 (2011-12: ₹ 79,462)]	0.13	0.07

30. EXCEPTIONAL ITEMS

[Item No. 4(a) and 4(b), Page 121]

- (a) During the year, the Company divested 49% stake in Jamshedpur Continuous Annealing & Processing Company Private Limited to Nippon Steel & Sumitomo Metal Corporation (erstwhile Nippon Steel Corporation) of Japan, the Venture Partner at a profit of ₹ 9.60 crores. Further, the Company's entire stake in Sila Eastern Ltd. has been sold to Unistretch Limited at a profit of ₹ 2.73 crores.

[Previous year: The Company sold part of its investment in TRL Krosaki Refractories Limited (formerly Tata Refractories Limited) (TRL) to Krosaki Harima Corporation for ₹ 576.10 crores. Consequently, the Company's holding in TRL have reduced to 26.46%. Accordingly, it ceased to be a subsidiary and became an associate. "Profit on sale of non-current investment" of ₹ 511.01 crores represents gain on sale of these shares].

- (b) The Company's exposure in its subsidiary, Tata Steel (KZN) (Pty) Ltd. was tested for diminution in the value as on March 2013. Consequently, the Company recognised a provision of ₹ 686.86 crores for its subsidiary TS KZN which includes diminution in the value of equity investment of ₹ 84.70 crores, loans extended amounting to ₹ 487.32 crores (including credit of ₹ 8.47 crores on account of unamortised exchange difference) and interest thereon of ₹ 114.84 crores.

31. EARNINGS PER SHARE (EPS)

[Item No. 9 and 10, Page 121]

	₹ crores	
		Previous Year
(a) Profit after tax	5,062.97	6,696.42
Less: Distribution on Hybrid Perpetual Securities (net of tax)	179.84	173.30
Profit attributable to Ordinary Shareholders – for Basic EPS	4,883.13	6,523.12
Add: Adjustment for 5,469.35 (31.03.2012: 5,469.35) 4.5% Foreign Currency Convertible Bonds	–	162.97
Profit attributable to Ordinary Shareholders – for Diluted EPS	4,883.13	6,686.09
	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	97,12,14,550	96,15,75,106
Add: Adjustment for 5,469.35 (31.03.2012: 5,469.35) 4.5% Foreign Currency Convertible Bonds	–	4,21,12,297
Weighted average no. of Ordinary Shares for Diluted EPS	97,12,14,550	1,00,36,87,403
(c) Nominal value per Ordinary Share	₹ 10	₹ 10
(d) Basic Earnings per Ordinary Share	₹ 50.28	₹ 67.84
(e) Diluted Earnings per Ordinary Share	₹ 50.28	₹ 66.62

32. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Company

	₹ crores	
		As at 31.03.2012
(i) Excise and Service Tax	466.21	320.81
(ii) Customs	13.70	13.69
(iii) Sales Tax and VAT	386.85	402.29
(iv) State Levies	266.87	149.71
(v) Suppliers and Service Contract	77.52	74.31
(vi) Labour Related	45.23	41.69
(vii) Income Tax	8.11	17.92
(viii) Royalty	134.67	132.96

(b) The Company has given guarantees aggregating ₹ 579.91 crores (31.03.2012: ₹ 391.58 crores) on behalf of others. As at 31st March, 2013, the contingent liabilities under these guarantees amounts to ₹ 579.91 crores (31.03.2012: ₹ 391.58 crores).

(c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2012: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2012: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2012: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.

(e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for decoiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi, which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the decoiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st March, 2013, will be approximately ₹ 298.88 crores (31.03.2012: ₹ 298.88 crores). However, the Company has already paid duty amounting to ₹ 196.48 crores (31.03.2012: ₹ 196.48 crores) till date based on the final sale price of the material.

(f) 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 of 31st March, 2013 would be approximately ₹ 3,006.46 crores (31.03.2012: ₹ 2,085.88 crores).

(g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 52,46,590 equity shares in TTSL to the SP.

Pursuant to the Rights Issue made in 2010-11, SP's shareholding in TTSL has increased from 1,17,26,17,866 equity shares of ₹ 10 each to 1,24,89,74,378 equity shares of ₹ 10 each as on 31st March, 2013. The shareholding of SP represents 26.50% of the paid up equity share capital of TTSL on a fully diluted basis as against 26.27% prior to the issuance and allotment of Rights Shares to them.

If certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 and should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price subject to compliance with applicable exchange control regulations, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above.

Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 6.00 crores.

- (h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgment and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 413.46 crores (31.03.2012: ₹ 384.64 crores) and has been considered as a contingent liability.
- (i) The Company availed CENVAT credit on the invoices issued by Input Service Distributors (ISD) i.e. by Head office and Sales offices during the period 2006-07 to 2011-12. The Excise department issued show cause cum demand notices disallowing ₹ 215.59 crores (31.03.2012: Nil) including penalty alleging that CENVAT credit can be distributed by an office of the manufacturer only. Accordingly, the head office can only distribute the CENVAT credit of input services and sales offices are not authorized to issue ISD invoices. The Company believes that as per rule any office of the manufacturer can issue ISD invoices for availment of CENVAT credit. The Company has filed appeals before CESTAT.
- (j) Billets are being sent to Stockyard for onward transfer to external processing agents (EPA) for further manufacture on behalf of the Company. Since this transfer is for subsequent manufacture and not for sale, excise duty is paid on 110% of cost which is applicable for transfer of materials directly for manufacture. Excise department, Jamshedpur issued show cause notices demanding differential duty of ₹ 109.52 crores (31.03.2012: Nil) including penalty for the period June 2007 to March 2012. Excise department has considered the price of the billets sold by Steel Authority of India (SAIL) as the price at which the duty should have been paid by the Company. The Company is in the process of filing an appeal before CESTAT.
- (k) Commercial taxes department has issued demand of ₹ 138.34 crores by treating 30% of the stock transfers as interstate sales to unregistered dealer and imposed tax @ 8%. The Company has filed a revision petition before the Commissioner Commercial Taxes, Ranchi (Jharkhand) and the hearing on merit is pending before the Commissioner Commercial Taxes, Ranchi (Jharkhand). The potential liability, as of 31st March, 2013, is ₹ 137.70 crores (31.03.2012: ₹ 137.70 crores).
- (l) Bills discounted ₹ 469.58 crores (31.03.2012: ₹ 174.78 crores).

B. Commitments

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 11,995.60 crores (31.03.2012: ₹ 13,178.11 crores).
 - (b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2012: ₹ 0.01 crore).
33. 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) Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation Limited not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (d) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, not to dispose of its investments in Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long-term debt), (e) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Ltd. and Tata Steel Netherlands Holding B V and other companies (the borrower group), (f) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Limited, (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing & Processing Company Private Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.
- The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.
- The Promoters of Tata BlueScope 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, not to reduce collective shareholding in TBSL, below 51%.
- In addition to the above undertakings, the Promoters of The Dhamra Port Company Limited (DPCL) i.e. Tata Steel Limited and L&T Infrastructure Development Projects Limited (L&TIDPL) have given an Undertaking to a consortium of lenders of DPCL not to reduce collective shareholding in DPCL, held directly or indirectly, below 51%, to retain majority representation on the board of directors and to remain the Promoters of DPCL until the loans are fully repaid.
- The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Limited) combined investments in Industrial Energy Limited (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).
- The Company has agreed, if requested by Tata Steel UK Holdings Ltd. (TSUKH), an indirect wholly owned subsidiary of Tata Steel Limited, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level.
- The Company has agreed, if requested by Tayo Rolls Limited and Jamshedpur Utilities & Services Company Limited, to extend support in operational and financial matters till 31st March 2014 subject to the condition that the financial support will not exceed ₹ 50 crores and ₹ 80 crores respectively.
34. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The State Government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. The matter is under discussion and no contribution has been made till 31st March, 2013.

35. The Board of Industrial and Financial Reconstruction (BIFR) sanctioned a scheme for rehabilitation of Indian Steel & Wire Products Ltd. (ISWP), a Sick Company in FY 2003-04. In terms of the scheme, the Company –
- (a) took management control of ISWP; (b) acquired 4,74,030 Equity Shares from the existing promoters at ₹ 1/- per share; (c) converted ₹ 5 crores of dues into 50,00,000 fully paid Equity Shares at ₹ 10 each and ₹ 10.88 crores into unsecured loan to be repaid by ISWP in 8 annual installments starting from FY 2004-05; (d) has an advance of Nil (31.03.2012: ₹ 8.09 crores) as at 31st March, 2013 with ISWP towards one time settlement with financial institutions for capital expenditure and margin for working capital.

36. STATEMENT OF PROFIT AND LOSS
(a) Value of direct imports (C.I.F. Value):

	₹ crores	
		Previous Year
(i) Raw materials	5,689.56	5,912.14
(ii) Semi-finished products	132.80	35.85
(iii) Components, stores and spare parts	880.66	466.34
(iv) Capital goods	1,654.46	1,425.23
	8,357.48	7,839.56

(b) The value of consumption of directly imported and indigenously obtained raw materials, stores and spare parts and the percentage of each to the total consumption:

	₹ crores		%		Previous Year	
	₹ crores	%	₹ crores	%	₹ crores	%
(i) Raw materials						
– Directly imported	7,035.83	57.77%	6,116.87	60.56%		
– Indigenously obtained	5,143.43	42.23%	3,984.42	39.44%		
	12,179.26	100.00%	10,101.29	100.00%		
(ii) Components, stores and spare parts						
– Directly imported	830.52	21.25%	497.36	15.33%		
– Indigenously obtained	3,077.87	78.75%	2,746.17	84.67%		
	3,908.39	100.00%	3,243.53	100.00%		
Less: Consumption charged to other revenue accounts	1,440.22		1,234.19			
	2,468.17		2,009.34			

Additional information:

- The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.
- Raw materials consumed includes ₹ 2,301.86 crores (2011-12: ₹ 2,086.92 crores) charged to wages and salaries and other revenue accounts.
- Stores and spares consumed (including write-off of obsolete spares, if any) includes ₹ 188.22 crores (2011-12: ₹ 129.42 crores) being cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts.

(c) Expenditure in foreign currency:

	₹ crores	
		Previous Year
(i) Technical know-how and technical consultant's fees (net of taxes) [including ₹ 266.13 crores (2011-12: ₹ 164.46 crores) on capital account]	306.20	206.49
(ii) Interest, commitment and bank charges	581.74	708.86
(iii) Commission	28.27	39.35
(iv) Payable on other accounts	153.78	54.40

(d) Remittance in foreign currencies for dividend:

The Company has not remitted any amount in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by/on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the year are as under:

- (i) Number of non-resident shareholders
- (ii) Number of Ordinary Shares held by them
- (iii) Gross amount of dividend

13,225
16,12,43,287
₹ 193.49 crores

*Previous
Year*
11,863
19,63,74,449
₹ 235.64 crores

Gross amount of dividend declared in current and previous year pertain to FY 2011-12 and FY 2010-11 respectively.

(e) Earnings in foreign exchange:

- (i) Export of steel and other materials (F.O.B.)
(including value of exports through export houses)
- (ii) Interest received
- (iii) Others

2,341.08
25.17
7.20

₹ crores
*Previous
Year*
1,804.87
75.55
5.97

- (f) Revenue expenditure charged to Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ 55.77 crores (2011-12: ₹ 52.30 crores) including depreciation of ₹ 1.33 crores (2011-12: ₹ 1.08 crores).

37. The Committee of Directors in their meeting held on 10th April, 2013 approved the scheme of amalgamation of the following subsidiaries with the Company:

- (a) Kalimati Investment Company Ltd. with an appointed date of 1st January, 2013. The Scheme is subject to the approval of the High Court of Judicature at Bombay.
The financial statements of the Company do not include the assets and liabilities of Kalimati Investment Company Ltd. as at 31st March, 2013 and the results of operations for three months ended 31st March, 2013.
- (b) Tata Metaliks Ltd. and Tata Metaliks Kubota Pipes Limited with an appointed date of 1st April, 2013. The Scheme is subject to the approval of the High Courts of Judicature at Bombay and Calcutta.

38. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2013 are as under:

Description

- (i) The principal amount remaining unpaid to supplier as at the end of the year
- (ii) The interest due thereon remaining unpaid to supplier as at the end of the year
- (iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act
- (iv) The amount of interest accrued during the year and remaining unpaid at the end of the year

16.51
0.55
1.34
1.89

₹ crores
2011-12
7.46
0.10
0.41
0.51

39. No amount is paid/payable by the Company under Section 441A of the Companies Act, 1956 (cess on turnover) since the rules specifying the manner in which the cess shall be paid has not been notified yet by the Central Government.

40. EMPLOYEE BENEFITS

- (a) The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2013, an amount of ₹ 231.09 crores (2011-12: ₹ 217.79 crores) as expenses under the following defined contribution plans.

Benefit (Contribution to)

- Provident Fund
- Superannuation Fund
- Employees Pension Scheme/Coal Mines Pension Scheme
- TISCO Employees Pension Scheme

165.70
30.67
19.55
15.17
231.09

₹ crores
2011-12
149.62
34.92
19.06
14.19
217.79

The Company's Provident Fund is exempted under Section 17 of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

- (b) The Company operates post retirement defined benefit plans as follows:
- (i) Funded
- Post Retirement Gratuity
- (ii) Unfunded
- Post Retirement Medical Benefits
 - Pensions to Directors
 - Farewell Gifts
 - Packing and Transportation Costs on Retirement
- (c) Details of the post retirement gratuity plan are as follows:

	₹ crores	
Description		2011-12
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at beginning of the year	1,635.57	1,536.69
Current service cost	75.99	72.12
Interest cost	134.03	118.66
Actuarial (gain)/loss	160.27	15.00
Benefits paid	(117.64)	(106.90)
Obligation as at end of the year	<u>1,888.22</u>	<u>1,635.57</u>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at beginning of the year	1,554.61	1,173.86
Expected return on plan assets	122.91	104.15
Actuarial gain/(loss)	59.57	20.65
Contributions	80.99	362.85
Benefits paid	(117.64)	(106.90)
Fair value of plan assets as at end of the year	<u>1,700.44</u>	<u>1,554.61</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	1,700.44	1,554.61
Present value of obligation as at end of the year	1,888.22	1,635.57
Net obligation/(asset) recognised in the balance sheet (included in the line item - Provision for employee benefits)	<u>187.78</u>	<u>80.96</u>
(iv) Expenses recognised during the year		
Current service cost	75.99	72.12
Interest cost	134.03	118.66
Expected return on plan assets	(122.91)	(104.15)
Actuarial (gain)/loss	100.70	(5.65)
Expense recognised during the year (included in the line item - Employee benefits expense)	<u>187.81</u>	<u>80.98</u>
	31.03.2013	31.03.2012
(v) Investment details	%	%
GOI securities	12.39	14.97
Public sector unit bonds	11.14	15.18
Central/State Government guaranteed securities	5.49	6.11
Private sector unit bonds	8.56	10.47
Deposit with LIC	53.25	49.97
Others (including bank balances)	9.17	3.30
	<u>100.00</u>	<u>100.00</u>
(vi) Assumptions		
Discount rate (per annum)	8.00%	8.50%
Expected return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	7.5% to 10.00%	7.5% to 10.00%

The long-term estimate of the expected rate of return on the plan assets have been arrived at based on the asset allocation and prevailing yield rates on such assets. The major portions of the assets are invested in GOI Securities, PSU bonds and LIC. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

41. SEGMENT REPORTING
Primary Segment Information (Business Segment)

₹ crores

Particulars	Ferro					Total
	Steel	Alloys and Minerals	Others	Unallocable	Eliminations	
Segment revenue						
External revenue	33,704.82 <i>29,874.62</i>	2,544.11 <i>2,099.57</i>	1,950.50 <i>1,959.27</i>	– –	– –	38,199.43 <i>33,933.46</i>
Inter segment revenue	1,565.39 <i>1,457.09</i>	365.51 <i>374.41</i>	96.48 <i>43.15</i>	– –	(2,027.38) <i>(1,874.65)</i>	– –
Total revenue	35,270.21 <i>31,331.71</i>	2,909.62 <i>2,473.98</i>	2,046.98 <i>2,002.42</i>	– –	(2,027.38) <i>(1,874.65)</i>	38,199.43 <i>33,933.46</i>
Segment results before finance costs, exceptional items and tax	9,541.53 <i>10,276.29</i>	628.24 <i>530.45</i>	34.93 <i>63.61</i>	183.20 <i>401.41</i>	– –	10,387.90 <i>11,271.76</i>
Less: Finance costs						1,876.77 <i>1,925.42</i>
Profit before exceptional items and tax						8,511.13 <i>9,346.34</i>
Exceptional items						12.33
(a) Profit on sale of non-current investments						<i>511.01</i>
(b) Provision for diminution in the value of investment/doubtful advances						(686.86)
Profit before tax						7,836.60 <i>9,857.35</i>
Tax expense						2,773.63 <i>3,160.93</i>
Profit after tax						5,062.97 <i>6,696.42</i>
Segment assets	43,049.12 <i>36,084.55</i>	649.75 <i>542.56</i>	399.39 <i>417.00</i>	4,979.02 <i>7,455.26</i>	– –	49,077.28 <i>44,499.37</i>
Segment liabilities	11,312.34 <i>9,936.93</i>	389.61 <i>347.13</i>	197.71 <i>173.61</i>	2,443.29 <i>2,946.37</i>	– –	14,342.95 <i>13,404.04</i>
Capital expenditure	8,027.76 <i>7,477.85</i>	15.69 <i>5.35</i>	18.09 <i>1.74</i>	– –	– –	8,061.54 <i>7,484.94</i>
Segment depreciation	1,596.08 <i>1,106.01</i>	22.38 <i>23.13</i>	21.92 <i>22.30</i>	– –	– –	1,640.38 <i>1,151.44</i>
Non-cash expenditure other than depreciation	20.82 <i>11.03</i>	(0.13) <i>(3.83)</i>	0.01 <i>0.67</i>	5.43 –	– –	26.13 <i>7.87</i>

Secondary Segment Information (Geographical Segment)

	₹ crores	
		2011-12
Segment Revenue		
– Within India	35,806.75	32,117.83
– Outside India	2,392.68	1,815.63
	<u>38,199.43</u>	<u>33,933.46</u>
Capital Expenditure		
– Within India	8,061.54	7,484.94
– Outside India	–	–
	<u>8,061.54</u>	<u>7,484.94</u>
		As at 31.03.2012
Segment Assets		
– Within India	49,077.28	44,499.37
– Outside India	–	–
	<u>49,077.28</u>	<u>44,499.37</u>

Additional information:

- (1) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel and Ferro Alloys and Minerals business. Other business segments comprise Tubes and Bearings.
- (2) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (3) Unallocable Assets and Liabilities exclude:

	₹ crores	
		As at 31.03.2012
Assets:		
Non-current investments	49,984.80	49,078.35
Current investments	434.00	1,204.17
Advance against equity	2,380.85	1,021.10
	<u>52,799.65</u>	<u>51,303.62</u>
Liabilities:		
Long-term borrowings	23,565.57	21,353.20
Short-term borrowings	70.94	65.62
Current maturities of long-term borrowings	3,871.28	4,753.43
Hybrid perpetual securities	2,275.00	2,275.00
Provision for employee separation compensation	697.77	764.73
Deferred tax liabilities (net)	1,843.74	970.51
	<u>32,324.30</u>	<u>30,182.49</u>

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

42. RELATED PARTY TRANSACTIONS
(a) List of Related Parties and Relationships

Name of the Party		Country	Name of the Party		Country
A. Subsidiaries:			3.	Ashorne Hill Management College	UK
i)	Adityapur Toll Bridge Company Limited	India	4.	Augusta Grundstucks GmbH	Germany
ii)	Gopalpur Special Economic Zone Limited	India	5.	Automotive Laser Technologies Limited	UK
iii)	Jamshedpur Utilities & Services Company Limited	India	6.	B S Pension Fund Trustee Ltd.	UK
	1. Haldia Water Management Limited	India	7.	Bailey Steels Limited	UK
	2. Naba Diganta Water Management Limited	India	8.	Beheermaatschappij Industriële Produkten B.V.	Netherlands
	3. SEZ Adityapur Limited	India	9.	Belfin Beheermaatschappij B.V.	Netherlands
iv)	Kalimati Investment Company Ltd.	India	10.	Bell & Harwood Limited	UK
	1. Bangla Steel & Mining Co. Ltd.	Bangladesh	11.	Blastmega Limited	UK
v)	Lanka Special Steels Ltd.	Sri Lanka	12.	Blume Stahlservice GmbH	Germany
vi)	NatSteel Asia Pte. Ltd.	Singapore	13.	Blume Stahlservice Polska Sp.Z.O.O	Poland
	1. Tata Steel Asia (Hong Kong) Ltd.	Hongkong	14.	Bore Samson Group Ltd	UK
		S.A.R.	15.	Bore Steel Ltd.	UK
	2. Tata Steel Resources Australia Pty. Ltd.	Australia	16.	British Guide Rails Ltd.	UK
vii)	Sila Eastern Ltd. * *	Thailand	17.	British Steel Corporation Ltd	UK
viii)	T S Alloys Limited	India	18.	British Steel De Mexico S.A. de C.V.	Mexico
ix)	Tata Incorporated	USA	19.	British Steel Directors (Nominees) Limited	UK
x)	Tata Korf Engineering Services Ltd.	India	20.	British Steel Employee Share Ownership Trustees Ltd.	UK
xi)	Tata Metaliks Ltd.	India	21.	British Steel Engineering Steels (Exports) Limited	UK
	1. Tata Metaliks Kubota Pipes Limited	India	22.	British Steel Nederland International B.V.	Netherlands
xii)	Tayo Rolls Limited	India	23.	British Steel Samson Limited	UK
xiii)	Tata Steel (KZN) (Pty) Ltd.	South Africa	24.	British Steel Service Centres Ltd.	UK
xiv)	Tata Steel Holdings Pte. Ltd.	Singapore	25.	British Steel Tubes Exports Ltd.	UK
	1. Tata Steel Global Holdings Pte. Ltd.	Singapore	26.	British Tubes Stockholding Ltd.	UK
	I. Orchid Netherlands (No.1) B.V.	Netherlands	27.	Bs Quest Trustee Limited	UK
	II. NatSteel Holdings Pte. Ltd.	Singapore	28.	Burgdorfer Grundstuecks GmbH	Germany
	1. Best Bar Pty. Ltd.	Australia	29.	C V Benine	Netherlands
	2. Best Bar (VIC) Pte. Ltd.	Australia	30.	C Walker & Sons Ltd.	UK
	3. Burwill Trading Pte. Ltd.	Singapore	31.	Catnic GmbH	Germany
	4. Easteel Construction Services Pte. Ltd.	Singapore	32.	Catnic Limited	UK
	5. Easteel Services (M) Sdn. Bhd.	Malaysia	33.	Cbs Investissements SAS	France
	6. Eastern Steel Fabricators Philippines, Inc.	Philippines	34.	Cladding & Decking (UK) Limited	UK
	7. Eastern Steel Services Pte. Ltd.	Singapore	35.	Cogent Power Electrical Steels Limited	UK
	8. Eastern Wire Pte. Ltd.	Singapore	36.	Cogent Power Inc.	Canada
	9. NatSteel (Xiamen) Ltd.	China	37.	Cogent Power SA DE CV	Mexico
	10. NatSteel Asia (S) Pte. Ltd.	Singapore	38.	Cogent Power Inc.	USA
	11. NatSteel Australia Pty. Ltd.	Australia	39.	Cogent Power Limited	UK
	12. NatSteel Equity IV Pte. Ltd.	Singapore	40.	Cold drawn Tubes Ltd.*	UK
	13. NatSteel Recycling Pte Ltd.	Singapore	41.	Color Steels Limited	UK
	14. NatSteel Trade International (Shanghai) Company Ltd.	China	42.	Corbeil Les Rives SCI	France
	15. NatSteel Trade International Pte. Ltd.	Singapore	43.	Corby (Northants) & District Water Co.	UK
	16. NatSteel Vina Co. Ltd.	Vietnam	44.	Cordor (C& B) Limited	UK
	17. PT Material Recycling Indonesia	Indonesia	45.	Corus Aerospace Service Centre Suzhou Co Ltd.	China
	18. The Siam Industrial Wire Company Ltd.	Thailand	46.	Corus Aluminium Verwaltungsgesellschaft Mbh	Germany
	19. TSN Wires Co. Ltd.*	Thailand	47.	Corus Beteiligungs GmbH	Germany
	20. Wuxi Jinyang Metal Products Co. Ltd.*	China			
	III. Tata Steel Europe Limited	UK			
	1. Almana Steel Dubai (Jersey) Limited	Jersey			
	2. Apollo Metals Ltd.	USA			

Name of the Party	Country	Name of the Party	Country
48. Corus Building Systems Bulgaria AD	Bulgaria	97. Firsteel Strip Mill Products Limited	UK
49. Corus Building Systems N.V.	Belgium	98. Fischer Profil GmbH	Germany
50. Corus Building Systems SAS	France	99. Gamble Simms Metals Ltd.	Ireland
51. Corus Byggsystem AB	Sweden	100. Grant Lyon Eagre Ltd.	UK
52. Corus CNBV Investments	UK	101. H E Samson Ltd.	UK
53. Corus Coatings Usa Inc.	USA	102. Hadfields Holdings Ltd.	UK
54. Corus Cold drawn Tubes Limited	UK	103. Hammermega Limited	UK
55. Corus Consulting B.V.*	Netherlands	104. Harrowmills Properties Ltd.	UK
56. Corus Engineering Steels (UK) Limited	UK	105. Hille & Muller GmbH	Germany
57. Corus Engineering Steels Holdings Limited	UK	106. Hille & Muller Usa Inc.	USA
58. Corus Engineering Steels Limited	UK	107. Hoogovens (UK) Limited	UK
59. Corus Engineering Steels Overseas Holdings Limited	UK	108. Hoogovens Aluminium UK Limited	UK
60. Corus Finance Limited*	UK	109. Hoogovens Finance B.V.	Netherlands
61. Corus Group Limited	UK	110. Hoogovens Technical Services Mexico De S. De R.L. De C.V.*	Mexico
62. Corus Holdings Ltd.	UK	111. Hoogovens Usa Inc.	USA
63. Corus International (Overseas Holdings) Limited	UK	112. Huizenbezit "Breesaap" B.V.	Netherlands
64. Corus International Bulgaria Limited*	Bulgaria	113. Ickles Cottage Trust	UK
65. Corus International Limited	UK	114. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France
66. Corus International Romania SRL.	Romania	115. Industrial Steels Limited*	UK
67. Corus Investments Ltd.	UK	116. Inter Metal Distribution SAS	France
68. Corus Ireland Ltd.	Ireland	117. Kalzip Asia Pte Limited	Singapore
69. Corus Large Diameter Pipes Limited	UK	118. Kalzip FZE*	UAE
70. Corus Liaison Services (India) Limited	UK	119. Kalzip GmbH	Germany
71. Corus Management Limited	UK	120. Kalzip GmbH	Austria
72. Corus Norge A/S*	Norway	121. Kalzip Guangzhou Limited	China
73. Corus Packaging Plus Norway AS	Norway	122. Kalzip Inc	USA
74. Corus Primary Aluminium B.V.	Netherlands	123. Kalzip India Private Limited	India
75. Corus Properties (Germany) Limited	UK	124. Kalzip Italy SRL	Italy
76. Corus Property	UK	125. Kalzip Limited	UK
77. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland	126. Kalzip Spain S.L.U.	Spain
78. Corus Service Center Milano Spa	Italy	127. Layde Steel S.L.	Spain
79. Corus Service Centre Limited	N Ireland	128. Lister Tubes Ltd.	Ireland
80. Corus Sheet & Tube Inc.	USA	129. London Works Steel Company Ltd.	UK
81. Corus Steel Service STP LLC	Russia	130. Midland Steel Supplies Ltd.	UK
82. Corus Trico Holdings Inc.	USA	131. Mistbury Investments Limited	UK
83. Corus Tubes Poland Spolka Z.O.O	Poland	132. Montana Bausysteme AG	Switzerland
84. Corus UK Healthcare Trustee Limited	UK	133. Myriad Deutschland GmbH	Germany
85. Corus Ukraine LLC	Ukraine	134. Myriad Espana SI	Spain
86. Cpn (85) Limited	UK	135. Myriad Nederland B.V.	Netherlands
87. Crucible Insurance Company Ltd.	I of Man	136. Namascor B.V.	Netherlands
88. Degels GmbH	Germany	137. Nationwide Steelstock Limited	UK
89. Demka B.V.	Netherlands	138. Oostflank B.V.	Netherlands
90. Dsrn Group Plc.	UK	139. Orb Electrical Steels Limited	UK
91. Eric Olsson & Soner Forvaltnings AB	Sweden	140. Ore Carriers Ltd.	UK
92. Esmil B.V.	Netherlands	141. Oremco Inc.	USA
93. Euro-Laminations Limited	UK	142. Plated Strip International Limited	UK
94. Europressings Limited	UK	143. Precoat International Limited	UK
95. Firsteel Group Limited	UK	144. Precoat Limited	UK
96. Firsteel Holdings Limited	UK	145. Rafferty-Brown Steel Co Inc Of Conn.	USA
		146. Richard Thomas And Baldwins 1978 Limited	New Zealand

Name of the Party	Country	Name of the Party	Country
147. Round Oak Steelworks Ltd.	UK	193. Tata Steel International Hellas SA	Greece
148. Runblast Limited	UK	194. Tata Steel International (Italia) SRL	Italy
149. Runmega Limited	UK	195. Tata Steel International (Middle East) FZE	UAE
150. S A B Profiel B.V.	Netherlands	196. Tata Steel International (Nigeria) Ltd.	Nigeria
151. S A B Profil GmbH	Germany	197. Tata Steel International (North America) Ltd.*	USA
152. Scrap Processing Holding B.V.	Netherlands	198. Tata Steel International (Poland) sp Z.O.O.	Poland
153. Seamless Tubes Ltd.	UK	199. Tata Steel International (Schweiz) AG	Switzerland
154. Service Center Gelsenkirchen GmbH	Germany	200. Tata Steel International (Sweden) AB	Sweden
155. Service Centre Maastricht B.V.	Netherlands	201. Tata Steel International (UK) Ltd.*	UK
156. SIA Corus Building Systems	Latvia	202. Tata Steel International (India) Limited	India
157. Simiop Investments Ltd.	UK	203. Tata Steel International Iberica SA	Spain
158. Simiop Ltd.	UK	204. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
159. Skruv Erik AB	Sweden	205. Tata Steel Logistics and Shipping BV	Netherlands
160. Societe Europeenne De Galvanisation (Segal) Sa	Belgium	206. Tata Steel Maubeuge SAS	France
161. Staalverwerking En Handel B.V.	Netherlands	207. Tata Steel Nederland BV	Netherlands
162. Stainless Velsen-Noord BV	Netherlands	208. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
163. Steel StockHoldings Ltd.	UK	209. Tata Steel Nederland Investment BV	Netherlands
164. Steelstock Ltd.	UK	210. Tata Steel Nederland Perfo BV	Netherlands
165. Stewarts & Lloyds Of Ireland Ltd.	Ireland	211. Tata Steel Nederland Services BV	Netherlands
166. Stewarts And Lloyds (Overseas) Ltd.	UK	212. Tata Steel Nederland Star-Frame BV	Netherlands
167. Stocksbridge Works Cottage Trust Limited	UK	213. Tata Steel Nederland Technology BV	Netherlands
168. Stuwadoorsbedrijf Velserkom B.V.	Netherlands	214. Tata Steel Nederland Tubes BV	Netherlands
169. Surahammar Bruks AB	Sweden	215. Tata Steel Netherlands Holdings B.V.	Netherlands
170. Swinden Housing Association	UK	216. Tata Steel Norway Byggsystemer A/S	Norway
171. Tata Steel Belgium Packaging Steels N.V.	Belgium	217. Tata Steel Speciality Service Centre Xian Co. Ltd.	China
172. Tata Steel Belgium Services N.V.	Belgium	218. Tata Steel UK Consulting Limited	UK
173. Tata Steel Denmark Byggsystemer A/S	Denmark	219. Tata Steel UK Holdings Limited	UK
174. Tata Steel Europe Distribution BV	Netherlands	220. Tata Steel UK Limited	UK
175. Tata Steel Europe Metals Trading BV	Netherlands	221. Tata Steel UK Rail Consultancy Limited	UK
176. Tata Steel France Batiment et Systemes SAS	France	222. Tata Steel Usa Inc.	USA
177. Tata Steel France Holdings SAS	France	223. The Newport And South Wales Tube Company Ltd.	UK
178. Tata Steel France Rail SA	France	224. The Stanton Housing Company Ltd.	UK
179. Tata Steel Germany GmbH	Germany	225. The Steel Company Of Ireland Limited	Ireland
180. Tata Steel Hungary LLC	Hungary	226. The Templeborough Rolling Mills Ltd.	UK
181. Tata Steel Ijmuiden BV	Netherlands	227. Thomas Processing Company	USA
182. Tata Steel International (Americas) Holdings Inc	USA	228. Thomas Steel Strip Corp.	USA
183. Tata Steel International (Americas) Inc	USA	229. Tinsley Trailers Limited	UK
184. Tata Steel International (Australasia) Limited	New Zealand	230. Toronto Industrial Fabrications Ltd.	UK
185. Tata Steel International (Benelux) BV	Netherlands	231. Trierer Walzwerk GmbH	Germany
186. Tata Steel International (Canada) Holdings Inc	Canada	232. Tulip UK Holdings (No.2) Ltd.	UK
187. Tata Steel International (Czech Republic) S.R.O	Czech Republic	233. Tulip UK Holdings (No.3) Ltd.	UK
188. Tata Steel International (Denmark) A/S	Denmark	234. Tuscaloosa Steel Corporation	USA
189. Tata Steel International (Finland) OY	Finland	235. U.E.S. Bright Bar Limited	UK
190. Tata Steel International (France) SAS	France	236. UK Steel Enterprise Ltd.	UK
191. Tata Steel International (Germany) GmbH	Germany	237. Ukse Fund Managers (General Partner) Limited	UK
192. Tata Steel International (South America) Representações LTDA	Brazil		

Name of the Party	Country	Name of the Party	Country
238. Ukse Fund Managers Limited	UK	xxi) The Tinplate Company of India Ltd.	India
239. Unitol SAS	France	xxii) Tata Sponge Iron Limited #	India
240. Vlietjonge BV*	Netherlands	1. TSIL Energy Limited*	India
241. Walker Manufacturing And Investments Ltd.	UK	xxiii) Tata Steel Odisha Limited *	India
242. Walkersteelstock Ireland Limited	Ireland	B. Joint Ventures of:	
243. Walkersteelstock Ltd.	UK	i) Tata Steel Limited	
244. Westwood Steel Services Ltd.	UK	1. Bhubaneshwar Power Private Limited	India
245. Whitehead (Narrow Strip) Ltd.	UK	2. Himalaya Steel Mill Services Private Limited	India
IV. Tata Steel Global Minerals Holdings Pte Ltd.	Singapore	3. mjunction services limited	India
1. Al Rimal Mining LLC	Oman	4. S & T Mining Company Private Limited	India
2. Black Ginger 461 (Proprietary) Ltd	South Africa	5. Tata BlueScope Steel Limited	India
3. Kalimati Coal Company Pty. Ltd.	Australia	6. Tata NYK Shipping Pte Ltd.	Singapore
4. Sedibeng Iron Ore Pty. Ltd.	South Africa	7. The Dhamra Port Company Limited	India
5. Tata Steel Cote D' Ivoire S.A	Ivory Coast	ii) Tata Steel Holdings Pte. Ltd.	
6. Tata Steel Minerals UK Limited	UK	a) Tata Steel Global Holdings Pte Ltd.	
7. Tata Steel Minerals Canada Limited	Canada	I. Tata Steel Europe Limited	
8. T S Canada Capital Ltd*	Canada	1. Afon Tinplate Company Limited	UK
V. Tata Steel International (Singapore) Holdings Pte. Ltd.	Singapore	2. Air Products Llanwern Limited	UK
1. TSIA Holdings (Thailand) Limited	Thailand	3. B V Ijzerleew*	Netherlands
2. Tata Steel International (Guangzhou) Ltd.*	China	4. Bsr Pipeline Services Limited	UK
3. Tata Steel International (Shanghai) Ltd.	China	5. Caparo Merchant Bar Plc	UK
4. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia	6. Corus Cogifer Switches And Crossings Limited*	UK
5. Tata Steel International (Thailand) Limited	Thailand	7. Corus Kalpinis Simos Cladding Industry SA	Greece
6. Tata Steel International (Singapore) Pte. Ltd.	Singapore	8. Danieli Corus Technical Services B.V.	Netherlands
7. Tata Steel International (Asia) Limited	Hong Kong S.A.R	9. Fabsec Limited	UK
8. Tata Steel International (Hongkong) Limited*	Hong Kong S.A.R	10. Hks Scrap Metals B.V.*	Netherlands
VI. Tata Steel (Thailand) Public Company Ltd.	Thailand	11. Ijzerhandel Geertsema Staal B.V.*	Netherlands
1. N.T.S Steel Group Plc.	Thailand	12. Industrial Rail Services Ijmond B.V.	Netherlands
2. The Siam Construction Steel Co. Ltd.	Thailand	13. Laura Metaal Holding B.V.	Netherlands
3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand	14. Norsk Stal AS	Norway
VII. Tata Steel Global Procurement Company Pte. Ltd.	Singapore	15. Norsk Stal Tynnplater AS	Norway
1. ProCo Issuer Pte. Ltd.	Singapore	16. Ravenscraig Limited	UK
xv) Tata Steel Processing and Distribution Limited	India	17. Redcar Bulk Terminal Limited	UK
xvi) TM International Logistics Limited	India	18. Tata Elastron Steel Service Center SA	Greece
1. International Shipping Logistics FZE	UAE	19. Tata Steel Ticaret AS	Turkey
2. TKM Global China Ltd.	China	20. Texturing Technology Limited	UK
3. TKM Global GmbH	Germany	II. Tata Steel Global Minerals Holdings Pte. Ltd.	
4. TKM Global Logistics Limited	India	1. Rio Tinto Benga (Mauritius) Limited	Mauritius
5. TM Harbour Services Private Limited	India	C. Associate of:	
xvii) Indian Steel & Wire Products Ltd.	India	i) Kalimati Investment Company Ltd.	
xviii) The Tata Pigments Limited	India	1. Rujuvalika Investments Ltd.	India
xix) T M Mining Company Limited	India	ii) NatSteel Asia Pte. Ltd.	
xx) Jamshedpur Continuous Annealing & Processing Company Private Limited	India	1. SteelAsia Development and Management Corp.	Philippines
		2. SteelAsia Industries Inc.	Philippines
		3. SteelAsia Manufacturing Corporation	Philippines
		iii) Tata Incorporated	
		1. TKM Overseas Ltd.	UK
		iv) Tata Steel Limited	
		1. Indian Steel Rolling Mills Ltd.*	India

Name of the Party		Country	Name of the Party		Country
2.	Industrial Energy Ltd.	India	13.	Danieli Corus Inc.	USA
3.	Jamipol Ltd.	India	14.	Danieli Corus Services Usa Inc.	USA
4.	Kalinga Aquatics Ltd.	India	15.	Danieli Corus India Private Limited	India
5.	Kumardhubi Fireclay & Silica Works Ltd.	India	16.	European Profiles (Marketing) Sdn.Bhd.	Malaysia
6.	Kumardhubi Metal Casting & Engineering Ltd.	India	17.	Galvpro LP.	USA
7.	Nicco Jubilee Park Limited	India	18.	Gietwalsonderhoudcombinatie B.V.	Netherlands
8.	Strategic Energy Technology Systems Private Limited	India	19.	Hoogovens Court Roll Service Technologies Vof:	Netherlands
9.	Tata Construction & Projects Ltd.	India	20.	Hoogovens Gan Multimedia S.A. De C.V.	Mexico
10.	Tata Sponge Iron Ltd.#	India	21.	Isolation Du Sud SA	France
11.	TRL Krosaki Refractories Ltd.	India	22.	Issb Limited	UK
12.	TRF Ltd.	India	23.	MDC Sublance Probe Technology	Shanghai
v)	Tata Steel Holdings Pte. Ltd.		24.	Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
a)	Tata Steel Global Holdings Pte Ltd.		25.	Rsp Holding B.V.*	Netherlands
i.	Tata Steel International (Singapore) Holdings Pte. Ltd.		26.	Schreiner Fleischer AS	Norway
1.	European Profiles (M) Sdn. Bhd.	Malaysia	27.	Shanghai Bao Yi Beverage Can Making Co. Ltd.*	China
ii.	Tata Steel Europe Limited		28.	Thoresen & Thorvaldsen AS	Norway
1.	Ab Norskstål AS	Norway	29.	Trico LLC	USA
2.	Albi Profils SRL	France	30.	Weirton/Hoogovens GP	USA
3.	Appleby Frodingham Cottage Trust Limited	UK	31.	Wupperman Staal Nederland B.V.	Netherlands
4.	Combulex B.V.	Netherlands	iii.	Tata Steel Global Minerals Holdings Pte Ltd.	
5.	Cv Gasexpansie Ijmond	Netherlands	1.	New Millennium Iron Corp.	Canada
6.	Danieli Corus Canada Inc.	Canada	vi)	Indian Steel & Wire Products Ltd.	
7.	Danieli Corus Asia B.V.	Netherlands	1.	Metal Corporation of India Limited	India
8.	Danieli Corus B.V.	Netherlands	D.	Promoters holding together with its subsidiary is more than 20%	
9.	Danieli Corus Braseq Ltda.	Brazil		Tata Sons Limited	
10.	Danieli Corus Construction Services B.V.	Netherlands	E.	Key Management Personnel	
11.	Danieli Corus Construction Services Usa Inc.	USA		Mr. H. M. Nerurkar – Managing Director	
12.	Danieli Corus Do Brasil Ltda.	Brazil		Mr. Koushik Chatterjee* – Executive Director & Group CFO	

* Part of the year.

Earlier an associate, became subsidiary during the year.

☆ By virtue of management control.

(b) Related Party Transactions
₹ crores

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of Goods						
Tata Steel Global Procurement Company Pte. Ltd.	3,608.05 61.14	–	–	–	–	3,608.05 61.14
Others	306.03 4,873.28	443.16 254.81	–	–	–	749.19 5,128.09
	3,914.08 4,934.42	443.16 254.81	–	–	–	4,357.24 5,189.23
Sale of Goods						
Tata Steel Asia (Hong Kong) Ltd.	1,072.01 722.42	–	–	–	–	1,072.01 722.42
Tata Steel Processing And Distribution Limited	1,247.28 1,359.36	–	–	–	–	1,247.28 1,359.36
Tata BlueScope Steel Limited	–	513.71 42.75	–	–	–	513.71 42.75
Others	791.76 611.30	425.80 298.38	–	–	–	1,217.56 909.68
	3,111.05 2,693.08	939.51 341.13	–	–	–	4,050.56 3,034.21
Receiving of Services						
Jamshedpur Utilities & Services Company Limited	336.37 292.87	–	–	–	–	336.37 292.87
The Tinplate Company of India Ltd.	531.81 390.93	–	–	–	–	531.81 390.93
Industrial Energy Ltd.	–	512.52 433.21	–	–	–	512.52 433.21
Others	575.66 552.39	147.97 102.57	–	–	1.11 1.64	724.74 656.60
	1,443.84 1,236.19	660.49 535.78	–	–	1.11 1.64	2,105.44 1,773.61
Rendering of Services						
Jamshedpur Utilities & Services Company Limited	61.32 62.39	–	–	–	–	61.32 62.39
The Tinplate Company of India Ltd.	58.05 49.73	–	–	–	–	58.05 49.73
Indian Steel & Wire Products Ltd.	21.99 21.43	–	–	–	–	21.99 21.43
Others	44.92 35.65	26.30 15.91	–	–	0.09 0.16	71.31 51.72
	186.28 169.20	26.30 15.91	–	–	0.09 0.16	212.67 185.27
Purchase of Fixed Assets						
TRF Ltd.	–	2.06 45.85	–	–	–	2.06 45.85
Others	–	–	–	–	–	–
	0.07 –	8.35 –	–	–	–	8.42 –
	– 0.07	2.06 54.20	–	–	–	2.06 54.27
Sale of Fixed Assets						
The Tinplate Company of India Ltd.	0.36 –	–	–	–	–	0.36 –
	0.36 –	–	–	–	–	0.36 –

₹ crores						
Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Dividend paid						
Tata Sons Limited	–	–	–	–	346.68	346.68
	–	–	–	–	328.11	328.11
Others	–	1.40	*	–	–	1.40
	0.81	1.40	**	–	–	2.21
	–	1.40	*	–	346.68	348.08
	0.81	1.40	**	–	328.11	330.32
Dividend Income						
Kalimati Investment Company Ltd.	561.27	–	–	–	–	561.27
	4.10	–	–	–	–	4.10
Others	67.57	12.51	–	–	–	80.08
	42.08	9.11	–	–	–	51.19
	628.84	12.51	–	–	–	641.35
	46.18	9.11	–	–	–	55.29
Interest Income						
The Dhamra Port Company Limited	–	41.62	–	–	–	41.62
	–	2.48	–	–	–	2.48
Tata Steel (KZN) (Pty) Ltd.	25.17	–	–	–	–	25.17
	20.60	–	–	–	–	20.60
Others	5.00	2.91	–	–	–	7.91
	63.46	–	–	–	–	63.46
	30.17	44.53	–	–	–	74.70
	84.06	2.48	–	–	–	86.54
Management contracts including deputation of employees						
Tata Sons Limited	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
Finance Provided						
Tata Steel Holdings Pte. Ltd.	1,313.65	–	–	–	–	1,313.65
	2,536.10	–	–	–	–	2,536.10
Jamshedpur Continuous Annealing & Processing Company Private Limited	655.92	–	–	–	–	655.92
	–	–	–	–	–	–
Others	249.26	177.32	–	–	–	426.58
	246.83	399.48	–	–	–	646.31
	2,218.83	177.32	–	–	–	2,396.15
	2,782.93	399.48	–	–	–	3,182.41
Remuneration						
Mr. H.M. Nerurkar	–	–	5.73	–	–	5.73
	–	–	6.42	–	–	6.42
Mr. Koushik Chatterjee	–	–	3.44	–	–	3.44
	–	–	–	–	–	–
	–	–	9.17	–	–	9.17
	–	–	6.42	–	–	6.42
Provision for receivables made during the year						
Tata Steel (KZN) (Pty) Ltd.	610.63	–	–	–	–	610.63
	–	–	–	–	–	–
Others	4.40	–	–	–	–	4.40
	–	–	–	–	–	–
	615.03	–	–	–	–	615.03
	–	–	–	–	–	–

₹ crores

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Guarantees and collaterals given Jamshedpur Continuous Annealing & Processing Company Private Limited	167.55 –	– –	– –	– –	– –	167.55 –
	167.55 –	– –	– –	– –	– –	167.55 –
Guarantees outstanding Tata Steel UK Limited, Tata Steel UK Rail Consultancy Limited, Industrial Steels Limited, Tata Steel International (UK) Ltd. Jamshedpur Continuous Annealing & Processing Company Private Limited Tata NYK Shipping Pte Ltd.	168.28 157.73 167.55 – –	– – – – 162.86 152.64	– – – – – –	– – – – – –	– – – – – –	168.28 157.73 167.55 – – 162.86 152.64 498.69 310.37
	335.83 157.73	162.86 152.64	– –	– –	– –	498.69 310.37
Outstanding Receivables Tata Steel Holdings Pte. Ltd. Kalimati Investment Company Ltd Tata Steel (KZN) (Pty) Ltd. The Dhamra Port Company Limited Others	2,286.83 973.18 557.72 0.50 610.63 588.43 – – 211.60 227.82 3,666.78 1,789.93	– – – – – – 439.68 352.48 125.72 84.58 565.40 437.06	– – – – – – – – – – – –	– – – – – – – – – – – –	– – – – – – – – 1.25 4.01 1.25 4.01	2,286.83 973.18 557.72 0.50 610.63 588.43 439.68 352.48 338.57 316.41 4,233.43 2,231.00
Provision for Outstanding Receivables Tata Steel (KZN) (Pty) Ltd. Others	610.63 – 4.40 – 615.03 –	– – – – – –	– – – – – –	– – – – – –	– – – – – –	610.63 – 4.40 – 615.03 –
Outstanding Payables Tata Steel Global Procurement Company Pte. Ltd. Others	2,016.60 62.96 302.14 2,549.95 2,318.74 2,612.91	– – 138.15 119.05 138.15 119.05	– – – – – –	– – – – – –	– – 50.31 55.86 50.31 55.86	2,016.60 62.96 490.60 2,724.86 2,507.20 2,787.82
Bad Debts Recovered Indian Steel & Wire Products Ltd.	1.76 3.07 1.76 3.07	– – – –	– – – –	– – – –	– – – –	1.76 3.07 1.76 3.07

* ₹ 8,844.00

** ₹ 8,844.00

Transactions with Joint Ventures have been disclosed at full value.

43. The Company has the following Joint Ventures as on 31st March, 2013 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Ventures is given below:

Name of the Joint Ventures	Country of Incorporation	Percentage of Holding	As at 31.03.2013				2012-13	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services limited	India	50%	163.49 <i>146.04</i>	63.73 <i>56.90</i>	– <i>0.60</i>	0.08 <i>0.30</i>	64.37 <i>68.36</i>	37.08 <i>32.64</i>
The Dhamra Port Company Limited	India	50%	1,789.86 <i>1,792.04</i>	1,866.47 <i>1,698.68</i>	1.52 –	8.55 <i>24.18</i>	252.27 <i>98.88</i>	422.25 <i>327.92</i>
Tata BlueScope Steel Limited	India	50%	908.10 <i>851.83</i>	687.76 <i>614.47</i>	31.52 <i>25.74</i>	1.99 <i>17.66</i>	523.95 <i>358.96</i>	615.97 <i>404.04</i>
Tata NYK Shipping Pte. Ltd.	Singapore	50%	659.15 <i>429.40</i>	630.60 <i>344.32</i>	– <i>219.85</i>	– <i>185.81</i>	544.81 <i>348.97</i>	607.36 <i>405.96</i>
Bhubaneshwar Power Private Limited	India	14%	21.99 <i>5.71</i>	10.51 <i>0.11</i>	0.39 <i>0.39</i>	54.22 <i>38.02</i>	0.11 <i>0.16</i>	0.08 <i>0.05</i>
S & T Mining Company Private Limited	India	50%	5.12 <i>3.25</i>	1.68 <i>0.58</i>	– –	0.07 <i>0.13</i>	0.33 <i>0.10</i>	1.98 <i>1.51</i>
Himalaya Steel Mill Services Private Limited	India	26%	8.57 <i>8.54</i>	5.12 <i>4.83</i>	– –	– –	3.14 <i>0.46</i>	3.44 <i>0.43</i>

44. DERIVATIVE INSTRUMENTS

- (a) The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per Accounting Policies stated in Note 1 annexed to Balance Sheet and Statement of Profit and Loss.

- (i) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding short-term forward exchange contracts entered into by the Company on account of payables including forecast payables:

		As at 31.03.2012
No. of contracts	90	64
US Dollar equivalent (million)	746.79	527.15
INR equivalent (crores)	4,053.95	2,682.12

Outstanding short-term forward exchange contracts entered into by the Company on account of receivables:

		As at 31.03.2012
No. of contracts	21	3
US Dollar equivalent (million)	75.49	3.96
INR equivalent (crores)	409.72	20.14

Outstanding long-term forward exchange contracts entered into by the Company:

		As at 31.03.2012
No. of contracts	28	27
US Dollar equivalent (million)	16* 734.31	5* 1,207.18
INR equivalent (crores)	3,986.21	6,142.12

* Represents outstanding long-term forward exchange contracts used to hedge currency risk of Euro and GBP against USD. The corresponding USD exposure has been disclosed under unhedged loans payable.

(Long-term Forward Exchange Contracts outstanding as on 31st March, 2013 have been used to hedge the foreign currency risk on repayment of External Commercial Borrowings and Export Credit Agency Borrowings of the Company).

- (ii) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. Such transactions are governed by the strategy approved by the Board of Directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Outstanding Interest Rate Swaps to hedge against fluctuations in interest rate changes:

		As at 31.03.2012
No. of contracts	8*	8*
US Dollar equivalent (million)	335.00	335.00
INR equivalent (crores)	1,818.55	1,704.48

(* The above interest rate swap is part of full currency swap and the number of contract is also reflected in the outstanding long-term forward exchange contract as part of hedging the exchange risk).

- (b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	US Dollar equivalent (million)	INR equivalent (₹ crores)	As at 31.03.2012	
			US Dollar equivalent (million)	INR equivalent (₹ crores)
Amounts receivable in foreign currency on account of the following:				
(i) Loans receivable	91.35	495.78	96.52	490.98
(ii) Interest receivable	21.16	114.84	19.16	97.45
(iii) Debtors outstanding	22.81	123.78	1.28	6.52
Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	72.45	393.31	119.77	609.41
(ii) Capital imports	78.72	427.32	105.68	537.70
(iii) Interest and commitment charges payable	20.70	112.39	23.78	121.01
(iv) Loans payable	1,045.52	5,675.59	1,543.84	7,855.08

45. The Board recommended dividend of ₹ 8.00 per Ordinary Share (2011-12: ₹ 12 per Ordinary Share) of ₹ 10 each for the year ended 31st March, 2013. The dividend is subject to the approvals of the shareholders at the Annual General Meeting. The total dividend payout (including tax on dividend) works out to ₹ 905.70 crores (2011-12: ₹ 1,347.03 crores) for the Company.

46. Previous year's figures have been recast/restated where necessary.

47. Figures in italics are in respect of the previous year.

For and on behalf of the Board	
CYRUS P MISTRY	<i>Chairman</i>
B MUTHURAMAN	<i>Vice Chairman</i>
NUSLI N WADIA	} <i>Directors</i>
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
ANDREW ROBB	
D K MEHROTRA	
KARL-ULRICH KOEHLER	
H M NERURKAR	<i>Managing Director</i>
KOUSHIK CHATTERJEE	<i>Executive Director & Group CFO</i>

Tata Steel Limited and its Subsidiaries

Auditors' Report on Consolidated Financial Statements

Independent Auditors' Report

TO THE BOARD OF DIRECTORS OF TATA STEEL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TATA STEEL LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2013, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As stated in the Other Matters paragraph below, our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, jointly controlled entities and associates not audited by us, is based solely on the reports of such other auditors.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the separate audit reports on the financial statements/financial information of the subsidiaries, jointly controlled entities and associates and the unaudited financial statements/financial information of the subsidiaries, jointly controlled entities and associates; referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 39(d)(1) to the financial statements regarding accounting policy for recognition of actuarial valuation change Rs. 317.26 crores (net of taxes) [Gross: Rs. 407.08 crores] in the pension and other post retirement benefit plans of Tata Steel Europe Limited, a subsidiary for the reasons specified therein. Had the Company recognised actuarial valuation changes in the Statement of Profit and Loss, the deferred tax expenses would have been lower by Rs. 89.82 crores and the loss after taxes, minority interest and shares of profits of associates would have been higher by Rs. 317.26 crores. Our opinion is not qualified in respect of this matter.

Other Matters

1. We did not audit the financial statements of eleven subsidiaries and two jointly controlled entities, whose financial statements reflect total assets (net) of Rs. 21,410.26 crores as at 31 March, 2013, total revenues of Rs. 94,509.63 crores and net cash outflows amounting to Rs.180.76 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 2.38 crores for the year ended 31 March, 2013, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by auditors in the respective countries whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on those reports.
2. The consolidated financial statements include the unaudited financial statements of three subsidiaries, whose financial statements reflect total liabilities (net) of Rs.1.73 crores as at 31 March, 2013, total revenue of Rs.1.06 crores and net cash out flows amounting to Rs. 2.43 crores for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on such unaudited financial statements.
3. The consolidated financial statements also include the Group's share of net loss of Rs. 31.21 crores for the year ended 31 March, 2013, as considered in the consolidated financial statements, in respect of two associates, based on their unaudited financial statements as at and for the period ended 31 December, 2012. Our opinion, in so far as it relates to the amounts included in respect of these associates, is based solely on such unaudited financial statements.
4. In respect of investments in seven associates valued at Re. 1 each in the financial statements of the Company no adjustments have been made in the consolidated financial statements as at 31 March, 2013 as the financial statements of these associates were not available.

Our opinion is not qualified in respect of these matters.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117366W)

N. VENKATRAM
(Partner)
(Membership No. 71387)

Mumbai, 23 May, 2013

Tata Steel Limited and its Subsidiaries

Consolidated Balance Sheet as at 31st March, 2013

		₹ crores	
		As at	
		31.03.2012	
			EQUITY AND LIABILITIES
			(1) SHAREHOLDERS' FUNDS
3	184		(a) Share capital
4	185	971.41	971.41
		33,200.83	41,644.81
			(b) Reserves and surplus
			34,172.24
5	187		(2) PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES
			21.21
			42,616.22
			22.43
			17.46
6	187		(3) WARRANTS ISSUED BY A SUBSIDIARY COMPANY
			-
			2,275.00
			1,669.36
			1,091.15
			(4) HYBRID PERPETUAL SECURITIES
			(5) MINORITY INTEREST
			(6) NON-CURRENT LIABILITIES
7	188	46,857.62	45,238.24
8	189	3,154.98	2,503.85
9	189	1,120.52	889.86
10	190	5,356.44	4,715.05
			56,489.56
			53,347.00
			(7) CURRENT LIABILITIES
7	188	8,114.56	4,699.08
11	190	21,778.84	20,528.55
12	190	19,442.36	18,779.01
10	190	2,943.29	3,476.19
			52,279.05
			1,46,906.42
			1,46,852.09
			ASSETS
			(8) NON-CURRENT ASSETS
			(a) Fixed assets
13	191		(i) Tangible assets
14	192	51,977.54	39,080.93
		2,959.08	2,851.33
		13,786.15	20,027.97
		490.47	168.06
		69,213.24	62,128.29
			(ii) Intangible assets
			(iii) Capital work-in-progress
			(iv) Intangible assets under development
			(b) Goodwill on consolidation
15	193	13,064.98	17,354.61
8	189	2,497.37	2,622.88
16	195	36.49	61.44
17	195	7,097.65	6,837.12
		752.54	1,039.42
			92,662.27
			90,043.76
			(9) CURRENT ASSETS
15	193	760.29	1,398.37
18	196	24,091.19	25,598.00
19	196	13,993.96	14,878.48
20	196	9,859.67	10,798.81
16	195	4,060.54	3,717.42
21	197	1,478.50	417.25
			54,244.15
			1,46,906.42
			1,46,852.09
1-44	172	Notes to Consolidated Balance Sheet and Statement of Profit and Loss	

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 23rd May, 2013

A ANJENEYAN
Company Secretary

For and on behalf of the Board

CYRUS P MISTRY

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA

ISHAAT HUSSAIN

SUBODH BHARGAVA

ANDREW ROBB

D K MEHROTRA

KARL-ULRICH KOEHLER

Directors

H M NERURKAR

Managing Director

KOUSHIK CHATTERJEE

Executive Director
& Group CFO

Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

₹ crores

Note	Page			Previous Year
		(1) REVENUE		
22	197	(a) Revenue from operations	1,38,821.14	1,35,975.56
		Less: Excise duty	4,109.60	3,075.86
			<u>1,34,711.54</u>	<u>1,32,899.70</u>
23	197	(b) Other income	479.15	1,573.03
		TOTAL REVENUE	1,35,190.69	1,34,472.73
		(2) EXPENSES		
		(a) Raw materials consumed	40,643.46	45,457.54
		(b) Purchase of finished, semi-finished and other products	18,473.87	21,073.43
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,418.92	(785.93)
24	197	(d) Employee benefits expense	18,918.25	17,228.64
25	198	(e) Depreciation and amortisation expense	5,575.32	4,516.65
26	198	(f) Finance costs	3,968.11	4,250.11
27	198	(g) Other expenses	44,252.82	38,366.86
			<u>1,33,250.75</u>	<u>1,30,107.30</u>
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	1,316.99	857.63
		TOTAL EXPENSES	1,31,933.76	1,29,249.67
		(3) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	3,256.93	5,223.06
28	199	(4) EXCEPTIONAL ITEMS		
		(a) Profit on sale of non-current investments	966.03	3,361.92
		(b) Provision for impairment of non-current assets	(8,355.91)	—
			<u>(7,389.88)</u>	<u>3,361.92</u>
		(5) PROFIT/(LOSS) BEFORE TAX	(4,132.95)	8,584.98
		(6) TAX EXPENSE		
		(a) Current tax	2,325.40	3,517.65
		(b) MAT credit	(410.12)	(5.41)
		(c) Deferred tax	1,314.16	124.22
			<u>3,229.44</u>	<u>3,636.46</u>
		(7) PROFIT/(LOSS) AFTER TAX	(7,362.39)	4,948.52
		(8) MINORITY INTEREST	214.46	173.14
		(9) SHARE OF PROFIT OF ASSOCIATES	90.31	268.11
		(10) PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES	(7,057.62)	5,389.77
		(11) NOMINAL VALUE PER SHARE (₹)	10	10
29	200	(12) BASIC EARNINGS PER SHARE (₹)	(74.54)	54.27
29	200	(13) DILUTED EARNINGS PER SHARE (₹)	(74.54)	53.61
1-44	172	Notes to Consolidated Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 23rd May, 2013

A ANJENEYAN
Company Secretary

For and on behalf of the Board

CYRUS P MISTRY *Chairman*
B MUTHURAMAN *Vice Chairman*
NUSLI N WADIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
ANDREW ROBB
D K MEHROTRA
KARL-ULRICH KOEHLER

Directors

H M NERURKAR *Managing Director*
KOUSHIK CHATTERJEE *Executive Director & Group CFO*

Consolidated Cash Flow Statement for the year ended 31st March, 2013

		₹ crores
		Year Ended 31.03.2012
A. Cash Flow from Operating Activities:		
Profit/(Loss) before tax	(4,132.95)	8,584.98
Adjustments for:		
Depreciation and amortisation expense	5,575.32	4,516.65
Income from non-current investments	(96.73)	(97.41)
(Profit)/Loss on sale of non-current investments	(966.03)	(3,361.92)
(Profit)/Loss on assets sold/discarded	(74.52)	7.41
Provision for impairment of non-current assets	8,355.91	-
Interest and income from current investments	(451.39)	(898.10)
Finance costs	3,968.11	4,250.11
(Gain)/Loss on cancellation of forwards, swaps and options	143.49	43.06
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	185.31	625.61
Provision for wealth tax	2.19	1.80
Other non-cash expenditure	254.90	106.75
	16,896.56	5,193.96
Operating Profit before Working Capital Changes	12,763.61	13,778.94
Adjustments for:		
Trade and other receivables	366.62	981.19
Inventories	1,915.37	407.72
Trade payables and other liabilities	847.32	(316.61)
	3,129.31	1,072.30
Cash Generated from Operations	15,892.92	14,851.24
Direct tax paid	(2,568.98)	(3,466.64)
Net Cash Flow from/(used in) Operating Activities	13,323.94	11,384.60
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(15,471.51)	(12,077.70)
Sale of fixed assets	249.12	177.39
Purchase of non-current investments	(302.24)	(301.11)
Acquisition of subsidiaries/joint ventures/undertakings	(155.70)	-
Disposal of subsidiaries/joint ventures/undertakings	901.57	721.47
Sale of non-current investments	1,208.43	5,136.75
(Purchase)/sale of current investments (net)	986.90	2,193.38
Inter-corporate deposits given	(95.34)	(175.00)
Interest and income from current investments received	211.19	492.13
Dividend received	146.41	127.26
Net Cash Flow from/(used in) Investing Activities	(12,321.17)	(3,705.43)

Consolidated Cash Flow Statement for the year ended 31st March, 2013

	₹ crores	
		Year Ended 31.03.2012
C. Cash Flow from Financing Activities:		
Issue of equity shares	0.02	534.60
Proceeds from sale of cross holdings	–	31.22
Issue/(Redemption) of Preference Shares	(1.22)	20.00
Capital contributions received	20.80	28.63
Contribution received from minority	242.63	18.30
Proceeds from issue of Hybrid Perpetual Securities	–	775.00
Proceeds from borrowings	29,864.28	18,826.75
Repayment of borrowings	(27,210.63)	(23,549.04)
Amount received/(paid) on cancellation of forwards, swaps and options	(138.37)	(32.96)
Distribution on Hybrid Perpetual Securities	(265.76)	(222.47)
Expenses (incurred)/reimbursed on issue of equity instruments	2.40	(16.79)
Interest paid ⁽²⁾	(3,199.89)	(3,525.35)
Dividend paid	(1,169.13)	(1,163.83)
Tax on dividend paid	(189.88)	(185.73)
Net Cash Flow from/(used in) Financing Activities	(2,044.75)	(8,461.67)
Net increase/(decrease) in Cash and Cash Equivalents	(1,041.98)	(782.50)
Opening Cash and Cash Equivalents (As per Note 20, Page 196)	10,538.86⁽³⁾	10,805.77
Effect of exchange rate on translation of foreign currency Cash and Cash Equivalents	197.97	633.87
Closing Cash and Cash Equivalents (As per Note 20, Page 196)	9,694.85	10,657.14

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 231.81 crores (2011-12: ₹ 336.22 crores).
- (3) Includes ₹ 199.55 crores of opening cash and cash equivalents in respect of a subsidiary acquired during the year and excludes ₹ 317.83 crores in respect of subsidiaries and joint ventures which were disposed of during the year.
- (4) Previous years figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 23rd May, 2013

A ANJENEYAN
Company Secretary

For and on behalf of the Board

CYRUS P MISTRY	<i>Chairman</i>
B MUTHURAMAN	<i>Vice Chairman</i>
NUSLI N WADIA	}
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
ANDREW ROBB	
D K MEHROTRA	
KARL-ULRICH KOEHLER	<i>Directors</i>

H M NERURKAR	<i>Managing Director</i>
KOUSHIK CHATTERJEE	<i>Executive Director & Group CFO</i>

NOTES TO CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS
1. PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements consist of Tata Steel Limited ("the Company") and its subsidiary companies (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".
- The difference between the cost of investment in the subsidiaries and joint ventures, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.
Minority interest in the net assets of consolidated subsidiaries consists of:
 - a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- Minority's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit After Tax of the Group.
- Investment in associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.
- The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries, associates and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2013, except for certain associates (indicated as \$ below) for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements.
- In the absence of financial statements as on the reporting date for certain associates (indicated as # below), no adjustment has been made in the consolidated financial statements. These investments are carried at ₹ 1 in the financial statements.
- Unaudited financial statement of Orchid Netherlands (No. 1) B.V., Tata Korf Engineering Services Ltd. and Sila Eastern Limited being subsidiaries and TRF Ltd., being an associate, have been considered for consolidation.

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

	Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
		2012-13	2011-12	
A.	Subsidiaries:			
i)	Adityapur Toll Bridge Company Limited	73.63	<i>73.63</i>	India
ii)	Gopalpur Special Economic Zone Limited	100.00	<i>100.00</i>	India
iii)	Jamshedpur Utilities & Services Company Limited	100.00	<i>100.00</i>	India
	1. Haldia Water Management Limited	60.00	<i>60.00</i>	India
	2. Naba Diganta Water Management Limited	74.00	<i>74.00</i>	India
	3. SEZ Adityapur Limited	51.00	<i>51.00</i>	India
iv)	Kalimati Investment Company Ltd.	100.00	<i>100.00</i>	India
	1. Bangla Steel & Mining Co. Ltd.	100.00	<i>100.00</i>	Bangladesh

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
v) Lanka Special Steels Ltd.	100.00	100.00	Sri Lanka
vi) NatSteel Asia Pte. Ltd.	100.00	100.00	Singapore
1. Tata Steel Asia (Hong Kong) Ltd.	100.00	100.00	Hongkong S.A.R.
2. Tata Steel Resources Australia Pty. Ltd.	100.00	100.00	Australia
vii) Sila Eastern Ltd. * ☆	–	49.00	Thailand
viii) T S Alloys Limited	100.00	100.00	India
ix) Tata Incorporated	100.00	100.00	USA
x) Tata Korf Engineering Services Ltd.	100.00	100.00	India
xi) Tata Metaliks Ltd.	50.09	50.09	India
1. Tata Metaliks Kubota Pipes Limited	51.17	51.17	India
xii) Tayo Rolls Limited	54.45	54.45	India
xiii) Tata Steel (KZN) (Pty) Ltd.	90.00	90.00	South Africa
xiv) Tata Steel Holdings Pte. Ltd.	100.00	100.00	Singapore
1. Tata Steel Global Holdings Pte. Ltd.	100.00	100.00	Singapore
I. Orchid Netherlands (No.1) B.V.	100.00	100.00	Netherlands
II. NatSteel Holdings Pte. Ltd.	100.00	100.00	Singapore
1. Best Bar Pty. Ltd.	71.00	71.00	Australia
2. Best Bar (VIC) Pte. Ltd.	71.00	71.00	Australia
3. Burwill Trading Pte. Ltd.	100.00	100.00	Singapore
4. Easteel Construction Services Pte. Ltd.	100.00	100.00	Singapore
5. Easteel Services (M) Sdn. Bhd.	100.00	100.00	Malaysia
6. Eastern Steel Fabricators Philippines, Inc.	67.00	67.00	Philippines
7. Eastern Steel Services Pte. Ltd.	100.00	100.00	Singapore
8. Eastern Wire Pte. Ltd.	100.00	100.00	Singapore
9. NatSteel (Xiamen) Ltd.	100.00	100.00	China
10. NatSteel Asia (S) Pte. Ltd.	100.00	100.00	Singapore
11. NatSteel Australia Pty. Ltd.	100.00	100.00	Australia
12. NatSteel Equity IV Pte. Ltd.	100.00	100.00	Singapore
13. NatSteel Recycling Pte Ltd.	100.00	100.00	Singapore
14. NatSteel Trade International (Shanghai) Company Ltd.	100.00	100.00	China
15. NatSteel Trade International Pte. Ltd.	100.00	100.00	Singapore
16. NatSteel Vina Co. Ltd.	56.50	56.50	Vietnam
17. PT Material Recycling Indonesia	100.00	100.00	Indonesia
18. The Siam Industrial Wire Company Ltd.	100.00	100.00	Thailand
19. TSN Wires Co. Ltd.*	60.00	–	Thailand
20. Wuxi Jinyang Metal Products Co. Ltd.*	–	95.00	China
III. Tata Steel Europe Limited	100.00	100.00	UK
1. Almana Steel Dubai (Jersey) Limited	100.00	100.00	Jersey
2. Apollo Metals Ltd.	100.00	100.00	USA
3. Ashorne Hill Management College	100.00	100.00	UK
4. Augusta Grundstucks GmbH	100.00	100.00	Germany
5. Automotive Laser Technologies Limited	100.00	100.00	UK
6. B S Pension Fund Trustee Ltd.	100.00	100.00	UK
7. Bailey Steels Limited	100.00	100.00	UK
8. Beheermaatschappij Industriële Produkten B.V.	100.00	100.00	Netherlands
9. Belfin Beheermaatschappij B.V.	100.00	100.00	Netherlands
10. Bell & Harwood Limited	100.00	100.00	UK
11. Blastmega Limited	100.00	100.00	UK
12. Blume Stahlservice GmbH	100.00	100.00	Germany

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
13. Blume Stahlservice Polska Sp.Z.O.O	100.00	100.00	Poland
14. Bore Samson Group Ltd.	100.00	100.00	UK
15. Bore Steel Ltd.	100.00	100.00	UK
16. British Guide Rails Ltd.	100.00	100.00	UK
17. British Steel Corporation Ltd.	100.00	100.00	UK
18. British Steel De Mexico S.A. de C.V.	100.00	100.00	Mexico
19. British Steel Directors (Nominees) Limited	100.00	100.00	UK
20. British Steel Employee Share Ownership Trustees Ltd.	100.00	100.00	UK
21. British Steel Engineering Steels (Exports) Limited	100.00	100.00	UK
22. British Steel Nederland International B.V.	100.00	100.00	Netherlands
23. British Steel Samson Limited	100.00	100.00	UK
24. British Steel Service Centres Ltd.	100.00	100.00	UK
25. British Steel Tubes Exports Ltd.	100.00	100.00	UK
26. British Tubes Stockholding Ltd.	100.00	100.00	UK
27. Bs Quest Trustee Limited	100.00	100.00	UK
28. Burgdorfer Grundstuecks GmbH	100.00	100.00	Germany
29. C V Benine	76.92	76.92	Netherlands
30. C Walker & Sons Ltd.	100.00	100.00	UK
31. Catnic GmbH	100.00	100.00	Germany
32. Catnic Limited	100.00	100.00	UK
33. Cbs Investissements SAS	100.00	100.00	France
34. Cladding & Decking (UK) Limited	100.00	100.00	UK
35. Cogent Power Electrical Steels Limited	100.00	100.00	UK
36. Cogent Power Inc.	100.00	100.00	Canada
37. Cogent Power SA DE CV	100.00	100.00	Mexico
38. Cogent Power Inc.	100.00	100.00	USA
39. Cogent Power Limited	100.00	100.00	UK
40. Cold drawn Tubes Ltd.*	–	100.00	UK
41. Color Steels Limited	100.00	100.00	UK
42. Corbeil Les Rives SCI	67.30	67.30	France
43. Corby (Northants) & District Water Co.	100.00	100.00	UK
44. Cordor (C & B) Limited	100.00	100.00	UK
45. Corus Aerospace Service Centre Suzhou Co Ltd.	100.00	100.00	China
46. Corus Aluminium Verwaltungsgesellschaft MbH	100.00	100.00	Germany
47. Corus Beteiligungs GmbH	100.00	100.00	Germany
48. Corus Building Systems Bulgaria AD	100.00	100.00	Bulgaria
49. Corus Building Systems N.V.	100.00	100.00	Belgium
50. Corus Building Systems SAS	100.00	100.00	France
51. Corus Byggsystem AB	100.00	100.00	Sweden
52. Corus CNBV Investments	100.00	100.00	UK
53. Corus Coatings Usa Inc.	100.00	100.00	USA
54. Corus Cold drawn Tubes Limited	100.00	100.00	UK
55. Corus Consulting B.V.*	–	100.00	Netherlands
56. Corus Engineering Steels (UK) Limited	100.00	100.00	UK
57. Corus Engineering Steels Holdings Limited	100.00	100.00	UK
58. Corus Engineering Steels Limited	100.00	100.00	UK
59. Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
60. Corus Finance Limited*	–	100.00	UK
61. Corus Group Limited	100.00	100.00	UK
62. Corus Holdings Ltd.	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
63. Corus International (Overseas Holdings) Limited	100.00	100.00	UK
64. Corus International Bulgaria Limited*	–	100.00	Bulgaria
65. Corus International Limited	100.00	100.00	UK
66. Corus International Romania SRL.	100.00	100.00	Romania
67. Corus Investments Ltd.	100.00	100.00	UK
68. Corus Ireland Ltd.	100.00	100.00	Ireland
69. Corus Large Diameter Pipes Limited	100.00	100.00	UK
70. Corus Liaison Services (India) Limited	100.00	100.00	UK
71. Corus Management Limited	100.00	100.00	UK
72. Corus Norge A/S*	–	100.00	Norway
73. Corus Packaging Plus Norway AS	100.00	100.00	Norway
74. Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
75. Corus Properties (Germany) Limited	100.00	100.00	UK
76. Corus Property	100.00	100.00	UK
77. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
78. Corus Service Center Milano Spa	100.00	100.00	Italy
79. Corus Service Centre Limited	100.00	100.00	N Ireland
80. Corus Sheet & Tube Inc.	100.00	100.00	USA
81. Corus Steel Service STP LLC	100.00	100.00	Russia
82. Corus Trico Holdings Inc.	100.00	100.00	USA
83. Corus Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
84. Corus UK Healthcare Trustee Limited	100.00	100.00	UK
85. Corus Ukraine LLC	100.00	100.00	Ukraine
86. Cpn (85) Limited	100.00	100.00	UK
87. Crucible Insurance Company Ltd.	100.00	100.00	I of Man
88. Degels GmbH	100.00	100.00	Germany
89. Demka B.V.	100.00	100.00	Netherlands
90. Dsrn Group Plc.	100.00	100.00	UK
91. Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden
92. Esmil B.V.	100.00	100.00	Netherlands
93. Euro-Laminations Limited	100.00	100.00	UK
94. Europressings Limited	100.00	100.00	UK
95. Firsteel Group Limited	100.00	100.00	UK
96. Firsteel Holdings Limited	100.00	100.00	UK
97. Firsteel Strip Mill Products Limited	100.00	100.00	UK
98. Fischer Profil GmbH	100.00	100.00	Germany
99. Gamble Simms Metals Ltd.	100.00	100.00	Ireland
100. Grant Lyon Eagre Ltd.	100.00	100.00	UK
101. H E Samson Ltd.	100.00	100.00	UK
102. Hadfields Holdings Ltd.	62.50	62.50	UK
103. Hammermega Limited	100.00	100.00	UK
104. Harrowmills Properties Ltd.	100.00	100.00	UK
105. Hille & Muller GmbH	100.00	100.00	Germany
106. Hille & Muller Usa Inc.	100.00	100.00	USA
107. Hoogovens (UK) Limited	100.00	100.00	UK
108. Hoogovens Aluminium UK Limited	100.00	100.00	UK
109. Hoogovens Finance B.V.	100.00	100.00	Netherlands
110. Hoogovens Technical Services Mexico De S. De R.L. De C.V.*	–	100.00	Mexico
111. Hoogovens Usa Inc.	100.00	100.00	USA

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2012-13	2011-12	
112. Huizenbezit "Breesaap" B.V.	100.00	100.00	Netherlands
113. Ickles Cottage Trust	100.00	100.00	UK
114. Immobiliere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
115. Industrial Steels Limited*	–	100.00	UK
116. Inter Metal Distribution SAS	100.00	100.00	France
117. Kalzip Asia Pte Limited	100.00	100.00	Singapore
118. Kalzip FZE*	100.00	–	UAE
119. Kalzip GmbH	100.00	100.00	Germany
120. Kalzip GmbH	100.00	100.00	Austria
121. Kalzip Guangzhou Limited	100.00	100.00	China
122. Kalzip Inc	100.00	100.00	USA
123. Kalzip India Private Limited	100.00	100.00	India
124. Kalzip Italy SRL	100.00	100.00	Italy
125. Kalzip Limited	100.00	100.00	UK
126. Kalzip Spain S.L.U.	100.00	100.00	Spain
127. Layde Steel S.L.	100.00	100.00	Spain
128. Lister Tubes Ltd.	100.00	100.00	Ireland
129. London Works Steel Company Ltd.	100.00	100.00	UK
130. Midland Steel Supplies Ltd.	100.00	100.00	UK
131. Mistbury Investments Limited	100.00	100.00	UK
132. Montana Bausysteme AG	100.00	100.00	Switzerland
133. Myriad Deutschland GmbH	100.00	100.00	Germany
134. Myriad Espana SI	100.00	100.00	Spain
135. Myriad Nederland B.V.	100.00	100.00	Netherlands
136. Namascor B.V.	100.00	100.00	Netherlands
137. Nationwide Steelstock Limited	100.00	100.00	UK
138. Oostflank B.V.	100.00	100.00	Netherlands
139. Orb Electrical Steels Limited	100.00	100.00	UK
140. Ore Carriers Ltd.	100.00	100.00	UK
141. Oremco Inc.	100.00	100.00	USA
142. Plated Strip International Limited	100.00	100.00	UK
143. Precoat International Limited	100.00	100.00	UK
144. Precoat Limited	100.00	100.00	UK
145. Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA
146. Richard Thomas And Baldwins 1978 Limited	100.00	100.00	New Zealand
147. Round Oak Steelworks Ltd.	100.00	100.00	UK
148. Runblast Limited	100.00	100.00	UK
149. Runmega Limited	100.00	100.00	UK
150. S A B Profiel B.V.	100.00	100.00	Netherlands
151. S A B Profil GmbH	100.00	100.00	Germany
152. Scrap Processing Holding B.V.	100.00	100.00	Netherlands
153. Seamless Tubes Ltd.	100.00	100.00	UK
154. Service Center Gelsenkirchen GmbH	100.00	100.00	Germany
155. Service Centre Maastricht B.V.	100.00	100.00	Netherlands
156. SIA Corus Building Systems	100.00	100.00	Latvia
157. Simiop Investments Ltd.	100.00	100.00	UK
158. Simiop Ltd.	100.00	100.00	UK
159. Skruv Erik AB	100.00	100.00	Sweden
160. Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
161. Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
162. Stainless Velsen-Noord BV	100.00	100.00	Netherlands
163. Steel StockHoldings Ltd.	100.00	100.00	UK
164. Steelstock Ltd.	100.00	100.00	UK
165. Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
166. Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
167. Stocksbridge Works Cottage Trust Limited	100.00	100.00	UK
168. Stuwadoorsbedrijf Velserkom B.V.	100.00	100.00	Netherlands
169. Surahammar Bruks AB	100.00	100.00	Sweden
170. Swinden Housing Association	100.00	100.00	UK
171. Tata Steel Belgium Packaging Steels N.V.	100.00	100.00	Belgium
172. Tata Steel Belgium Services N.V.	100.00	100.00	Belgium
173. Tata Steel Denmark Byggsystemer A/S	100.00	100.00	Denmark
174. Tata Steel Europe Distribution BV	100.00	100.00	Netherlands
175. Tata Steel Europe Metals Trading BV	100.00	100.00	Netherlands
176. Tata Steel France Batiment et Systemes SAS	100.00	100.00	France
177. Tata Steel France Holdings SAS	100.00	100.00	France
178. Tata Steel France Rail SA	100.00	100.00	France
179. Tata Steel Germany GmbH	100.00	100.00	Germany
180. Tata Steel Hungary LLC	100.00	100.00	Hungary
181. Tata Steel Ijmuiden BV	100.00	100.00	Netherlands
182. Tata Steel International (Americas) Holdings Inc	100.00	100.00	USA
183. Tata Steel International (Americas) Inc	100.00	100.00	USA
184. Tata Steel International (Australasia) Limited	100.00	100.00	New Zealand
185. Tata Steel International (Benelux) BV	100.00	100.00	Netherlands
186. Tata Steel International (Canada) Holdings Inc	100.00	100.00	Canada
187. Tata Steel International (Czech Republic) S.R.O	100.00	100.00	Czech Republic
188. Tata Steel International (Denmark) A/S	100.00	100.00	Denmark
189. Tata Steel International (Finland) OY	100.00	100.00	Finland
190. Tata Steel International (France) SAS	100.00	100.00	France
191. Tata Steel International (Germany) GmbH	100.00	100.00	Germany
192. Tata Steel International (South America) Representações LTDA	100.00	100.00	Brazil
193. Tata Steel International Hellas SA	100.00	100.00	Greece
194. Tata Steel International (Italia) SRL	100.00	100.00	Italy
195. Tata Steel International (Middle East) FZE	100.00	100.00	UAE
196. Tata Steel International (Nigeria) Ltd.	100.00	100.00	Nigeria
197. Tata Steel International (North America) Ltd.*	–	100.00	USA
198. Tata Steel International (Poland) sp Z.O.O.	100.00	100.00	Poland
199. Tata Steel International (Schweiz) AG	100.00	100.00	Switzerland
200. Tata Steel International (Sweden) AB	100.00	100.00	Sweden
201. Tata Steel International (UK) Ltd.*	–	100.00	UK
202. Tata Steel International (India) Limited	100.00	100.00	India
203. Tata Steel International Iberica SA	100.00	100.00	Spain
204. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	88.00	88.00	Turkey
205. Tata Steel Logistics and Shipping BV	100.00	100.00	Netherlands
206. Tata Steel Maubeuge SAS	100.00	100.00	France
207. Tata Steel Nederland BV	100.00	100.00	Netherlands
208. Tata Steel Nederland Consulting & Technical Services BV	100.00	100.00	Netherlands

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
209. Tata Steel Nederland Investment BV	100.00	100.00	Netherlands
210. Tata Steel Nederland Perfo BV	100.00	100.00	Netherlands
211. Tata Steel Nederland Services BV	100.00	100.00	Netherlands
212. Tata Steel Nederland Star-Frame BV	100.00	100.00	Netherlands
213. Tata Steel Nederland Technology BV	100.00	100.00	Netherlands
214. Tata Steel Nederland Tubes BV	100.00	100.00	Netherlands
215. Tata Steel Netherlands Holdings B.V.	100.00	100.00	Netherlands
216. Tata Steel Norway Byggsystemer A/S	100.00	100.00	Norway
217. Tata Steel Speciality Service Centre Xian Co. Ltd.*	100.00	–	China
218. Tata Steel UK Consulting Limited	100.00	100.00	UK
219. Tata Steel UK Holdings Limited	100.00	100.00	UK
220. Tata Steel UK Limited	100.00	100.00	UK
221. Tata Steel UK Rail Consultancy Limited	100.00	100.00	UK
222. Tata Steel Usa Inc.	100.00	100.00	USA
223. The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
224. The Stanton Housing Company Ltd.	100.00	100.00	UK
225. The Steel Company Of Ireland Limited	100.00	100.00	Ireland
226. The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
227. Thomas Processing Company	100.00	100.00	USA
228. Thomas Steel Strip Corp.	100.00	100.00	USA
229. Tinsley Trailers Limited	100.00	100.00	UK
230. Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
231. Trierer Walzwerk GmbH	100.00	100.00	Germany
232. Tulip UK Holdings (No.2) Ltd.	100.00	100.00	UK
233. Tulip UK Holdings (No.3) Ltd.	100.00	100.00	UK
234. Tuscaloosa Steel Corporation	100.00	100.00	USA
235. U.E.S. Bright Bar Limited	100.00	100.00	UK
236. UK Steel Enterprise Ltd.	100.00	100.00	UK
237. Ukse Fund Managers (General Partner) Limited	100.00	100.00	UK
238. Ukse Fund Managers Limited	100.00	100.00	UK
239. Unitol SAS	100.00	100.00	France
240. Vlietjonge BV*	–	100.00	Netherlands
241. Walker Manufacturing And Investments Ltd.	100.00	100.00	UK
242. Walkersteelstock Ireland Limited	100.00	100.00	Ireland
243. Walkersteelstock Ltd.	100.00	100.00	UK
244. Westwood Steel Services Ltd.	100.00	100.00	UK
245. Whitehead (Narrow Strip) Ltd.	100.00	100.00	UK
IV. Tata Steel Global Minerals Holdings Pte Ltd.	100.00	100.00	Singapore
1. Al Rimal Mining LLC	70.00	70.00	Oman
2. Black Ginger 461 (Proprietary) Ltd	100.00	100.00	South Africa
3. Kalimati Coal Company Pty. Ltd.	100.00	100.00	Australia
4. Sedibeng Iron Ore Pty. Ltd.	64.00	64.00	South Africa
5. Tata Steel Cote D' Ivoire S.A	85.00	85.00	Ivory Coast
6. Tata Steel Minerals UK Limited	100.00	100.00	UK
7. Tata Steel Minerals Canada Limited	80.00	80.00	Canada
8. T S Canada Capital Ltd*	100.00	–	Canada
V. Tata Steel International (Singapore) Holdings Pte. Ltd.	100.00	100.00	Singapore
1. TSIA Holdings (Thailand) Limited	100.00	100.00	Thailand
2. Tata Steel International (Guangzhou) Ltd.*	–	100.00	China

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2012-13	2011-12	
3. Tata Steel International (Shanghai) Ltd.	100.00	100.00	China
4. Tata Steel International (Malaysia) Sdn. Bhd.	100.00	100.00	Malaysia
5. Tata Steel International (Thailand) Limited	100.00	100.00	Thailand
6. Tata Steel International (Singapore) Pte. Ltd.	100.00	100.00	Singapore
7. Tata Steel International (Asia) Limited	100.00	100.00	Hong Kong S.A.R
8. Tata Steel International (Hongkong) Limited*	–	100.00	Hong Kong S.A.R
VI. Tata Steel (Thailand) Public Company Ltd.	67.90	67.90	Thailand
1. N.T.S Steel Group Plc.	99.76	99.66	Thailand
2. The Siam Construction Steel Co. Ltd.	99.99	99.99	Thailand
3. The Siam Iron And Steel (2001) Co. Ltd.	99.99	99.99	Thailand
VII. Tata Steel Global Procurement Company Pte. Ltd.	100.00	100.00	Singapore
1. ProCo Issuer Pte. Ltd.	100.00	100.00	Singapore
xv) Tata Steel Processing and Distribution Limited	100.00	100.00	India
xvi) TM International Logistics Limited	51.00	51.00	India
1. International Shipping Logistics FZE	100.00	100.00	UAE
2. TKM Global China Ltd	100.00	100.00	China
3. TKM Global GmbH	100.00	100.00	Germany
4. TKM Global Logistics Limited	100.00	100.00	India
5. TM Harbour Services Private Limited	100.00	100.00	India
xvii) Indian Steel & Wire Products Ltd.	92.50	91.36	India
xviii) The Tata Pigments Limited	100.00	100.00	India
xix) T M Mining Company Limited	74.00	74.00	India
xx) Jamshedpur Continuous Annealing & Processing Company Private Limited	51.00	100.00	India
xxi) The Tinplate Company of India Ltd.	74.96	60.96	India
xxii) Tata Sponge Iron Limited ▼	54.50	–	India
1. TSIL Energy Limited*	100.00	–	India
xxiii) Tata Steel Odisha Limited *	100.00	–	India
B. Joint Ventures of:			
i) Tata Steel Limited			
1. Bhubaneshwar Power Private Limited	26.00	26.00	India
2. Himalaya Steel Mill Services Private Limited	26.00	26.00	India
3. mjunction services limited	50.00	50.00	India
4. S & T Mining Company Private Limited	50.00	50.00	India
5. Tata BlueScope Steel Limited	50.00	50.00	India
6. Tata NYK Shipping Pte Ltd.	50.00	50.00	Singapore
7. The Dhamra Port Company Limited	50.00	50.00	India
ii) Tata Steel Holdings Pte. Ltd.			
a) Tata Steel Global Holdings Pte Ltd.			
i. Tata Steel Europe Limited			
1. Afon Tinplate Company Limited	64.00	64.00	UK
2. Air Products Llanwern Limited	50.00	50.00	UK
3. B V Ijzerleew*	–	50.00	Netherlands
4. Bsr Pipeline Services Limited	50.00	50.00	UK
5. Caparo Merchant Bar Plc	25.00	25.00	UK
6. Corus Cogifer Switches And Crossings Limited*	–	50.00	UK
7. Corus Kalpinis Simos Cladding Industry SA	50.00	50.00	Greece
8. Danieli Corus Technical Services B.V.	50.00	50.00	Netherlands

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2012-13	2011-12	
9. Fabsec Limited	25.00	25.00	UK
10. Hks Scrap Metals B.V.*	–	50.00	Netherlands
11. Ijzerhandel Geertsema Staal B.V.*	–	50.00	Netherlands
12. Industrial Rail Services Ijmond B.V.	50.00	50.00	Netherlands
13. Laura Metaal Holding B.V.	49.00	49.00	Netherlands
14. Norsk Stal AS	50.00	50.00	Norway
15. Norsk Stal Tynnplater AS	50.00	50.00	Norway
16. Ravenscraig Limited	33.33	33.33	UK
17. Redcar Bulk Terminal Limited	50.00	50.00	UK
18. Tata Elastron Steel Service Center SA	50.00	50.00	Greece
19. Tata Steel Ticaret AS	50.00	50.00	Turkey
20. Texturing Technology Limited	50.00	50.00	UK
II. Tata Steel Global Minerals Holdings Pte. Ltd.			
1. Rio Tinto Benga (Mauritius) Limited	35.00	35.00	Mauritius
C. Associate of:			
i) Kalimati Investment Company Ltd.			
1. Rujuvalika Investments Ltd.	34.46	34.46	India
ii) NatSteel Asia Pte. Ltd.			
1. SteelAsia Development and Management Corp.†	40.00	40.00	Philippines
2. SteelAsia Industries Inc. †	50.00	50.00	Philippines
3. SteelAsia Manufacturing Corporation	40.00	40.00	Philippines
iii) Tata Incorporated			
1. TKM Overseas Ltd.	49.00	49.00	UK
iv) Tata Steel Limited			
1. Indian Steel Rolling Mills Ltd.# *	–	20.56	India
2. Industrial Energy Ltd.	26.00	26.00	India
3. Jamipol Ltd.	39.78	32.67	India
4. Kalinga Aquatics Ltd.#	30.00	30.00	India
5. Kumardhubi Fireclay & Silica Works Ltd.#	27.78	27.78	India
6. Kumardhubi Metal Casting & Engineering Ltd.#	49.31	49.31	India
7. Nicco Jubilee Park Limited#	23.46	23.46	India
8. Strategic Energy Technology Systems Private Limited	25.00	25.00	India
9. Tata Construction & Projects Ltd.#	27.19	27.19	India
10. Tata Sponge Iron Ltd.▼	–	43.24	India
11. TRL Krosaki Refractories Ltd.	26.62	26.62	India
12. TRF Ltd.§	34.29	34.29	India
v) Tata Steel Holdings Pte. Ltd.			
a) Tata Steel Global Holdings Pte Ltd.			
I. Tata Steel International (Singapore) Holdings Pte. Ltd.			
1. European Profiles (M) Sdn. Bhd.	20.00	20.00	Malaysia
II. Tata Steel Europe Limited			
1. Ab Norskstal AS †	50.00	50.00	Norway
2. Albi Profils SRL †	30.00	30.00	France
3. Appleby Frodingham Cottage Trust Limited †	33.30	33.30	UK
4. Combulex B.V.	50.00	50.00	Netherlands
5. Cv Gasexpansie Ijmond	50.00	50.00	Netherlands
6. Danieli Corus Canada Inc. †	50.00	50.00	Canada

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2012-13	2011-12	
7. Danieli Corus Asia B.V. †	50.00	50.00	Netherlands
8. Danieli Corus B.V. †	50.00	50.00	Netherlands
9. Danieli Corus Braseq Ltda. †	50.00	50.00	Brazil
10. Danieli Corus Construction Services B.V. †	50.00	50.00	Netherlands
11. Danieli Corus Construction Services Usa Inc. †	50.00	50.00	USA
12. Danieli Corus Do Brasil Ltda. †	50.00	50.00	Brazil
13. Danieli Corus Inc. †	50.00	50.00	USA
14. Danieli Corus Services Usa Inc. †	50.00	50.00	USA
15. Danieli Corus India Private Limited †	50.00	50.00	India
16. European Profiles (Marketing) Sdn.Bhd. †	10.20	10.20	Malaysia
17. Galvpro LP. †	45.50	45.50	USA
18. Gietwalsonderhoudcombinatie B.V.	50.00	50.00	Netherlands
19. Hoogovens Court Roll Service Technologies Vof:	50.00	50.00	Netherlands
20. Hoogovens Gan Multimedia S.A. De C.V. †	50.00	50.00	Mexico
21. Isolation Du Sud SA †	0.33	0.33	France
22. Issb Limited †	50.00	50.00	UK
23. MDC Sublance Probe Technology †	50.00	50.00	Shanghai
24. Richard Lees Steel Decking Asia Snd. Bhd. †	10.00	10.00	Malaysia
25. Rsp Holding B.V.* †	–	13.19	Netherlands
26. Schreiner Fleischer AS †	50.00	50.00	Norway
27. Shanghai Bao Yi Beverage Can Making Co. Ltd.*	–	12.50	China
28. Thoresen & Thorvaldsen AS †	50.00	50.00	Norway
29. Trico LLC †	25.00	25.00	USA
30. Weirton/Hoogovens GP †	50.00	50.00	USA
31. Wupperman Staal Nederland B.V.	30.00	30.00	Netherlands
III. Tata Steel Global Minerals Holdings Pte Ltd.			
1. New Millennium Iron Corp. [§]	26.31	26.62	Canada
vi) Indian Steel & Wire Products Ltd.			
1. Metal Corporation of India Limited [#]	42.05	42.05	India

@ Represents the holding percentage of the respective companies and does not indicate the effective percentage holding of the Group.

* Part of the year.

▼ Earlier an associate became subsidiary during the year.

☆ By virtue of management control.

† Investments in these associates are reported at nil value in the consolidated financial statements.

2. ACCOUNTING POLICIES**(a) Basis for Accounting**

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

(b) Revenue Recognition

- (i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.
- (ii) Revenue from services rendered is recognised on pro-rata basis in proportion to the stage of completion of the related transaction.
- (iii) Export incentive under various schemes notified by the Government has been recognised on the basis of credits afforded in the pass book/amount received.
- (iv) In one of the subsidiaries, income from services are recognised upon completion of the relevant shipping activities and related services. Income and expenses relating to incomplete voyages are carried forward as voyages-in-progress. Despatch earnings are accounted for on receipt basis.

(c) Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee has rendered services.
- (ii) For defined-benefit plans, the amount recognised in the balance sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognised. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yields on government bonds at the balance sheet date with remaining terms to maturity approximating those of the Group's obligations. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yield on Government Bonds, as on the date of balance sheet, as the discounting rate. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are charged in the Statement of Profit and Loss. However, in one of the subsidiaries (Tata Steel Europe Limited) because of volatility caused by periodic changes in the assumptions underlying the computation of the pension and other post retirement benefit liabilities, it is not considered practicable to adopt a common accounting policy for accounting for these liabilities of the Company and Tata Steel Europe Limited. The actuarial gains and losses for these liabilities of Tata Steel Europe Limited have been accounted in Reserves and Surplus.
- (v) In respect of the Employee Separation Scheme, the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Statement of Profit and Loss.

(d) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairments, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible assets.

Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

(f) Depreciation and Amortisation

- (i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.

- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. The details of estimated life for each category of asset are as under:
- (a) Buildings and Roads — 30 to 62 years
 - (b) Plant and Machinery — 3 to 30 years
 - (c) Railway Sidings/Lines — 21 years
 - (d) Vehicles and Aircraft — 5 to 18 years
 - (e) Furniture, Fixtures and Office Equipments — 5 years
 - (f) Intangibles (Computer Software) — 5 to 10 years
 - (g) Development of property for development of mines and collieries are amortised over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
 - (h) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
 - (i) Freehold land is not depreciated.
 - (j) Leasehold land and other leasehold assets are amortised over the life of the lease.

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

(g) Impairment

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(h) Foreign Currency Transactions

Foreign Currency Transactions (FCT) and forward exchange contracts entered into to hedge FCT are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities denominated in foreign currency and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

The differences in translation and settlement of FCT and forward exchange contracts used to hedge FCT [excluding the long-term foreign currency monetary items accounted in accordance with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009 as amended on 29th December, 2011] are recognised in the Statement of Profit and Loss. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Statement of Profit and Loss.

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

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

(i) Investments

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Stock-in-trade in case of one of the subsidiaries, being an investment company, has been valued at cost or at market quotation whichever is lower scrip wise.

(j) Inventories

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

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

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

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

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

(k) Relining Expenses

Relining expenses other than expenses on blast furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(l) Research and Development

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

(m) Deferred Tax

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

(n) Tax on Income

Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of applicable tax laws of the respective countries.

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

3. SHARE CAPITAL

[Item No. 1(a), Page 168]

		₹ crores	
			As at 31.03.2012
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each <i>(31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)</i>	1,750.00	1,750.00
35,00,00,000	"A" Ordinary Shares of ₹ 10 each <i>(31.03.2012: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)</i>	350.00	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each <i>(31.03.2012: 2,50,00,000 Shares of ₹ 100 each)</i>	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each <i>(31.03.2012: 60,00,00,000 Shares of ₹ 100 each)</i>	6,000.00	6,000.00
		8,350.00	8,350.00
Issued:			
97,21,26,020	Ordinary Shares of ₹ 10 each <i>(31.03.2012: 97,21,26,020 Ordinary Shares of ₹ 10 each)</i>	972.13	972.13
Subscribed and Paid-up:			
97,12,15,229	Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2012: 97,12,14,450 Ordinary Shares of ₹ 10 each)</i>	971.21	971.21
	Add: Amount paid-up on 3,89,516 Ordinary Shares forfeited <i>(31.03.2012: 3,89,516 Ordinary Shares of ₹ 10 each)</i>	0.20	0.20
		971.41	971.41

4. RESERVES AND SURPLUS

[Item No. 1(b), Page 168]

		₹ crores
		<i>As at 31.03.2012</i>
(a) Capital Reserve		
Balance as per last account	31.88	22.31
Equity accounting of associates	5.50	9.45
Share warrants expired during the year	11.86	–
Received during the year	0.02	0.12
	49.26	31.88
(b) Capital Redemption Reserve		
Balance as per last account	27.33	20.78
Amount transferred from Statement of Profit and Loss	9.86	6.55
	37.19	27.33
(c) Securities Premium Reserve		
Balance as per last account	18,876.40	18,210.42
Premium on issue of Ordinary Shares	0.02	–
Discount/Premium on non-convertible debenture	(990.44)	–
Expenses related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	(7.99)	(9.39)
Premium on conversion of warrants	–	700.80
Effect of change in cross holdings	–	(0.21)
Exchange difference on redemption premium of CARS	(41.01)	(25.22)
	17,836.98	18,876.40
(d) Debenture Redemption Reserve		
Balance as per last account	2,053.26	2,053.26
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	94.63	80.00
Received/capitalised during the year	23.85	16.97
Released to Statement of Profit and Loss	(2.70)	(2.34)
	115.78	94.63
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) Capital Reserve on Consolidation		
Balance as per last account	17.71	19.30
Effect of changes in the Group's interest	–	(1.59)
	17.71	17.71
(l) Investment Allowance/(Utilised) Reserve		
Balance as per last account	0.23	0.23
(m) Foreign Currency Translation Reserve		
Balance as per last account	386.42	(4,658.80)
Adjustment for translation of Non Integral Foreign Operations	1,184.36	5,045.22
	1,570.78	386.42
Carried forward	21,796.91	21,603.58

4. RESERVES AND SURPLUS (continued)

[Item No. 1(b), Page 168]

		₹ crores
		As at 31.03.2012
Brought forward	21,796.91	21,603.58
(n) Special Reserve		
Balance as per last account	99.79	88.02
Amount transferred from Statement of Profit and Loss	161.28	11.77
	261.07	99.79
(o) Statutory Reserve		
Balance as per last account	179.52	179.52
Amount transferred from Statement of Profit and Loss	8.29	–
	187.81	179.52
(p) Actuarial Gain/(Loss) Reserve		
Balance as per last account	(5,906.04)	(3,533.78)
Actuarial loss (net of tax) recognised during the year	(317.26)	(2,372.26)
	(6,223.30)	(5,906.04)
(q) Cash Flow Hedge Reserve		
Balance as per last account	140.81	(224.53)
Fair value changes recognised (net of tax)	(115.69)	365.34
	25.12	140.81
(r) General Reserve		
Balance as per last account	9,806.63	9,095.36
Effect of change in cross holdings	–	30.76
Amount transferred from Statement of Profit and Loss	665.56	680.51
	10,472.19	9,806.63
(s) Foreign Currency Monetary Item Translation Difference Account ⁽¹⁾		
Balance as per last account	(404.90)	–
Exchange gain/(loss) during the year	(459.62)	(685.44)
Amortisation during the year	506.17	280.54
	(358.35)	(404.90)
(t) Surplus in the Statement of Profit and Loss		
Balance as per last account	16,125.42	12,959.16
Profit/(Loss) for the year	(7,057.62)	5,389.77
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 86.37 crores (2011-12: ₹ 83.24 crores)]	(179.84)	(173.30)
Dividend on Preference Shares	(0.21)	(0.21)
Proposed dividend on Ordinary Shares	(776.97)	(1,165.46)
Tax on dividend	(226.41)	(185.71)
Transfers to Reserves		
General Reserve	(665.56)	(680.51)
Special Reserve	(161.28)	(11.77)
Capital Redemption Reserve	(9.86)	(6.55)
Statutory Reserve	(8.29)	–
	7,039.38	16,125.42
	33,200.83	41,644.81

Additional information:

- (1) The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

In accordance with the announcement issued by the Institute of Chartered Accountants of India, "Foreign Currency Monetary Item Translation Difference Account" balance which was previously presented as a "Non-Current Asset" in the Balance Sheet has been reported under the head "Reserves and Surplus".

As on 31st March, 2013, a debit of ₹ 358.35 crores (31.03.2012: ₹ 404.90 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 444.93 crores (2011-12: debit of ₹ 243.21 crores) in the Statement of Profit and Loss and ₹ 41.37 crores (net of deferred tax ₹ 19.87 crores) [2011-12: ₹ 25.22 crores (net of deferred tax ₹ 12.11 crores)] have been adjusted against Securities Premium Reserve on account of amortisation. The depreciation for the year ended 31st March, 2013 is higher by ₹ 6.35 crores (2011-12: higher by ₹ 2.37 crore) and the Loss after tax, minority interest and share of profit of associates for the year ended 31st March, 2013 is lower by ₹ 40.05 crores (2011-12: Profit after tax, minority interest and share of profit of associates is higher by ₹ 436.41 crores).

5. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES

[Item No. 2, Page 168]

	₹ crores	
		As at 31.03.2012
Preference Shares issued by subsidiary companies	21.21	22.43
	<u>21.21</u>	<u>22.43</u>

Additional information:

- (1) 8.50% – 2,43,000 non-cumulative Optionally Convertible Preference Shares (OCPS) of ₹100 each were issued by The Tinsplate Company of India Limited, the subsidiary of the Company in the financial year 1999-2000 and 2000-2001. The OCPS will be redeemed during 2012-2015 in accordance with the terms of the issue thereof, the provisions of the Companies Act, 1956 and other applicable laws. As per the terms of the subscription agreements, these shares were partly redeemed during the year.
- (2) 8.50% – 20,00,000 non-cumulative Redeemable Preference Shares (RPS) of ₹ 100 each were issued by Tayo Rolls Limited, a subsidiary of the Company in March 2012. These RPS are redeemable in 3 equal annual installments with all arrears of dividend, if any, commencing from 1st April, 2020. The subsidiary may exercise its call option by giving 30 days clear notice at the expiry of 36 months from the date of allotment thereof.

6. HYBRID PERPETUAL SECURITIES

[Item No. 4, Page 168]

	₹ crores	
		As at 31.03.2012
Hybrid Perpetual Securities	2,275.00	2,275.00
	<u>2,275.00</u>	<u>2,275.00</u>

Additional information:

- (1) The Company issued Hybrid Perpetual Securities of ₹ 775.00 crores and ₹ 1,500.00 crores 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 Company. 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 Company, if in the six months preceding the relevant distribution payment date, the Company 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 Company does not have any redemption obligation, these are not classified as 'debt'.

7. BORROWINGS

[Item No. 6(a) and 7(a), Page 168]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2012		
				Long-Term	Short-Term	Total
A. Secured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	250.00	–	250.00	268.00	–	268.00
(b) Term loans						
(i) From banks	21,706.26	11.63	21,717.89	22,311.08	38.16	22,349.24
(ii) From financial institutions and others ⁽¹⁾	2,079.04	–	2,079.04	1,928.80	–	1,928.80
(c) Repayable on demand						
(i) From banks	–	352.94	352.94	–	336.18	336.18
(d) Finance lease obligations	298.37	–	298.37	321.64	–	321.64
(e) Other loans	3.57	–	3.57	3.88	–	3.88
	<u>24,337.24</u>	<u>364.57</u>	<u>24,701.81</u>	<u>24,833.40</u>	<u>374.34</u>	<u>25,207.74</u>
B. Unsecured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	11,442.87	–	11,442.87	7,328.40	–	7,328.40
(ii) 4.5% Foreign Currency Convertible Bonds	2,969.04	–	2,969.04	2,782.81	–	2,782.81
(b) Term loans						
(i) From banks	6,460.66	5,850.38	12,311.04	8,657.29	4,246.25	12,903.54
(ii) From financial institutions and others	854.36	1,718.81	2,573.17	856.56	–	856.56
(c) Deferred payment liabilities	–	–	–	3.80	–	3.80
(d) Fixed deposits	1.00	–	1.00	1.91	–	1.91
(e) Finance lease obligations	476.78	–	476.78	545.41	–	545.41
(f) Other loans	315.67	180.80	496.47	228.66	78.49	307.15
	<u>22,520.38</u>	<u>7,749.99</u>	<u>30,270.37</u>	<u>20,404.84</u>	<u>4,324.74</u>	<u>24,729.58</u>
	<u>46,857.62</u>	<u>8,114.56</u>	<u>54,972.18</u>	<u>45,238.24</u>	<u>4,699.08</u>	<u>49,937.32</u>

Additional information:

- (1) Includes loan from Joint Plant Committee – Steel Development Fund of ₹ 2,036.02 crores (31.03.2012: ₹ 1,915.47 crores) which also includes funded interest ₹ 406.45 crores (31.03.2012: ₹ 316.13 crores).

8. DEFERRED TAX LIABILITIES/(ASSETS)

[Item No. 6(b) and 8(d), Page 168]

₹ crores

As at
31.03.2012

Deferred tax liabilities

- (a) Differences in depreciation and amortisation for accounting and income tax purposes
- (b) Prepaid expenses
- (c) Actuarial gain/(loss)
- (d) Others

4,210.54

3,262.75

64.30

77.62

429.65

308.19

707.31

1,316.80

5,411.80

4,965.36

Deferred tax assets

- (a) Unabsorbed losses
- (b) Employee separation compensation
- (c) Provision for doubtful debts and advances
- (d) Disallowance under Section 43B of Income Tax Act, 1961
- (e) Provision for employee benefits
- (f) Redemption premium on CARS
- (g) Redemption premium on issue of non-convertible debenture
- (h) Discount on issue of non-convertible debenture
- (i) Other provisions

(518.16)

(1,324.45)

(381.68)

(399.45)

(80.91)

(47.88)

(247.54)

(184.78)

(389.45)

(247.84)

–

(141.12)

(392.79)

–

(69.29)

–

(213.49)

(177.43)

(2,293.31)

(2,522.95)

3,118.49

2,442.41

Deferred tax liabilities/(assets)

Amount recognised in Balance Sheet

Deferred tax liabilities [Item No. 6(b), Page 168]

3,154.98

2,503.85

Deferred tax assets [Item No. 8(d), Page 168]

(36.49)

(61.44)

3,118.49

2,442.41

9. OTHER LONG-TERM LIABILITIES

[Item No. 6(c), Page 168]

₹ crores

As at
31.03.2012

- (a) Creditors for capital supplies/services

387.97

228.98

- (b) Deferred income

162.22

181.33

- (c) Creditors for other liabilities

570.33

479.55

1,120.52

889.86

10. PROVISIONS

[Item No. 6(d) and 7(d), Page 168]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2012		
				Long-Term	Short-Term	Total
(a) Provision for employee benefits	3,437.93	179.38	3,617.31	2,855.67	184.32	3,039.99
(b) Provision for employee separation compensation ⁽¹⁾	547.78	156.78	704.56	603.03	169.65	772.68
(c) Provision for taxation	-	1,129.06	1,129.06	-	1,319.81	1,319.81
(d) Provision for fringe benefits tax	-	5.03	5.03	-	7.84	7.84
(e) Proposed dividend	-	777.18	777.18	-	1,165.67	1,165.67
(f) Other provisions	1,370.73	695.86	2,066.59	1,256.35	628.90	1,885.25
	<u>5,356.44</u>	<u>2,943.29</u>	<u>8,299.73</u>	<u>4,715.05</u>	<u>3,476.19</u>	<u>8,191.24</u>

Additional information:

- (1) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 23.68 crores (2011-12: ₹ 18.23 crores) in respect of schemes introduced during the year.

11. TRADE PAYABLES

[Item No. 7(b), Page 168]

	₹ crores	
		As at 31.03.2012
(a) Creditors for supplies/services	16,448.83	15,411.04
(b) Creditors for accrued wages and salaries	3,328.58	2,908.91
(c) Acceptances	2,001.43	2,208.60
	<u>21,778.84</u>	<u>20,528.55</u>

12. OTHER CURRENT LIABILITIES

[Item No. 7(c), Page 168]

	₹ crores	
		As at 31.03.2012
(a) Current maturities of long-term borrowings	11,000.89	9,859.55
(b) Current maturities of finance lease obligations	101.25	99.90
(c) Interest accrued but not due on borrowings	694.51	703.63
(d) Unpaid dividend	66.54	58.22
(e) Advances received from customers	556.43	511.91
(f) Creditors for capital supplies/services	3,864.92	3,449.41
(g) Creditors for other liabilities	3,157.82	4,096.39
	<u>19,442.36</u>	<u>18,779.01</u>

13. TANGIBLE ASSETS

[Item No. 8(a)(i), Page 168]

	₹ crores											
Tangible Assets	Freehold Land and Roads	Leasehold Land	Buildings ⁽³⁾	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE and Vehicles	Railway Sidings/ Lines	Total
Gross block as at 01.04.2012	1,590.08	903.25	10,380.91	610.78	91,156.41	1,601.76	878.36	303.56	271.57	9.90	1,013.20	1,08,719.78
	1,418.55	315.49	8,741.29	508.11	80,360.53	1,509.40	1,062.50	229.52	259.29	3.31	651.69	95,059.68
Assets of new companies	1.22	0.43	36.51	—	310.38	—	2.58	0.35	3.10	0.18	3.64	358.39
	0.90	—	132.09	—	645.15	6.21	1.51	2.16	2.31	—	0.37	790.70
Additions during the year ⁽¹⁾	98.28	1.20	1,967.51	3.82	18,988.63	6.91	22.12	41.38	52.64	0.07	208.38	21,390.94
	98.02	572.57	819.26	32.97	4,345.69	23.18	(7.97)	64.09	22.15	7.85	326.58	6,304.39
Deductions during the year ⁽²⁾	(0.72)	(0.02)	(32.08)	(6.18)	(1,496.16)	(11.00)	(15.01)	(13.26)	(17.96)	(0.35)	(0.47)	(1,593.21)
	(9.03)	—	(21.55)	(0.07)	(730.12)	(109.95)	(244.10)	(7.33)	(13.72)	(1.40)	(3.33)	(1,140.60)
Disposal of group undertakings	(120.44)	(8.92)	(87.74)	(31.39)	(411.61)	—	(13.94)	(6.60)	(3.61)	—	—	(684.25)
	(8.08)	(4.68)	(83.66)	—	(351.44)	—	(9.50)	(0.30)	(4.83)	—	(2.47)	(464.96)
Exchange fluctuations capitalised during the year	—	—	0.88	—	81.38	—	—	—	—	—	—	82.26
	—	—	2.22	—	40.95	—	—	—	—	—	—	43.17
Exchange difference on consolidation	43.11	5.24	194.83	21.81	1,146.02	21.52	22.47	9.98	2.18	0.04	9.17	1,476.37
	89.72	19.87	791.26	69.77	6,845.65	172.92	75.92	15.42	6.37	0.14	40.36	8,127.40
Gross block as at 31.03.2013	1,611.53	901.18	12,460.82	598.84	1,09,775.05	1,619.19	896.58	335.41	307.92	9.84	1,233.92	1,29,750.28
	1,590.08	903.25	10,380.91	610.78	91,156.41	1,601.76	878.36	303.56	271.57	9.90	1,013.20	1,08,719.78
Impairment as at 01.04.2012	206.69	0.59	68.23	25.10	3,143.10	86.33	—	—	—	—	—	3,530.04
	194.33	0.52	60.40	14.73	2,753.62	75.96	—	—	—	—	—	3,099.56
Impairment during the year	4.01	—	224.73	7.27	3,292.95	—	—	—	—	—	1.05	3,530.01
	6.90	—	0.14	7.88	24.44	—	—	—	—	—	—	39.36
Reversal during the year	—	—	—	—	—	—	—	—	—	—	—	—
	(1.66)	—	—	—	—	—	—	—	—	—	—	(1.66)
Deduction on disposals ⁽¹⁾	(2.33)	—	—	—	(30.03)	—	—	—	—	—	—	(32.36)
	—	—	—	—	(8.54)	—	—	—	—	—	—	(8.54)
Disposal of group undertaking	(7.24)	—	(0.15)	—	(3.69)	—	—	—	—	—	—	(11.08)
	—	—	—	—	—	—	—	—	—	—	—	—
Exchange difference on consolidation	1.65	0.01	9.79	(0.07)	(58.38)	0.75	—	—	—	—	—	(46.25)
	7.12	0.07	7.69	2.49	373.58	10.37	—	—	—	—	—	401.32
Impairment as at 31.03.2013	202.78	0.60	302.60	32.30	6,343.95	87.08	—	—	—	—	1.05	6,970.36
	206.69	0.59	68.23	25.10	3,143.10	86.33	—	—	—	—	—	3,530.04
Accumulated depreciation as at 01.04.2012	233.69	91.96	6,161.13	299.44	56,670.90	982.67	804.37	191.22	142.85	2.10	528.48	66,108.81
	210.84	62.84	5,291.68	231.50	48,753.12	902.37	977.32	152.66	129.51	3.03	467.12	57,181.99
Depreciation of new companies	—	0.13	9.79	—	172.10	—	2.31	0.14	1.58	0.18	3.64	189.87
	—	—	36.86	—	284.94	0.57	1.06	1.65	1.34	—	0.36	326.78
Depreciation during the year	14.13	25.21	368.70	31.06	4,571.71	88.09	30.10	46.85	26.51	0.66	41.34	5,244.36
	12.70	22.08	301.35	29.15	3,727.98	94.56	25.93	36.05	22.60	0.33	31.48	4,304.21
Depreciation on assets written off during the year ⁽¹⁾	(0.68)	—	(27.38)	(3.44)	(1,124.57)	(11.06)	(14.42)	(12.50)	(16.29)	(0.30)	(0.40)	(1,211.04)
	(8.71)	—	(17.50)	—	(585.06)	(116.00)	(261.86)	(7.06)	(11.55)	(1.38)	(3.32)	(1,012.44)
Disposal of group undertakings	(66.27)	(2.55)	(68.24)	(18.87)	(314.74)	—	(12.60)	(5.43)	(3.04)	—	—	(491.74)
	—	(0.49)	(16.49)	—	(204.60)	—	(6.68)	(0.18)	(2.92)	—	(0.97)	(232.33)
Exchange difference on consolidation	9.51	2.57	119.71	11.41	771.69	11.95	20.28	5.77	1.48	0.04	7.71	962.12
	18.86	7.53	565.23	38.79	4,694.52	101.17	68.60	8.10	3.87	0.12	33.81	5,540.60
Accumulated depreciation as at 31.03.2013	190.38	117.32	6,563.71	319.60	60,747.09	1,071.65	830.04	226.05	153.09	2.68	580.77	70,802.38
	233.69	91.96	6,161.13	299.44	56,670.90	982.67	804.37	191.22	142.85	2.10	528.48	66,108.81
Total accumulated depreciation and impairment as at 31.03.2013	393.16	117.92	6,866.31	351.90	67,091.04	1,158.73	830.04	226.05	153.09	2.68	581.82	77,772.74
	440.38	92.55	6,229.36	324.54	59,814.00	1,069.00	804.37	191.22	142.85	2.10	528.48	69,638.85
Net book value as at 31.03.2013	1,218.37	783.26	5,594.51	246.94	42,684.01	460.46	66.54	109.36	154.83	7.16	652.10	51,977.54
	1,149.70	810.70	4,151.55	286.24	31,342.41	532.76	73.99	112.34	128.72	7.80	484.72	39,080.93

Additional information:

- Additions, deduction on disposals and depreciation on assets written off during the year includes adjustments for inter se transfers.
- Deductions include cost of assets scrapped/surrendered during the year.
- Buildings include ₹ 2.32 crores (31.03.2012: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- Rupee liability has increased by a net amount of ₹ 82.26 crores (2011-12: ₹ 43.17 crores) arising out of realignment of the value of long-term foreign currency loans for procurement of tangible assets. This increase has been adjusted in the carrying cost of respective tangible assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ 3.72 crores (2011-12: ₹ 2.28 crores) arising on account of this adjustment.

14. INTANGIBLE ASSETS

[Item No. 8(a)(ii), Page 168]

	₹ crores						
	Patents	Development Costs	Software Costs	Mining Rights	Development of Property ⁽³⁾	Other Intangible Assets	Total
Intangible Assets							
Gross block as at 01.04.2012	85.75	283.25	1,520.23	524.94	1,914.22	88.43	4,416.82
	73.49	263.96	1,355.22	287.66	988.92	72.45	3,041.70
Assets of new companies	–	–	1.82	–	–	4.69	6.51
	–	–	1.14	–	–	–	1.14
Additions during the year ⁽¹⁾	2.09	48.89	105.49	–	486.93	0.87	644.27
	7.07	–	33.92	217.89	759.01	16.58	1,034.47
Deductions during the year ⁽²⁾	–	–	(4.38)	–	–	–	(4.38)
	–	–	(20.71)	–	–	(0.60)	(21.31)
Disposal of group undertakings	–	–	(0.65)	–	–	–	(0.65)
	(1.48)	–	–	–	–	–	(1.48)
Exchange difference on consolidation	1.58	6.10	21.59	(13.65)	(53.98)	–	(38.36)
	6.67	19.29	150.66	19.39	166.29	–	362.30
Gross block as at 31.03.2013	89.42	338.24	1,644.10	511.29	2,347.17	93.99	5,024.21
	85.75	283.25	1,520.23	524.94	1,914.22	88.43	4,416.82
Impairment as at 01.04.2012	–	–	25.41	–	–	–	25.41
	–	–	22.35	–	–	–	22.35
Impairment during the year	–	–	0.77	45.62	78.32	–	124.71
	–	–	–	–	–	–	–
Exchange difference on consolidation	–	–	0.21	0.49	0.85	–	1.55
	–	–	3.06	–	–	–	3.06
Impairment as at 31.03.2013	–	–	26.39	46.11	79.17	–	151.67
	–	–	25.41	–	–	–	25.41
Accumulated amortisation as at 01.04.2012	73.75	203.21	898.01	8.67	339.82	16.62	1,540.08
	68.63	146.13	710.18	5.06	287.39	12.46	1,229.85
Amortisation of new companies	–	–	1.70	–	–	4.68	6.38
	–	–	0.97	–	–	–	0.97
Amortisation during the year	1.63	45.89	149.78	7.04	147.08	4.99	356.41
	0.90	45.21	130.33	2.77	52.03	3.80	235.04
Amortisation on assets written off during the year ⁽¹⁾	–	–	(3.86)	–	–	–	(3.86)
	–	–	(19.92)	–	–	0.36	(19.56)
Disposal of group undertakings	–	–	(0.39)	–	–	–	(0.39)
	(1.48)	–	–	–	–	–	(1.48)
Exchange difference on consolidation	1.42	4.30	10.23	0.29	(1.40)	–	14.84
	5.70	11.87	76.45	0.84	0.40	–	95.26
Accumulated amortisation as at 31.03.2013	76.80	253.40	1,055.47	16.00	485.50	26.29	1,913.46
	73.75	203.21	898.01	8.67	339.82	16.62	1,540.08
Total accumulated amortisation and impairment as at 31.03.2013	76.80	253.40	1,081.86	62.11	564.67	26.29	2,065.13
	73.75	203.21	923.42	8.67	339.82	16.62	1,565.49
Net book value as at 31.03.2013	12.62	84.84	562.24	449.18	1,782.50	67.70	2,959.08
	12.00	80.04	596.81	516.27	1,574.40	71.81	2,851.33

Additional information:

- (1) Additions and amortisation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Development of property represents expenditure incurred on development of mines/collieries.

15. INVESTMENTS

[Item No. 8(c) and 9(a), Page 168]

₹ crores

	Non-current	Current	Total	As at 31.03.2012		
				Non-current	Current	Total
(a) Investments in equity instruments	1,969.55	1.40	1,970.95	2,073.64	1.42	2,075.06
(b) Investments in government or trust securities	0.02	–	0.02	0.02	–	0.02
(c) Investments in debentures and bonds	378.39	–	378.39	395.93	–	395.93
(d) Investments in partnership firms	17.27	–	17.27	16.36	–	16.36
(e) Investment properties	130.13	–	130.13	128.18	–	128.18
(f) Investments in mutual funds	2.01	758.89	760.90	8.75	1,396.95	1,405.70
	<u>2,497.37</u>	<u>760.29</u>	<u>3,257.66</u>	<u>2,622.88</u>	<u>1,398.37</u>	<u>4,021.25</u>

Additional information:

₹ crores

	Non-current	Current	Total	As at 31.03.2012		
				Non-current	Current	Total
(1) Aggregate amount of quoted investments	1,401.20	12.14	1,413.34	1,520.73	4.96	1,525.69
(2) Aggregate amount of unquoted investments	966.04	748.15	1,714.19	973.97	1,393.41	2,367.38
	<u>2,367.24</u>	<u>760.29</u>	<u>3,127.53</u>	<u>2,494.70</u>	<u>1,398.37</u>	<u>3,893.07</u>
(3) Equity accounted associates						
(i) Cost of investment			654.99			658.50
[including ₹ 117.90 crores (31.03.2012: ₹ 123.34 crores) of goodwill (net of capital reserve) arising on consolidation]						
(ii) Share of post acquisition profit (net of losses)			258.24			520.19
			<u>913.23</u>			<u>1,178.69</u>

(4) Details of equity accounted associates are as follows:

₹ crores

Name of the Company	Original cost of investment (a)	Goodwill/ (Capital Reserve) (a)	Accumulated profit/(loss) as at 31.03.2013 (a) (b)	Carrying amount of investments as at 31.03.2013 (a) (b)
Combulex B.V.	10.58	–	(2.04)	8.54
	10.49	–	1.50	11.99
Cv Gasexpansie Ijmond	0.25	–	0.07	0.32
	0.25	–	0.06	0.31
European Profiles (M) Sdn. Bhd.	7.12	–	0.46	7.58
	7.06	–	(0.21)	6.85
Gietwalsonderhoudcombinatie B.V.	9.31	–	8.07	17.38
	9.23	–	8.38	17.61
Hoogovens Court Roll Service Technologies Vof:	9.50	–	6.39	15.89
	9.42	–	7.08	16.50

Name of the Company	₹ crores			
	Original cost of investment (a)	Goodwill/ (Capital Reserve) (a)	Accumulated profit/(loss) as at 31.03.2013 (a) (b)	Carrying amount of investments as at 31.03.2013 (a) (b)
Industrial Energy Ltd.	86.58 86.58	– –	47.28 29.22	133.86 115.80
Jamipol Ltd.	10.40 5.29	0.32 0.32	20.56 17.08	30.96 22.37
Nicco Jubilee Park Limited (₹ 1/-)	0.38 0.38	– –	(0.38) (0.38)	– –
New Millennium Iron Corp.	355.45 333.15	115.63 109.65	8.00 19.88	363.45 353.03
Rujuvalika Investments Ltd.	3.25 3.25	(0.29) (0.29)	5.08 4.00	8.33 7.25
Shanghai Bao Yi Beverage Can Making Co. Ltd.*	– 12.30	– –	– 0.02	– 12.32
SteelAsia Manufacturing Corporation	– –	– –	125.70 123.34	125.70 123.34
Strategic Energy Technology Systems Private Limited	24.71 23.41	– –	(23.04) (20.22)	1.67 3.19
Tata Sponge Iron Limited [▲]	– 20.74	– 11.42	– 240.07	– 260.81
TKM Overseas Ltd.	1.13 1.13	– –	(1.13) (1.13)	– –
TRF Ltd.	5.82 5.82	1.43 1.43	41.35 53.00	47.17 58.82
TRL Krosaki Refractories Ltd.	70.24 70.24	0.81 0.81	1.37 2.20	71.61 72.44
Wupperman Staal Nederland B.V.	60.27 59.76	– –	20.50 36.30	80.77 96.06
	654.99 658.50	117.90 123.34	258.24 520.19	913.23 1,178.69

(a) Includes impact of exchange rate changes on translation.

(b) Includes other adjustments to carrying value accounted through reserves.

* Part of the year.

▲ Earlier an associate, became a subsidiary during the year. Carrying value of investment on the date of becoming a subsidiary ₹ 276.95 crores.

16. LOANS AND ADVANCES

[Item No. 8(e) and 9(e), Page 168]

₹ crores

	Long-Term	Short-Term	Total	As at 31.03.2012		
				Long-Term	Short-Term	Total
(a) Capital advances						
Unsecured and considered good	2,794.92	–	2,794.92	2,547.35	–	2,547.35
Unsecured and considered doubtful	1.09	–	1.09	0.99	–	0.99
Less: Provision for bad & doubtful loans and advances	1.09	–	1.09	0.99	–	0.99
	<u>2,794.92</u>	<u>–</u>	<u>2,794.92</u>	<u>2,547.35</u>	<u>–</u>	<u>2,547.35</u>
(b) Security deposits						
Unsecured and considered good	139.75	51.42	191.17	110.70	46.08	156.78
Unsecured and considered doubtful	1.55	0.50	2.05	1.45	0.03	1.48
Less: Provision for bad & doubtful loans and advances	1.55	0.50	2.05	1.45	0.03	1.48
	<u>139.75</u>	<u>51.42</u>	<u>191.17</u>	<u>110.70</u>	<u>46.08</u>	<u>156.78</u>
(c) Advance with public bodies						
Unsecured and considered good	506.99	1,261.13	1,768.12	316.91	1,172.22	1,489.13
Unsecured and considered doubtful	14.86	5.32	20.18	18.22	2.32	20.54
Less: Provision for bad & doubtful loans and advances	14.86	5.32	20.18	18.22	2.32	20.54
	<u>506.99</u>	<u>1,261.13</u>	<u>1,768.12</u>	<u>316.91</u>	<u>1,172.22</u>	<u>1,489.13</u>
(d) Loans and advances to related parties						
Unsecured and considered good	1.25	43.20	44.45	4.86	12.66	17.52
(e) Advance payment against taxes						
Unsecured and considered good	470.20	110.11	580.31	404.90	112.43	517.33
(f) MAT credit entitlement						
Unsecured and considered good	34.77	399.84	434.61	24.84	–	24.84
(g) Other loans and advances						
Unsecured and considered good	3,149.77	2,194.84	5,344.61	3,427.56	2,374.03	5,801.59
Unsecured and considered doubtful	142.94	60.15	203.09	136.55	35.00	171.55
Less: Provision for bad & doubtful loans and advances	142.94	60.15	203.09	136.55	35.00	171.55
	<u>3,149.77</u>	<u>2,194.84</u>	<u>5,344.61</u>	<u>3,427.56</u>	<u>2,374.03</u>	<u>5,801.59</u>
	<u>7,097.65</u>	<u>4,060.54</u>	<u>11,158.19</u>	<u>6,837.12</u>	<u>3,717.42</u>	<u>10,554.54</u>

17. OTHER NON-CURRENT ASSETS

[Item No. 8(f), Page 168]

₹ crores

		As at 31.03.2012
(a) Balances with banks ⁽¹⁾	32.48	42.16
(b) Unamortised issue expenses	699.53	997.26
(c) Others	20.53	–
	<u>752.54</u>	<u>1,039.42</u>

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

18. INVENTORIES

(At lower of cost and net realisable value)

[Item No. 9(b), Page 168]

		₹ crores
		As at 31.03.2012
(a) Raw materials	7,889.40	8,995.63
(b) Work-in-progress	4,945.84	5,679.12
(c) Finished and semi-finished goods	7,999.17	8,262.84
(d) Stock-in-trade of goods acquired for trading	292.13	394.32
(e) Stores and spares	2,964.65	2,266.09
	<u>24,091.19</u>	<u>25,598.00</u>
Included above, goods-in-transit:		
(i) Raw materials	1,269.40	1,092.71
(ii) Finished and semi-finished goods	180.60	167.15
(iii) Stores and spares	122.41	113.73
	<u>1,572.41</u>	<u>1,373.59</u>

19. TRADE RECEIVABLES

[Item No. 9(c), Page 168]

		₹ crores
		As at 31.03.2012
(a) More than six months	614.73	684.05
(b) Others	13,747.02	14,778.72
	<u>14,361.75</u>	<u>15,462.77</u>
Less: Provision for bad and doubtful debts		
(i) More than six months	346.54	584.29
(ii) Others	21.25	-
	<u>13,993.96</u>	<u>14,878.48</u>
Unsecured and considered good	13,993.96	14,878.48
Doubtful	367.79	584.29
	<u>14,361.75</u>	<u>15,462.77</u>

20. CASH AND BANK BALANCES

[Item No. 9(d), Page 168]

		₹ crores
		As at 31.03.2012
(a) Cash in hand	1.26	1.22
(b) Cheques, drafts on hand	154.08	28.19
(c) Remittances in-transit	235.02	14.83
(d) Balances with banks	9,304.49	10,612.90
Total cash and cash equivalents	<u>9,694.85</u>	<u>10,657.14</u>
(e) Earmarked balances with banks	164.82	141.67
	<u>9,859.67</u>	<u>10,798.81</u>

21. OTHER CURRENT ASSETS

[Item No. 9(f), Page 168]

₹ crores

- (a) Interest accrued on investments
- (b) Interest accrued on deposits, loans and advances
- (c) Others

		<i>As at 31.03.2012</i>
	5.68	4.71
	16.84	26.24
	1,455.98	386.30
	1,478.50	417.25

22. REVENUE FROM OPERATIONS

[Item No. 1(a), Page 169]

₹ crores

- (a) Sale of products
- (b) Sale of power and water
- (c) Income from town, medical and other services
- (d) Other operating income

		<i>Previous Year</i>
	1,35,083.47	1,33,024.72
	1,010.21	1,127.23
	1,432.52	1,181.27
	1,294.94	642.34
	1,38,821.14	1,35,975.56

23. OTHER INCOME

[Item No. 1(b), Page 169]

₹ crores

- (a) Dividend income
 - (i) Non-current investments
 - (ii) Current investments
- (b) Interest income
- (c) Net gain/(loss) on sale of
 - (i) Other non-current investments
 - (ii) Current investments
- (d) Profit on sale of capital assets (net of loss on assets sold/written off)
- (e) Gain/(Loss) on cancellation of forwards, swaps and options (net)
- (f) Other miscellaneous income

		<i>Previous Year</i>
	95.24	90.89
	14.82	10.36
	203.87	455.27
	1.49	6.52
	232.70	432.47
	74.52	(7.41)
	(143.49)	(43.06)
	—	627.99
	479.15	1,573.03

24. EMPLOYEE BENEFITS EXPENSE

[Item No. 2(d), Page 169]

₹ crores

- (a) Salaries and wages, including bonus
- (b) Contribution to provident and other funds
- (c) Staff welfare expenses

		<i>Previous Year</i>
	15,600.23	14,453.38
	2,757.07	2,372.44
	560.95	402.82
	18,918.25	17,228.64

25. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. 2(e), Page 169]

		₹ crores
		<i>Previous Year</i>
(a) Depreciation on tangible assets	5,244.36	4,304.21
(b) Amortisation of intangible assets	356.41	235.04
	<u>5,600.77</u>	<u>4,539.25</u>
Less: Amount released from specific grants	25.45	22.60
	<u><u>5,575.32</u></u>	<u><u>4,516.65</u></u>

26. FINANCE COSTS

[Item No. 2(f), Page 169]

		₹ crores
		<i>Previous Year</i>
(a) Interest expense		
(i) Debentures/bonds and fixed loans	3,513.54	3,975.10
(ii) Others	229.21	181.35
(b) Finance charges on finance leases	65.66	64.37
(c) Other borrowing costs	391.51	365.51
	<u>4,199.92</u>	<u>4,586.33</u>
Less: Interest capitalised	231.81	336.22
	<u><u>3,968.11</u></u>	<u><u>4,250.11</u></u>

27. OTHER EXPENSES

[Item No. 2(g), Page 169]

		₹ crores
		<i>Previous Year</i>
(a) Consumption of stores and spares	9,837.98	8,024.05
(b) Repairs to buildings	512.38	486.03
(c) Repairs to machinery	5,152.01	5,244.06
(d) Relining expenses	130.89	116.44
(e) Fuel oil consumed	990.37	1,020.03
(f) Purchase of power	5,554.01	4,915.45
(g) Conversion charges	1,930.92	1,168.36
(h) Freight and handling charges	7,434.27	6,659.54
(i) Rent	3,386.36	3,377.08
(j) Royalty	1,198.86	927.74
(k) Rates and taxes	980.03	830.11
(l) Insurance	332.36	248.73
(m) Commission, discounts and rebates	271.17	257.12
(n) Provision for wealth tax	2.19	1.80
(o) Provision for doubtful debts and advances	115.60	81.63
(p) Excise duty	142.10	94.70
(q) Others ⁽¹⁾	6,281.32	4,913.99
	<u>44,252.82</u>	<u>38,366.86</u>

Additional information:

(1) Includes provision for impairment losses on fixed assets ₹ 253.16 crores (2011-12: ₹ 104.95 crores).

28. EXCEPTIONAL ITEMS

[Item No. 4, Page 169]

Exceptional items as shown in the Statement of Profit and Loss represent:

- (a) Profit on Sale of investments in subsidiaries, joint ventures and other non-current investments by the Group of **₹ 966.03** crores.

[Previous year: ₹ 441.85 crores on account of sale of shares in TRL Krosaki Refractories Ltd. and ₹ 2,920.07 crores on disposal of Tata Steel Global Minerals Holdings investment in Rio Tinto Coal Mozambique (formerly Riversdale Mining Limited)].

- (b) Impairment loss recognised in the Statement of Profit and Loss is in respect of:

	₹ crores
(i) Goodwill on consolidation	4,751.40
(ii) Fixed assets	3,604.51
Total disclosed as exceptional items, item no. 4(b)	8,355.91

The company has recognised a non-cash write down of the goodwill and assets of **₹ 8,355.91** crores. The impairment is primarily due to a weaker macroeconomic and market environment in Europe where apparent steel demand has fallen significantly in 2012-13 by almost 8% which in aggregate results in almost 30% since the emergence of the global financial crisis in 2007. The above underlying condition is expected to continue over the near and medium term, and has led to the downward revision of cash flow expectations underlying the valuation of the European business. The impairment also includes the effect of write down of assets in the ferro chrome business in South Africa and the mini blast furnace in Tata Steel Thailand which has been impacted by the high cost of raw material feedstock.

For the purpose of impairment review of fixed assets, unless the risk was attributed to specific assets, the review was performed for cash generating units (CGUs) which were generally taken as legal entities or businesses within the Group. For the purpose of impairment testing, goodwill was allocated to the cash generating unit which are expected to benefit from the synergies of business combination. The recoverable amount of the CGUs and other assets were primarily based on their respective value in use. The discounting rates used for the value in use calculations was based on the pre tax risk adjusted weighted average cost of capital and are in the range of 8%-10%.

The impairment loss on fixed assets relate to the following primary business reportable segments, however the same has been shown as an exceptional item and does not form part of segment result for the purpose of segment reporting:

	₹ crores
Steel	3,254.61
Others	349.90
	3,604.51

Impairment on goodwill recognised during the year relates to goodwill allocated to CGUs forming part of the steel business segment within Tata Steel Europe.

29. EARNINGS PER SHARE (EPS)

[Item No. 12 and 13, Page 169]

	₹ crores	
		<i>Previous Year</i>
(a) Profit/(Loss) after tax, minority interest and share of profit of associates	(7,057.62)	5,389.77
Less: Dividend on Preference Shares (including tax on dividend)	1.73	1.76
Less: Distribution on Hybrid Perpetual Securities (net of tax)	179.84	173.30
Profit attributable to Ordinary Shareholders – for Basic EPS	(7,239.19)	5,214.71
Add: Adjustment for 5,469.35 (31.03.2012: 5,469.35) 4.5% Foreign Currency Convertible Bonds	–	162.97
Profit attributable to Ordinary Shareholders – for Diluted EPS	(7,239.19)	5,377.68
	Nos.	<i>Nos.</i>
(b) Weighted average no. of Ordinary Shares for Basic EPS	97,12,14,550	96,09,56,853
Add: Adjustment for 5,469.35 (31.03.2012: 5,469.35) 4.5% Foreign Currency Convertible Bonds	–	4,21,12,297
Weighted average no. of Ordinary Shares for Diluted EPS	97,12,14,550	1,00,30,69,150
(c) Nominal value per Ordinary Share	₹ 10	₹ 10
(d) Basic earnings per Ordinary Share	₹ (74.54)	₹ 54.27
(e) Diluted earnings per Ordinary Share	₹ (74.54)	₹ 53.61

30. CONTINGENT LIABILITIES AND COMMITMENTS
A. Contingent Liabilities
(a) Claims not acknowledged by the Company

	₹ crores	
		<i>As at 31.03.2012</i>
(i) Excise and Service Tax	683.16	521.52
(ii) Customs	16.52	16.51
(iii) Sales Tax and VAT	447.66	445.82
(iv) State Levies	288.72	166.90
(v) Suppliers and Service Contract	77.52	74.63
(vi) Labour Related	46.21	42.66
(vii) Income Tax	21.49	27.05
(viii) Royalty	134.67	132.96
(ix) Others	777.15	996.06
(b) The Company has given guarantees aggregating ₹ 598.97 crores (31.03.2012: ₹ 682.07 crores) on behalf of others. As at 31st March, 2013, the contingent liabilities under these guarantees amounts to ₹ 598.97 crores (31.03.2012: ₹ 682.07 crores).		
(c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2012: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2012: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.		
(d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2012: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.		
(e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for decoiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT,		

Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi, which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the decoiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st March, 2013, will be approximately ₹ 298.88 crores (31.03.2012: ₹ 298.88 crores). However, the Company has already paid duty amounting to ₹ 196.48 crores (31.03.2012: ₹ 196.48 crores) till date based on the final sale price of the material.

(f) 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 of 31st March, 2013 would be approximately ₹ 3,006.46 crores (31.03.2012: ₹ 2,085.88 crores).

(g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 52,46,590 equity shares in TTSL to the SP.

Pursuant to the Rights Issue made in 2010-11, SP's shareholding in TTSL has increased from 1,17,26,17,866 equity shares of ₹ 10 each to 1,24,89,74,378 equity shares of ₹ 10 each as on 31st March, 2013. The shareholding of SP represents 26.50% of the paid up equity share capital of TTSL on a fully diluted basis as against 26.27% prior to the issuance and allotment of Rights Shares to them.

If certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 and should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price subject to compliance with applicable exchange control regulations, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above.

Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 6.00 crores.

(h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgment and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 413.46 crores (31.03.2012: ₹ 384.64 crores) and has been considered as a contingent liability.

(i) The Company availed CENVAT credit on the invoices issued by Input Service Distributors (ISD) i.e. by Head office and Sales offices during the period 2006-07 to 2011-12. The Excise department issued show cause cum demand notices disallowing ₹ 215.59 crores (31.03.2012: Nil) including penalty alleging that CENVAT credit can be distributed by an office of the manufacturer only. Accordingly, the head office can only distribute the CENVAT credit of input services and sales offices are not authorized to issue ISD invoices. The Company believes that as per rule any office of the manufacturer can issue ISD invoices for availment of CENVAT credit. The Company has filed appeals before CESTAT.

(j) Billets are being sent to Stockyard for onward transfer to external processing agents (EPA) for further manufacture on behalf of the Company. Since this transfer is for subsequent manufacture and not for sale, excise duty is paid on 110% of cost which is applicable for transfer of materials directly for manufacture. Excise department, Jamshedpur issued show cause notices demanding differential duty of ₹ 109.52 crores (31.03.2012: Nil) including penalty for the period June 2007 to March 2012. Excise department has considered the price of the billets sold by Steel Authority of India (SAIL) as the price at which the duty should have been paid by the Company. The Company is in the process of filing an appeal before CESTAT.

(k) Commercial taxes department has issued demand of ₹ 138.34 crores by treating 30% of the stock transfers as interstate sales to unregistered dealer and imposed tax @ 8%. The Company has filed a revision petition before the Commissioner Commercial Taxes, Ranchi (Jharkhand) and the hearing on merit is pending before the Commissioner Commercial Taxes, Ranchi (Jharkhand). The potential liability, as of 31st March, 2013, is ₹ 137.70 crores (31.03.2012: ₹ 137.70 crores).

(l) Bills discounted ₹ 578.76 crores (31.03.2012: ₹ 225.29 crores).

B. Commitments

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 14,497.29 crores (31.03.2012: ₹ 16,257.61 crores).

(b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2012: ₹ 0.01 crore).

31. 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) Standard Chartered Bank, Hongkong and Shanghai Banking Corporation Limited not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (d) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, not to dispose of its investments in

Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long-term debt), (e) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Ltd. and Tata Steel Netherlands Holding B V and other companies (the borrower group), (f) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Limited, (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing & Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge or lien or in any way encumber its holding in Taj Air Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

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

The Promoters of Tata BlueScope 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, not to reduce collective shareholding in TBSL, below 51%.

In addition to the above undertakings, the Promoters of The Dhamra Port Company Limited (DPCL) i.e. Tata Steel Limited and L&T Infrastructure Development Projects Limited (L&TIDPL) have given an Undertaking to a consortium of lenders of DPCL not to reduce collective shareholding in DPCL, held directly or indirectly, below 51%, to retain majority representation on the board of directors and to remain the Promoters of DPCL until the loans are fully repaid.

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

Tata Steel Global Minerals Holdings Pte Ltd. (TSGMH), a subsidiary and Rio Tinto Coal Mozambique (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 Rio Tinto Benga (Mauritius) Ltd. (RTBML) (Formerly Riversdale Energy (Mauritius) Limited) upto a maximum amount of US\$ 100 mn on the shares of RTBML and all of its present and future benefits and rights under the Joint Venture agreement.

32. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The State Government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. The matter is still under discussion and no contribution has been made till 31st March, 2013.
33. Indian Steel & Wire Products Ltd. (ISWPL), a subsidiary, was declared a Sick Industrial Company within the meaning of section 3(i)(o) of the Sick Industrial Companies (Special provisions) Act, 1985. The Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme vide its Orders dated 22nd October, 2003, 21st November, 2003 and 18th December, 2003 for rehabilitation of ISWPL by takeover of its management by Tata Steel Limited. As per the Rehabilitation scheme approved by the Board for Industrial and Financial Reconstruction (BIFR), it was envisaged that ISWPL's net worth would become positive by the end of financial year 2012-13. By enhancing its capabilities in the production of TMT Bars and Galvanised Wires, the net worth of ISWPL has already become positive, much before the target set in the said scheme. As at 31st March, 2013 ISWPL has wiped out its entire accumulated losses.

The significant notes appearing in the accounts of Indian Steel & Wire Products Ltd. are given below:

As per clause 6.12(xiii) of BIFR Order dated 21st November, 2003, for all liabilities not disclosed in the audited balance sheet for the year ended 31st March, 2002 including notes on accounts as then would be the personal responsibility of the erstwhile promoters to discharge. In view of the above, the following liabilities, which were not disclosed in the said balance sheet including the notes on accounts, have not been provided for or recognised in the accounts for financial year 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13.

Particulars	₹ crores
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)*	0.29
Demands raised by Sales Tax Authorities (Under Appeal)	4.72
Employee State Insurance demand (Under Appeal)	1.49
Leave liability for ex-employees	0.33
Labour court cases	0.01
Railway dues	0.04
Power dues	6.21
Liability for loan for Learjet Aircraft purchase	1.49
Wealth tax	3.90
Liability for security services**	—

* Demand amounting to ₹ 0.13 crore had been dropped as per order of CEGAT and amounting to ₹ 0.29 crore had been dropped as per order of Additional Commissioner Appeal during March, 2009.

Demand amounting to ₹ 2.69 crores had been dropped as per order of Central Excise Authorities during March, 2010.

** This demand has been dropped during Financial Year 2012-13.

34. The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements as at and for the year ended 31st March, 2013 are given below:

	₹ crores	
	Acquisition	Disposal
EQUITY AND LIABILITIES		
Share capital	15.40	239.93
Reserves and surplus	624.00	242.14
Deferred tax liability	29.80	–
Other non-current liabilities	5.46	10.25
Current liabilities	140.12	603.37
ASSETS		
Fixed assets	177.29	76.03
Investments	127.63	–
Loans and advances	191.74	36.14
Deferred tax asset	–	1.17
Other non-current assets	0.02	–
Inventories	58.64	205.99
Trade receivables	20.36	483.00
Cash and bank balances	234.54	293.36
Other current assets	4.56	–
REVENUE		
Revenue from operations	476.49	3,341.16
Other income	17.62	8.42
EXPENSES		
Manufacturing and other expenses	416.84	3,340.55
Depreciation and amortisation expense	10.35	7.76
Finance costs	7.78	8.82
PROFIT/(LOSS) BEFORE TAX	59.14	(7.55)

35. In one of the subsidiaries, in terms of the License Agreement dated 29th January, 2002 with Board of Trustees for the Port of Kolkata, the subsidiary is required to invest in equipment and infrastructure as follows:

Purpose of Investment	Phasing of Investment (₹ crores)			
	Within 18 months	Within 24 months	Within 36 months	Total
1. For procurement of equipment for ship to shore	23.06	2.85	–	25.91
2. Storage of cargo	–	1.74	1.20	2.94
3. Office building, workshop etc.	–	0.75	0.25	1.00
4. Utility Services	–	0.22	–	0.22
	23.06	5.56	1.45	30.07

As at 31st March, 2013, the subsidiary's investments in equipments and infrastructure aggregate to ₹ 25.80 crores (31.03.2012: ₹ 25.80 crores). The management of the subsidiary company has requested the Port Trust Authorities for suitable modification to the investment obligation in view of the changes in the business and economic scenario. The Port Trust Authorities have, subject to sanction of Government of India approved the changes proposed by the subsidiary in the specifications of the equipments and other required infrastructure.

36. In respect of joint ventures directly owned by the Company, the contingent liabilities and capital commitments are as follows:

Name of the Joint Ventures	Country of Incorporation	Percentage of Holding	Contingent Liabilities ₹ crores	Capital Commitment ₹ crores
mjunction services limited	India	50%	– 0.60	0.08 0.30
The Dhamra Port Company Limited	India	50%	1.52 –	8.55 24.18
Tata BlueScope Steel Limited	India	50%	31.52 25.74	1.99 17.66
Tata NYK Shipping Pte. Ltd.	Singapore	50%	– 219.85	– 185.81
Bhubaneshwar Power Private Limited	India	26%	0.73 0.73	100.70 70.60
S & T Mining Company Private Limited	India	50%	– –	0.07 0.13
Himalaya Steel Mill Services Private limited	India	26%	– –	– –

37. Revenue expenditure charged to Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ **586.03** crores (2011-12: ₹ 505.99 crores).

38. LEASES

The break-up of total minimum lease payments for operating lease due as on 31st March, 2013, entered into by the Company, its subsidiaries and joint ventures are as follows:

	₹ crores	
Period		As at 31.03.2012
Not later than one year	1,168.62	1,323.53
Later than one year but not later than five years	3,217.63	3,291.32
Later than five years	3,484.43	3,564.12
Total	7,870.68	8,178.97

The total charge to the Statement of Profit and Loss for the year on account of operating lease is ₹ **1,294.53** crores (2011-12: ₹ 1,123.52 crores).

The Company, its subsidiaries and joint ventures have taken certain leaseholds on finance lease, having an aggregate cost of ₹ **1,619.19** crores (31.03.2012: ₹ 1,601.76 crores). The break-up of total minimum lease payments for finance lease due as on 31st March, 2013 and their corresponding present value are as follows:

	₹ crores			
Period			As at 31.03.2012	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	158.05	101.25	159.94	99.90
Later than one year but not later than five years	530.99	356.64	553.66	362.57
Later than five years	510.34	418.51	672.07	504.48
Total	1,199.38	876.40	1,385.67	966.95

39. EMPLOYEE BENEFITS

- (a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 355.48 crores (2011-12: ₹ 345.81 crores) as expenses under the following defined contribution plans:

Benefit (Contribution to)	₹ crores	
		2011-12
Provident Fund	227.95	201.66
Superannuation Fund	51.11	55.75
Employees Pension Scheme/Coal Mines Pension Scheme	59.77	72.71
TISCO Employees Pension Scheme	16.29	15.27
Employees State Insurance	0.36	0.42
	<u>355.48</u>	<u>345.81</u>

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

Funded

- Post Retirement Gratuity
- Post Retirement Pension Plan

Unfunded

- Post Retirement Medical Benefits
- Pensions to Directors
- Farewell Gifts
- Packing and Transportation Expenses

- (c) Details of the post retirement gratuity plan are as follows:

Description	₹ crores	
		2011-12
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	1,762.64	1,642.74
Current service cost	87.74	84.84
Interest cost	143.54	125.96
Plan Amendments	(0.04)	0.08
Settlement and curtailment	0.46	-
Obligation of new companies	8.55	23.74
Actuarial (gain)/loss	177.51	24.45
Exchange rate difference	3.56	3.60
Obligation of companies sold	-	(17.06)
Benefits paid	(131.81)	(125.71)
Obligation as at the end of the year	<u>2,052.15</u>	<u>1,762.64</u>

The defined benefit obligation as at 31.03.2013 is funded except in the case of Tata BlueScope Steel Limited, Bhubaneshwar Power Private Limited, S & T Mining Company Private Limited, NatSteel Holdings Pte. Ltd., Himalaya Steel Mill Services Private Limited, Jamshedpur Continuous Annealing & Processing Company Private Limited, Tata Steel (Thailand) Public Company Ltd. and Lanka Special Steels Ltd.

Description	₹ crores	
	31.03.2013	31.03.2012
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at the beginning of the year	1,634.56	1,228.95
Expected return on plan assets	130.82	109.63
Assets of new companies	8.64	22.46
Actuarial gain/(loss)	60.90	20.78
Employers' Contributions	100.89	385.52
Plan assets of companies sold	-	(16.12)
Benefits paid	(126.57)	(116.66)
Fair value of plan assets as at the end of the year	<u>1,809.24</u>	<u>1,634.56</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at the end of the year	1,809.24	1,634.56
Present value of obligation as at the end of the year	2,052.15	1,762.64
Unrecognised past service cost	-	0.07
Amount recognised in the balance sheet	242.91	128.01
- Provisions	244.14	128.67
- Loans and advances	(1.23)	(0.66)
(iv) Expenses recognised in the year		
Current service cost	87.74	84.84
Interest cost	143.54	125.96
Expected return on plan assets	(130.82)	(109.63)
Actuarial (gain)/loss	116.61	3.67
Past Service Cost	0.07	-
Expense recognised during the year	<u>217.14</u>	<u>104.84</u>
	31.03.2013	31.03.2012
(v) Investment details	%	%
GOI securities	13	15
Public Sector unit bonds	12	16
Central/State Government Guaranteed securities	5	6
Private sector unit bonds	8	10
Others (including funds with LIC and bank balances)	62	53
	<u>100</u>	<u>100</u>
(vi) Assumptions		
Discount rate (per annum)	0.30-8.20%	0.45-8.90%
Expected Return on Plan Assets (per annum)	7.50-9.40%	7.50-9.25%
Rate of escalation in salary (per annum)	4.00-10.00%	4.00-10.00%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	(102.33)	(89.95)
Experience adjustment on plan assets - gain/(loss)	60.90	20.78

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

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

(d) Details of post retirement pension plans are as follows:

Description	₹ crores	
	31.03.2013	31.03.2012
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	1,39,508.78	1,13,762.22
Current service cost	1,264.02	1,309.58
Interest cost	6,634.84	6,310.50
Obligation of companies sold	(68.49)	–
Actuarial (gain)/loss	10,594.78	10,081.29
Exchange rate difference	1,503.81	13,911.50
Settlements and curtailments	(154.10)	(76.58)
Benefits paid	(7,020.09)	(6,279.87)
Employee contribution	573.59	490.14
Obligation as at the end of the year	1,52,837.14	1,39,508.78
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at the beginning of the year	1,40,688.16	1,16,048.78
Expected return on plan assets	7,080.01	6,962.61
Actuarial gain/(loss)	10,281.87	7,849.84
Plan assets of companies sold	(59.93)	–
Employees' Contributions	573.59	490.14
Employers' Contributions	1,326.97	1,508.70
Benefits paid	(7,020.09)	(6,279.87)
Exchange rate difference	1,499.71	14,107.96
Net fair value of plan assets as at the end of the year	1,54,370.29	1,40,688.16
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at the end of the year	1,54,370.29	1,40,688.16
Present value of obligation as at the end of the year	1,52,837.14	1,39,508.78
Amount recognised in the balance sheet - asset	1,533.15	1,179.38
- Provisions	(466.95)	(418.44)
- Loans and advances	2,000.10	1,597.82
(iv) Expenses recognised in the year		
Current service cost	1,264.02	1,309.58
Interest cost	6,634.84	6,310.50
Expected return on plan assets	(7,080.01)	(6,962.61)
Actuarial (gain)/loss ⁽¹⁾	312.91	2,231.45
Settlements and curtailments	(154.10)	(76.58)
Expense recognised during the year	977.66	2,812.34
Description	31.03.2013	31.03.2012
	%	%
(v) Investment details		
Equities	27	27
Bonds	62	63
Property	7	7
Others (including bank balances)	4	3
	100	100
(vi) Assumptions		
Discount rate (per annum)	2.00-4.30%	2.50-4.80%
Expected Return on Plan Assets (per annum)	2.00-8.90%	2.00-9.60%
Rate of escalation in salary (per annum)	1.00-3.85%	1.00-4.20%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	702.01	206.78
Experience adjustment on plan assets - gain/(loss)	10,281.87	7,849.84

(e) Details of the unfunded post retirement defined benefit obligation are as follows:

Description	₹ crores			
	Medical	Others	2011-12 Medical	Others
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at the beginning of the year	717.55	731.67	731.62	599.54
Current/Employer service cost	10.64	20.30	8.41	17.30
Interest cost	59.41	22.51	57.78	27.60
Obligation of new companies	0.32	2.03	11.42	1.27
Actuarial (gain)/loss	107.90	107.10	(52.61)	63.06
Exchange rate difference	–	26.34	–	53.82
Obligation of companies sold	–	–	(5.83)	(3.68)
Benefits paid	(38.03)	(30.39)	(33.24)	(27.24)
Obligation as at the end of the year	<u>857.79</u>	<u>879.56</u>	<u>717.55</u>	<u>731.67</u>
(ii) Expenses recognised in the year				
Current/Employer service cost	10.64	20.30	8.41	17.30
Interest cost	59.41	22.51	57.78	27.60
Actuarial (gain)/loss	107.90	107.10 ⁽¹⁾	(52.61)	63.06 ⁽¹⁾
Expense recognised during the year	<u>177.95</u>	<u>149.91</u>	<u>13.58</u>	<u>107.96</u>
(iii) Assumptions				
Discount rate (per annum) as at the beginning of the year	8.00-8.70%	4.20-8.70%	8.00-8.40%	3.30-8.00%
Discount rate (per annum) as at the end of the year	8.00-8.20%	4.30-8.20%	8.00-8.70%	4.20-8.70%
Medical costs inflation rate	5.00-8.00%		5.00-8.00%	
Average medical cost (₹/person) at the beginning of the year	6,257.00		3,230.00	
Average medical cost (₹/person) at the end of the year	7,118.00		6,257.00	
Effect of a 1% change in health care cost on				
Increase				
- aggregate current service and interest cost	13.40		8.72	
- closing balance of obligation	139.39		115.51	
Decrease				
- aggregate current service and interest cost	(9.05)		(0.35)	
- closing balance of obligation	(102.07)		(83.48)	
(iv) Other Disclosures				
Experience adjustment on plan liabilities - gain/(loss)	(46.14)	(32.58)	(106.26)	(65.80)

(1) The consolidated Statement of Profit and Loss includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 57% of the consolidated total revenue. The pension and other post retirement defined benefit liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS). IFRS permits the impact of changes in the assets and liabilities, inter alia, due to assumption of variables like bond yield rates, inflation and demographic assumptions to be accounted for in "Reserves and Surplus". This practice is consistently followed by Tata Steel Europe Limited. The Accounting Standard (AS-15) – "Employee Benefits" is different from the above and requires such changes to be accounted for in the Statement of Profit and Loss. Given the large share of Tata Steel Europe Limited in the consolidated Statement of Profit and Loss of the Company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the liabilities, it is not considered practicable to adopt a common accounting policy for accounting of the actuarial gains/losses in respect of the pension and other post retirement defined benefit liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of ₹ 317.26 crores (2011-12: ₹ 2,372.26 crores) (net of tax) recognised in Tata Steel Europe Limited has been accounted in "Reserves and Surplus" in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – "Consolidated Financial Statements". Had the Company followed the practice of recognising changes in actuarial valuations in respect of the pension and other post retirement benefit plans of Tata Steel Europe Limited, in the Statement of Profit and Loss, the Loss after tax, minority interest and share of profit of associates would have been higher by ₹ 317.26 crores (2011-12: the Profit after tax, minority interest and share of profit of associates would have been lower by ₹ 2,372.26 crores).

40. SEGMENT REPORTING

Primary Segment Information (Business Segment)

₹ crores

Particulars	Business Segments		Unallocable	Eliminations	Total
	Steel	Others			
Segment revenue					
External revenue	1,23,104.72 1,22,018.20	11,149.62 10,534.92	457.20 346.58	– –	1,34,711.54 1,32,899.70
Inter segment revenue	4,516.11 5,248.30	3,391.45 2,961.66	535.89 1,317.24	(8,443.45) (9,527.20)	– –
Total revenue	1,27,620.83 1,27,266.50	14,541.07 13,496.58	993.09 1,663.82	(8,443.45) (9,527.20)	1,34,711.54 1,32,899.70
Segment results before finance costs, exceptional items and tax	8,225.68 9,575.83	578.15 102.21	2,201.44 4,431.65	(3,780.23) (4,636.52)	7,225.04 9,473.17
Less: Finance costs					3,968.11 4,250.11
Profit before tax and exceptional items					3,256.93 5,223.06
Exceptional Items					966.03 3,361.92
(a) Profit on sale of non-current investments					(8,355.91)
(b) Provision for impairment of non-current assets					–
Profit before tax					(4,132.95) 8,584.98
Tax expense					3,229.44 3,636.46
Profit after tax					(7,362.39) 4,948.52
Segment assets	1,37,237.50 1,28,354.92	9,229.96 8,070.28	20,962.61 20,595.48	(36,492.52) (31,227.23)	1,30,937.55 1,25,793.45
Segment liabilities	53,680.65 50,722.60	4,106.31 3,806.72	17,520.37 13,912.95	(36,472.58) (30,785.74)	38,834.75 37,656.53
Capital expenditure	15,850.81 12,741.67	433.67 270.89	25.68 159.42	– (2.15)	16,310.16 13,169.83
Segment depreciation	5,100.88 4,067.72	306.76 287.61	167.68 161.32	– –	5,575.32 4,516.65
Non-cash expenditure other than depreciation	356.99 128.76	20.29 76.90	7.14 2.50	– –	384.42 208.16

Secondary Segment Information (Geographical Segment)

₹ crores

		2011-12
Segment Revenue		
– Within India	38,804.47	35,156.08
– Outside India	95,907.07	97,743.62
	1,34,711.54	1,32,899.70
Capital Expenditure		
– Within India	9,680.75	7,915.33
– Outside India	6,629.41	5,254.50
	16,310.16	13,169.83
		31.03.2012
		₹ crore
Segment Assets		
– Within India	58,297.06	50,143.09
– Outside India	72,640.49	75,650.36
	1,30,937.55	1,25,793.45

Additional information:

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

	₹ crores	
		<i>As at 31.03.2012</i>
Assets:		
Non-current investments	2,137.51	2,259.98
Current investments	729.89	1,381.76
Advance against equity	–	0.85
Goodwill on consolidation	13,064.98	17,354.61
Deferred tax assets	36.49	61.44
	15,968.87	21,058.64
Liabilities:		
Long-term borrowings	46,857.62	45,238.24
Short-term borrowings	8,114.56	4,699.08
Current maturities of long-term borrowings	11,102.14	9,959.45
Hybrid perpetual securities	2,275.00	2,275.00
Provision for employee separation compensation	704.56	772.68
Deferred tax liabilities	3,154.98	2,503.85
Preference shares issued by subsidiary companies	21.21	22.43
Share warrants issued by a subsidiary company	–	17.46
Minority interest	1,669.36	1,091.15
	73,899.43	66,579.34

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

41. RELATED PARTY DISCLOSURES
List of Related Parties and Relationships
Associates of:
i) Kalimati Investment Company Ltd.

1. Rujuvalika Investments Ltd.

ii) NatSteel Asia Pte. Ltd.

1. SteelAsia Development and Management Corp.
2. SteelAsia Industries Inc.
3. SteelAsia Manufacturing Corporation

iii) Tata Incorporated

1. TKM Overseas Ltd.

iv) Tata Steel Limited

1. Indian Steel Rolling Mills Ltd.*
2. Industrial Energy Ltd.
3. Jamipol Ltd.

4. Kalinga Aquatics Ltd.
5. Kumardhubi Fireclay & Silica Works Ltd.
6. Kumardhubi Metal Casting & Engineering Ltd.
7. Nicco Jubilee Park Limited
8. Strategic Energy Technology Systems Private Limited
9. Tata Construction & Projects Ltd.
10. Tata Sponge Iron Ltd.®
11. TRL Krosaki Refractories Ltd.
12. TRF Ltd.
v) Tata Steel Holdings Pte. Ltd.
a) Tata Steel Global Holdings Pte Ltd.
I. Tata Steel International (Singapore) Holdings Pte. Ltd.

1. European Profiles (M) Sdn. Bhd.

II. Tata Steel Europe Limited

1. Ab Norskstal AS
2. Albi Profils SRL
3. Appleby Frodingham Cottage Trust Limited
4. Combulex B.V.
5. Cv Gasexpansie Ijmond
6. Danieli Corus Canada Inc.
7. Danieli Corus Asia B.V.
8. Danieli Corus B.V.
9. Danieli Corus Braseq Ltda.
10. Danieli Corus Construction Services B.V.
11. Danieli Corus Construction Services Usa Inc.
12. Danieli Corus Do Brasil Ltda.
13. Danieli Corus Inc.
14. Danieli Corus Services Usa Inc.
15. Danieli Corus India Private Limited
16. European Profiles (Marketing) Sdn.Bhd.
17. Galvpro LP.
18. Gietwalsonderhoudcombinatie B.V.
19. Hoogovens Court Roll Service Technologies Vof:
20. Hoogovens Gan Multimedia S.A. De C.V.
21. Isolation Du Sud SA
22. Issb Limited
23. MDC Sublance Probe Technology
24. Richard Lees Steel Decking Asia Snd. Bhd.
25. Rsp Holding B.V.*
26. Schreiner Fleischer AS
27. Shanghai Bao Yi Beverage Can Making Co. Ltd.*
28. Thoresen & Thorvaldsen AS
29. Trico LLC
30. Weirton/Hoogovens GP
31. Wupperman Staal Nederland B.V.

III. Tata Steel Global Minerals Holdings Pte Ltd.

1. New Millennium Iron Corp.

vi) Indian Steel & Wire Products Ltd.

1. Metal Corporation of India Limited

Joint Ventures of:

i) Tata Steel Limited

1. Bhubaneshwar Power Private Limited
2. Himalaya Steel Mill Services Pvt. Ltd.

3. mjunction services limited
4. S & T Mining Company Private Limited
5. Tata BlueScope Steel Limited
6. Tata NYK Shipping Pte Ltd.
7. The Dhamra Port Company Limited

ii) Tata Steel Holdings Pte. Ltd.

a) Tata Steel Global Holdings Pte Ltd.

I. Tata Steel Europe Limited

1. Afon Tinplate Company Limited
2. Air Products Llanwern Limited
3. B V Ijzerleew*
4. Bsr Pipeline Services Limited
5. Caparo Merchant Bar Plc
6. Corus Cogifer Switches And Crossings Limited*
7. Corus Kalpinis Simos Cladding Industry SA
8. Danieli Corus Technical Services B.V.
9. Fabsec Limited
10. Hks Scrap Metals B.V.*
11. Ijzerhandel Geertsema Staal B.V.*
12. Industrial Rail Services Ijmond B.V.
13. Laura Metaal Holding B.V.
14. Norsk Stal AS
15. Norsk Stal Tynnplater AS
16. Ravenscraig Limited
17. Redcar Bulk Terminal Limited
18. Tata Elastron Steel Service Center SA
19. Tata Steel Ticaret AS
20. Texturing Technology Limited

II. Tata Steel Global Minerals Holdings Pte. Ltd.

1. Rio Tinto Benga (Mauritius) Limited

Promoters' holding together with its Subsidiaries is more than 20%

- (i) Tata Sons Limited

Key Management Personnel

- (i) Mr. H. M. Nerurkar - Managing Director, Tata Steel Limited
- (ii) Dr. Karl-Ulrich Koehler - Managing Director and Chief Executive Officer, Tata Steel Europe Limited
- (iii) Mr. Koushik Chatterjee* - Executive Director & Group CFO

* Part of the year.

@ Earlier an associate became subsidiary during the year.

Related Party Transactions
₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Purchase of Goods					
TRF Ltd.	170.41 43.03	—	—	—	170.41 43.03
Bsr Pipeline Services Limited	149.66 63.58	—	—	—	149.66 63.58
Wupperman Staal Nederland B.V.	144.22 142.56	—	—	—	144.22 142.56
Others	870.24 772.49	—	—	—	870.24 772.49
	1,334.53 1,021.66	—	—	—	1,334.53 1,021.66
Sale of Goods					
Wupperman Staal Nederland B.V.	573.36 656.29	—	—	—	573.36 656.29
Laura Metaal Holding B.V.	568.77 647.77	—	—	—	568.77 647.77
Tata BlueScope Steel Limited	513.71 42.75	—	—	—	513.71 42.75
Industrial Energy Ltd.	293.20 50.19	—	—	—	293.20 50.19
Others	533.87 770.84	—	—	—	533.87 770.84
	2,482.91 2,167.84	—	—	—	2,482.91 2,167.84
Receiving of Services					
Industrial Energy Ltd.	512.52 433.21	—	—	—	512.52 433.21
Tata NYK Shipping Pte Ltd.	461.34 254.01	—	—	—	461.34 254.01
Others	162.34 119.73	—	—	1.49 7.89	163.83 127.62
	1,136.20 806.95	—	—	1.49 7.89	1,137.69 814.84
Rendering of Services					
The Dhamra Port Company Limited	80.78 53.01	—	—	—	80.78 53.01
Tata BlueScope Steel Limited	28.44 11.02	—	—	—	28.44 11.02
Others	14.22 12.48	—	—	0.09 0.16	14.31 12.64
	123.44 76.51	—	—	0.09 0.16	123.53 76.67
Purchase of Fixed Assets					
TRF Ltd.	2.06 45.85	—	—	—	2.06 45.85
Others	— 8.35	—	—	—	— 8.35
	2.06 54.20	—	—	—	2.06 54.20

Related Party Transactions
₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Dividend paid					
Tata Sons Limited	–	–	–	346.68	346.68
	–	–	–	<i>328.11</i>	<i>328.11</i>
Others	1.40	*	–	–	1.40
	<i>1.40</i>	**	–	–	<i>1.40</i>
	1.40	*	–	346.68	348.08
	<i>1.40</i>	**	–	<i>328.11</i>	<i>329.51</i>
Dividend income					
Wupperman Staal Nederland B.V.	31.48	–	–	–	31.48
	<i>15.35</i>	–	–	–	<i>15.35</i>
Others	66.93	–	–	–	66.93
	<i>113.51</i>	–	–	–	<i>113.51</i>
	98.41	–	–	–	98.41
	<i>128.86</i>	–	–	–	<i>128.86</i>
Interest Income					
The Dhamra Port Company Limited	41.62	–	–	–	41.62
	<i>2.48</i>	–	–	–	<i>2.48</i>
SteelAsia Manufacturing Corporation	11.01	–	–	–	11.01
	–	–	–	–	–
Others	3.27	–	–	–	3.27
	–	–	–	–	–
	55.90	–	–	–	55.90
	<i>2.48</i>	–	–	–	<i>2.48</i>
Management contracts including deputation of employees					
Tata Sons Limited	–	–	–	89.83	89.83
	–	–	–	<i>73.97</i>	<i>73.97</i>
	–	–	–	89.83	89.83
	–	–	–	<i>73.97</i>	<i>73.97</i>
Finance Provided					
Tata BlueScope Steel Limited	75.00	–	–	–	75.00
	<i>30.00</i>	–	–	–	<i>30.00</i>
Tata NYK Shipping Pte Ltd.	54.27	–	–	–	54.27
	<i>7.72</i>	–	–	–	<i>7.72</i>
The Dharma Port Company Limited	50.00	–	–	–	50.00
	<i>350.00</i>	–	–	–	<i>350.00</i>
Industrial Energy Ltd.	43.20	–	–	–	43.20
	<i>0.85</i>	–	–	–	<i>0.85</i>
Others	12.74	–	–	–	12.74
	<i>24.47</i>	–	–	–	<i>24.47</i>
	235.21	–	–	–	235.21
	<i>413.04</i>	–	–	–	<i>413.04</i>
Remuneration					
Mr. H. M. Nerurkar	–	5.73	–	–	5.73
	–	<i>6.42</i>	–	–	<i>6.42</i>
Dr. Karl-Ulrich Koehler	–	13.70	–	–	13.70
	–	<i>13.58</i>	–	–	<i>13.58</i>
Mr. Koushik Chatterjee	–	3.44	–	–	3.44
	–	–	–	–	–
	–	22.87	–	–	22.87
	–	<i>20.00</i>	–	–	<i>20.00</i>

Related Party Transactions

Transactions	₹ crores				
	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Guarantees outstanding					
Tata NYK Shipping Pte Ltd.	162.86 <i>152.64</i>	–	–	–	162.86 <i>152.64</i>
	162.86 <i>152.64</i>	–	–	–	162.86 <i>152.64</i>
Outstanding Receivables					
The Dhamra Port Company Limited	475.63 <i>366.88</i>	–	–	–	475.63 <i>366.88</i>
Caparo Merchant Bar Plc	99.81 <i>4.55</i>	–	–	–	99.81 <i>4.55</i>
Others	295.95 <i>246.66</i>	–	–	14.43 <i>4.01</i>	310.38 <i>250.67</i>
	871.39 <i>618.09</i>	–	–	14.43 <i>4.01</i>	885.82 <i>622.10</i>
Outstanding Payables					
Bsr Pipeline Services Limited	100.31 <i>49.99</i>	–	–	–	100.31 <i>49.99</i>
Tata Sons Limited	–	–	–	95.73 <i>92.49</i>	95.73 <i>92.49</i>
Industrial Energy Ltd.	63.60 <i>66.27</i>	–	–	–	63.60 <i>66.27</i>
Others	138.16 <i>160.96</i>	–	–	–	138.16 <i>160.96</i>
	302.07 <i>277.22</i>	–	–	95.73 <i>92.49</i>	397.80 <i>369.71</i>

* ₹ 8,844.00

** ₹ 8,844.00

Transactions with Joint Ventures have been disclosed at full value.

42. Figures pertaining to the subsidiaries and joint ventures have been reclassified where necessary to bring them in line with the Company's financial statements.
43. Previous year's figures have been recast/restated where necessary.
44. Figures in italics are in respect of the previous year.

For and on behalf of the Board

CYRUS P MISTRY

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA

ISHAAT HUSSAIN

SUBODH BHARGAVA

ANDREW ROBB

D K MEHROTRA

KARL-ULRICH KOEHLER

 } *Directors*

H M NERURKAR

Managing Director

KOUSHIK CHATTERJEE

*Executive Director
& Group CFO*

Mumbai, 23rd May, 2013

 A ANJENEYAN
 Company Secretary

Summary of Financial Information of Subsidiary Companies



₹ crores

Sl. No.	Name of the Company	Reporting currency	Exchange rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
1	Adityapur Toll Bridge Company Limited	INR	1.00	20.38	67.66	42.59	-	4.68	(2.63)	-	(2.83)	-	India
2	Gopalpur Special Economic Zone Limited	INR	1.00	22.57	24.78	2.33	-	-	(0.15)	-	(0.15)	-	India
3	Jamshedpur Utilities & Services Company Limited	INR	1.00	20.35	416.63	410.69	-	501.56	(46.95)	21.55	(68.50)	-	India
4	Haldia Water Management Limited	INR	1.00	27.77	76.95	188.57	-	45.86	(37.18)	-	(37.18)	-	India
5	Naba Diganta Water Management Limited	INR	1.00	18.45	52.38	26.00	-	4.08	(2.75)	-	(2.75)	-	India
6	SEZ Adityapur Limited	INR	1.00	0.05	0.02	0.04	-	-	(0.01)	-	(0.01)	-	India
7	Kalimati Investment Company Ltd	INR	1.00	16.39	1,367.65	838.98	354.58	995.03	994.28	192.50	801.78	-	India
8	Bangla Steel & Mining Co. Ltd.	BDT	0.69	0.07	0.03	0.01	-	-	-	-	-	-	Bangladesh
9	Lanka Special Steels Ltd.	LKR	0.43	1.07	26.53	8.46	-	64.46	2.99	0.74	2.25	-	Sri Lanka
10	NatSteel Asia Pte. Ltd.	SGD	43.72	1,230.37	2,199.58	544.92	10.21	-	113.35	1.80	111.55	-	Singapore
11	Tata Steel Asia (Hong Kong) Ltd.	USD	54.28	7.80	339.93	228.55	-	2,770.29	19.56	3.25	16.31	-	Hongkong S.A.R.
12	Tata Steel Resources Australia Pty. Ltd.	AUD	56.52	-	8.71	6.10	-	325.06	(10.48)	0.14	(10.62)	-	Australia
13	T S Alloys Limited	INR	1.00	48.25	137.20	37.88	9.65	152.12	15.14	5.41	9.73	-	India
14	Tata Incorporated	USD	54.28	8.14	8.74	1.13	-	-	(1.65)	(0.05)	(1.60)	-	USA
15	Tata Korf Engineering Services Ltd.	INR	1.00	0.40	0.32	0.60	-	-	(0.16)	-	(0.16)	-	India
16	Tata Metaliks Ltd.	INR	1.00	125.29	733.31	666.26	0.02	966.59	(54.54)	-	(54.54)	-	India
17	Tata Metaliks Kubota Pipes Limited	INR	1.00	186.40	306.22	303.70	-	323.73	(59.36)	-	(59.36)	-	India
18	Tayo Rolls Limited	INR	1.00	95.26	299.63	254.08	-	178.09	(33.74)	-	(33.74)	-	India
19	Tata Steel (KZN) (Pty) Ltd.	ZAR	5.91	85.07	539.05	1,024.71	-	622.03	(156.31)	-	(156.31)	-	South Africa
20	Tata Steel Holdings Pte. Ltd.	GBP	82.17	48,742.76	48,224.70	0.18	-	-	(0.09)	-	(0.09)	-	Singapore
21	Tata Steel Global Holdings Pte. Ltd.	GBP	82.17	48,222.39	3,770.10	56,213.79	513.57	6.25	1,166.49	19.31	1,147.18	-	Singapore
22	Orchid Netherlands (No.1) B.V.	EUR	69.55	0.13	1.51	1.64	-	-	(0.01)	-	(0.01)	-	Netherlands
23	NatSteel Holdings Pte. Ltd.	SGD	43.72	874.46	263.27	2,459.96	26.75	3,876.23	190.21	29.76	160.45	-	Singapore
24	Best Bar Pty. Ltd.	AUD	56.52	18.82	(104.46)	211.64	-	510.17	(21.77)	-	(21.77)	-	Australia
25	Bestbar (VIC) Pte. Ltd.	AUD	56.52	-	17.78	189.80	-	511.71	(12.90)	-	(12.90)	-	Australia
26	Burwill Trading Pte. Ltd.	SGD	43.72	47.65	(8.18)	39.48	0.01	-	0.03	-	0.03	-	Singapore
27	Eastel Construction Services Pte. Ltd.	SGD	43.72	4.37	10.32	14.82	0.13	-	0.03	-	0.03	-	Singapore
28	Eastel Services (M) Sdn. Bhd.	MYR	17.54	-	0.45	1.41	0.96	0.91	(0.24)	-	(0.24)	-	Malaysia
29	Eastern Steel Fabricators Philippines, Inc.	SGD	43.72	18.99	(66.59)	10.84	-	-	-	-	-	-	Philippines
30	Eastern Steel Services Pte. Ltd.	SGD	43.72	43.72	8.42	52.14	-	-	(0.27)	-	(0.27)	-	Singapore
31	Eastern Wire Pte. Ltd.	SGD	43.72	36.50	62.19	108.45	44.33	-	8.62	1.24	7.38	-	Singapore
32	NatSteel (Xiamen) Ltd.	CNY	8.73	46.03	8.91	157.25	102.31	391.92	0.61	0.05	0.56	0.01	China
33	NatSteel Asia (S) Pte. Ltd.	SGD	43.72	8.74	3.07	12.43	0.62	-	(0.12)	-	(0.12)	-	Singapore
34	NatSteel Australia Pty. Ltd.	AUD	56.52	55.92	(77.43)	175.08	196.59	340.97	(0.57)	3.62	(4.19)	-	Australia
35	NatSteel Equity IV Pte. Ltd.	SGD	43.72	-	131.11	131.11	-	-	-	-	-	-	Singapore
36	NatSteel Recycling Pte Ltd.	SGD	43.72	43.72	125.49	276.11	106.90	1,657.30	2.92	0.53	2.39	-	Singapore
37	NatSteel Trade International (Shanghai) Company Ltd.	CNY	8.73	-	(0.20)	0.18	-	-	(0.02)	-	(0.02)	-	China
38	NatSteel Trade International Pte. Ltd.	USD	54.28	15.96	73.36	259.61	0.06	2,605.81	9.26	1.15	8.11	-	Singapore
39	NatSteel Vina Co. Ltd.	VND	0.00	0.01	-	0.01	-	0.02	-	-	-	-	Vietnam
40	PT Material Recycling Indonesia	SGD	43.72	-	-	-	-	-	-	-	-	-	Indonesia
41	The Siam Industrial Wire Company Ltd.	THB	1.85	2.02	22.29	28.06	3.75	43.13	4.19	0.75	3.44	-	Thailand

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42	TSN Wires Co. Ltd.	THB	1.85	2.61	4.51	2.00	-	-	(0.22)	-	(0.22)	-	Thailand
43	Tata Steel Europe Limited	GBP	82.17	33,381.67	34,428.13	2,240.36	-	-	(636.28)	-	(636.28)	-	UK
44	Almana Steel Dubai (Jersey) Limited	AED	14.78	3.69	50.84	0.68	-	0.09	(0.54)	-	(0.54)	-	Jersey
45	Apollo Metals Ltd.	USD	54.28	111.78	65.66	95.42	-	128.37	10.24	-	10.24	-	USA
46	Ashorne Hill Management College	GBP	82.17	-	68.69	74.37	-	29.43	(1.86)	-	(1.86)	-	UK
47	Augusta Grundstuecks GmbH	EUR	69.55	37.35	13.06	14.69	-	-	1.50	-	1.50	-	Germany
48	Automotive Laser Technologies Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
49	B S Pension Fund Trustee Ltd.	GBP	82.17	17.64	18.20	-	-	-	-	-	-	-	UK
50	Bailey Steels Limited	GBP	82.17	-	-	-	-	-	-	-	-	3.67	UK
51	Beheermaatschappij Industriële Producten B.V.	EUR	69.55	0.13	48.74	95.97	-	-	(1.23)	(0.31)	(0.92)	-	Netherlands
52	Belfin Beheermaatschappij B.V.	EUR	69.55	0.47	0.47	-	-	-	-	-	-	-	Netherlands
53	Bell & Harwood Limited	GBP	82.17	-	(10.38)	10.38	-	-	-	-	-	-	UK
54	Blastmega Limited	GBP	82.17	764.20	764.30	0.02	-	-	-	-	-	-	UK
55	Blume Stahlservice GmbH	EUR	69.55	35.61	262.47	227.81	-	1,105.04	(32.91)	0.66	(33.57)	-	Germany
56	Blume Stahlservice Polska Sp.Z.O.O	PLZ	16.67	0.09	(13.27)	10.52	-	28.74	(1.77)	-	(1.77)	-	Poland
57	Bore Samson Group Ltd	GBP	82.17	172.56	185.07	61.75	-	-	-	-	-	-	UK
58	Bore Steel Ltd.	GBP	82.17	131.48	140.10	-	-	-	-	-	-	-	UK
59	British Guide Rails Ltd.	GBP	82.17	2.47	39.93	-	-	-	-	-	-	-	UK
60	British Steel Corporation Ltd	GBP	82.17	148.54	250.66	-	-	-	-	-	-	-	UK
61	British Steel De Mexico S.A. de C.V.	USD	54.28	-	-	-	-	-	-	-	-	-	Mexico
62	British Steel Directors (Nominees) Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
63	British Steel Employee Share Ownership Trustees Ltd.	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
64	British Steel Engineering Steels (Exports) Limited	GBP	82.17	-	0.10	0.10	-	-	-	-	-	-	UK
65	British Steel Nederland International B.V.	EUR	69.55	367.04	581.12	1.07	92.49	-	25.22	(0.33)	25.55	66.77	Netherlands
66	British Steel Samson Limited	GBP	82.17	8.22	8.22	-	-	-	-	-	-	-	UK
67	British Steel Service Centres Ltd.	GBP	82.17	164.34	643.80	204.40	-	-	-	-	-	-	UK
68	British Steel Tubes Exports Ltd.	GBP	82.17	-	-	-	-	-	(0.21)	-	(0.21)	0.21	UK
69	British Tubes Stockholding Ltd.	GBP	82.17	82.17	86.54	0.01	-	-	-	-	-	-	UK
70	Bs Quest Trustee Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
71	Burgdorfer Grundstuecks GmbH	EUR	69.55	0.56	16.89	2.05	-	-	(0.34)	(0.09)	(0.25)	-	Germany
72	C V Benine	EUR	69.55	31.59	126.37	94.93	-	-	(0.06)	-	(0.06)	-	Netherlands
73	C Walker & Sons Ltd.	GBP	82.17	28.76	572.31	438.80	-	-	-	-	-	-	UK
74	Catic GmbH	EUR	69.55	0.18	26.39	34.85	-	74.86	7.31	1.91	5.40	-	Germany
75	Catic Limited	GBP	82.17	2.65	0.16	0.66	-	-	-	-	-	-	UK
76	Cbs Investissements SAS	EUR	69.55	0.56	3.98	2.86	-	-	0.30	-	0.30	-	France
77	Cladding & Decking (UK) Limited	GBP	82.17	38.21	14.87	10.73	-	-	-	-	-	-	UK
78	Cogent Power Electrical Steels Limited	GBP	82.17	-	-	-	-	-	(0.01)	-	(0.01)	-	UK
79	Cogent Power Inc.	CAD	53.43	1.60	160.94	85.40	-	529.17	20.83	6.95	13.88	-	Canada
80	Cogent Power SA DE CV	USD	54.28	0.05	(5.94)	13.98	-	-	-	-	-	-	Mexico
81	Cogent Power Inc.	USD	54.28	1.63	21.78	4.34	-	-	-	-	-	-	USA
82	Cogent Power Limited	GBP	82.17	597.12	372.19	15.64	-	0.04	0.84	0.37	0.47	-	UK
83	Color Steels Limited	GBP	82.17	0.37	47.81	48.18	-	-	-	-	-	-	UK
84	Corbeil Les Rives SCI	EUR	69.55	4.47	8.57	0.02	-	-	-	-	-	-	France

₹ crores

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85	Corby (Northants) & District Water Co.	GBP	82.17	2.14	2.32	6.75	2.29	3.30	(0.49)	-	(0.49)	-	UK
86	Cordor (C&B) Limited	GBP	82.17	2.67	-	2.67	-	-	-	-	-	-	UK
87	Corus Aerospace Service Centre Suzhou Co Ltd.	USD	54.28	2.99	0.14	33.80	30.67	46.40	1.80	-	1.80	-	China
88	Corus Aluminium Verwaltngsgesellschaft MbH	EUR	69.55	3.62	(16.14)	71.30	83.82	-	0.67	(3.39)	4.06	-	Germany
89	Corus Beteiligungs GmbH	EUR	69.55	8.90	11.55	20.45	-	-	(0.07)	-	(0.07)	-	Germany
90	Corus Building Systems Bulgaria AD	LEV	35.59	4.16	(21.02)	42.14	59.00	17.63	(4.13)	-	(4.13)	-	Bulgaria
91	Corus Building Systems N.V.	EUR	69.55	0.95	6.35	9.06	1.76	-	(0.11)	-	(0.11)	-	Belgium
92	Corus Building Systems SAS	EUR	69.55	20.87	(13.63)	7.33	0.09	0.19	-	-	-	-	France
93	Corus Byggsystem AB	SEK	8.33	0.83	44.62	63.28	17.83	124.22	0.19	0.14	0.05	-	Sweden
94	Corus CNBV Investments	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
95	Corus Coatings Usa Inc.	USD	54.28	-	3.79	4.30	0.51	-	(0.08)	-	(0.08)	-	USA
96	Corus Cold drawn Tubes Limited	GBP	82.17	41.09	(58.98)	-	17.89	-	-	-	-	-	UK
97	Corus Engineering Steels (UK) Limited	GBP	82.17	82.17	294.23	376.41	0.01	-	-	-	-	-	UK
98	Corus Engineering Steels Holdings Limited	GBP	82.17	3,417.41	265.07	4,671.24	988.76	-	-	-	-	-	UK
99	Corus Engineering Steels Limited	GBP	82.17	3,797.12	109.29	3,906.41	-	-	-	-	-	-	UK
100	Corus Engineering Steels Overseas Holdings Limited	GBP	82.17	4.11	4.06	16.07	7.90	-	-	-	-	-	UK
101	Corus Group Limited	GBP	82.17	18,110.80	1,298.32	24,996.84	5,587.72	-	(2,947.98)	-	(2,947.98)	-	UK
102	Corus Holdings Ltd.	GBP	82.17	2.05	0.82	2.88	0.01	-	-	-	-	-	UK
103	Corus International (Overseas Holdings) Limited	GBP	82.17	2,444.60	1,326.92	3,774.12	2.60	-	72.24	-	72.24	-	UK
104	Corus International Limited	GBP	82.17	4,226.63	(1,780.33)	2,834.46	388.16	0.19	37.36	-	37.36	-	UK
105	Corus International Romania SRL.	RON	15.77	0.01	0.71	0.81	0.09	-	0.16	0.03	0.13	-	Romania
106	Corus Investments Ltd.	GBP	82.17	180.78	5.59	186.37	-	-	-	-	-	-	UK
107	Corus Ireland Ltd.	EUR	69.55	-	4.46	4.51	0.05	-	(0.44)	-	(0.44)	-	Ireland
108	Corus Large Diameter Pipes Limited	GBP	82.17	653.29	(55.55)	597.74	-	-	-	-	-	-	UK
109	Corus Liaison Services (India) Limited	GBP	82.17	8.22	(8.19)	1.55	1.52	-	-	-	-	-	UK
110	Corus Management Limited	GBP	82.17	-	(372.59)	2,019.94	2,392.53	-	(15.74)	-	(15.74)	-	UK
111	Corus Packaging Plus Norway AS	NOK	9.27	0.11	(255.89)	8.08	263.86	-	(5.19)	(1.30)	(3.89)	-	Norway
112	Corus Primary Aluminium B.V.	EUR	69.55	273.85	(385.65)	266.41	378.21	-	-	-	-	-	Netherlands
113	Corus Properties (Germany) Limited	GBP	82.17	-	(0.30)	-	0.30	-	-	-	-	-	UK
114	Corus Property	GBP	82.17	-	-	0.01	0.01	-	-	-	-	-	UK
115	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	EUR	69.55	-	-	-	-	-	-	-	-	-	Ireland
116	Corus Service Centre Milano Spa	EUR	69.55	10.85	(12.94)	3.51	5.60	-	35.07	-	35.07	-	Italy
117	Corus Service Centre Limited	GBP	82.17	28.60	102.55	131.15	-	-	-	-	-	-	N Ireland
118	Corus Sheet & Tube Inc.	USD	54.28	-	-	-	-	-	-	-	-	-	USA
119	Corus Steel Service STP LLC	RUB	1.75	0.20	(1.94)	4.60	6.34	-	(0.64)	(0.15)	(0.49)	-	Russia
120	Corus Trico Holdings Inc.	USD	54.28	778.68	(778.68)	-	-	-	-	-	-	-	USA
121	Corus Tubes Poland Spolka Z.O.O	PLZ	16.67	0.08	(1.37)	0.42	1.71	-	(0.04)	-	(0.04)	-	Poland
122	Corus UK Healthcare Trustee Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
123	Corus Ukraine LLC	UAH	6.67	0.03	0.03	0.06	-	-	-	-	-	-	Ukraine
124	Cpn (85) Limited	GBP	82.17	-	(0.69)	-	0.69	-	-	-	-	-	UK

₹ crores

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125	Crucible Insurance Company Ltd.	GBP	82.17	82.17	759.31	369.55	378.17	-	49.80	-	49.80	16.43	I of Man
126	Degels GmbH	EUR	69.55	0.21	237.24	238.23	-	1,119.21	6.28	(0.26)	6.54	7.12	Germany
127	Demka B.V.	EUR	69.55	58.10	61.73	0.23	-	-	0.90	0.22	0.68	-	Netherlands
128	Derm Group Plc.	GBP	82.17	41.09	147.70	-	-	-	-	-	-	-	UK
129	Eric Olsson & Soner Fovnltnings AB	SEK	8.33	0.08	3.89	0.05	-	-	0.06	-	0.06	-	Sweden
130	Esmil B.V.	EUR	69.55	100.97	18.29	0.06	-	-	0.24	0.06	0.18	-	Netherlands
131	Euro-Laminations Limited	GBP	82.17	0.01	-	-	-	-	-	-	-	-	UK
132	Europressings Limited	GBP	82.17	4.93	5.25	-	-	-	-	-	-	-	UK
133	Firsteel Group Limited	GBP	82.17	147.30	290.89	143.57	-	-	-	-	-	-	UK
134	Firsteel Holdings Limited	GBP	82.17	27.84	142.40	78.81	-	-	-	-	-	-	UK
135	Firsteel Strip Mill Products Limited	GBP	82.17	71.49	84.00	-	-	-	-	-	-	-	UK
136	Fischer Profil GmbH	EUR	69.55	71.13	218.49	173.68	-	741.22	3.61	0.91	2.70	3.71	Germany
137	Gamble Simms Metals Ltd.	EUR	69.55	4.42	100.84	1.96	-	-	-	-	-	-	Ireland
138	Grant Lyon Eagre Ltd.	GBP	82.17	3.08	48.40	-	-	-	-	-	-	-	UK
139	H E Samson Ltd.	GBP	82.17	30.81	42.92	0.01	-	-	-	-	-	-	UK
140	Hadfields Holdings Ltd.	GBP	82.17	0.82	4.35	70.38	-	-	-	-	-	-	UK
141	Hammernega Limited	GBP	82.17	18.49	18.49	-	-	-	-	-	-	-	UK
142	Harrowmills Properties Ltd.	GBP	82.17	0.01	156.49	-	-	-	-	-	-	-	UK
143	Hille & Muller GmbH	EUR	69.55	35.60	385.83	247.59	-	520.90	(17.14)	(9.86)	(7.28)	19.43	Germany
144	Hille & Muller Usa Inc.	USD	54.28	0.02	94.33	6.25	-	21.27	1.64	(1.38)	3.02	-	USA
145	Hoogovens (UK) Limited	GBP	82.17	164.94	67.54	63.72	-	-	-	-	-	-	UK
146	Hoogovens Aluminium UK Limited	GBP	82.17	12.20	1.99	-	-	-	-	-	-	-	UK
147	Hoogovens Finance B.V.	EUR	69.55	1,029.06	1,417.33	12.29	-	-	7.93	1.98	5.95	-	Netherlands
148	Hoogovens Usa Inc.	USD	54.28	330.24	394.28	8.18	-	-	(0.05)	1.06	(1.11)	-	USA
149	Huizenbezit "Breesaap" B.V.	EUR	69.55	0.32	(7.82)	2.08	-	0.12	(0.06)	(0.02)	(0.04)	-	Netherlands
150	Ickles Cottage Trust	GBP	82.17	-	0.99	0.42	-	0.80	0.30	0.06	0.24	-	UK
151	Immobilier De Construction De Maubeuge Et Louvroil SAS	EUR	69.55	0.27	1.93	0.38	-	1.32	0.60	0.20	0.40	-	France
152	Inter Metal Distribution SAS	EUR	69.55	0.53	76.68	53.22	-	333.04	5.35	0.99	4.36	-	France
153	Kalzip Asia Pte Limited	SGD	43.72	59.02	77.97	99.85	-	91.75	(8.92)	(1.14)	(7.78)	-	Singapore
154	Kalzip FZE	AED	14.78	1.48	1.48	-	-	-	-	-	-	-	UAE
155	Kalzip GmbH	EUR	69.55	0.24	1.06	0.14	-	1.25	0.06	0.01	0.05	-	Austria
156	Kalzip GmbH	EUR	69.55	44.47	214.23	190.84	-	349.15	0.76	0.12	0.64	0.19	Germany
157	Kalzip Guangzhou Limited	CNY	8.73	22.04	150.56	91.65	-	132.31	1.54	0.23	1.31	-	China
158	Kalzip Inc	USD	54.28	-	8.61	41.76	-	16.89	(8.73)	-	(8.73)	-	USA
159	Kalzip India Private Limited	INR	1.00	5.46	24.75	16.95	-	33.56	1.15	0.40	0.75	-	India
160	Kalzip Italy SRL	EUR	69.55	0.07	1.23	1.09	-	3.03	0.15	0.10	0.05	-	Italy
161	Kalzip Limited	GBP	82.17	30.40	93.02	63.68	-	179.28	(19.35)	-	(19.35)	-	UK
162	Kalzip Spain S.L.U.	EUR	69.55	6.26	10.87	1.05	-	4.96	0.35	0.08	0.27	-	Spain
163	Layde Steel S.L.	EUR	69.55	42.74	277.66	402.03	0.02	681.86	(61.47)	0.68	(62.15)	-	Spain
164	Lister Tubes Ltd.	EUR	69.55	-	11.25	-	-	-	-	-	-	-	Ireland
165	London Works Steel Company Ltd.	GBP	82.17	-	46.01	130.70	-	-	-	-	-	-	UK
166	Midland Steel Supplies Ltd.	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
167	Misbury Investments Limited	GBP	82.17	-	11.54	10.92	-	-	-	-	-	-	UK
168	Montana Bausteine AG	CHF	57.01	45.61	206.12	75.60	-	408.98	30.73	5.72	25.01	23.43	Switzerland

₹ crores

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169	Myriad Deutschland GmbH	EUR	69.55	1.08	3.53	0.65	-	-	0.84	0.23	0.61	-	Germany
170	Myriad Espana SI	EUR	69.55	0.08	0.06	0.23	-	-	(0.35)	-	(0.35)	-	Spain
171	Myriad Nederland B.V.	EUR	69.55	0.14	0.22	0.05	-	-	(0.31)	-	(0.31)	-	Netherlands
172	Namascor B.V.	EUR	69.55	42.25	179.98	123.24	-	699.02	(52.13)	(13.03)	(39.10)	-	Netherlands
173	Nationwide Steelstock Limited	GBP	82.17	0.02	-	9.31	-	-	-	-	-	-	UK
174	Oostflank B.V.	EUR	69.55	0.13	39.43	0.01	-	-	0.05	0.01	0.04	-	Netherlands
175	Orb Electrical Steels Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
176	Ore Carriers Ltd.	GBP	82.17	16.89	23.46	0.05	-	-	-	-	-	-	UK
177	Oremco Inc.	USD	54.28	0.54	1.64	4.50	-	-	0.11	(0.02)	0.13	-	USA
178	Plated Strip International Limited	GBP	82.17	18.51	14.42	0.09	-	-	-	-	-	-	UK
179	Precoat International Limited	GBP	82.17	15.10	81.91	18.21	0.08	-	-	-	-	-	UK
180	Precoat Limited	GBP	82.17	9.04	5.25	22.69	-	-	-	-	-	-	UK
181	Rafferty-Brown Steel Co Inc Of Conn.	USD	54.28	17.19	29.38	4.86	-	-	-	-	-	16.83	USA
182	Richard Thomas And Baldwins 1978 Limited	NZD	45.42	-	-	-	-	-	-	-	-	-	New Zealand
183	Round Oak Steelworks Ltd.	GBP	82.17	24.65	0.98	394.69	-	-	-	-	-	-	UK
184	Runblast Limited	GBP	82.17	70.39	427.60	-	-	-	-	-	-	-	UK
185	Runmega Limited	GBP	82.17	3.57	3.57	-	-	-	-	-	-	-	UK
186	S A B Profiel B.V.	EUR	69.55	86.02	585.34	42.03	-	628.27	21.14	(0.60)	21.74	-	Netherlands
187	S A B Profil GmbH	EUR	69.55	0.21	119.79	9.86	-	218.89	11.03	3.02	8.01	-	Germany
188	Scrap Processing Holding B.V.	EUR	69.55	0.75	38.84	0.41	-	-	0.22	0.01	0.21	-	Netherlands
189	Seamless Tubes Ltd.	GBP	82.17	164.34	152.58	0.01	-	-	-	-	-	-	UK
190	Service Center Gelsenkirchen GmbH	EUR	69.55	128.05	738.08	167.79	2.04	914.57	(32.21)	(1.81)	(30.40)	11.51	Germany
191	Service Centre Maastricht B.V.	EUR	69.55	21.69	320.74	233.38	-	848.70	(66.39)	(15.89)	(50.50)	-	Netherlands
192	SIA Corus Building Systems	LAT	99.18	0.60	0.34	3.90	-	8.30	(0.79)	-	(0.79)	-	Latvia
193	Sintop Investments Ltd.	GBP	82.17	-	-	-	-	-	-	-	-	28.38	UK
194	Sintop Ltd.	GBP	82.17	-	-	-	-	-	28.38	-	28.38	28.38	UK
195	Skruv Erik AB	SEK	8.33	0.08	2.25	0.01	-	-	0.12	-	0.12	-	Sweden
196	Societe Europeenne De Galvanisation (Segal) Sa	EUR	69.55	86.94	258.16	102.61	-	376.18	11.56	3.36	8.20	-	Belgium
197	Staalverwerking En Handel B.V.	EUR	69.55	691.72	1,687.01	852.23	-	-	(20.67)	(5.17)	(15.50)	-	Netherlands
198	Stainless Velsen-Noord BV	EUR	69.55	0.82	1.01	0.20	-	-	-	-	-	-	Netherlands
199	Steel StockHoldings Ltd.	GBP	82.17	31.23	37.86	0.21	-	-	-	-	-	-	UK
200	Steelstock Ltd.	GBP	82.17	0.16	63.14	62.98	-	-	-	-	-	-	UK
201	Stewarts & Lloyds Of Ireland Ltd.	EUR	69.55	0.66	(2.28)	-	1.62	-	-	-	-	-	Ireland
202	Stewarts And Lloyds (Overseas) Ltd.	GBP	82.17	168.13	0.05	168.18	-	-	-	-	-	-	UK
203	Stocksbridge Works Cottage Trust Limited	GBP	82.17	-	0.59	0.70	0.11	0.45	0.07	-	0.07	-	UK
204	Stuwadoorsbedrijf Velserkom B.V.	EUR	69.55	0.31	7.66	22.09	-	0.53	4.71	0.80	3.91	-	Netherlands
205	Surahamar Bruks AB	SEK	8.33	62.36	59.47	247.77	-	415.16	(72.24)	(2.99)	(69.25)	-	Sweden
206	Swinden Housing Association	GBP	82.17	-	3.82	2.00	-	0.44	(0.02)	0.03	(0.05)	-	UK
207	Tata Steel Belgium Packaging Steels N.V.	EUR	69.55	176.90	382.94	97.38	-	436.48	28.11	-	28.11	-	Belgium
208	Tata Steel Belgium Services N.V.	EUR	69.55	1,563.51	3,756.54	1,423.72	-	-	275.62	28.46	247.16	1,103.86	Belgium
209	Tata Steel Denmark Byggsystemer AS	DKK	9.33	0.47	27.80	18.47	-	107.39	0.59	0.15	0.44	-	Denmark
210	Tata Steel Europe Distribution BV	EUR	69.55	5.09	(35.02)	5.70	-	-	0.10	0.04	0.06	-	Netherlands
211	Tata Steel Europe Metals Trading BV	EUR	69.55	278.31	431.58	181.82	-	518.38	3.29	0.83	2.46	-	Netherlands

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212	Tata Steel France Batiment et Systemes SAS	EUR	69.55	27.82 (115.53)	227.32	315.03	1.07	441.95	(22.46)	(0.34)	(22.12)	-	France
213	Tata Steel France Holdings SAS	EUR	69.55	938.05 (751.19)	1,222.16	1,035.30	-	-	(648.11)	(5.08)	(643.03)	-	France
214	Tata Steel France Rail SA	EUR	69.55	403.19 (117.30)	1,261.73	975.84	-	1,702.08	2.67	-	2.67	-	France
215	Tata Steel Germany GmbH	EUR	69.55	711.25 (171.77)	1,613.59	730.57	-	0.82	(87.57)	2.85	(90.42)	41.67	Germany
216	Tata Steel Hungary LLC	HUF	0.23	16.72 (11.10)	5.62	-	-	47.09	(2.93)	0.14	(3.07)	-	Hungary
217	Tata Steel Ijmuiden BV	EUR	69.55	782.48 (14,131.92)	24,002.54	9,088.14	125.33	28,795.21	579.16	106.87	472.29	-	Netherlands
218	Tata Steel International (Americas) Holdings Inc	USD	54.28	4,416.57 (3,952.73)	1,401.00	937.16	-	-	38.83	(2.86)	41.69	-	USA
219	Tata Steel International (Americas) Inc	USD	54.28	244.82	1,260.31	442.71	-	1,654.73	23.89	0.33	23.56	-	USA
220	Tata Steel International (Australia) Limited	NZD	45.42	69.04	129.53	60.20	-	346.79	(4.57)	(1.32)	(3.25)	-	New Zealand
221	Tata Steel International (Benelux) BV	EUR	69.55	0.13	1.43	0.88	-	-	0.36	0.10	0.26	7.65	Netherlands
222	Tata Steel International (Canada) Holdings Inc	CAD	53.43	0.05	1.97	0.13	-	-	(0.13)	0.26	(0.39)	-	Canada
223	Tata Steel International (Czech Republic) S.R.O	CZK	2.70	0.32	2.80	0.50	-	-	0.14	0.02	0.12	-	Czech Republic
224	Tata Steel International (Denmark) AS	DKK	9.33	0.85	2.38	1.48	-	-	0.25	0.17	0.08	0.68	Denmark
225	Tata Steel International (Finland) OY	EUR	69.55	0.88	2.81	1.06	-	-	0.23	0.06	0.17	-	Finland
226	Tata Steel International (France) SAS	EUR	69.55	1.39	42.14	13.72	-	-	9.56	2.95	6.61	-	France
227	Tata Steel International (Germany) GmbH	EUR	69.55	6.05 (9.31)	39.42	42.68	-	-	5.01	-	5.01	4.73	Germany
228	Tata Steel International (South America) Representações LTDA	USD	54.28	1.18 (2.56)	0.54	1.92	-	-	0.72	0.69	0.03	-	Brazil
229	Tata Steel International Hellas SA	EUR	69.55	0.42	1.64	0.62	-	-	-	-	-	-	Greece
230	Tata Steel International (Italia) SRL	EUR	69.55	0.35	33.58	14.08	-	-	8.72	2.74	5.98	-	Italy
231	Tata Steel International (Middle East) FZE	AED	14.78	67.77	38.03	66.73	-	346.97	0.38	-	0.38	-	UAE
232	Tata Steel International (Nigeria) Ltd.	NGN	0.34	-	-	-	-	-	-	-	-	-	Nigeria
233	Tata Steel International (Poland) sp Z.O.O.	PLZ	16.67	14.68 (15.87)	7.67	8.86	-	-	(3.89)	0.02	(3.91)	-	Poland
234	Tata Steel International (Schweiz) AG	CHF	57.01	0.57	3.80	2.80	-	-	0.20	0.06	0.14	0.23	Switzerland
235	Tata Steel International (Sweden) AB	SEK	8.33	0.08	5.89	3.97	-	1.20	0.67	0.20	0.47	-	Sweden
236	Tata Steel International (India) Limited	INR	1.00	27.82	11.72	12.68	-	9.12	(0.45)	-	(0.45)	-	India
237	Tata Steel International Iberica SA	EUR	69.55	1.05	11.33	5.17	-	-	0.81	0.37	0.44	-	Spain
238	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	54.28	62.57 (17.00)	196.86	151.29	-	404.30	3.36	-	3.36	-	Turkey
239	Tata Steel Logistics and Shipping BV	EUR	69.55	0.16	0.16	-	-	-	-	-	-	-	Netherlands
240	Tata Steel Maubeuge SAS	EUR	69.55	256.06 (533.40)	414.11	691.45	6.47	1,987.68	(409.93)	-	(409.93)	-	France
241	Tata Steel Nederland BV	EUR	69.55	3,063.28	19,529.21	10,077.83	-	-	(196.96)	(59.29)	(137.67)	-	Netherlands
242	Tata Steel Nederland Consulting & Technical Services BV	EUR	69.55	62.60 (58.32)	72.69	68.41	66.94	-	(12.27)	(0.25)	(12.02)	-	Netherlands
243	Tata Steel Nederland Investment BV	EUR	69.55	7,019.53	1,073.96	8,101.37	7.88	-	5.06	1.26	3.80	-	Netherlands
244	Tata Steel Nederland Perfo BV	EUR	69.55	3.87 (26.89)	0.34	23.36	-	-	(0.26)	(0.07)	(0.19)	-	Netherlands
245	Tata Steel Nederland Services BV	EUR	69.55	2.96	342.35	223.59	-	16.07	82.07	23.15	58.92	-	Netherlands
246	Tata Steel Nederland Star-Frame BV	EUR	69.55	3.13 (7.26)	1.85	5.98	-	4.83	(0.60)	(0.15)	(0.45)	-	Netherlands
247	Tata Steel Nederland Technology BV	EUR	69.55	0.13	397.73	549.38	151.52	21.54	48.37	12.31	36.06	-	Netherlands
248	Tata Steel Nederland Tubes BV	EUR	69.55	333.86 (397.08)	511.78	575.00	2.85	1,195.36	(115.93)	(29.66)	(86.27)	-	Netherlands
249	Tata Steel Netherlands Holdings B.V.	EUR	69.55	35,361.19 (12,275.08)	61,767.60	38,681.49	-	-	(13,590.83)	(345.27)	(13,245.56)	-	Netherlands

₹ crores

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250	Tata Steel Norway Byggsystemer A/S	NOK	9.27	1.13	67.52	35.57	-	172.69	8.07	1.94	6.13	-	Norway
251	Tata Steel Speciality Service Centre Xian Co. Ltd.	USD	54.28	4.30	10.68	6.77	-	2.47	(0.39)	-	(0.39)	-	China
252	Tata Steel UK Consulting Limited	GBP	82.17	14.26	14.45	15.40	-	18.59	2.54	-	2.54	-	UK
253	Tata Steel UK Holdings Limited	GBP	82.17	32,437.38	(2,824.12)	37,479.89	7,866.63	-	(2,114.88)	-	(2,114.88)	-	UK
254	Tata Steel UK Limited	GBP	82.17	18,844.39	(11,260.08)	36,676.71	29,092.40	5.16	37,132.46	(5,368.72)	65.22	(5,433.94)	UK
255	Tata Steel UK Rail Consultancy Limited	GBP	82.17	246.52	(32.98)	364.80	151.26	-	278.51	24.57	24.57	-	UK
256	Tata Steel Usa Inc.	USD	54.28	46.27	14.67	6.24	-	67.18	17.43	0.62	16.81	78.70	USA
257	The Newport And South Wales Tube Company Ltd.	GBP	82.17	4.37	0.12	0.00	-	-	-	-	-	-	UK
258	The Stanton Housing Company Ltd.	GBP	82.17	0.49	7.42	7.91	-	-	-	-	-	-	UK
259	The Steel Company Of Ireland Limited	EUR	69.55	104.44	(60.49)	89.59	65.64	91.88	(5.89)	(0.02)	(5.87)	-	Ireland
260	The Templeborough Rolling Mills Ltd.	GBP	82.17	24.65	105.78	130.43	-	-	-	-	-	-	UK
261	Thomas Processing Company	USD	54.28	-	116.47	116.86	0.39	21.20	3.68	-	3.68	-	USA
262	Thomas Steel Strip Corp.	USD	54.28	81.41	(337.30)	263.23	519.12	619.48	26.21	0.35	25.86	-	USA
263	Tinsley Trailers Limited	GBP	82.17	14.79	-	14.79	-	-	-	-	-	-	UK
264	Toronto Industrial Fabrications Ltd.	GBP	82.17	0.13	(4.21)	-	4.08	-	-	-	-	-	UK
265	Trierer Walzwerk GmbH	EUR	69.55	17.81	(9.87)	62.75	54.81	145.89	(33.35)	(0.34)	(33.01)	-	Germany
266	Tulip UK Holdings (No.2) Ltd.	GBP	82.17	28,787.75	(432.80)	28,355.29	0.34	-	(435.51)	-	(435.51)	-	UK
267	Tulip UK Holdings (No.3) Ltd.	GBP	82.17	28,790.80	(1,079.16)	36,642.34	8,930.70	-	(280.13)	-	(280.13)	-	UK
268	Tuscaloosa Steel Corporation	GBP	82.17	3,260.23	(3,259.74)	0.58	0.09	-	(0.07)	-	(0.07)	-	USA
269	U.E.S. Bright Bar Limited	GBP	82.17	12.33	-	12.33	-	-	-	-	-	-	UK
270	UK Steel Enterprise Ltd.	GBP	82.17	82.17	51.60	238.63	104.86	22.55	(9.10)	-	(9.10)	-	UK
271	Ukse Fund Managers (General Partner) Limited	GBP	82.17	-	-	-	-	-	-	-	-	-	UK
272	Ukse Fund Managers Limited	GBP	82.17	0.29	0.60	0.22	-	-	-	-	-	-	UK
273	Unitol SAS	EUR	69.55	69.55	(99.41)	345.36	375.22	1,012.31	(181.60)	-	(181.60)	-	France
274	Walker Manufacturing And Investments Ltd.	GBP	82.17	4.37	122.58	126.96	0.01	-	-	-	-	-	UK
275	Walkersteelstock Ireland Limited	EUR	69.55	67.88	39.95	119.09	11.26	-	-	-	-	-	Ireland
276	Walkersteelstock Ltd.	GBP	82.17	8.22	-	8.22	-	-	-	-	-	-	UK
277	Westwood Steel Services Ltd.	GBP	82.17	193.11	-	193.11	-	-	-	-	-	-	UK
278	Whitehead (Narrow Strip) Ltd.	GBP	82.17	73.96	20.29	94.24	(0.01)	-	-	-	-	-	UK
279	Tata Steel Global Minerals Holdings Pte Ltd.	USD	54.28	6,261.43	210.72	6,984.32	512.17	2,235.09	(12.45)	31.68	(44.13)	-	Singapore
280	Al Rimal Mining LLC	OMR	140.79	14.08	(6.65)	9.84	2.41	-	(0.11)	-	(0.11)	-	Oman
281	Black Ginger 461 (Proprietary) Ltd	ZAR	5.91	65.04	(15.87)	204.22	155.05	5.20	(5.75)	-	(5.75)	-	South Africa
282	Kalimati Coal Company Pty. Ltd.	AUD	56.52	74.65	(190.77)	204.43	320.55	57.13	(184.08)	2.73	(186.81)	-	Australia
283	Sedibeng Iron Ore Pty. Ltd.	ZAR	5.91	13.93	23.22	381.79	344.64	128.01	47.92	13.42	34.50	-	South Africa
284	Tata Steel Cote D'ivoire S.A	FCFA	0.11	117.74	(52.97)	74.32	9.55	-	(19.28)	0.02	(19.30)	-	Ivory Coast
285	Tata Steel Minerals UK Limited	CAD	53.43	1,057.22	(0.59)	1,056.76	0.13	-	(0.50)	-	(0.50)	-	UK
286	Tata Steel Minerals Canada Limited	CAD	53.43	1,225.36	(54.49)	2,548.31	1,377.44	-	(29.88)	-	(29.88)	-	Canada
287	T S Canada Capital Ltd*	CAD	53.43	-	1.81	546.14	544.33	-	2.45	0.64	1.81	-	Canada
288	Tata Steel International (Singapore) Holdings Pte. Ltd.	SGD	43.72	154.64	-	154.64	-	-	-	-	-	-	Singapore
289	TSIA Holdings (Thailand) Limited	THB	1.85	0.02	(0.06)	0.01	0.05	-	0.06	-	0.06	-	Thailand

₹ crores

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290	Tata Steel International (Shanghai) Ltd.	CNY	8.73	4.26	6.64	0.34	-	2.10	0.36	0.13	0.23	-	China
291	Tata Steel International (Malaysia) Sdn. Bhd.	MYR	17.54	-	0.32	0.08	-	-	0.01	0.01	-	-	Malaysia
292	Tata Steel International (Thailand) Limited	THB	1.85	0.37	1.75	0.18	-	-	(2.32)	0.25	(2.57)	-	Thailand
293	Tata Steel International (Singapore) Pte. Ltd.	SGD	43.72	7.43	83.14	36.62	7.87	267.40	(8.55)	0.47	(9.02)	-	Singapore
294	Tata Steel International (Asia) Limited	HKD	6.99	-	580.14	112.91	-	752.13	10.31	1.53	8.78	-	Hongkong S.A.R.
295	Tata Steel (Thailand) Public Company Ltd.	THB	1.85	1,558.41	3,522.88	1,208.55	-	58.94	(627.88)	0.13	(628.01)	-	Thailand
296	N.T.S Steel Group Plc.	THB	1.85	856.40	1,818.89	1,516.46	-	5,950.93	(669.87)	52.97	(722.84)	-	Thailand
297	The Siam Construction Steel Co. Ltd.	THB	1.85	323.84	593.65	226.78	-	1,674.41	18.82	4.29	14.53	-	Thailand
298	The Siam Iron And Steel (2001) Co. Ltd.	THB	1.85	22.21	390.14	177.22	-	1,251.16	20.82	4.78	16.04	-	Thailand
299	Tata Steel Global Procurement Company Pte. Ltd.	USD	54.28	540.77	17,561.47	16,650.53	-	14,006.52	223.58	28.31	195.27	-	Singapore
300	ProCo Issuer Pte. Ltd.	GBP	82.17	-	1,333.11	7,277.96	-	973.84	636.06	84.93	551.13	-	Singapore
301	Tata Steel Processing and Distribution Limited	INR	1.00	68.25	636.34	233.74	54.12	1,642.61	60.40	19.29	41.11	-	India
302	TM International Logistics Limited	INR	1.00	18.00	262.72	143.44	37.02	181.74	18.94	6.05	12.89	3.16	India
303	International Shipping Logistics FZE	USD	54.28	1.49	173.88	267.92	-	582.40	19.59	-	19.59	-	UAE
304	TKM Global China Ltd	CNY	8.73	5.97	(2.83)	8.24	-	30.05	(0.10)	-	(0.10)	-	China
305	TKM Global GmbH	EUR	69.55	0.36	93.46	148.19	-	137.31	21.13	6.52	14.61	-	Germany
306	TKM Global Logistics Limited	INR	1.00	1.80	19.39	39.12	-	130.66	0.13	0.02	0.11	-	India
307	TM Harbour Services Private Limited	INR	1.00	34.62	13.31	106.81	5.82	26.22	5.20	0.11	5.09	-	India
308	Indian Steel and Wire Products Ltd.	INR	1.00	5.99	25.07	116.97	-	200.26	25.16	8.18	16.98	-	India
309	The Tata Pigments Limited	INR	1.00	0.75	27.68	46.52	-	63.92	5.53	1.84	3.69	0.45	India
310	T M Mining Company Limited	INR	1.00	0.10	(0.13)	-	-	-	(0.05)	-	(0.05)	-	India
311	Jamshedpur Continuous Annealing & Processing Company Private Limited	INR	1.00	874.00	1,416.23	540.59	9.49	-	4.56	0.89	3.67	-	India
312	The Tinplate Company of India Ltd.	INR	1.00	207.27	997.54	395.35	0.23	877.16	49.53	21.30	28.23	12.25	India
313	Tata Sponge Iron Limited	INR	1.00	15.40	624.07	175.37	127.63	797.51	125.90	40.47	85.43	12.32	India
314	TSIL Energy Limited	INR	1.00	0.06	(0.07)	0.07	-	-	(0.07)	-	(0.07)	-	India
315	Tata Steel Odisha Limited	INR	1.00	0.05	(2.51)	0.06	-	-	(2.51)	-	(2.51)	-	India

TATA STEEL

Tata Steel Limited

Regd. Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.

Attendance Slip

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the HUNDRED AND SIXTH ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, at 3.00 p.m. on Wednesday, the 14th August, 2013.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. /DP ID No.* & Client ID No.*
* Applicable for members holding shares in electronic form.

.....
Full name of Proxy
(in block capitals)

.....
Signature

NOTE: Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TATA STEEL

Tata Steel Limited

Regd. Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.

Proxy

I/We
of in the district of being
a Member/Members of the above named Company, hereby appoint
..... of in the district of or failing him
..... of in the district of
..... as my/our Proxy to attend and vote for me/us and on my/our
behalf at the HUNDRED AND SIXTH ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, the 14th August, 2013 and at
any adjournment thereof.

Signed this day of 2013.

Folio No. /DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

Signature _____

Affix
Revenue
Stamp

No. of Shares

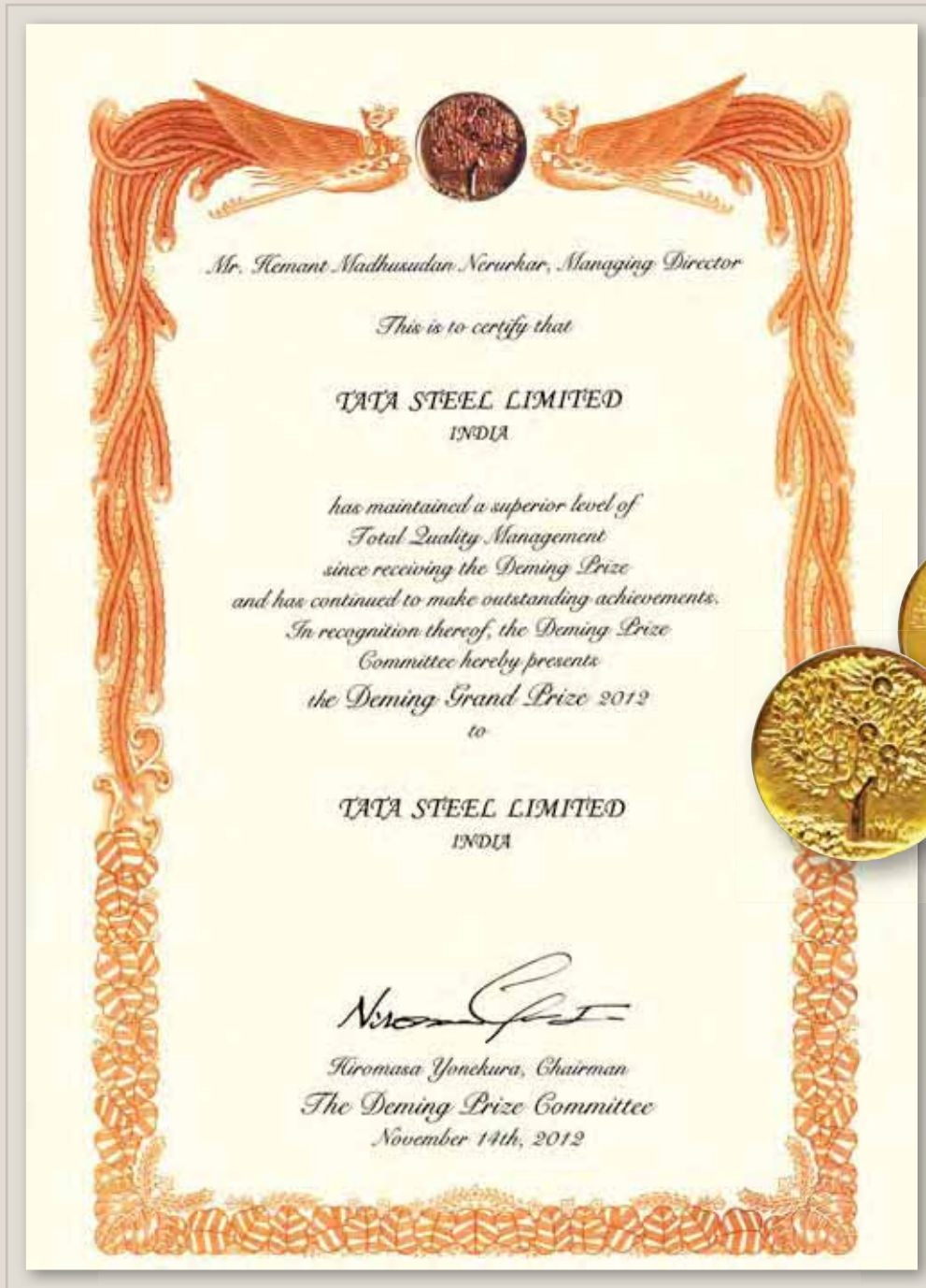
This form is to be used @ in favour of _____ the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.
@ against _____

@ Strike out whichever is not desired.

NOTES: The proxy must be returned so as to reach the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.



The Deming Grand Prize



Tata Steel is the first integrated steel company in the world, outside of Japan, to win the Deming Grand Prize.
The Deming Prize is considered to be the highest award in the area of Total Quality Management.

Winning the 2012 Deming Grand Prize is a testimony to our ongoing efforts at achieving excellence in business.

TATA STEEL LIMITED

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