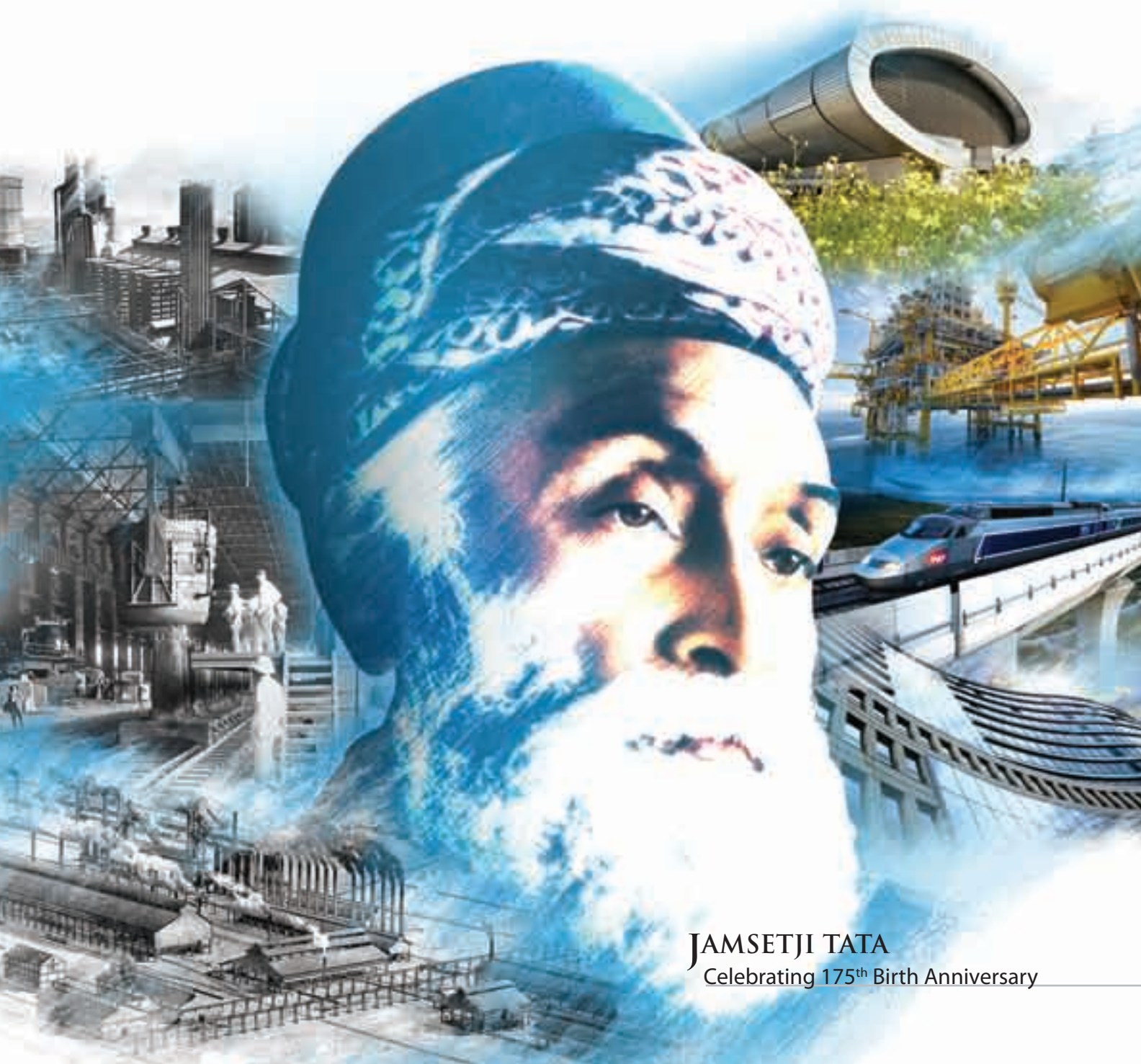


TATA STEEL



JAMSETJI TATA
Celebrating 175th Birth Anniversary

Journey towards operational excellence | 107th Annual Report 2013-2014



A visionary with a timeless legacy

Born 175 years ago, in 1839, Jamsetji Nusserwanji Tata, the Founder of the Tata group, was a visionary who felt the need to use the resources and capabilities at his command to the service of the people of the country and make India a self-reliant economy. Motivated by the early nationalists of the Indian freedom movement in the latter half of the

nineteenth century, Jamsetji Tata devoted his entire energy and effort to implement his vision of building an industrial enterprise in India that would provide economic freedom to the country.

An enlightened entrepreneur and a great nationalist, his vision for “a free enterprise” was one that would make the community “the very purpose of its existence”. A simple and altruistic viewpoint, it enveloped within it a complex, hitherto unheard of, holistic ideology of business enterprise as corporate citizens. His basic premise was that just as other citizens had both rights and duties, the duty of a corporate citizen required it to serve the plural interests of diverse stakeholders – perhaps collectively viewed by him as the community.

Even long before the steel plant was established, Jamsetji had the vision that Tata Steel’s business practices should follow few principles for common good including adopting an ethical value system and transparent business practices, driven by the ideals of good governance that consider the interests of the shareholders our own, and focus on the health and welfare of the employees. His vision for Tata Steel was not restricted to the steel works but also of a planned city with a lot of greenery around where the contented and productive work force would reside. In later years, the city thus born out of his vision aptly came to be named as “Jamshedpur”. He consciously abjured philanthropy, choosing instead to equip India to climb out of poverty by establishing the means to harness its finest minds.





Jamsetji believed that the route to the creation of wealth was “widespread industrialisation and the infusion of modern science and technology into the country’s economic life”. He balanced it with the notion that in its pursuit of industrial growth, Tata Steel’s value system must act as a lodestone, continuously guiding its social consciousness to stretch beyond its vision - the end goal - to select and deploy ethical means or strategies that ultimately serve its primary purpose.

Viewed in the context of the expectations that the community and the society have of businesses today, Jamsetji Tata’s vision of the purpose of an organisation

more than a century ago is still immensely relevant. Thus, even before the turn of the twentieth century, Jamsetji Tata laid the principles of Tata Steel’s future business proposition of being a fair and transparent company whose actions would foster trust and have the ability to deliver common good.

Tata Steel over the last century has always endeavoured to align its strategy and actions that are focused on building sustainable and long-term business by placing equal emphasis on stakeholder value creation and corporate citizenship.



In remembrance of **Mr Russi Mody**



Successive generations of leaders at Tata Steel have drawn guidance and inspiration from the purpose for which the Founder, Jamsetji Tata, created Tata Steel. Among them was Rustomji Hormusji Mody, who joined Tata Steel as an Office Assistant in 1939 and rose through its ranks to become its only Chairman and Managing Director in 1984, remaining at the helm of the Company till 1993, in a career spanning 53 years.

Loved, respected and trusted by all, especially the employees of Tata Steel and its communities, Mr Russi Mody passed away on 16th May, 2014.

Mr Mody, who was educated in England at Harrow School and later Christ Church College, Oxford, was hand-picked by the Late J R D Tata in 1953 to engender greater employee engagement and welfare at Tata Steel. During his tenure as Director, Personnel, the historic participative management agreement between Tata Steel and the Tata Workers' Union was signed in 1956. He became Managing Director of Tata Steel in 1974 and on 23rd October, 1984 he was appointed its Chairman and Managing Director.

Mr Mody felt a close connect with Jamsetji Tata's vision, Tata Steel's social consciousness, the enlightened approach to the redistribution of wealth, and the priority placed on employee welfare and industrial harmony. Under Mr Mody's leadership, Tata Steel came to be popularly known as "the company that also made steel". He established formal mechanisms and processes for employee participation, economic well-being of communities and social inclusion that were watersheds in the history of Indian industry.

A great friend of the less privileged and marginalised, Mr Mody injected

result-orientation in Tata Steel's social welfare programme with the formation of societies for rural development and tribal welfare. His dream was to prepare the communities to become self-reliant. Mr Mody also devoted his efforts towards excellence and promoted "Sports as a way of life" across all Tata Steel's communities.

A veritable people's person, Mr Mody's compelling sincerity and strong will, both in the service of the Company and humanity, contributed to 50 years of industrial harmony at Tata Steel and a great depth of managerial talent at the Company. He received the Padma Bhushan in 1989 for his exemplary contribution to industry.

An astute, intuitive and incisive businessman, he took the capacity of the Company from eight-lakh tonnes in 1974 to almost 2.5 million tonnes by 1992-93. Much before the rest of the industry, Mr Mody foresaw the need for change. He instituted 'vision building' at Tata Steel, heralded its largest modernisation programme from the early 1980s and oversaw its technological transformation. He simultaneously launched the quality movement at Tata Steel. A believer in judiciously preparing for the future, Mr Mody laid the foundation of an enterprise of tomorrow, enthusing its people to restructure and re-engineer it with a compelling vision for the next millennium.

Tata Steel pays its tribute at the passing away of this iconic leader.



Journey towards operational excellence

Through the decades of change that the world has witnessed, the Tata Steel group has continually focussed on driving and maintaining **excellence in operations**. This has found expression in a relentless drive for excellence in process, product and people; a culture of continuous improvement; and a spirit of innovation that has helped the Tata Steel group sustain growth through turbulent times.

With the world going through perhaps one of the longest and most sustained slowdowns in economic history, Tata Steel has successfully withstood this scenario, thanks to a **long-term strategy and vision**. With a continued focus on enhancing its competitiveness, Tata Steel has initiated several strategies that have enabled it to grow sustainably. The **continuing integration** of its processes have enabled it to increase efficiencies. Added to this is the enduring commitment of **giving back to society** that helps make the vision of **sustainable growth** a reality.

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The Annual General Meeting will be held on Thursday, 14th August, 2014 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.



One of the key pillars of the Company's strategy is to continue to build capacity in India that is globally competitive and delivers world-class products to its customers.

Dear Shareholders,

The Financial Year 2013-14 saw mild trends of macroeconomic recovery in several major economies, including the US and Europe even though structural weaknesses continue to be a major threat in the medium term. The global steel industry has structural overcapacity in China and Europe, which need to be recalibrated to the underlying global demand to make the industry more competitive and sustainable in

the long-term. Growth in China, the largest producer of steel globally, has tempered, as the country shifts gears to pursue a 'sustainable' model of economic development. Deviations in the growth trajectory of China will impact global steel demand-supply and pricing dynamics.

In recent times, following the change in the political leadership in China, there has been a conscious focus by the leadership in China on improving the quality and sustainability of the country's economic growth model, which has had an impact on China's steel sector. It is believed that this structural shift could influence demand-supply dynamics in the regions, especially import susceptible geographies such as Europe and USA, and lead to moderation of raw material prices and pricing dynamics across regions.

World crude steel production grew at 3.6% in 2013. Lower steel consumption growth in large emerging economies such as China and India were countered by growth in mature markets such as the USA. However, disinflationary pressures and financial fragility continue to be a concern in the Eurozone. In light of the above, global steel demand is forecast to grow by 3.1% in 2014.

In Europe, despite volatile raw material prices and challenging market conditions, the business reported an increase in operating margins compared to the previous year. This is credited to the management's focus on cost management and a strategy for driving product differentiation. Over 30 new products were launched during the year in Europe, leading to a 75% increase in volume of new products sold. This is a record for the ongoing New Product Development programme. Our focus on driving market differentiation and cost competitiveness will continue in the future.

On the domestic front, the Indian economy grew at a rate lower than the trend average of the last 10 years due to overhang of lower capital expenditure and investments, tight monetary policy and sluggish demand conditions in critical sectors such as automotive, infrastructure and construction. There are significant expectations of the new Government to pursue further economic reforms, investments in infrastructure and an inclusive growth agenda to revive the economy. Steel as a foundation industry will play a significant role in this journey and therefore it is very important for policy makers and the government to facilitate a robust supply side framework as an enabler for a vibrant steel industry in the country. Tata Steel is committed to engaging in a constructive manner with all stakeholders to evolve such a framework.

One of the key pillars of the Company's strategy is to continue to build capacity in India that is globally competitive and delivers world-class products to its customers. In Jamshedpur, as part of the 2.9 million tonnes per annum expansion, the Company achieved almost a million tonnes of additional production and sales during the Financial Year 2013-14. In the midst of difficult market conditions, the successful ramp up during the year of all major facilities to their rated capacity enabled the Indian operations to improve operational efficiency and margins while sustaining a robust level of operating cash flow. As Tata Steel grows its volumes in India, it will strengthen its focus on customer centricity and branding across all product segments.

The Company is also aggressively pursuing completion of the first phase of the 6 million tonnes per annum greenfield project in Kalinganagar, with stage-wise commissioning expected to start by end of Financial Year 2014-15. The Company is focussed not only on the execution of the plant facilities but also on addressing

the socio-economic infrastructure needs of an industrial enterprise of this scale. The Company is committed to addressing the developmental needs and aspirations of the communities around the project, in the areas of health, education, livelihood and skill building.

As the Company diversifies its operations into new locations in India and overseas, it will continue to build on the capabilities of its existing CSR programmes to improve the livelihood of the communities in which it operates. The Board and the leadership team are also committed to improving our safety practices and reducing the environmental impact of our operations.

Sadly, the year gone by, saw the passing away of Russi Mody, a visionary leader, who helped Tata Steel transcend its corporate identity, achieving fame not just for its operational excellence, but also for its commitment to community programmes.

In 2014, we celebrate the 175th birth anniversary of Jamsetji Nusserwanji Tata, a man whose passion and commitment to build a strong India was embedded in his vision for Tata Steel. We are committed to living his values and building on his legacy, as we strive to secure a strong future for our Company.

Finally, I would like to thank all our shareholders and also our customers, suppliers, vendors, project contractors and lenders for their unstinted support to the Company during the year. I would also like to thank all the employees and unions, across the globe, for their tireless commitment to enhancing the performance and well-being of the Company.

Yours Sincerely,

Cyrus P Mistry

Chairman

Mumbai, 31st May, 2014

BOARD OF DIRECTORS



Top (left to right): Mr. D. K. Mehrotra,
Dr. Karl-Ulrich Koehler (*Managing Director and Chief Executive Officer, Tata Steel Europe*), Mr. T. V. Narendran (*Managing Director, Tata Steel India and South East Asia*) Mr. Subodh Bhargava,
Mr. Ishaat Hussain, Mr. Koushik Chatterjee [*Group Executive Director (Finance & Corporate)*]

Seated (left to right): Mr. Andrew Robb,
Mrs. Mallika Srinivasan, Mr. Nusli N. Wadia,
Mr. Cyrus P. Mistry (*Chairman*), Mr. B. Muthuraman (*Vice Chairman*),
Mr. O. P. Bhatt, Mr. Jacobus Schraven

COMPANY SECRETARY

Mr. A. Anjeneyan

REGISTERED OFFICE

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CIN: L27100MH1907PLC000260



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Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.
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E-mail: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

LEGAL ADVISORS

AZB & Partners,
Amarchand & Mangaldas & Suresh A. Shroff & Co.,
Mulla & Mulla and Craigie Blunt & Caroe

AUDITORS

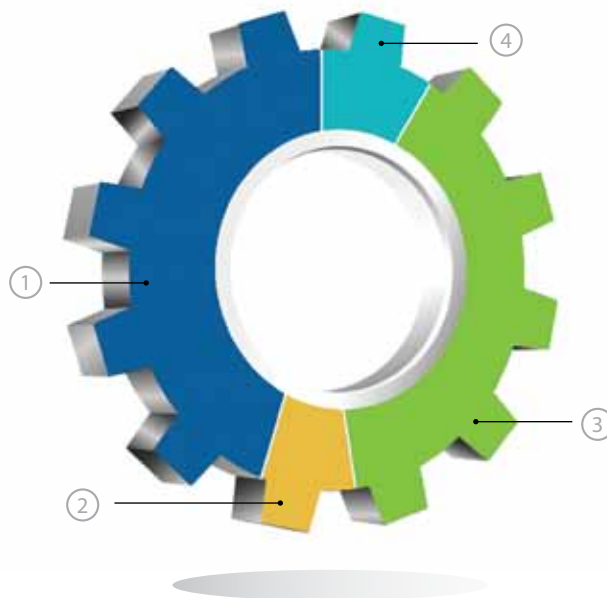
Messrs Deloitte Haskins & Sells LLP

CONSOLIDATED FINANCIAL HIGHLIGHTS 2013-14



Geographical Distribution of Revenue

India	30%	1
Asia excluding India	13%	2
Europe	52%	3
Rest of World	5%	4
Total	100%	

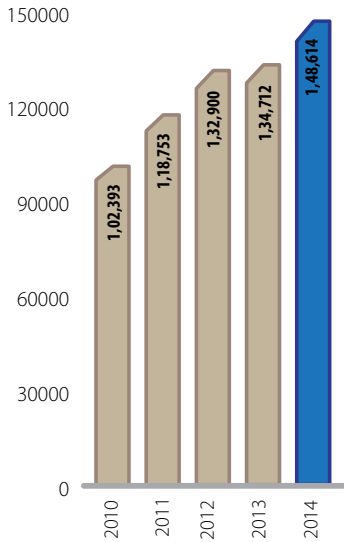


Capital Employed by Geographies

India	45%
Asia excluding India	8%
Europe	38%
Rest of World	9%
Total	100%

Turnover

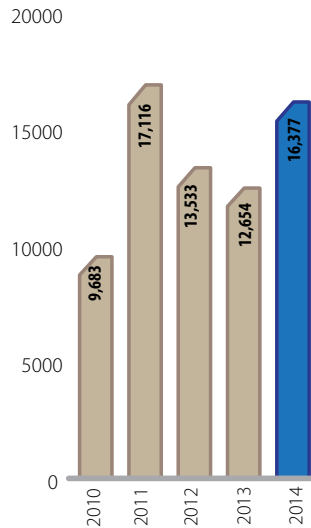
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Turnover = Revenue from operations (-)
Excise Duty

EBITDA

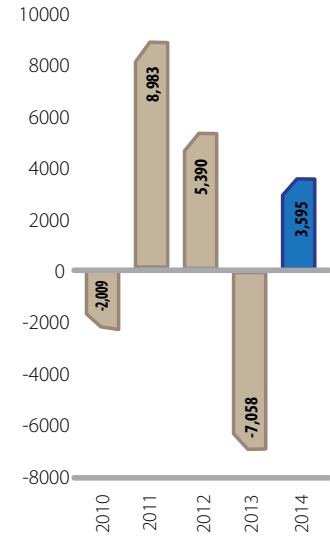
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EBITDA = Profit before exceptional items
and taxes (+) Net Finance Charges (+)
Depreciation (-) Minority Interest (+)
Share of Profit of Associates

Profit after Tax

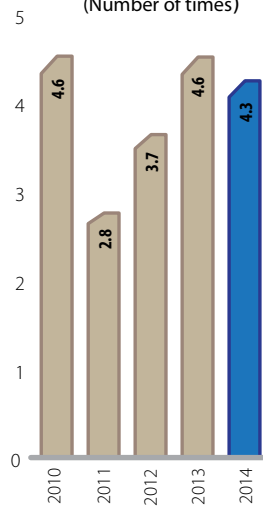
(₹ in crores)



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

Net Debt/EBITDA

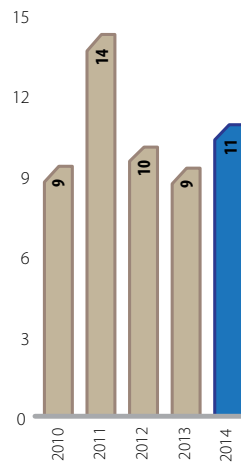
(Number of times)



Net Debt/EBITDA (Annualised)

EBITDA Margin

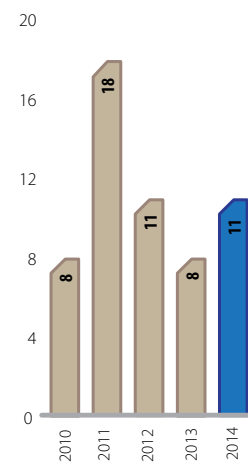
(%)



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 Tata Steel group continues on its journey of building long-term value through strategic and sustainable measures at all levels. Focussing on operational excellence is one of the key drivers to this end.

Mr. T.V. Narendran (Managing Director, Tata Steel India & South East Asia), **Dr. Karl-Ulrich Koehler** (Managing Director and Chief Executive Officer, Tata Steel Europe) and **Mr. Koushik Chatterjee** (Group Executive Director, Finance and Corporate) share their views on the strategy and performance in Financial Year 2013-14.



Q: What is your assessment of the operating environment in the last financial year and what do you expect in the current year in the various geographies in which Tata Steel operates?

A: The economic environment was a mixed bag in the last year. While the growth weakened in the emerging markets including India, the developed economies witnessed a gradual recovery. Slowdown in construction and infrastructure activities due to fiscal tightening and credit squeeze, degrowth of the automotive sector and delays in the investment spend in the corporate sector hurt steel demand, leading to an almost unchanged consumption compared to the previous year.

The European economy started to gradually improve towards the latter half of the year as the fiscal tightening eased to some extent and economic indicators looked up. The negative steel demand growth in the last two consecutive years turned positive and is expected to continue in the coming years, albeit at a slow pace. However, the overall steel demand remains significantly lower than the pre-GFC prior to 2007-08 and structural overcapacity continues to hurt margins.

The South East Asian operations faced headwinds in terms of import pressure from China and political instability in Thailand. Nevertheless, the construction outlook in the region remains positive. Rebalancing our geographical footprint and restructuring and closure of loss making operations have contributed to the stable performance of these units in the last year.

There is a hope that the Indian economic growth trajectory would see an uptrend post the recent general elections. It is expected that the new government would push for reforms and help restart the investment cycle in India. This should help in supporting steel demand growth with increased infrastructure and consumer spending. The economic indicators in Europe have been improving steadily in the recent past and the steel demand growth has finally turned positive after two consecutive years of decline.

Q: You have achieved good volume growth in all the regions while the overall market demand has been weak. What strategy did you follow to outperform the market?

A: During the last financial year, Tata Steel has outperformed the market in most regions in terms of volume growth. We have been very consistent with our operating and market strategy and that is leading to the consistent growth. Our strategy is domestic focussed in India. We continue to enhance our product quality, work closely with our customers and offer them an array of services rather than just selling products. We remain committed to our customers and maintain a long term relationship. This helps in gaining customer confidence while our commitment to quality of the products and differentiated service helps us get premium over the competitors. Our branding initiative has contributed significantly in differentiating our products from the competition. Making inroads into the SME segment and

significant retail presence has helped us sell more volumes directly to the consumers without affecting realisation.

In Europe we have focussed on product innovations with more differentiated products. Our marketing efforts have been redesigned to target customer segments rather than on product categories so that we can focus on the whole product package. In South East Asian operations, we have significantly grown our presence in China where branding has helped and our products find increasing market acceptance.

Q: Financial performance of Tata Steel Europe has improved in the last year. What steps are you taking to enhance the profitability and make the operations self-sustaining?

A: Tata Steel Europe has reported steady performance over the last year on the back of better operating performance especially after the rebuilt of the blast furnace at Port Talbot towards the end of Financial Year 2012-13. We are producing more liquid steel and that is helping in improving our cost base. We recognised the need to differentiate our products versus the competition and we have seen the success of that strategy in the last year. We are working on a range of projects to increase premium steels for our customers in important markets. In the Financial Year 2013-14, we launched 30 new products in the market compared to 14 new launches in Financial Year 2012-13 and we will make further progress this area. We reoriented ourselves to focus on customer segments rather than on product categories and this has helped us in winning new orders. We have renewed our efforts on cost management and efficiency improvement. At the same time, we continue to restructure the operations to make it leaner and fit for a sustainable future.

Q: The mining sector in India has been going through a lot of regulatory scrutiny and changes. How do you see it?

A: For Tata Steel, mining is an integral part of our operating and business process. We have been miners for a century and have one of the largest captive mining operations in the country. Tata Steel has followed an integrated value management process from mining to downstream value-added products and services. We take great care in focussing on sustainable mining that is in compliance with all clearances and in the interest of mineral development and conservation.

In the long-term, if India has to grow competitive steel capacity, it would need captive iron ore requirements to make the steel investments financially viable and sustainable. Therefore, the country's mining regulations need to facilitate growth of steel capacity and take a long-term view of India's competitiveness.

Q: What impact will the on-going decline in raw material prices have on the Group?

A: Both iron ore and coking coal prices have been very volatile in the last year. Coking coal prices have declined throughout the last year with steady supply growth, especially in Australia. Both iron ore and coking coal prices have since rebounded from the bottom levels but given the demand-supply fundamentals, they are not expected to increase significantly from current levels.

Tata Steel India has its own iron ore mines but purchases the entire raw material requirement in Europe and slightly more than half of its coking coal requirement in India from the seaborne market. So, the declining raw material prices definitely help in reducing our manufacturing costs. However, the net benefit of cost decline also depends on the exchange rate movements and the spread between raw material costs and the steel prices. Also there is a lag between the reduction in the prices in the spot market and its effect in the accounts due to the duration of the supply cycle. Overall, the benefit of lower raw material prices should accrue provided the steel prices do not reduce by similar magnitude.

Q: Can you comment on the financial strategy of the company?

A: We are currently implementing our growth strategy in our preferred and more profitable Indian market. The 3 million tonnes per annum brownfield expansion at Jamshedpur is now fully ramped up and we are now targeting to commission the 3 million tonnes per annum first phase of the Odisha Project by the end of the current financial year. So, our capex requirement would remain elevated until then. While the project finance has been tied up, until now we have funded it largely from our internal sources.

We have also kept a close eye on our investment portfolios and have been monetising them opportunistically. Overall, the intention is to keep monitoring the capital structure so that it remains within a comfortable level and reduces overall financing costs. The working capital cycle is being monitored very closely and we are implementing various working capital management programmes across the Group. The free cash flow from operations in India has been very robust and has funded our growth opportunities. Therefore our financing strategy is primarily focussed on our internal cash generations to fund organic capital expenditure while ensuring that there is funding certainty through financing closure of projects.

ON THE PATH OF EXCELLENCE

A seamless process integration from mine-to-manufacture-to-customer is what enhances efficiencies and through it, competitiveness. At every stage, excellence is achieved through the three-pronged focus on Sustainability, CSR and Health and Safety.

PRODUCTS & BRANDS

Tata Steel's branded products and solutions touch 2.5 million consumers and 5,000 customers every year. By actively responding to changing customer demands and expectations, the Company has expanded its distribution network, strengthened existing brands and won several brand awards. For Tata Steel Europe, the volume of new products sold rose by more than 75% in Financial Year 2013-14 compared to the previous year and the Company launched 30 new products, as promised. Customer claims and critical claims from existing facilities have shown significant reduction in Financial Year 2013-14 due to strengthening of Quality Assurance Systems.



SUPPLY CHAIN & LOGISTICS

Tata Steel has started creating a network of world-class warehouses with best-in-class facilities that would further improve operational efficiency and reduce costs, whilst enabling seamless delivery of superior quality products and services to its customers. The Company has also invested in customised road and rail transportation, and a hub and spoke model in several cities, to meet customer needs.



RESEARCH & DEVELOPMENT

Innovation and product development are at the core of Tata Steel's business. From the conversion of drill diameter to reduce blasting cost, to development of new high-tech steel grade that protects cars from dents, the Company is constantly pushing the boundaries on innovations that drive business results.



SUSTAINABILITY



CORPORATE SOCIAL SUSTAINABILITY



HEALTH & SAFETY



TECHNOLOGY

Stabilisation of the new LD#3 & TSCR plant at Jamshedpur Works, with an installed capacity of 2.4 million tonnes per annum of HR coils, consolidated the Company's position in the Flat Products market. With this new mill, the product mix has expanded to include HR coils up to 1680 mm in width and also higher strength materials. The shorter cycle times of this process has improved the capability of the Company to supply HR coils at shorter lead times.



CUSTOMER FOCUS & MARKET SEGMENTS

The Company has realigned its Marketing & Sales organisation recently to improve its customer centricity further. The continued focus on customer service excellence and proactive market development has yielded 15% increased sales of automotive and special products in Financial Year 2013-14. New service intensive market segments developed in the SME space for HR coils (Brand Astrum) led to increase in its market share to 13% in Financial Year 2013-14. Segments like LPG witnessed three times market share increase from 7% in Financial Year 2012-13 to 23% in Financial Year 2013-14. Progress on improving the product and service portfolio, including success in Value Analysis/Value Engineering initiatives led to the Company improving its standing with its customer base.



MANUFACTURING

The Tata Steel group saw production of 27.37 million tonnes of steel in the Financial Year 2013-14. The first phase of the greenfield steel project at Kalinganagar which boasts of a Blast Furnace of 4330 cum capacity that will roll out high end flat products, is currently under implementation. The Company also continued its efforts to improve operational efficiencies.



RAW MATERIAL & MINING

With a firm belief in sustainable mining, Tata Steel continues to be ahead of regulations through adoption of best practices, modern technologies and innovation to ensure that its mining activities are efficient causing minimum environmental impact and leading to social development in the neighbouring areas.



TOWARDS A CONTINUED CORPORATE SOCIAL RESPONSIBILITY FOCUS

Tata Steel has adopted an integrated business model to support its vision of being a global leader in creation of value, while being a steel industry benchmark organisation in Corporate Citizenship in its efforts towards Social Responsibility and Environmental performance.

Responsible Development

The Tata Steel group's core purpose is "To improve the quality of life of the communities we serve through long-term stakeholder value creation".

At Tata Steel, sustainable development and inclusive growth is facilitated by the Corporate Social Responsibility (CSR) department through its operating arms i.e., the Tata Steel Rural Development Society (TSRDS), the Tata Steel Family Initiative Foundation (TSFIF), the Tata Steel Tribal Cultural Society (TSTCS) and the Tata Steel Skill Development Society (TSSDS). Its initiatives span health, education, sports, sustainable livelihoods, drinking water, renewable energy (solar street lights), employability training and ethnicity.

Significant CSR Achievements, Financial Year 2013-14:

- » A CSR Advisory Council was set up with eminent names from academia and the development sector to guide the Company's approach towards CSR.
- » Project MANSI on maternal and new born survival, which is underway in 167 villages of Seraikela district, has brought down the infant mortality rate by 26.5% and neonatal mortality rate by 32.7%.
- » Project RISHTA on adolescent health was scaled up from Seraikela Kharsawan to other operational areas of the Company and is now being implemented in 700+ villages across 7 districts in Jharkhand and Odisha.
- » To provide healthcare services to deprived communities, Tata Steel in partnership with Hewlett Packard set up an E-health centre at Bagbera in Jamshedpur. Patients are catered to by doctors sitting at a distant location using real time technology solutions.
- » Jyoti Fellowship was given to nearly 3,000 meritorious students from the SC/ST communities across Jharkhand, Chhattisgarh and Odisha.

- » The Company partnered with several organisations to set up skill development centres for IT, hospitality, textile, cosmetology etc.
- » To empower farmers of Patamda, a Market Yard was set up in January 2014 to provide options to aggregate and market the agriculture produce at a fair price.
- » Under the solar street light project, nearly 2,300 solar street lights were installed in villages of Jharkhand and Odisha.
- » Nearly 10,000 youth learned tribal scripts for Ho, Santhali and Oraon languages.

Some of the high-impact CSR projects in the pipeline for Financial Year 2014-15 include the 1,000 schools project in Odisha, aimed to improve the quality of education in government primary schools; a model school for underprivileged communities in Jharkhand; skill development centres in Jaipur, Gopalpur and Jamshedpur; and two more hospitals at Gopalpur and Kalinganagar.



Providing livelihood opportunities through agriculture development

Global Initiatives

In true Tata spirit, Tata Steel's operations around the world are actively committed to building and developing the societies around which they function.

Tata Steel Thailand was recognised by the Stock Exchange of Thailand for Outstanding CSR Award and CSRI Recognition award in 2013. This year, its "Grow smart with Tata Steel" initiative for the school children was further expanded to new provinces in Thailand.

Tata Steel Europe strives to enrich its local communities and contribute to their future economic and social well-being through a proactive community partnership programme, built on the following pillars:

Education

- » Tata Steel Europe continued to run its Industrial Cadets programme in Scunthorpe and Teesside, helping to inspire future engineers and scientists.
- » 140 girls attended Girls' Day in IJmuiden, where girls aged 8-14 are inspired to pursue technical studies and consider a career in the industry.
- » Tata Steel employees are increasingly acting as Science Technology Engineering and Mathematics (STEM) ambassadors to attract more youngsters to these streams.
- » The 76th prestigious Tata Steel Chess Tournament was held, which helps bring valuable business to the Company's neighbouring towns and villages.



Girls' Day in IJmuiden, Netherlands

Environment

- » Hlsarna is a new technology, partly developed in IJmuiden, which enables the direct input of coal and fine iron ore into the iron making furnace. The Hlsarna pilot plant completed a third successful test in Financial Year 2013-14. The highlight was the production of commercial grade steel for the first time from a batch of liquid Hlsarna iron.
- » Tata Steel continues to build relationships with a number of environmental organisations, such as the Wildlife Trust for Wales and support environmental improvement projects through the UK's Landfill Communities Fund.
- » 'Neighbour days' were held to introduce the communities around the Company's sites to activities on site and to help them understand the Company's processes and policies.

Health & Well-being

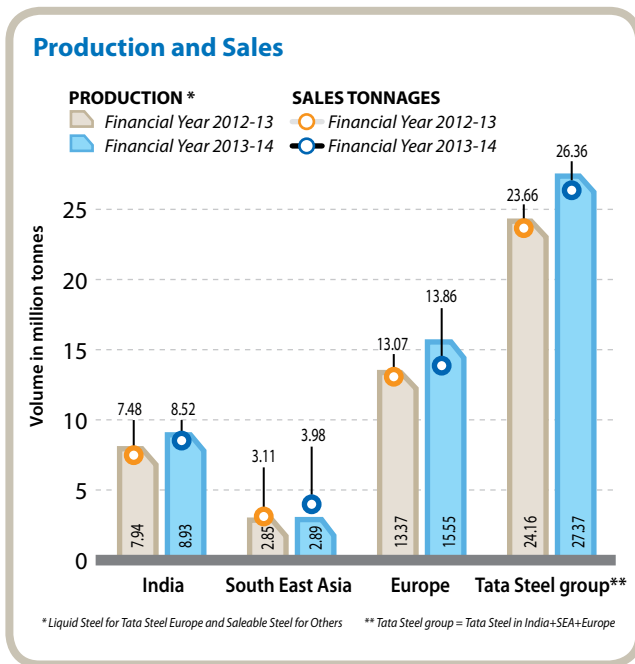
- » At the Tata Kids of Steel Triathlon in 2013, more than 8,000 children participated in 12 events and in November the Company celebrated the 100th Tata Kids of Steel event with a mini-triathlon at the Houses of Parliament in London, United Kingdom.
- » The Company organised a Marquette run in the local area of the IJmuiden site to focus on health & well-being of children.



Expanding the "Grow Smart with Tata Steel" initiative, Thailand

THE JOURNEY SO FAR

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 new facilities of the 2.9 million tonnes per annum brownfield expansion at Jamshedpur reached their full capacity in the second half of Financial Year 2013-14 which helped register the best-ever performance in Hot Metal, Crude Steel, Saleable Steel production and total sales.

The economic growth in India remained quiet on the back of high inflation, high interest rates, low industrial growth and low investments in the country, along with the poor condition of the global economy. Steel demand in India remained almost flat in the last year.

Despite the weak macroeconomic environment, the performance of the Indian operations improved significantly.

Crude Steel production reached 9.15 million tonnes in Financial Year 2013-14, registering a 13% increase over the previous year notwithstanding scheduled maintenance shutdowns carried out in Q3. To cater to the increased requirements, the iron ore mines also ramped up to required quantities. Customer focus, better products and vast distribution network helped additional sales of 1 million tonnes over the previous year. Sales increased by 14% to 8.52 million tonnes in Financial Year 2013-14 from 7.48 million tonnes in Financial Year 2012-13.

In Financial Year 2013-14 EBITDA improved to ₹ 13,281 crores, up 14% from ₹ 11,698 crores in Financial Year 2012-13.

Sales of Automotive and Special Products increased by 15% in Financial Year 2013-14 despite an approximate 5% decline in the auto market. Sale of Branded Products, Retail and Solutions constituted 34% of the total sales and increased by 11% over the previous year. Sale of Industrial Products, Projects and Exports increased by 18% over Financial Year 2012-13. Proactive market development has helped in expanding the domestic customer base.

Ferro Alloys and Minerals Division (FAMD) continued to support steel divisions profitability despite facing regulatory issues. FAMD maximised profits by judicious allocation of products to profitable geographies. It also launched two new brands in the ferro-alloys industry to improve its visibility in the Indian market.

Tubes Division, a Strategic Business Unit (SBU) which manufactures and markets a wide range of steel tubes and pipes, achieved the highest ever sales of 0.417 million tonnes in Financial Year 2013-14 registering an all-time high sale 0.153 million tonnes of ‘Tata Structura’ brand for structural tubes for the construction segment. This was achieved

primarily through increase in channel network and offering better value proposition to customers.

The Company's focus on its operational performance through the continual improvement programmes has made it one of the most competitive steel operations in the industry. Tata Steel identifies opportunities for process improvement through TQM vehicles like Policy Management, Daily Management and Cross Functional Management among others.

In Financial Year 2013-14, the Company continued its focussed improvements in the quality of products and services. It has brought about a steep improvement in quality with strengthening of Quality Assurance systems through standardisation initiatives like Tata Steel Standard for Lab Management, cross functional activities with respect to the deployment of Quality Module, facilitating Process Audits, Quality reviews etc.

The Company achieved a savings of ₹ 1,614 crores by improving operational excellence through focussed initiatives in Financial Year 2013-14, with 'Kar Vijay Har Shikhar' (KVHS) contributing ₹ 1,170 crores.

In Financial Year 2013-14, the Company's West Bokaro Division has achieved highest-ever clean coal production of 2.577 million tonnes @ 15.5% ash content against previous best of 2.339 million tonnes @ 14.37%. To achieve clean coal targets, various interventions are being used.

With a view to achieving operational excellence in supply chain, Tata Steel has implemented a Hub and Spoke model with multiple hubs at Delhi, Faridabad, Chennai, Gannavarm, Nagpur and Kolkata to optimise order lead times. Aligning with the 2.9 million tonnes per annum brownfield expansion at Jamshedpur and greenfield expansion at Odisha, investments have been made in the supply chain logistics integrated with its downstream expansion initiatives.

The project work for setting up a 3 million tonnes per annum greenfield steel project in Odisha in first phase is on in full swing and is expected to commission by Financial Year 2014-15. About ₹ 8,000 crores were spent in Financial Year 2013-14. CSR initiatives such as promoting education, schools and community libraries, enhancement of vocational skills and livelihood enhancement projects are also continuing. Foundation stone was laid for a 200-bed hospital at Kalinganagar and a 500-bed hospital at Gopalpur.



Pan-view of facility in Jamshedpur, India

South East Asia

The South East Asian operations performed moderately well with product differentiation, efficiency improvements and improved synergy, amidst stiff competition from low-priced China imports and political uncertainty in Thailand. In particular, Tata Steel Thailand (TSTH) performed well and returned to profitability after 4 years.

The rapid urbanisation sweeping through the growing economies of Asia augurs well for NatSteel. As the construction markets across the region mature, productivity and safety become increasingly paramount, providing an opportunity for NatSteel to be a partner in supplying value-added solutions that alleviate construction challenges. Leveraging its vast expertise in offering customised solutions, NatSteel aims to set up prefabrication centres across Asia to serve customers wherever they may operate. One of such new centres is in Johor Bahru, where Easteel Services has begun operations in 2013 to supply Cut-and-Bend and Welded Mesh products for the precast and high-rise building industries located in the region. NatSteel aims to set up several such centres in other geographies in the next few years to come.

In the Financial Year 2013-14, NatSteel continued to take bold steps towards operational excellence by enhancing its

capabilities across all geographies, despite a volatile and highly competitive business environment.

The Singapore construction market continues to grow albeit at a slower pace as public sector construction spending rose to offset the flat growth in private sector construction. The Singapore business continues to achieve highest ever reinforcement solutions sales of 0.512 million tonnes and build capability for 0.6 million tonnes per annum for Financial Year 2014-15. However, margins were under pressure throughout the year even as the Company revamped several facilities in its Singapore operations. Financial Year 2013-14 saw a continuous decline in steel bar prices and increased competitive intensity in the Singapore Downstream business.

The Company's operations in China saw through a difficult year with slowing demand growth and an intensely competitive environment. Sales grew from 0.653 million tonnes in Financial Year 2012-13 to 1.4 million tonnes in Financial Year 2013-14. The plants in Xiamen and Fuzhou now have a combined production capacity of 1.2 million tonnes per annum.

At TSTH, effective execution of the turnaround programme launched 3 years ago has delivered satisfactory results. The key to success was the integrated implementation of operational and commercial excellence initiatives.

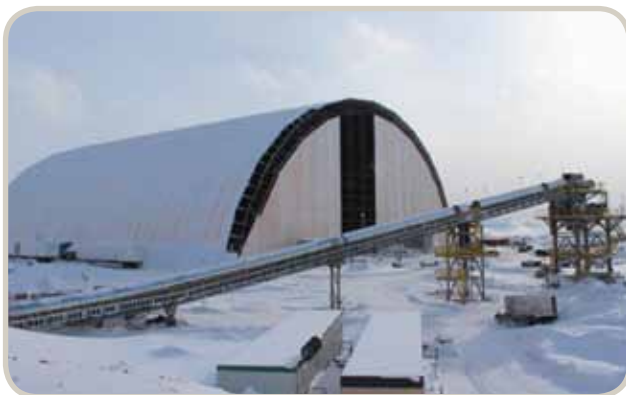


Baghouse facility at NatSteel, Singapore

The Company achieved 10% increase in sales over Financial Year 2012-13. Tata Tiscon Rebars sales at 0.86 million tonnes is best-ever annual sales with significant increase coming from regional markets and organised retail. To address the concern of low-priced Chinese imports, the Company had taken firm steps with Government authorities. The Ministry of Commerce in Thailand has acknowledged the injury to the business due to low-priced imports of high carbon wire rods from China and has recently announced the imposition of permanent anti-dumping duty in May 2014.

In terms of other significant achievements, TSTH has recorded its lowest-ever Lost Time Injury Frequency Rate (LTIFR) of 0.33 with zero fatality. One of the subsidiary, NTS steel group Company Limited has been awarded the Prime Minister Safety Award in 2013. The Company improved its EBITDA performance by over 50% compared to the previous year. TSTH has continued its focus on development of new products and value-added services. A new cut and bend plant is being set up at one of its subsidiary SCSC to meet the high potential demand in this segment. TSTH was recognised by the Stock Exchange of Thailand for Outstanding CSR Award and CSR Recognition award in 2013.

In addition to expanding reinforcement solutions volumes in Singapore and Thailand, new reinforcement solutions operations have been set up in Malaysia and Xiamen to further add value to existing customers businesses. The restructured Australian business turned cash positive.



*Mining operations under extreme conditions,
Tata Steel Minerals Canada*

In the wires business, Siam Industrial Wires (SIW) performed exceedingly well and achieved highest ever profits. A new galvanised wires plant, joint venture between SIW and Nichia Steel Works Limited, has been set up in Rayong, Thailand. A new LRPC line is also planned at SIW during this year.

Other Global Operations

South Africa

The Tata Steel KZN is Tata Steel's first overseas greenfield project. The ferro-chrome plant was commissioned in 2008 with a total investment of ~ ZAR 1 bn. The plant has achieved an annual turnover of over ~ ZAR 950 Mn (~\$ 130 Mn). With a production capacity of 1,50,000 tonnes per annum, the state-of-the-art plant has facilities for briquetting, slag chemical recovery and pollution abolition equipment for both air and water. Tata Steel KZN has successfully implemented CSR programmes that have been described by the local communities as meaningful and sustainable and has contributed towards betterment of several institutions.

Canada

Tata Steel Minerals Canada Limited (TSMC) is a joint venture between Tata Steel Ltd. (80%) and New Millennium Iron Corp. (20%). This investment is highly strategic as it is an important source of sinter fines for Tata Steel Europe operations. The project has a volume plan of 6 million tonnes per annum and reserves of ~ 93 million tonnes. The project has made steady progress with appointment of Engineering Procurement and Construction Management (EPCM), installment of camp, signing Impact Benefit Agreements (IBAs), receiving environmental release and permits, installation of the dome and securing logistics. The project has achieved production of 1 million tonnes until Q4 2013. The year 2015 is likely to see start-up and commissioning, and a 40% ramp up of the project.

TSMC recognises the following pillars as its foundation for reaching social and environmental acceptability for its mining projects: Respectful & Effective Partnership with Aboriginal Nations; Respect for the Environment and its Sustainable Development; Economic Growth for the Community; and Empowerment and Capacity-building. It has also worked towards creating jobs, both directly and indirectly, and developing infrastructure, thus contributing to economic growth of society.

OPERATIONS OVERVIEW

Europe

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

Tata Steel produced 15.5 million tonnes of liquid steel in Europe in Financial Year 2013-14, which was 2.2 million tonnes higher than the previous year due to the rebuild of Blast Furnace 4 at Port Talbot and the repair of a blast furnace hearth in IJmuiden in Financial Year 2012-13. In addition, output levels in Financial Year 2013-14 were positively impacted by the achievement of

more stable and reliable operations, which included numerous steelmaking production records, in particular at Port Talbot.

Record performances at the European operations during Financial Year 2013-14 included best-ever hot metal make at Port Talbot's Blast Furnace 4, best total hot dipped galvanising line output on the Zodiac line at Llanwern and the best-ever total Hot Strip Mill output at IJmuiden.

Turnover at the European operations in Financial Year 2013-14 was 3% lower than the previous year in GBP£ terms. This was due to the decrease in the average revenue per tonne caused primarily by deterioration in the market condition in the first half of Financial Year 2013-14, partly offset by a 6% increase to steel deliveries which was attributable mainly to a full year of two blast furnaces operation at Port Talbot.

The focus on costs resulted in approaching GBP200 Mn in operating cost savings during the year. Financial performance consequently improved over the previous year, despite the margin between raw materials costs and steel sales prices deteriorating.



Pan-view of Port Talbot facility, Tata Steel Europe

The lower margins in Financial Year 2013-14 compared to the previous year, demonstrate the need for the European operations to maintain relentless focus on the market differentiation strategy and further operational and cost improvements.

The European operations have made good progress in moving to a customer-focussed, market sector-based operating model with a cost competitive asset base. Tata Steel Europe is focussed on increasing its proportion of high-value differentiated products and services with a record 30 new products launched in Financial Year 2013-14. The volume of new products sold increased by about 75% and sales of differentiated products also increased as compared to the previous year.

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

Automotive

- Nomination for the Infiniti GD1A programme, the first luxury Nissan vehicle to be built in Europe with over 50% share of the body material secured by TSE
- Announcement that Tata Steel will supply the latest version of the iconic BMW MINI, to be built in Oxford, with a large range of steels from Port Talbot and Llanwern, and tailor-welded blanks from the Company's specialist automotive service centre in Wednesfield
- Toyota awarded Tata Steel its Certificate of Recognition for the Company's important contribution in the area of quality.
- Sales to Tata Steel's automotive customers grew against trend – a third of these sales were differentiated products which helped customers deliver cost, weight and performance improvements.

Rail

During the Financial Year 2013-14 Tata Steel won two important rail contracts:

- The first to supply 95% of the Network Rail requirement for rail track and sleepers up to 2019.
- The second is a two-year contract to supply more than 2,00,000 tonnes of track to French rail operator SNCF.

Lifting & Excavating

As a result of strengthening customer focus, improvements were secured in the product and service portfolio. These led to awards and other successes with customers, including:

- Tata Steel's close partnership with JCB, which led to the development of its most productive tractor, the Fastrac 4000.
- Tata Steel awarded Gold in the Caterpillar Supplier Quality Excellence Process for its global supply of track shoe profiles.

During Financial Year 2013-14, a third test of Hlsarna, a new technology which enables the direct input of coal and fine iron ore into the iron making furnace, was completed.

A 60,000 tonnes per annum Hlsarna pilot plant was built previously at the Tata Steel site in IJmuiden, the Netherlands, with support from the European Commission and the Dutch Government. Should the Hlsarna technology prove technically and commercially viable, the elimination of processing steps could reduce the emission of carbon dioxide from conventional iron making by 20%.



Manufacturing lighter and more fuel-efficient cars, Tata Steel Europe

ENSURING SUSTAINABLE MINING

With almost a century of experience in mining raw materials safely, efficiently and sustainably, Tata Steel's long-term strategy is to have as much control as possible over its raw material resources and to ensure security of supply for its operations globally.

The activity of mining globally creates externalities for people and planet that needs to be understood, minimised and compensated in such a way that the net outcome of the process is positive, leading to sustainability in mining. Tata Steel has not only endeavoured to comply to all regulations and mining laws applicable in the country but it has strived to always be ahead of regulations through adoption of best practices, modern technologies, and innovation to ensure that its mining activities are efficient causing minimum environmental impact, and leading to social development in the neighbouring communities.

The Company has adopted best practices for monitoring and management of environmental parameters including ambient air quality levels and dust suppression arrangements, water impact, noise level, waste and fines generation and rejections etc. Some of the initiatives taken by Tata Steel are as under:

- » To ensure gainful use of the extra-fine iron ore fines which are generated while mining and processing, Tata Steel has implemented a 6 million tonnes per annum pelletising plant in Jamshedpur which converts these fines into pellets for use as replacement of iron ore lumps as a blast furnace feed. This also leads to significant energy savings in the blast furnace operations. The Pellet Plant was commissioned in the end of Financial Year 2012-13 and has reached near full capacity in Financial Year 2013-14,



Ensuring raw material security for Tata Steel, India

and plans are being made to de-bottleneck the capacity further in Financial Year 2014-15.

- » Due to process optimisation of iron ore classification, the plants at Noamundi and Joda East Iron Mines have been able to not only improve products in terms of alumina, but also significantly increase the opportunity for feeding higher alumina ore to the processing plants. This will enable the plant to reduce coke consumption and increase blast furnace productivity.
- » In its effort to address environment issues, the Company uses a fuel additive to reduce consumption of diesel in mining machineries, thus minimising emissions and optimising costs.
- » The use of discarded 1 litre plastic bottles in an eco-friendly air decking method to improve blast parameters in open cast iron mines has resulted in an approximate 10-12% direct savings, due to replacement of bulk explosives (SME) by bottles.
- » The use of Vetiver grass for stabilisation of dump slope to prevent soil erosion has proven to be an excellent innovation for stabilisation of over burden and sub-grade dumps of iron ore mines in the days to come.
- » Since 2009-10, the Company's practice of replacing conventional electric street lights phase wise with solar ones in the Mines Division has resulted in a net monetary saving of ₹ 33 lakhs/annum and avoided CO₂ emission of about 450 tonnes per annum to the atmosphere. The division has also extended this initiative to surrounding villages and installed around 600 solar street lights in and around the mining town.
- » To conserve rainwater, the Company has installed rainwater harvesting structures along with ground water recharge facilities at 8 different locations of the Mines Division

including surrounding villages. This has resulted in savings of surface runoff water while also leading to gradual and steady rising of ground water table in the project sites and downstream villages in and around the mines.

- » A man riding car was commissioned for degree III underground mines. The man riding car has reduced the travelling time and the arduous journey for employees, thus increasing their safety and productivity. This car travels in a gradient of 1 in 8 for a distance of 1 km.

Some of the other sustainability initiatives undertaken by the Company include the setting up of a Sewerage Treatment Plant at Noamundi, establishing 'green buildings' near mines, planting around 1,11,300 saplings since 2008-09 in Iron Ore mines alone for progressing reclamation measures and ensuring ambient air, and noise quality is maintained well within the prescribed limit.

Tata Steel is committed to ensuring sustainable mining through its operations spread over the world. Tata Steel Minerals Canada (TSMC) accepts social and environmental responsibility for its mining projects through: respectful and effective partnership with aboriginal nations; respect for the environment and its sustainable development; economic growth for the community; and empowerment and capacity-building.

TSMC, in conjunction with the local Aboriginal Peoples, is committed to taking appropriate measures to mitigate the environmental, economic, social, cultural or spiritual impact of any development activity carried out by TSMC. Its Direct Shipping Ore Project has been subject to thorough environmental impact assessment under the laws of Quebec and Newfoundland, and Labrador and was granted release for all the aspects that might impact environment.



Committed to environment conservation, Noamundi, India



Water Harvesting Park, Joda, Odisha



Creating value for tomorrow, Noamundi Iron Mine, India

DRIVING EXCELLENCE THROUGH INNOVATION

The spirit of innovation lies behind every action at Tata Steel. A continuous effort at developing cutting-edge technologies and design solutions helps transform processes, improve inefficiencies, and enhance customer experience. A few of the several high-impact innovations have been outlined below.



Tata Steel used in the redevelopment of King's Cross Station in London, Europe

- » **SilentTrack**, a breakthrough in R&D, makes use of technology to cut peak noise levels in half on rail lines that run through built up areas. This will allow train operators to meet growing transport demands without the extra decibels for trackside residents. The new technology has already allowed Thameslink trains in London to increase capacity through the recently redeveloped Blackfriars Bridge Station without any additional noise pollution for locals.
- » Tata Steel R&D together with CSIR-NML took up the challenge to develop a low cost, online and fast method for **online sensing of alumina in iron ores**. The online detection of alumina is crucial as iron ore fines in India have 3~5.5% of alumina compared to 1% worldwide, thus affecting blast furnace productivity. This initiative resulted in an innovation that enables the blast furnace operation to decide on effective blend planning and impurity reduction. The innovation has been protected by two patents.
- » **Nest-In** is a mass housing solution developed jointly by Tata Steel Global R&D and Marketing and Sales; and is a product that is expected to revolutionise the rural and semi-urban markets for individuals and for communities. The solution uses light gauge steel sections joined together by a patented DippleClick technology to quickly erect houses by semi-skilled local people. Commercialisation was initiated in H2 Financial Year 2012-13 with the standard layout. Currently there are 12 layouts ranging from 100 to 650 sq. ft. in line with consumer requirements. Till date, more than 80,000 sq. ft. area has been covered under Nest-In, across India.
- » **Bake Hardened 260** is a new hi-tech steel grade developed by Tata Steel Europe, which protects cars from dents and makes door and bonnets 7% lighter. The lighter steel will improve cars' fuel efficiency while a special strengthening technique enables vehicles to withstand everyday knocks in the car park.
- » Research on repeated failure of stirrups during earthquakes revealed poor workmanship and noncompliance of prescribed standards. To resolve this, Tata Tiscon developed **Superlinks** – stirrups made of high strength ribbed TMT reinforcement bar in commonly used sizes. Superlinks are manufactured through automatic and sophisticated

machines, using strict quality control to ensure consistency, quality and accurate dimensions. Superlinks sales in Financial Year 2013-14 reached 7500 tonnes, an increase by 5 folds over Financial Year 2012-13.

- » Tata Steel's Sustainable Building Envelope Centre (SBEC) in Europe has developed a range of colour-coated steel panels that use natural day light to heat homes, saving as much as 50% of a typical household annual fuel bill. This technology known as **Colorcoat Renew SC** absorbs about half of the light energy hitting its surface and generates as much as 500 watts per square metre – heating an average home with just five panels.
- » Tata Steel India has introduced **Tison Readybuild** – ready to use Rebars for construction projects. This addresses customer pain points related to unavailability of skilled labour, scrap loss, space constraint and pilferage at sites. Eight centres with a capacity of 1,80,000 tonnes per annum have been established across the country to supply Readybuild to 500+ sites annually. These centres are quality certified and provide doorstep service to the project sites. Readybuild centres are the first of their kind to be set up by a steel company in India.
- » **PAVISE** is an efficient and cost-effective armour developed by Tata Steel Europe, for military vehicles, as well as for defended infrastructure such as watch towers or sangars. It has now been tested up to NATO Standardization Agreement Level 4 to create armour capable of resisting both small arms and heavy machine gun fire with armour-piercing projectiles.
- » **Phase Change Material (PCM)** has been developed at Tata Steel's Sustainable Building Envelope Centre (SBEC). When installed in a building, it reacts to the temperatures it is exposed to – as the room trends toward overheating, the phase change material melts and absorbs the excess heat. PCM self regulates the temperature of a room without the need for traditional heating or cooling devices.
- » Tata Steel has unveiled a range of sophisticated **new electrical steel products** which reduce electricity losses by 20-30% compared to conventional grain-oriented



Nest-In – A mass housing solution by Tata Steel, India

- » The new products are being made by Tata Steel subsidiary, Cogent Power at their Orb works in Newport, South Wales. These high-grade products will make a significant contribution to the preservation of natural resources, by reducing energy lost in the generation and transmission of electricity.
- » Tata Steel, JCB Landpower and GKN have teamed up to develop the Company's most productive tractor yet. Using innovative design and engineering methods, engineers have been able to reduce the weight of the next generation of **JCB Fastrac machines** making them leaner on fuel consumption, able to handle bigger loads and safer than previous models while retaining the strength required by farmers around the world.
- » To integrate new steels into the production processes seamlessly, Tata Steel has held **Value Analysis Value Engineering (VAVE)** workshops on 5 different auto models in 2012-13 in India. The weight saving across models has been 15-20 kgs per vehicle by the use of forming simulations and use of high strength steels.
- » Tata Steel in India has embarked on "**Project Innovent**" in Financial Year 2013-14 – a vehicle for consumer-in Innovation, aimed at creating new services and solutions businesses that can lead to higher margins and increased differentiation. The focus is on identifying significant stated and unstated consumer needs by using specific tools, and developing them into business concepts. These concepts, once approved, are tested in the market against specific action standards related to consumer acceptance, profitability and scalability. Successful pilots will be taken up for scale-up.

NEW STEEL PLANT AT KALINGANAGAR, ODISHA

On completing 100 years of existence as pioneers in steel making in India, Tata Steel embarked onto its highly ambitious largest expansion outside Jamshedpur in 2004, and zeroed in on Kalinganagar in Odisha. It was a strategic choice to set up a mega greenfield project, thereby contributing to stakeholder value in the times to come.

A Memorandum of Understanding was signed between the Government of Odisha and Tata Steel on 17th November, 2004 for setting up a 6 million tonnes per annum integrated steel plant at Kalinganagar Industrial Complex in Jajpur district of Odisha. Though the foundation for the advancements at Kalinganagar Industrial Complex were established then, but the year 2010 witnessed the project into main action and since then there has been no looking back.

The first phase of 3 million tonnes per annum of the futuristic plant being implemented at an investment of ₹ 25,164 crores is expected to be commissioned by March 2015, a promising start to the ambitious plans of the steel behemoth.

The plant's world-class technology, strategic location and access to key markets are the key reasons for all involved to be ecstatic about. On completion, the facility will be a testimony of infrastructure excellence and the Vision the Company has set for itself.

A key to address the demands of the future

In its effort to synergise its growth ambitions with its customers' plans and requirements, creating new product mix has been a strategic approach for Tata Steel. The marked growth in automobile sector is leading towards increased demand for specialised flat steel products by the automobile majors, thereby offering a valuable opportunity in a high premium market to Tata Steel, already a preferred supplier to the sector.

With the setting up of the Kalinganagar facility, Tata Steel will reinforce its long-term supply commitment to the fast growing auto market. It will be uniquely positioned to serve the growth markets, in India and beyond.

The first phase will cover various grades of hot-rolled products of different thicknesses. The setting up of the cold rolling mill in the second phase, should be a delight to the auto major customers.

The finished product of Advanced High Strength Steels (AHSS) of 1800 mm wide with tensile strength of 800 MPa (mega pascal) from the facility will address to a great extent the future requirements of auto manufacturers for light weight higher strength steels while offering much better fuel efficiency.

Making giant strides towards commissioning

An integrated steel plant, the Kalinganagar facility will be having its captive power generation, raw material handling facilities, railway lines, connectivity with port, etc. While the civil work is almost completed, the structural and erection work is going on at an enviable pace.

The project achieved major milestones during 2013. These included substantial handovers and completion of civil work and new erection work in several areas.

By March 2014, concreting of 12.60 lakh cubic metres, structural erection of 1.64 lakh metric tonnes, structural fabrication of 2.12 lakh metric tonnes and equipment erections of 48,400 metric tonnes were completed.

All mission critical plants like power plant, coke oven, sinter plant, blast furnace, steel melting shop and hot strip mill are fast moving towards completion.

Achieving growth with sustainability

The designing of the plant has been done with an emphasis on recycling waste. While waste gas from the coke oven and blast furnace will be fuelling the power plants thereby reducing dependence on fossil fuels, slag from the blast furnace will be supplied as raw material to cement manufacturing units in the nearby areas. A zero liquid discharge plant, the waste water will be processed in an effluent treatment plant and recycled for use in the plant.

Inclusive growth

At its Kalinganagar plant in Odisha, benchmarks are being set by Tata Steel with regard to welfare and empowerment of communities and in facilitating their inclusive growth. Following its Founder, Jamsetji Nusserwanji Tata's business philosophy, the wealth-creation process of the Company contributes substantially to the holistic development of the region through promotion of education, healthcare, sports, women empowerment, infrastructure development, livelihood initiatives, etc.

Phase-1 of the project is likely to generate more than 1,500 direct and 3,000 indirect employment. At the inception stage while more than 36,000 people are engaged in construction, about 80% are from the state of Odisha. The project, apart from promoting direct and indirect employment, would be instrumental in promotion of ancillaries and downstream industries thereby ushering in the socio-economic progress of the State in general and the region in particular.

Tata Steel Parivar: Ensuring better quality of life, income and happiness

To ensure a better quality of life, income and happiness for the displaced families of the Kalinganagar project, the 'Tata Steel Parivar' rehabilitation scheme has been launched. Rehabilitation colonies have been set up with modern amenities like electricity, running water, all weather roads etc. To improve employability in the new work environment, 536 people have been assisted with skill up-gradation training. Tata Steel Parivar goes beyond rehabilitation to empower families for a brighter future. Here are some such initiatives:

- Set up 'Prerana' Skill Development Centre at Kalinganagar to improve employability of the displaced people
- Dispensaries, electricity, piped water, well-lit streets, open space for festivities and sanitation for homes

- Tata Steel Parivar Scholarship to promote technical education among the children of relocated families
- Sustainable livelihood programmes through 39 Self Help Groups
- Grievance Redressal Group comprising eminent citizens of Odisha formed
- 96% growth in income and 293% increase in the asset value of the relocated families of Kalinganagar project between 2006 and 2010

Focus on Health, Education & Livelihood initiatives

- Foundation stone for a 200-bed hospital at Kalinganagar laid – to have specialised departments like Medicine, Surgery, Gynaecology & Obstetrics etc., with ultra-modern ICU and Emergency Services
- Installation of solar street lights in periphery villages of Kalinganagar
- Jyoti Fellowship for meritorious SC/ST students
- Training farmers on System of Rice Intensification (SRI)
- Inter-village 'Pragati' Football Tournaments for the youth and Inter-Self Help Group 'Tejaswini' Competitions organised regularly



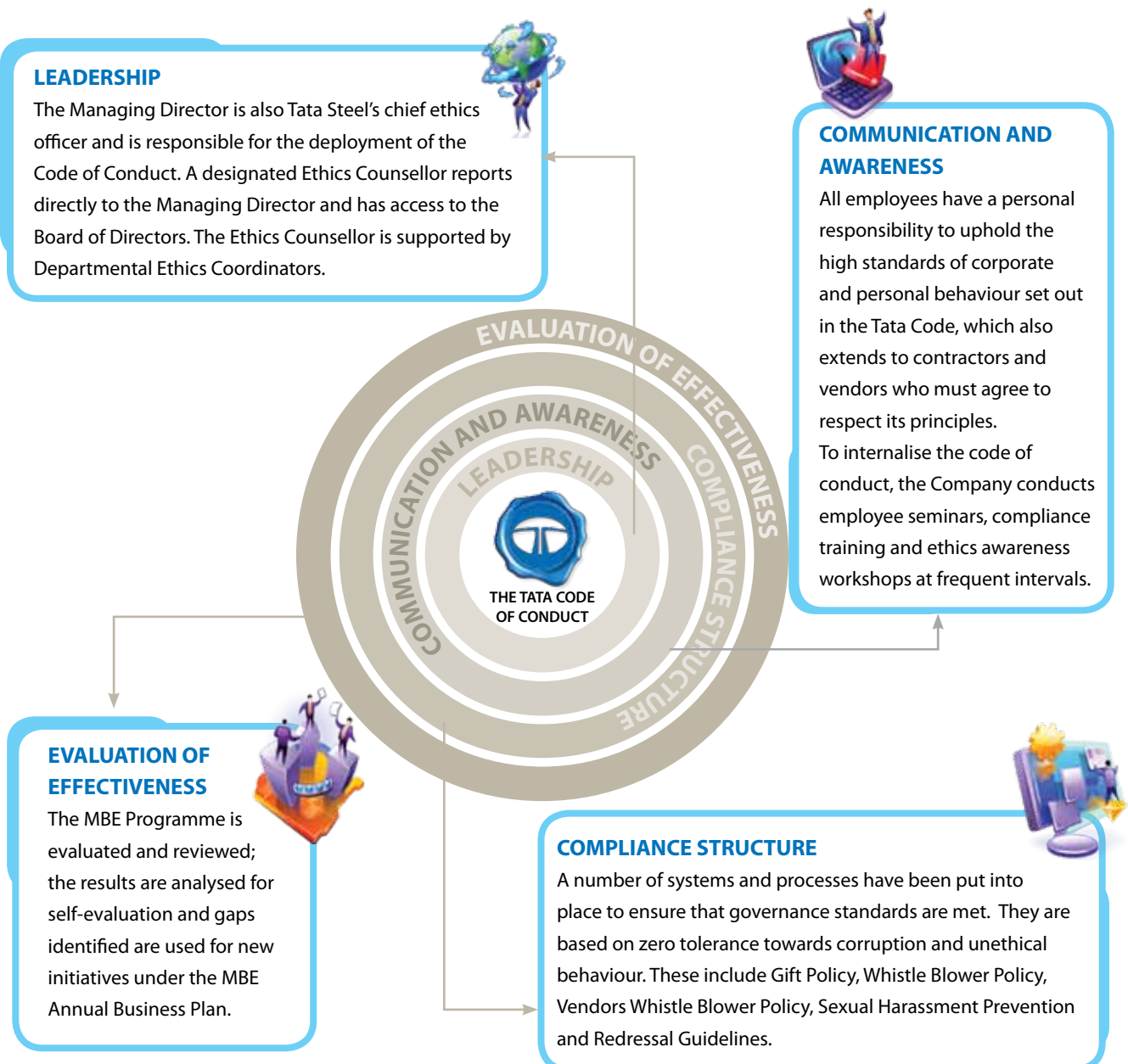
Kalinganagar project speeding towards completion, Odisha, India

ENSURING ETHICS AND COMPLIANCE

Driven by the values of Integrity, Understanding, Excellence, Unity and Responsibility, the Tata Steel group has built an enviable corporate reputation founded on ethical and transparent approaches.

The Tata Code of Conduct is a periodically reviewed document that takes into account business practices in different parts of the globe and governs all aspects of fair practice. It is meant to be a guiding principle and is shared with all the stakeholders.

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



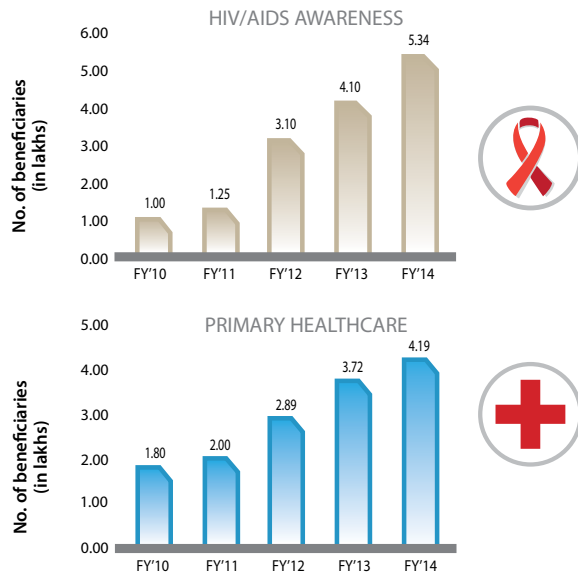
PERFORMANCE

TOWARDS AN ALL-ROUND PERFORMANCE

Tata Steel recognises that financial performance is no longer the only benchmark of a company's performance. The Company is geared to create long-term value for its stakeholders through improvement of operational quality, delivery, customer satisfaction, innovation and CSR. Here are some of the Company's non-financial performance indicators.

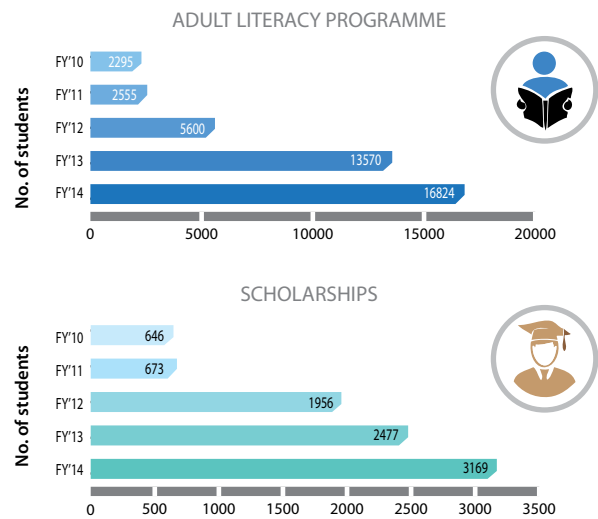
Health and Drinking Water

The Company has also reached out to more people with its HIV/AIDS awareness programmes and primary healthcare facilities.



Education

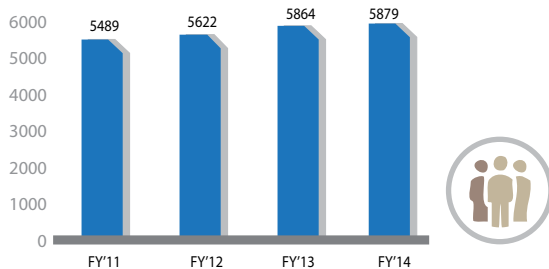
In the adult literacy programme in India, more than 16,000 adults were made functionally literate while nearly 10,000 middle and high school students in areas of operation benefitted from preparatory coaching classes on English, Maths and Science.



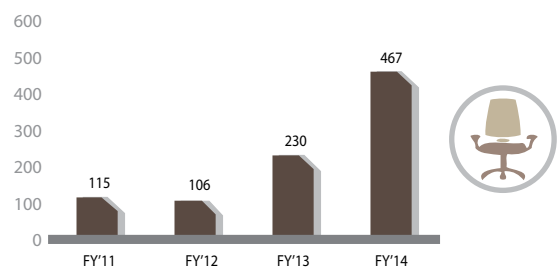
Affirmative Action

The Company has enabled education, employability and encouraged entrepreneurship through affirmative action.

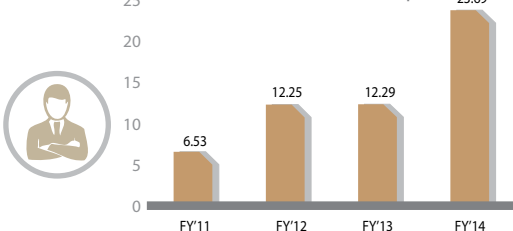
EMPLOYMENT: No. of SC/STs (Permanent Employees) in Tata Steel



EMPLOYABILITY: SC/ST Youth trained in exclusive AA programmes

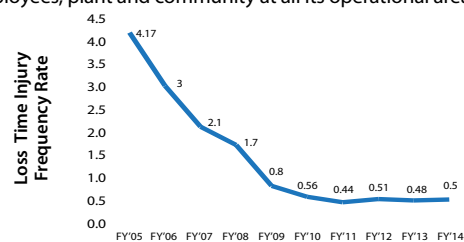


ENTREPRENEURSHIP: Business in ₹ (crores) of vendors with 50% SC/ST ownership



Safety

The Company Management is committed to ensuring the safety of its employees, plant and community at all its operational areas.



A COMPREHENSIVE GROWTH STRATEGY

With a steady vision and focussed growth strategy, Tata Steel is geared to rise above external challenges and leverage the right opportunities, to achieve a strong market performance.

Global Outlook

In Financial Year 2014-15, while greater financial stability is expected in the advanced economies, growth will remain subdued in emerging and developing economies. The lower growth trajectory in China is expected to impact commodity markets adversely, including steel and its raw materials.

The situation in Ukraine/Russia may increase steel availability in the rest of the world as 70% of Ukraine's steel production of 35 million tonnes per annum was exported of which ~3.5 million tonnes per annum (15% of exports) was earlier exported to Russia. The economic outlook in Europe is strengthening and the US economy shows strong signs of a better performance going forward.

India

Financial Year 2013-14 has been a challenging year with subdued economic growth, as a result of higher inflation, higher interest rates, lower industrial growth and lower investments in the country, along with the poor condition of the global economy. However, the Indian economy is expected to perform comparatively well in the coming years. With a stable government at the centre, significant policy changes are anticipated in the near future. The government focus on infrastructure development, more foreign direct investment inflow and more transparency in governance is likely to significantly increase the business confidence in the country.

Improving automobile and consumer durable sectors are expected to raise the flat steel demand compared to last year, while long steel demand is expected to fare relatively better due to an uptick in construction activities and the planned infrastructure growth.

It is expected that the Indian ASU will grow at a modest rate of 4-5% in Financial Year 2014-15. However, both Flat and Long products will be under significant supply pressure on account of the ramp-up of the new projects.

South East Asia

South East Asia (SEA) is an attractive, growth market. Steel demand in SEA has grown by 15 million tonnes per annum 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, political uncertainty in Thailand, Indonesia and growing tension in the South China Sea, could emerge as a key business risk, with China likely to have an even greater impact on these economies in the coming years. Some strides have been made in liberalising intra-regional trade with the ASEAN region, though non-tariff barriers seem to grow to protect domestic industries.

China also has established its dominance in steel trade in the region as it grew its share of steel imports into SEA. The Chinese government's push to cut inefficient capacity will be positive for most large steel producers in South East Asia.

The Company, which operates primarily in long products for construction, plans to concentrate its efforts in growing its value-added products and services portfolio throughout the region whilst strengthening its key steel operations in Singapore, Thailand and China.

Europe

Recovery in the EU is expected to gain further traction in 2014. Forecasts suggest that in 2014, the EU economy will grow 1.6% after growing 0.1% in 2013. The return to growth will remain sensitive to potential economic slowdowns in other regions of the world.

In 2013, steel demand in the EU fell -0.2%. The World Steel Association predicts that demand will start to grow again by 3.1% to 143.3 million tonnes in 2014 as activity in the steel using sectors increases. For 2015, an increase of 3.0% is expected.

EU Steel demand is at low levels historically and margins are compressed as a result of global overcapacity.

NVG PRINCIPLES

ADHERENCE TO THE PRINCIPLES OF NATIONAL VOLUNTARY GUIDELINES

1. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Tata ethos, Company vision and goals serve as guiding philosophies for Tata Steel Limited, with the Tata Code of Conduct acting as its ethical roadmap.

In Financial Year 2013-14, an Apex Ethics Committee was formed to provide guidance on Management of Business Ethics (MBE) as well as on related policies. In addition, an Ethics Committee, comprising all Vice Presidents, was constituted to ensure uniformity in consequence management.

2. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

A fully integrated steel producer, Tata Steel's raw material beneficiation, mine yield and mine-life extension strategies strive for long-term sustainability by optimally utilising natural resources. For example, a Life Cycle Assessment model for the production phases of the rebar life cycle has been developed to identify opportunities to conserve resources.

Tata Steel's strategic development programme in Europe aims to unlock the potential of steel by focussing on step change improvements in materials properties to develop a new generation of products leading to lighter and safer cars.

The Company plays a vital role in the Singapore economy by recycling almost half of the locally generated metal scrap after the end of a product's life back into reinforcement steel for local consumption.

3. Businesses should promote the well-being of all employees

The health and safety of its employees across all geographies is a priority for the Company. A health and safety management system is being implemented with cross-auditing activity across regions. Safety and skill development training was imparted to 65.47% of the employees.



Focussing on employee well-being, Tata Steel Europe

Tata Steel Europe has established a people-development programme to foster the highest standards of professional and technical expertise, maintaining its competitive advantage.

4. Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

In the Indian states where Tata Steel operates, the Company endeavours to mainstream disadvantaged and marginalised communities through structured and planned Affirmative Action programmes.

The emphasis of NatSteel's Corporate Social Responsibility programme, "Building Beyond Borders", is on education and elderly-care to support the community in a sustainable manner. In Financial Year 2013-14, disbursements amounting to S\$76,050 were presented to 97 students with physical disabilities or those whose parents have physical disabilities.

5. Businesses should respect and promote human rights

In Financial Year 2013-14, Tata Steel, which has several operating units certified to SA 8000, adopted a structured approach towards evaluating and disclosing

information related to assessment of significant business partners. It also introduced human rights screening of partners supporting the outbound logistics function, a high-risk area.

6. Businesses should respect, protect and make efforts to restore the environment

Tata Steel is committed to further optimising its resource and energy efficiency. In Financial Year 2013-14, NatSteel's steelmaking operations, one of the most energy efficient in the world, set the global benchmark for energy efficiency, with a carbon footprint of 0.49 tonne of CO₂ per tonne of steel produced.

The Company's European operations, guided by its energy governance mechanism, introduced a new approach when purchasing equipment such as lighting and motors. The quality of this work has been recognised by the UK Carbon Trust as a best practice for major companies in the UK.

In Financial Year 2013-14, the blast furnace burden at Tata Steel's facilities in India comprised up to 45% pellets – the first such regime in large blast furnaces in the country – and amongst few worldwide.

NatSteel Holdings and Tata Steel Thailand are certified to the international environmental management

standard (ISO 14001) and in the case of NatSteel, to the international energy management standard (ISO 50001).

7. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Tata Steel's "Foundation Industries" campaign in the UK was launched at the top of The Shard, Western Europe's largest building, with the UK Business Secretary Vince Cable MP and Dr. Karl-Ulrich Koehler, Tata Steel's European Chief Executive. A report commissioned by Tata Steel demonstrated the economic value foundation industries like steel contribute to the UK, providing almost 5,00,000 jobs and responsible for 30% of the country's exports. In India, the Company partnered industry bodies and organisations like TERI, CII, FICCI and FIMI to lobby and advocate in the larger interest of the sector and the society.

8. Businesses should support inclusive growth and equitable development

Tata Steel's mission is to improve the quality of life of the communities it serves. The Company's direct contribution to community development in the Financial Year 2013-14 was ₹ 212 crores, which is 3.31% of the Company's PAT.

Tata Steel Europe strives to enrich its local communities and contribute to their future economic and social well-being. During Financial Year 2013-14, 1.5 million people in India and nearly 80,000 people in the UK and mainland Europe benefitted from the community programmes of Tata Steel group. Tata Steel Thailand's "Grow Smart with Tata Steel" book corners reached out to 179 schools across Thailand in Financial Year 2013-14.

9. Businesses should engage with and provide value to their customers and consumers in a responsible manner

Tata Steel's stakeholder engagement processes help identify the ecological and social impacts arising out of the value chain for the products/services of the organisation, in addition to assessing and improving customer and consumer awareness on products properties, safe applications and disposal.

Tata Steel provides value to key customers through Customer Value Management initiative.



Committed to environment conservation, Jamshedpur, India

Notice

THE HUNDRED AND SEVENTH ANNUAL GENERAL MEETING OF TATA STEEL LIMITED will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Thursday, the 14th August, 2014, 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, 2014 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 the Ordinary Shares of the Company.
3. To appoint a director in the place of Mr. Cyrus P. Mistry (DIN: 00010178), who retires by rotation and is eligible for re-appointment.
4. To appoint a director in the place of Mr. Ishaat Hussain (DIN: 00027891), who retires by rotation and is eligible for re-appointment.
5. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm's Registration No. 117366W/W -100018), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the hundred and tenth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

6. To appoint a director in the place of Mr. T. V. Narendran (DIN: 03083605), who was appointed as an additional director of the Company by the Board of Directors with effect from 19th September, 2013 under Section 161(1) of the Companies Act, 2013 ("**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 160 of the Act.
7. **Appointment of Mr. T. V. Narendran as the Managing Director, India & South East Asia**

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

"RESOLVED THAT pursuant to Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("**Act**") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves the appointment and terms of remuneration of Mr. T. V. Narendran (DIN: 03083605), Managing Director of the Company for the period from 19th September, 2013 to 18th September, 2018, not liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to between the Directors and Mr. T. V. Narendran.

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."

8. **Appointment of Mr. Nusli N. Wadia as an Independent Director**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder read with Schedule IV to the Act, as amended from time

to time, Mr. Nusli N. Wadia (DIN: 00015731), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 14th February, 2019."

9. Appointment of Mr. Subodh Bhargava as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Subodh Bhargava (DIN: 00035672), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 29th March, 2017."

10. Appointment of Mr. Jacobus Schraven as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Jacobus Schraven (DIN: 01462126), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 7th February, 2017."

11. Appointment of Mrs. Mallika Srinivasan as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mrs. Mallika Srinivasan (DIN: 00037022), a non-executive director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 13th August, 2019."

12. Appointment of Mr. O. P. Bhatt as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. O. P. Bhatt (DIN: 00548091), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 13th August, 2019."

13. Ratification of Cost Auditors' remuneration

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

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of ₹12 lakhs plus out-of-pocket expenses payable to M/s. Shome & Banerjee, who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder, for the year ending 31st March, 2015."

NOTES:

- (a) The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 5 to 13 above, are annexed hereto. The relevant details of directors seeking appointment/re-appointment under Item Nos. 3, 4, and 6 to 12 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 OF THE COMPANY. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- (c) The Register of Members and Transfer Books of the Company will be closed from Wednesday, 16th July, 2014 to Tuesday, 22nd July, 2014 (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 19th August, 2014 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, 16th July, 2014. 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 15th July, 2014, as per details furnished by the Depositories for this purpose.
- Shareholders are requested to provide their 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, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
- (g) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1996 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 2005-06. Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2007 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 2006-07 declared on 29th August, 2007 can be claimed by the shareholders by 28th August, 2014.

- (h) In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose shareholding is in dematerialised format and whose email ids are registered with the Depository for communication purposes. The members holding shares in physical form and who have not registered their email ID are requested to register their email ID addresses with TSR Darashaw Pvt. Ltd., the Company's Registrars and Transfer Agents.
- (i) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with TSR Darashaw Pvt. Ltd./Depositories.

Process for members opting for e-voting is as under:

In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Rules framed thereunder, the Members are provided with the facility to exercise their vote at the 107th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd. (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
- i. Open the e-mail and also open PDF file namely "TSL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting > Active e-Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Tata Steel Limited which is 100436. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to tsl.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on Wednesday, 6th August, 2014 (9.00 a.m. IST) and ends on Friday, 8th August, 2014 (5.30 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on 20th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 20th June, 2014 and as per the Register of Members of the Company.
- iii. Mr.P.N.Parikh of Parikh & Associates, Practicing Company Secretaries (Membership No. FCS 327), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at TSR Darashaw Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011, in the enclosed postage pre-paid self-addressed envelope, not later than Friday, 8th August, 2014 (5.30 p.m. IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to csg-unit@tsrdarashaw.com by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than Friday, 8th August, 2014 (5.30 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e., either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatasteel.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the hundred and seventh AGM of the Company on Thursday, 14th August, 2014 and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board of Directors

A ANJENEYAN
Company Secretary &
Chief of Compliance

Mumbai, 14th May, 2014.

Registered Office:

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

CIN: L27100MH1907PLC000260

Website: www.tatasteel.com

Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as “the Act”) the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 5 to 13 of the accompanying Notice dated 14th May, 2014.

Item No. 5:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Deloitte Haskins & Sells (DHS), (Firm's Registration No. 117366W/W-100018), Chartered Accountants (CAs), Mumbai were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on 14th August, 2013. DHS converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as Deloitte Haskins & Sells LLP (DHS LLP) with effect from November 20, 2013. In terms of the Ministry of Corporate Affairs, Government of India, General Circular No.9/2013 dated April 30, 2013, if a firm of CAs, being an auditor in a company under the Companies Act, 1956, is converted into an LLP, then such an LLP would be deemed to be the auditor of the said company. The Board of Directors of the Company has taken due note of this change. Accordingly, the audit of the Company for financial year 2013-14 was conducted by DHS LLP.

DHS LLP have been the Auditors of the Company since 2006-07 and will be completing a term of seven years in August 2014. Prior to this, Messrs. S. B. Billimoria & Co. (SBB) and Messrs. A. F. Fergusson (AFF) were the Joint Auditors of the Company. SBB & AFF were associates of DHS LLP. As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, DHS LLP, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 14th May, 2014, proposed the appointment of DHS LLP as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the hundred and tenth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board commends the Resolution at Item No. 5 for approval by the Members.

None of the Directors or Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution at Item No. 5 of the Notice.

Item Nos. 6 & 7:

Mr. T. V. Narendran was appointed as an Additional Director by the Board with effect from 19th September, 2013.

In terms of Section 161(1) of the Companies Act, 2013 and Article 121 of the Company's Articles of Association, Mr. T. V. Narendran holds office as Director only till the date of the forthcoming Annual General Meeting, but is eligible for appointment. Notice has been

received from a member as required by Section 160 of the Act, signifying its intention to propose the candidature of Mr.T.V.Narendran for the office of Director.

Mr.T.V.Narendran, born in 1965, is a Mechanical Engineer from REC (NIT), Trichy and MBA from IIM Calcutta. He is a Chevening Scholar and has also attended the Advanced Management Programme in CEDEP-INSEAD, Fontainebleau, France. Mr.T.V.Narendran joined Tata Steel in 1988 and has held various positions in the Tata Steel Group.

The Board considers it desirable that the Company should continue to avail itself of the services of Mr.T.V.Narendran as Director and accordingly commends the Resolution at Item No.6 for approval by the Members.

The Board of Directors has also appointed Mr. T. V. Narendran as the Managing Director – Designate, India & South East Asia of the Company for a period of 5 years with effect from 19th September, 2013, subject to the approval of the shareholders. With effect from 1st November, 2013, he is designated as Managing Director, India and South East Asia.

On the recommendation of the Remuneration Committee, the Board, at its meeting held on 13th November, 2013 approved the terms and conditions of Mr.T.V.Narendran's appointment, subject to the approval of the shareholders.

The main terms and conditions relating to the appointment of Mr.T.V.Narendran as the Managing Director, India and South East Asia (**MD**) are as follows:

(1) **Period:** From 19th September, 2013 to 18th September, 2018

(2) **Nature of Duties:**

The MD 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 : ₹ 6,00,000/- per month, in the scale of ₹ 6,00,000 to ₹ 9,00,000/- 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, 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 MD, 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 as approved by the Board and to the extent permitted under the Act.

- (4) (i) The MD 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 V 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 MD may be terminated by the Company without notice or payment in lieu of notice:
- (a) If the MD 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 MD's employment:
- (a) He shall immediately cease to hold 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 MD is being appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 167(1)(h) 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, Mr. Narendran will cease to be the MD 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 MD 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 MD of the Company.
- (viii) The terms and conditions of appointment of MD 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.

An abstract of the terms of remuneration of Mr. T. V. Narendran pursuant to Section 302 of the Companies Act, 1956 was sent to the Members in November 2013.

Mr. T. V. Narendran is interested and concerned in the Resolutions mentioned at Item Nos. 6 & 7 of the Notice. Other than Mr. T. V. Narendran, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolutions mentioned at Item Nos. 6 & 7 of the Notice.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the approval of the Members is sought for the appointment and terms of remuneration of Mr. T. V. Narendran as MD as set out above.

The Resolution regarding the appointment of the MD at Item No. 7 is commended for approval by the Members.

Item No. 8:

Mr. Nusli N. Wadia has been a Non-Executive Director of the Company since 29th August, 1979 and is considered as an Independent Director under Clause 49 of the Listing Agreement. 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.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Nusli N. Wadia has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. Nusli N. Wadia as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director up to 14th February, 2019, when he will retire as per the Tata Group Policy on Retirement of Directors adopted by the Company.

In the opinion of the Board, Mr. Nusli N. Wadia fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Nusli N. Wadia as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr. Nusli N. Wadia is interested and concerned in the Resolution mentioned at Item No.8 of the Notice. Other than Mr. Nusli N. Wadia, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

Item No. 9:

Mr. Subodh Bhargava has been the Non-Executive Director of the Company since 29th May, 2006 and is considered as an Independent Director under Clause 49 of the Listing Agreement. 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 is currently Chairman of

Tata Communications Limited, TRF Limited, GlaxoSmithKline Consumer Healthcare 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 and 'Global India Business Leader' of the year 2013 by Horasis (The Global Visions Community) for excellence in Entrepreneurship, Innovation and Leadership.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Subodh Bhargava has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. Subodh Bhargava as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director up to 29th March, 2017, when he will retire as per the Tata Group Policy on Retirement of Directors adopted by the Company.

In the opinion of the Board, Mr. Subodh Bhargava fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Subodh Bhargava as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr. Subodh Bhargava is interested and concerned in the Resolution mentioned at Item No. 9 of the Notice. Other than Mr. Subodh Bhargava, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 9 of the Notice.

Item No. 10:

Mr. Jacobus Schraven has been a Non-Executive Director of the Company since 17th May, 2007 and is considered as an Independent Director under Clause 49 of the Listing Agreement. Currently, he is Chairman of the Supervisory Board of Tata Steel Nederland BV, Stork B.V. and Fokker Technologies Holding BV. He is also Chairman of the Board of the Trust Foundation Unilever N.V. and the Trust Foundation Pref Shares B KPN. Additionally, he is a member of the Supervisory Board of BNP OBAM NV. He is also Treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is 'Commander of the Order of Orange Nassau' (Netherlands) and 'Officer of the L'égion d'Honneur' (France).

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Jacobus Schraven has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. Jacobus Schraven as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director up to 7th February, 2017, when he will retire as per the Tata Group Policy on Retirement of Directors adopted by the Company.

In the opinion of the Board, Mr. Jacobus Schraven fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Jacobus Schraven as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr. Jacobus Schraven is interested and concerned in the Resolution mentioned at Item No. 10 of the Notice. Other than Mr. Jacobus Schraven, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.10 of the Notice.

Item No. 11:

Mrs. Mallika Srinivasan has been a Non-Executive Director of the Company since 21st May, 2012 and is considered as an Independent Director under Clause 49 of the Listing Agreement. Mrs. Mallika Srinivasan is the Chairman and Chief Executive Officer of Tractors and Farm Equipment Limited and TAFE Motors and Tractors Limited. She is also a Director on the Board of Tata Global Beverages Limited. Mrs. Srinivasan is the recipient of the Padma Shri Award in 2014 and several business leadership awards and has an avid interest in academia, particularly management education.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mrs. Mallika Srinivasan has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mrs. Mallika Srinivasan as Independent Director was placed before the Nomination & Remuneration Committee, which commends her appointment as an Independent Director from the date of this Annual General Meeting up to a period of five consecutive years, i.e., up to 13th August, 2019.

In the opinion of the Board, Mrs. Mallika Srinivasan fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Mallika Srinivasan as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mrs. Mallika Srinivasan is interested and concerned in the Resolution mentioned at Item No.11 of the Notice. Other than Mrs. Mallika Srinivasan, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 11 of the Notice.

Item No. 12:

Mr. O. P. Bhatt has been a Non-Executive Director of the Company since 10th June, 2013 and is considered as an Independent Director under Clause 49 of the Listing Agreement. Mr. O. P. Bhatt is a graduate in Science and a post graduate in English Literature (Gold Medalist). 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.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. O. P. Bhatt has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. O. P. Bhatt as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from the date of this Annual General Meeting up to a period of five consecutive years, i.e., up to 13th August, 2019.

In the opinion of the Board, Mr. O. P. Bhatt fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. O. P. Bhatt as Independent Director is now being placed before the Members in general meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr. O. P. Bhatt is interested and concerned in the Resolution mentioned at Item No. 12 of the Notice. Other than Mr. O. P. Bhatt, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 12 of the Notice.

Item No. 13:

The Company is directed, under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. Shome & Banerjee as the Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder for the year ending 31st March, 2015, at a remuneration of ₹ 12 lakhs plus out-of-pocket expenses.

M/s. Shome & Banerjee have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s. Shome & Banerjee have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

The Board has approved the remuneration of ₹ 12 lakhs plus out-of-pocket expenses to M/s. Shome & Banerjee as the Cost Auditors and the ratification of the shareholders is sought for the same by an Ordinary Resolution at Item No. 13.

The Resolution at Item No. 13 is commended for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 13 of the Notice.

By Order of the Board of Directors

A. ANJENEYAN
Company Secretary &
Chief of Compliance

Mumbai, 14th May, 2014.

Registered Office:

Bombay House,

24, Homi Mody Street, Fort,

Mumbai-400 001.

CIN: L27100MH1907PLC000260

Website: www.tatasteel.com

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

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Cyrus P Mistry	Mr. Ishaat Hussain	Mr. T V Narendran
Date of Birth	04.07.1968	02.09.1947	02.06.1965
Date of Appointment	21.05.2012	15.07.1999	19.09.2013
Expertise in specific functional areas	Company Director with rich and varied business experience	Wide experience in the field of Finance and Management	Rich experience in steel industry
Qualifications	Graduate in Civil Engineering from Imperial College, UK and M.Sc in Management from London Business School	Graduate in Economics from Delhi University and a member of ICAEW	Mechanical Engineer from REC (NIT), Trichy and MBA from IIM Calcutta
Directorship held in other public companies (excluding foreign companies)	Tata Sons Limited Tata Industries Limited The Tata Power Company Limited Tata Teleservices Limited Tata Global Beverages Limited Tata Consultancy Services Limited Tata Motors Limited Tata Chemicals Limited The Indian Hotels Company Limited	Tata Sons Limited Titan Company Limited Voltas Limited Tata Teleservices Limited Tata Industries Limited Tata AIG General Insurance Co. Limited Tata AIA Life Insurance Company Limited Tata Consultancy Services Limited Tata Sky Limited The Bombay Dyeing & Manufacturing Company Limited Tata Capital Limited Tata Capital Financial Services Limited Viom Networks Limited	NIL
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	Audit Committee – Chairman Tata Sons Limited	Audit Committee – Chairman Tata Industries Limited Tata Teleservices Limited The Bombay Dyeing & Manufacturing Company Limited Audit Committee – Member Tata AIA Life Insurance Company Limited Tata Sons Limited Titan Company Limited Tata Sky Limited Tata Consultancy Services Limited	NIL
Shareholdings in the Company	NIL	2,216	1,753

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

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Nusli N Wadia	Mr. Subodh Bhargava	Mr. Jacobus Schraven
Date of Birth	15.02.1944	30.03.1942	08.02.1942
Date of Appointment	29.08.1979	29.05.2006	17.05.2007
Expertise in specific functional areas	Industrialist with rich business experience in general	Wide experience across various industries	Lawyer
Qualifications	Educated in UK	Mechanical Engineer from University of Roorke	Masters Degree in Law
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 Limited Britannia Industries Limited Tata Chemicals Limited Tata Motors Limited Go Airlines (India) Limited	Tata Communications Limited TRF Limited GlaxoSmithKline Consumer Healthcare Limited Batliboi Limited Larsen & Toubro Limited Tata Motors Limited	NIL
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	NIL	Audit Committee – Member Tata Communications Limited Batliboi Limited	NIL
Shareholdings in the Company	NIL	1,012	NIL

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

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mrs. Mallika Srinivasan	Mr. O P Bhatt
Date of Birth	19.11.1959	07.03.1951
Date of Appointment	21.05.2012	10.06.2013
Expertise in specific functional areas	Thorough leader and strategist with avid interest in management education	Wide experience in Banking and Financial Markets
Qualifications	Master of Business Management from Wharton School of Business, University of Pennsylvania, USA Master of Arts in Econometrics from the University of Madras, Chennai	Graduate in Science and a post graduate in English Literature (Gold Medalist)
Directorship held in other public companies (excluding foreign companies)	Tractors and Farm Equipment Limited TAFE Access Limited TAFE Reach Limited TAFE Motors and Tractors Limited The United Nilgiri Tea Estates Company Limited Tata Global Beverages Limited	Hindustan Unilever Limited Tata Consultancy Services Limited Oil and Natural Gas Corporation Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	Audit Committee – Member TAFE Motors and Tractors Limited	Audit Committee – Member Hindustan Unilever Limited Tata Consultancy Services Limited Oil and Natural Gas Corporation Limited Stakeholders' Relationship Committee – Chairman Hindustan Unilever Limited Stakeholders' Relationship Committee – Member Tata Consultancy Services Limited Oil and Natural Gas Corporation Limited
Shareholdings in the Company	NIL	NIL

Directors' Report

To the Members,

Your Directors take pleasure in presenting the 107th 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, 2014.

₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2013-14	2012-13	2013-14	2012-13
Net revenue from Operations	41,711.03	38,199.43	148,613.55	134,711.54
Total expenditure before finance cost, depreciation (net of expenditure transferred to capital)	28,894.13	27,073.19	132,202.54	122,390.33
Operating Profit	12,816.90	11,126.24	16,411.01	12,321.21
Add: Other income	787.64	902.04	516.81	479.15
Profit before finance cost, depreciation, exceptional items and taxes	13,604.54	12,028.28	16,927.82	12,800.36
Less: Finance costs	1,820.58	1,876.77	4,336.83	3,968.11
Profit before depreciation, exceptional items and taxes	11,783.96	10,151.51	12,590.99	8,832.25
Less: Depreciation	1,928.70	1,640.38	5,841.22	5,575.32
Profit before exceptional items and taxes	9,855.26	8,511.13	6,749.77	3,256.93
Add/(Less): Profit on sale of non-current Investments	-	12.33	18.20	966.03
Add/(Less): Provision for diminution in the value of investment/doubtful advances/impairment of non-current assets	(141.76)	(686.86)	(45.84)	(8,355.91)
Profit before taxes	9,713.50	7,836.60	6,722.13	(4,132.95)
Less: Provision for current taxation	3,098.02	1,770.54	3,482.64	2,325.40
Less: Provision for MAT credit	-	(399.84)	(0.21)	(410.12)
Less: Provision for deferred taxation	203.29	1,402.93	(424.27)	1,314.16
Profit/(Loss) after taxes	6,412.19	5,062.97	3,663.97	(7,362.39)
Add: Share of profit of Associates	-	-	0.84	90.31
Less: Minority Interest	-	-	(69.92)	(214.46)
Profit/(Loss) after tax, minority interest and share of profit of associates	-	-	3,594.89	(7,057.62)
Distribution on hybrid perpetual securities	266.04	266.21	266.04	266.21
Tax effect on distribution of hybrid perpetual securities	(90.43)	(86.37)	(90.43)	(86.37)
	6,236.58	4,883.13	3,419.28	(7,237.46)
Add: Balance brought forward from the previous year	24,616.17	21,145.04	7,039.38	16,125.42
Add: Profit and Loss account balance relating to acquisitions	33.97	-	-	-
Balance	30,886.72	26,028.17	10,458.66	8,887.96
Which the Directors have apportioned as under to: -				
(i) Dividend on Preference Shares	-	-	0.10	0.21
(ii) Proposed dividend on Ordinary Shares	971.21	776.97	971.21	776.97
(iii) Tax on Dividends	66.19	128.73	80.22	226.41
(iv) General Reserve	641.22	506.30	730.16	665.56
(v) Statutory Reserve	-	-	-	8.29
(vi) Special Reserve	-	-	1.60	161.28
(vii) Capital Redemption Reserve	-	-	49.62	9.86
Total	1,678.62	1,412.00	1,832.91	1,848.58
Balance to be carried forward	29,208.10	24,616.17	8,625.75	7,039.38

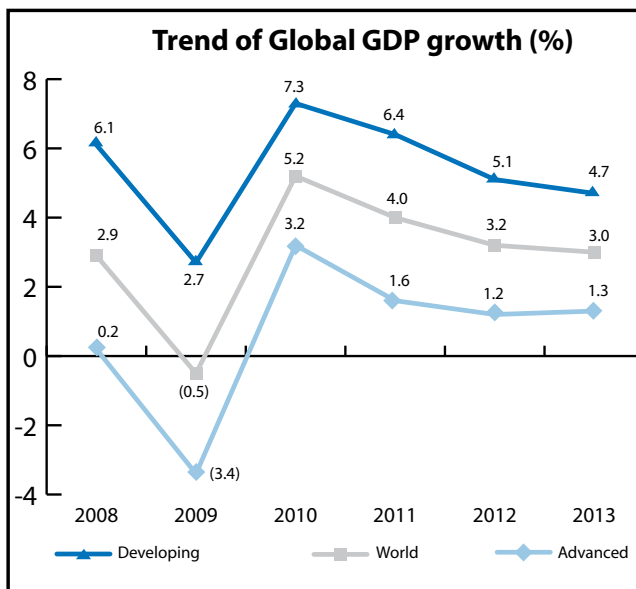
DIVIDEND

The Board recommended a dividend of ₹ 10 per Ordinary Share on 97,12,15,405 Ordinary Shares for the year ended 31st March 2014. (Financial Year 2012-13: ₹ 8 per Ordinary Share on 97,12,15,229 Ordinary Shares of ₹ 10 each).

The dividend on Ordinary Shares is subject to the approval of the shareholders at the Annual General Meeting. The total dividend payout works out to 16% (Financial Year 2012-13: 18%) of the net profit for the standalone results.

GLOBAL ECONOMIC CONDITIONS

The world Gross Domestic Product (GDP), as reported by the International Monetary Fund (IMF), witnessed a growth of 3% in 2013 as compared to a growth of 3.2% in 2012. Both advanced economies and emerging and developing economies witnessed the slowdown in growth at 1.3% and 4.7% respectively.



However, in the second half of the Financial Year 2013-14, macroeconomic conditions showed a sign of stabilisation

in certain developed regions including Europe but the growth remains anemic. Similarly, the GDP growth in India at 4.7% in Financial Year 2013-14, marks a second straight year of sub-5% growth – the worst slowdown in more than a quarter of a century. This is largely attributed to sluggish growth in investments and tight monetary policy by the Reserve Bank of India leading to demand contraction.

Global Steel Outlook

Tata Steel is the world's second most geographically diversified steel company with significant exposure in India and Europe.

As per the World Steel Association, the global apparent steel use is likely to grow by 3.1% in 2014 to 1,527 million tonnes and by 3.3% to 1,576 million tonnes in 2015 as opposed 3.6% growth in 2013. In India, steel demand is expected to grow by 3.3% to 76.2 million tonnes in 2014 and by 4.5% to 79.6 million tonnes in 2015, following a marginal 1.8% growth in 2013.

Similarly, the apparent steel use for EU (28) is expected to grow by 3.1% in 2014 to 143.3 million tonnes and 3% to 147.6 million tonnes in 2015 as compared to a de-growth of -0.2% in 2013. This will help to recoup the demand in construction and automotive segments, which have almost bottomed out.

Growth of the Chinese economy, which in recent years has been one of the main demand drivers in the global mining and steel industries, has continued to slow down in the last 12-18 months, along with other emerging economies. A slow economic recovery in North America, continued stagnation in Europe and a continued slowdown in emerging economies including India and China would impact the global manufacturing and metals industry like Steel.

A recent release (April 2014) of quantitative risk assessment in the World Economic and Financial Survey by the International Monetary Fund (IMF) suggests that recession risks have decreased slightly for the major economies and have remained broadly unchanged for other economies. However, the risk of Eurozone crisis and a hard landing for China cannot be ruled out.

TATA STEEL GROUP PERFORMANCE

The momentum provided by the ramp up of all the production units under the 2.9 mtpa expansion plan at Jamshedpur, stabilisation of rebuild Blast Furnace#4 at Port Talbot, UK, significant growth in sales volume of operating entities of Nat Steel Holdings (Singapore) at Vietnam and China and an increase in deliveries in Tata Steel Thailand, contributed to record gross deliveries of 26.6 million tonnes by the Tata Steel Group during the Financial Year 2013-14. This was higher by 10% compared to the previous year deliveries of 24.1 million tonnes.

The consolidated profit before interest, depreciation, exceptional items and taxes (EBITDA) of the Group was ₹ 16,928 crores in the Financial Year 2013-14, higher by 32% over the previous year. Consequently, the consolidated profit before exceptional items and taxes (PBT) was ₹ 6,750 crores in the Financial Year 2013-14 compared to ₹ 3,257 crores in the previous year.

Indian operations:

During the Financial Year 2013-14 the Company fully ramped up to its installed capacity of 9.7 million tonnes at Jamshedpur and continued with the full-fledged construction and installation of facilities for 3 million tonnes crude steel

greenfield capacity expansion at Odisha. There has been an overall increase of ~ 12% to 14% in the production and sales volumes of the Indian operations over last year. The Company had a record production of 9.89 million tonnes of Hot Metal and 8.93 million tons of Saleable Steel during the year. Similarly, the Company reported the best ever deliveries of 8.52 million tonnes during the financial year. This has led to significant efficiency gains and a richer product mix. The Company has also invested in widening its customer base in India. The increase in sales has been achieved without sacrificing the product premium. The profit before interest, depreciation, exceptional items and taxes (EBITDA) for standalone Tata Steel was ₹ 13,605 crores for the Financial Year 2013-14, higher by 13% compared to the previous Financial Year.

There were several best performances recorded by many units of the Company during the Financial Year 2013-14 some of which are as follows:

Production

- Best ever total agglomerate production of 12.14 million tonnes (Previous best - 10.22 million tonnes in the Financial Year 2012-13).
- Steel Melting Shop LD#3 achieved its best ever production of 2.23 million tonnes (Previous best - 1.02 million tonnes in the Financial Year 2012-13).
- Cold Rolling Mill achieved its highest ever production of 1.64 million tonnes (Previous best - 1.56 million tonnes in Financial Year 2009-10).
- TSCR achieved its highest ever production of 2.18 million tonnes (Previous best - 0.99 million tonnes in the Financial Year 2012-13).

Sales

- Best ever annual sales to the Automotive segment at 1.17 million tonnes (Previous best - 1.05 million tonnes in Financial Year 2012-13).
- Best ever annual sales in Industrial Products segment at 1.7 million tonnes (63% more than the previous best in Financial Year 2012-13 at 1.07 million tonnes).
- Best ever annual sales in LPG segment at 110 kt and a market share of 23%.

Kar Vijay Har Shikhar (KVHS), an initiative launched during Financial Year 2010-11, focussed on the Company's aspiration to improve its EBITDA. It is a multi-unit, multi-location, cross functional improvement programme spanning the entire value chain from mining to marketing and sales of finished steel. The Company achieved an improvement in savings of ₹ 1,614 crores in the Financial Year 2013-14, which included a KVHS contribution of ₹ 1,170 crores.

Customer centricity has been the key focus area for Tata Steel and to align the actions even more closely, the Company has taken a step change in reorganising its Marketing & Sales organisation in line with the market segments i.e. Auto & Special Products, Branded and Retail, Industrial Products and downstream units.

European operations:

Tata Steel Europe (TSE) completed two major upgrades of the key production facilities (the rebuild of Blast Furnace 4 at Port Talbot during an eight month period ending February 2013 and the repair of the hearth in Blast Furnace 7 at IJmuiden in

the March 2013) at the end of Financial Year 2012-13, which has strengthened its operating platform. This resulted in higher liquid steel production volumes of 2.2 million tonnes during the year under review.

Tata Steel Europe's (TSE) turnover for the Financial Year 2013-14 was 3% lower than the previous year. This is due to the decrease in the average revenue per tonne caused primarily by the deterioration in the market conditions in the first half of Financial Year 2013-14, even though it was partly offset by a 6% increase in steel deliveries, attributable largely to a full year of operations by the two blast furnaces at Port Talbot.

Record performances in TSE's operations during the Financial Year 2013-14 included the following:

- At IJmuiden, the best ever total Hot Strip Mill output of 5.21 million tonnes (previous best of 5.05 million tonnes in Financial Year 2011-12); the best ever total Direct Sheet Plant output of 1.26 million tonnes (previous best was 1.19 million tonnes in Financial Year 2006-07); and the best ever total hot dipped galvanising line output at DVL3 of 552 thousand tonnes (previous best was 465 thousand tonnes in Financial Year 2012-13).
- At Port Talbot, the best ever total hot metal make at Blast Furnace 4 (2.05 million tonnes - previous best of 1.91 million tonnes in Financial Year 2002); the best ever total hot metal make for the site (4.16 million tonnes - previous best of 3.86 million tonnes in Financial Year 2007); the best ever total liquid steel make (4.55 million tonnes - previous best of 4.41 million tonnes in Financial Year 2007); and the best ever total slab make (4.45 million tonnes - previous best of 4.29 million tonnes in Financial Year 2006-07).

Tata Steel Europe has launched a multi-year transformation journey under the banner OGSM (“Objectives, Goals, Strategies & Measures”) in the Financial Year 2010-11. The above programme is expected to structurally change the organisational health covering productivity improvement through operating performance, supply chain management, product differentiation and customer management, cost management including right sizing manpower and optimising the asset network. The systematic deployment of the OGSM tool has yielded significant EBITDA benefits since the time of the launch. The continued focus on operating costs achieved savings of around £ 200 million, which contributed towards improved year on year EBITDA performance at ₹ 3,008 crores during the Financial Year 2013-14. This almost quadrupled as compared to previous year.

TSE continued to implement its strategy of market differentiation and launched 30 new products as planned during the year. The volume of new products sold increased by about 75% and sales of differentiated products also grew by 16% in comparison to the previous year.

Moreover, to generate a more sustainable performance, TSE continues to focus on customers and innovation driven strategy. As a result, the Company achieved following customer successes during the year:

- Network Rail, the owner and operator of rail infrastructure in the UK, has chosen to source more than 95% of its rail from Tata Steel Europe until 2019.
- Schneider Electric selected TSE for its Preferred Supplier 2013 award.

- Royal Mint recognised TSE as the Most Innovative Supplier for the third year running.
- GOLD in the Caterpillar Supplier Quality Excellence Process for its global supply of track shoe profiles was awarded to TSE.
- Toyota awarded a Certificate of Recognition to TSE’s important contribution in the area of quality.

South-East Asian operations:

The South East Asian operations continued to improve its performance especially in Thailand despite various challenges in the market environment.

NatSteel Holdings Pte. Ltd. (NSH) enhanced its capabilities across all geographies and invested capital in technology building, strengthening information technology and capability building during the Financial Year 2013-14 despite uncertainties posed by a volatile, uncertain and highly competitive business environment especially due to Chinese exports to the ASEAN region. Its Singapore operations completed major plant modernisation projects, including the New Scrap Shear, New Shaft Furnace and various downstream automation projects.

NSH has posted a turnover of ₹ 12,128 crores during the Financial Year 2013-14, an increase of about 30% over the previous year. However, the profit before interest, depreciation, exceptional items and taxes (EBITDA) was at ₹ 246 crores that was lower by 31% compared to the previous year. Profitability was adversely affected as the operating costs were higher during the stabilisation period post the completion of the

plant revamp in Singapore and influx of low-priced materials from China putting pressure on the margins.

The Chinese imports into ASEAN region jumped more than 50% in 2013, which created significant pressure in those domestic markets. In addition, political turmoil in Thailand continues to affect the underlying performance of Tata Steel Thailand (TSTH). Despite this, TSTH recorded a 10% increase in finished goods deliveries at 1.30 million tonnes in Financial Year 2013-14 over the previous Financial Year. This is primarily led by ongoing projects in the construction sector, continued exports to neighbouring countries and a stronger presence in the upcountry market translating into higher rebar sales. On the downside, the wire rods product line was adversely affected by the cheaper imports from China. The profit before interest, depreciation, exceptional items and taxes (EBITDA) at ₹ 193 crores, which is about 50% higher compared to the previous year.

Review of Impairment Risks

Under the Indian Accounting Standards, a company is required to undertake an impairment review of its assets and investments at each reporting date based on certain triggers relating to the business or the operating environment. Changes in assumptions underlying the carrying value of certain assets, including as a result of adverse market conditions could result in impairments of such assets and the Company is obliged to recognise the same. The Company has recognised an impairment charge of ₹ 141.76 crores in standalone books and ₹ 45.84 crores in consolidated books primarily on account of continuous losses and substantial erosion of net worth in Tayo Rolls Limited (a subsidiary of Tata Steel Limited) and de-allocation of the Coal mine in

view of pending milestones in Strategic Energy Technology System Private Limited (a joint venture between Tata Group and South Africa's Sasol Synfuel to convert coal to liquid fuel from a coal block in Odisha).

While an impairment loss is recognised as an expense in the income statement, it is a non-cash charge and does not affect any of the financial covenants and the funding position of Tata Steel Group.

Review of Regulatory Risks

The Central Government constituted a one member Commission comprising Hon'ble Justice M B Shah, former Judge of Supreme Court of India, to look into the nature and extent of illegal mining of iron and manganese ores and recommend suitable measures for regulation. Pursuant to the study carried out by the Commission in the states of Goa, followed by Odisha, reports have been submitted to the Central Government. In the report there are observations regarding mining activity in the State of Odisha covering (i) various aspects of non-compliance to the statute viz: absence or delay in taking approvals under environment statutes, forest statutes, mining plans, etc. (ii) extraction of ore beyond the limits permitted by such approvals, (iii) non-disposal of mining lease renewal applications for several years by the State and mining continuing under deeming provisions.

The Company is of the opinion that its mining operations are within the norms of the required regulations including Environment Clearance, Forest Clearances and Consent to Operate. The Company has since inception demonstrated the principle of mineral conservation and mineral development

by undertaking scientific and sustainable mining practices including caring for the environment and the communities around the mining operations.

MAJOR DEVELOPMENTS DURING THE FINANCIAL YEAR 2013-14

A. Amalgamation

a. Kalimati Investment Company Limited

Pursuant to the sanction of the Hon'ble High Court of Bombay to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Kalimati Investment Company Limited, a wholly-owned subsidiary of the Company (whose principal business was to carry on the business of investment and finance, and was registered as a non-banking financial company with the Reserve Bank of India) has been amalgamated with the Company with effect from January 1, 2013 in accordance with the scheme so sanctioned by the Court. The effect of the merger has been given in the accounts.

b. Tata Metaliks Limited

Tata Metaliks Limited (TML), a subsidiary of the Company is one of the largest producers of Foundry Grade Pig Iron in India. On 10th April, 2013, Tata Steel Limited announced the merger of TML and its subsidiary TMKPL with your Company under a 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 holds 50.09% of the equity share capital of TML. The Shareholders' approval for the Scheme is being sought at the Court Convened Meeting of the shareholders to be held on 16th May, 2014.

B. Capital Projects

a. 2.9 million tonnes expansion project in Jamshedpur

Major facilities such as Pellet Plant, Coke Oven Battery 10, "I" Blast Furnance, LD3 and TSCR under the 2.9 mtpa expansion project in Jamshedpur were commissioned in the Financial Year 2012-13. These facilities have been stabilised during the year which has enabled the Company to ramp up its production to 9.16 million tonnes of crude steel.

b. Greenfield Project in Odisha

Kalinganagar Project in Odisha is the Company's second integrated greenfield steel plant with 6 million tonnes crude steel capacity, after Jamshedpur. It is being executed in two phases of 3 million tonne each, with the entire capacity principally devoted to flat products. The Company's Phase 1 of the 3 million tonne per annum of green field project at Kalinganagar Complex in Odisha has progressed significantly during the Financial Year. The stage wise commissioning of various units, namely power generation units, coke ovens, sinter plant, blast furnace, steel melting shop and hot strip mill of the first phase is expected to be initiated towards the end of Financial Year 2014-15. Subsequent to the commissioning and ramp up of the first phase of operations in Kalinganagar, the Company will also

progress towards the implementation of second phase of the project in future.

c. Direct Shipping Ore Project in Canada

The Company through its Joint Venture Company (Tata Steel Minerals Canada Limited) is developing a Direct Shipping Ore (DSO) Project in the provinces of Quebec and Newfoundland & Labrador. The Company indirectly holds 80% in Tata Steel Minerals Canada (TSMC). New Millennium Corporation (NML), a Toronto listed company, holds 20% stake in the joint venture company. In addition, the Company holds 26.33% stake in NML.

The project primarily comprises of mining, crushing, washing, screening and drying the run-of-mine ore with a state-of-the-art facility near Schefferville, Québec to produce 4.2 million tonnes per annum of sinter fines and pellet feed. The processing facilities will be housed under a large steel supported fabric structure to enable year round operations. The construction of the processing plant is on-going and is expected to be commissioned by end of Financial Year 2014-15. Besides a dry crushing and screening facilities have also been installed which will produce about 1.8 million tonnes per annum of iron ore product. The above facilities will enable TSMC to produce and despatch around 6 million tonnes per annum of iron ore in a phased manner.

TSMC had already commenced mining activity in September 2012 and the mine has produced around 1 million tonnes till Financial Year 2013-14 through

dry crushing and screening. TSMC shipped about 0.25 million tonnes in Financial Year 2013-14 and the shipment for Financial Year 2014-15 is expected to commence shortly.

Key developments during the year were as follows:

- i. The Company increased its resource base from 64 million tonnes to 93 million tonnes through exploration activities in DSO properties. An additional potential of 8 million tonnes has been identified.
- ii. TSMC entered into an un-incorporated joint venture with Labrador Iron Ore Mines (LIM) to acquire a 51% stake in the Howse deposit based on the outcome of the feasibility study. This is expected to add an additional 24 million tonnes of reserves to the resources of the Company. The feasibility study is in progress. Considerable savings in operating costs are expected to be achieved due to access to the Howse deposit. With Howse deposits, the combined resource base stands at 125 million tonnes.
- iii. The construction of the Deep Sea Port at Sept-Iles, Canada through which TSMC intends to export its products is likely to be completed by end of 2014. The access to the Deep Sea port is not available at present but the Federal and Provincial Governments are supporting the Port Authority's efforts to obtain the required access to the Deep Sea Port. It is expected that this issue will get resolved shortly. In the meanwhile, TSMC has entered into agreement with the Iron Ore Company of Canada to export its product for year 2014.

SAFETY AND HEALTH

The health and safety of the employees across its operations remains the highest priority for the Group. All endeavours are being taken to enhance safety standards and processes towards minimising safety risks in all operations in the company. The Company continues to broaden the impact of its programmes, including those from DuPont the world benchmark, to establish a strong safety culture based on inculcating safe behaviour among its employees, contractors and their employees. The Lost Time Injury Frequency Rate for Financial Year 2013-14 dipped to 0.56, an improvement of 7% over last year. Extensive work has been on-going over more than a decade to ensure risk control in many high hazard processes including underground mining has resulted in performance improvements. However, the journey will continue to ensure risks of fatalities are minimised in future. The Company's specific improvement areas are in construction activities, road traffic management and contractor management.

In order to build a sustainable work place environment, a common health and safety management system across Tata Steel Group is being implemented. This includes cross-auditing activity to enhance sharing experiences and best practices across regions. During the year, Tata Steel was again recognised by its peers in World Steel Association with a health and safety recognition award for Tata Steel Europe.

ENVIRONMENT

Member companies of World Steel Association, including Tata Steel, are committed to a vision in which steel is recognised as

a key element of a sustainable future. Environment protection forms a focus area with member companies expected to optimise the eco-efficiency of their products through the product lifecycle, including increased resource and energy efficiency in the production of steel and during the use of steel products. It also enjoins members to promote the recovery, reuse and recycling of steel.

In line with the above commitment, Tata Steel continues to focus on operational excellence aimed at resource efficiency, energy efficiency, along with recovery, reuse and recycling of waste to minimise the ecological footprint of the Company. Tata Steel's 2.9 mtpa expansion project in India and the upgrade of the blast furnaces by the European operations were aimed at aligning its environmental performance with best in class. The previously installed "I" Blast Furnace and the "H" Blast Furnace as part of 1.8 mtpa and 2.9 mtpa expansion projects in Jamshedpur are among the most resource efficient in India. CO₂ emissions from the Jamshedpur Steel Works showed a significant change decreasing to 2.42 tCO₂/tcs in Financial Year 2013-14 from 2.52 tCO₂/tcs in Financial Year 2012-13.

Similarly, the Company is currently participating in a voluntary agreement with the Dutch government on 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 improvement in energy efficiency at the rate of 2% per annum, covering both energy used within the manufacturing process and energy saved across the product life cycle. The total energy efficiency improvement in 2013 was 4.9%. CO₂ emissions in TSE during the Financial Year 2013-14 were 1.88 tCO₂/tcs, against 1.95 tCO₂/tcs in Financial Year 2012-13.

Moreover, in the United Kingdom, TSE's engagement in a Climate Change Agreement ('CCA') continued to benefit the Company from reduced rates in relation to the Climate Change Levy ('CCL'). The UK Government also introduced an exemption from CCL for certain metallurgical & mineralogical processes from April 2014.

Specific environment protection measures and resultant benefits are provided in Annexure 'A' to the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY

Tata Steel's vision and strategies focus on having right balance between Value Creation and Corporate Citizenship. The new Companies Act 2013 mandates that every company, who meet certain eligibility criteria needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. However, Corporate Social Responsibility is an integral part of Tata Steel management process since inception.

Tata Steel's sustainable development and inclusive growth strategy is sustained through CSR programmes. The Company strives to enhance the livelihood of the local communities and contribute to their future economic and social well-being through a proactive community partnership programme based on three key pillars:

- Education – Improve and inspire future technical skills
- Environment – Acting responsibly and maintaining high standards
- Health & Well-being – Improving the quality of life in communities around our sites

The key focus areas are promoting quality education, creating livelihoods, enabling skill development, providing state-of-

the-art medical facilities and building sports, and training facilities. Tata Steel is committed towards providing health care services to the communities in and around the area of operations. During Financial Year 2013-14, 1.5 million people in India and nearly 80,000 people in Europe and UK benefitted from the community programmes of Tata Steel group.

Some of the key projects undertaken during the years are as follows:

In India:

- a. Project MANSI, aimed at improving maternal and new born survival rates, is being implemented in 167 villages of Seraikela district. The positive impact achieved includes a drop in the infant mortality rate by 26.5% and neonatal mortality rate by 32.7%. This project was recognised by the Government of Jharkhand, which has asked the Company to help upscale to the state level.
- b. Jyoti Fellowship awarded to nearly 3,000 meritorious students from the Scheduled Caste and Scheduled Tribes communities in the states of Jharkhand, Chhattisgarh and Odisha.
- c. Nearly 49,000 students in 383 Government schools in Jamshedpur were served the mid-day meal from a Central Kitchen established by Tata Steel.
- d. Project RISHTA on adolescent health was scaled up from Seraikela Kharsawan to other operational areas of the Company in Jharkhand and Odisha. It is now being implemented in 700+ villages across seven districts in the two states.
- e. The Company trained 93 tribal girls as nurses from the naxalite affected Saranda region of Jharkhand. Another

1,800 youth were trained through a range of skill development programmes across the Company's locations in Financial Year 2013-14.

- f. Nearly 10,000 youth learned tribal scripts for Ho, Santhali and Oraon languages.
- g. Under the solar street light project, nearly 2,300 solar street lights were installed in villages of Jharkhand and Odisha in Financial Year 2013-14.

In Europe:

- a. Tata Steel created the Industrial Cadets Program that raises awareness on local career opportunities in the industrial and manufacturing sectors, helps students and employees develop life skills and create a talent pipeline. The programme involves industry-based activities where 11-19 year olds can develop personal skills and enhance careers awareness whilst gaining accreditation. The inspiration for Industrial Cadets came from HRH The Prince of Wales. The Department for Communities and Local Government support the initiative. Tata Steel pioneered the programme by working with the very first Industrial Cadets.
- b. Employees of Tata Steel are increasingly acting as STEM ambassadors to attract more youngsters to the disciplines of Science, Technology, Engineering and Mathematics.
- c. Girls' Day is part of a national programme across the Netherlands which focusses on introducing technical studies to girls between the ages of 8-14. In 2013, 140 girls attended Girls' Day in IJmuiden.
- d. Marquette run organised in the local area of the IJmuiden

site, the run focusses on the health and well-being of kids (2,000 participants, of which 1,000 are youngsters).

- e. The first time neighbour days were held to introduce people from the community around the Company's European sites to various on-site activities. More than 2,500 people were introduced to the production processes on site.
- f. In 2006, Tata Steel became the corporate partner of the British Triathlon Federation. In 2013, almost 10,000 children participated in 12 events and in November TSE celebrated the 100th Tata – Kids of Steel with a mini-triathlon at the Houses of Parliament in London, United Kingdom.

Details of various initiatives undertaken during Financial Year 2013-14 under Corporate Social Responsibility by the Company are covered in this Annual Report.

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, the 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

- a. In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Cyrus P. Mistry and Mr. Ishaat Hussain retire by rotation and are eligible for re-appointment.
- b. Mr. Koushik Chatterjee, Executive Director & Group Chief Financial Officer of the Company was appointed as Group Executive Director (Finance and Corporate) of the Company with effect from 19th September, 2013.
- c. Mr. T. V. Narendran, was appointed as an Additional Director designated as the Managing Director – Designate, India & South East Asia with effect from 19th September, 2013. Mr. T. V. Narendran will hold office till the date of the forthcoming Annual General Meeting (AGM) and notice has been received from a Member proposing the candidature of Mr. T. V. Narendran for being appointed as a Director of the Company.
- d. Mr. H. M. Nerurkar stepped down as the Managing Director of the Company on 31st October, 2013 on reaching the age of superannuation. The Directors would like to place on record their sincere appreciation for his ability, unstinting commitment and outstanding contribution to the Company during his tenure on the Board since 2009.

- e. Mr. T. V. Narendran has succeeded Mr. H. M. Nerurkar as Managing Director, India and South East Asia with effect from 1st November, 2013.
- f. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Nusli N. Wadia, Mr. Subodh Bhargava, Mr. Jacobus Schraven, Mrs. Mallika Srinivasan and Mr. O. P. Bhatt as Independent Directors for the terms given in the Notice of the 107th Annual General Meeting. Details of the proposal for the appointment of above Independent Directors are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 107th Annual General Meeting.
- g. Mr. Andrew Robb, who holds office up to the date of the forthcoming AGM has informed that he would not be seeking re-election to the Board. The Directors would like to place on record their sincere appreciation for his commitment and contribution made by him during his tenure on the Board since 2007.

AUDITORS

M/s Deloitte Haskins & Sells LLP (DHS LLP), Chartered Accountants, who are the statutory auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Pursuant to provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, it is proposed to appoint DHS LLP as statutory auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the 110th AGM to be held

in the year 2017, subject to annual ratification by members at Annual General Meeting.

During the year, the Company had received intimation from DHS LLP stating that Deloitte Haskins & Sells had been converted into a limited liability partnership (LLP). Accordingly, the audit of the Company for Financial Year 2013-14 was conducted by DHS LLP.

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.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of the energy conservation and research and development activities undertaken by Tata Steel Limited along with the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board

of Directors) Rules, 1988, are provided as an Annexure to the Directors' Report.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report and the Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report is included in this Annual Report.

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 for the Financial Year 2013-14, 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.

as well as their collective contribution to the Company's performance. The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

On behalf of the Board of Directors

ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to all Company's employees for their enormous personal efforts

CYRUS P. MISTRY

Chairman

Mumbai, 14th May, 2014

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

This is to confirm that the Company has adopted the 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 March 31, 2014, 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 March 31, 2014.

Mumbai, 14th May, 2014

T. V. NARENDRAN

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. Highest ever power generation through Top Recovery Turbines (TRT) in the Blast Furnaces.
- ii. Highest ever steam generation through Coke Dry Quenching in Batteries # 5, 6 & 7.
- iii. Use of Pellets at Blast Furnaces to reduce their coke rate.
- iv. Efficient use of by-product gases for Power Generation – Highest ever in-house power generation through by-product gases.
- v. Lowest ever Middling Coal and Light Diesel Oil (LDO) consumption.
- vi. Energy Audit.

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 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 systems in Batteries 10 & 11 at the Coke Plant.
- iii. Replacement of one boiler at Power House # 4.

c. Impact of the above Measures:

Impact of energy conservation measures in Financial Year 2013-14:

- i. Plant specific energy consumption – 6.017 Gcal/tcs
- ii. Highest ever power generation through TRT – 23.45 MW
- iii. Highest ever steam generation through CDQ – 75.13 tph
- iv. Lowest ever middling consumption – 65471 t
- v. Plant Specific Overall Power Rate – 408 Kwh/tss

Form - A

Form for disclosure of particulars with respect to Conservation of energy: 2013-14

Particulars	2013-14	2012-13	Difference	Reasons for variation
A. POWER & FUEL CONSUMPTION				
1. Electricity				
(a) Purchased				
Units (M. KWH)	3,494.30	3,348.18	146.12	An increase in production resulted in requirement of higher power which was fulfilled by purchasing the same at a rate which was 4% more than the previous year.
Total Amount (₹ Lakhs) #	144,235.01	133,144.51	11,090.50	
Average Rate/Unit (₹/KWH)	4.13	3.98	0.15	
(b) Own Generation				
(i) Through Diesel Generator				Lower requirement of diesel due to better availability of power. Distribution of Fixed Cost on lower no. of units and higher diesel prices resulted in a higher cost per unit.
Units (M. KWH)	2.64	5.08	(2.44)	
Units per litre of Diesel Oil (KWH)	3.96	3.59	0.37	
Average Cost/Unit (₹/KWH)	47.26	39.13	8.13	
(ii) Through Steam Turbine/Generator*				More utilisation of by product gases, better upkeep of the plant and better efficiency factored in increment of 'units of electricity generated through steam turbine' per tonne of 'coal used for power generation'.
Units (M. KWH)	1,093.75	1,074.60	19.15	
Units per tonne of Coal (KWH)	12,681	8,509	4,172.37	
Average Cost/Unit (₹/KWH)	2.49	2.60	(0.11)	
(iii) Through TRT				Commissioning of TRT at 1 Blast Furnace in Financial Year 13 last quarter helped in generating more power through TRT.
Units (M. KWH)	205.40	129.23	76.17	
Average Cost/Unit (₹/KWH)	2.00	2.00	0.00	
2. Coal				
(i) Coking Coal & Cokeries				The cost effect due to rise in Coal quantity requirement due to higher production was diluted due to fall in imported coal prices.
Quantity (Million Tonnes)	6.32	5.57	0.75	
Total cost (₹ Lakhs)	472,483.58	448,487.37	23,996.21	
Average Rate (₹/Tonnes)	7,472.43	8,057.72	(585.29)	
(ii) Blast Furnace Injection Coal				Lower middling requirement due to higher and more regular use of by product gases.
Quantity (Million Tonnes)	1.20	0.95	0.25	
Total cost (₹ Lakhs)	122,313.05	107,439.33	14,873.72	
Average Rate (₹/Tonnes)	10,153.02	11,303.04	(1,150.02)	
(iii) Middling Coal and ROM				Lower middling requirement due to higher and more regular use of by product gases.
Quantity (Million Tonnes)	0.07	0.11	(0.05)	
Total cost (₹ Lakhs)	1,293.51	1,990.41	(696.90)	
Average Rate (₹/Tonne)	1,882.45	1,732.00	150.45	
3. Furnace Oil				
Quantity (Kilo Litres)	13,445.52	13,063.84	381.68	Reasonably lower power interruptions than the previous year brought down the requirement of LDO for Diesel Generator significantly.
Total Amount (₹ Lakhs)	5,936.20	5,492.49	443.72	
Average Rate (₹/KL)	44,150.05	42,043.44	2,106.61	
4. Others				
L.D.O.				Reasonably lower power interruptions than the previous year brought down the requirement of LDO for Diesel Generator significantly.
Quantity (Kilo Litres)	1,339.00	2,583.00	(1,244.00)	
Total cost (₹ Lakhs)	845.01	1,512.09	(667.08)	
Average Rate (₹/KL)	63,107.74	58,540.20	4,567.53	
5. Others				
L.P.G.				Rise in quantity due to a number of CO gas line shutdowns in the last quarter in the Tubes Division. HSD had to be fired to keep the Galvanising baths hot.
Quantity (Tonnes)	7,221.53	7,644.60	(423.07)	
Total cost (₹ Lakhs)	4,825.91	4,627.98	197.93	
Average Rate (₹/Tonnes)	66,826.70	60,539.20	6,287.49	
6. Others				
HSD. Oil				Rise in quantity due to a number of CO gas line shutdowns in the last quarter in the Tubes Division. HSD had to be fired to keep the Galvanising baths hot.
Quantity (Kilo Litres)	113.98	80.81	33.17	
Total cost (₹ Lakhs)	60.52	36.81	23.71	
Average Rate (₹/KL)	53,094.38	45,551.29	7,543.09	

Excludes electricity duty paid on purchases.

* Power generation is gas based. Coal is used only in case of shortage of gases/shutdown of blast furnaces. Electricity per tonne of coal represents total electricity (including gas based) divided by coal used for electricity generation.

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)	408.00 (416.00)	108.00 (107.00)	0.36 (0.38)	3,741.81 (3,741.29)	260.41 (537.68)	73.96 (84.03)	193.65 (209.22)
Furnace Oil (Litres)		0.04 (0.05)			4.54 (13.59)	3.60 (3.61)	22.53 (21.10)
Coking Coal (Tonnes)*	0.60 (0.55)						
Others:							
Light Diesel Oil (Litres)	0.12 (0.27)						1.25 (1.66)
High Speed Diesel Oil (Litres)		0.28 (0.16)					
L.P.G. (kg)						9.11 (9.61)	18.04 (19.46)

* 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 2013-14.

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 and Future plan of action:

• Photovoltaic coatings for solar rooftop applications

This project was taken up to develop suitable insulating barrier coating on steel substrate for photovoltaic applications.

As the surface of steel is extremely rough, uneven and non-uniform, nickel electroplating was adopted to smoothen and planarize it. This made the surface compatible for photovoltaic coating. Furthermore a silicon nitride thin film was preferred to develop an insulating barrier layer using the hot wire chemical vapour deposition technique (HWCVD). Amorphous silicon (a-Si:H) thin film solar cells were also fabricated by HWCVD technique on silicon nitride coated steel substrate.

Nickel electroplating on low carbon steel substrate was found to be the most promising technique to reduce the surface roughness of steel substrates. Consequently the surface roughness of bare steel dropped dramatically from 150-200 nm to 10-20 nm. Silicon nitride (SiN_x) coatings have shown high breakdown strength of 1.31 MV/cm when deposited over nickel plated steel substrate. The a-Si:H thin film PV coatings were developed on the SiN_x coated substrate by the HWCVD method and small area

solar cells with moderate efficiencies were obtained in operational condition.

Silicon nitride coating was developed for insulating barrier layer application on Nickel plated steel substrate by hot wire chemical vapour deposition. There was a great success in reducing the surface imperfection of steel by nickel coating. Silicon nitride films developed over Ni plated steel had shown improved dielectric properties. a-Si:H solar cells with 2-3% efficiency had been successfully fabricated at lab scale on these substrates.

In the present work, a very smooth and uniform steel substrate was developed, which is essential for any electronic device to be grown on steel. Thermal mismatch between steel and existing dielectric materials, make it almost impossible to develop insulating barriers for large area applications. Thus an alternative approach will be adopted and photovoltaic coating will be directly developed on the planarized steel substrate without any insulating coating.

• Development of a methodology to produce coke with CSR >70, CRI >28 and mean size >52 mm.

The main objective of the project is to develop a methodology to produce coke with Coke Strength after Reaction (CSR) >70, Coke Reactivity Index (CRI) >28 and mean size >52 mm.

Coke is the most important and expensive raw material used in the Blast Furnace and has a strong influence on the process efficiency and hot metal quality. Its increasing cost as well as environmental concerns associated with it have led to a growing trend to replace coke by other fuels such as by injecting pulverised coal through tuyeres in order to decrease reliance on coke. Coke performs several functions in a blast furnace namely thermal, chemical and mechanical: a fuel providing the energy required for

endothermic chemical reactions and for melting of iron and slag; a reductant by providing gases for iron oxide reduction; a permeable support providing the passage for liquids and gases in the furnace. At low coke rate BF operation, less amount of coke is available in the burden to maintain sufficient permeability of bed. As the coke moves towards lower zones of a blast furnace, it degrades and generates fines, which affects both bed permeability and process efficiency. Therefore, superior coke quality is critical for stable and efficient blast furnace operations under low coke rate conditions. Given this scenario, a project was initiated to produce superior quality coke under stamp charge condition without deterioration of oven health. Tata Steel currently operates with CSR 65; CRI 27 and Arithmetic mean size (AMS) is around 49 mm. The project deals with several modules to address the issue. Some pre-carbonisation techniques and additives have presently been recommended to improve CSR by 2-3 units. However calculations by the Iron Making Technology Group (IMTG) indicate that 1 unit improvement of CSR helps to reduce coke by 2 units and increases productivity by 2 units. Also some operating methods like zero heating after carbonisation not only generate improvement in CSR but also savings in energy and improvement in CO₂ emission. The above mentioned techniques are proved in lab scale. Presently a team from R&D is working along with the Coke Plant on a plant trial.

- **Life Cycle Assessment (LCA) of Tata Tiscon.**

The main aim of this research was a Life Cycle Assessment study of the rebar to develop an environmental product declaration for Rebars.

Life Cycle Assessment (LCA) is a very effective tool for the development of an eco-label. LCA provides a holistic approach for the study. The ISO 14040 series of standards provides the guideline for such studies. In the present study LCA was used as a tool to develop an Environmental

Product Declaration (EPD) for the long product, rebar (rebars + Wire rods), based on the World Steel Association methodology. The goal of the study is to develop Life Cycle Inventories (LCI) for the production and resource extraction phases of the rebar life cycle. These LCIs can, in turn, be used for development of an EPD for the Rebars. The LCIs also help identify hot spots in the rebars production process chain.

A Life Cycle Assessment model for the production phases of the rebar life cycle has been developed in GaBi 4. GaBi (Ganzheitlichen Bilanzierung {German for Holistic Balancing}) is a software tool for creating life cycle balances. The raw material, intermediates, & ancillaries consumption data were taken from the Company's SAP system and are therefore 'measured'. The air emissions data comprises SO₂, NOX and particulates emissions from stack. Emissions to water and soil are not considered. The CO₂ emissions have been calculated based on Carbon balances across the process and are essentially direct emissions. The factors used for the carbon balance are site specific.

The results have been shown in the table below:

Sr. No.	Environmental impact category	Effect	Reference Unit	Amount per tonne of rebar
1.	Global warming potential (GWP)	Increased warming of the troposphere due to anthropogenic greenhouse gases e.g. from the burning of fossil fuels	kg CO ₂ -Equiv.	1,648
2.	Acidification potential (AP)	Increase in the pH-value of precipitation due to the wash-out of acidifying gases e.g. Sulphur dioxide (SO ₂) and nitrogen oxides (NO ₂)	kg SO ₂ -Equiv.	45.72
3.	Eutrophication potential (EP)	Excessive nutrient input into water and land from substances such as phosphorus and nitrogen from agriculture, combustion processes and effluents	kg PO ₄ -Equiv.	0.48

The next step forward is to refine the current model with more accurate data and develop a similar model for flat products.

- **New generation high strength steels (mainly for the transport applications).**

This strategic development programme aims to unlock the potential of steel for various demanding applications (automotive, transport, yellow goods). It focusses on step change improvements in material properties. This new generation of products not only allows the automotive industry to produce lighter and safer cars at competitive costs, but also increases the payload for heavy transport vehicles. The low density steel activities were closed after evaluation proved that the products can technically be made. However, cost effective manufacturing could not be achieved with technologies in the market. New subjects in Financial Year 2013-14 focussed on microstructure control at nano scale, where promising results were achieved. It is the intention of R&D to progress these developments as soon as technical viability is demonstrated.

- **Advanced coatings developments.**

The focus is on development of Physical Vapour Deposition (PVD), a breakthrough coating technology that allows reduced coating thickness through application of advanced protective systems. Products are intended for use in the automotive sector, where coating of advanced high strength steels with legacy technologies is approaching its limit. Good progress has been made in Financial Year 2013-14 towards product quality as well as demonstrating that smooth coatings with excellent automotive outer part standard surface and corrosion properties can be produced. Also the evaporation rate of the source has been developed such that ramp up to semi production scale can be started. This activity is being run in strategic cooperation with Posco.

- **Graphene based coatings for steel.**

Graphene is a rapidly developing technology field offering huge opportunity to develop carbon based low cost protective (building envelope) and functional (batteries, Photo voltaic etc.) coating systems. In cooperation with a

number of leading universities, Tata Steel R&D has built a portfolio of feasibility studies.

- **Steel opportunities in the electric vehicle market.**

This is a strategic study into new opportunities for steel use that might arise from the ongoing move to hybrid and full electric powered vehicles. Areas of attention include structural, engineering and electrical steels. The “proving factory” initiative is a vital part of the Tata Steel strategy and will enable production of prototype parts at a semi industrial scale. This will greatly facilitate and speed up volume developments in the high value add market segments.

3. Future plan of action:

In Financial Year 2014-15, R&D shall continue to improve the competitive position of Tata Steel by pursuing research related to existing operations as well as its future business needs. R&D shall continue to maximise value creation and create stakeholder delight through world class differentiating research. A corporate function, R&D aligns itself to the objectives and strategies outlined in Tata Steel’s corporate vision.

4. Expenditure on R&D:

	(₹ in crores)
(a) Capital	: 12.06
(b) Recurring	: 68.45
(c) Total	: 80.51
(d) Total R&D expenditure as a % of Total Turnover	: 0.19%

Technology, Absorption, Adaptation and Innovation

Efforts made on the process front:

Iron ore pellets and large Blast Furnaces

- Ramp up and stabilisation of India’s largest pellet plant to its rated production of 6 mtpa along with production of ‘olivine’ and limestone mix-fluxed pellets for the first time in the country to optimise results at large blast furnaces.

- The large blast furnaces with rated capacities of 3 mtpa per furnace were fully operated, marking the highest production rate from individual blast furnaces in the country.
- The blast furnace burden comprised up to 45% pellets – the first such regime in large blast furnaces in the country – and amongst few worldwide.

Stabilisation of ‘retro-fitted’ Coke Dry Quenching installations:

- Stabilisation of the first CDQ facility – a 25-year-old coke plant, ‘retro-fitted’ with CDQ technology, was stabilised in Financial Year 2013-14. It then yielded a significant improvement in the quality of coke – apart from the heat recovery from red-hot coke.
- Performance of ‘G’ blast furnace, after use of dry quenched coke, improved considerably, adding to the gains made from recovery of heat from red-hot coke.

Coal beneficiation improvements:

- Diesel – conventionally used as a ‘collector’ in washing of fine coal fractions at washeries – was completely replaced by a ‘synthetic collector’. Apart from replacement of diesel – an initiative to reduce use of petroleum products – the performance of floatation also improved resulting in gains in clean coal yield.

Use of Waste Materials:

- Development of iron ore slime briquette.
- Development of the tunnel furnace process for the production of DRI from iron ore slime and Jhama Coal.
- Development of smelting process for the production of hot metal from self-reducing briquettes containing iron ore slime and Jhama coal.
- Commercialisation of LD slag brick.

New Product Development:

- Development of Ferrite – Bainite and Ferrite Martensite grades for auto customers through the TSCR route.
- Development of micro alloyed grades for wheel applications through the TSCR route.

- Commercialisation of API-60 grade.
- Development of a new grade of 50-12 (Mn:Si) of silico manganese – produced exclusively from local ores.

Process Development:

- Development of a robust roll testing process to prevent the spall of HSM rolls.
- Development of an Annealing Simulator for the optimisation of BAF and CAL annealing cycles.
- Improvement in the Cold Crushing Strength of pellets with the addition of Limestone.

FAMD:

- Development of a hydrometallurgical process for the extraction of Nickel, Cobalt and Iron from the Chrome Overburden of Sukinda.

Bearings Division:

- Nine new products with varied applications developed for different OE manufacturers, along with channels.
- New auto TRB closing m/c developed in-house and operationalised.
- New cutting coolant introduced to obtain higher productivity and better consumable life.
- Testing & validation:
 - Life testing of Ball Bearing, Taper Roller Bearing.
 - Accelerated Test Rig for Rear Wheel Bearings.
 - Testing of Bearings under Heated Oil Condition (up to 90°C) to simulate Gear Box application of 4 wheelers (indigenous development).
 - Mud Bath Test Rig for Rear Wheel Bearings.
 - Dust chamber test rig for Fan Support Bearings to check sealing ability.
 - Endurance Test Rig for HUB Bearings.
 - Retrofitting of existing test rig to validate the performance of products with actual hub assembly from customer at nearby simulated running condition.
 - Retrofitting of an existing test rig for tapered roller bearing to accommodate the testing of deep groove ball bearings.

FORM B - PARTICULARS OF TECHNOLOGY IMPORTED DURING LAST FIVE YEARS

Steel Division	Absorption	Status of Implementation
a) Top Gas Recovery Turbine for 'G' Blast Furnace	2010	Commissioned
b) 4th Stove for 'G' Blast Furnace to facilitate relining of other stoves, without hampering hot metal production	2010	Commissioned
c) Continuous Emission Monitoring stations at 4 locations inside Tata Steel Works	2010	Commissioned
d) Installation of Roll Coating & Drying System at Continuous Galvanising Line at Cold Rolling Mill	2011	Commissioned
e) Use of Blast Furnace Gas at New Reheating Furnace using regenerative burners at Hot Strip Mill	2011	Commissioned
f) Installation of Chiller system for maintaining temperature of cooling medium for 'H' Bl. Fce Blower Drives at Blower House No. 5	2011	Commissioned
g) Installation of 6.0 mtpa Pellet Plant for making pellets using iron ore fines, for use in Blast Furnaces	2012	Commissioned
h) Installation of New Steel Melting Shop (LD3), and one strand of Thin Slab Casting & Rolling (TSCR) facility	2012	Commissioned
i) Pipe Conveyor in the Lime handling circuit	2012	Commissioned
j) Rapid Loading Station at Dispatch Yard of Noamundi Iron Ore Mines, including Extromat Silo Extractor in the fines circuit	2012	Commissioned
k) Barrel Reclaimer at Noamundi Iron Mines	2012	Commissioned
l) Installation of 0.25 mtpa FHCR (Full Hard Cold Rolling) Mill at Bara in Jamshedpur	2012	Commissioned
m) Installation of Coke Dry Quenching facilities at Coke Oven Battery Nos. 5, 6 & 7	2012	Commissioned
n) Installation of Compactor at Wire Rod Mill	2012	Commissioned
o) 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
p) 2 Nos. of 600 tpd capacity, suspended cylinder Lime Kilns	2013	Commissioned
q) Installation of second strand of TSCR	2013	Commissioned
r) Online continuous emission monitoring system for stack emissions and ambient air quality	2013	Commissioned
s) Coromax Technology for Power Saving in ESP at Sinter Plant No. 3	2013	Commissioned
t) Composting Plant for Canteen waste	2013	Commissioned
u) Installation and commissioning of secondary emission control system at LD # 1	2014	Commissioned
v) Installation of Nozzlex addition facility in tilters at LD # 1	2014	Commissioned
w) Installation of Multifunctional gauge for Finishing Mill at Hot Strip Mill	2014	Commissioned
x) Installation of Variable Frequency Drive with Inverter Duty Motor for FD fans at Power House No. 4	2014	Commissioned

Foreign Exchange earnings and outgo:

a. Export performance

1. Activities relating to exports:

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

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

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

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

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

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

4. Export plans:

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

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

Management Discussion and Analysis 2013-14

OVERVIEW

The following operating and financial review is intended to convey the management's perspective on the financial condition and operating performance of the Company at the end of Financial Year 2013-14. The following discussion of the Company's financial condition and results of operations should be read in conjunction with the Company's financial statements, the 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. The statistical data provided in the analysis represents changes during the calendar year.

I. INDUSTRY STRUCTURE

1. Global steel industry and the outlook

Steel Demand

After a period of 5 years, since the break out of the global financial crisis and with significant liquidity injection by several large economies, the macro data from the developed economies started showing trends of slow improvement during 2013 even though several structural weaknesses still needs to be addressed before these trends can be considered sustainable. Global growth remains below pre-crisis levels and much weaker than during the rebound that took place in 2010 and 2011.

In 2013, global steel demand grew by 3.6% to 1.48 billion tonnes due to improved performance in the developed economies especially in North America and Euro Zone in the second half of the year. However, growth in emerging markets slowed down in 2013 due to weak demand especially in developed countries and tighter financial conditions. The World crude steel production rose by 3.5% to 1.607 billion tonnes in the year 2013.

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

in million tonnes

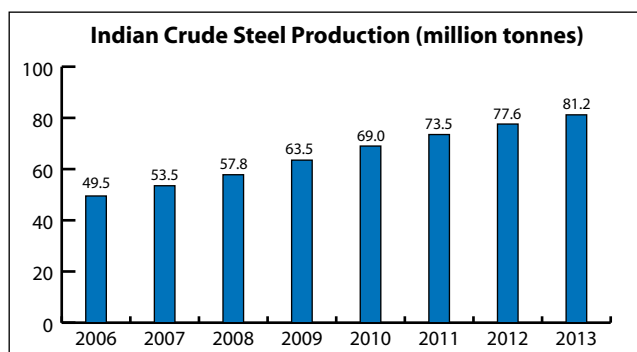
Rank	Country	2013	2012	Change %
1	China	779.0	716.5	8.7
2	Japan	110.6	107.2	3.2
3	United States	87.0	88.7	(1.9)
4	India	81.2	77.6	4.6
5	Russia	69.4	70.4	(1.4)
6	South Korea	66.0	69.1	(4.5)
7	Germany	42.6	42.7	(0.1)
8	Turkey	34.7	35.9	(3.4)
9	Brazil	34.2	34.5	(0.9)
10	Ukraine	32.8	33.0	(0.5)

Source: World Steel Association

It would be important to note that while China has been one of the key engines of global growth in the last decade, it is now looking at a more sustainable model of growth in the next decade rather than pursuing absolute growth. The impact of the above shift will be felt across regions especially those economies that are dependent on commodities and exports to China for sustenance. The economic recovery therefore remains fragile due to divergent underlying supply demand conditions across different regions. Despite some signs of recovery in global steel demand, continued volatility and uncertainty make it a challenging environment for steel companies.

2. Steel industry in India

In 2013, India remained the 4th largest steel producing country in the world, behind China, Japan and the US. Crude steel production grew by 4.6% to 81.2 million tonnes and steel demand grew by 1.8%.



India's GDP growth has slowed down to 5% in 2013 on account of rising inflation and tight monetary controls. This has led to weak domestic steel demand, which grew by 3.3% in 2013 inspite of rise in demand in the last quarter. This has resulted in India becoming the net exporter of steel in Financial Year 2013-14 after a gap of six years. Total steel exports by India during the Financial Year stood at 5.59 million tonnes, as against imports of 5.44 million tonnes as per the report issued by Joint Plant Committee (JPC), a unit of the steel ministry.

India's GDP is expected to grow by 5% and steel demand is expected to growth by 3.3% in 2014. The automotive sector (passenger vehicles and commercial vehicles), which grew by -6% in the Financial Year 2013-14, is expected to grow by about 3%-4% in Financial Year 2014-15. Similarly, the construction sector growth is expected to grow by 5% in the next year compared to growth of 1.9% in the Financial Year 2013-14.

3. European Union (EU) Steel industry:

The adverse impact of harsh weather conditions and overall weak demand fundamentals in the EU during the first half were swept aside by the gradual recovery in activity of the EU's steel using sectors especially in automotive during 2013. Further, the export demand from emerging economies boosted activity for the premium segment manufacturers.

Apparent steel use in the EU (28) is expected to grow by 3.1% in 2014 to 143.3 million tonnes and 3% in 2015 to reach 147.55 million tonnes led by the growth of construction sector, which has almost bottomed out.

II. TATA STEEL GROUP OPERATIONS

Notwithstanding, the global weak underlying economic conditions and the structural challenges faced by steel sector, the Tata Steel Group deliveries increased by 10%

to 26.6 million tonnes in 2013 from 24.1 million tonnes in the previous year. The increase in deliveries came across all geographies with Tata Steel India, Tata Steel Europe, NatSteel Holding and Tata Steel Thailand increasing their deliveries by 14%, 6%, 39% and 10%, respectively. Higher deliveries at Tata Steel India during Financial Year 2013-14 were the outcome of full ramp up of the production facilities under the 3 mtpa expansion programme during in 2013. Higher deliveries at Tata Steel Europe were contributed by the stablisation of the Blast Furnace# 4 at Port Talbot, which was re-started in February 2013. The operating entities of NatSteel Holdings in Vietnam and China also showed significant growth in sales volume. Growth in deliveries in Tata Steel Thailand was achieved through higher rebar sales to the construction sector and exports to neighbouring countries. Consequently, the Group's operations across geographies registered an increase in turnover which was ₹ 1,48,614 crores in Financial Year 2013-14, 10% higher than the turnover in Financial Year 2012-13 (₹ 1,34,712 crores). The EBITDA for the Group in the Financial Year 2013-14 was ₹ 16,377 crores as compared to ₹ 12,654 crores in the Financial Year 2012-13.

The Group reported a consolidated profit after tax (after minority interest and share of profit of associates) of ₹ 3,595 crores during Financial Year 2013-14 as against a loss of ₹ 7,058 crores (after considering the non-cash impairment charge of ₹ 8,356 crores) in Financial Year 2012-13.

1. Tata Steel India

	in ₹ crores	
	FY 14	FY 13
Turnover	41,711	38,199
Profit before tax (PBT)	9,714	7,837
Profit after tax (PAT)	6,412	5,063

a) Steel Division

The impact of volatility in prices, exchange rates, on-going mining challenges, erratic weather occurrences, geo-political situation, a perceived slowdown and uncertainties in the policy landscape contributed to the lack of confidence in the market during the Financial Year 2013-14. Moreover, the increasing coal and fuel shortage is hurting the economic and industrial activity in the country.

Slow growth has been observed in the demand for steel products in India primarily due to near stagnant growth in steel consuming sectors like infrastructure, housing, auto and consumer goods. An upside was provided by the depreciating rupee allowing India, for the first time in recent years, to become a net exporter of steel products in the Financial Year 2013-14.

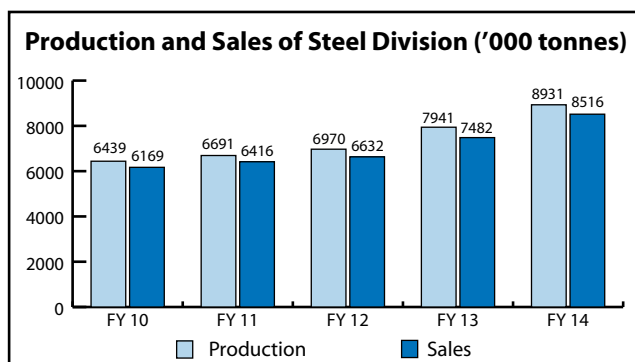
Tata Steel demonstrated agility in responding to market changes by selling in excess of 8.5 million tonnes of Steel and achieving the highest ever production of 9.9 million tonnes of Hot Metal during the Financial Year 2013-14.

The Jamshedpur Steel Works has a crude steel production capacity of 9.7 mtpa.

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

	in million tonnes		
	FY 14	FY 13	Change %
Hot Metal	9.90	8.86	11.7
Crude Steel	9.16	8.13	12.6
Saleable Steel	8.93	7.94	12.5
Sales	8.52	7.48	13.9

The trend of steel production and sales is shown below:



A summary of Steel Business Performance is as follows:

Operational and Sales Performance:

Hot Metal production in Financial Year 2013-14 was higher than Financial Year 2012-13 by 1.04 million tonnes (increase of 12%) primarily due to the addition of its new state-of-the-art "1" Blast Furnace (part of 3 mtpa expansion programme). This was the first full year of operation for the new resource efficient and energy efficient Blast Furnace. LD#3 – the new

Steel Melting Shop – and TSCR, both commissioned under the 3 mtpa expansion project completed their first full year of operation.

The successful ramp up of the new facilities under the 3 mtpa expansion programme led to an increase of 1.03 million tonnes (increase of 13%) in crude steel production in the Financial Year 2013-14.

Enhanced availability of saleable material along with marketing initiatives in Emerging Corporate Accounts (emerging customers with sizable volumes and customised service needs) enabled the Company to sell the additional volumes without compromising on the premium in the Financial Year 2013-14.

The average net realisation of the Steel Business remained low due to depressed prices on account of tepid demand throughout the Financial Year 2013-14.

Key Marketing and Sales initiatives:

Given the challenges ahead, pressure on margins, addition of new capacities, juxtaposed with opportunities in both domestic and exports markets with the Indian rupee settling at a lower value during Financial Year 2013-14, the Marketing and Sales function of the Company reoriented its approach to develop strategies that respond to demand and expand market access. The function has been re-aligned from product-based to a customer-based marketing approach for establishing stronger customer relationship. The objective is to extend the function beyond selling products so that the Company product mix is aligned with customer specific needs. The re-alignment, which reflects dominant customer segments, is aimed at bringing in better synergy and providing a one-stop experience for customers. The following new verticals were created:

- i) Automotive and Special products
- ii) Branded products, Retail and Solutions
- iii) Industrial Products, Projects and Exports

The re-alignment ensured that in one of the worst years for the Auto Industry, Tata Steel recorded a 15% increase in sales to automotive segment over Financial Year 2012-13 by engaging with customers through cross functional teams, focussing on

new models, Hi-end sales (e.g. GA, Skin Panel and Hi-tensile) and entering into new segments/customers.

Sales of branded products also grew by 11% during Financial Year 2013-14 over the previous year despite a slowdown in the construction sector and liquidity crunch for the Small Medium Enterprise (SME) industry. Amongst others, this was achieved by significantly increasing the number of dealers for the Tata Tiscon brand and increasing the availability of thin and wider GC sheets.

The Company's focus on Hi-end grade sales (e.g. Exports special, Corton grade for Railways, API grade etc.) and value added products like Tata Tiscon 'ReadyBuild' enabled the sales to grow significantly in Financial Year 2013-14 under all the new verticals.

The Company continues to focus on sales of its branded products and solutions which command a premium over non-branded products. Tata Steel, the first steel company in India to de-commoditise steel and provide value added products, has year-on-year steadily increased its share of branded products in its overall turnover. In the steel business, the brand offerings of the Company in Retail (B2C) space and SME space are as follows:

a) Retail Offerings:

Galvanised Corrugated Sheet was launched as the 'Tata Shaktee' brand in the year 2000. Currently, the distributor network for Tata Shaktee extends across the country, with 2,800 dealers capable of building ~1,80,000 roofs per month across 6,000 talukas throughout India. It has also been acknowledged as a 'Superbrand' in the last edition of the consumer validated Superbrands survey. Among Tata Shaktee's recent initiatives is 'Roofjunction' – a roofing solution service. This includes service and roof installation by expert fabrications, who use modern techniques. Tata Shaktee is also a component in 'Nest-In', the affordable housing initiative promoted by Tata Steel. As a complete building solution, it provides a simple and quick alternative to the traditional process of building houses. Being extremely versatile, it is ideal for many applications.

Tata Tiscon, the premium quality rebar brand in Indian market, was also launched in the year 2000. Acknowledged as a 'Consumer Superbrand' for the 'Construction Rebar' category

in two consecutive surveys, it is also the only brand from the Indian Steel Industry to be rated as Asia's most promising Brand 2012-13. A customer-focussed initiative under the Tata Tiscon stable is the readymade stirrup solution branded 'Tiscon Superlinks'.

b) SME Offerings:

Since its launch in 2003, Tata Steelium (CR sheet), the world's first branded Cold Rolled steel has found a wide range of applications in the SME segment as a result of the support of distributors and service centres across the country, who are certified by Tata Steel.

The zero spangle Galvanised Plain Steel brand 'Galvano', launched in May 2009 is produced through 'Lead-Free' costing chemistry making it an eco-friendly steel product. This product also serves many SME customers.

The 'Tata Astrum', launched in November 2012, provides HR Sheet and Coils to the SME customers in the processed form, eliminating the need for on-site processing by end users.

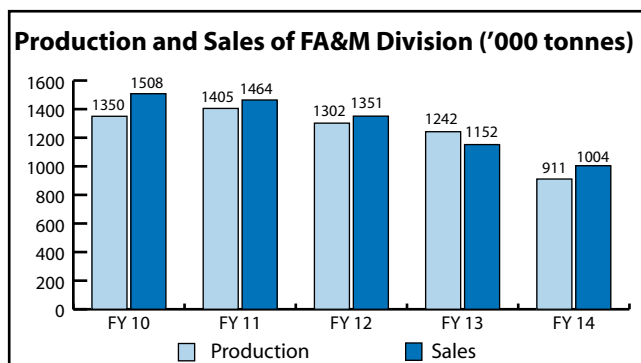
The Company's extensive network of committed channel partners enables it to deliver assured value to priority segments in B2C and B2SME. Apart from providing reach across fragmented consumer bases, this network of partners helps the Company create differentiated value propositions.

Awards and Recognition:

- "Special Support Award" received from Maruti Suzuki India Limited
- "Material Localisation Award" from Nissan India Limited
- "Award for Performance" from Brakes India Limited
- "Best Supplier Award 2013" from Tata Motors Limited
- "Best Business Partner" (Category of product – TMT Bars) from Tata Housing
- TATA Shaktee won the Organisational Award in the category of "Long Term Campaign of the Year" in Rural Marketing Forum & Awards function
- TATA Tiscon received the award "Brand Excellence" in Construction & Real Estate Sector, Best In-House Magazine, Building Bonds, and Effective use of Marketing Communications in 4th CMO Asia Awards for Excellence in Singapore

c) Ferro Alloys and Minerals Division (FAMD):

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

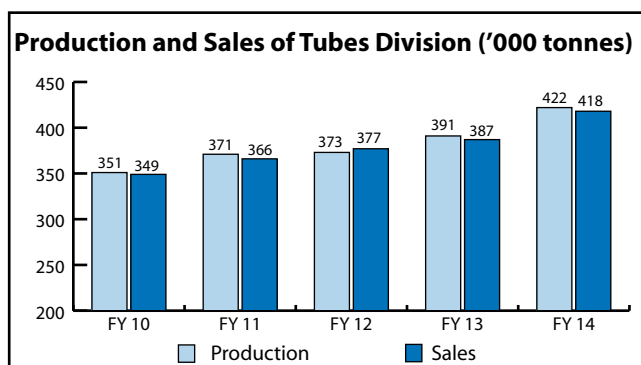


The Division achieved a total sales volume of 1,004k tonnes in Financial Year 2013-14 against 1,152k tonnes in the previous year.

The success of 'TATA SILCOMAG', the world's first ever branded Ferro Alloy launched in the Financial Year 2012-13, prompted FAMD to launch two more branded Ferro alloys – TATA TISCROME (branded Ferro Chrome) and TATA FERROMAG (branded Ferro Manganese) in the Financial Year 2013-14. FAMD won various awards in the year including the "Gold" and "Silver" category being conferred on Sukinda Chromite Mines & Manganese Mines, respectively, in the Mines and Metals sector at the 14th Annual Greentech Award, 2013.

d) Tubes Division

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



Despite a slowdown in the market, the Company's focus on new growth areas resulted in steady growth of 8% in production and sales volumes during Financial Year 2013-14.

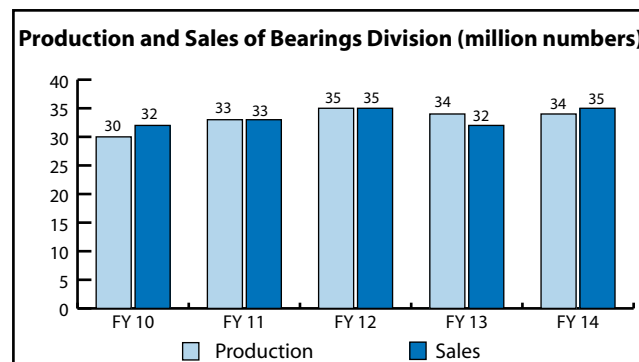
The key performance highlights of the Division are as under:

- In Financial Year 2013-14, the Division crossed the production milestone of 0.4 million tonnes.
- Sales of 'Tata Structura' registered 12% volume growth, surpassing the 1,50,000 tonnes mark through a concerted focus on the Solar and Telecom Tower segment.
- Hi-end product Telescopic Front Fork (TFF) registered its best ever Production & Sales of 3,600 MT with a growth of 66% YoY.

The Tubes Division received the best supplier award for "Innovation & Technology" from M/s. Tata Motors Ltd.

e) Bearings Division:

The performance of the Bearings Division in terms of production and sales volume is shown below:



Through focus on after-sales market, the Division registered its best ever sales volumes and retail sales increased by 28% during the Financial Year 2013-14. Bearings Division has also re-designed production processes to achieve the best ever process yield of 99.6% (Previous Best 98.7%).

It continued to maintain the trust of its customers, earning a number of awards and accolades including the Platinum Award from Bajaj Auto for quality, cost and delivery besides consistent 'Zero PPM' awards from Bosch, Toyota and Rane NSK.

2. Tata Steel Europe

in ₹ crores

	FY 14	FY 13
Turnover	84,666	78,012
Profit/(loss) before tax (PBT)	(3,684)	(12,789)
Profit/(loss) after tax (PAT)*	(3,011)	(12,649)

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

Tata Steel Europe's (TSE) revenue of ₹ 84,666 crores for the Financial Year 2013-14 was 8.5% higher than the previous year in rupee terms (3% lower in GBP terms, being entity's reporting currency). The average revenue per tonne declined by 7% due to weaker market conditions caused by continued lower steel capacity utilisation rates in Europe. The TSE's profit before tax for the Financial Year 2013-14 registered an improvement over last year. There was no impairment charge considered in the Financial Year 2013-14 as compared to the impairment charge of ₹ 7,534 crores considered in Financial Year 2012-13.

Operational and Sales Performance:

Stabilisation of Blast Furnace# 4 at Port Talbot, UK, rebuilt during the year and lighted in February 2013, along with an increase in deliveries by the Long Products Division in Europe were reflected in the 16.5% increase in crude steel production to 15.5 million tonnes in Financial Year 2013-14 from 13.3 million tonnes in the Financial Year 2012-13. Deliveries also grew by 6.1% to 13.9 million tonnes from 13.1 million tonnes.

The production and sales performance of TSE are shown below:

	in million tonnes		
	FY 14	FY 13	Change %
Liquid steel production	15.5	13.4	16.3
Deliveries	13.9	13.1	6.1

Reliability was a key theme for operational excellence during Financial Year 2013-14 with a number of performance records being broken:

- **At Port Talbot** – (a) the best ever total hot metal make was achieved at Blast Furnace# 4 (2.05 million tonnes - previous best of 1.91 million tonnes in Financial Year 2002); (b) the best ever total hot metal make for the site was achieved (4.16 million tonnes - previous best of 3.86 million tonnes in Financial Year 2007); (c) the best ever total liquid steel make (4.55 million tonnes - previous best of 4.41 million tonnes in Financial Year 2007); and (d) the best ever total slab make (4.45 million tonnes - previous best of 4.29 million tonnes in Financial Year 2007).
- **At Llanwern** – the best ever total hot dipped galvanising line output on the Zodiac line was registered with 479 thousand tonnes (previous best of 417 thousand tonnes in Financial Year 2006).

- **At IJmuiden** – (a) the best ever total Hot Strip Mill output was achieved at 5.21 million tonnes (previous best of 5.05 million tonnes in the Financial Year 2011-12); (b) the best ever total Direct Sheet Plant output of 1.26 million tonnes (previous best was 1.19 million tonnes in Financial Year 2007); and (c) the best ever total hot dipped galvanising line output at DVL3 of 552 thousand tonnes (previous best was 465 thousand tonnes in the Financial Year 2012-13).

Production at different facilities in TSE along with their capacities is shown below:

	in million tonnes	
	Production capacity	Actual production
Port Talbot steelworks, West Glamorgan, Wales	4.9	4.5
Scunthorpe steelworks, South Humberside, England	4.5	3.2
Rotherham steelworks, South Yorkshire, England	0.8	0.7
IJmuiden steelworks, the Netherlands	7.2	7.1
Total	17.4	15.5

Tata Steel Europe continued to implement its strategy of market differentiation to achieve its mission of being its customers' preferred supplier in its chosen markets, unlocking the potential of steel. The principal end-user markets for the Company's steel products are the automotive, construction, packaging, rail, lifting & excavating and energy & power sectors. A key metric for the development of the market differentiation strategy is the progress of the New Product Development pipeline. This programme met its intended objectives for the year by launching 30 new products, marking Financial Year 2013-14 as its most successful year. In addition, the volume of new products sold increased by about 75%. Sales of differentiated products – products made by few or no other producers that therefore attract price premiums – also rose by about 15% compared to the previous year, having already exceeded 25% as a proportion of overall sales.

Tata Steel's strategy in Europe is built upon several building blocks: Customer Focus, Operational Excellence, Innovative Products & Services and Responsibility. To increase customer

focus, the Company has reorganised its sales and marketing activities in recent years and created a new organisational structure that is unique in the steel industry and differentiates Tata Steel's European operations from the competition. Under this structure, sales and marketing activities are organised by market sectors, ensuring expert face to market and improved level of service.

By strengthening customer focus in this manner, improvements were secured in the product and service portfolio whose results have already been outlined above. These improvements included success in Early Vendor Involvement initiatives, leading to awards and other successes with customers, including the Company's close partnership with JCB, which led to the development of its most productive tractor, the Fastrac 4000. Other such successes are listed below:

Awards and Recognition:

Tata Steel Europe registered a number of customer success during the year:

- Network Rail, the owner and operator of rail infrastructure in the UK, has chosen to source more than 95% of its rail from Tata Steel Europe until 2019.
- Schneider Electric conferred the Preferred Supplier 2013 award on TSE.
- Royal Mint conferred its Most Innovative Supplier award on TSE for the third year running.
- Awarded 'GOLD' in the Caterpillar Supplier Quality Excellence Process for its global supply of track shoe profiles.
- Toyota Certificate of Recognition for important contribution in the area of quality.

3. NatSteel Holdings

in ₹ crores

	FY 14	FY 13
Turnover	12,128	9,393
Profit/(loss) before tax (PBT)	42	155
Profit/(loss) after tax (PAT)*	43	113

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

During Financial Year 2013-14, NatSteel Holdings (NSH) enhanced its capabilities across all geographies as the

Company invested for the future in IT, Technology and Internal Capability Building. This was done in the backdrop of a volatile, uncertain and highly competitive business environment.

The Company's Singapore operations completed its major plant modernisation projects, including the New Scrap Shear, New Shaft Furnace and various downstream automation projects. NSH once again achieved its highest-ever downstream deliveries of 512k tonnes and maintained its leadership position in downstream volumes, emerging as the largest supplier of mesh in Singapore. Overall Sales grew by 29% across the Group. A partnership with two private steel companies for the supply of billets along with a conversion and marketing agreement in the Fujian province, doubled sales to 1.4 million tonnes during the Financial Year 2013-14 from 653k tonnes in the Financial Year 2012-13. Consequently NSH's market share in the Fujian province rose to 15%. Vietnam achieved record sales volume of 134k tonnes, 19% higher than last year. However, profitability was adversely affected due to a downward pressure on price caused by the influx of low-priced materials from China. Rationalisation and productivity efforts in Australia have resulted in a turnaround in the business to a positive EBITDA in the Financial Year 2013-14.

4. Tata Steel Thailand

in ₹ crores

	FY 14	FY 13
Turnover	4,860	4,436
Profit/(loss) before tax (PBT)	18	(626)
Profit/(loss) after tax (PAT)*	8	(635)

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

Sales of Tata Steel Thailand increased by 10% during the Financial Year 2013-14 despite the adverse effects of political turmoil on the Thai GDP which has grown below 3% in 2013 and the estimate for 2014 is pegged in the range of 2-2.4%.

The challenge of GDP contraction notwithstanding Tata Steel Thailand (TSTH) further strengthened its leadership position in Rebars, increasing its market share from 32% to 35% in Financial Year 2013-14 by leveraging the strong presence of its brand TATA TISCON in the regional markets of Thailand. Finished goods production for the year stood at 1.29 million tonnes, 10.5% higher than in the previous year. TSTH reported

a profit after tax of ₹ 8 crores during Financial Year 2013-14 compared to a loss in the previous year riding on continuous improvements in the fields of customer intimacy and operational excellence.

5. Tata Metaliks Limited

	in ₹ crores	
	FY 14	FY 13
Turnover	1,425	995
Profit/(loss) before tax (PBT)	3	(114)
Profit/(loss) after tax (PAT)*	9	(87)

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

There was a significant improvement in the operating margin of Tata Metaliks Limited (TML) during the Financial Year 2013-14 with both production and sales escalating by 38% and 51% respectively, compared to the previous year. Production and sales of ductile iron pipes also increased by 54% and 61% respectively, compared to the previous year. TML recorded significant improvements in its operating margin as a consequence of improvements in operating parameters like yield, rejection rate, plant availability, etc., as well as sales performance in terms of net realisation.

A consolidated profit after tax of ₹ 9 crores was reported during the Financial Year 2013-14 after accounting for an exceptional loss of ₹ 21 crores on sale of its entire plant and machinery at the Redi unit. TML intends to improve its operating margin further in 2014 by setting up a coke oven plant along with a 10 MW power plant at Kharagpur on a BOOT (Built Operate Own & Transfer) basis.

On 10th April 2013, Tata Steel Limited announced the merger of TML and TMKPL with itself under a 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 holds 50.09% of the equity share capital of TML. The shareholders' approval for the Scheme is being sought at the Court Convened Meeting of the shareholders to be held on 16th May, 2014.

6. TM International Logistics Limited

	in ₹ crores	
	FY 14	FY 13
Turnover	1,088	1,047
Profit/(loss) before tax (PBT)	47	65
Profit/(loss) after tax (PAT)	36	53

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

During Financial Year 2013-14, TMILL added a new line of service to cater to the requirement for coastal liner services along the west coast of India. The shipping business arm of TMILL crossed a milestone by handling 8.7 million tonnes of cargo during Financial Year 2013-14, exceeding its previous best of 7.9 million tonnes in Financial Year 2012-13.

However even as the higher tonnage resulted in an increase of 4% in turnover over the previous Financial Year 2012-13, TMILL experienced a 28% reduction in profit before tax over previous year, mainly due to decline in the margins in the global shipping market. The reduction in steel cargo handling at Berth No. 12 at Haldia Port due to the change in trade flows coupled with a reduction in the scope of port management services at the Dhamra Port also affected its performance.

7. Tata Steel Processing and Distribution Limited

	in ₹ crores	
	FY 14	FY 13
Turnover	1,723	1,643
Profit/(loss) before tax (PBT)	60	60
Profit/(loss) after tax (PAT)	43	41

Tata Steel Processing and Distribution Limited (TSPDL) is the largest steel service centre in India. In Financial Year 2013-14, it has enhanced its steel processing capacity to ~ 2.6 million tonnes and added a new service centre raising the number of these facilities to nine. TSPDL commissioned the largest Slitting line at Jamshedpur with an annual capacity of around 3 lakh tonnes. This Slitting line is the largest line in India and now TSPDL is now India's largest Service Centre Complex. To augment its steel processing capacity in Southern region, TSPDL also commissioned its first Hot Rolled Pickled and

Oiled (HRPO) Steel Service Centre at Chennai. The 2.85 lakh tonnes per annum facility is equipped with state-of-the-art capabilities.

The Company, a key player in Auto steel servicing sector, was impacted during the Financial Year 2013-14 due to the slowdown in the general economic conditions and in the Auto sector in particular. However, it has ended the year with an improved performance contributed by an increase share of business with key customers – both in its Distribution and Tolling businesses, bolstered with various cost reduction and improvement initiatives.

8. The Tinplate Company of India Limited

in ₹ crores

	FY 14	FY 13
Turnover	1,080	893
Profit/(loss) before tax (PBT)	91	50
Profit/(loss) after tax (PAT)	63	28

The Tinplate Company of India Limited, India's largest producer of tin-coated and tin free steel used for metal packaging, has two Cold Rolling Mills and two Electrolytic Tinning Lines. The overall production from the two cold rolling mills for Financial Year 2013-14 was 336k tonnes, 4% higher than the production of 323k in the previous year. The production by the tinning lines during Financial Year 2013-14 at 324k tonnes was also 5% higher than the previous year's production of 310k tonnes.

TCIL's turnover rose by 21% on the strength of higher conversion volumes and export realisation. The increased volumes, higher export realisations as well as weaker rupee contributed to a 122% increase in profit after tax.

9. Tata NYK Shipping Pte Ltd.

in ₹ crores

	FY 14	FY 13
Turnover	1,582	1,091
Profit/(loss) before tax (PBT)	(307)	(125)
Profit/(loss) after tax (PAT)	(307)	(125)

TATA NYK Shipping Pte Ltd., a 50:50 joint venture company of Tata Steel Ltd, India and NYK Line, Japan caters to the sea-borne trade for the Tata Group and the Indian markets.

The Company carried 20.2 million tonnes of cargo in Financial Year 2013-14, a growth of 20% over the previous year. The Company has a current fleet size of 24 ships (6 owned and 18 chartered).

Due to onerous contract and pre-delivery of high cost vessel, the Company has taken a one-time charge of ₹ 247 crores in the Financial Year 2013-14. The Company has reported losses in Financial Year 2013-14 due to weak underlying shipping industry fundamentals. However, the losses are lower as compared to previous year.

10. Tata Sponge Iron Limited

in ₹ crores

	FY 14	FY 13
Turnover	784	798
Profit/(loss) before tax (PBT)	150	126
Profit/(loss) after tax (PAT)	101	85

Tata Sponge Iron Limited, a manufacturer of sponge iron and producer of power, located at Joda, Odisha, increased its capacity utilisation during the Financial Year 2013-14 from 92% to 97% in comparison to the previous year.

The Power business of the Company saw a rise, generating 195.71 million kwh of power in Financial Year 2013-14 as compared to 178.92 million kwh in Financial Year 2012-13. The sale of surplus power during Financial Year 2013-14 was 140.91 million kwh as compared to 123.81 million kwh in Financial Year 2012-13. The increase in generation and sale of power is primarily on account of higher operating days as well as better capacity utilisation by its sponge iron kilns.

III. STRATEGY

Tata Steel's strategy development and deployment is aligned to its vision of becoming a global steel industry benchmark in Value Creation and Corporate citizenship.

One of the key pillars of Tata Steel's long-term strategy is to continue to build capacity in India through brownfield and greenfield expansions that is globally competitive and delivers world class products to its customers. In line with the above strategy, the Jamshedpur operations of the Company

achieved almost a million tonnes of additional production and sales during the Financial Year 2013-14. In a year when most steel consuming segments in India were witnessing depressed demand conditions, the Company produced and sold higher volumes through meticulous planning and market development.

Tata Steel places a sustained emphasis on innovation. The process encompasses building of the capability to better understand the needs of consumers and finding the best possible products/solutions to cater to their needs. This can be done through innovation in process, product, service/solution or channel. Tata Steel has in the past demonstrated the ability to innovate by branding steel, shaping and developing the channel partners, entering new segments by developing new products and increasing penetration in value chains through services and solutions. There is a need to further strengthen the process of understanding consumer needs and generating actionable insights. While focussing on creating a funnel of innovative offerings for its chosen segments, the Company has, as a step forward, adopted a customer-based approach for its marketing and sales function in the Financial Year 2013-14 creating new business verticals.

During the year Tata Steel also continued with focussed improvements in the quality of products and services, building on the progress made by it in its Total Quality Management journey. It is further strengthening its quality assurance system by emphasising on internal system through standardised initiatives, cross functional activities and Q reviews across different levels, which enable it to deliver value to customers. Customer claims and critical claims from existing facilities have reduced significantly in the Financial Year 2013-14. As Tata Steel grows its volumes in India, it will continue to focus on customer centricity across all segments and branding of its products which is a significant part of the total turnover of the Company

In the steel industry, capacity gets added in sizeable chunks at points in time while demand growth is more linear. Therefore, demand growth in the short-term is unlikely to grow in tandem with supply of steel as additional capacities come on stream

and this will put pressure on steel prices. The price discovery will be based on the cost positions of marginal players in the industry. India is expected to remain as a net exporter of steel and this will imply a higher level of integration of domestic and global steel prices. Tata Steel has hitherto benefitted from access to raw material. Softening of raw material prices due to surplus global raw material (iron ore and met coal) capacity will add pressure on steel prices going forward.

Therefore, Tata Steel continues to focus on continuous operational improvements. Kar Vijay Har Shikhar (KVHS) is the programme introduced in India for continuous innovation in process and operational excellence. Through its cost improvement initiatives, Tata Steel achieved a savings of ₹ 1,614 crores against a plan of ₹ 1,412 crores in Financial Year 2013-14. KVHS contributed ₹ 1,170 crores towards cost improvements in the Financial Year 2013-14..

Similarly, the Company's European operations continued to deploy improvement programme under the umbrella of "Objective Goal Strategy Measure" (OGSM) programme designed towards achieving the mission of the Company i.e., 'To be the long-term preferred partner in our chosen markets by unlocking the potential of steel'. The European strategy combines the use of market differentiation, which aims to raise the proportion of premium, value-added products and services in the Company's portfolio, with rigorous cost control.

The focus on costs by Tata Steel Europe resulted in approaching GBP 200 million in operating cost savings during the year. Financial performance consequently improved over the previous year, despite the margin between raw materials costs and steel sales prices deteriorating.

During the year, Tata Steel Europe launched a number of improvement initiatives, some of which are listed below:

- Following the success of Project Ark in 2011 at Long Products Europe (LPE), LPE launched 'Path to Profit' during the year with a reduction of GBP 40 million in controllable costs and 500 FTE (full time employees) reductions.
- Launched in 2011, the Journey to Commercial Excellence (J2CE) is a key Sales and Marketing improvement

programme. It plays a significant role in accelerating delivery of a number of its OGSM objectives. The programme covers five areas with initiatives focussed either on creating value for the company or on developing the internal capability of the Sales & Marketing function. They are: Customer, Pricing, People, Product and Working Capital, with multiple initiatives now either in the deployment phase or having already reached steady-state.

- In September 2013, a Journey to Procurement Excellence (J2PE) was announced with a view to speed up the pace of change and deliver savings in external spend. The review identified potential benefits of GBP 100 million per year that could be achieved by taking a pan-European approach to external spend and by deploying best practices commercially and operationally.
- A standardised 'idea' capture and management process across European operations – Ideas Make a Difference (I-MAD) – was launched during the year. The process is designed to centralise capture of ideas and propel further sharing and learning across Europe. The financial impact for the year amounted to GBP 7 million.
- Recognising that technical expertise is a key area of differentiation for European operations, development of a 'Technical Excellence Programme' commenced in quarter 3. It focusses on improved sharing and learning, the implementation of technical and operational best practice, an effective and efficient organisation, common approaches, enhanced skills and competencies, and faster innovation.

IV. FINANCE

The Financial Year 2013-14 was marked by growth in emerging economies slowing due to the tapering by US Fed and Forex volatility. There was a consensual shift of investors from the emerging market to developed markets during the period. Despite looking stronger, the developed world too had its share of problems in the form of rising debt and gradual recovery.

Investor service and credit rating companies are keeping a close eye on the steel, metal and mining sectors. There are some challenges going forward in the form of weaker consumption and capacity expansion, which may weigh on the margin of steelmakers' and their utilisation rates. Mining bans and a softer outlook for global commodity prices have also affected the mining sector. Government's push towards unlocking pending investment has aided sentiments.

In the context of the above uncertain macroeconomic environment, Tata Steel has adopted a financing strategy for this year, which is similar to last year, focussed on the following key components (a) Financial Closure for Odisha project: Tata Steel is implementing a fully integrated 6 mtpa steel plant (3 mtpa in first phase) in Odisha. The capital expenditure is to be funded by mix of debt and equity. Financing for the project has been successfully closed with debt approval of ₹ 22,800 crores by a consortium led by State Bank of India. This has been the largest-ever syndicated project finance deal and the debt facility was oversubscribed 1.7 times. This is truly a testament to the continuous confidence that the investors and bankers have in the Company (b) Disposing off of non-core assets to reduce lazy capital. Tata Steel has launched the sale process for some of its non-core assets. One such proposed sale is Tata Steel's land in Borivili for ₹ 1,155 crores (c) Liquidity buffer for continued global operations: the total liquidity headroom of the Company was ₹ 2,243 crores as of 31st March, 2014, comprising cash & cash equivalents and undrawn lines).

Fitch maintained Tata Steel Limited's rating at BB+ and outlook as "Negative". The Domestic rating of Tata Steel Limited and the loans availed from banks was reaffirmed at AA. Further, Moody's Investors Service reaffirmed Tata Steel Limited's Corporate Family Rating at Ba3 while maintaining its outlook as "Negative". S&P also maintained its outlook of Tata Steel as "Negative" and re-affirmed 'BB' Rating. The concerns in the near term outlook across the agencies are principally because of lower growth and a challenging external environment for the global steel industry. However, due to the depreciation of the rupee during the past year, steel export has become more profitable. Also, domestic steel margins improved as

the domestic prices are correlated with global steel prices in terms of US\$.

The Company remains equipped to meet these challenges through an increased emphasis on deleveraging the balance sheet through a better financing strategy to meet capital expenditure requirements and disposing non-core assets. Tata Steel's plant in Kalinganagar is also expected to start its production towards the end of Financial Year 2014-15. Once the plant starts commercial production, Tata Steel will be able to leverage its expertise and distribution network to meet the rising steel demand in India as well as consolidate its earnings. Benefits from the 3 mtpa expansion in Jamshedpur has begun to accrue resulting in higher earnings and profits. This will help the Company to diversify its customer base across sectors and strengthen its performance.

V. FINANCIAL PERFORMANCE

1. Tata Steel standalone

Tata Steel recorded a profit after tax of ₹ 6,412 crores during Financial Year 2013-14 as compared to ₹ 5,063 crores in Financial Year 2012-13 primarily due to higher deliveries at 8.52 million tonnes (Financial Year 2012-13: 7.48 million tonnes). The basic and diluted earnings per share were at ₹ 64.22 for Financial Year 2013-14 (Financial Year 2012-13: ₹50.28).

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

a) Net sales and other operating income

	in ₹ crores		
	FY 14	FY 13	Change %
Sale of products	44,884	41,014	9
Sale of power and water	898	875	3
Income from town, medical and other services	87	76	14
Other operating income	440	352	25
Sales and other operating income	46,309	42,317	9
Less: Excise Duty	4,598	4,118	12
Net sales and other operating income	41,711	38,199	9

Sales increased in the Financial Year 2013-14 by 9% over Financial Year 2012-13 primarily due to increase in volumes of Flat products (post commissioning of TSCR). The increase was partly offset by lower volumes of Long products and lower realisations of both Flat and Long products due to adverse market conditions and mix impact. Higher volumes partly offset by lower realisations at Tubes Division and at Wires Division also contributed to the increases.

Division wise net sales are shown below:

	in ₹ crores		
Net Sales	FY 14	FY 13	Change %
Steel	37,012	33,705	10
Tubes	1,937	1,790	8
Ferro Alloys and Minerals	2,594	2,544	2
Bearings	168	160	5
Total	41,711	38,199	9

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

	in ₹ crores		
	FY 14	FY 13	Change %
Purchase of finished, semi-finished steel and other products	353	453	(22)

Purchase of finished and semi-finished materials decreased over Financial Year 2012-13 due to lower purchases at Growth Shop (on account of Odisha projects and external orders) at Wires and CRC West Division. The decreases were partly offset by purchase of imported rebars – at Steel Division – and higher purchases at Tubes Division.

c) Raw materials consumed

	in ₹ crores		
	FY 14	FY 13	Change %
Raw Materials consumed	9,678	9,877	(2)

Raw Materials consumed decreased primarily due to lower cost and consumption of purchased coke. The decreases were partly offset by higher consumption of imported coal, higher cost and consumption of imported limestone, Ferro Alloys and other raw materials along with higher freight and handling costs of own material.

d) Employee benefits expense

in ₹ crores

	FY 14	FY 13	Change %
Employee benefits expense	3,673	3,602	2

The employee benefits expense in the current period increased over Financial Year 2012-13 primarily on account of normal salary revision. The increase was partly offset by reduction in retiring provisions on account of change in actuarial estimates due to change in discounting rates.

e) Stores and spares consumed

in ₹ crores

	FY 14	FY 13	Change %
Stores and spares consumed	2,611	2,091	25

Stores and spares consumed (including industrial gases and spares) increased during the Financial Year 2013-14 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 14	FY 13	Change %
Repairs to machinery	1,734	1,381	26

Repairs to machinery increased compared to Financial Year 2012-13 mainly on account of increase in mechanical contract jobs at the Finishing Mills, increase in civil contract jobs at the mines and collieries along with overhauling and other maintenance activities at various steel making facilities in the Jamshedpur Steel Works.

g) Conversion charges

in ₹ crores

	FY 14	FY 13	Change %
Conversion charges	2,004	1,955	2

Increase in the Conversion charges was a consequence of higher volumes and higher conversion charges at Flat products, Tubes Division and Wire Division. This increase was partly offset by lower conversion rates at FAMD and Long products and lower volumes at FAMD.

h) Purchase of power

in ₹ crores

	FY 14	FY 13	Change %
Purchase of power	2,565	2,321	10

Power purchased cost has increased during the Financial Year 2013-14 primarily due to increase in the power cost for both captive units and purchased fuel. Increase in captive power cost was largely attributed to higher power consumption on account of higher production volumes.

i) Freight and handling charges

in ₹ crores

	FY 14	FY 13	Change %
Freight and handling charges	2,755	2,261	22

The freight and handling charges were higher mainly on account of increase in volumes and rates of both rail and road dispatches.

j) Royalty

in ₹ crores

	FY 14	FY 13	Change %
Royalty	1,130	1,152	(2)

Royalty charges were lower in the Financial Year 2013-14 mainly on account of lower royalty rates of iron ore notified by Indian Bureau of Mines (IBM). This was partly offset by higher volumes and additional provision for royalty arising out of a demand confirmed by Jharkhand High Court.

k) Rates and Taxes

in ₹ crores

	FY 14	FY 13	Change %
Rates and taxes	509	423	20

Rates and taxes increased primarily due to the provision on account of the BST sales tax assessment from January 2002 to March 2004 and of Financial Year 2004-05 and Financial Year 2005-06.

l) Other expenses

in ₹ crores

	FY 14	FY 13	Change %
Other expenses	2,346	2,157	9

Other expenses increased primarily due to increase in packing

charges, technical consultancy charges and various other expense heads.

m) Finance costs and Net Finance charges

in ₹ crores

	FY 14	FY 13	Change %
Finance costs	1,821	1,877	(3)
Net finance charges	1,472	1,546	(5)

Both the gross finance costs and net finance charges were lower over Financial Year 2012-13 primarily due to higher interest capitalisation partly offset by net increase in interest outgo.

n) Exceptional items

in ₹ crores

	FY 14	FY 13	Change %
Exceptional items	(142)	(675)	(79)

The exceptional items in Financial Year 2013-14 represents provision on account of diminution in value of investments of ₹ 97.53 crores in TAYO Rolls Limited, ₹ 24.71 crores in Strategic Energy Technology Systems Private Limited and ₹ 19.52 crores in Gopalpur SEZ Limited. The exceptional items in Financial Year 2012-13 primarily reflect the diminution in the value of the investments in TSKZN (₹ 687 crores) partly offset by the profit on sale of stake in Sila Eastern Pvt. Ltd. (₹ 2.7 crores).

o) Fixed assets

in ₹ crores

	FY 14	FY 13	Change %
Gross Block	58,153	47,254	23
Less: Impairment	137	137	-
Less: Depreciation	15,241	13,520	13
Net Block	42,775	33,597	27

The increase in fixed assets represents primarily capital expenditures towards Kalinganagar project at Odisha.

p) Investments

in ₹ crores

	FY 14	FY 13	Change %
Trade investments	2,328	2,184	7
Investments in subsidiary companies	49,991	47,801	5
Investment in mutual funds	2,343	434	440
Total investments	54,662	50,419	8

During the year, the Company converted advance against equity given to its subsidiary Tata Steel Holdings into equity. Investment in the Mutual Funds as on 31st March, 2014 was ₹ 2,343 crores up from ₹ 434 crores of 31st March, 2013.

q) Inventories

in ₹ crores

	FY 14	FY 13	Change %
Stores & Spares	1,718	1,473	17
Stock-in-trade	4,290	3,785	13
Total inventories	6,008	5,258	14

Increase in stores and spares was primarily due to increase in mechanical and electrical spares stock to support the operations post 3 million tonnes expansion at Jamshedpur. Raw materials inventories have increased as compared to March 2013 mainly due to increase in stock of imported coal, limestone, and zinc and tin.

r) Sundry Debtors

in ₹ crores

	FY 14	FY 13	Change %
Gross Debtors	787	811	(3)
Less: Provision for doubtful debts	16	14	11
Sundry Debtors	771	797	(3)

Reduction in debtors balance is primarily due to the decrease in the export debtors as Financial Year 2012-13 included higher month end sales in March 2013.

s) Loans and advances

in ₹ crores

	FY 14	FY 13	Change %
Loans and advances	5,379	8,782	(39)

Decrease in loans and advances is primarily on account of conversion of advance against equity to Tata Steel Holdings to equity and utilisation of MAT credit entitlement.

t) Cash flow and Net debt

Cash flow

in ₹ crores

	FY 14	FY 13	Change %
Net Cash flow from operating activities	12,432	11,069	12
Net Cash flow from investing activities	(9,837)	(8,522)	15
Net Cash flow from financing activities	(3,826)	(4,282)	(11)
Net increase/(decrease) in cash & cash equivalents	(1,231)	(1,735)	(29)

Net cash flow from operating activities

The net cash from operating activities was ₹ 12,433 crores during Financial Year 2013-14 as compared to ₹ 11,069 crores during Financial Year 2012-13. The cash operating profit before working capital changes and direct taxes during Financial Year 2013-14 was ₹ 13,236 crores as compared to ₹ 11,587 crores during Financial Year 2012-13 due to improved profitability. Decrease in the trade and other receivables and increase in the trade payables were partly offset by the increase in inventories in the current period resulting in the overall decrease in working capital during Financial Year 2013-14 (₹ 1,644 crores). The income taxes paid during Financial Year 2013-14 was ₹ 2,447 crores as compared to ₹ 1,980 crores during Financial Year 2012-13.

Net cash from investing activities

The net cash outflow from investing activities amounted to ₹ 9,837 crores in Financial Year 2013-14 as compared to an outflow of ₹ 8,522 crores during Financial Year 2012-13. The outflow during Financial Year 2013-14 broadly represents

capex primarily on account of Kalinganagar project at Odisha (₹ 9,549 crores) and purchase (net of sale) of current investment (₹ 1,697 crores) partly offset by dividend received (₹ 492 crores).

Net cash from financing activities

The net cash outflow from financing activities was ₹ 3,826 crores during Financial Year 2013-14 as compared to an outflow of ₹ 4,282 crores during Financial Year 2012-13. The outflows during the current period were mainly due to the repayment of borrowings (₹ 6,470 crores), interest payments (₹ 1,503 crores) and dividend payments (₹ 901 crores) partly offset by fresh draws (₹ 5,325 crores).

Net Debt

in ₹ crores

	FY 14	FY 13	Change %
Gross Debts	27,917	27,508	1
Less: Cash and Bank balances	990	2,221	(55)
Less: Current investments	2,343	434	440
Net Debt	24,584	24,853	(1)

Net debt as on 31st March, 2014 was ₹ 24,584 crores compared to ₹ 24,853 crores as on 31st March, 2013.

During the Financial Year 2013-14, gross debt has increased marginally by ₹ 410 crores compared to previous year primarily due to fresh draws and foreign exchange impact of loan revaluation partly offset by repayments of some secured and unsecured loans during the period. Current investment and cash balance was higher by ₹ 678 crores as compared to 31st March, 2013 resulting in the decrease in net debts.

2. Tata Steel Group

Tata Steel Group posted a consolidated profit after tax (after minority interest and share of profit of associates) of ₹ 3,595 crores against a loss of ₹ 7,058 crores in the previous year. This is after considering an impairment charge of ₹ 46 crore as against the impairment charge of ₹ 8,356 crores during Financial Year 2012-13.

a) Net sales and other operating income

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	41,711	38,199	9
Tata Steel Europe	84,666	78,012	9
NatSteel Holding	12,128	9,393	29
Tata Steel Thailand	4,860	4,436	10
Others	34,476	28,255	22
Eliminations & adjustments	(29,227)	(23,583)	24
Group Total	1,48,614	1,34,712	10

Tata Steel, India recorded a turnover growth of 9% primarily on account of higher volumes which was partly offset by lower realisations. Turnover of Tata Steel Europe (TSE) was 3% lower than previous year in GBP terms reflecting 7% decrease in realisations due to weak market conditions. However TSE turnover is higher by 9% in Rupee terms due to exchange benefit on translation. Turnover of NSH has increased by 29% reflecting an improved performance by its operating entities at China and Vietnam. Increase at TSTH is primarily on account of higher volumes.

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

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	353	453	(22)
Tata Steel Europe	3,994	7,633	(48)
NatSteel Holding	9,814	7,050	39
Tata Steel Thailand	3,059	2,700	13
Others	3,296	4,267	(23)
Eliminations & adjustments	(3,508)	(3,629)	(3)
Group Total	17,008	18,474	(8)

Purchases at the Indian operations decreased primarily on account of lower purchases relating to project activities at Kalinganagar. Purchases at TSE reduced reflecting the closure of the Global Positioning business in November 2012 along with the reduced purchases at Distribution and Sales Network. Higher purchases at NSH and TSTH were primarily due to higher sales volumes.

c) Raw materials consumed

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	9,678	9,877	(2)
Tata Steel Europe	35,106	29,674	18
NatSteel Holding	72	93	(23)
Tata Steel Thailand	260	246	6
Others	23,160	17,449	33
Eliminations & adjustments	(22,033)	(16,696)	32
Group Total	46,243	40,643	14

The decrease at Tata Steel India reflects lower cost and consumption of purchased coke, which was partly offset by higher consumption of imported coal. Increase in raw material consumption at TSE is largely attributable to the impact of foreign exchange translation as the absolute raw material consumption in GBP terms has increased only by 6%. Reduction in raw material consumption in NSH is primarily on account of lower consumption due to lower production.

d) Employee benefits expense

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	3,673	3,602	2
Tata Steel Europe	14,946	13,762	9
NatSteel Holding	723	664	9
Tata Steel Thailand	147	131	12
Others	823	753	9
Eliminations & adjustments	-	-	-
Group Total	20,312	18,912	7

The increase in Tata Steel, India was on account of normal salary increases and consequential increase in retiral provisions, partly offset on account of change in actuarial estimates due to change in discounting rates. The wage cost at TSE was lower in GBP terms as a result of one off credit of GBP 31 million in pension cost and lower headcount but reflects increases on account of exchange rate impact on translation.

e) Purchase of power

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	2,565	2,321	10
Tata Steel Europe	2,238	1,995	12
NatSteel Holding	352	418	(16)
Tata Steel Thailand	516	432	19
Others	618	558	11
Eliminations & adjustments	(253)	(170)	49
Group Total	6,036	5,554	9

Increase in volume to support higher production and increase in rates resulted in the higher power cost at Tata Steel, India. Increase at TSE is primarily due to exchange impact on translation. Increase at TSTH is primarily due to higher consumption to support higher production. These increases were partly offset by lower consumption in NSH due to shutdown of meltshop and rolling mills for upgradation.

f) Freight and handling charges

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	2,755	2,261	22
Tata Steel Europe	4,730	3,922	21
NatSteel Holding	244	168	45
Tata Steel Thailand	39	34	16
Others	1,345	1,155	16
Eliminations & adjustments	(105)	(106)	(1)
Group Total	9,008	7,434	21

Increase in volumes and rates of rail and road despatches resulted in an increase in Tata Steel, India. Increase at TSE is 8% in GBP terms, primarily due to higher deliveries and increase in carriage and shipping rates but reflects higher increase due to exchange impact on translation. Increase at NSH is primarily on account of 39% higher deliveries compared to last year.

g) Other expenditure

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	10,018	8,963	12
Tata Steel Europe	21,039	18,626	13
NatSteel Holding	797	774	3
Tata Steel Thailand	607	543	12
Others	3,330	2,620	27
Eliminations & adjustments	(1,681)	(1,572)	7
Group Total	34,110	29,954	14

Other expenditure represents the following expenditure:

in ₹ crores

	FY 14	FY 13	Change %
Stores & spares consumed	11,995	9,838	22
Repairs to Building	503	512	(2)
Repairs to Machinery	5,925	5,152	15
Relining expenses	137	131	5
Fuel oil consumed	1,089	990	10
Conversion charges	2,028	1,931	5
Rent	4,019	3,386	19
Royalty	1,211	1,199	1
Rates & Taxes	1,095	980	12
Insurance charges	475	332	43
Commission, discounts and rebates	292	271	8
Provision for wealth tax	2	2	–
Provision for doubtful debts and advances	79	116	(32)
Excise Duties	74	142	(48)
Other expenses	6,713	6,289	7
Less: Expenditure (other than interest) transferred to capital and other accounts	1,527	1,317	16
Group Total	34,110	29,954	14

Expenditure in TSE increased by 4% in GBP terms primarily due to higher stores and spares consumed (higher increase in rupee terms due to exchange rate impact on translation). The increase in Tata Steel India was mainly due to the increase in consumption of stores and spares, higher royalty charges and higher conversion charges. The increase in 'Others' is primarily due to restructuring charges of vessels at Tata NYK during the current year and increase in freight and handling charges and conversion charges in one of the affiliates.

h) Finance costs and Net finance charges

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	1,821	1,877	(3)
Tata Steel Europe	3,606	3,090	17
NatSteel Holding	61	56	9
Tata Steel Thailand	76	77	(1)
Others	1,428	1,167	22
Eliminations & adjustments	(2,655)	(2,299)	15
Group Total	4,337	3,968	9

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	1,472	1,546	(5)
Tata Steel Europe	3,508	2,996	17
NatSteel Holding	57	51	12
Tata Steel Thailand	72	74	(3)
Others	402	250	61
Eliminations & adjustments	(1,656)	(1,400)	18
Group Total	3,855	3,517	10

In Tata Steel India, finance cost was lower primarily due to increase in interest capitalisation. Increase at TSE is primarily due to exchange impact on translations. Increase in 'Others' is primarily on account of Foreign Currency Bonds issued by one of the affiliates in Q1 of Financial Year 2013-14.

i) Exceptional items

in ₹ crores

	FY 14	FY 13	Change %
Tata Steel	(142)	(675)	(79)
Tata Steel Europe	-	(7,340)	(100)
NatSteel Holding	-	(24)	(100)
Tata Steel Thailand	-	(518)	(100)
Others	-	673	(100)
Eliminations & adjustments	114	494	(77)
Group Total	(28)	(7,390)	(100)

The exceptional items in Financial Year 2013-14 primarily represents the diminution in the value of investments in TAYO Rolls Limited and in Gopalpur SEZ Limited net of adjustment of accumulated losses in consolidated financial statement. Exceptional items in Financial Year 2012-13 includes the non-cash write down in TSE (₹ 7,354 crores), TSTH (₹ 518 crores), Kalimati Coal Company (₹ 132 crores) and TSKZN (₹ 307 crores), Tata Metaliks (₹ 45 crores) and the loss on sale of JVs and Subsidiaries by TSE (₹ 20 crores) partly offset by profit on sale of investment by Kalimati Investment Company Limited (₹ 962 crores).

j) Stores and spares stock

in ₹ crores

	FY 14	FY 13	Inc./ (Dec.)	Change %
Tata Steel	1,718	1,473	245	17
Tata Steel Europe	1,053	887	166	19
NatSteel Holding	117	89	28	32
Tata Steel Thailand	259	280	(21)	(8)
Others	254	236	18	8
Eliminations & adjustments	-	-	-	-
Group Total	3,401	2,965	436	15

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

k) Stock-in-trade

in ₹ crores				
	FY 14	FY 13	Inc./ (Dec.)	Change %
Finished Goods	10,016	8,291	1,724	21
WIP	5,768	4,946	823	17
Raw Materials	7,695	7,890	(195)	(2)
Total Inventory	23,479	21,127	2,352	11

in ₹ crores				
	FY 14	FY 13	Inc./ (Dec.)	Change %
Tata Steel	4,290	3,785	505	13
Tata Steel Europe	16,652	14,858	1,794	12
NatSteel Holding	1,311	1,118	193	17
Tata Steel Thailand	585	639	(54)	-
Others	962	995	(33)	(3)
Eliminations & adjustments	(321)	(268)	(53)	20
Group Total	23,479	21,127	2,353	11

The overall finished and semi-finished inventory increased over March 2013, primarily at TSE due to the impact of the foreign exchange fluctuation on translation and marginal increase in GBP terms. Tata Steel India reported higher levels of finished and semi-finished inventory due to an increase in tonnages. The raw material inventory has decreased primarily at TSE due to lower cost of raw materials, which was partly offset by the increase in the raw material inventory at Tata Steel India. The primary reason for increase in raw material inventory at Tata Steel India is increase in the imported coal quantity.

l) Sundry debtors

in ₹ crores			
	FY 14	FY 13	Change %
Tata Steel	771	797	(3)
Tata Steel Europe	7,510	5,824	29
NatSteel Holding	751	726	3
Tata Steel Thailand	128	166	(23)
Others	19,283	15,891	21
Eliminations & adjustments	(12,437)	(9,410)	32
Group Total	16,006	13,994	14

Decrease in debtors at Tata Steel India is mainly on account of decrease in export debtors as Financial Year 2012-13 included higher month end sales in March 2013. TSE debtors increased primarily due to exchange impact on translation.

m) Cash flow and Net debt

Cash flow

in ₹ crores			
	FY 14	FY 13	Change %
Net cash from operating activities	13,146	14,035	(6)
Net cash flow from investing activities	(16,451)	(13,297)	24
Net cash flow from financing activities	1,014	(1,780)	(157)
Net increase/(decrease) in cash and cash equivalents	(2,291)	(1,042)	120

Net cash flow from operating activities: The Group generated ₹ 13,146 crores from operations during Financial Year 2013-14 as compared to ₹ 14,035 crores in Financial Year 2012-13. The cash generated from operations prior to the changes in working capital and tax payments in

the current period was ₹ 17,428 crores against ₹ 12,764 crores in Financial Year 2012-13 reflecting higher profits. Cash from operations was lower than previous year due to increase in the working capital during the current period by ₹ 1,270 crores as against a decrease of ₹ 3,841 crores in the previous year. The payments of income taxes during Financial Year 2013-14 was ₹ 3,013 crores as compared to ₹ 2,569 crores in Financial Year 2012-13.

Net cash from investing activities: A sum of ₹ 16,451 crores was applied in the current year towards investing activities including capex of ₹ 16,420 crores partly offset by sales of current and non-current investments.

Net cash from financing activities: Cash inflow from financing activities in the current period (loans availed net of loan repayments and interest payments) amounted to ₹ 1,015 crores as against an outflow of ₹ 1,780 crores in Financial Year 2012-13.

The net decrease in cash and cash equivalents was ₹ 2,291 crores excluding the effect of exchange fluctuation ₹ 1,073 crores in the current period with a balance of ₹ 8,451 crores as on 31st March, 2014 against a balance of ₹ 9,669 crores as on 31st March, 2013.

Net debt

	in ₹ crores		
	FY 14	FY 13	Change %
Gross Debt	81,609	68,507	19
Less: Cash and Bank balances (including non-current balances)	8,704	9,892	(12)
Less: Current investments	2,668	760	251
Net Debt	70,237	57,855	21

Net debt at ₹ 70,237 crores at 31st March, 2014 was higher

than March 2013 by ₹ 12,382 crores due to increase in the gross debt level which was partly offset by the increase in cash and bank balances. Gross debt was higher mainly due to increase in the fresh drawals during the period and exchange rate impact on revaluation.

VI. RISKS, OPPORTUNITIES AND THREATS

The Tata Steel Group aims to address risks, opportunities and threats posed by its business environment strategically by maintaining sustainable and robust business models and further improving on them. Tata Steel's response to these elements is discussed in the sections below.

1. Macro Environment

The Group's financial performance is influenced by the economic climate in India, UK, the European mainland, South-East Asia and by changes in the global steel market.

While the steel consumption growth in India has been relatively resilient, slowing economic growth has meant a moderation in steel consumption growth rates. Despite the challenging economic conditions, Tata Steel has consistently and profitably grown its volumes across customer segments by enhancing its participation across value chains through innovation-led changes in service and solution, new brands, shaping channels, diversifying and deepening the customer base, entering new segments and aggressively implementing several cost reduction initiatives.

European prospects show very marginal improvement; with the Euro zone showing signs of economic recovery, driven by increased factory output. However, the European steel demand continues to be weak even as steel imports rise from countries with low cost of production e.g. China, Russia etc. The Group's response in Europe included an acceleration of commercial and operational improvement initiatives delivery of significant fixed cost savings and further rationalisation of its operations.

South–East Asia continues to face strong competition from China. Thailand was affected by political turmoil. The challenges and opportunities posed by macro factors are being predicted, identified and aligned to the Group's objectives.

In South–East Asia, the Company has improved the product mix and increased exports to growth markets besides focussing on cost reduction initiatives as mitigation measures.

2. Industry Cyclical

The steel industry is subject to cyclical swings arising from factors such as excess capacity, regional demand & 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. Whilst the Group seeks to differentiate its products and to manage down the level of its fixed costs, it still retains the focus on improving its operations through a variety of measures such as continuous improvement programmes, enhancing technical knowledge and skill, improving process safety, targeted capital expenditure and focussed risk management.

3. Regulatory Environment

The mining sector in India has been under regulatory scrutiny including states like Odisha and Jharkhand where the Group has significant mining operations. The Group has complied with the prevailing laws and regulations and has fully cooperated with the regulators.

The Group's European businesses are subject to numerous laws, regulations and contractual commitments in various countries in which it operates. The Group has policies, systems and procedures in place aimed at ensuring substantial compliance and there is a strong commitment from the Board and the Executive Committees to enforce compliance.

4. Growth Projects

The Group continues to pursue its growth strategy, particularly in the Indian market where it sees significant market opportunities. The execution of the growth projects involves uncertainty in terms of required approvals, land acquisition, commissioning and local community relationships. Work on the Group's greenfield steel plant in the state of Odisha, India, to be developed in two phases of 3.0 mtpa each, continues. Phase 1 is to be commissioned at the end of Financial Year 2014-15.

5. Raw Materials Security and Price Volatility

The access to and cost of raw materials supplies depend, to a large extent, on the worldwide supply and demand relationships, notably iron ore, metallurgical coal and scrap.

The volatility in prices of raw materials and energy, including the mismatches between the trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, could adversely affect the Company's profitability.

Achieving greater raw material security to insulate the Group from swings in prices of key raw materials and resultant impact on profitability continues to be a key strategic objective. Indian operations are 100% self-sufficient in iron ore and about 45% in metallurgical coal.

The Group maintains strong supplier relationships and flexible sourcing through centralised procurement of raw materials. The Group continues to closely monitor market conditions and seeks to put in place contractual arrangements to ensure security of critical supplies.

To achieve greater raw material security, the Group is pursuing various mining projects in Africa, Canada and India.

6. Health, Safety & Environmental Risks

The Group operates in multiple geographies and thus has compliance obligations with diverse and complex laws regulations and contractual commitments relating to health, safety, environment and regulatory compliance. The risk of substantial costs, liabilities and damage to reputation related to non-compliance with these laws and regulations are an inherent part of the Group's business.

The Group has policies, systems and procedures in place aimed at continuously improving safety performance and minimising the impact of the Group's operations on the environment.

To meet environmental standards, dust and other emission levels are monitored to ensure that they stay within permissible limits. The Group continues to invest to improve energy efficiency and to reduce CO₂ emissions. Extra efforts are being taken to ensure workplace safety in mines and collieries in India and on construction sites.

The EU Emissions Trading Scheme, currently in Phase 3, is the key item of environmental legislation for the Company's European operations. The Company is very active in the European Steel Association's efforts to mitigate the risks associated with the deployment of this regulation under Phase 3 and beyond.

7. Financing

Tata Steel Group's expansion projects require significant investment which in turn is funded from internal cash generation and capital raised externally (including debt). Also, the Company in 2007, funded its acquisition of Corus in significant part by debt, raised both in India and overseas, as a result of which the Company has sizeable repayment and debt servicing obligations on an ongoing basis. Recent depressed market conditions (especially in Europe) have

meant that the cash generation across the Tata Steel Group has been constrained, thereby increasing the risk inherent in the capital structure of the business. At the same time, it is important to note that the financing for the Company's growth projects in India is finalised and hence does not pose a limiting factor for growth. Additionally, Tata Steel Group continues to opportunistically raise capital and rebalance its capital structure, taking into account market conditions and available liquidity.

8. Pensions

TSE provides retirement benefits for substantially all of its employees; including defined benefit. The market value of pension assets and liabilities is significantly greater than the net assets of the Group and, therefore, any change can have a material impact on the Group's financial statements.

The Group has put in place a framework to manage pension risks and works with Schemes' Trustees to ensure that obligations remain affordable and sustainable.

A range of measures has already been adopted by the principal Schemes in the Group to manage liabilities and to protect against investment market risk exposure, whilst maintaining asset performance. Further actions will be considered as and when appropriate.

9. Foreign Exchange Rate Volatility

Through its global operations, the Group operates in several currency areas. 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. Long-term competitiveness of European Operation

A large proportion of the Group's manufacturing facilities are in Europe, which is a relatively high cost area and where demand growth for steel products is much lower than in developing parts of the world.

In order to maintain its ability to successfully compete in the long-term the Group is, therefore, undertaking a number of initiatives including a strategic review of its asset portfolio, business specific improvement plans and securing access to cost-effective raw materials.

VII. INTERNAL CONTROL SYSTEMS

In Tata Steel India, the Corporate Audit Division continuously monitors the efficacy of internal controls with the objective of providing 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 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 focussed on the following objectives:

- a. All operational and related activities are performed efficiently and effectively.
- b. Significant financial, managerial and operating information that is relevant, accurate and reliable is provided on time.

- c. Review the process of identification and management of Business Risks.
- d. Resources are acquired economically, used efficiently and safeguarded adequately.
- e. Employees' actions are in accordance with the Company's policies and procedures, Tata Code of Conduct and applicable laws and regulations.
- f. Significant legislative and regulatory provisions impacting the organisation are recognised and addressed appropriately.
- g. 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.
- h. 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 compliance to the plan.

During the year, the Audit Committee met regularly to review 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 Management acted upon the observations and suggestions of the Audit Committee.

In Tata Steel South East Asia the respective Boards of NSH and TSTH are responsible for the internal control systems of the companies.

The Internal Audit functions of NSH and TSTH serve to provide independent and objective assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The Internal Audit functions also assesses opportunities for improvement to business processes, systems and controls; provides recommendations designed to add value to the organisation and follows up on the implementation of agreed audit recommendations.

The scope and authority of the Internal Audit functions are derived from the Internal Audit Charter approved by the respective Audit Committees. The duties and authority of the Audit Committees' in turn vested by the Audit Committee Terms of Reference approved by the respective Boards.

The activities of the Internal Audit function are guided by the Internal Audit Plan, which is approved by the respective Audit Committees, who also review the findings/agreed actions set out in Internal Audit reports and the adequacy of IA resources during quarterly Audit Committee meetings. The Audit Committees also meet the respective Company's Statutory Auditors regarding their review of the financial statements, including the financial reporting system, compliance with accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed.

In Tata Steel Europe (TSE), 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 has direct access to the Chairman of the Audit Committee, who meets with the Director Audit several times each year and reports functionally to the Tata Steel

Group Director Assurance & Audit. 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 TSE 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 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.

VIII. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

At the core of Tata Steel's Human Resource Management (HRM) policy is the underlying belief that employees are our primary source of competitiveness. Hence the focus is on enriching the quality of life of its employees, developing their potential and maximising their productivity. With Tata Values as the bedrock, the unique attributes of our policy are climate of openness, equity, fairness and respect for the individual, freedom to experiment, mutual trust, and teamwork. Tata Steel is an equal opportunity employer and strives to attract the best available talent and ensure diversity in its workforce.

Tata Steel would not have been where it is today without its people and their commitment, innovation, engagement, strive for excellence and a strong sense of belongingness to the organisation. A strong industrial harmony of over eight decades bears testimony to strong people practices of the Company.

HR&IR Function was reorganised as HRM for better partnership with business and addressing all people-related issues more comprehensively across all geographies.

For sustainable future, Leadership Development has continued to be a focus area for Tata Steel Group. As a next step to Talent Appreciation Process (TAP), a Senior leadership Team building Exercise was conducted with the objective of arriving at a Team Vision, understanding each other's strengths, besides arriving at an 'agreed to' action plan to leverage team strengths better. Window on the World, a platform that provides an opportunity to share leading edge thoughts and insights, strengthens the Company's culture of continuous learning and drives the pursuit of its goal of being a hallmark in the area of learning and development initiatives. Eminent personalities were invited for this programme.

Tata Steel has continued to play a pioneering role in employee welfare with the introduction of a "Family Support Scheme" to institutionalise financial security for the bereaved family by maintaining their standard of living in the event of death of an employee arising out of accident while on duty.

Employee Productivity continues to a critical focus area in the Company's journey towards global benchmark in value creation and excellence. Therefore, Productivity Week celebration – new initiative in the Financial Year 2013-14 – was organised across the Company from 12th – 14th February, 2014. Employee productivity for Works and Services manpower rose to 590/tcs/man/year in Financial Year 2013-14 from 513 tcs/man/year in Financial Year 2012-13. The total strength of permanent employees in the Indian operations increased to

36,199 as on 31st March, 2014 as compared to 35,905 as on 31st March, 2013, primarily due to increase in the number of employees at the KPO site during Financial Year 2013-14. Industrial Relations remained normal at all locations during the reporting period.

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

Tata Steel once again won the World Championship (8th Virtual Steel Making Challenge) organised by World Steel Association at Brussels. Mr. Kausik Tamuli and Mr. Animesh Kumar Singh, Management Trainee 2011 represented Tata Steel and were declared World Champions. This feat was achieved for the 2nd time in succession. In the regional rounds, the top 10 teams in the Middle East-India-Africa region were all from Tata Steel, a feat achieved by the Company for the third year in succession. The regional rounds witnessed participation across a geographical area spanning Middle East, India and Africa, with 2,000 participants from 41 different countries competed fiercely for the honours.

- Tata Steel won 23 medals out of a total of 28 medals on offer, including 16 gold medals in the CII National Works Skill Competition in various trades held in February 2014.
- Tata Steel bagged the first prize in the Operations & Production category as well as the first and second prizes in the Repairs & Maintenance category during the 13th National Supervisory Skills Competition organised by CII at Kolkata during 12th – 14th August, 2013.

The European operations have employee strength of 31,184 as at the end of March 2014 as compared to 32,100 on 31st March, 2013. The reduction mainly resulted from restructuring measures due to the continued economic downturn.

During the Financial Year 2013-14, the Company's European operations announced restructuring plans at its Long Products business and its UK electrical steels site based in

Newport, South Wales to improve its competitive position and to cope up with difficult trading conditions in the global electrical steels market.

IX. STATUTORY COMPLIANCE

The Managing Director makes a declaration at each Board Meeting regarding 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 Group Executive Director (Finance & Corporate), as the Compliance Officer, ensures compliance with guidelines on insider trading for prevention of insider trading.

X. CAUTIONARY STATEMENT

Statements made in this report describing the Company's objectives, projections, estimates, 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 2013-14

(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 and was appointed 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 and Tata Chemicals Limited.

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 is a fellow of the Institution of Civil Engineers, London. Mr. Mistry was earlier Managing Director of the Shapoorji Pallonji Group. Under his leadership, Shapoorji Pallonji's construction business grew into a billion dollar enterprise, evolving from pure-play construction to execution of complex projects in the marine, oil and gas and rail sectors, across a number of international geographies.

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. 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., Tata Africa Holdings Ltd. and on the Boards of Tata Industries and Strategic Energy Technology Systems Private Ltd. 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 was the President of the Confederation of Indian Industry (CII) during the year 2011-12 and 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 from Madras Christian College in 2014 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 on the Managing 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. 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 the Company and was the Finance Director of the Company 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 & Pratham Education 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, Himachal Pradesh and Madhya Pradesh. 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, GlaxoSmithKline Consumer Healthcare 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 and "Global India Business Leader" of the year 2013 by Horasis (The Global Visions Community) for Excellence in Entrepreneurship, Innovation and Leadership.

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 Federation and Vice-Chairman of Business Europe. Currently, he is Chairman of the Supervisory Board of Stork B.V. and Fokker Technologies Holding BV. He is also Chairman of the Board of the Trust Foundation Unilever N.V. and the Trust Foundation Pref Shares B KPN. Additionally, he is a member of the Supervisory Board of BNP OBAM NV. He is also Treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is 'Commander of the Order of Orange Nassau' (Netherlands) and 'Officer of the L'égion 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 the Padma Shri Award in 2014 and 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 former Chairman of LIC of India.

Mr. O P Bhatt is a graduate in Science and a post graduate in English Literature (Gold Medalist). In his last assignment, from July 1, 2006 to March 31, 2011, he was the Chairman, State Bank Group, which includes State Bank of India, India's largest commercial bank; five associate banks in India; five overseas banks; SBI Life, the country's largest private life insurer; SBI Capital Markets, India's leading investment bank; SBI Fund Management and other subsidiaries spanning diverse activities.

Mr. Bhatt has served as Chairman of Indian Banks' Association, the apex body of Indian banks. He also served as India's economic diplomacy as government's nominee on the India-US CEO Forum, Indo-French CEO Forum and Indo-Russia CEO Forum, forging links with a cross section of the world's business leaders.

Dr. Karl-Ulrich Koehler was appointed a Director of the Company in November 2010. He 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.

Dr. Koehler studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a member of the board of the World Steel Association and Vice-president of Eurofer, the European Steel Association. For most of his more than 34 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 is currently Group Executive Director (Finance & Corporate) of the Company.

Mr. Chatterjee joined Tata Steel in 1995. During his stint in the Company, he worked in the areas of Corporate Finance and Planning. In 1998, he was transferred to the Tata Steel Head Office in Mumbai and subsequently to Tata Sons Limited in the Group Executive Office (GEO). During his tenure in Tata Sons Limited, he was involved in Mergers & Acquisitions activities including privatisations and joint ventures and was also the lead facilitator in the Groupwide rollout of the Economic Value Added (EVA).

Mr. Chatterjee re-joined Tata Steel on August 1, 2003 and was appointed the Vice President (Finance) w.e.f. August 1, 2004. During his tenure, he has led the first overseas acquisition of the Company – NatSteel Asia followed by Millennium Steel (now Tata Steel Thailand) in Thailand and acquisition of Corus Group plc (now Tata Steel Europe).

Mr. Chatterjee was appointed as Group Chief Financial Officer w.e.f. January 1, 2008. He has been 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.

In November 2012, he was elevated to the Board of Tata Steel and appointed as Executive Director & Group CFO. In September 2013, he has been appointed as the Group Executive Director (Finance and Corporate). In addition to leading the Company's finance function, Mr. Chatterjee is also responsible for the Tata Steel Group Corporate functions including Legal and Regulatory Affairs, Corporate Communications, Strategic Procurement, Information Systems, Group Investments, Global Mining Projects and Assurance.

He is on the Board of several Tata Steel Group companies, in India and abroad, including Tata Steel Europe, NatSteel Asia Pte. Limited, Tata Steel (Thailand) Public Company Limited and others. He is also on the Board of the listed iron ore company in Canada, New Millennium Iron Corp.

Mr. Chatterjee was declared one of India's best CFOs by Business Today Magazine in 2005 and 2006 and by CNBC in 2007. In March 2012, he has been awarded the Best Performing CFO in the Metals Sector by CNBC TV18. He was declared India's "Best Executive" for 2009 by Asia Money Magazine. He is a member of the Primary Market Advisory Committee on Capital Markets of SEBI and was a member of the Takeover Regulations Advisory Committee of SEBI, which drafted the new Takeover Code. He has recently been appointed as the first Indian on the Global Preparers Forum which is advisory body of the International Accounting Standards Board, London. He is also a member of the International Integrated Reporting Council and on the various committees of Confederation of Indian Industry (CII).

Mr. T. V. Narendran is a Mechanical Engineer from REC (NIT), Trichy. He joined Tata Steel after completing his MBA from IIM Calcutta in 1988. He is a Chevening Scholar and has also attended the Advanced Management Programme in CEDEP - INSEAD, Fontainebleau, France. He became Managing Director of Tata Steel India and South East Asia w.e.f. November 1, 2013. Mr. Narendran worked in the International Trading Division of Tata Steel from 1988 to 1997 wherein he spent five years in Dubai looking after Tata Steel's exports to the Middle East.

From 1997 to 2001, he spent time in Tata Steel's marketing and sales division and was involved in market development work for the Cold Rolling Mill Project, Supply Chain Management, Sales Planning, etc. From 2001 to 2003, he was the Chief of Marketing & Sales (Long Products) and played a key role in building the 'Tata Tiscon' brand and the distribution network for the same. From 2003 to 2005, he worked with Mr. B. Muthuraman, the then Managing Director of Tata Steel, as his Principal Executive Officer.

He was actively involved in Tata Steel's first overseas acquisition, NatSteel and was seconded there as an Executive Vice President in 2005. He ran operations in NatSteel thereafter as the Deputy President (Operations) and took over as the President & CEO on January 1, 2008. He played a key role in the integration of NatSteel and Tata Steel. Before being appointed as MD - Tata Steel India and South East Asia, Mr. Narendran was the Vice President - Safety, Flat Products & Long Products Divisions of Tata Steel. He is currently on the Boards of Tata Steel Europe Limited, CEDEP, XLRI and World Steel Association. He is currently the Chairman of CII, Jharkhand.

CORPORATE GOVERNANCE

The Company has a Non-Executive Chairman and the number of Independent Directors is more than 50 percent of the total number of Directors in compliance with the Clause 49 of the listing Agreement. As on 31st March, 2014, the Company has 13 Directors on its Board, of which 7 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50 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 2013-14	Attendance at the last AGM	No. of Directorships in other public companies * as on 31.03.2014		No. of Committee positions held in other public companies** as on 31.03.2014		Share holdings# Ordinary Shares of ₹ 10/- each
					Chairman	Member	Chairman	Member	
Mr. Cyrus P. Mistry (Chairman)	00010178	Not Independent Non-Executive	9	Yes	9	-	1	-	-
Mr. B. Muthuraman (Vice-Chairman)	00004757	Not Independent Non-Executive	8	Yes	1	1	-	-	6,230
Mr. Nusli N. Wadia	00015731	Independent Non-Executive	9	No	4	3	-	-	-
Mr. S. M. Palia (Stepped down w.e.f. 25th April, 2013)	00031145	Independent Non-Executive	1	NA	NA	NA	NA	NA	NA
Mr. Ishaat Hussain	00027891	Not Independent Non-Executive	8	Yes	2	11	3	5	2,216
Mr. Subodh Bhargava	00035672	Independent Non-Executive	6	Yes	3	3	-	2	1,012
Mr. Jacobus Schraven	01462126	Independent Non-Executive	7	Yes	-	-	-	-	-
Mr. Andrew Robb	01911023	Independent Non-Executive	9	Yes	-	-	-	-	-
Mrs. Mallika Srinivasan	00037022	Independent Non-Executive	6	Yes	3	3	-	1	-
Mr. D. K. Mehrotra	00142711	Independent Non-Executive	6	Yes	-	1	-	1	-
Mr. O P Bhatt (Appointed w.e.f. 10th June 2013)	00548091	Independent Non-Executive	6	Yes	-	3	1	5	-
Mr. H. M. Nerurkar (Managing Director) @	00265887	Not Independent Executive	5	Yes	NA	NA	NA	NA	NA
Dr. Karl-Ulrich Koehler	03319129	Not Independent Non-Executive	9	Yes	-	-	-	-	-
Mr. Koushik Chatterjee (Executive Director)	00004989	Not Independent Executive	9	Yes	2	1	-	-	1,320
Mr. T. V. Narendran (Managing Director) @@	03083605	Not Independent Executive	4	NA	-	-	-	-	1,753

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

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

@ Retired as Managing Director, India and South East Asia on 31st October, 2013

@@ Appointed as Managing Director - Designate India and South East Asia w.e.f. 19th September, 2013 and succeeded Mr. H. M. Nerurkar as Managing Director, India and South East Asia w.e.f. 1st November, 2013

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, 2014 – 12,531 Ordinary Shares.

Nine Board Meetings were held during the Financial Year 2013-14 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. Cyrus P. Mistry	Mr. B. Muthuraman	Mr. Nusli N. Wadia	Mr. S. M. Palia	Mr. Ishaat Hussain	Mr. Subodh Bhargava	Mr. Jacobus Schraven
4th April, 2013	Yes	Yes	Yes	Yes	Yes	No	Yes
23rd May, 2013	Yes	Yes	Yes	NA	Yes	Yes	No
11th July, 2013	Yes	Yes	Yes	NA	Yes	Yes	Yes
13th August, 2013	Yes	Yes	Yes	NA	No	Yes	Yes
19th September, 2013	Yes	Yes	Yes	NA	Yes	Yes	Yes
13th November, 2013	Yes	No	Yes	NA	Yes	Yes	Yes
13th December, 2013	Yes	Yes	Yes	NA	Yes	No	No
11th February, 2014	Yes	Yes	Yes	NA	Yes	Yes	Yes
10th March, 2014	Yes	Yes	Yes	NA	Yes	No	Yes

Date of Meeting	Mr. Andrew Robb	Mrs. Mallika Srinivasan	Mr. D. K. Mehrotra	Mr. O. P. Bhatt	Mr. H. M. Nerurkar	Dr. Karl-Ulrich Koehler	Mr. Koushik Chatterjee	Mr. T. V. Narendran
4th April, 2013	Yes	Yes	No	NA	Yes	Yes	Yes	NA
23rd May, 2013	Yes	No	Yes	NA	Yes	Yes	Yes	NA
11th July, 2013	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
13th August, 2013	Yes	Yes	Yes	Yes	Yes	Yes	Yes	NA
19th September, 2013	Yes	Yes	Yes	No	Yes	Yes	Yes	NA
13th November, 2013	Yes	No	Yes	Yes	NA	Yes	Yes	Yes
13th December, 2013	Yes	Yes	Yes	Yes	NA	Yes	Yes	Yes
11th February, 2014	Yes	Yes	No	Yes	NA	Yes	Yes	Yes
10th March, 2014	Yes	No	No	Yes	NA	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.

Four Meetings of the Committee of Directors constituted by the Board for specific purposes from time to time were held during the Financial Year 2013-14.

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

10th April, 2013, 6th May, 2013, 19th February, 2014 and 14th March, 2014.

During the Financial Year 2013-14, 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 ₹ 78.39 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 Executive Directors 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, 2013.

Six meetings of the Audit Committee were held during the Financial Year 2013-14.

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	Mr. D K Mehrotra** Member, Independent, Non-Executive	Mr. O P Bhatt** Member, Independent, Non-Executive
10th April, 2013	Yes	Yes	Yes	No	NA	NA
22nd May, 2013	Yes	NA	Yes	Yes	NA	NA
12th August, 2013	Yes	NA	Yes	Yes	NA	NA
18th September, 2013	Yes	NA	Yes	Yes	Yes	No
12th November, 2013	Yes	NA	Yes	Yes	Yes	Yes
10th February, 2014	Yes	NA	Yes	Yes	Yes	Yes

* Stepped down as member w.e.f 25th April, 2013

** Appointed as member w.e.f 13th August, 2013

Audit Committee meetings are attended by the Group Executive Director (Finance & Corporate), Chief (Corporate Audit & Assurance) India & South East Asia 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 2013-14.

The due date for filing the Cost Audit Reports for the Financial Year ended 31st March, 2014 is 30th September, 2014.

The due date for filing the Cost Audit Report of the Company for the Financial Year ended 31st March, 2013 was 30th September, 2013 and the Cost Audit Report was filed by the Cost Auditor M/s Shome & Banerjee, Cost Accountants, on 27th August, 2013 in XBRL Mode as mandated by the Ministry of Corporate Affairs vide their circular no. 8/2012 dated 10th May, 2012.

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:

- Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- Finalise the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- 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.

Four meetings of the Remuneration Committee were held during the Financial Year 2013-14.

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. Nusli N. Wadia** Chairman, Independent, Non-Executive	Mr. Cyrus P. Mistry Member, Not Independent, Non-Executive	Mr. O P Bhatt # Member, Independent Non- Executive
23rd May, 2013	NA	Yes	Yes	NA
29th May, 2013	NA	Yes	Yes	NA
19th September, 2013	NA	Yes	Yes	No
13th November, 2013	NA	Yes	Yes	Yes

* Stepped down as Member w.e.f. 25th April, 2013.

** Appointed as Chairman w.e.f. 13th August, 2013.

Appointed as Member w.e.f. 13th August, 2013.

The Chairman of the Remuneration Committee, Mr. Nusli N. Wadia was not present at the Annual General Meeting held on 14th August, 2013.

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:

- employment scenario
- remuneration package of the industry and
- 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 2013-14

Non-Whole-time Directors

(₹ lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. Cyrus P. Mistry	–	4.80
2. Mr. B. Muthuraman	#200	2.80
3. Mr. Nusli N. Wadia	110	3.60
4. Mr. S. M. Palia	15	1.00
5. Mr. Ishaat Hussain	110	5.30
6. Mr. Subodh Bhargava	105	3.30

Name of the Director	Commission*	Sitting Fees
7. Mr. Jacobus Schraven	45	2.00
8. Mr. Andrew Robb	55	3.45
9. Mrs. Mallika Srinivasan	60	1.20
10. Mr. D.K. Mehrotra	75	1.80
11. Mr. O P Bhatt	75	2.20
12. Dr. Karl-Ulrich Koehler	–	3.00
Total	850	34.45

* Payable in Financial Year 2014-15.

Excluding retirement benefits of ₹ 78.39 lakhs paid to Mr B. Muthuraman.

Executive Directors

Name	Salary ₹ lakhs	Perquisites & Allowances ₹ lakhs	Commission @ ₹ lakhs	Stock Options	Service Contracts
Mr. H. M. Nerurkar * Managing Director	74.32	84.36	220	NIL	–
Mr. Koushik Chatterjee Group Executive Director (Finance and Corporate)	98.12	37.79	370	NIL	From 09.11.2012 to 08.11.2017
Mr. T. V. Narendran ** Managing Director, India and South East Asia	57.38	25.69	400	NIL	From 19.09.2013 to 18.09.2018

@ Payable in Financial Year 2014-15

* Retired as Managing Director on 31st October, 2013

** Appointed as Managing Director – Designate India and South East Asia w.e.f 19th September, 2013 and succeeded Mr. H. M. Nerurkar as Managing Director, India and South East Asia w.e.f 1st November, 2013

Notice Period & Severance Fees

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, 2013.

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	Mr. D K Mehrotra ## Member, Independent Non-Executive
11 th July 2013	Yes	NA	Yes	NA

Stepped down as member w.e.f. 25th April, 2013.

Appointed as member w.e.f. 13th August, 2013.

**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

E-mail: cosec@tatasteel.com

**Name, designation & address of
Investor Relations Officer:**

Mr. Subhra Kanti Das
Head - Group Investor Relations
Bombay House, 24, Homi Mody Street,
Fort, Mumbai - 400 001.

Phone: (022) 6665 7382

Fax: (022) 6665 7724

E-mail: subhra.das@tatasteel.com

Shareholder/Investor Complaints:

Complaints pending as on 1st April, 2013	:	8
During the period 1st April, 2013 to 31st March, 2014, complaints identified and reported under Clause 41 of the Listing Agreements	:	358
Complaints disposed off during the year ended 31st March, 2014	:	363
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2014	:	3
No. of pending share transfers of Ordinary Shares as on 31st March, 2014	:	–

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.

Three ECOB Meetings were held during the Financial Year 2013-14.

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

Date of Meeting	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	Mr. Ishaat Hussain Member, Not Independent, Non-Executive
21st May, 2013	Yes	Yes	Yes	NA	Yes
10th July, 2013	Yes	Yes	Yes	NA	Yes
12th November, 2013	Yes	No	Yes	NA	Yes

Date of Meeting	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	Mr. T. V. Narendran *** Member, Not Independent, Executive
21st May, 2013	Yes	Yes	Yes	Yes	NA
10th July, 2013	Yes	Yes	Yes	Yes	NA
12th November, 2013	Yes	NA	Yes	Yes	Yes

* Stepped down as Member w.e.f. 25th April, 2013.

** Retired on 31st October, 2013.

*** Appointed as Member w.e.f. 6th November, 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.

Two meetings of the Nomination Committee were held during the Financial Year 2013-14.

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

Date of Meeting	Mr. Nusli N. Wadia Chairman, 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	Mr. O P Bhatt@@ Member, Independent, Non-Executive
4th April, 2013	Yes	Yes	Yes	No	NA
19th September, 2013	Yes	Yes	NA	Yes	No

@ Stepped down as Member w.e.f. 25th April, 2013.

@@ Appointed as Member w.e.f. 13th August, 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 11th July, 2013.

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
11th July, 2013	Yes	Yes	Yes

The Board has also appointed the Group Executive Director (Finance & Corporate) 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 2013-14.

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	Mr. Subodh Bhargava # Member, Independent, Non-Executive	Mr. T.V. Narendran ## Member, Not Independent, Executive
10th July, 2013	Yes	NA	Yes	No	Yes	NA	NA
12th November, 2013	Yes	NA	No	NA	Yes	NA	Yes
10th February, 2014	Yes	NA	Yes	NA	Yes	Yes	Yes

* Stepped down as member w.e.f. 25th April, 2013

** Retired on 31st October, 2013

Appointed as Member w.e.f. 13th November, 2013

Appointed as Member w.e.f. 6th November, 2013

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 2013-14.

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	Mr. T V Narendran*** Member, Not Independent, Executive
9th April, 2013	Yes	Yes	Yes	Yes	Yes	NA
22nd May, 2013	Yes	Yes	NA	Yes	Yes	NA
11th July, 2013	Yes	Yes	NA	Yes	Yes	NA
12th August, 2013	Yes	Yes	NA	Yes	Yes	NA
11th November, 2013	Yes	Yes	NA	NA	Yes	Yes
13th December, 2013	Yes	Yes	NA	NA	Yes	Yes

* Stepped down as member w.e.f. 25th April, 2013.

** Retired on 31st October, 2013.

*** Appointed as member w.e.f. 6th November, 2013.

The **Committee of Directors** has been re-constituted on 6th November, 2013 to approve 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 composition of this Committee as on 31st March, 2014 is – Mr. Cyrus P. Mistry (Chairman), Mr B. Muthuraman (Member), Mr. Ishaat Hussain (Member), Mr. Koushik Chatterjee (Member) and Mr. T. V. Narendran (Member).

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
2012-13	Birla Matushri Sabhagar,	14th August, 2013 at 3:00 p.m.
2011-12	19, Sir Vithaldas Thackersey Marg,	14th August, 2012 at 3.00 p.m.
2010-11	Mumbai-400 020.	3rd August, 2011 at 3.00 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:

- At the last Annual General Meeting held on 14th August, 2013, no Special Resolution was passed.
- At the Annual General Meeting held on 14th August, 2012, no Special Resolution was passed.
- 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.

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), BSE Online 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. The Company further has complied with filing submissions through BSE's BSE Online 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, 2014 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, 2014.

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

Date of Book Closure – Wednesday, 16th July, 2014 to Tuesday, 22nd July, 2014 (both days inclusive).

Dividend Payment Date – The dividend warrants will be posted on and from 19th August, 2014.

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, 2nd 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 2005-06	Transferred to the IEPF of the Central Government	No	Not Applicable	None
For the Financial Years 2006-07 to 2012-13	Lying in respective Unpaid Dividend Accounts	Yes	TSR Darashaw Private Limited, (TSRDPL) 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 2012-13 and 2013-14 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 2006-07 to 2012-13 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*
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 03, 2011	120%	August 02, 2018
2011-12	August 14, 2012	120%	August 13, 2019
2012-13	August 14, 2013	80%	August 13, 2020

*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 the Companies Act, 2013, may obtain from TSR Darashaw Private Limited, the prescribed Form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant (DP).

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 Private 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	Mumbai-400 001	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	

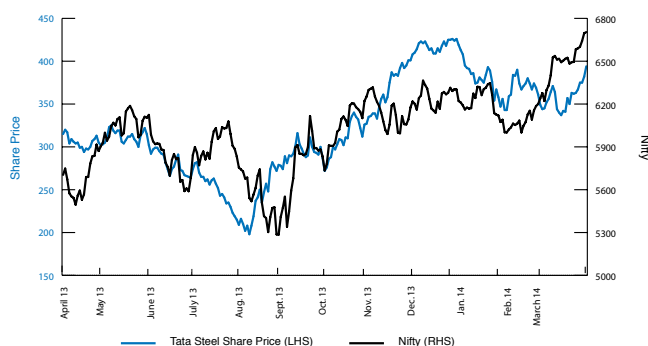
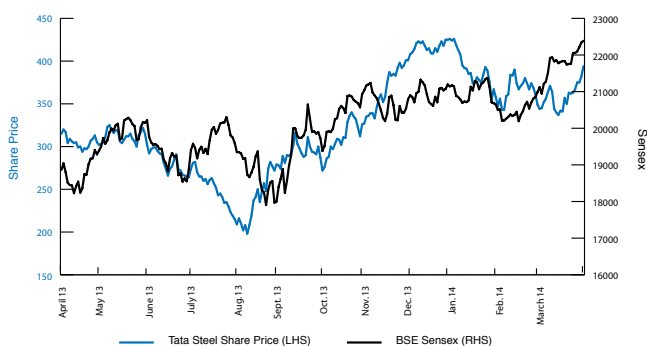
International Listings of securities issued by the Company are as under:

Security	Year of Issue	Stock Exchanges & Address	ISIN/Stock Code	Website
Global Depository Receipts (GDRs)	1994	Luxembourg Stock Exchange 35A Boulevard Joseph II, L-1840 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-13	319.85	294.55	1,77,06,982	319.70	294.45	9,03,15,478
May-13	323.85	291.80	1,94,93,547	324.70	291.75	10,81,85,326
Jun-13	299.15	264.25	1,58,14,324	299.10	264.15	958,28,116
Jul-13	282.15	209.60	2,04,67,453	281.95	209.40	10,08,54,177
Aug-13	282.25	198.60	3,52,59,250	282.30	198.25	19,44,72,617
Sep-13	316.00	271.60	2,43,08,886	315.70	271.55	13,34,79,338
Oct-13	340.10	275.65	2,42,53,112	339.95	275.75	13,51,65,276
Nov-13	400.85	333.55	2,23,30,144	400.90	333.30	13,20,59,214
Dec-13	424.85	408.45	1,37,88,472	425.55	408.30	8,63,26,853
Jan-14	425.05	346.55	1,36,68,268	425.90	346.55	8,56,66,150
Feb-14	390.15	343.15	1,70,11,826	389.75	342.95	11,08,81,260
Mar-14	393.85	336.80	2,10,95,369	393.95	336.85	12,52,33,990



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.: 080-2532 0321; Fax: 080-2558 0019; E-mail: tsrdlbg@tsrdarashaw.com
- (ii) Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001. Tel.: 0657-2426616; Fax: 0657-2426937; E-mail: tsrdljsr@tsrdarashaw.com
- (iii) Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata-700 071. Tel.: 033-2288 3087; Fax: 033-2288 3062; E-mail: tsrdlcal@tsrdarashaw.com
- (iv) Plot No. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi-110 002. Tel.: 011-2327 1805; Fax: 011-2327 1802; 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, 2014.

Shareholding	Total No. of Shareholders		% to total holders		Total No. of Shares		% to total capital	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013	31-03-2014	31-03-2013	31-03-2014	31-03-2013
1 to 100	6,52,868	6,96,371	64.58	65.26	2,41,19,641	2,57,12,108	2.48	2.64
101 to 500	2,82,702	2,94,483	27.96	27.60	6,08,54,028	6,30,07,698	6.27	6.49
501 to 1000	40,107	40,601	3.97	3.81	2,87,27,333	2,90,25,736	2.96	2.99
1001 to 10,000	33,100	33,359	3.27	3.13	7,95,38,342	7,98,28,315	8.19	8.22
10,001 and above	2,194	2,182	0.22	0.20	77,79,76,061	77,36,41,372	80.10	79.66
Total	10,10,971	10,66,996	100.00	100.00	97,12,15,405	97,12,15,229	100.00	100.00

Shareholding Pattern as on 31st March, 2014.

Particulars	Number of shareholders		Number of Ordinary Shares held		Voting strength %	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013	31-03-2014	31-03-2013
Tata Group Companies	24	24	30,45,14,362	30,45,14,362	31.35	31.35
Mutual Funds/UTI	293	307	3,00,39,253	3,28,27,764	3.10	3.38
Financial Institutions/ Banks	357	373	46,85,564	49,91,974	0.48	0.52
Central & State Govt. & Govt. Cos.	7	7	1,22,659	1,21,659	0.01	0.01
Insurance Companies	151	148	21,18,36,995	22,66,93,084	21.81	23.34
Foreign Institutional Investors	515	511	14,90,77,592	13,45,27,705	15.35	13.85
Other Foreign holdings	14	10	11,36,130	2,24,519	0.12	0.02
Shares held by Custodians & against which Depository Receipts have been issued	1	1	2,88,75,320	2,17,38,923	2.97	2.24
Bodies Corporate	7,161	7,439	2,69,51,639	2,81,89,021	2.78	2.90
Individuals	10,02,448	10,58,176	21,39,75,891	21,73,86,218	22.03	22.39
Total	10,10,971	10,66,996	97,12,15,405	97,12,15,229	100.00	100.00

Top Ten Ordinary Shareholders of the Company as on 31st March, 2014

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	144,493,458	14.88
3	ICICI Prudential Life Insurance Company Ltd.	11,092,350	1.14
4	National Insurance Company Ltd.	10,629,459	1.09
5	The New India Assurance Company Limited	10,614,993	1.09
6	Emerging Markets Growth Fund, Inc.	10,248,035	1.06
7	Dimensional Emerging Markets Value Fund	8,807,810	0.91
8	Stichting Pensioenfond Abp	8,699,764	0.90
9	Government of Singapore	7,475,907	0.77
10	United India Insurance Company Limited	5,845,343	0.60

Dematerialisation of shares as on 31st March, 2014 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).

93,89,49,363 Ordinary Shares of the Company representing **96.68%** of the Company's share capital is dematerialised as on 31st March, 2014.

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, 2013		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31st March, 2014	
		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		07	330	01	46	06	284

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:

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 **4,28,28,141** (31.03.2013: 4,25,96,510) 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 ₹ **592.0385** per share (31.03.2013: ₹ 595.2578 per share) and at a fixed USD/INR conversion rate of 46.36.

2,88,75,320 Shares (31.03.2013: 2,17,38,923) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 1994 and 2010. Each GDR represents one underlying Ordinary Share.

Major Plant Locations

Company's Steel Works CRM Bara, Tata Growth Shop and Tubes Division .. Jamshedpur (Jharkhand)	Hooghly Met Coke .. Haldia (West Bengal)
Ferro Manganese Plant .. Joda (Odisha)	Bearings Division .. Kharagpur (West Bengal)
Cold Rolling Complex .. Tarapur (Maharashtra)	Charge Chrome Plant .. Bannipal (Odisha)
Wire Division .. Tarapur (Maharashtra)	Mines, Collieries & Quarries .. States of Jharkhand, Odisha
.. Indore (Madhya Pradesh)	
.. Pithampur (Madhya Pradesh)	

Address for Correspondence:

Tata Steel Limited, Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.

Phone: (022) 6665 8282, Fax: (022) 6665 7724, E-mail: cosec@tatasteel.com, Website: www.tatasteel.com

Corporate Identity Number - L27100MH1907PLC000260

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, Senapati Bapat Road, 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: (022) 2272 3333, Toll free: 1800-200-5533, Fax: (022) 2272 3199, 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, 2014, 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 LLP

Chartered Accountants

Firm's Registration No.: 117366W/W-100018

N. VENKATRAM

Partner

Membership No.: 71387

Mumbai, 14th May, 2014

Business Responsibility Report

(As per Clause 55 of the Listing Agreements entered with the Stock Exchanges)

Introduction

The value underpinning all business actions at Tata Steel is to excel and 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:** sustainability@tatasteel.com
6. **Financial Year reported:** 2013-14
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; (iii) Wire Rods and Rebars; and (iv) Galvanised Coils
9. **Total number of locations where business activity is undertaken:**
 - i. Number of International Locations (5 major):
 Tata Steel Limited's (TSL) International subsidiaries have production capacities, 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 & Bamnipal (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 crores
2. **Total Turnover (₹):** 41,711 crores
3. **Total profit after taxes (₹):** 6,412 crores
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of PAT:** ₹ 212 crores which is 3.31% of the PAT
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 has 304 subsidiary companies located at India and other countries as on 31st March, 2014.

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 located at India 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). Some of the entities in the value chain including suppliers and channel partners participate in its BR initiatives but the percentage of such entities 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. T V Narendran
- ii. **DIN Number:** 03083605
- iii. **Designation:** Managing Director, India and South-East Asia
- iv. **Telephone Number:** 0657 2645625, 0657 2424602
- v. **Email id:** sustainability@tatasteel.com

b. Details of BR head

- i. **Name:** Mr. Shubhenjit Chaudhuri
- ii. **Designation:** Chief Corporate Sustainability
- iii. **Telephone Number:** 0657 2645117
- iv. **Email id:** chief.sustainab@tatasteel.com

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 well-being 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being 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)	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. Furthermore they reflect the purpose and intent of the United Nations Global Compact, the World Steel Sustainable Development Charter, GRI guidelines and international standards such as ISO 14001, OHSAS 18001 and Social Accountability 8000.								

4.	Has the policy being 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/corporate/policies.asp http://www.tatasteelindia.com/corporate/ethics/business-ethics.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 2013 Report is available on: <http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

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 <http://www.tatasteel.com/about-us/ethics/business-ethics.asp> and <http://www.tata.com/aboutus/articlesinside/Tata-Code-of-Conduct>) serves as the ethical roadmap for all Tata companies. All suppliers, partners and joint ventures are expected to adopt Tata Code of Conduct (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 341 stakeholder complaints were received in Financial Year 2013-14. Of them 105 were not valid and 73 not applicable. All except 61 have been satisfactorily resolved during the year.

Stakeholder wise Concerns Received in Financial Year 2013-14	
Anonymous Employees	163
Contract Employee	17
Employee	110
Non-Employee	11
Vendor	37

Concern Analysis		
Stage	FY 13	FY 14
Open	32	61
Not Applicable	18	73
Not Valid	95	105
Valid	65	102

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.
- **Value Analysis & Value Engineering (VAVE) service** to the auto majors in which cross-functional teams of both companies work on re-engineering of component design in order to reduce weight of vehicles. This improves fuel efficiency & less GHG emission.
- **Nest-in housing solution:** The house is designed with an optimum combination of Steel & non Steel material which gives the house an elegant and attractive look and it can be built within just 9 days including its foundation. The light structured construction method makes it relatively safer against seismic forces compared to other conversational houses. The speed of construction may also help individual house builders as well as Government bodies to complete their various housing projects in time – in disaster areas of Odisha (cyclone hit), Uttarakhand (flash flood). The Nest-In Bio-toilet is an integrated solution, commercialised in Financial Year 2012-13, made up of a Bio-toilet system and Nest-In super structure. It can be installed at any place as it does not require a sewage-line connection for disposal of waste from toilets. The bio-toilet system is developed under licence from DRDO. The Bio-digester disposes human waste in 100% eco-friendly manner and generates colour less, odourless water and inflammable gas.

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 focusses on the overall parameters rather than individual steel grades of High Strength Steel. 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 focusses on the overall parameters rather than individual steel grades.
- **VAVE (Value Analysis/Value Engineering) service:** This entails brainstorming of ideas by studying the BOM (Bill of Materials) of the vehicle to reduce the car weight. Resources used in VAVE are basically experts of R&D, Technology, Production, Planning experts for each company to generate & implement the ideas.
- **Nest-in:** No reduction in resource usage observed in Financial Year 2013-14 for Nest-in solution. It is an excellent building solution which does not pollute the environment like cement & brick in the conventional RCC. It does not need any welding, cranes or usage of water therefore making the construction pollution free & environment friendly. It is made of cold rolled high strength steel sections. The frames are joined by using patented 'Dipple Klick' technology. The roof is made of Tata Shaktee roofing sheets while the Wall Panels are of cement bonded particle board on the internal & external side with high density insulation wool in-between for insulation against heat & cold resulting in comfortable living. The Bio-toilet uses DRDO approved Bio-digesters that require no sewerage line connections or additional septic tanks for disposal of black water or waste. The technology is 100% bio-friendly, eco-friendly and is being used by defence in Siachen glaciers.

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.
- VAVE service extended to 4 Auto majors in Financial Year 2013-14 compared to two in Financial Year 2012-13.
- 137 Nest-in dwelling made in Financial Year 2013-14 compared to 31 units in Financial Year 2012-13.

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 per cent of the inputs (based on spend) are sourced sustainably.

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 per cent of total procurement spends including goods and services are from local SMEs, traders, service providers, AA (Affirmative Action) rated 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 per cent scrap is utilised during steel making in addition to slag generated, which contains 15-20 per cent 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 is used in the Blast Furnaces as a substitute for sinter.

Principle 3 – Businesses should promote the well-being of all employees

1. Total number of employees: 36,199

2. Total number of employees hired on temporary/contractual/casual basis: 198 [85 (hired in Financial Year 2013-14)]

3. Number of permanent women employees: 2,101

4. Number of permanent employees with disabilities: 110

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?

95.11 per cent of TSL's employees (excluding officers) in India are members of recognised employee associations.

7. Please indicate the number of complaints relating to:

(i) Child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year; (ii) Sexual harassment; (iii) Discriminatory employment

Apart from seven (7) cases of sexual harassment, no complaints were received in the other categories.

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

65.47% of employees were trained on safety and skill up gradation training (Technical & managerial together).

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. In Financial Year 2013-14 we revisited our stakeholder management process and materiality map. The new materiality map prepared objectively with external help identifies community development as one of the most material issues for us and our stakeholders.

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 Steel works are located in areas dominated by disadvantaged, vulnerable and marginalised communities with poor socio-economic indicators. Tata Steel's structured and planned Affirmative Action strategies are focussed on Education, Employability, Employment and Entrepreneurship. Also, the emphasis on Ethnicity exhibits our commitment to sustain the culture of communities we serve.

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 Social Accountability 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 2013-14.

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 Environmental Policy of Tata Steel cover all manufacturing & mining sites and own employees & contractors of the company.

The policy document is available at following hyperlink.

<http://www.tatasteelindia.com/corporate/pdf/Environmental-Policy.pdf>

- 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.

Relevant hyperlinks are given below:

1) Tata Group approach: <http://www.tata.com/ourcommitment/articlesinside/Addressing-climate-change>

2) 13th Corporate Sustainability Report 2012-13 (refer to page 60-63):

<http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

- 3. Does the company identify and assess potential environmental risks?**

Yes.

Risks, mitigation strategies and contingency measures are reviewed and revised every year. Corporate Risk Management team organises multiple workshops for various functions.

Relevant hyperlinks are given below:

1) 13th Corporate Sustainability Report 2012-13 (refer to page 12 & 16):

<http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

- 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.

“Top Gas Pressure Recovery based Power Generation from ‘G’ Blast Furnace” implemented in 2010 at Jamshedpur Steel Works is a registered CDM project.

As on 31 March, 2014, two verifications (performance during Dec-2009 to Apr-2011) have been completed and 34,363 CERs have been issued. Third verification (performance during May-2011 to Dec-2012) is in progress.

- 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: are outlined in the 13th Corporate Sustainability Report 2012-13 (refer to page 62): <http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

Energy Efficiency initiatives are outlined in the 13th Corporate Sustainability Report 2012-13 (refer to page 72 to 74): <http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

Renewable energy initiatives as part of Corporate Social Responsibility are outlined in the 13th Corporate Sustainability Report 2012-13 (refer to page 74 to 75): <http://www.tatasteelindia.com/corporate-citizen/pdf/csr-12-13.pdf>

- 6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, the emissions/waste generated by the company for 2013-14 are within permissible limits given by CPCB/SPCB(s).

- 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.**

As on 31st March, 2014, there is no pending show cause or legal notice received from CPCB or 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 (FICCI)
- iv. Federation of Indian Mineral Industries (FIMI)
- v. Global Compact Network India (GCNI)
- vi. The energy and Resources Institute (TERI)

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 focusses 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 programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

Tata Steel collaborates with Government bodies, NGOs and donor agencies to implement community initiatives in the thematic areas of livelihoods, health, education, environment (renewable energy) and ethnicity. Through employee volunteerism it also utilises in-house resource persons in areas like skill development, disaster relief etc. The entire gamut of CSR activities are implemented through the following delivery arms: Corporate Social Responsibility department comprising Tata Steel Rural Development Society, Tata Steel Family Initiatives Foundation, Tata Steel Tribal Cultural Society and Tata Steel Skill Development Society. Moreover, Sports department, Urban Services, Medical Services, Tata Steel Adventure Foundation, other societies (e.g. Blood Bank, Ardeshir Dalal Memorial Hospital, Jamshedpur Eye Hospital), Tata Relief Committee and JUSCO also implement activities serving the needs of communities in the areas of operation.

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 ₹ 212 crores which is 3.31 per cent of the Company's PAT. 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
- 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. Most of our programmes are participatory in nature and focus on institution development and capacity building. For instance the solar streetlight initiative has led to installation of thousands of solar streetlights in remote villages around the operational areas in Jharkhand and Odisha. Maintenance of solar street lights after installation is important. To ensure its upkeep and sustained use by the village community, discussions with community members have resulted 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) A total of 1196 complaints were logged in Financial Year 2013-14. Of these 109 or 8% were pending at the end of the financial year.
- b) Out of 11 consumer cases, 4 got disposed-off in Financial Year 2013-14 and 7 still pending i.e. 64%

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. For example:-

- a) On Tata Shaktee GC Sheets, besides the Logo & ISI marks, the thickness and GSM (zinc coating) are also embossed.
- b) 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.
- c) Towards product authenticity, Galvano sheets are marked with a special ink for product authenticity wherein besides Galvano, Tata Steel & ISI marks, the thickness and GSM are also marked. These marking cannot be seen with naked eye but visible with a special torch beaming ultra-violet ray.

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.

There is no case against Tata Steel during last 5 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. Annual Customer Satisfaction Surveys are conducted by engaging a third party agency for Customer and Channel Segments. Brand Equity survey is carried out for our brands like Tata Shaktee and Tiscon.

Highlights

₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2013-14	2012-13	2013-14	2012-13
Gross revenue	46,748.52	42,888.66	1,53,247.39	1,38,848.90
Profit/(Loss) before tax	9,713.50	7,836.60	6,722.13	(4,132.95)
Profit /(Loss) after tax	6,412.19	5,062.97	3,663.97	(7,362.39)
Profit /(Loss) after tax, minority interest and share of profits of associates	–	–	3,594.89	(7,057.62)
Dividends	971.21	776.97	971.31	777.18
Retained earnings	7,127.88	5,617.81	8,208.97	(2,665.73)
Capital employed	93,379.23	86,836.21	1,28,769.10	1,09,800.11
Net worth	63,422.99	57,484.68	42,826.96	36,468.45
Borrowings	27,917.26	27,507.79	81,608.65	68,507.32
	Ratio		Ratio	
Net Debt : Equity	0.41	0.44	1.77	1.42
	₹	₹	₹	₹
Net worth per Share as at year end	653.03	591.88	440.96	375.49
Earnings per Share:				
Basic	64.21	50.28	35.19	(74.54)
Diluted	64.21	50.28	35.19	(74.54)
Dividend per Ordinary Share	10.00	8.00	10.00	8.00
Employees (Numbers)	36,199	35,905	80,391	80,646
Shareholders (Numbers)	10,10,971	10,66,996		

Sources and Utilisation of Funds

₹ crores

	2013-14	2012-13	2011-12	2010-11	Total for 2010-11 to 2013-14
SOURCES OF FUNDS :					
1. FUND GENERATED FROM OPERATIONS					
(a) PROFIT AFTER TAX	6,412.19	5,062.97	6,696.42	6,865.69	25,037.27
(b) DEPRECIATION	1,928.70	1,640.38	1,151.44	1,146.19	5,866.71
(c) OTHER INCOME AND ADJUSTMENTS	829.55	762.55	(530.54)	(88.13)	973.43
(d) TOTAL	9,170.44	7,465.90	7,317.32	7,923.75	31,877.41
2. SHARE CAPITAL (INCLUDING SHARE PREMIUM)	3.88	(1,039.42)	499.99	4,429.12	3,893.57
3. HYBRID PERPETUAL SECURITIES	–	–	775.00	1,500.00	2,275.00
4. NET INCREASE / (DECREASE) IN BORROWINGS	409.47	1,335.54	(2,128.87)	3,061.92	2,678.06
	9,583.79	7,762.02	6,463.44	16,914.79	40,724.04
UTILISATION OF FUNDS :					
5. CAPITAL EXPENDITURE	10,126.02	7,887.94	12,263.15	3,968.54	34,245.65
6. INVESTMENTS (NET)	4,243.00	136.28	3,717.58	1,585.27	9,682.13
7. DIVIDEND#	1,037.40	905.70	1,347.03	1,307.77	4,597.90
8. NET INCREASE/(DECREASE) IN OTHER ASSETS/(LIABILITIES)	(5,822.63)	(1,167.90)	(10,864.32)	10,053.21	(7,801.64)
	9,583.79	7,762.02	6,463.44	16,914.79	40,724.04

Including tax on dividend ₹ 66.19 crores (2012-13: ₹ 128.73 crores, 2011-12: ₹ 181.57 crores, 2010-11: ₹ 156.71 crores).

Financial Ratios

	Tata Steel Standalone				Tata Steel Group			
	2013-14	2012-13	2011-12	2010-11	2013-14	2012-13	2011-12	2010-11
1. EBITDA/Turnover	31.78%	30.62%	34.06%	39.55%	11.02%	9.39%	10.18%	14.41%
2. PBT/Turnover	23.63%	22.28%	27.54%	31.05%	4.50%	2.64%	4.26%	7.73%
3. Return on Average Capital Employed	12.57%	11.94%	13.07%	14.87%	8.83%	6.42%	8.47%	14.03%
4. Return on Average Net worth	10.61%	9.04%	13.01%	16.04%	9.07%	(17.34%)	13.14%	29.88%
5. Asset Turnover	74.14%	77.84%	76.26%	79.88%	89.23%	93.77%	93.05%	93.04%
6. Inventory Turnover (in days)	46	45	45	42	62	67	68	66
7. Debtors Turnover (in days)	7	8	7	5	37	39	41	40
8. Gross Block to Net Block	1.36	1.41	1.44	1.63	2.13	2.16	2.15	2.23
9. Net Debt to Equity	0.41	0.44	0.41	0.49	1.77	1.42	1.22	1.60
10. Current Ratio	0.62	0.88	0.96	1.62	1.64	1.75	1.82	1.91
11. Interest Cover ratio	7.69	6.50	9.80	7.76	2.73	2.01	2.69	3.61
12. Net worth per share (₹)	653.03	591.88	566.69	533.97	440.96	375.49	467.57	409.02
13. Basic Earnings per share (₹)	64.21	50.28	67.84	75.63	35.19	(74.54)	54.27	99.03
14. Dividend Payout	16%	18%	20%	19%	29%	(14%)	25%	15%
15. P/E Ratio	6.13	6.21	6.93	8.20	11.19	(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
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
2013-14	17,364	6,972	9,899	9,155	1,676	—	—	4,271	1,638	—	1,346	8,931

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	Reserves and Surplus	Borrowings	Gross Block *	Net Block	Investments	Income	Expenditure ☆	Depreciation	Profit before Tax	Tax	Profit after Tax	Net Transfer to Reserves	Dividend
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
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 [#]
2013-14	3,246.41	60,176.58	27,917.26	58,015.91	42,775.15	54,661.80	47,096.98	35,454.78	1,928.70	9,713.50	3,301.31	6,412.19	5,199.18	1,037.40[#]

@ 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	
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
2013-14	–	–	–	–	–	10.00	1,03,740.40	6,618.86	1,03,740.40

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 31st March, 2014, 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 notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) 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 31st March, 2014;
- (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 notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on March 31, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of Section 274(1) (g) of the Act.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/ W-100018)

N. VENKATRAM
Partner
(Membership No. 71387)

Mumbai, May 14, 2014

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 (xii), (xiii), (xiv), (xviii) and (xx) 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. 5 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 and The Cost Accounting Records (Electricity Industry) 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 made and 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 some 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 March 31, 2014 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 March 31, 2014 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)
Income Tax	CIT(A)/ITAT	2004-05, 2006-07 to 2009-10	1,143.71
	Income Tax Officer	2010-11	0.67
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 2009-10	14.54
	Tribunal	1990-91, 1992-94, 1996-97 & 1998-99 to 2013-14	794.42
	Commissioner	1988-89, 1989-90, 1994-95 to 2003-04 & 2005-06 to 2013-14	32.78
	Deputy Commissioner	1985-86, 1986-87 & 1998-99	0.18
	Assistant Commissioner	1983- 84 to 2005-06	0.85

Name of the Statute (Nature of Dues)	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. In crores)
Sales Tax	Supreme Court	2008-09 to 2013-14	2.84
	High Court	1973-74, 1977-78, 1978-79, 1983-84, 1991-92 to 1997-98, 1999-2000 to 2003-04, 2007-08, 2009-10 & 2012-13, 2013-14	153.33
	Tribunal	1980-81, 1983-84, 1984-85, 1989-99, 2001-02 & 2003-04 to 2010-11	66.40
	Commissioner	1988-89, 1989-90, 1993-94, 2000-01 to 2011-12 & 2013-14	267.06
	Deputy Commissioner	1983-84 to 1987-88 & 1993-94 to 2011-12	46.19
	Assistant Commissioner	1973-74, 1980-81, 1983-84 to 1996-97, 2000-01 to 2006-07, 2008-09, 2009-10 & 2011-12	18.37
Cess on royalty, education, welfare etc.	High Court	1956-94	7.66

- (xi) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xii) 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.
- (xiii) 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.
- (xiv) 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.
- (xv) 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.
- (xvi) According to the information and explanations given to us, during the period covered by our audit report, the Company did not issue debentures.
- (xvii) 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 LLP
Chartered Accountants
(Firm's Registration No.117366W/ W-100018)

N. VENKATRAM
Partner
(Membership No. 71387)

Mumbai, May 14, 2014

Balance Sheet as at 31st March, 2014

		₹ crores	
Note	Page		As at 31.03.2013
EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
2	146	(a) Share capital	971.41
3	148	(b) Reserves and surplus	54,238.27
			<u>61,147.99</u>
4	150	(2) HYBRID PERPETUAL SECURITIES	2,275.00
(3) NON-CURRENT LIABILITIES			
5	150	(a) Long-term borrowings	23,808.09
6	152	(b) Deferred tax liabilities (net)	2,038.98
7	152	(c) Other long-term liabilities	983.52
8	153	(d) Long-term provisions	1,905.05
			<u>28,735.64</u>
(4) CURRENT LIABILITIES			
5	150	(a) Short-term borrowings	43.69
9	153	(b) Trade payables	8,263.61
10	153	(c) Other current liabilities	8,671.67
8	153	(d) Short-term provisions	1,902.81
			<u>18,881.78</u>
			<u><u>1,11,040.41</u></u>
ASSETS			
(5) NON-CURRENT ASSETS			
(a) Fixed assets			
11	154	(i) Tangible assets	24,064.43
12	155	(ii) Intangible assets	201.32
		(iii) Capital work-in-progress	18,509.40
			<u>42,775.15</u>
13	156	(b) Non-current investments	52,318.56
14	161	(c) Long-term loans and advances	4,080.07
15	162	(d) Other non-current assets	302.03
			<u>99,475.81</u>
(6) CURRENT ASSETS			
16	162	(a) Current investments	2,343.24
17	163	(b) Inventories	6,007.81
18	163	(c) Trade receivables	770.81
19	163	(d) Cash and bank balances	961.16
14	161	(e) Short-term loans and advances	1,299.20
20	164	(f) Other current assets	182.38
			<u>11,564.60</u>
			<u><u>1,11,040.41</u></u>
1-49	144	Notes to Balance Sheet and Statement of Profit and Loss	

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 14th May, 2014

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

JACOBUS SCHRAVEN

ANDREW ROBB

MALLIKA SRINIVASAN

D K MEHROTRA

O P BHATT

KARL-ULRICH KOEHLER

KOUSHIK CHATTERJEE

Directors

Group Executive Director
(Finance & Corporate)

T V NARENDRAN

Managing Director

Statement of Profit and Loss for the year ended 31st March, 2014

Note	Page		₹ crores	
				<i>Previous Year</i>
		(1) REVENUE		
21	164	(a) Revenue from operations	46,309.34	42,317.24
		Less: Excise duty	<u>4,598.31</u>	<u>4,117.81</u>
			41,711.03	38,199.43
22	165	(b) Other income	<u>787.64</u>	<u>902.04</u>
		TOTAL REVENUE	42,498.67	39,101.47
		(2) EXPENSES		
23	165	(a) Raw materials consumed	9,677.71	9,877.40
24	165	(b) Purchase of finished, semi-finished and other products	352.63	453.34
25	166	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(155.18)	(404.60)
26	166	(d) Employee benefits expense	3,673.08	3,602.27
27	167	(e) Depreciation and amortisation expense	1,928.70	1,640.38
28	167	(f) Finance costs	1,820.58	1,876.77
29	167	(g) Other expenses	<u>16,375.81</u>	<u>14,420.91</u>
			33,673.33	31,466.47
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	<u>1,029.92</u>	<u>876.13</u>
		TOTAL EXPENSES	32,643.41	30,590.34
		(3) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	9,855.26	8,511.13
		(4) EXCEPTIONAL ITEMS		
		(a) Provision for diminution in the value of investments/ doubtful advances	(141.76)	(686.86)
		(b) Profit on sale of non-current investments	<u>—</u>	<u>12.33</u>
			(141.76)	(674.53)
		(5) PROFIT BEFORE TAX	9,713.50	7,836.60
		(6) TAX EXPENSE		
		(a) Current tax	3,098.02	1,770.54
		(b) MAT credit	—	(399.84)
		(c) Deferred tax	<u>203.29</u>	<u>1,402.93</u>
			3,301.31	2,773.63
		(7) PROFIT AFTER TAX	6,412.19	5,062.97
		(8) NOMINAL VALUE PER SHARE (₹)	10.00	10.00
31	168	(9) BASIC EARNINGS PER SHARE (₹)	64.21	50.28
31	168	(10) DILUTED EARNINGS PER SHARE (₹)	64.21	50.28
1-49	144	Notes to Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
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
JACOBUS SCHRAVEN
ANDREW ROBB
MALLIKA SRINIVASAN
D K MEHROTRA
O P BHATT
KARL-ULRICH KOEHLER
KOUSHIK CHATTERJEE

Directors

T V NARENDRAN *Group Executive Director
(Finance & Corporate)
Managing Director*

A ANJENEYAN
Company Secretary

Mumbai, 14th May, 2014

Cash Flow Statement for the year ended 31st March, 2014

		₹ crores
		<i>Previous Year</i>
A. Cash Flow from Operating Activities:		
Profit before tax	9,713.50	7,836.60
Adjustments for:		
Depreciation and amortisation expense	1,928.70	1,640.38
Impairment of fixed assets	0.33	4.01
(Profit)/Loss on assets sold/discarded	48.61	3.00
Provision for diminution in the value of investments	141.76	90.13
Provision for doubtful advances in the nature of loans	56.69	610.63
Profit on sale of non-current investments	(24.78)	(12.33)
(Gain)/Loss on cancellation of forwards, swaps and options	18.01	127.93
Interest and income from current investments	(348.46)	(330.62)
Income from non-current investments	(481.02)	(702.35)
Finance costs	1,820.58	1,876.77
Provision for wealth tax	2.00	2.00
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	360.51	440.75
	<u>3,522.93</u>	<u>3,750.30</u>
Operating Profit before Working Capital Changes	13,236.43	11,586.90
Adjustments for:		
Trade and other receivables	752.32	873.33
Inventories	(749.87)	(398.95)
Trade payables and other liabilities	1,641.16	987.33
	<u>1,643.61</u>	<u>1,461.71</u>
Cash Generated from Operations	14,880.04	13,048.61
Direct tax paid	(2,447.24)	(1,979.94)
Net Cash Flow from/(used in) Operating Activities	12,432.80	11,068.67
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽¹⁾	(9,549.13)	(7,508.55)
Sale of fixed assets	24.50	14.51
Advance received against sale of asset	135.50	-
Purchase of investments in subsidiaries ⁽²⁾	(94.35)	(2,123.81)
Purchase of other non-current investments	(451.37)	(255.41)
Sale of non-current investments	1,241.52	0.87
Sale/Redemption of investments in subsidiaries	54.95	231.32
(Purchase)/Sale of current investments (net)	(1,697.44)	991.70
Inter-corporate deposits/Shareholders' loan given	(131.40)	(127.30)
Repayment of inter-corporate deposits/shareholders' loan	45.00	50.00
Interest received	93.02	59.09
Dividend received	491.78	145.18
Net Cash Flow from/(used in) Investing Activities	(9,837.42)	(8,522.40)

Cash Flow Statement for the year ended 31st March, 2014

	₹ crores	
		Previous Year
C. Cash Flow from Financing Activities:		
Issue of Equity Shares	0.01	0.02
Capital contributions received	2.74	5.58
Proceeds from borrowings	5,325.46	6,087.61
Repayment of borrowings	(6,469.94)	(7,181.00)
Amount received/(paid) on cancellation of forwards, swaps and options	(18.04)	(122.81)
Expenses (incurred)/reimbursed on issue of equity instruments	3.87	2.40
Distribution on Hybrid Perpetual Securities	(266.13)	(265.76)
Interest paid ⁽¹⁾	(1,503.41)	(1,456.42)
Dividend paid	(776.97)	(1,165.46)
Tax on dividend paid	(123.57)	(185.75)
Net Cash Flow from/(used in) Financing Activities	(3,825.98)	(4,281.59)
Net increase/(decrease) in Cash and Cash Equivalents	(1,230.60)	(1,735.32)
Opening Cash and Cash Equivalents	2,139.93⁽³⁾	3,874.78
[Note 19, Page 163]		
Closing Cash and Cash Equivalents	909.33	2,139.46
[Note 19, Page 163]		

Additional information:

- (1) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 310.66 crores (2012-13: ₹ 174.13 crores).
- (2) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the year and includes application money on investments ₹ 4.85 crores (2012-13: ₹ 1,318.15 crores).
- (3) Includes ₹ 0.47 crore of Kalimati Investment Company Limited on amalgamation with Tata Steel Limited.
- (4) Previous year figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
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
JACOBUS SCHRAVEN
ANDREW ROBB
MALLIKA SRINIVASAN
D K MEHROTRA
O P BHATT
KARL-ULRICH KOEHLER
KOUSHIK CHATTERJEE

} Directors

T V NARENDRAN Group Executive Director
(Finance & Corporate)
Managing Director

A ANJENEYAN
Company Secretary

Mumbai, 14th May, 2014

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) Use of Estimates and Judgements

In preparation of the financial statements, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(c) 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 amount received.

(d) 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 of 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.

(e) 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.

Major expenses on relining of furnace are 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.

(f) 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.

(g) 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) Major furnace relining expenses are 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.
- (h) 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.
- (i) Foreign Currency Transactions**
Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.
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.
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.
Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments.
- (j) Derivative Financial Instruments**
- (i) The Company uses derivative financial instruments such as Forwards, Swaps, Options, etc. to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.
 - (ii) Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard - 11 "The effects of changes in Foreign Rates".
 - (iii) For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value of the derivative financial instruments are recognised in Cash Flow Hedge Reserve and reclassified in the period in which the Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a 'basis adjustment' and recycled to the Statement of Profit and Loss when the respective non-financial asset affects the Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognised in the Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained their until the forecasted transaction occurs.
If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss.
 - (iv) If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.
- (k) 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.
- (l) 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.
- (m) Relining Expenses**
Relining expenses other than major expenses on furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.
- (n) 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.
- (o) Deferred Tax**
Deferred Tax is accounted for by computing the tax effect of timing differences, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date.

2. SHARE CAPITAL

[Item No. 1(a), Page 140]

		₹ crores	
			As at 31.03.2013
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each <i>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 97,21,26,020 Ordinary Shares of ₹ 10 each)</i>	972.13	972.13
Subscribed and Paid up:			
97,12,15,405	Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2013: 97,12,15,229 Ordinary Shares of ₹ 10 each)</i>	971.21	971.21
	Amount paid up on 3,89,516 Ordinary Shares forfeited <i>(31.03.2013: 3,89,516 Shares of ₹ 10 each)</i>	0.20	0.20
		971.41	971.41

Additional information:

(1) The movement in subscribed and paid up share capital is set out below:

	No. of shares	₹ crores	As at 31.03.2013	
			No. of shares	₹ crores
Ordinary Shares of ₹ 10 each				
At beginning of the year	97,12,15,229	971.21	97,12,14,450	971.21
Shares allotted during the year	176^(a)	—	779 ^(b)	—
	97,12,15,405	971.21	97,12,15,229	971.21

(a) 176 Ordinary Shares of face value of ₹ 10 per share allotted on 11th March, 2014 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(b) (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.

(c) The balance Ordinary Shares kept in abeyance are 3,01,218 (31.03.2013: 3,06,482) 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 31.03.2013	
			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	14,44,93,458	14.88	14,54,67,247	14.98

- (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) of face value USD 0.1 million each aggregating to USD 546.935 million. These represent **4,28,28,141** (31.03.2013: 4,25,96,510) 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 ₹ **592.0385** per share (31.03.2013: ₹ 595.2578 per share) and at a fixed USD/ INR conversion rate of 46.36.
- (4) **2,88,75,320** shares (31.03.2013: 2,17,38,923 shares) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 1994 and 2010. Each GDR represents one underlying Ordinary Share.
- (5) 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 140]

		₹ crores
		As at 31.03.2013
(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
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	19.95	—
	20.78	0.83
(c) Securities Premium Reserve		
Balance as per last account	17,838.49	18,877.91
Premium on issue of Ordinary Shares	0.01	0.02
Expenses/reimbursement related to CARS/NCD/GDR/Hybrid Securities/preferential and public issue of equity shares	3.87	(7.99)
Exchange difference on redemption premium of CARS	—	(41.01)
Discount/Premium on non-convertible debenture	—	(990.44)
	17,842.37	17,838.49
(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
Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	(0.17)	—
	0.26	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	54.92	46.26
Received/Capitalised during the year	5.03	8.66
	59.95	54.92
(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) Special Reserve		
Balance as per last account	—	—
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	97.75	—
Transfer from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	160.36	—
Transfer to General Reserve	(258.11)	—
	—	—
(l) Cash Flow Hedge Reserve ⁽¹⁾		
Balance as per last account	—	—
Fair value changes recognised (net of tax)	(15.84)	—
	(15.84)	—
(m) General Reserve		
Balance as per last account	9,923.00	9,416.70
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	49.94	—
Transfer from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	80.18	—
Transfer from Special Reserve	258.11	—
Transfer from Surplus in Statement of Profit and Loss	641.22	506.30
	10,952.45	9,923.00
Carried Forward	31,022.75	29,980.45

3. RESERVES AND SURPLUS (Contd.)

[Item No. 1(b), Page 140]

		₹ crores
		As at 31.03.2013
Brought Forward	31,022.75	29,980.45
(n) Foreign Currency Monetary Item Translation Difference Account ⁽²⁾		
Balance as per last account	(358.35)	(404.90)
Exchange gain/(loss) during the year	(395.24)	(459.62)
Amortisation during the year	476.84	506.17
	(276.75)	(358.35)
(o) Surplus in the Statement of Profit and Loss		
Balance as per last account	24,616.17	21,145.04
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	150.78	-
Profit of Kalimati Investment Company Limited during Jan'13-Mar'13	771.29	-
Adjustment for unrecognised MAT asset in the books of Kalimati Investment Company Limited	222.58	-
Adjustment for unrecognised deferred tax liability in the books of Kalimati Investment Company Limited	(0.10)	-
Proposed dividend (including tax on dividend ₹ 90.39 crores) for 2012-13 of Kalimati Investment Company Limited	(647.56)	-
Transfer to Special Reserve of Kalimati Investment Company Limited during Jan'13-Mar'13	(160.36)	-
Transfer to General Reserve of Kalimati Investment Company Limited during Jan'13-Mar'13	(80.18)	-
Profit for the year	6,412.19	5,062.97
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 90.43 crores (2012-13: ₹ 86.37 crores)]	(175.61)	(179.84)
Proposed dividend on Ordinary Shares	(971.21)	(776.97)
Tax on dividend	(66.19)	(128.73)
Transfer to General Reserve	(641.22)	(506.30)
	29,430.58	24,616.17
	60,176.58	54,238.27

Additional information:

	₹ crores
(1) (a) Opening Balance of Cash Flow Hedge Reserve	-
Add: Effective portion of changes in fair value of cash flow hedges	(26.08)
Less: Amount subsequently adjusted against cost of inventory	2.09
Gross balance of Cash Flow Hedge Reserve	(23.99)
Add: Deferred tax on above	8.15
Net balance of Cash Flow Hedge Reserve	(15.84)
(b) The amount recognised in Cash Flow Hedge Reserve is expected to impact Statement of Profit and Loss within the next one year.	
(c) Ineffective portion taken to Statement of Profit and Loss during the year ₹ 0.21 crore.	
(2) 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. As on 31st March, 2014, a debit of ₹ 276.75 crores (31.03.2013: ₹ 358.35 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account".	

4. HYBRID PERPETUAL SECURITIES

[Item No. 2, Page 140]

	₹ crores	
		As at 31.03.2013
Hybrid Perpetual Securities	2,275.00	2,275.00
	2,275.00	2,275.00

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 140]

				₹ crores		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
A. Secured Borrowings				As at 31.03.2013		
(a) Term loan						
(i) Joint Plant Committee – Steel Development Fund ^{1(a)}	2,125.55	–	2,125.55	2,036.02	–	2,036.02
	2,125.55	–	2,125.55	2,036.02	–	2,036.02
B. Unsecured Borrowings						
(a) Bonds/Debentures ^{2(a)}						
(i) Non-convertible debentures	11,399.97	–	11,399.97	11,442.87	–	11,442.87
(ii) 4.5% Foreign Currency Convertible Bonds	–	–	–	2,969.04	–	2,969.04
(b) Term loans						
(i) From banks ^{2(b)}	9,433.57	–	9,433.57	6,268.64	–	6,268.64
(ii) From financial institutions and others ^{2(c)}	849.00	–	849.00	849.00	–	849.00
(c) Other loans	–	43.69	43.69	–	70.94	70.94
	21,682.54	43.69	21,726.23	21,529.55	70.94	21,600.49
	23,808.09	43.69	23,851.78	23,565.57	70.94	23,636.51

Additional information:

- (1) Details of outstanding secured borrowings are as follows:

- (a) Loan from Joint Plant Committee – Steel Development Fund which includes funded interest ₹ 488.32 crores (31.03.2013: ₹ 406.45 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, all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated 13th April, 1967 and in favour of Government of Bihar under two deeds of mortgage dated 11th May, 1963, immovable properties and movable assets of the Tube Division, Bearing Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under Deferred Payment schemes/Bill Re-discounting schemes/Asset Credit schemes.

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 ₹ **1,599.73** crores (*31.03.2013: ₹ 1,517.07 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 at par on 7th May, 2015.
- (ix) 12.50% p.a. interest bearing 12,500 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 19th November, 2014.

(b) Term loans from banks

- (i) USD **200.00** million equivalent to ₹ **1,198.00** crores (*31.03.2013: Nil*) loan is repayable in 3 equal annual installments commencing from 11th March, 2018.
- (ii) Indian rupee loan amounting ₹ **2,000.00** crores (*31.03.2013: Nil*) is repayable in 34 quarterly installments commencing from 31st December, 2016 subject to achievement of financial closure of Kalinganagar project debt within 12 months from the date of first disbursement.
- (iii) USD **335.00** million equivalent to ₹ **2,006.65** crores (*31.03.2013: USD 335 million equivalent to ₹ 1,818.55 crores*) loan is repayable on 10th June, 2015.
- (iv) Indian rupee loan amounting ₹ **1,500.00** crores (*31.03.2013: ₹ 2,000.00 crores*) is repayable in 5 semi-annual installments commencing from 30th April, 2015.
- (v) GBP **100.00** million equivalent to ₹ **998.35** crores (*31.03.2013: GBP 100 million equivalent to ₹ 822.14 crores*) loan is repayable on 4th April, 2015.
- (vi) JPY **1,097.90** million equivalent to ₹ **63.71** crores (*31.03.2013: JPY 4.5 million equivalent to ₹ 0.26 crore*) loan is repayable in 20 equal semi-annual installments commencing from 27th July, 2014.
- (vii) Euro **43.23** million equivalent to ₹ **356.68** crores (*31.03.2013: Euro 48.63 million equivalent to ₹ 338.46 crores*) loan is repayable in 16 equal semi-annual installments; the next installment is due on 6th July, 2014.
- (viii) Euro **23.46** million equivalent to ₹ **193.59** crores (*31.03.2013: Euro 28.16 million equivalent to ₹ 195.95 crores*) loan is repayable in 10 equal semi-annual installments; the next installment is due on 1st July, 2014.
- (ix) USD **19.59** million equivalent to ₹ **117.36** crores (*31.03.2013: USD 19.59 million equivalent to ₹ 106.36 crores*) loan is repayable on 4th June, 2014.
- (x) Euro **3.88** million equivalent to ₹ **32.01** crores (*31.03.2013: Euro 4.85 million equivalent to ₹ 33.75 crores*) loan is repayable in 8 equal semi-annual installments; the next installment is due on 2nd May, 2014.
- (xi) Euro **162.40** million equivalent to ₹ **1,339.89** crores (*31.03.2013: Euro 181.50 million equivalent to ₹ 1,263.15 crores*) loan is repayable in 17 equal semi-annual installments; the next installment is due on 30th April, 2014.

(c) Term loans from financial institutions and others

- (i) Indian rupee loan amounting ₹ **650.00** crores (*31.03.2013: ₹ 650.00 crores*) is repayable on 16th June, 2019.
- (ii) Indian rupee loan amounting ₹ **199.00** crores (*31.03.2013: ₹ 199.00 crores*) is repayable on 30th June, 2016.

6. DEFERRED TAX LIABILITIES (NET)

[Item No. 3(b), Page 140]

	₹ crores			
	<i>Deferred tax (asset)/ liability as at 01.04.2013</i>	Adjustment through reserves	Current year charge/ (credit)	Deferred tax (asset)/ liability as at 31.03.2014
Deferred tax liabilities				
(a) Differences in depreciation and amortisation for accounting and income tax purposes	3,383.93	0.10	138.23	3,522.26
(b) Prepaid expenses	64.40	-	18.43	82.83
	<u>3,448.33</u>	<u>0.10</u>	<u>156.66</u>	<u>3,605.09</u>
Deferred tax assets				
(a) Employee separation compensation	(379.31)	-	47.47	(331.84)
(b) Provision for doubtful debts and advances	(62.91)	-	(16.55)	(79.46)
(c) Disallowance under Section 43B of Income Tax Act, 1961	(284.77)	-	(22.76)	(307.53)
(d) Provision for employee benefits	(371.24)	-	(5.45)	(376.69)
(e) Redemption Premium on issue of non-convertible debenture	(392.79)	-	43.35	(349.44)
(f) Discount on issue of non-convertible debenture	(69.29)	-	7.65	(61.64)
(g) Fair value changes of cash flow hedges	-	(8.15)	-	(8.15)
(h) Others	(44.28)	-	(7.08)	(51.36)
	<u>(1,604.59)</u>	<u>(8.15)</u>	<u>46.63</u>	<u>(1,566.11)</u>
	<u>1,843.74</u>	<u>(8.05)</u>	<u>203.29</u>	<u>2,038.98</u>
Net amount charged to Statement of Profit and Loss			<u>203.29</u>	
Deferred tax liabilities (net)	<u>1,843.74</u>			<u>2,038.98</u>

7. OTHER LONG-TERM LIABILITIES

[Item No. 3(c), Page 140]

	₹ crores	
		<i>As at 31.03.2013</i>
(a) Creditors for capital supplies/services	983.29	289.78
(b) Others	0.23	91.09
	<u>983.52</u>	<u>380.87</u>

8. PROVISIONS

[Item No. 3(d) and 4(d), Page 140]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2013		
				Long-Term	Short-Term	Total
(a) Provision for employee benefits ⁽¹⁾	1,450.53	86.22	1,536.75	1,570.74	79.35	1,650.09
(b) Provision for employee separation compensation ⁽²⁾	454.52	142.55	597.07	542.68	155.09	697.77
(c) Provision for taxation ⁽³⁾	–	698.10	698.10	–	528.12	528.12
(d) Provision for fringe benefit tax	–	4.73	4.73	–	4.73	4.73
(e) Proposed dividend	–	971.21	971.21	–	776.97	776.97
	<u>1,905.05</u>	<u>1,902.81</u>	<u>3,807.86</u>	<u>2,113.42</u>	<u>1,544.26</u>	<u>3,657.68</u>

Additional information:

- (1) Includes provision for leave salaries ₹ 575.98 crores (31.03.2013: ₹ 559.93 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 ₹ 24.84 crores (2012-13: ₹ 23.68 crores) in respect of schemes introduced during the year.
- (3) Provision for taxation is after year wise set off against advance payment against taxes.

9. TRADE PAYABLES

[Item No. 4(b), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Creditors for supplies/services	6,654.24	5,188.45
(b) Creditors for accrued wages and salaries	1,609.37	1,175.21
	<u>8,263.61</u>	<u>6,363.66</u>

10. OTHER CURRENT LIABILITIES

[Item No. 4(c), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Current maturities of long-term borrowings	4,065.48	3,871.28
(b) Interest accrued but not due on borrowings	671.26	586.81
(c) Unpaid dividend	49.20	48.28
(d) Application money received due for refund and interest accrued thereon	0.16	0.16
(e) Unpaid matured deposits and interest accrued thereon	0.14	0.20
(f) Advances received from customers	261.98	322.46
(g) Creditors for capital supplies/services	1,848.16	2,282.58
(h) Creditors for other liabilities ^{(1)/(2)}	1,775.29	1,398.02
	<u>8,671.67</u>	<u>8,509.79</u>

Additional information:

- (1) Includes liability for employee family benefit scheme ₹ 78.27 crores (31.03.2013: ₹ 82.64 crores)
- (2) Includes liability for VAT, Sales tax, Excise duty, etc.

11. TANGIBLE ASSETS

[Item No. 5(a)(i), Page 140]

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Buildings ⁽⁴⁾	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross block as at 01.04.2013	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
Additions relating to acquisitions ⁽¹⁾	-	-	0.46	-	0.01	-	-	-	-	0.47
	-	-	-	-	-	-	-	-	-	-
Additions during the year ⁽²⁾	26.88	3.12	101.06	-	787.72	2.61	14.80	19.74	47.18	1,003.11
	65.36	-	1,485.08	-	13,187.24	9.08	23.82	40.26	202.30	15,013.14
Deductions during the year ⁽³⁾	-	-	(1.51)	-	(258.94)	(1.12)	(0.97)	(19.39)	-	(281.93)
	(0.05)	-	(0.02)	-	(107.66)	(0.15)	(1.20)	(7.76)	-	(116.84)
Exchange fluctuations capitalised during the year	-	-	-	-	264.98	-	-	-	-	264.98
	-	-	-	-	77.79	-	-	-	-	77.79
Gross block as at 31.03.2014	559.98	194.77	2,847.15	0.90	34,335.76	49.18	149.63	228.23	452.80	38,818.40
	533.10	191.65	2,747.14	0.90	33,541.99	47.69	135.80	227.88	405.62	37,831.77
Impairment as at 01.04.2013	135.96	-	1.25	-	-	-	-	-	-	137.21
	131.95	-	1.25	-	-	-	-	-	-	133.20
Impairment during the year	0.33	-	-	-	-	-	-	-	-	0.33
	4.01	-	-	-	-	-	-	-	-	4.01
Impairment as at 31.03.2014	136.29	-	1.25	-	-	-	-	-	-	137.54
	135.96	-	1.25	-	-	-	-	-	-	137.21
Accumulated depreciation as at 01.04.2013	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
Additions relating to acquisitions	-	-	0.17	-	0.01	-	-	-	-	0.18
	-	-	-	-	-	-	-	-	-	-
Depreciation during the year	5.95	2.19	84.71	0.02	1,630.49	3.14	14.96	19.61	18.93	1,780.00
	5.41	2.18	69.19	0.02	1,433.79	7.24	17.01	17.30	16.66	1,568.80
Depreciation on assets written off during the year ⁽²⁾	-	-	(0.89)	-	(189.27)	(1.11)	(0.96)	(15.54)	-	(207.77)
	(0.03)	-	(0.02)	-	(98.37)	(0.14)	(1.17)	(7.17)	-	(106.90)
Accumulated depreciation as at 31.03.2014	41.16	17.64	566.95	0.76	13,590.01	45.43	116.12	107.78	130.58	14,616.43
	35.21	15.45	482.96	0.74	12,148.78	43.40	102.12	103.71	111.65	13,044.02
Total accumulated depreciation and impairment as at 31.03.2014	177.45	17.64	568.20	0.76	13,590.01	45.43	116.12	107.78	130.58	14,753.97
	171.17	15.45	484.21	0.74	12,148.78	43.40	102.12	103.71	111.65	13,181.23
Net block as at 31.03.2014	382.53	177.13	2,278.95	0.14	20,745.75	3.75	33.51	120.45	322.22	24,064.43
	361.93	176.20	2,262.93	0.16	21,393.21	4.29	33.68	124.17	293.97	24,650.54

Additional information:

- (1) Additions relating to acquisitions represents addition on amalgamation of Kalimati Investment Company Limited.
- (2) Additions and depreciation on assets written off during the year include adjustments for inter se transfers.
- (3) Deductions include cost of assets scrapped/surrendered during the year.
- (4) Buildings include ₹ 2.32 crores (31.03.2013: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- (5) Rupee liability has increased by ₹ 264.98 crores (net) (2012-13: ₹ 77.79 crores) arising out of realignment of the value of long-term foreign currency loans and vendor retention liability 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 ₹ 15.11 crores (2012-13: ₹ 3.54 crores) arising on account of this adjustment.

11. TANGIBLE ASSETS (continued)

[Item No. 5(a)(i), Page 140]

(6) 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 01.04.2013	–	–	0.02	–	47.48	1.92	0.24	0.09	–	49.75
	–	–	0.02	–	42.37	1.87	0.07	0.03	–	44.36
Additions during the year ⁽¹⁾	–	–	–	–	6.81	0.12	1.96	–	–	8.89
	–	–	–	–	5.11	0.05	0.18	0.06	–	5.40
Deductions during the year	–	–	–	–	(0.03)	–	(0.03)	–	–	(0.06)
	–	–	–	–	–	–	(0.01)	–	–	(0.01)
Gross block as at 31.03.2014	–	–	0.02	–	54.26	2.04	2.17	0.09	–	58.58
	–	–	0.02	–	47.48	1.92	0.24	0.09	–	49.75
Capital work-in-progress										6.11
										0.60

Additional information:

- (1) Includes ₹ 2.61 crores (2012-13: Nil) being capitalised out of opening work-in-progress of automation division. This has been not considered in claiming research and development expenditure.

12. INTANGIBLE ASSETS

[Item No. 5(a)(ii), Page 140]

Intangible Assets	₹ crores		
	Software Costs	Development of property ⁽²⁾	Total
Gross block as at 01.04.2013	119.09	581.05	700.14
	81.52	546.43	627.95
Additions during the year ⁽¹⁾⁽³⁾	22.97	102.54	125.51
	37.57	34.62	72.19
Gross block as at 31.03.2014 ⁽³⁾	142.06	683.59	825.65
	119.09	581.05	700.14
Accumulated amortisation as at 01.04.2013	79.97	395.66	475.63
	71.08	332.97	404.05
Amortisation during the year	12.16	136.54	148.70
	8.89	62.69	71.58
Accumulated amortisation as at 31.03.2014	92.13	532.20	624.33
	79.97	395.66	475.63
Net block as at 31.03.2014	49.93	151.39	201.32
	39.12	185.39	224.51

Additional information:

- (1) Additions include adjustments for inter se transfers.
(2) Development of property represents expenditure incurred on development of mines/collieries.
(3) Addition and gross block of software costs includes cost of software purchased for in-house research recognised facility ₹ 0.27 crore (2012-13: Nil).
(4) The above intangible assets do not include any internally generated assets.

13. NON-CURRENT INVESTMENTS

[Item No. 5(b), Page 140]

		₹ crores	
			As at 31.03.2013
		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	
A. Trade investments			
(I) Investments in Equity Instruments			
(a) Investments in Subsidiary Companies			
(i) Quoted			
(1)	Tata Metaliks Ltd. (8,67,598 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,26,67,590	26.30
(2)	Tayo Rolls Limited	55,87,372	48.57
(3)	Tata Sponge Iron Limited (5,39,554 shares acquired on amalgamation of Kalimati Investment Company Limited)	83,93,554	86.54
(4)	The Tinsplate Company of India Limited (15,84,948 shares acquired on amalgamation of Kalimati Investment Company Limited)	7,84,57,640	395.02
		556.43	11.80 48.57 73.01 388.78 522.16
(ii) Unquoted			
(1)	ABJA Investment Co. Pte Ltd. (Face value of USD 1 each) (2,00,000 shares acquired during the year)	2,00,000	1.08
(2)	Adityapur Toll Bridge Company Limited	1,50,00,000	14.44
(3)	Bangla Steel & Mining Co. Ltd.* (Face value of TK 100 each) (9,998 shares acquired on amalgamation of Kalimati Investment Company Limited)	9,998	-
(4)	Indian Steel & Wire Products Ltd. (1,46,763 shares acquired during the year)	56,89,401	3.04
(5)	Gopalpur Special Economic Zone Limited	10,00,000	1.00
(6)	Jamshedpur Continuous Annealing and Processing Company Private Limited	44,57,40,000	445.74
(7)	Jamshedpur Utilities & Services Company Limited	2,03,50,000	20.35
(8)	Kalimati Investment Company Limited (Amalgamated with the Company)	-	-
(9)	Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	1.16
(10)	NatSteel Asia Pte. Ltd. (Face value of SGD 1 each)	28,14,37,128	773.86
(11)	T M International Logistics Limited	91,80,000	9.18
(12)	T M Mining Company Limited (37,000 shares acquired during the year)	1,11,000	0.11
(13)	Tata Incorporated (Face value of USD 1,000 each)	1,500	1.64
(14)	Tata Korf Engineering Services Ltd.* (1,59,600 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,99,986	-
(15)	Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	84.70
(16)	Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each) (27,27,15,598 shares acquired during the year)	5,93,17,67,688	47,875.33
(17)	Tata Steel Processing and Distribution Limited	6,82,50,000	274.45
(18)	Tata Steel Odisha Limited	50,000	0.05
(19)	The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	0.70
(20)	TS Alloys Limited (12,80,353 shares acquired during the year)	4,95,34,284	62.47
		49,569.30	47,364.66 47,886.82
		50,125.73	47,886.82

Carried forward

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 140]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2013
Brought forward		50,125.73	47,886.82
(b) Investments in Joint Ventures			
(i) Unquoted			
(1) Bhubaneswar Power Private Limited (15,47,233 shares acquired during the year)	1,32,13,373	13.22	11.67
(2) Himalaya Steel Mills Services Pvt. Ltd.	36,19,945	3.61	3.61
(3) mjunction services ltd.	40,00,000	4.00	4.00
(4) S & T Mining Company Private Limited (18,45,000 shares acquired during the year)	92,91,400	9.29	7.45
(5) Tata BlueScope Steel Ltd. (7,50,00,000 shares acquired during the year)	43,30,00,000	433.00	358.00
(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each) (17,07,500 shares acquired during the year)	3,02,07,500	137.64	127.28
(7) The Dhamra Port Company Limited	32,40,00,000	324.00	324.00
		924.76	836.01
		924.76	836.01
(c) Investments in Associate Companies			
(i) Quoted			
(1) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	—	—
(2) TRF Ltd. (1,87,586 shares acquired on amalgamation of Kalimati Investment Company Limited)	37,73,014	5.82	4.38
		5.82	4.38
(ii) Unquoted			
(1) Industrial Energy Ltd.	8,65,80,000	86.58	86.58
(2) Jamipol Ltd. (5,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	36,75,000	8.39	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) Rujivalika Investments Ltd. (3,20,467 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,20,467	0.60	—
(7) Strategic Energy Technology Systems Private Limited	2,47,09,500	24.71	24.71
(8) Tata Construction & Projects Ltd.* (6,36,364 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,97,699	—	—
(9) TRL Krosaki Refractories Ltd. (13,24,504 shares acquired on amalgamation of Kalimati Investment Company Limited)	55,63,864	42.38	25.88
		162.66	140.35
		168.48	144.73
Carried forward		51,218.97	48,867.56

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 140]

		₹ crores	
			As at 31.03.2013
Brought forward		51,218.97	48,867.56
(d) Investments in Others			
(i) Quoted			
(1) Steel Strips Wheels Limited (12,55,856 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,55,856	21.35	—
(2) Tata Investment Corporation Limited (2,46,018 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,46,018	6.51	—
(3) Tata Motors Ltd. (Face value of ₹ 2 each) (38,76,820 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,16,87,515	295.35	261.43
(4) The Tata Power Company Ltd. (Face value of ₹ 1 each)	3,43,18,180	196.25	196.25
(5) Titan Company Limited (Face value of ₹ 1 each) (3,87,75,840 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,87,75,840	13.36	—
(6) Others ₹ 47,834 (31.03.2013: ₹ 40,270) ⁽³⁾		0.01	0.01
		532.83	457.69
(ii) Unquoted			
(1) Panatone Finvest Ltd.	45,000	0.05	0.05
(2) Steelscape Consultancy Pvt. Ltd.	50,000	0.03	0.03
(3) Taj Air Limited (42,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	42,00,000	4.20	—
(4) Tata Industries Ltd. (Face value of ₹ 100 each) (15,37,854 shares acquired on amalgamation of Kalimati Investment Company Limited)	99,80,436	202.19	149.62
(5) Tata International Ltd. (Face value of ₹ 1,000 each) (19,136 shares acquired on amalgamation of Kalimati Investment Company Limited)	28,616	31.19	6.23
(6) Tata Projects Ltd. (Face value of ₹ 100 each) (1,28,250 shares acquired during the year)	2,18,250	32.36	0.18
(7) Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	0.16	0.16
(8) Tata Sons Limited (Face value of ₹ 1,000 each) (12,375 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,375	68.75	—
(9) Tata Teleservices Ltd. (15,38,672 shares acquired on amalgamation of Kalimati Investment Company Limited)	6,46,92,310	138.68	134.06
(10) Tarapur Environment Protection Society	30,424	0.31	0.31
(11) Others ₹ 99,517 (31.03.2013: ₹ 32,496) ⁽⁴⁾		0.01	—
		477.93	290.64
		1,010.76	748.33
		52,229.73	49,615.89
(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) (87,00,000 shares acquired during the year)	1,52,00,000	152.00	65.00
Carried forward		52,481.73	49,780.89

13. NON-CURRENT INVESTMENTS (continued)

[Item No. 5(b), Page 140]

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified		₹ crores As at 31.03.2013
Brought forward		52,481.73	49,780.89
(3) The Tinplate Company of India Limited 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (17,29,000 shares redeemed during the year) (92,61,000 shares partly redeemed during the year)	92,61,000	44.58	99.53
		296.58	264.53
		296.58	264.53
(III) Investments in Debentures/Bonds			
(a) Investments in Subsidiary Companies			
(i) Unquoted			
(1) Kalimati Investment Company Limited 2% Fully Convertible Debentures of ₹ 100 each (Amalgamated with the Company)	—	—	190.00
		—	190.00
(b) Investments in Associate Companies			
(i) Unquoted			
(1) Tata Construction & Projects Ltd.* 10% Convertible debentures of ₹ 100 each (54,000 debentures acquired on amalgamation of Kalimati Investment Company Limited)	97,000	—	—
		—	—
		—	190.00
		52,526.31	50,070.42
Provision for diminution in the value of investments			
(i) Investment in Equity Instruments		(159.01)	(85.73)
(ii) Investment in Preference Shares		(48.95)	—
		(207.96)	(85.73)
Total trade investments		52,318.35	49,984.69
B. Other Investments			
(I) Investments in Equity Instruments			
(a) Investments in others			
(i) Quoted			
(1) Credit Analysis & Research Limited (3,54,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,54,000	0.10	—
(2) Housing Development Finance Corporation Ltd. (Face value of ₹ 2 each)	7,900	0.01	0.01
(3) Others ₹ 2.00 (31.03.2013: ₹ 2.00) ⁽⁵⁾	—	—	—
		0.11	0.01
(ii) Unquoted			
(1) IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(2) Others ₹ 47,486 (31.03.2013: ₹ 3) ⁽⁶⁾	—	—	—
		0.10	0.10
Total other investments		0.21	0.11
Total non-current investments		52,318.56	49,984.80

* These investments are carried at a book value of ₹ 1.00

Additional information:

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	
			As at 31.03.2013
(1) Carrying value of Quoted Investments Market Value as at 31st March, 2014 ₹ 8,390.72 crores (31.03.2013: ₹ 4,980.56 crores)		1,046.62	984.24
(2) Carrying value of Unquoted Investments		51,271.94	49,000.56
		52,318.56	49,984.80
		₹	₹
(3) Trade Investments - Equity instruments (Others) - Quoted include:			
(a) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	40,260	40,260
(b) Tata Consultancy Services Limited (Face Value of ₹ 1 each) (24,400 shares acquired on amalgamation of Kalimati Investment Company Limited)	24,400	7,564	—
(c) Timken India Ltd.	1	10	10
		47,834	40,270
(4) Trade Investments - Equity instruments (Others) - Unquoted 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. (3,350 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	33,520	20
(i) Mohar Exports Services Pvt. Limited (3,352 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	33,520	—
(j) TBW Publishing and Media Pvt. Limited (100 shares acquired on amalgamation of Kalimati Investment Company Limited)	100	1	—
(k) Woodland Multispeciality Hospital Ltd.	1,25,000	1	1
		99,517	32,496
(5) Other Investments - Equity instruments (Others) - Quoted 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
		2	2
(6) Other Investments - Equity instruments (Others) - Unquoted include:			
(a) Eastern Synpacks Limited (1,50,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,50,000	1	—
(b) Investech Advisory Services (India) Limited (Face Value of ₹ 100 each) (1,680 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,680	1	—
(c) Namtech Electronic Devices Limited (48,026 shares acquired on amalgamation of Kalimati Investment Company Limited)	48,026	1	—
(d) Sanderson Industries Ltd. (1,06,234 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,33,876	2	1
(e) Standard Chrome Ltd. (5,58,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,16,000	2	1
(f) Wellman Incandescent India Ltd. (6,22,134 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,21,234	2	1
(g) Unit Trust of India – Mastershares (2,229 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,229	47,477	—
		47,486	3

14. LOANS AND ADVANCES

[Item No. 5(c) and 6(e), Page 140]

₹ crores

				As at 31.03.2013		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
(a) Capital advances ⁽¹⁾						
Unsecured and considered good	1,399.47	–	1,399.47	2,509.16	–	2,509.16
(b) Security deposits						
Unsecured and considered good	109.01	–	109.01	104.42	–	104.42
Unsecured and considered doubtful	1.67	–	1.67	1.56	–	1.56
Less: Provision for bad & doubtful loans and advances	1.67	–	1.67	1.56	–	1.56
	<u>109.01</u>	<u>–</u>	<u>109.01</u>	<u>104.42</u>	<u>–</u>	<u>104.42</u>
(c) Advance with public bodies						
Unsecured and considered good	650.68	802.62	1,453.30	431.61	693.20	1,124.81
Unsecured and considered doubtful	13.20	1.85	15.05	13.09	1.87	14.96
Less: Provision for bad & doubtful loans and advances	13.20	1.85	15.05	13.09	1.87	14.96
	<u>650.68</u>	<u>802.62</u>	<u>1,453.30</u>	<u>431.61</u>	<u>693.20</u>	<u>1,124.81</u>
(d) Loans and advances to related parties ⁽²⁾						
Unsecured and considered good	586.65	233.88	820.53	2,796.60	124.18	2,920.78
Unsecured and considered doubtful	551.06	140.17	691.23	500.19	114.84	615.03
Less: Provision for bad & doubtful loans and advances	551.06	140.17	691.23	500.19	114.84	615.03
	<u>586.65</u>	<u>233.88</u>	<u>820.53</u>	<u>2,796.60</u>	<u>124.18</u>	<u>2,920.78</u>
(e) MAT credit entitlement						
Unsecured and considered good	–	–	–	–	399.84	399.84
(f) Advance payment against taxes ⁽³⁾						
Unsecured and considered good	602.86	–	602.86	405.33	–	405.33
(g) Other loans and advances ⁽⁴⁾						
Unsecured and considered good	731.40	262.70	994.10	327.03	990.61	1,317.64
Unsecured and considered doubtful	3.30	33.78	37.08	1.00	34.00	35.00
Less: Provision for bad & doubtful loans and advances	3.30	33.78	37.08	1.00	34.00	35.00
	<u>731.40</u>	<u>262.70</u>	<u>994.10</u>	<u>327.03</u>	<u>990.61</u>	<u>1,317.64</u>
	<u>4,080.07</u>	<u>1,299.20</u>	<u>5,379.27</u>	<u>6,574.15</u>	<u>2,207.83</u>	<u>8,781.98</u>

Additional information:

(1) Include capital advance in respect of research and development activities of ₹ 12.78 crores (31.03.2013: ₹ 0.79 crore).

(2) Loans and advances to related parties include:

(a) Advance against equity for purchase of shares in subsidiaries, joint ventures and associate ₹ 140.79 crores (31.03.2013: ₹ 2,385.25 crores).

(b) Loans and advances in the nature of loans given to subsidiaries and associate ₹ 712.84 crores (31.03.2013: ₹ 595.09 crores).

Disclosure as per clause 32 of the listing agreement:

Name of the Company	Relationship	As at 31.03.2014	Maximum balance outstanding during the year	Investment by the loanee in the shares of parent company
		₹ crores	₹ crores	No. of Shares
Indian Steel & Wire Products Ltd.	Subsidiary	–	–	–
		–	8.09	–
Tata Steel (KZN) (Pty) Ltd.	Subsidiary	527.14	557.73	–
		495.79	525.10	–
Tata Metaliks Ltd.	Subsidiary	22.00	22.00	–
		22.00	72.00	–
Adityapur Toll Bridge Company Limited	Subsidiary	13.00	13.00	–
		10.60	10.60	–
Tayo Rolls Limited	Subsidiary	–	23.00	–
		–	–	–
Industrial Energy Ltd.	Associate	139.20	139.20	–
		43.20	43.20	–
Jamshedpur Utilities & Services Company Limited	Subsidiary	11.50	11.50	–
		11.50	11.50	–
TS Alloys Ltd.	Subsidiary	–	12.00	–
		12.00	12.00	–

 (c) Intercompany deposits ₹ **585.70** crores (31.03.2013: ₹ 499.30 crores)

(3) Advance payment against taxes is after year wise set off against provision for taxation.

(4) Other loans and advances include:

 (a) Loan due by an officer of the Company ₹ **81,250** (31.03.2013: ₹ 96,250)

 (b) Intercompany deposits ₹ **2.00** crores (31.03.2013: ₹ 2.00 crores)

15. OTHER NON-CURRENT ASSETS

[Item No. 5(d), Page 140]

	₹ crores	
	As at 31.03.2013	As at 31.03.2013
(a) Balances with banks ⁽¹⁾⁽²⁾	28.59	28.51
(b) Unamortised loan issue expenses	195.58	147.60
(c) Others	77.86	39.68
	302.03	215.79

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

 (2) Includes balances with banks held as security against guarantees ₹ **28.46** crores (31.03.2013: ₹ 28.46 crores).

16. CURRENT INVESTMENTS

[Item No. 6(a), Page 140]

	₹ crores	
	As at 31.03.2013	As at 31.03.2013
Investments in Mutual Funds – Unquoted Liquid Funds	2,343.24	434.00
	2,343.24	434.00

17. INVENTORIES

(At lower of cost and net realisable value)

[Item No. 6(b), Page 140]

₹ crores

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished and semi-finished goods
- (d) Stock-in-trade of goods acquired for trading
- (e) Stores and spares

		<i>As at 31.03.2013</i>
	2,035.78	1,685.99
	35.99	65.88
	2,216.14	2,032.34
	2.07	0.80
	1,717.83	1,472.93
	6,007.81	5,257.94

Included above, goods-in-transit:

- (i) Raw materials
- (ii) Finished and semi-finished goods
- (iii) Stock-in-trade of goods acquired for trading
- (iv) Stores and spares

	536.46	306.42
	0.69	0.75
	0.03	-
	131.42	111.61
	668.60	418.78

18. TRADE RECEIVABLES

[Item No. 6(c), Page 140]

₹ crores

- (a) More than six months
- (b) Others

		<i>As at 31.03.2013</i>
	25.25	32.94
	761.47	778.32
	786.72	811.26
	15.91	14.34
	770.81	796.92

Less: Provision for doubtful trade receivables – More than six months

Unsecured and considered good
Doubtful

	770.81	796.92
	15.91	14.34
	786.72	811.26

19. CASH AND BANK BALANCES

[Item No. 6(d), Page 140]

₹ crores

- (a) Cash in hand
- (b) Cheques, drafts on hand
- (c) Remittances in-transit
- (d) Balances with banks
- Total cash and cash equivalents**
- (e) Earmarked balances with banks

		<i>As at 31.03.2013</i>
	0.34	0.39
	181.83	148.89
	1.07	25.77
	726.09	1,964.41
	909.33	2,139.46
	51.83	52.90
	961.16	2,192.36

20. OTHER CURRENT ASSETS

[Item No. 6(f), Page 140]

	₹ crores	
		As at 31.03.2013
(a) Interest accrued on deposits, loans and advances	7.25	9.88
(b) Others	175.13	605.92
	<u>182.38</u>	<u>615.80</u>

Additional information:

- (1) Includes ₹ 49.00 crores (31.03.2013: ₹ 48.75 crores) on account of loan issue expenses, ₹ 123.25 crores (31.03.2013: Nil) on account of receivables for sale of investments and ₹ 2.88 crores (31.03.2013: ₹ 557.17 crores) on account of dividend receivable.

21. REVENUE FROM OPERATIONS

[Item No. 1(a), Page 141]

	₹ crores	
		Previous Year
(a) Sale of products ⁽¹⁾	44,884.60	41,013.90
(b) Sale of power and water	897.99	875.29
(c) Income from town, medical and other services	86.96	75.60
(d) Other operating income ⁽²⁾	439.79	352.45
	<u>46,309.34</u>	<u>42,317.24</u>

Additional information:

- (1) Details of products sold:

Class of Products	₹ crores	
		Previous Year
(i) Saleable Steel (Finished)	36,056.57	31,817.79
(ii) Agrico Products	159.52	166.04
(iii) Semi-finished Steel and Scrap	1,376.20	1,647.61
(iv) Welded Steel Tubes [includes tubular steel structures ₹ 692.83 crores (2012-13: ₹ 582.57 crores)]	2,095.56	1,933.34
(v) By-Products, etc.	427.02	333.14
(vi) Raw Materials:		
– Ferro Manganese	210.95	186.10
– Charge Chrome/Ferro Chrome	1,103.72	1,523.81
– Other Raw Materials	3,172.98	3,130.52
(vii) Bearings	187.77	180.14
(viii) Metallurgical Machinery	36.27	91.23
(ix) Sale of Purchased Materials:		
– Saleable Steel (Finished/Converted)	51.89	–
– Raw Materials/Scrap/Other Materials	6.15	4.18
	<u>44,884.60</u>	<u>41,013.90</u>

- (2) Includes lease rentals of ₹ 0.20 crore (2012-13: ₹ 0.20 crore) on wagons leased to railways under Own Your Wagon Scheme.

22. OTHER INCOME

[Item No. 1(b), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Dividend income		
(i) Investment in subsidiaries	352.97	627.60
(ii) Investment in joint ventures and associates	69.36	12.51
(iii) Other non-current investments	58.69	62.24
(iv) From current investments	13.42	–
(b) Interest income	153.64	109.09
(c) Net gain/(loss) on sale of investments		
(i) On sale of other non-current investments	24.78	–
(ii) On sale of current investments	181.40	221.53
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(48.61)	(3.00)
(e) Gain/(Loss) on cancellation of forwards, swaps and options (net)	(18.01)	(127.93)
	<u>787.64</u>	<u>902.04</u>

23. RAW MATERIALS CONSUMED

[Item No. 2(a), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Iron Ore	1,977.51	1,746.21
(b) Coal [excluding ₹ 4,724.84 crores (2012-13: ₹ 4,484.87 crores) used for manufacturing coke]	1,238.51	1,145.26
(c) Coke	5,637.89	6,397.85
(d) Limestone and Dolomite	738.00	663.93
(e) Ferro Manganese	181.14	132.21
(f) Zinc and Zinc Alloys	267.56	259.59
(g) Sulphur and Other Materials	2,181.77	1,834.21
	<u>12,222.38</u>	<u>12,179.26</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 ₹ 2,544.67 crores (2012-13: ₹ 2,301.86 crores) charged to wages and salaries and other revenue accounts.

24. PURCHASE OF FINISHED, SEMI-FINISHED AND OTHER PRODUCTS

[Item No. 2(b), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) For Resale:		
(i) Finished/Semi-finished steel materials	52.34	3.30
(ii) Finished/Semi-finished steel materials - Agrico and Tubes	33.41	20.60
(b) For Own Consumption:		
(i) Finished/Semi-finished steel materials ⁽¹⁾	252.36	418.65
(ii) Others	14.52	10.79
	<u>352.63</u>	<u>453.34</u>

Additional information:

- Includes components for manufacture of metallurgical machinery ₹ 138.48 crores (2012-13: ₹ 206.18 crores).

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

[Item No. 2(c), Page 141]

	₹ crores	
		<i>Previous Year</i>
Inventories at the end of the year		
(a) Work-in-progress	35.99	65.88
(b) Finished and semi-finished goods	2,216.14	2,032.34
(c) Stock-in-trade of goods acquired for trading	2.07	0.80
	2,254.20	2,099.02
Inventories at the beginning 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
	2,099.02	1,694.42
	155.18	404.60

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 31.03.2013</i>	
	Closing Stock	Opening Stock	Closing Stock	Opening Stock
(a) Saleable Steel (Finished)	1,195.65	1,133.75	1,133.75	832.20
(b) Agrico Products	11.08	11.15	11.15	14.25
(c) Semi-finished Steel and Scrap	761.66	657.79	657.79	591.42
(d) Welded Steel Tubes	93.54	77.89	77.89	68.17
(e) By-Products, etc.	15.79	9.38	9.38	9.14
(f) Other Products	115.97	114.29	114.29	105.54
(g) Bearings	21.97	27.90	27.90	18.72
(h) Sale of Purchased Materials –				
Saleable Steel (Finished/Converted)	0.48	0.19	0.19	0.39
Raw Materials/Scrap/Other Materials	2.07	0.80	0.80	0.76
	2,218.21	2,033.14	2,033.14	1,640.59

26. EMPLOYEE BENEFITS EXPENSE

[Item No. 2(d), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Salaries and wages, including bonus	3,230.60	2,916.69
(b) Contribution to provident and other funds	365.90	418.90
(c) Staff welfare expenses	76.58	266.68
	3,673.08	3,602.27

27. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. 2(e), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Depreciation on tangible assets	1,780.00	1,568.80
(b) Amortisation of intangible assets	148.70	71.58
	<u>1,928.70</u>	<u>1,640.38</u>

28. FINANCE COSTS

[Item No. 2(f), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Interest expense		
(i) Debentures/bonds and fixed loans	1,946.46	1,846.00
(ii) Others ⁽¹⁾	99.66	119.38
(b) Other borrowing costs	85.12	85.52
	<u>2,131.24</u>	<u>2,050.90</u>
Less: Interest capitalised	310.66	174.13
	<u>1,820.58</u>	<u>1,876.77</u>

Additional information:

(1) Includes interest on income tax assessment for earlier years Nil (2012-13: ₹ 41.28 crores)

29. OTHER EXPENSES

[Item No. 2(g), Page 141]

	₹ crores	
		<i>Previous Year</i>
(a) Consumption of stores and spares	2,611.23	2,090.89
(b) Repairs to buildings	74.46	85.42
(c) Repairs to machinery	1,733.92	1,381.08
(d) Relining expenses	44.06	38.49
(e) Fuel oil consumed	207.70	189.06
(f) Purchase of power	2,564.61	2,321.11
(g) Conversion charges	2,003.63	1,955.19
(h) Freight and handling charges	2,755.08	2,260.76
(i) Rent	46.04	33.63
(j) Royalty	1,129.80	1,152.43
(k) Rates and taxes	508.61	423.18
(l) Insurance	44.06	41.77
(m) Commission, discounts and rebates	163.98	142.67
(n) Provision for wealth tax	2.00	2.00
(o) Provision for doubtful debts and advances	60.53	11.15
(p) Excise duty	80.32	134.97
(q) Others ⁽¹⁾	2,345.78	2,157.11
	<u>16,375.81</u>	<u>14,420.91</u>

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	0.33	4.01
(c) Net loss/(gain) on foreign currency transactions	463.77	536.90
(d) Auditors remuneration and out-of-pocket expenses		
(i) As auditors [includes ₹ 0.02 crore (2012-13: Nil) of Kalimati Investment Company Limited]	4.02	4.00
(ii) For taxation matters [includes ₹ 22,472 (2012-13: Nil) of Kalimati Investment Company Limited]	0.37	0.37
(iii) For other services [excluding Nil (2012-13: ₹ 0.06 crore) being expenses relating to acquisition of equity investment] [includes ₹ 0.02 crore (2012-13: Nil) of Kalimati Investment Company Limited]	2.27	0.43
(iv) Auditors out-of-pocket expenses	0.11	0.18
(e) Cost audit fees [including expenses ₹ 21,578 (2012-13: ₹ 85,231)]	0.12	0.13

30. EXCEPTIONAL ITEMS

[Item No. 4, Page 141]

- (a) During the year, the Company carried out impairment testing of its exposure in some of its affiliate companies due to the existence of factors indicating probable impairment.

Consequently, an amount of ₹ 122.24 crores on account of investment exposure in Tayo Rolls Limited (a subsidiary) and Strategic Energy Technology Systems Private Limited (an associate) and ₹ 19.52 crores on account of advances paid to be converted into equity in Gopalpur Special Economic Zone Limited (a subsidiary) have been provided for.

The previous year amount of ₹ 686.86 crores relates to provision on account of the Company's exposure in its subsidiary Tata Steel (KZN) Pty Ltd.

- (b) Profit on sale of non-current investments relates to the disposal of equity stake by the Company in its subsidiaries Jamshedpur Continuous Annealing and Processing Company Private Limited at a profit of ₹ 9.60 crores and Sila Eastern Ltd. at a profit of ₹ 2.73 crores.

31. EARNINGS PER SHARE (EPS)

[Item No. 9 and 10, Page 141]

		₹ crores
		Previous Year
(a) Profit after tax	6,412.19	5,062.97
Less: Distribution on Hybrid Perpetual Securities (net of tax)	175.61	179.84
Profit attributable to Ordinary Shareholders – for Basic EPS	6,236.58	4,883.13
Profit attributable to Ordinary Shareholders – for Diluted EPS	6,236.58	4,883.13
	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	97,12,15,239	97,12,14,550
Weighted average no. of Ordinary Shares for Diluted EPS	97,12,15,239	97,12,14,550
(c) Nominal value per Ordinary Share	₹ 10.00	₹ 10.00
(d) Basic Earnings per Ordinary Share	₹ 64.21	₹ 50.28
(e) Diluted Earnings per Ordinary Share	₹ 64.21	₹ 50.28

Additional information:

- (1) 4.5% Foreign Currency Convertible Bonds are anti-dilutive.

32. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Company

₹ crores

		As at 31.03.2013
(i) Excise and Service Tax	415.27	466.21
(ii) Customs	13.71	13.70
(iii) Sales Tax and VAT	283.25	386.68
(iv) State Levies	271.73	268.14
(v) Suppliers and Service Contract	80.38	77.52
(vi) Labour Related	48.85	45.23
(vii) Income Tax	107.55	8.11
(viii) Royalty	14.01	14.01

- (b) The Company has given guarantees aggregating ₹ 2,224.38 crores (31.03.2013: ₹ 579.91 crores) on behalf of others. As at 31st March, 2014, the contingent liabilities under these guarantees amounts to ₹ 2,224.38 crores (31.03.2013: ₹ 579.91 crores).
- (c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2013: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2013: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.
- (d) 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, 2014 would be approximately ₹ 3,946.65 crores (31.03.2013: ₹ 3,006.46 crores).
- (e) Interest expenditure on loans taken and deployed for Corus acquisition has been disallowed in assessments with tax demand raised for ₹ 453 crores. Company has deposited ₹ 300 crores as a precondition to prefer appeals and is reasonably confident of succeeding in litigation, on due consideration of facts and legal position.
- (f) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement 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 demand of the state mining authority has been confirmed by High Court vide its Judgment dated 12th March, 2014. High Court has concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending SLP's filed by State and Company in the year 2004. Company has filed SLP before Supreme Court against the order of the High Court dated 12th March, 2014. In the hearing held on 2nd May, 2014, the case has been referred to the Larger Bench of the Supreme Court. Principal demand amount have been provided in the books. Interest amount of ₹ 301.83 crores (31.03.2013: ₹ 453.91 crores including principal demand of ₹ 190 crores) has been considered as contingent liability.
- (g) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.
An additional demand of ₹ 148.15 crores has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on 14th November, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Accordingly, the demand of ₹ 148.15 crores (31.03.2013: ₹ 79.08 crores) has been considered as a contingent liability.
- (h) In terms of Agreements entered into in 2008-09 between Tata Teleservices Ltd. (TTSL), Tata Sons Limited (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company sold to the SP, 52,46,590 equity shares of Tata Teleservices Ltd. ("TTSL") at ₹ 116.09 per share which resulted in a profit of ₹ 49.77 crores in the same year. Tata Sons Limited is party to a Shareholders Agreement with NTT DoCoMo, Inc. of Japan (Strategic Partner – SP) dated 25th March, 2009 and amended on 21st May, 2010.
The Company has an "inter se" agreement with Tata Sons Limited and other Tata Group companies. Tata Sons Limited has informed the Company as follows:
- Under the terms of the Shareholders Agreement if certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 the SP has an option to divest its entire shareholdings in TTSL at a price being the higher of fair value or ₹ 58.05 per share (i.e. 50 percent of the subscription price) ("Sale Price"), subject to compliance with applicable law and regulations ("Sale Option").
 - Tata Sons Limited had offered other shareholders of TTSL, including the Company, the option in 2008-09 to sell to the SP. If Tata Sons Limited becomes obliged to acquire the Sale Shares under the Sale Option the Company can be nominated by it to acquire pro-rated proportions of the Sale Shares based on the number of shares sold by the Company to the SP. On a pro-rated bases the number of shares would be 2,58,83,846 shares out of the Sale Shares. The Company has further agreed to reimburse Tata Sons Limited for any other indemnification claim made on Tata Sons Limited by SP on a similar proportionate basis.
 - In the wake of recent regulatory developments in India, Tata Sons Limited has considered its position relating to the possible exercise of the Sale Option under the Shareholders Agreement.

- (iv) The Shareholders Agreement obliges Tata Sons Limited to find a buyer for the shares at the Sale Price.
- (v) If there is no buyer at the Sale Price, then Tata Sons Limited is obliged to acquire or procure the acquisition of such shares. These obligations are subject to compliance with applicable law and regulations.
- (vi) No notice of exercise of the Sale Option has been received although the SP has communicated its board decision to exercise the Sale Option.
- (vii) Pending receipt of a notice exercising the Sale Option and in view of applicable law and regulations, the exposure of the Company (if any) cannot be ascertained.

The aforementioned agreements are governed by Indian Law.

- (i) Bills discounted ₹ 369.59 crores (31.03.2013: ₹ 469.58 crores).

B. Commitments

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 8,830.93 crores (31.03.2013: ₹ 11,995.60 crores).
- (b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2013: ₹ 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, State Bank of India 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 Limited and Tata Steel Netherlands Holdings 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. Ltd., (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 and Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge of lien or in any way encumber its holding in Taj Air Limited, (j) Sumitomo Mitsui Banking Corporation not to dispose of the management control in Tata Metaliks Di Pipes Limited (Formerly known as Tata Metaliks Kubota Pipes Limited) held through Tata Metaliks Ltd. so long as the dues to Sumitomo Mitsui Banking Corporation is subsisting by Tata Metaliks Di Pipes 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 Steel Ltd. (TBSSL) (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 TBSSL, 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 Ltd. (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 Limited (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 to extend support in operational and financial matters subject to the condition that the financial support will not exceed ₹ 79 crores.

The Company has agreed, if requested by Jamshedpur Utilities & Services Company Limited to extend continued support in operational and financial matters for the next twelve months ending 31st March, 2015 subject to the condition that the financial support extended will not exceed ₹ 80 crores at any point of time during the twelve months period.

- 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, 2014.
- 35. Odisha Legislative Assembly issued an amendment to Indian Stamp Act on 9th May, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company filed a writ petition challenging the constitutionality of the Act on 5th July, 2013. The Hon'ble High Court, Cuttack has passed an order on 9th July, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company has received demand notices for the various mines at Orissa totalling to ₹ 5,579 crores. The Company on the basis of external legal opinion has concluded that it is remote that the claim will sustain against the Company on ultimate resolution of the legal case by the Courts. Liability has been provided in the books of accounts as per the existing provisions of the Stamp Act, 1899.
- 36. Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹ 3,828 crores for the excess extraction over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period

2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done under the approval of the State Government and accordingly the Company has filed revision petitions.

An unconditional stay has been granted by the Mines Tribunal against one of the demand notices, which directed the State that no coercive action should be taken for recovery of demand. The hearing of the balance revision petitions is yet to take place.

37. Tax department raised demand on account of Excess mining in the assessment for assessment year 2009-10, subsequently quashed by the Dispute Resolution Panel. Tax department reopened assessments of the earlier years on the same ground and raised cumulative demand of ₹ 1,086 crores. The Company has obtained stay on the demand raised, with expectation of succeeding in appeals preferred with the higher appellate authorities.

38. STATEMENT OF PROFIT AND LOSS

(a) Value of direct imports (C.I.F. Value):

		₹ crores
		Previous Year
(i) Raw materials	6,011.17	5,689.56
(ii) Semi-finished products	91.55	132.80
(iii) Components, stores and spare parts	869.59	880.66
(iv) Capital goods	2,871.24	1,654.46
	<u>9,843.55</u>	<u>8,357.48</u>

(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	6,539.93	53.51	7,035.83	57.77%		
– Indigenously obtained	5,682.45	46.49	5,143.43	42.23%		
	<u>12,222.38</u>	<u>100.00%</u>	<u>12,179.26</u>	<u>100.00%</u>		
(ii) Components, stores and spare parts						
– Directly imported	1,589.20	33.88%	830.52	21.25%		
– Indigenously obtained	3,101.48	66.12%	3,077.87	78.75%		
	<u>4,690.68</u>	<u>100.00%</u>	<u>3,908.39</u>	<u>100.00%</u>		
Less: Consumption charged to other revenue accounts	1,678.91		1,440.22			
	<u>3,011.77</u>		<u>2,468.17</u>			

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 ₹ 2,544.67 crores (2012-13: ₹ 2,301.86 crores) charged to wages and salaries and other revenue accounts.
- Stores and spares consumed (including write-off of obsolete spares, if any) includes ₹ 192.84 crores (2012-13: ₹ 188.22 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 ₹ 122.26 crores (2012-13: ₹ 266.13 crores) on capital account]	173.29	306.20
(ii) Interest, commitment and bank charges	516.82	581.74
(iii) Commission	68.79	28.27
(iv) Payable on other accounts	45.68	153.78

(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>Previous Year</i>
(i) Number of non-resident shareholders	13,963	13,225
(ii) Number of Ordinary Shares held by them	15,77,59,375	16,12,43,287
(iii) Gross amount of dividend	₹ 126.20 crores	₹ 193.49 crores

Gross amount of dividend declared in current and previous year pertain to FY 2012-13 and FY 2011-12 respectively.

(e) Earnings in foreign exchange:

		₹ crores
		<i>Previous Year</i>
(i) Export of steel and other materials (F.O.B.) (including value of exports through export houses)	2,010.53	2,341.08
(ii) Interest received	25.03	25.17
(iii) Others	343.43	7.20

(f) Revenue expenditure charged to Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ **68.45** crores (2012-13: ₹ 55.77 crores) including depreciation of ₹ **2.07** crores (2012-13: ₹ 1.33 crores). Capital expenditure in respect of research and development activities undertaken during the year is ₹ **12.06** crores (2012-13: ₹ 3.96 crores).

39. (a) Pursuant to the sanction of the Honourable High Court of Bombay to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Kalimati Investment Company Limited whose principal business was of carrying on the business of investment and finance, and registered as a non-banking financial company with the Reserve Bank of India has been merged with the Company with effect from the appointed date of 1st January, 2013 in accordance with the Scheme so sanctioned. The effect of the merger has been given in the accounts as per the scheme sanctioned.

The amalgamation has been accounted for under the "Pooling of Interests method" as prescribed by Accounting Standard 14 (AS-14) notified by the Government of India. Accordingly, the assets, liabilities and reserves of the erstwhile Kalimati Investment Company Limited as on the appointed date have been merged with the Company at their book values. The net impact of the merger on assets, liabilities and reserves as on the appointed date is as below:

Particulars	₹ crores
Share capital ⁽¹⁾	16.39
Securities Premium ⁽¹⁾	70.13
Capital Redemption reserve	19.95
General Reserve	49.94
Special Reserve	97.75
Surplus in the Statement of Profit and Loss	150.78
Trade Payables	0.02
Other Current Liabilities	0.50
Short term provisions	0.22
Total Equity and Liabilities	405.68
Tangible Assets	0.29
Non Current Investments	369.81
Long term Loans and Advances	0.38
Current Investments	35.14
Cash and Bank Balances	0.06
Total Assets	405.68

- (1) On amalgamation these have been eliminated against investments held by the Company in erstwhile Kalimati Investment Company Limited and the difference of ₹ 0.17 crore has been accounted for under Amalgamation Reserve.
- (2) The Company has also recognised ₹ 222.58 crores on account of MAT asset and ₹ 0.10 crore on account of Deferred tax liability which were not recognised in the books of erstwhile Kalimati Investment Company Limited.
- (3) Net profit/loss of Kalimati Investment Company Limited from the appointed date till 31st March, 2013 has been accounted for in the Surplus in the Statement of Profit and Loss in reserves.

(b) The figures for the previous year do not include figures for the erstwhile Kalimati Investment Company Limited and accordingly the current year's figures are not comparable to those of the previous year.

40. The Committee of Directors in their meeting held on 10th April, 2013 approved the scheme of amalgamation of 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.

41. 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, 2014 are as under:

Description	₹ crores	
		<i>Previous Year</i>
(i) The principal amount remaining unpaid to supplier as at the end of the year	24.89	16.51
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	0.84	0.55
(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	3.91	1.34
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	4.75	1.89

42. EMPLOYEE BENEFITS

(a) The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2014, an amount of ₹ 251.71 crores (2012-13: ₹ 231.09 crores) as expenses under the following defined contribution plans.

Benefit (Contribution to)	₹ crores	
		<i>Previous Year</i>
Provident Fund	185.83	165.70
Superannuation Fund	26.80	30.67
Employees Pension Scheme/Coal Mines Pension Scheme/ National Pension Scheme	22.76	19.55
TISCO Employees Pension Scheme	16.32	15.17
	251.71	231.09

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		Previous Year
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at beginning of the year	1,888.22	1,635.57
Current service cost	88.43	75.99
Interest cost	145.29	134.03
Actuarial (gain)/loss	25.49	160.27
Benefits paid	(144.27)	(117.64)
Obligation as at end of the year	<u>2,003.16</u>	<u>1,888.22</u>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at beginning of the year	1,700.44	1,554.61
Expected return on plan assets	137.78	122.91
Actuarial gain/(loss)	7.24	59.57
Contributions	187.77	80.99
Benefits paid	(144.27)	(117.64)
Fair value of plan assets as at end of the year	<u>1,888.96</u>	<u>1,700.44</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	1,888.96	1,700.44
Present value of obligation as at end of the year	2,003.16	1,888.22
Net obligation/(asset) recognised in the balance sheet (included in the line item - Provision for employee benefits)	<u>114.20</u>	<u>187.78</u>
(iv) Expenses recognised during the year		
Current service cost	88.43	75.99
Interest cost	145.29	134.03
Expected return on plan assets	(137.78)	(122.91)
Actuarial (gain)/loss	18.25	100.70
Expense recognised during the year (included in the line item - Employee benefits expense)	<u>114.19</u>	<u>187.81</u>
	31.03.2014	31.03.2013
(v) Investment details	%	%
GOI securities	10.65	12.39
Public sector unit bonds	9.31	11.14
Central/State Government guaranteed securities	6.47	5.49
Private sector unit bonds	8.91	8.56
Deposit with LIC	56.90	53.25
Others (including bank balances)	7.76	9.17
	<u>100.00</u>	<u>100.00</u>
(vi) Assumptions		
Discount rate (per annum)	9.25%	8.00%
Expected return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	7.50% to 10.00%	7.50% 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.

(d) Details of the unfunded post retirement defined benefit obligation are as follows:

Description	₹ crores			
	Medical	Others	Previous Year	
			Medical	Others
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at beginning of the year	832.25	62.54	695.80	54.13
Current service cost	12.63	3.55	9.81	2.77
Interest cost	64.98	4.84	57.60	4.45
Actuarial (gain)/loss	(94.14)	(3.39)	105.08	4.61
Benefits paid	(40.05)	(3.92)	(36.04)	(3.42)
Obligation as at end of the year	<u>775.67</u>	<u>63.62</u>	<u>832.25</u>	<u>62.54</u>
(ii) Expenses recognised during the year				
Current service cost	12.63	3.55	9.81	2.77
Interest cost	64.98	4.84	57.60	4.45
Actuarial (gain)/loss	(94.14)	(3.39)	105.08	4.61
Expense recognised during the year (included in the line item - Employee benefits expense)	<u>(16.53)</u>	<u>5.00</u>	<u>172.49</u>	<u>11.83</u>
(iii) Assumptions				
Discount rate (per annum) as at the beginning of the year	8.00%	8.00%	8.50%	8.50%
Discount rate (per annum) as at the end of the year	9.25%	9.25%	8.00%	8.00%
Medical costs inflation rate	8.00%		8.00%	
Effect of a 1% change in health care cost on				
Increase	9% p.a.		9% p.a.	
– aggregate current service and interest cost	14.36		12.17	
– closing balance of obligation	108.20		131.33	
Decrease	7% p.a.		7% p.a.	
– aggregate current service and interest cost	(11.24)		(9.63)	
– closing balance of obligation	(88.22)		(105.35)	

(e) The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.

(f) Other disclosures:

Benefits	2013-14	₹ crores			
		2012-13	2011-12	2010-11	2009-10
		Retiring Gratuity			
Present value of defined benefit obligation	2003.16	1,888.22	1,635.57	1,536.69	1,173.34
Fair value of plan assets	1,888.96	1,700.44	1,554.61	1,173.86	1,044.59
Surplus/(Deficit) in plan assets	(114.20)	(187.78)	(80.96)	(362.83)	(128.75)
Experience adjustment on obligation - (gain)/loss	208.87	92.33	78.04	183.67	98.15
Experience adjustment on plan assets - gain/(loss)	7.24	59.57	20.65	6.94	5.61
Expected contribution (best estimate) to funded plans in subsequent financial year	114.20	187.78	80.96	362.83	128.75
		Medical			
Present value of defined benefit obligation	775.67	832.25	695.80	718.26	600.72
Experience adjustment on obligation - (gain)/loss	44.89	48.53	104.39	113.68	70.27
		Others			
Present value of defined benefit obligation	63.62	62.54	54.13	49.53	45.02
Experience adjustment on obligation - (gain)/loss	3.79	1.92	5.32	2.67	7.70

43. SEGMENT REPORTING
Primary Segment Information (Business Segment)

₹ crores

Particulars	Steel	Ferro Alloys and Minerals	Others	Unallocable	Eliminations	Total
Segment revenue						
External revenue	37,011.77 33,704.82	2,593.85 2,544.11	2,105.41 1,950.50	– –	– –	41,711.03 38,199.43
Inter segment revenue	1,676.58 1,565.39	327.81 365.51	104.17 96.48	– –	(2,108.56) (2,027.38)	– –
Total revenue	38,688.35 35,270.21	2,921.66 2,909.62	2,209.58 2,046.98	– –	(2,108.56) (2,027.38)	41,711.03 38,199.43
Segment results before finance costs, exceptional items and tax	10,724.95 9,541.53	800.74 628.24	43.25 34.93	106.90 183.20	– –	11,675.84 10,387.90
Less: Finance costs						1,820.58 1,876.77
Profit before exceptional items and tax						9,855.26 8,511.13
Exceptional items						
(a) Provision for diminution in the value of investment/doubtful advances						(141.76) (686.86)
(b) Profit on sale of non-current investments						– 12.33
Profit before tax						9,713.50 7,836.60
Tax expense						3,301.31 2,773.63
Profit after tax						6,412.19 5,062.97
Segment assets	52,207.15 43,049.12	656.88 649.75	364.63 399.39	3,033.08 4,979.02	– –	56,261.74 49,077.28
Segment liabilities	13,346.68 11,312.34	367.92 389.61	233.27 197.71	3,116.24 2,443.29	– –	17,064.11 14,342.95
Capital expenditure	11,125.48 8,027.76	52.11 15.69	2.08 18.09	– –	– –	11,179.67 8,061.54
Segment depreciation	1,879.01 1,596.08	27.76 22.38	21.93 21.92	– –	– –	1,928.70 1,640.38
Non-cash expenditure other than depreciation	76.24 20.82	0.43 (0.13)	0.61 0.01	– 5.43	– –	77.28 26.13

Secondary Segment Information (Geographical Segment)

	₹ crores	
		<i>Previous Year</i>
Segment Revenue		
– Within India	39,659.87	35,806.75
– Outside India	2,051.16	2,392.68
	<u>41,711.03</u>	<u>38,199.43</u>
Capital Expenditure		
– Within India	11,179.67	8,061.54
– Outside India	–	–
	<u>11,179.67</u>	<u>8,061.54</u>
		<i>As at</i>
		<i>31.03.2013</i>
Segment Assets		
– Within India	56,261.74	49,077.28
– Outside India	–	–
	<u>56,261.74</u>	<u>49,077.28</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	
		<i>As at</i>
		<i>31.03.2013</i>
Assets:		
Non-current investments	52,318.56	49,984.80
Current investments	2,343.24	434.00
Advance against equity	116.87	2,380.85
	<u>54,778.67</u>	<u>52,799.65</u>
Liabilities:		
Long-term borrowings	23,808.09	23,565.57
Short-term borrowings	43.69	70.94
Current maturities of long-term borrowings	4,065.48	3,871.28
Hybrid perpetual securities	2,275.00	2,275.00
Provision for employee separation compensation	597.07	697.77
Deferred tax liabilities (net)	2,038.98	1,843.74
	<u>32,828.31</u>	<u>32,324.30</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.

44. RELATED PARTY TRANSACTIONS
(a) List of Related Parties and Relationships

Name of the Party	Country	Name of the Party	Country
A. Subsidiaries:		16. NatSteel Vina Co. Ltd.	Vietnam
i) ABJA Investment Co. Pte. Ltd.*	Singapore	17. PT Material Recycling Indonesia*	Indonesia
ii) Adityapur Toll Bridge Company Limited	India	18. The Siam Industrial Wire Company Ltd.	Thailand
iii) Bangla Steel & Mining Co. Ltd.	Bangladesh	19. TSN Wires Co., Ltd.	Thailand
iv) Gopalpur Special Economic Zone Limited	India	III. Tata Steel Europe Limited	UK
v) Indian Steel & Wire Products Ltd.	India	1. Almana Steel Dubai (Jersey) Limited	Jersey
vi) Jamshedpur Continuous Annealing and Processing Company Private Limited	India	2. Apollo Metals Ltd.	USA
vii) Jamshedpur Utilities & Services Company Limited	India	3. Ashorne Hill Management College	UK
1. Haldia Water Management Limited	India	4. Augusta Grundstucks GmbH	Germany
2. Naba Diganta Water Management Limited	India	5. Automotive Laser Technologies Limited	UK
3. SEZ Adityapur Limited	India	6. B S Pension Fund Trustee Ltd.	UK
viii) Kalimati Investment Company Limited [▲]	India	7. Bailey Steels Limited*	UK
ix) Lanka Special Steels Ltd.	Sri Lanka	8. Beheermaatschappij Industriële Produkten B.V.	Netherlands
x) NatSteel Asia Pte. Ltd.	Singapore	9. Belfin Beheermaatschappij B.V.	Netherlands
1. Tata Steel Asia (Hong Kong) Ltd.	Hong Kong SAR	10. Bell & Harwood Limited	UK
2. Tata Steel Resources Australia Pty. Ltd.	Australia	11. Blastmega Limited	UK
xi) T M Mining Company Limited	India	12. Blume Stahlservice GmbH	Germany
xii) T S Alloys Limited	India	13. Blume Stahlservice Polska Sp.Z.O.O	Poland
xiii) Tata Incorporated	USA	14. Bore Samson Group Ltd	UK
xiv) Tata Korf Engineering Services Ltd.	India	15. Bore Steel Ltd.	UK
xv) Tata Metaliks Ltd.	India	16. British Guide Rails Ltd.	UK
1. Tata Metaliks Di Pipes Limited	India	17. British Steel Corporation Ltd	UK
xvi) Tata Sponge Iron Limited	India	18. British Steel De Mexico S.A. de C.V.	Mexico
1. TSIL Energy Limited	India	19. British Steel Directors (Nominees) Limited	UK
xvii) Tata Steel (KZN) (Pty) Ltd.	South Africa	20. British Steel Employee Share Ownership Trustees Ltd.	UK
xviii) Tata Steel Holdings Pte. Ltd.	Singapore	21. British Steel Engineering Steels (Exports) Limited	UK
1. Tata Steel Global Holdings Pte Ltd.	Singapore	22. British Steel Nederland International B.V.	Netherlands
I. Orchid Netherlands (No.1) B.V.	Netherlands	23. British Steel Samson Limited	UK
II. NatSteel Holdings Pte. Ltd.	Singapore	24. British Steel Service Centres Ltd.	UK
1. Best Bar Pty. Ltd.	Australia	25. British Steel Tubes Exports Ltd.*	UK
2. Bestbar (Vic) Pty. Ltd.	Australia	26. British Tubes Stockholding Ltd.	UK
3. Burwill Trading Pte. Ltd.	Singapore	27. Bs Quest Trustee Limited	UK
4. Easteel Construction Services Pte. Ltd.	Singapore	28. Burgdorfer Grundstuecks GmbH	Germany
5. Easteel Services (M) Sdn. Bhd.	Malaysia	29. C V Benine	Netherlands
6. Eastern Steel Fabricators Phillipines, Inc.	Philippines	30. C Walker & Sons Ltd.	UK
7. Eastern Steel Services Pte. Ltd.	Singapore	31. Catnic GmbH	Germany
8. Eastern Wire Pte. Ltd.	Singapore	32. Catnic Limited	UK
9. NatSteel (Xiamen) Ltd.	China	33. Cbs Investissements SAS	France
10. NatSteel Asia (S) Pte. Ltd.	Singapore	34. Cladding & Decking (UK) Limited	UK
11. NatSteel Australia Pty. Ltd.	Australia	35. Cogent Power Inc.	Canada
12. NatSteel Equity IV Pte. Ltd.	Singapore	36. Cogent Power SA DE CV	Mexico
13. NatSteel Recycling Pte Ltd.	Singapore	37. Cogent Power Inc.	USA
14. NatSteel Trade International (Shanghai) Company Ltd.	China	38. Cogent Power Limited	UK
15. NatSteel Trade International Pte. Ltd.	Singapore	39. Color Steels Limited	UK

Name of the Party	Country	Name of the Party	Country
40. Corbeil Les Rives SCI	France	84. Dsrn Group Plc.	UK
41. Corby (Northants) & District Water Co.	UK	85. Eric Olsson & Soner Forvaltnings AB	Sweden
42. Cordor (C& B) Limited	UK	86. Esmil B.V.	Netherlands
43. Corus Aluminium Verwaltungsgesellschaft Mbh	Germany	87. Euro-Laminations Limited*	UK
44. Corus Beteiligungs GmbH	Germany	88. Europressings Limited	UK
45. Corus Building Systems Bulgaria AD	Bulgaria	89. Firsteel Group Limited	UK
46. Corus Building Systems N.V.	Belgium	90. Firsteel Holdings Limited	UK
47. Corus Building Systems SAS	France	91. Firsteel Strip Mill Products Limited	UK
48. Corus CNBV Investments	UK	92. Fischer Profil GmbH	Germany
49. Corus Coatings Usa Inc.	USA	93. Gamble Simms Metals Ltd.	Ireland
50. Corus Cold drawn Tubes Limited	UK	94. Grant Lyon Eagre Ltd.	UK
51. Corus Engineering Steels (UK) Limited	UK	95. H E Samson Ltd.	UK
52. Corus Engineering Steels Holdings Limited	UK	96. Hadfields Holdings Ltd.	UK
53. Corus Engineering Steels Limited	UK	97. Hammermega Limited	UK
54. Corus Engineering Steels Overseas Holdings Limited	UK	98. Harrowmills Properties Ltd.	UK
55. Corus Engineering Steels Pension Scheme Trustee Limited	UK	99. Hille & Muller GmbH	Germany
56. Corus Group Limited	UK	100. Hille & Muller Usa Inc.	USA
57. Corus Holdings Ltd.	UK	101. Hoogovens (UK) Limited	UK
58. Corus International (Overseas Holdings) Limited	UK	102. Hoogovens Aluminium UK Limited	UK
59. Corus International Limited	UK	103. Hoogovens Finance B.V.	Netherlands
60. Corus International Romania SRL.	Romania	104. Hoogovens Usa Inc.	USA
61. Corus Investments Ltd.	UK	105. Huizenbezit "Breesaap" B.V.	Netherlands
62. Corus Ireland Ltd.	Ireland	106. Ickles Cottage Trust	UK
63. Corus Large Diameter Pipes Limited	UK	107. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France
64. Corus Liaison Services (India) Limited	UK	108. Inter Metal Distribution SAS	France
65. Corus Management Limited	UK	109. Kalzip Asia Pte Limited	Singapore
66. Corus Packaging Plus Norway AS	Norway	110. Kalzip FZE	UAE
67. Cogent Power Electrical Steels Limited*	UK	111. Kalzip GmbH	Germany
68. Corus Primary Aluminium B.V.	Netherlands	112. Kalzip GmbH	Austria
69. Corus Properties (Germany) Limited	UK	113. Kalzip Guangzhou Limited	China
70. Corus Property	UK	114. Kalzip Inc	USA
71. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland	115. Kalzip India Private Limited	India
72. Corus Service Center Milano Spa*	Italy	116. Kalzip Italy SRL	Italy
73. Corus Service Centre Limited	N Ireland	117. Kalzip Limited	UK
74. Corus Sheet & Tube Inc.	USA	118. Kalzip Spain S.L.U.	Spain
75. Corus Steel Service STP LLC	Russia	119. Layde Steel S.L.	Spain
76. Corus Trico Holdings Inc.	USA	120. Lister Tubes Ltd.	Ireland
77. Corus Tubes Poland Spolka Z.O.O	Poland	121. London Works Steel Company Ltd.	UK
78. Corus UK Healthcare Trustee Limited	UK	122. Midland Steel Supplies Ltd.	UK
79. Corus Ukraine LLC	Ukraine	123. Mistbury Investments Limited	UK
80. Cpn (85) Limited	UK	124. Montana Bausysteme AG	Switzerland
81. Crucible Insurance Company Ltd.	I of Man	125. Myriad Deutschland GmbH	Germany
82. Degels GmbH	Germany	126. Myriad Espana SI	Spain
83. Demka B.V.	Netherlands	127. Myriad Nederland B.V.	Netherlands
		128. Namascor B.V.	Netherlands
		129. Nationwide Steelstock Limited	UK
		130. Oostflank B.V.*	Netherlands
		131. Orb Electrical Steels Limited	UK

Name of the Party	Country	Name of the Party	Country
132. Ore Carriers Ltd.	UK	176. Tata Steel International (Australasia) Limited	New Zealand
133. Oremco Inc.	USA	177. Tata Steel International (Benelux) BV	Netherlands
134. Plated Strip International Limited	UK	178. Tata Steel International (Canada) Holdings Inc	Canada
135. Precoat International Limited	UK	179. Tata Steel International (Czech Republic) S.R.O	Czech Republic
136. Precoat Limited	UK	180. Tata Steel International (Denmark) A/S	Denmark
137. Rafferty-Brown Steel Co Inc Of Conn.	USA	181. Tata Steel International (Finland) OY	Finland
138. Richard Thomas And Baldwins 1978. Limited*	New Zealand	182. Tata Steel International (France) SAS	France
139. Round Oak Steelworks Ltd.	UK	183. Tata Steel International (Germany) GmbH	Germany
140. Runblast Limited	UK	184. Tata Steel International (South America) Representações LTDA	Brazil
141. Runmega Limited	UK	185. Tata Steel International Hellas SA	Greece
142. S A B Profiel B.V.	Netherlands	186. Tata Steel International (Italia) SRL	Italy
143. S A B Profil GmbH	Germany	187. Tata Steel International (Middle East) FZE	UAE
144. Scrap Processing Holding B.V.	Netherlands	188. Tata Steel International (Nigeria) Ltd.	Nigeria
145. Seamless Tubes Ltd.	UK	189. Tata Steel International (Poland) sp Zoo	Poland
146. Service Center Gelsenkirchen GmbH	Germany	190. Tata Steel International (Schweiz) AG	Switzerland
147. Service Centre Maastricht B.V.	Netherlands	191. Tata Steel International (Sweden) AB	Sweden
148. SIA Corus Building Systems	Latvia	192. Tata Steel International (India) Limited	India
149. Simiop Investments Ltd.*	UK	193. Tata Steel International Iberica SA	Spain
150. Simiop Ltd.*	UK	194. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
151. Skruv Erik AB	Sweden	195. Tata Steel Logistics and Shipping BV	Netherlands
152. Societe Europeenne De Galvanisation (Segal) Sa	Belgium	196. Tata Steel Maubeuge SAS	France
153. Staalverwerking En Handel B.V.	Netherlands	197. Tata Steel Nederland BV	Netherlands
154. Stainless Velsen-Noord BV	Netherlands	198. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
155. Steel StockHoldings Ltd.	UK	199. Tata Steel Nederland Investment BV	Netherlands
156. Steelstock Ltd.	UK	200. Tata Steel Nederland Perfo BV	Netherlands
157. Stewarts & Lloyds Of Ireland Ltd.	Ireland	201. Tata Steel Nederland Services BV	Netherlands
158. Stewarts And Lloyds (Overseas) Ltd.	UK	202. Tata Steel Nederland Star-Frame BV	Netherlands
159. Stocksbridge Works Cottage Trust Limited	UK	203. Tata Steel Nederland Technology BV	Netherlands
160. Stuwadoorsbedrijf Velserkom B.V.*	Netherlands	204. Tata Steel Nederland Tubes BV	Netherlands
161. Surahammar Bruks AB	Sweden	205. Tata Steel Netherlands Holdings B.V.	Netherlands
162. Swinden Housing Association	UK	206. Tata Steel Norway Byggsystemer A/S	Norway
163. Tata Steel Belgium Packaging Steels N.V.	Belgium	207. Tata Steel Speciality Service Centre Suzhou Co. Ltd	China
164. Tata Steel Belgium Services N.V.	Belgium	208. Tata Steel Sweden Byggsystem AB	Sweden
165. Tata Steel Denmark Byggsystemer A/S	Denmark	209. Tata Steel Speciality Service Centre Xian Co. Ltd	China
166. Tata Steel Europe Distribution BV	Netherlands	210. Tata Steel UK Consulting Limited	UK
167. Tata Steel Europe Metals Trading BV	Netherlands	211. Tata Steel UK Holdings Limited	UK
168. Tata Steel France Batiment et Systemes SAS	France	212. Tata Steel UK Limited	UK
169. Tata Steel France Holdings SAS	France	213. Tata Steel UK Rail Consultancy Limited	UK
170. Tata Steel France Rail SA	France	214. Tata Steel Usa Inc.	USA
171. Tata Steel Germany GmbH	Germany	215. The Newport And South Wales Tube Company Ltd.	UK
172. Tata Steel Hungary LLC*	Hungary	216. The Stanton Housing Company Ltd.	UK
173. Tata Steel Ijmuiden BV	Netherlands		
174. Tata Steel International (Americas) Holdings Inc	USA		
175. Tata Steel International (Americas) Inc	USA		

Name of the Party	Country	Name of the Party	Country
217. The Steel Company Of Ireland Limited	Ireland	3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand
218. The Templeborough Rolling Mills Ltd.	UK	VII. Tata Steel Global Procurement Company Pte. Ltd.	Singapore
219. Thomas Processing Company	USA	1. ProCo Issuer Pte. Ltd.	Singapore
220. Thomas Steel Strip Corp.	USA	xix) Tata Steel Odisha Limited	India
221. Tinsley Trailers Limited*	UK	xx) Tata Steel Processing and Distribution Limited	India
222. Toronto Industrial Fabrications Ltd.	UK	xxi) Tayo Rolls Limited	India
223. Trierer Walzwerk GmbH	Germany	xxii) TM International Logistics Limited	India
224. Tulip UK Holdings (No.2) Ltd.	UK	1. International Shipping and Logistics FZE	UAE
225. Tulip UK Holdings (No.3) Ltd.	UK	2. TKM Global China Ltd	China
226. Tuscaloosa Steel Corporation	USA	3. TKM Global GmbH	Germany
227. U.E.S. Bright Bar Limited	UK	4. TKM Global Logistics Limited	India
228. UK Steel Enterprise Ltd.	UK	5. TM Harbour Services Private Limited	India
229. Ukse Fund Managers (General Partner) Limited	UK	xxiii) The Tata Pigments Limited	India
230. Ukse Fund Managers Limited	UK	xxiv) The Tinplate Company of India Limited	India
231. Unitol SAS	France	B. Joint Ventures of:	
232. Walker Manufacturing And Investments Ltd.	UK	i) Tata Steel Limited	
233. Walkersteelstock Ireland Limited	Ireland	1. Bhubaneshwar Power Private Limited	India
234. Walkersteelstock Ltd.	UK	2. Himalaya Steel Mills Services Pvt. Ltd.	India
235. Westwood Steel Services Ltd.	UK	3. mjunction services ltd.	India
236. Whitehead (Narrow Strip) Ltd.	UK	4. S & T Mining Company Private Limited	India
IV. Tata Steel Global Minerals Holdings Pte Ltd.	Singapore	5. Tata BlueScope Steel Ltd.	India
1. Al Rimal Mining LLC	Oman	6. Tata NYK Shipping Pte Ltd.	Singapore
2. Black Ginger 461 (Proprietary) Ltd	South Africa	7. The Dhamra Port Company Limited	India
3. Howse Minerals Ltd. *	Canada	ii) Tata Steel Holdings Pte. Ltd.	
4. Kalimati Coal Company Pty. Ltd.	Australia	a) Tata Steel Global Holdings Pte Ltd.	
5. Sedibeng Iron Ore Pty. Ltd.	South Africa	i. Tata Steel Europe Limited	
6. Tata Steel Cote D' Ivoire S.A	Ivory Coast	1. Afon Tinplate Company Limited	UK
7. Tata Steel Minerals UK Limited	UK	2. Air Products Llanwern Limited	UK
8. Tata Steel Minerals Canada Limited	Canada	3. Bsr Pipeline Services Limited	UK
9. T S Canada Capital Ltd	Canada	4. Caparo Merchant Bar Plc	UK
V. Tata Steel International (Singapore) Holdings Pte. Ltd.	Singapore	5. Corus Kalpinis Simos Cladding Industry SA	Greece
1. TSIA Holdings (Thailand) Limited	Thailand	6. Danieli Corus Technical Services B.V.	Netherlands
2. Tata Steel International (Shanghai) Ltd.	China	7. Fabsec Limited	UK
3. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia	8. Industrial Rail Services Ijmond B.V.	Netherlands
4. Tata Steel International (Thailand) Limited	Thailand	9. Laura Metaal Holding B.V.	Netherlands
5. Tata Steel International (Singapore) Pte. Ltd.	Singapore	10. Norsk Stal AS	Norway
6. Tata Steel International (Asia) Limited	Hong Kong SAR	11. Norsk Stal Tynnplater AS	Norway
VI. Tata Steel (Thailand) Public Company Ltd.	Thailand	12. Ravenscraig Limited	UK
1. N.T.S Steel Group Plc.	Thailand	13. Redcar Bulk Terminal Limited	UK
2. The Siam Construction Steel Co. Ltd.	Thailand	14. Tata Elastron Steel Service Center SA	Greece
		15. Tata Steel Ticaret AS	Turkey
		16. Texturing Technology Limited	UK
		II. Tata Steel Global Minerals Holdings Pte. Ltd.	
		1. Rio Tinto Benga (Mauritius) Limited	Mauritius

Name of the Party		Country	Name of the Party		Country
C. Associate of:			9.	Danieli Corus Construction Services B.V.	Netherlands
i) NatSteel Asia Pte. Ltd.			10.	Danieli Corus Construction Services Usa Inc.*	USA
	1. SteelAsia Development and Management Corp.*	Philippines	11.	Danieli Corus Do Brasil Ltda.*	Brazil
	2. SteelAsia Industries Inc.*	Philippines	12.	Danieli Corus Inc.*	USA
	3. SteelAsia Manufacturing Corporation*	Philippines	13.	Danieli Corus Services Usa Inc.*	USA
ii) Tata Incorporated			14.	Danieli Corus India Private Limited	India
	1. TKM Overseas Ltd.*	UK	15.	European Profiles (Marketing) Sdn. Bhd.	Malaysia
iii) Tata Steel Limited			16.	Galvpro LP.	USA
	1. Industrial Energy Ltd.	India	17.	Gietwalsonderhoudcombinatie B.V.	Netherlands
	2. Jamipol Ltd.	India	18.	Hoogovens Court Roll Service Technologies Vof:	Netherlands
	3. Kalinga Aquatics Ltd.	India	19.	Hoogovens Gan Multimedia S.A. De C.V.	Mexico
	4. Kumardhubi Fireclay & Silica Works Ltd.	India	20.	Isolation Du Sud SA	France
	5. Kumardhubi Metal Casting & Engineering Ltd.	India	21.	Issb Limited	UK
	6. Nicco Jubilee Park Limited	India	22.	MDC Sublance Probe Technology	Shanghai
	7. Rujuvalika Investments Ltd.	India	23.	Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
	8. Strategic Energy Technology Systems Private Limited	India	24.	Schreiner Fleischer AS*	Norway
	9. Tata Construction & Projects Ltd.	India	25.	Thoresen & Thorvaldsen AS*	Norway
	10. TRL Krosaki Refractories Ltd.	India	26.	Trico LLC	USA
	11. TRF Ltd.	India	27.	Weirton/Hoogovens GP	USA
iv) Tata Steel Holdings Pte. Ltd.			28.	Wupperman Staal Nederland B.V.	Netherlands
a) Tata Steel Global Holdings Pte Ltd.			III. Tata Steel Global Minerals Holdings Pte Ltd.		
I. Tata Steel International (Singapore) Holdings Pte. Ltd.			1.	New Millennium Iron Corp.	Canada
	1. European Profiles (M) Sdn. Bhd.	Malaysia	v) Indian Steel & Wire Products Ltd.		
II. Tata Steel Europe Limited			1.	Metal Corporation of India	India
	1. Ab Norskstal AS	Norway	D. Promoters holding together with its subsidiary is more than 20%		
	2. Albi Profils SRL	France	Tata Sons Limited		
	3. Appleby Frodingham Cottage Trust Limited	UK	E. Key Management Personnel		
	4. Combulex B.V.*	Netherlands	Mr. H. M. Nerurkar* – Managing Director		
	5. Cv Gasexpansie Ijmond	Netherlands	Mr. Koushik Chatterjee – Group Executive Director (Finance & Corporate)		
	6. Danieli Corus Canada Inc.*	Canada	Mr. T. V. Narendran* – Managing Director		
	7. Danieli Corus Asia B.V.	Netherlands			
	8. Danieli Corus Braseq Ltda.*	Brazil			

* Part of the year

▲ Amalgamated with Tata Steel Limited

(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.	4,937.99	–	–	–	–	4,937.99
	3,608.05	–	–	–	–	3,608.05
Others	105.23	516.56	–	–	–	621.79
	306.03	443.16	–	–	–	749.19
	5,043.22	516.56	–	–	–	5,559.78
	3,914.08	443.16	–	–	–	4,357.24
Sale of Goods						
Tata Steel Asia (Hong Kong) Ltd.	890.87	–	–	–	–	890.87
	1,072.01	–	–	–	–	1,072.01
Tata Steel Processing And Distribution Limited	1,453.49	–	–	–	–	1,453.49
	1,247.28	–	–	–	–	1,247.28
The Tinplate Company of India Limited	439.88	–	–	–	–	439.88
	335.45	–	–	–	–	335.45
Tata BlueScope Steel Ltd.	–	704.53	–	–	–	704.53
	–	513.71	–	–	–	513.71
Others	544.03	222.30	–	–	–	766.33
	456.31	425.80	–	–	–	882.11
	3,328.27	926.83	–	–	–	4,255.10
	3,111.05	939.51	–	–	–	4,050.56
Receiving of Services						
Jamshedpur Utilities & Services Company Limited	354.16	–	–	–	–	354.16
	336.37	–	–	–	–	336.37
The Tinplate Company of India Limited	608.24	–	–	–	–	608.24
	531.81	–	–	–	–	531.81
Industrial Energy Ltd.	–	480.14	–	–	–	480.14
	–	512.52	–	–	–	512.52
Others	675.91	221.62	–	–	0.97	898.50
	575.66	147.97	–	–	1.11	724.74
	1,638.31	701.76	–	–	0.97	2,341.04
	1,443.84	660.49	–	–	1.11	2,105.44
Rendering of Services						
Jamshedpur Utilities & Services Company Limited	68.87	–	–	–	–	68.87
	61.32	–	–	–	–	61.32
The Tinplate Company of India Limited	60.64	–	–	–	–	60.64
	58.05	–	–	–	–	58.05
Indian Steel & Wire Products Ltd.	24.98	–	–	–	–	24.98
	21.99	–	–	–	–	21.99
Jamshedpur Continuous Annealing and Processing Company Private Limited	29.81	–	–	–	–	29.81
	17.46	–	–	–	–	17.46
Others	27.05	22.00	–	–	0.05	49.10
	27.46	26.30	–	–	0.09	53.85
	211.35	22.00	–	–	0.05	233.40
	186.28	26.30	–	–	0.09	212.67
Purchase of Fixed Assets						
TRF Ltd.	–	–	–	–	–	–
	–	2.06	–	–	–	2.06
	–	–	–	–	–	–
	–	2.06	–	–	–	2.06
Sale of Fixed Assets						
The Tinplate Company of India Limited	–	–	–	–	–	–
	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	–	–	–	–	231.12	231.12
	–	–	–	–	<i>346.68</i>	<i>346.68</i>
Others	–	0.93	*	***	–	0.93
	–	<i>1.40</i>	**	–	–	<i>1.40</i>
	–	0.93	*	***	231.12	232.05
	–	<i>1.40</i>	**	–	<i>346.68</i>	<i>348.08</i>
Dividend Income						
NatSteel Asia Pte. Ltd.	327.80	–	–	–	–	327.80
	–	–	–	–	–	–
mjunction services ltd.	–	48.00	–	–	–	48.00
	–	–	–	–	–	–
Others	25.18	21.36	–	–	9.90	56.44
	<i>628.84</i>	<i>12.51</i>	–	–	–	<i>641.35</i>
	352.98	69.36	–	–	9.90	432.24
	<i>628.84</i>	<i>12.51</i>	–	–	–	<i>641.35</i>
Interest Income						
The Dhamra Port Company Limited	–	41.00	–	–	–	41.00
	–	<i>41.62</i>	–	–	–	<i>41.62</i>
Industrial Energy Ltd.	–	12.06	–	–	–	12.06
	–	–	–	–	–	–
Tata Steel (KZN) (Pty) Ltd.	25.03	–	–	–	–	25.03
	<i>25.17</i>	–	–	–	–	<i>25.17</i>
Others	4.07	0.54	–	–	–	4.61
	<i>5.00</i>	<i>2.91</i>	–	–	–	<i>7.91</i>
	29.10	53.60	–	–	–	82.70
	<i>30.17</i>	<i>44.53</i>	–	–	–	<i>74.70</i>
Management contracts						
Tata Sons Limited	–	–	–	–	75.00	75.00
	–	–	–	–	<i>50.00</i>	<i>50.00</i>
	–	–	–	–	75.00	75.00
	–	–	–	–	<i>50.00</i>	<i>50.00</i>
Finance Provided						
Tayo Rolls Limited	120.00	–	–	–	–	120.00
	<i>1.00</i>	–	–	–	–	<i>1.00</i>
Tata NYK Shipping Pte Ltd.	–	124.74	–	–	–	124.74
	–	–	–	–	–	–
Industrial Energy Ltd.	–	96.00	–	–	–	96.00
	–	<i>43.20</i>	–	–	–	<i>43.20</i>
Others	9.66	1.55	–	–	–	11.21
	<i>2,217.83</i>	<i>134.12</i>	–	–	–	<i>2,351.95</i>
	129.66	222.29	–	–	–	351.95
	<i>2,218.83</i>	<i>177.32</i>	–	–	–	<i>2,396.15</i>
Purchase of investments						
TRF Ltd.	–	32.06	–	–	–	32.06
	–	–	–	–	–	–
	–	32.06	–	–	–	32.06
	–	–	–	–	–	–
Remuneration						
Mr. H.M. Nerurkar	–	–	3.79	–	–	3.79
	–	–	<i>5.73</i>	–	–	<i>5.73</i>
Mr. Koushik Chatterjee	–	–	5.06	–	–	5.06
	–	–	<i>3.44</i>	–	–	<i>3.44</i>
Mr. T. V. Narendran	–	–	4.83	–	–	4.83
	–	–	–	–	–	–
	–	–	13.68	–	–	13.68
	–	–	<i>9.17</i>	–	–	<i>9.17</i>

₹ crores

Transactions	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Provision for receivables made during the year						
Tata Steel (KZN) (Pty) Ltd.	56.69 610.63	–	–	–	–	56.69 610.63
Gopalpur Special Economic Zone Limited	19.52 4.40	–	–	–	–	19.52 4.40
	76.21 615.03	–	–	–	–	76.21 615.03
Guarantees and collaterals given						
ABJA Investment Co. Pte. Ltd.	1,786.28	–	–	–	–	1,786.28
Others	– 167.55	–	–	–	–	– 167.55
	1,786.28 167.55	–	–	–	–	1,786.28 167.55
Guarantees outstanding						
ABJA Investment Co. Pte. Ltd.	1,786.28	–	–	–	–	1,786.28
Others	177.18 335.83	179.70 162.86	–	–	–	356.88 498.69
	1,963.46 335.83	179.70 162.86	–	–	–	2,143.16 498.69
Outstanding Receivables						
Tata Steel (KZN) (Pty) Ltd.	667.32 610.63	–	–	–	–	667.32 610.63
The Dhamra Port Company Limited	–	476.58 439.68	–	–	–	476.58 439.68
Others	326.56 3,056.15	311.02 125.72	–	–	1.25 1.25	638.83 3,183.12
	993.88 3,666.78	787.60 565.40	–	–	1.25 1.25	1,782.73 4,233.43
Provision for outstanding receivables						
Tata Steel (KZN) (Pty) Ltd.	667.32 610.63	–	–	–	–	667.32 610.63
Others	23.92 4.40	–	–	–	–	23.92 4.40
	691.24 615.03	–	–	–	–	691.24 615.03
Outstanding Payables						
Tata Steel Global Procurement Company Pte. Ltd.	3,081.58 2,016.60	–	–	–	–	3,081.58 2,016.60
Others	277.91 302.14	196.53 138.15	–	–	73.23 50.31	547.67 490.60
	3,359.49 2,318.74	196.53 138.15	–	–	73.23 50.31	3,629.25 2,507.20
Bad Debts Recovered						
Indian Steel & Wire Products Ltd.	– 1.76	–	–	–	–	– 1.76
	– 1.76	–	–	–	–	– 1.76

Transaction with Joint Ventures have been disclosed at full value

* ₹ 16,456.00
** ₹ 8,844.00
*** ₹ 448.00

45. The Company has the following Joint Ventures as on 31st March, 2014 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 31.03.2014				2013-14	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services ltd.	India	50%	118.24	47.31	–	3.55	68.24	42.26
			163.49	63.73	–	0.08	64.37	37.08
The Dhamra Port Company Limited	India	50%	1,809.76	1,953.29	2.82	2.14	385.95	452.86
			1,789.86	1,866.47	1.52	8.55	252.27	422.25
Tata BlueScope Steel Ltd.	India	50%	821.91	656.90	29.74	0.34	684.05	739.38
			908.10	687.76	31.52	1.99	523.95	615.97
Tata NYK Shipping Pte Ltd.	Singapore	50%	741.79	730.87	–	90.85	794.91	948.46
			659.15	630.60	–	–	544.81	607.36
Bhubaneshwar Power Private Limited	India	14%	61.31	48.40	0.39	53.05	2.08	2.17
			21.99	10.51	0.39	54.22	0.11	0.08
S & T Mining Company Private Limited	India	50%	3.76	1.18	–	0.63	1.38	3.19
			5.12	1.68	–	0.07	0.33	1.98
Himalaya Steel Mills Services Pvt. Ltd.	India	26%	7.48	4.66	–	–	3.85	4.77
			8.57	5.12	–	–	3.14	3.44

46. 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 and option contracts entered into by the Company on account of payables including forecast payables:

		As at 31.03.2013
No. of contracts	172	90
US Dollar equivalent (million)	794.28	746.79
INR equivalent (crores)	4,757.74	4,053.95

Outstanding short-term forward exchange contracts and option contracts entered into by the Company on account of receivables including forecast receivables:

		As at 31.03.2013
No. of contracts	9	21
US Dollar equivalent (million)	11.21	75.49
INR equivalent (crores)	67.14	409.72

Outstanding long-term forward exchange contracts entered into by the Company:

		As at 31.03.2013
No. of contracts	11	28
US Dollar equivalent (million)	16*	16*
INR equivalent (crores)	404.59	734.31
	2,423.51	3,986.21

* 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, 2014 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 31.03.2013
No. of contracts	8*	8*
US Dollar equivalent (million)	335.00	335.00
INR equivalent (crores)	2,006.65	1,818.55

(* 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 31.03.2013	
			US Dollar equivalent (million)	INR equivalent (₹ crores)
Amounts receivable in foreign currency on account of the following:				
(i) Loans receivable	88.02	527.14	91.35	495.78
(ii) Interest receivable	23.40	140.17	21.16	114.84
(iii) Debtors outstanding	18.19	108.93	22.81	123.78
Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	143.10	857.18	72.45	393.31
(ii) Capital imports	47.71	285.78	78.72	427.32
(iii) Interest and commitment charges payable	21.47	128.60	20.70	112.39
(iv) Loans payable	1,158.31	6,938.29	1,045.52	5,675.59

47. The Board recommended dividend of ₹ 10 per Ordinary Share (2012-13: ₹ 8 per Ordinary Share) of ₹ 10 each for the year ended 31st March, 2014. 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 ₹ 1,037.40 crores (2012-13: ₹ 905.70 crores) for the Company.

48. Previous year's figures have been recast/restated where necessary.

49. 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

JACOBUS SCHRAVEN

ANDREW ROBB

MALLIKA SRINIVASAN

D K MEHROTRA

O P BHATT

KARL-ULRICH KOEHLER

KOUSHIK CHATTERJEE

Directors

Group Executive Director
(Finance & Corporate)

Managing Director

T V NARENDRAN

A ANJENEYAN
Company Secretary

Tata Steel Limited and its Subsidiaries

Independent 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 31st March, 2014, the 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 auditor's judgment, 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 reports of the other auditors on the financial statements / financial information of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter 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 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit 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 42 to the financial statements regarding accounting policy for recognition of actuarial valuation change of Rs. 628.23 crores (net of taxes) [Gross: Rs. 917.66 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 recognized actuarial valuation changes in the Consolidated Statement of Profit and Loss, the deferred tax expenses would have been lower by Rs. 289.43 crores and the Profit after taxes, minority interest and share of profits of associates would have been lower by Rs. 628.23 crores. Our opinion is not qualified in respect of this matter.

Other Matters

1. We did not audit the financial statements of twenty two subsidiaries and three jointly controlled entities, whose financial statements/financial information reflect total assets (net) of Rs. 93,233.85 crores as at 31st March, 2014, total revenues of Rs. 1,05,078.60 crores and net cash outflows amounting to Rs. 1,669.91 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 profit of Rs. 0.17 crores for the year ended 31st March, 2014, 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 other auditors 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 the reports of the other auditors.
2. The consolidated financial statements include the unaudited financial statements of two subsidiaries, whose financial statements reflect total assets (net) of Rs. 2.25 crores as at 31st March, 2014 and net cash out flows amounting to Rs. 0.01 crore 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. 9.70 crores for the year ended 31st March, 2014, as considered in the consolidated financial statements, in respect of one associate, based on their unaudited financial statements as at and for the period ended 31st December, 2013. Our opinion, in so far as it relates to the amounts included in respect of this associate, is based solely on such unaudited financial statements.
4. In respect of investments in six 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 31st March, 2014 as the financial statements of these associates were not available.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

N. VENKATRAM
(Partner)
(Membership No. 71387)

Mumbai, May 14, 2014

Tata Steel Limited and its Subsidiaries

Consolidated Balance Sheet as at 31st March, 2014

				₹ crores
				As at 31.03.2013
Note	Page			
EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS				
3	207	(a) Share capital	971.41	971.41
4	208	(b) Reserves and surplus	39,560.55	33,200.83
			40,531.96	34,172.24
5	210	(2) PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES	20.00	21.21
6	210	(3) HYBRID PERPETUAL SECURITIES	2,275.00	2,275.00
		(4) MINORITY INTEREST	1,737.72	1,669.36
(5) NON-CURRENT LIABILITIES				
7	211	(a) Long-term borrowings	52,366.41	46,857.62
8	212	(b) Deferred tax liabilities	2,595.77	3,154.98
9	212	(c) Other long-term liabilities	1,837.97	1,120.52
10	213	(d) Long-term provisions	6,156.48	5,356.44
			62,956.63	56,489.56
(6) CURRENT LIABILITIES				
7	211	(a) Short-term borrowings	16,026.18	10,547.56
11	213	(b) Trade payables	22,904.37	19,339.59
12	213	(c) Other current liabilities	21,994.85	19,454.98
10	213	(d) Short-term provisions	3,197.74	2,943.29
			64,123.14	52,285.42
			1,71,644.45	1,46,912.79
ASSETS				
(7) NON-CURRENT ASSETS				
(a) Fixed assets				
13	214	(i) Tangible assets	55,249.37	51,977.54
14	215	(ii) Intangible assets	3,908.76	2,959.08
		(iii) Capital work-in-progress	25,956.35	13,786.15
		(iv) Intangible assets under development	866.10	490.47
			85,980.58	69,213.24
		(b) Goodwill on consolidation	15,748.80	13,064.98
15	216	(c) Non-current investments	2,425.07	2,497.37
8	212	(d) Deferred tax assets	40.77	36.49
16	218	(e) Long-term loans and advances	8,781.73	7,097.65
17	218	(f) Other non-current assets	678.09	778.29
			1,13,655.04	92,688.02
(8) CURRENT ASSETS				
15	216	(a) Current investments	2,668.40	760.29
18	219	(b) Inventories	26,880.00	24,091.19
19	219	(c) Trade receivables	16,005.77	13,993.96
20	219	(d) Cash and bank balances	8,604.50	9,833.92
16	218	(e) Short-term loans and advances	3,192.99	4,060.54
21	220	(f) Other current assets	637.75	1,484.87
			57,989.41	54,224.77
			1,71,644.45	1,46,912.79
1-47	194	Notes to Consolidated Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
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
JACOBUS SCHRAVEN
ANDREW ROBB
MALLIKA SRINIVASAN
D K MEHROTRA
O P BHATT
KARL-ULRICH KOEHLER
KOUSHIK CHATTERJEE *Directors*

T V NARENDRAN *Group Executive Director
(Finance & Corporate)
Managing Director*

A ANJENEYAN
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

₹ crores

Note	Page			Previous Year
		(1) REVENUE		
22	220	(a) Revenue from operations	1,53,212.79	1,38,821.14
		Less: Excise Duty	4,599.24	4,109.60
			1,48,613.55	1,34,711.54
23	220	(b) Other income	516.81	479.15
		TOTAL REVENUE	1,49,130.36	1,35,190.69
		(2) EXPENSES		
		(a) Raw materials consumed	46,242.98	40,643.46
		(b) Purchase of finished, semi-finished and other products	17,008.21	18,473.87
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(514.67)	1,418.92
24	220	(d) Employee benefits expense	20,303.41	18,912.00
25	221	(e) Depreciation and amortisation expense	5,841.22	5,575.32
26	221	(f) Finance costs	4,336.83	3,968.11
27	221	(g) Other expenses	50,689.40	44,259.07
			1,43,907.38	1,33,250.75
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	1,526.79	1,316.99
		TOTAL EXPENSES	1,42,380.59	1,31,933.76
		(3) PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	6,749.77	3,256.93
28	222	(4) EXCEPTIONAL ITEMS		
		(a) Provision for diminution in value of investments	(0.42)	—
		(b) Profit/(Loss) on sale of non-current investments	18.20	966.03
		(c) Provision for impairment of non-current assets	(45.42)	(8,355.91)
			(27.64)	(7,389.88)
		(5) PROFIT/(LOSS) BEFORE TAX	6,722.13	(4,132.95)
		(6) TAX EXPENSE		
		(a) Current tax [Includes a credit of ₹ 101.35 crores (2012-13: debit of ₹ 76.63 crores) in respect of earlier years]	3,482.64	2,325.40
		(b) MAT credit	(0.21)	(410.12)
		(c) Deferred tax	(424.27)	1,314.16
			3,058.16	3,229.44
		(7) PROFIT/(LOSS) AFTER TAX	3,663.97	(7,362.39)
		(8) MINORITY INTEREST	(69.92)	214.46
		(9) SHARE OF PROFIT OF ASSOCIATES	0.84	90.31
		(10) PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES	3,594.89	(7,057.62)
		(11) NOMINAL VALUE PER SHARE (₹)	10.00	10.00
29	222	(12) BASIC EARNINGS PER SHARE (₹)	35.19	(74.54)
29	222	(13) DILUTED EARNINGS PER SHARE (₹)	35.19	(74.54)
1-47	194	Notes to Consolidated Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants,

N VENKATRAM
Partner

For and on behalf of the Board

CYRUS P MISTRY

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA
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KOUSHIK CHATTERJEE

Directors

Group Executive Director
(Finance & Corporate)
Managing Director

T V NARENDRAN

A ANJENEYAN
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2014

	₹ crores	
		<i>Previous Year</i>
A. Cash Flow from Operating Activities:		
Profit/(Loss) before tax	6,722.13	<i>(4,132.95)</i>
Adjustments for:		
Depreciation and amortisation expense	5,841.22	<i>5,575.32</i>
Income from non-current investments	(65.94)	<i>(95.24)</i>
(Profit)/Loss on sale of non-current investments	(42.98)	<i>(967.52)</i>
(Profit)/Loss on assets sold/discarded	47.02	<i>(74.52)</i>
Provision for impairment of non-current assets	45.42	<i>8,355.91</i>
Interest and income from current investments	(482.21)	<i>(451.39)</i>
Finance costs	4,336.83	<i>3,968.11</i>
(Gain)/Loss on cancellation of forwards, swaps and options	9.10	<i>143.49</i>
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	827.77	<i>185.31</i>
Provision for wealth tax	2.11	<i>2.19</i>
Other non-cash expenditure	<u>187.73</u>	<u><i>254.90</i></u>
	10,706.07	<i>16,896.56</i>
Operating Profit before Working Capital Changes	17,428.20	<i>12,763.61</i>
Adjustments for:		
Trade and other receivables	(1,403.73)	<i>1,342.31</i>
Inventories	388.92	<i>1,915.37</i>
Trade payables and other liabilities	<u>(254.76)</u>	<u><i>582.98</i></u>
	(1,269.57)	<i>3,840.66</i>
Cash Generated from Operations	16,158.63	<i>16,604.27</i>
Direct tax paid	<u>(3,012.74)</u>	<u><i>(2,568.98)</i></u>
Net Cash Flow from/(used in) Operating Activities	13,145.89	<i>14,035.29</i>
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽¹⁾	(16,420.09)	<i>(15,471.51)</i>
Sale of fixed assets	294.57	<i>249.12</i>
Purchase of non-current investments	(479.04)	<i>(302.24)</i>
Acquisition of subsidiaries/joint ventures/undertakings	(0.10)	<i>(155.70)</i>
Disposal of subsidiaries/joint ventures/undertakings	59.37	<i>901.57</i>
Sale of non-current investments	1,560.72	<i>232.74</i>
(Purchase)/sale of current investments (net)	(1,722.48)	<i>986.90</i>
Inter-corporate deposits (net)	(96.00)	<i>(95.34)</i>
Interest and income from current investments received	265.11	<i>211.19</i>
Dividend received	<u>86.83</u>	<u><i>146.41</i></u>
Net Cash Flow from/(used in) Investing Activities	(16,451.11)	<i>(13,296.86)</i>

Consolidated Cash Flow Statement for the year ended 31st March, 2014

	₹ crores	
		<i>Previous Year</i>
C. Cash Flow from Financing Activities:		
Issue of equity shares	0.01	0.02
Issue/(Redemption) of Preference Shares	(1.21)	(1.22)
Capital contributions received	11.34	20.80
Contribution received from minority	2.12	242.63
Proceeds from borrowings	38,557.59	30,128.62
Repayment of borrowings	(32,682.70)	(27,210.63)
Amount received/(paid) on cancellation of forwards, swaps and options	(9.13)	(138.37)
Distribution on Hybrid Perpetual Securities	(266.13)	(265.76)
Expenses (incurred)/reimbursed on issue of equity instruments	3.35	2.40
Interest paid ⁽¹⁾	(3,676.30)	(3,199.89)
Dividend paid	(786.72)	(1,169.13)
Tax on dividend paid	(137.66)	(189.88)
Net Cash Flow from/(used in) Financing Activities	1,014.56	(1,780.41)
Net increase/(decrease) in Cash and Cash Equivalents	(2,290.66)	(1,041.98)
Opening Cash and Cash Equivalents (As per Note 20, Page 219)	9,669.10	10,513.11
Effect of exchange rate on translation of foreign currency Cash and Cash Equivalents	1,072.86	197.97
Closing Cash and Cash Equivalents (As per Note 20, Page 219)	8,451.30	9,669.10

Additional information:

- (1) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 435.29 crores (2012-13: ₹ 231.81 crores).
- (2) Previous years figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants,

N VENKATRAM
Partner

For and on behalf of the Board

CYRUS P MISTRY *Chairman*
B MUTHURAMAN *Vice Chairman*

NUSLI N WADIA
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KOUSHIK CHATTERJEE

} *Directors*

T V NARENDRAN *Group Executive Director
(Finance & Corporate)
Managing Director*

A ANJENEYAN
Company Secretary

Mumbai, 14th May, 2014

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 Group'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 Group 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 Consolidated 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 Group'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, 2014, 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. being subsidiaries, have been considered for consolidation.

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

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
A. Subsidiaries:			
i) ABJA Investment Co. Pte. Ltd.*	100.00	–	Singapore
ii) Adityapur Toll Bridge Company Limited	73.63	73.63	India
iii) Bangla Steel & Mining Co. Ltd.	100.00	100.00	Bangladesh
iv) Gopalpur Special Economic Zone Limited	100.00	100.00	India
v) Indian Steel & Wire Products Ltd.	94.95	92.50	India
vi) Jamshedpur Continuous Annealing and Processing Company Private Limited	51.00	51.00	India

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
vii) Jamshedpur Utilities & Services Company Limited	100.00	100.00	India
1. Haldia Water Management Limited	60.00	60.00	India
2. Naba Diganta Water Management Limited	74.00	74.00	India
3. SEZ Adityapur Limited	51.00	51.00	India
viii) Kalimati Investment Company Limited [▲]	–	100.00	India
ix) Lanka Special Steels Ltd.	100.00	100.00	Sri Lanka
x) NatSteel Asia Pte. Ltd.	100.00	100.00	Singapore
1. Tata Steel Asia (Hong Kong) Ltd.	100.00	100.00	Hong Kong SAR
2. Tata Steel Resources Australia Pty. Ltd.	100.00	100.00	Australia
xi) T M Mining Company Limited	74.00	74.00	India
xii) T S Alloys Limited	100.00	100.00	India
xiii) Tata Incorporated	100.00	100.00	USA
xiv) Tata Korf Engineering Services Ltd.	100.00	100.00	India
xv) Tata Metaliks Ltd.	50.09	50.09	India
1. Tata Metaliks Di Pipes Limited	100.00	51.17	India
xvi) Tata Sponge Iron Limited	54.50	54.50	India
1. TSIL Energy Limited	100.00	100.00	India
xvii) Tata Steel (KZN) (Pty) Ltd.	90.00	90.00	South Africa
xviii) 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. Bestbar (Vic) Pty. 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 Phillipines, 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	Indonesia
18. The Siam Industrial Wire Company Ltd.	100.00	100.00	Thailand
19. TSN Wires Co., Ltd.	60.00	60.00	Thailand
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

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
6. B S Pension Fund Trustee Ltd.	100.00	100.00	UK
7. Bailey Steels Limited*	–	100.00	UK
8. Beheermaatschappij Industriële Producten 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
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	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 Inc.	100.00	100.00	Canada
36. Cogent Power SA DE CV	100.00	100.00	Mexico
37. Cogent Power Inc.	100.00	100.00	USA
38. Cogent Power Limited	100.00	100.00	UK
39. Color Steels Limited	100.00	100.00	UK
40. Corbeil Les Rives SCI	67.30	67.30	France
41. Corby (Northants) & District Water Co.	100.00	100.00	UK
42. Cordor (C & B) Limited	100.00	100.00	UK
43. Corus Aluminium Verwaltungsgesellschaft Mbh	100.00	100.00	Germany
44. Corus Beteiligungs GmbH	100.00	100.00	Germany
45. Corus Building Systems Bulgaria AD	100.00	100.00	Bulgaria
46. Corus Building Systems N.V.	100.00	100.00	Belgium
47. Corus Building Systems SAS	100.00	100.00	France
48. Corus CNBV Investments	100.00	100.00	UK
49. Corus Coatings Usa Inc.	100.00	100.00	USA
50. Corus Cold drawn Tubes Limited	100.00	100.00	UK
51. Corus Engineering Steels (UK) Limited	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
52. Corus Engineering Steels Holdings Limited	100.00	100.00	UK
53. Corus Engineering Steels Limited	100.00	100.00	UK
54. Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
55. Corus Engineering Steels Pension Scheme Trustee Limited	100.00	100.00	UK
56. Corus Group Limited	100.00	100.00	UK
57. Corus Holdings Ltd.	100.00	100.00	UK
58. Corus International (Overseas Holdings) Limited	100.00	100.00	UK
59. Corus International Limited	100.00	100.00	UK
60. Corus International Romania SRL.	100.00	100.00	Romania
61. Corus Investments Ltd.	100.00	100.00	UK
62. Corus Ireland Ltd.	100.00	100.00	Ireland
63. Corus Large Diameter Pipes Limited	100.00	100.00	UK
64. Corus Liaison Services (India) Limited	100.00	100.00	UK
65. Corus Management Limited	100.00	100.00	UK
66. Corus Packaging Plus Norway AS	100.00	100.00	Norway
67. Cogent Power Electrical Steels Limited*	–	100.00	UK
68. Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
69. Corus Properties (Germany) Limited	100.00	100.00	UK
70. Corus Property	100.00	100.00	UK
71. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
72. Corus Service Center Milano Spa*	–	100.00	Italy
73. Corus Service Centre Limited	100.00	100.00	N Ireland
74. Corus Sheet & Tube Inc.	100.00	100.00	USA
75. Corus Steel Service STP LLC	100.00	100.00	Russia
76. Corus Trico Holdings Inc.	100.00	100.00	USA
77. Corus Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
78. Corus UK Healthcare Trustee Limited	100.00	100.00	UK
79. Corus Ukraine LLC	100.00	100.00	Ukraine
80. Cpn (85) Limited	100.00	100.00	UK
81. Crucible Insurance Company Ltd.	100.00	100.00	I of Man
82. Degels GmbH	100.00	100.00	Germany
83. Demka B.V.	100.00	100.00	Netherlands
84. Dsrn Group Plc.	100.00	100.00	UK
85. Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden
86. Esmil B.V.	100.00	100.00	Netherlands
87. Euro-Laminations Limited*	–	100.00	UK
88. Europressings Limited	100.00	100.00	UK
89. Firststeel Group Limited	100.00	100.00	UK
90. Firststeel Holdings Limited	100.00	100.00	UK
91. Firststeel Strip Mill Products Limited	100.00	100.00	UK
92. Fischer Profil GmbH	100.00	100.00	Germany
93. Gamble Simms Metals Ltd.	100.00	100.00	Ireland
94. Grant Lyon Eagre Ltd.	100.00	100.00	UK
95. H E Samson Ltd.	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
96. Hadfields Holdings Ltd.	62.50	62.50	UK
97. Hammermega Limited	100.00	100.00	UK
98. Harrowmills Properties Ltd.	100.00	100.00	UK
99. Hille & Muller GmbH	100.00	100.00	Germany
100. Hille & Muller Usa Inc.	100.00	100.00	USA
101. Hoogovens (UK) Limited	100.00	100.00	UK
102. Hoogovens Aluminium UK Limited	100.00	100.00	UK
103. Hoogovens Finance B.V.	100.00	100.00	Netherlands
104. Hoogovens Usa Inc.	100.00	100.00	USA
105. Huizenbeziit "Breesaap" B.V.	100.00	100.00	Netherlands
106. Ickles Cottage Trust	100.00	100.00	UK
107. Immobiliere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
108. Inter Metal Distribution SAS	100.00	100.00	France
109. Kalzip Asia Pte Limited	100.00	100.00	Singapore
110. Kalzip FZE	100.00	100.00	UAE
111. Kalzip GmbH	100.00	100.00	Germany
112. Kalzip GmbH	100.00	100.00	Austria
113. Kalzip Guangzhou Limited	100.00	100.00	China
114. Kalzip Inc	100.00	100.00	USA
115. Kalzip India Private Limited	100.00	100.00	India
116. Kalzip Italy SRL	100.00	100.00	Italy
117. Kalzip Limited	100.00	100.00	UK
118. Kalzip Spain S.L.U.	100.00	100.00	Spain
119. Layde Steel S.L.	100.00	100.00	Spain
120. Lister Tubes Ltd.	100.00	100.00	Ireland
121. London Works Steel Company Ltd.	100.00	100.00	UK
122. Midland Steel Supplies Ltd.	100.00	100.00	UK
123. Mistbury Investments Limited	100.00	100.00	UK
124. Montana Bausysteme AG	100.00	100.00	Switzerland
125. Myriad Deutschland GmbH	100.00	100.00	Germany
126. Myriad Espana SI	100.00	100.00	Spain
127. Myriad Nederland B.V.	100.00	100.00	Netherlands
128. Namascor B.V.	100.00	100.00	Netherlands
129. Nationwide Steelstock Limited	100.00	100.00	UK
130. Oostflank B.V.*	–	100.00	Netherlands
131. Orb Electrical Steels Limited	100.00	100.00	UK
132. Ore Carriers Ltd.	100.00	100.00	UK
133. Oremco Inc.	100.00	100.00	USA
134. Plated Strip International Limited	100.00	100.00	UK
135. Precoat International Limited	100.00	100.00	UK
136. Precoat Limited	100.00	100.00	UK
137. Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA
138. Richard Thomas And Baldwins 1978. Limited*	–	100.00	New Zealand
139. Round Oak Steelworks Ltd.	100.00	100.00	UK
140. Runblast Limited	100.00	100.00	UK
141. Runmega Limited	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
142. S A B Profiel B.V.	100.00	100.00	Netherlands
143. S A B Profil GmbH	100.00	100.00	Germany
144. Scrap Processing Holding B.V.	100.00	100.00	Netherlands
145. Seamless Tubes Ltd.	100.00	100.00	UK
146. Service Center Gelsenkirchen GmbH	100.00	100.00	Germany
147. Service Centre Maastricht B.V.	100.00	100.00	Netherlands
148. SIA Corus Building Systems	100.00	100.00	Latvia
149. Simiop Investments Ltd.*	–	100.00	UK
150. Simiop Ltd.*	–	100.00	UK
151. Skruv Erik AB	100.00	100.00	Sweden
152. Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium
153. Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
154. Stainless Velsen-Noord BV	100.00	100.00	Netherlands
155. Steel StockHoldings Ltd.	100.00	100.00	UK
156. Steelstock Ltd.	100.00	100.00	UK
157. Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
158. Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
159. Stocksbridge Works Cottage Trust Limited	100.00	100.00	UK
160. Stuwadoorsbedrijf Velserkom B.V.*	–	100.00	Netherlands
161. Surahammar Bruks AB	100.00	100.00	Sweden
162. Swinden Housing Association	100.00	100.00	UK
163. Tata Steel Belgium Packaging Steels N.V.	100.00	100.00	Belgium
164. Tata Steel Belgium Services N.V.	100.00	100.00	Belgium
165. Tata Steel Denmark Byggsystemer A/S	100.00	100.00	Denmark
166. Tata Steel Europe Distribution BV	100.00	100.00	Netherlands
167. Tata Steel Europe Metals Trading BV	100.00	100.00	Netherlands
168. Tata Steel France Batiment et Systemes SAS	100.00	100.00	France
169. Tata Steel France Holdings SAS	100.00	100.00	France
170. Tata Steel France Rail SA	100.00	100.00	France
171. Tata Steel Germany GmbH	100.00	100.00	Germany
172. Tata Steel Hungary LLC*	–	100.00	Hungary
173. Tata Steel Ijmuiden BV	100.00	100.00	Netherlands
174. Tata Steel International (Americas) Holdings Inc	100.00	100.00	USA
175. Tata Steel International (Americas) Inc	100.00	100.00	USA
176. Tata Steel International (Australasia) Limited	100.00	100.00	New Zealand
177. Tata Steel International (Benelux) BV	100.00	100.00	Netherlands
178. Tata Steel International (Canada) Holdings Inc	100.00	100.00	Canada
179. Tata Steel International (Czech Republic) S.R.O	100.00	100.00	Czech Republic
180. Tata Steel International (Denmark) A/S	100.00	100.00	Denmark
181. Tata Steel International (Finland) OY	100.00	100.00	Finland
182. Tata Steel International (France) SAS	100.00	100.00	France
183. Tata Steel International (Germany) GmbH	100.00	100.00	Germany
184. Tata Steel International (South America) Representações LTDA	100.00	100.00	Brazil
185. Tata Steel International Hellas SA	100.00	100.00	Greece
186. Tata Steel International (Italia) SRL	100.00	100.00	Italy
187. Tata Steel International (Middle East) FZE	100.00	100.00	UAE

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
188. Tata Steel International (Nigeria) Ltd.	100.00	100.00	Nigeria
189. Tata Steel International (Poland) sp Zoo	100.00	100.00	Poland
190. Tata Steel International (Schweiz) AG	100.00	100.00	Switzerland
191. Tata Steel International (Sweden) AB	100.00	100.00	Sweden
192. Tata Steel International (India) Limited	100.00	100.00	India
193. Tata Steel International Iberica SA	100.00	100.00	Spain
194. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	100.00	88.00	Turkey
195. Tata Steel Logistics and Shipping BV	100.00	100.00	Netherlands
196. Tata Steel Maubeuge SAS	100.00	100.00	France
197. Tata Steel Nederland BV	100.00	100.00	Netherlands
198. Tata Steel Nederland Consulting & Technical Services BV	100.00	100.00	Netherlands
199. Tata Steel Nederland Investment BV	100.00	100.00	Netherlands
200. Tata Steel Nederland Perfo BV	100.00	100.00	Netherlands
201. Tata Steel Nederland Services BV	100.00	100.00	Netherlands
202. Tata Steel Nederland Star-Frame BV	100.00	100.00	Netherlands
203. Tata Steel Nederland Technology BV	100.00	100.00	Netherlands
204. Tata Steel Nederland Tubes BV	100.00	100.00	Netherlands
205. Tata Steel Netherlands Holdings B.V.	100.00	100.00	Netherlands
206. Tata Steel Norway Byggsystemer A/S	100.00	100.00	Norway
207. Tata Steel Speciality Service Centre Suzhou Co. Ltd	100.00	100.00	China
208. Tata Steel Sweden Byggsystem AB	100.00	100.00	Sweden
209. Tata Steel Speciality Service Centre Xian Co. Ltd	100.00	100.00	China
210. Tata Steel UK Consulting Limited	100.00	100.00	UK
211. Tata Steel UK Holdings Limited	100.00	100.00	UK
212. Tata Steel UK Limited	100.00	100.00	UK
213. Tata Steel UK Rail Consultancy Limited	100.00	100.00	UK
214. Tata Steel Usa Inc.	100.00	100.00	USA
215. The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
216. The Stanton Housing Company Ltd.	100.00	100.00	UK
217. The Steel Company Of Ireland Limited	100.00	100.00	Ireland
218. The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
219. Thomas Processing Company	100.00	100.00	USA
220. Thomas Steel Strip Corp.	100.00	100.00	USA
221. Tinsley Trailers Limited*	–	100.00	UK
222. Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
223. Trierer Walzwerk GmbH	100.00	100.00	Germany
224. Tulip UK Holdings (No.2) Ltd.	100.00	100.00	UK
225. Tulip UK Holdings (No.3) Ltd.	100.00	100.00	UK
226. Tuscaloosa Steel Corporation	100.00	100.00	USA
227. U.E.S. Bright Bar Limited	100.00	100.00	UK
228. UK Steel Enterprise Ltd.	100.00	100.00	UK
229. Ukse Fund Managers (General Partner) Limited	100.00	100.00	UK
230. Ukse Fund Managers Limited	100.00	100.00	UK
231. Unitol SAS	100.00	100.00	France
232. Walker Manufacturing And Investments Ltd.	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
233. Walkersteelstock Ireland Limited	100.00	100.00	Ireland
234. Walkersteelstock Ltd.	100.00	100.00	UK
235. Westwood Steel Services Ltd.	100.00	100.00	UK
236. 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. Howse Minerals Ltd. *	100.00	–	Canada
4. Kalimati Coal Company Pty. Ltd.	100.00	100.00	Australia
5. Sedibeng Iron Ore Pty. Ltd.	64.00	64.00	South Africa
6. Tata Steel Cote D' Ivoire S.A	85.00	85.00	Ivory Coast
7. Tata Steel Minerals UK Limited	100.00	100.00	UK
8. Tata Steel Minerals Canada Limited	80.00	80.00	Canada
9. T S Canada Capital Ltd	100.00	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 (Shanghai) Ltd.	100.00	100.00	China
3. Tata Steel International (Malaysia) Sdn. Bhd.	100.00	100.00	Malaysia
4. Tata Steel International (Thailand) Limited	100.00	100.00	Thailand
5. Tata Steel International (Singapore) Pte. Ltd.	100.00	100.00	Singapore
6. Tata Steel International (Asia) Limited	100.00	100.00	Hong Kong SAR
VI. Tata Steel (Thailand) Public Company Ltd.	67.90	67.90	Thailand
1. N.T.S Steel Group Plc.	99.76	99.76	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
xix) Tata Steel Odisha Limited	100.00	100.00	India
xx) Tata Steel Processing and Distribution Limited	100.00	100.00	India
xxi) Tayo Rolls Limited	54.45	54.45	India
xxii) TM International Logistics Limited	51.00	51.00	India
1. International Shipping and 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
xxiii) The Tata Pigments Limited	100.00	100.00	India
xxiv) The Tinplate Company of India Limited	74.96	74.96	India
B. Joint Ventures of:			
i) Tata Steel Limited			
1. Bhubaneshwar Power Private Limited	26.00	26.00	India
2. Himalaya Steel Mills Services Pvt. Ltd.	26.00	26.00	India
3. mjunction services ltd.	50.00	50.00	India

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
4. S & T Mining Company Private Limited	50.00	50.00	India
5. Tata BlueScope Steel Ltd.	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 Tinsplate Company Limited	64.00	64.00	UK
2. Air Products Llanwern Limited	50.00	50.00	UK
3. Bsr Pipeline Services Limited	50.00	50.00	UK
4. Caparo Merchant Bar Plc	25.00	25.00	UK
5. Corus Kalpinis Simos Cladding Industry SA	50.00	50.00	Greece
6. Danieli Corus Technical Services B.V.	50.00	50.00	Netherlands
7. Fabsec Limited	25.00	25.00	UK
8. Industrial Rail Services Ijmond B.V.	50.00	50.00	Netherlands
9. Laura Metaal Holding B.V.	49.00	49.00	Netherlands
10. Norsk Stal AS	50.00	50.00	Norway
11. Norsk Stal Tynnplater AS	50.00	50.00	Norway
12. Ravenscraig Limited	33.33	33.33	UK
13. Redcar Bulk Terminal Limited	50.00	50.00	UK
14. Tata Elastron Steel Service Center SA	50.00	50.00	Greece
15. Tata Steel Ticaret AS	50.00	50.00	Turkey
16. 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) NatSteel Asia Pte. Ltd.			
1. SteelAsia Development and Management Corp.*	–	40.00	Philippines
2. SteelAsia Industries Inc.*	–	50.00	Philippines
3. SteelAsia Manufacturing Corporation*	–	40.00	Philippines
ii) Tata Incorporated			
1. TKM Overseas Ltd.*	–	49.00	UK
iii) Tata Steel Limited			
1. Industrial Energy Ltd.	26.00	26.00	India
2. Jamipol Ltd.	39.78	39.78	India
3. Kalinga Aquatics Ltd.#	30.00	30.00	India
4. Kumardhubi Fireclay & Silica Works Ltd.#	27.78	27.78	India
5. Kumardhubi Metal Casting & Engineering Ltd.#	49.31	49.31	India
6. Nicco Jubilee Park Limited#	23.46	23.46	India
7. Rujuvalika Investments Ltd.	34.46	34.46	India
8. Strategic Energy Technology Systems Private Limited	25.00	25.00	India
9. Tata Construction & Projects Ltd.#	27.19	27.19	India
10. TRL Krosaki Refractories Ltd.	26.62	26.62	India
11. TRF Ltd.	34.29	34.29	India

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2013-14	2012-13	
iv) 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 Norsktal 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	Netherlands
5. Cv Gasexpansie Ijmond	50.00	50.00	Netherlands
6. Danieli Corus Canada Inc.*	–	50.00	Canada
7. Danieli Corus Asia B.V. [†]	50.00	50.00	Netherlands
8. Danieli Corus Braseq Ltda.*	–	50.00	Brazil
9. Danieli Corus Construction Services B.V. [†]	50.00	50.00	Netherlands
10. Danieli Corus Construction Services Usa Inc.*	–	50.00	USA
11. Danieli Corus Do Brasil Ltda.*	–	50.00	Brazil
12. Danieli Corus Inc.*	–	50.00	USA
13. Danieli Corus Services Usa Inc.*	–	50.00	USA
14. Danieli Corus India Private Limited [†]	50.00	50.00	India
15. European Profiles (Marketing) Sdn.Bhd. [†]	10.20	10.20	Malaysia
16. Galvpro LP. [†]	45.50	45.50	USA
17. Gietwalsonderhoudcombinatie B.V.	50.00	50.00	Netherlands
18. Hoogovens Court Roll Service Technologies Vof:	50.00	50.00	Netherlands
19. Hoogovens Gan Multimedia S.A. De C.V. [†]	50.00	50.00	Mexico
20. Isolation Du Sud SA [†]	0.33	0.33	France
21. Issb Limited [†]	50.00	50.00	UK
22. MDC Sublance Probe Technology [†]	50.00	50.00	Shanghai
23. Richard Lees Steel Decking Asia Snd. Bhd. [†]	10.00	10.00	Malaysia
24. Schreiner Fleischer AS*	–	50.00	Norway
25. Thoresen & Thorvaldsen AS*	–	50.00	Norway
26. Trico LLC [†]	25.00	25.00	USA
27. Weirton/Hoogovens GP [†]	50.00	50.00	USA
28. Wupperman Staal Nederland B.V.	30.00	30.00	Netherlands
III. Tata Steel Global Minerals Holdings Pte Ltd.			
1. New Millennium Iron Corp. [§]	26.33	26.31	Canada
v) Indian Steel & Wire Products Ltd.			
1. Metal Corporation of India [#]	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

▲ Amalgamated with Tata Steel Limited

† 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) Use of Estimates and Judgements

In preparation of the financial statements, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(c) 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 amount received.

(d) Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Consolidated 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 Consolidated Statement of Profit and Loss of 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 Consolidated 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 Consolidated Statement of Profit and Loss.

(e) Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognized as an asset within fixed assets. The following expenditure generally comprises cost of exploration and evaluation:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition
- researching and analysing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling prefeasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Administration and other overhead costs are charged to the cost of exploration and evaluation only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the Consolidated Statement of Profit and Loss.

The Group measures such assets at cost and classifies as tangible or intangible according to the nature of the assets acquired and applies the classification consistently. Exploration and evaluation expenditure considered to be tangible are recorded as a component of fixed assets at cost less impairment charges, otherwise, they are recorded as intangible assets. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalized as a part of the cost of the intangible asset.

As the asset is not available for use, it is not depreciated. All exploration and evaluation expenditures are monitored for indications of impairment.

(f) 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.

Major expenses on relining of furnace are 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.

(g) 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 Group 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.

(h) Depreciation and Amortisation

- (i) Capital assets whose ownership does not vest with the Group 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) Major furnace relining expenses are depreciated over a period of 5 to 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.

(i) 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 Consolidated Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(j) Government Grants

Government Grants are recognised when there is a reasonable assurance that the same will be received. Revenue grants are recognised in the Consolidated Statement of Profit and Loss. Government grants related to expenditure on capital assets are credited to Consolidated Statement of Profit and Loss over the useful lives of capital assets. Total grants received less the amounts credited to Consolidated Statement of Profit and Loss at the Balance Sheet date are included in the Balance Sheet as deferred income. Other capital grants are credited to Reserves.

(k) Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of

monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.

The Company and some of its 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 Group 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.

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.

Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments.

(l) Derivative Financial Instruments

- i) The Group uses derivative financial instruments such as Forwards, Swaps, Options, etc. to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.
- ii) Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard 11 "The effects of changes in Foreign Exchange Rates".
- iii) For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value changes of the derivative financial instruments are recognised in Cash Flow Hedge Reserve and reclassified in the period in which the Consolidated Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a 'basis adjustment' and recycled to the Consolidated Statement of Profit and Loss when the respective non-financial asset affects the Consolidated Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained until the forecasted transaction occurs.
If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss.
- iv) If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Consolidated Statement of Profit and Loss.

(m) 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.

(n) Inventories

Finished and semi-finished products produced and purchased by the Group 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 Group 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.

(o) Relining Expenses

Relining expenses other than major expenses on furnace relining are charged as an expense in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

(p) Research and Development

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

(q) Deferred Tax

Deferred Tax is accounted for by computing the tax effect of timing differences, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date.

(r) 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 190]

		₹ crores	
		As at 31.03.2013	
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each <i>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 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>(31.03.2013: 97,21,26,020 Ordinary Shares of ₹ 10 each)</i>	972.13	972.13
Subscribed and Paid-up:			
97,12,15,405	Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2013: 97,12,15,229 Ordinary Shares of ₹ 10 each)</i>	971.21	971.21
	Add: Amount paid-up on 3,89,516 Ordinary Shares forfeited <i>(31.03.2013: 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 190]

		₹ crores
		As at 31.03.2013
(a) Capital Reserve		
Balance as per last account	49.26	31.88
Equity accounting of associates	5.44	5.50
Share warrants expired during the year	-	11.86
Received during the year	-	0.02
	54.70	49.26
(b) Capital Redemption Reserve		
Balance as per last account	37.19	27.33
Transfer from Surplus in Consolidated Statement of Profit and Loss	49.62	9.86
	86.81	37.19
(c) Securities Premium Reserve		
Balance as per last account	17,836.98	18,876.40
Premium on issue of Ordinary Shares	0.01	0.02
Discount/Premium on non-convertible debenture	-	(990.44)
Expenses/reimbursement related to CARS/NCD/GDR/ Hybrid Securities/preferential and public issue of equity shares	3.36	(7.99)
Exchange difference on redemption premium of CARS	-	(41.01)
	17,840.35	17,836.98
(d) Debenture Redemption Reserve		
Balance as per last account	2,053.26	2,053.26
Transfer to General Reserve	(7.26)	-
	2,046.00	2,053.26
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	(0.17)	-
	0.26	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	115.78	94.63
Received/capitalised during the year	14.56	23.85
Released to Consolidated Statement of Profit and Loss	(3.51)	(2.70)
	126.83	115.78
(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	17.71
Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	0.17	-
	17.88	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	1,570.78	386.42
Translation of Non Integral Foreign Operations	4,379.98	1,184.36
	5,950.76	1,570.78
Carried forward	26,239.11	21,796.91

4. RESERVES AND SURPLUS (continued)

[Item No. 1(b), Page 190]

		₹ crores
		As at 31.03.2013
Brought forward	26,239.11	21,796.91
(n) Special Reserve		
Balance as per last account	261.07	99.79
Transfer from Surplus in Consolidated Statement of Profit and Loss	1.60	161.28
Transfer to General Reserve	(258.11)	–
	4.56	261.07
(o) Statutory Reserve		
Balance as per last account	187.81	179.52
Transfer from Surplus in Consolidated Statement of Profit and Loss	–	8.29
	187.81	187.81
(p) Actuarial Gain/(Loss) Reserve		
Balance as per last account	(6,223.30)	(5,906.04)
Actuarial gain/(loss) (net of tax) during the year	(628.23)	(317.26)
	(6,851.53)	(6,223.30)
(q) Cash Flow Hedge Reserve		
Balance as per last account	25.12	140.81
Fair value changes recognised (net of tax)	(28.53)	(115.69)
	(3.41)	25.12
(r) General Reserve		
Balance as per last account	10,472.19	9,806.63
Transfer from Special Reserve	258.11	–
Transfer from Debenture Redemption Reserve	7.26	–
Transfer from Surplus in Consolidated Statement of Profit and Loss	730.16	665.56
	11,467.72	10,472.19
(s) Foreign Currency Monetary Item Translation Difference Account ⁽¹⁾		
Balance as per last account	(358.35)	(404.90)
Exchange gain/(loss) during the year	(454.51)	(459.62)
Amortisation during the year	480.92	506.17
	(331.94)	(358.35)
(t) Surplus in the Consolidated Statement of Profit and Loss		
Balance as per last account	7,039.38	16,125.42
Adjustment for unrecognised MAT asset in the books of Kalimati Investment Company Limited	222.58	–
Adjustment for unrecognised deferred tax liability in the books of Kalimati Investment Company Limited	(0.10)	–
Profit/(Loss) for the year	3,594.89	(7,057.62)
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 90.43 crores (2012-13: ₹ 86.37 crores)]	(175.61)	(179.84)
Dividend on Preference Shares	(0.10)	(0.21)
Proposed dividend on Ordinary Shares	(971.21)	(776.97)
Tax on dividend	(80.22)	(226.41)
Transfers to Reserves:		
General Reserve	(730.16)	(665.56)
Special Reserve	(1.60)	(161.28)
Capital Redemption Reserve	(49.62)	(9.86)
Statutory Reserve	–	(8.29)
	8,848.23	7,039.38
	39,560.55	33,200.83

Additional information:

- (1) The Company and some of its 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) 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 to maturity of the respective monetary items.

As on 31st March, 2014, a debit of ₹ 331.94 crores (31.03.2013: ₹ 358.35 crores) remains to be amortised in the “Foreign Currency Monetary Item Translation Difference Account”. During the year an amount of ₹ 480.92 crores (2012-13: ₹ 444.93 crores) has been amortised in the Consolidated Statement of Profit and Loss. Further an amount of Nil (net of deferred tax Nil) [2012-13: ₹ 41.37 crores (net of deferred tax ₹ 19.87 crores)] has been amortised and adjusted against Securities Premium Reserve. The Depreciation for the year ended 31st March, 2014 is higher by ₹ 22.75 crores (2012-13: higher by ₹ 6.35 crores) and the Profit after tax, minority interest and share of profit of associates for the year ended 31st March, 2014 is higher by ₹ 401.55 crores (2012-13: Loss after tax, minority interest and share of profit of associates is lower by ₹ 40.05 crores).

5. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES

[Item No. 2, Page 190]

	₹ crores	
		As at 31.03.2013
Preference Shares issued by subsidiary companies	20.00	21.21
	<u>20.00</u>	<u>21.21</u>

Additional information:

- (1) 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.
- (2) 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. As per the terms of the subscription agreements, the outstanding shares were redeemed during the year.

6. HYBRID PERPETUAL SECURITIES

[Item No. 3, Page 190]

	₹ crores	
		As at 31.03.2013
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. 5(a) and 6(a), Page 190]

₹ crores

	Long-Term	Short-Term	Total	As at 31.03.2013		
				Long-Term	Short-Term	Total
A. Secured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	250.00	–	250.00	250.00	–	250.00
(b) Term loans						
(i) From banks	25,186.11	2.12	25,188.23	21,706.26	11.63	21,717.89
(ii) From financial institutions and others ⁽¹⁾	2,210.23	18.52	2,228.75	2,079.04	–	2,079.04
(c) Repayable on demand						
(i) From banks	–	327.52	327.52	–	352.94	352.94
(d) Finance lease obligations	326.27	–	326.27	298.37	–	298.37
(e) Other loans	–	–	–	3.57	–	3.57
	27,972.61	348.16	28,320.77	24,337.24	364.57	24,701.81
B. Unsecured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	12,828.19	–	12,828.19	11,442.87	–	11,442.87
(ii) 4.5% Foreign Currency Convertible Bonds	–	–	–	2,969.04	–	2,969.04
(b) Term loans						
(i) From banks	9,635.30	10,359.18	19,994.48	6,460.66	8,283.38	14,744.04
(ii) From financial institutions and others	851.96	5,120.88	5,972.84	854.36	1,718.81	2,573.17
(c) Deferred payment liabilities	2.56	–	2.56	–	–	–
(d) Fixed deposits	1.06	–	1.06	1.00	–	1.00
(e) Finance lease obligations	505.31	–	505.31	476.78	–	476.78
(f) Other loans	569.42	197.96	767.38	315.67	180.80	496.47
	24,393.80	15,678.02	40,071.82	22,520.38	10,182.99	32,703.37
	52,366.41	16,026.18	68,392.59	46,857.62	10,547.56	57,405.18

Additional information:

- (1) Includes loan from Joint Plant Committee – Steel Development Fund of ₹ 2,125.55 crores (31.03.2013: ₹ 2,036.02 crores) which also includes funded interest ₹ 488.32 crores (31.03.2013: ₹ 406.45 crores).

8. DEFERRED TAX LIABILITIES/(ASSETS)

[Item No. 5(b) and 7(d), Page 190]

	₹ crores	
		<i>As at 31.03.2013</i>
Deferred tax liabilities		
(a) Differences in depreciation and amortisation for accounting and income tax purposes	4,465.00	4,210.54
(b) Prepaid expenses	82.74	64.30
(c) Actuarial gain/(loss)	477.86	429.65
(d) Others	668.68	707.31
	5,694.28	5,411.80
Deferred tax assets		
(a) Unabsorbed losses	(1,358.49)	(518.16)
(b) Employee separation compensation	(335.98)	(381.68)
(c) Provision for doubtful debts and advances	(97.47)	(80.91)
(d) Disallowance under Section 43B of Income Tax Act, 1961	(325.96)	(297.94)
(e) Provision for employee benefits	(394.35)	(389.90)
(f) Redemption premium on issue of non-convertible debenture	(349.44)	(392.79)
(g) Discount on issue of non-convertible debenture	(61.64)	(69.29)
(h) Others	(215.95)	(162.64)
	(3,139.28)	(2,293.31)
Deferred tax liabilities/(assets)	2,555.00	3,118.49
Amount recognised in Balance Sheet		
Deferred tax liabilities [Item No. 5(b), Page 190]	2,595.77	3,154.98
Deferred tax assets [Item No. 7(d), Page 190]	(40.77)	(36.49)
	2,555.00	3,118.49

9. OTHER LONG-TERM LIABILITIES

[Item No. 5(c), Page 190]

	₹ crores	
		<i>As at 31.03.2013</i>
(a) Creditors for capital supplies/services	1,042.41	387.97
(b) Deferred income	230.65	162.22
(c) Creditors for other liabilities	564.91	570.33
	1,837.97	1,120.52

10. PROVISIONS

[Item No. 5(d) and 6(d), Page 190]

₹ crores

	Long-Term	Short-Term	Total	As at 31.03.2013		
				Long-Term	Short-Term	Total
(a) Provision for employee benefits	4,176.49	218.87	4,395.36	3,437.93	179.38	3,617.31
(b) Provision for employee separation compensation ⁽¹⁾	458.46	144.14	602.60	547.78	156.78	704.56
(c) Provision for taxation	–	1,101.34	1,101.34	–	1,129.06	1,129.06
(d) Provision for fringe benefits tax	–	5.05	5.05	–	5.03	5.03
(e) Proposed dividend	–	971.31	971.31	–	777.18	777.18
(f) Other provisions ⁽²⁾	1,521.53	757.03	2,278.56	1,370.73	695.86	2,066.59
	<u>6,156.48</u>	<u>3,197.74</u>	<u>9,354.22</u>	<u>5,356.44</u>	<u>2,943.29</u>	<u>8,299.73</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 ₹ 24.84 crores (2012-13: ₹ 23.68 crores) in respect of schemes introduced during the year.
- (2) Includes provision for rationalisation and redundancy.

11. TRADE PAYABLES

[Item No. 6(b), Page 190]

₹ crores

		As at 31.03.2013
(a) Creditors for supplies/services	18,770.82	16,017.26
(b) Creditors for accrued wages and salaries	4,133.55	3,322.33
	<u>22,904.37</u>	<u>19,339.59</u>

12. OTHER CURRENT LIABILITIES

[Item No. 6(c), Page 190]

₹ crores

		As at 31.03.2013
(a) Current maturities of long-term borrowings	13,092.93	11,000.89
(b) Current maturities of finance lease obligations	123.13	101.25
(c) Interest accrued but not due on borrowings	825.60	694.51
(d) Unpaid dividend	61.92	66.54
(e) Advances received from customers	310.12	556.43
(f) Creditors for capital supplies/services	3,781.67	3,864.92
(g) Creditors for other liabilities ⁽¹⁾	3,799.48	3,170.44
	<u>21,994.85</u>	<u>19,454.98</u>

Additional information:

- (1) Includes liability for VAT, Sales tax, Excise duty, etc.

13. TANGIBLE ASSETS

[Item No. 7(a)(i), Page 190]

₹ 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 01.04.2013	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
Assets of new companies	-	-	-	-	-	-	-	-	-	-	-	-
	1.22	0.43	36.51	-	310.38	-	2.58	0.35	3.10	0.18	3.64	358.39
Additions during the year ⁽¹⁾	36.56	11.52	345.64	63.28	3,697.91	23.40	26.12	52.15	49.72	-	49.52	4,355.82
	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
Deductions during the year ⁽²⁾	(0.12)	-	(28.90)	(0.51)	(1,439.63)	(29.10)	(4.42)	(10.96)	(23.11)	(0.41)	(3.50)	(1,540.66)
	(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)
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
	(120.44)	(8.92)	(87.74)	(31.39)	(411.61)	-	(13.94)	(6.60)	(3.61)	-	-	(684.25)
Transfers and other movements ⁽¹⁾	44.26	-	51.88	-	386.41	(3.44)	(0.41)	1.52	(1.01)	-	39.55	518.76
	-	-	-	-	-	-	-	-	-	-	-	-
Exchange fluctuations capitalised during the year	-	-	3.44	-	272.01	-	-	-	-	-	-	275.45
	-	-	0.88	-	81.38	-	-	-	-	-	-	82.26
Exchange difference on consolidation	133.74	19.52	1,552.46	94.09	13,792.27	330.36	146.14	6.55	6.60	0.01	96.83	16,178.57
	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
Gross block as at 31.03.2014	1,825.97	932.22	14,385.34	755.70	1,26,484.02	1,940.41	1,064.01	384.67	340.12	9.44	1,416.32	1,49,538.22
	1,811.53	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
Impairment as at 01.04.2013	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
Impairment during the year	4.21	-	12.23	-	196.40	-	0.05	-	0.05	-	-	212.94
	4.01	-	224.73	7.27	3,292.95	-	-	-	-	-	1.05	3,530.01
Reversal during the year	-	-	-	-	(0.38)	-	-	-	-	-	-	(0.38)
	-	-	-	-	-	-	-	-	-	-	-	-
Deduction on disposals ⁽¹⁾	-	-	(1.70)	(0.11)	(45.30)	-	-	-	-	-	(1.05)	(48.16)
	(2.33)	-	-	-	(30.03)	-	-	-	-	-	-	(32.36)
Disposal of group undertaking	-	-	-	-	-	-	-	-	-	-	-	-
	(7.24)	-	(0.15)	-	(3.69)	-	-	-	-	-	-	(11.08)
Transfers and other movements ⁽¹⁾	31.16	-	435.58	-	(478.71)	0.56	1.20	0.02	-	-	-	(10.19)
	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on consolidation	13.50	0.12	32.81	6.91	1,177.99	18.69	0.02	-	-	-	-	1,250.04
	1.65	0.01	9.79	(0.07)	(58.38)	0.75	-	-	-	-	-	(46.25)
Impairment as at 31.03.2014	251.65	0.72	781.52	39.10	7,193.95	106.33	1.27	0.02	0.05	-	-	8,374.61
	202.78	0.60	302.60	32.30	6,343.95	87.08	-	-	-	-	1.05	6,970.36
Accumulated depreciation as at 01.04.2013	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
Depreciation of new companies	-	-	-	-	-	-	-	-	-	-	-	-
	-	0.13	9.79	-	172.10	-	2.31	0.14	1.58	0.18	3.64	189.87
Depreciation during the year	15.88	24.24	386.35	28.28	4,794.28	90.01	23.55	47.06	29.11	0.56	47.75	5,487.07
	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
Depreciation on assets written off during the year ⁽¹⁾	(0.09)	-	(23.35)	(0.51)	(1,199.06)	(28.38)	(4.18)	(9.87)	(18.32)	(0.41)	(2.45)	(1,286.62)
	(0.68)	-	(27.38)	(3.44)	(1,124.57)	(11.06)	(14.42)	(12.50)	(16.29)	(0.30)	(0.40)	(1,211.04)
Disposal of group undertakings	-	-	-	-	-	-	-	-	-	-	-	-
	(66.27)	(2.55)	(68.24)	(18.87)	(314.74)	-	(12.60)	(5.43)	(3.04)	-	-	(491.74)
Transfers and other movements ⁽¹⁾	13.69	0.15	4.06	-	17.30	(3.44)	(0.05)	(0.10)	(0.29)	-	2.33	33.65
	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on consolidation	18.60	9.91	1,110.60	50.36	9,237.96	219.44	138.36	3.26	5.10	0.01	84.16	10,877.76
	9.51	2.57	119.71	11.41	771.69	11.95	20.28	5.77	1.48	0.04	7.71	962.12
Accumulated depreciation as at 31.03.2014	238.46	151.62	8,041.37	397.73	73,597.57	1,349.28	987.72	266.40	168.69	2.84	712.56	85,914.24
	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
Total accumulated depreciation and impairment as at 31.03.2014	490.11	152.34	8,822.89	436.83	80,791.52	1,455.61	988.99	266.42	168.74	2.84	712.56	94,288.85
	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
Net book value as at 31.03.2014	1,335.86	779.88	5,562.45	318.87	45,692.50	484.80	75.02	118.25	171.38	6.60	703.76	55,249.37
	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

Additional information:

- (1) Includes adjustments for inter se transfers and reclassification between tangible assets and intangible assets.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Buildings include ₹ 2.32 crores (31.03.2013: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- (4) Rupee liability has increased by a net amount of ₹ 275.45 crores (2012-13: ₹ 82.26 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 ₹ 15.54 crores (2012-13: ₹ 3.72 crores) arising on account of this adjustment.

14. INTANGIBLE ASSETS

[Item No. 7(a)(ii), Page 190]

	₹ crores						
	Patents	Development Costs	Software Costs	Mining Rights	Development of Property ⁽³⁾	Other Intangible Assets	Total
Intangible Assets							
Gross block as at 01.04.2013	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
Assets of new companies	–	–	–	–	–	–	–
	–	–	1.82	–	–	4.69	6.51
Additions during the year ⁽¹⁾	2.01	46.13	139.82	172.75	1,223.28	0.02	1,584.01
	2.09	48.89	105.49	–	486.93	0.87	644.27
Deductions during the year ⁽²⁾	(0.02)	–	(13.77)	–	(0.90)	–	(14.69)
	–	–	(4.38)	–	–	–	(4.38)
Disposal of group undertakings	–	–	–	–	–	–	–
	–	–	(0.65)	–	–	–	(0.65)
Transfers and other movements ⁽¹⁾	–	–	(0.30)	–	(478.29)	–	(478.59)
	–	–	–	–	–	–	–
Exchange differences capitalised	–	–	–	4.44	78.65	–	83.09
	–	–	–	–	–	–	–
Exchange difference on consolidation	17.55	64.73	298.20	(17.25)	43.09	–	406.32
	1.58	6.10	21.59	(13.65)	(53.98)	–	(38.36)
Gross block as at 31.03.2014	108.96	449.10	2,068.05	671.23	3,213.00	94.01	6,604.35
	89.42	338.24	1,644.10	511.29	2,347.17	93.99	5,024.21
Impairment as at 01.04.2013	–	–	26.39	46.11	79.17	–	151.67
	–	–	25.41	–	–	–	25.41
Impairment during the year	–	–	–	–	2.39	–	2.39
	–	–	0.77	45.62	78.32	–	124.71
Transfers and other movements ⁽¹⁾	–	–	0.05	–	–	–	0.05
	–	–	–	–	–	–	–
Exchange difference on consolidation	–	–	5.64	(0.80)	(1.40)	–	3.44
	–	–	0.21	0.49	0.85	–	1.55
Impairment as at 31.03.2014	–	–	32.08	45.31	80.16	–	157.55
	–	–	26.39	46.11	79.17	–	151.67
Accumulated amortisation as at 01.04.2013	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
Amortisation of new companies	–	–	–	–	–	–	–
	–	–	1.70	–	–	4.68	6.38
Amortisation during the year	1.80	48.94	174.78	0.99	169.82	5.04	401.37
	1.63	45.89	149.78	7.04	147.08	4.99	356.41
Amortisation on assets written off during the year ⁽¹⁾	(0.02)	–	(12.96)	–	(0.60)	–	(13.58)
	–	–	(3.86)	–	–	–	(3.86)
Disposal of group undertakings	–	–	–	–	–	–	–
	–	–	(0.39)	–	–	–	(0.39)
Transfers and other movements ⁽¹⁾	0.08	–	(0.15)	–	(25.25)	–	(25.32)
	–	–	–	–	–	–	–
Exchange difference on consolidation	14.94	48.84	193.10	(0.39)	5.62	–	262.11
	1.42	4.30	10.23	0.29	(1.40)	–	14.84
Accumulated amortisation as at 31.03.2014	93.60	351.18	1,410.24	16.60	635.09	31.33	2,538.04
	76.80	253.40	1,055.47	16.00	485.50	26.29	1,913.46
Total accumulated amortisation and impairment as at 31.03.2014	93.60	351.18	1,442.32	61.91	715.25	31.33	2,695.59
	76.80	253.40	1,081.86	62.11	564.67	26.29	2,065.13
Net book value as at 31.03.2014	15.36	97.92	625.73	609.32	2,497.75	62.68	3,908.76
	12.62	84.84	562.24	449.18	1,782.50	67.70	2,959.08

Additional information:

- (1) Includes adjustments for inter se transfers and reclassification between intangible assets and tangible assets.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Development of property represents expenditure incurred on development of mines/collieries.
- (4) Rupee liability has increased by a net amount of ₹ 83.09 crores (2012-13: Nil) arising out of realignment of the value of long-term foreign currency loans taken for development of mining assets and has been adjusted against the carrying cost of assets.

15. INVESTMENTS

[Item No. 7(c) and 8(a), Page 190]

				₹ crores		
	Non-current	Current	Total	As at 31.03.2013		
				Non-current	Current	Total
(a) Investments in equity instruments	1,823.80	–	1,823.80	1,969.55	1.40	1,970.95
(b) Investments in government or trust securities	0.02	–	0.02	0.02	–	0.02
(c) Investments in debentures and bonds	430.00	–	430.00	378.39	–	378.39
(d) Investments in partnership firms	21.05	–	21.05	17.27	–	17.27
(e) Investment properties	150.20	–	150.20	130.13	–	130.13
(f) Investments in mutual funds	–	2,668.40	2,668.40	2.01	758.89	760.90
	<u>2,425.07</u>	<u>2,668.40</u>	<u>5,093.47</u>	<u>2,497.37</u>	<u>760.29</u>	<u>3,257.66</u>

Additional information:

				₹ crores		
	Non-current	Current	Total	As at 31.03.2013		
				Non-current	Current	Total
(1) Aggregate amount of quoted investments	1,350.35	10.09	1,360.44	1,401.20	12.14	1,413.34
(2) Aggregate amount of unquoted investments (excluding investment properties)	924.52	2,658.31	3,582.83	966.04	748.15	1,714.19
	<u>2,274.87</u>	<u>2,668.40</u>	<u>4,943.27</u>	<u>2,367.24</u>	<u>760.29</u>	<u>3,127.53</u>
(3) Equity accounted associates						
(i) Cost of investment			698.59			654.99
[including ₹ 129.96 crores (31.03.2013: ₹ 117.90 crores) of goodwill (net of capital reserve) arising on consolidation]						
(ii) Share of post acquisition profit (net of losses)			117.68			258.24
			<u>816.27</u>			<u>913.23</u>

(4) Details of equity accounted associates are as follows:

Name of the Company	₹ crores			
	Original cost of investment	Goodwill/ (Capital Reserve)	Accumulated profit/(loss) as at	Carrying amount of investments
	(a)	(a)	31.03.2014 (a) (b)	as at 31.03.2014 (a) (b)
Combulex B.V.*	–	–	–	–
	10.58	–	(2.04)	8.54
Cv Gasexpansie Ijmond	0.31	–	0.06	0.37
	0.25	–	0.07	0.32
European Profiles (M) Sdn. Bhd.	8.64	–	0.98	9.62
	7.12	–	0.46	7.58
Gietwalsonderhoudcombinatie B.V.	11.31	–	10.55	21.86
	9.31	–	8.07	17.38
Hoogovens Court Roll Service Technologies Vof:	11.54	–	10.07	21.61
	9.50	–	6.39	15.89

Name of the Company	₹ crores			
	Original cost of investment (a)	Goodwill/ (Capital Reserve) (a)	Accumulated profit/(loss) as at 31.03.2014 (a) (b)	Carrying amount of investments as at 31.03.2014 (a) (b)
Industrial Energy Ltd.	86.58 <i>86.58</i>	– –	50.06 <i>47.28</i>	136.64 <i>133.86</i>
Jamipol Ltd.	10.40 <i>10.40</i>	0.32 <i>0.32</i>	26.66 <i>20.56</i>	37.06 <i>30.96</i>
Nicco Jubilee Park Limited (₹ 1/-)	0.38 <i>0.38</i>	– –	(0.38) <i>(0.38)</i>	– –
New Millennium Iron Corp.	392.22 <i>355.45</i>	127.69 <i>115.63</i>	(16.82) <i>8.00</i>	375.40 <i>363.45</i>
Rujuvalika Investments Ltd.	3.25 <i>3.25</i>	(0.29) <i>(0.29)</i>	5.85 <i>5.08</i>	9.10 <i>8.33</i>
SteelAsia Manufacturing Corporation*	– –	– –	– <i>125.70</i>	– <i>125.70</i>
Strategic Energy Technology Systems Private Limited	24.71 <i>24.71</i>	– –	(24.71) <i>(23.04)</i>	– <i>1.67</i>
TKM Overseas Ltd.*	– <i>1.13</i>	– –	– <i>(1.13)</i>	– –
TRF Ltd.	5.82 <i>5.82</i>	1.43 <i>1.43</i>	14.94 <i>41.35</i>	20.76 <i>47.17</i>
TRL Krosaki Refractories Ltd.	70.24 <i>70.24</i>	0.81 <i>0.81</i>	2.76 <i>1.37</i>	73.00 <i>71.61</i>
Wupperman Staal Nederland B.V.	73.19 <i>60.27</i>	– –	37.66 <i>20.50</i>	110.85 <i>80.77</i>
	698.59 <i>654.99</i>	129.96 <i>117.90</i>	117.68 <i>258.24</i>	816.27 <i>913.23</i>

(a) Includes impact of exchange rate changes on translation.

(b) Includes other adjustments to carrying value accounted through reserves.

* Part of the year.

16. LOANS AND ADVANCES

[Item No. 7(e) and 8(e), Page 190]

				₹ crores		
	Long-Term	Short-Term	Total	As at 31.03.2013		
				Long-Term	Short-Term	Total
(a) Capital advances						
Unsecured and considered good	1,650.84	–	1,650.84	2,794.92	–	2,794.92
Unsecured and considered doubtful	0.74	–	0.74	1.09	–	1.09
Less: Provision for bad & doubtful loans and advances	0.74	–	0.74	1.09	–	1.09
	1,650.84	–	1,650.84	2,794.92	–	2,794.92
(b) Security deposits						
Unsecured and considered good	153.45	54.96	208.41	139.75	51.42	191.17
Unsecured and considered doubtful	1.67	0.50	2.17	1.55	0.50	2.05
Less: Provision for bad & doubtful loans and advances	1.67	0.50	2.17	1.55	0.50	2.05
	153.45	54.96	208.41	139.75	51.42	191.17
(c) Advance with public bodies						
Unsecured and considered good	792.16	1,456.26	2,248.42	506.99	1,261.13	1,768.12
Unsecured and considered doubtful	13.47	5.88	19.35	14.86	5.32	20.18
Less: Provision for bad & doubtful loans and advances	13.47	5.88	19.35	14.86	5.32	20.18
	792.16	1,456.26	2,248.42	506.99	1,261.13	1,768.12
(d) Loans and advances to related parties						
Unsecured and considered good	55.60	139.20	194.80	1.25	43.20	44.45
(e) Advance payment against taxes						
Unsecured and considered good	733.62	71.62	805.24	470.20	110.11	580.31
(f) MAT credit entitlement						
Unsecured and considered good	34.64	–	34.64	34.77	399.84	434.61
(g) Other loans and advances ⁽¹⁾						
Unsecured and considered good	5,361.42	1,470.95	6,832.37	3,149.77	2,194.84	5,344.61
Unsecured and considered doubtful	174.58	33.27	207.85	142.94	60.15	203.09
Less: Provision for bad & doubtful loans and advances	174.58	33.27	207.85	142.94	60.15	203.09
	5,361.42	1,470.95	6,832.37	3,149.77	2,194.84	5,344.61
	8,781.73	3,192.99	11,974.72	7,097.65	4,060.54	11,158.19

Additional information:

(1) Includes ₹ 145.99 crores (31.03.2013: ₹ 132.30 crores) on account of exploration and evaluation activities.

17. OTHER NON-CURRENT ASSETS

[Item No. 7(f), Page 190]

	₹ crores	
		As at 31.03.2013
(a) Balances with banks ⁽¹⁾⁽²⁾	100.00	58.23
(b) Unamortised loan issue expenses	533.48	699.53
(c) Others	44.61	20.53
	678.09	778.29

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

(2) Includes balances with banks held as security against guarantees.

18. INVENTORIES

(At lower of cost and net realisable value)

[Item No. 8(b), Page 190]

₹ crores

As at
31.03.2013

- | | | |
|--------------------------------------------------|------------------|------------------|
| (a) Raw materials | 7,695.45 | 7,889.40 |
| (b) Work-in-progress | 5,768.40 | 4,945.84 |
| (c) Finished and semi-finished goods | 9,601.79 | 7,999.17 |
| (d) Stock-in-trade of goods acquired for trading | 413.85 | 292.13 |
| (e) Stores and spares | 3,400.51 | 2,964.65 |
| | <u>26,880.00</u> | <u>24,091.19</u> |

Included above, goods-in-transit:

- | | | |
|----------------------------------------------------|-----------------|-----------------|
| (i) Raw materials | 1,482.21 | 1,269.40 |
| (ii) Finished and semi-finished goods | 60.18 | 180.60 |
| (iii) Stock-in-trade of goods acquired for trading | 0.03 | - |
| (iv) Stores and spares | 167.24 | 122.41 |
| | <u>1,709.66</u> | <u>1,572.41</u> |

19. TRADE RECEIVABLES

[Item No. 8(c), Page 190]

₹ crores

As at
31.03.2013

- | | | |
|--------------------------|------------------|------------------|
| (a) More than six months | 440.41 | 614.73 |
| (b) Others | 15,922.51 | 13,747.02 |
| | <u>16,362.92</u> | <u>14,361.75</u> |

Less: Provision for bad and doubtful debts

- | | | |
|--------------------------|------------------|------------------|
| (i) More than six months | 245.35 | 237.50 |
| (ii) Others | 111.80 | 130.29 |
| | <u>16,005.77</u> | <u>13,993.96</u> |

Unsecured and considered good
Doubtful

20. CASH AND BANK BALANCES

[Item No. 8(d), Page 190]

₹ crores

As at
31.03.2013

- | | | |
|----------------------------------------|-----------------|-----------------|
| (a) Cash in hand | 1.24 | 1.26 |
| (b) Cheques, drafts on hand | 197.56 | 154.08 |
| (c) Remittances in-transit | 37.32 | 235.02 |
| (d) Balances with banks | 8,215.18 | 9,278.74 |
| Total cash and cash equivalents | <u>8,451.30</u> | <u>9,669.10</u> |
| (e) Earmarked balances with banks | 153.20 | 164.82 |
| | <u>8,604.50</u> | <u>9,833.92</u> |

21. OTHER CURRENT ASSETS

[Item No. 8(f), Page 190]

	₹ crores	
		As at 31.03.2013
(a) Interest accrued on investments	13.05	5.68
(b) Interest accrued on deposits, loans and advances	18.49	16.84
(c) Others ⁽¹⁾	606.21	1,462.35
	<u>637.75</u>	<u>1,484.87</u>

Additional information:

(1) Includes ₹ 392.89 crores (31.03.2013: ₹ 331.01 crores) on account of loan issue expenses and ₹ 123.25 crores (31.03.2013: ₹ 975.69 crores) on account of receivables for sale of investments.

22. REVENUE FROM OPERATIONS

[Item No. 1(a), Page 191]

	₹ crores	
		Previous Year
(a) Sale of products	1,49,148.62	1,35,172.56
(b) Sale of power and water	989.55	1,010.21
(c) Income from town, medical and other services	1,808.35	1,464.95
(d) Other operating income	1,266.27	1,173.42
	<u>1,53,212.79</u>	<u>1,38,821.14</u>

23. OTHER INCOME

[Item No. 1(b), Page 191]

	₹ crores	
		Previous Year
(a) Dividend income		
(i) Non-current investments	65.94	95.24
(ii) Current investments	28.09	14.82
(b) Interest income	268.49	203.87
(c) Net gain/(loss) on sale of		
(i) Other non-current investments	24.78	1.49
(ii) Current investments	185.63	232.70
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(47.02)	74.52
(e) Gain/(Loss) on cancellation of forwards, swaps and options (net)	(9.10)	(143.49)
	<u>516.81</u>	<u>479.15</u>

24. EMPLOYEE BENEFITS EXPENSE

[Item No. 2(d), Page 191]

	₹ crores	
		Previous Year
(a) Salaries and wages, including bonus	17,340.10	15,594.48
(b) Contribution to provident and other funds	2,564.38	2,756.57
(c) Staff welfare expenses	398.93	560.95
	<u>20,303.41</u>	<u>18,912.00</u>

25. DEPRECIATION AND AMORTISATION EXPENSE

[Item No. 2(e), Page 191]

₹ crores

- (a) Depreciation on tangible assets
 (b) Amortisation of intangible assets
- Less: Amount released from specific grants

		Previous Year
	5,487.07	5,244.36
	401.37	356.41
	5,888.44	5,600.77
	47.22	25.45
	5,841.22	5,575.32

26. FINANCE COSTS

[Item No. 2(f), Page 191]

₹ crores

- (a) Interest expense
 (i) Debentures/bonds and fixed loans
 (ii) Others
 (b) Finance charges on finance leases
 (c) Other borrowing costs
- Less: Interest capitalised

		Previous Year
	4,052.53	3,513.54
	215.70	229.21
	66.43	65.66
	437.46	391.51
	4,772.12	4,199.92
	435.29	231.81
	4,336.83	3,968.11

27. OTHER EXPENSES

[Item No. 2(g), Page 191]

₹ crores

- (a) Consumption of stores and spares
 (b) Repairs to buildings
 (c) Repairs to machinery
 (d) Relining expenses
 (e) Fuel oil consumed
 (f) Purchase of power⁽¹⁾
 (g) Conversion charges
 (h) Freight and handling charges
 (i) Rent
 (j) Royalty
 (k) Rates and taxes
 (l) Insurance
 (m) Commission, discounts and rebates
 (n) Provision for wealth tax
 (o) Provision for doubtful debts and advances
 (p) Excise duty
 (q) Others⁽²⁾

		Previous Year
	11,995.01	9,837.98
	503.39	512.38
	5,925.16	5,152.01
	137.19	130.89
	1,089.43	990.37
	6,035.77	5,554.01
	2,027.95	1,930.92
	9,007.92	7,434.27
	4,019.21	3,386.36
	1,210.97	1,198.86
	1,095.00	980.03
	475.39	332.36
	292.11	271.17
	2.11	2.19
	78.98	115.60
	73.66	142.10
	6,720.15	6,287.57
	50,689.40	44,259.07

Additional information:

- (1) Includes a credit of ₹ 220.36 crores (2012-13: Nil) in respect of claim for electricity cost previously over charged by a supplier.
 (2) (i) Includes provision for impairment losses on fixed assets ₹ 187.95 crores (2012-13: ₹ 253.16 crores).
 (ii) Includes a credit of ₹ 60.36 crores (2012-13: Nil) received from UK tax authorities in relation to research and development expenditure.

28. EXCEPTIONAL ITEMS

[Item No. 4, Page 191]

Exceptional items as shown in the Consolidated Statement of Profit and Loss represent:

- (a) Provision of ₹ 0.42 crore on account of investment exposure in Strategic Energy Technology Systems Private Limited (an associate).
- (b) Profit on sale of investments in subsidiaries, joint ventures, associates and other non-current investments by the Group of ₹ 18.20 crores (*Previous year: ₹ 966.03 crores*).
- (c) Impairment loss recognised in the Consolidated Statement of Profit and Loss is in respect of:

	₹ crores	
		<i>Previous Year</i>
(i) Goodwill on consolidation	6.38	4,751.40
(ii) Fixed assets	39.04	3,604.51
Total disclosed as exceptional items, item no. 4(c)	45.42	8,355.91

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	
		<i>Previous Year</i>
Steel	19.65	3,254.61
Others	19.39	349.90
	39.04	3,604.51

Impairment on goodwill recognised during the year relates to goodwill allocated to CGUs forming part of the steel business segment. Previous year figures relates to goodwill allocated to CGUs forming part of the steel business segment within Tata Steel Europe Limited.

29. EARNINGS PER SHARE (EPS)

[Item No. 12 and 13, Page 191]

	₹ crores	
		<i>Previous Year</i>
(a) Profit/(Loss) after tax, minority interest and share of profit of associates	3,594.89	(7,057.62)
Less: Dividend on Preference Shares (including tax on dividend)	1.49	1.73
Less: Distribution on Hybrid Perpetual Securities (net of tax)	175.61	179.84
Profit/(Loss) attributable to Ordinary Shareholders – for Basic EPS	3,417.79	(7,239.19)
Profit/(Loss) attributable to Ordinary Shareholders – for Diluted EPS	3,417.79	(7,239.19)
	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	97,12,15,239	97,12,14,550
Weighted average no. of Ordinary Shares for Diluted EPS	97,12,15,239	97,12,14,550
(c) Nominal value per Ordinary Share	₹ 10.00	₹ 10.00
(d) Basic earnings per Ordinary Share	₹ 35.19	₹ (74.54)
(e) Diluted earnings per Ordinary Share	₹ 35.19	₹ (74.54)

Additional information:

- (1) 4.5% Foreign Currency Convertible Bonds are anti-dilutive.

30. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Group

		₹ crores
		As at 31.03.2013
(i) Excise and Service Tax	637.36	683.16
(ii) Customs	16.53	16.52
(iii) Sales Tax and VAT	338.19	447.50
(iv) State Levies	593.04	290.01
(v) Suppliers and Service Contract	80.38	77.52
(vi) Labour Related	51.01	46.21
(vii) Income Tax	155.30	21.49
(viii) Royalty	14.01	14.01
(ix) Others	1,025.59	777.15

- (b) The Company has given guarantees aggregating ₹ 603.22 crores (31.03.2013: ₹ 598.97 crores) on behalf of others. As at 31st March, 2014, the contingent liabilities under these guarantees amounts to ₹ 603.22 crores (31.03.2013: ₹ 598.97 crores).
- (c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2013: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2013: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.
- (d) 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, 2014 would be approximately ₹ 3,946.65 crores (31.03.2013: ₹ 3,006.46 crores).
- (e) Interest expenditure on loans taken and deployed for Corus acquisition has been disallowed in assessments with tax demand raised for ₹ 453 crores. Company has deposited ₹ 300 crores as a precondition to prefer appeals and is reasonably confident of succeeding in litigation, on due consideration of facts and legal position.
- (f) 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 demand of the state mining authority has been confirmed by High Court vide its Judgment dated 12th March, 2014. High Court has concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending SLP's filed by State and Company in the year 2004. Company has filed SLP before Supreme Court against the order of the High Court dated 12th March, 2014. In the hearing held on 2nd May, 2014, the case has been referred to the Larger Bench of the Supreme Court. Principal demand amount have been provided in the books. Interest amount of ₹ 301.83 crores (31.03.2013: ₹ 453.91 crores including principal demand of ₹ 190 crores) has been considered as contingent liability.
- (g) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.

An additional demand of ₹ 148.15 crores has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on 14th November, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Accordingly, the demand of ₹ 148.15 crores (31.03.2013: ₹ 79.08 crores) has been considered as a contingent liability.

- (h) In terms of Agreements entered into in 2008-09 between Tata Teleservices Ltd. (TTSL), Tata Sons Limited (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company sold to the SP, 52,46,590 equity shares of Tata Teleservices Ltd. ("TTSL") at ₹ 116.09 per share which resulted in a profit of ₹ 49.77 crores in the same year.

Tata Sons Limited is party to a Shareholders Agreement with NTT DoCoMo, Inc. of Japan (Strategic Partner – SP) dated 25th March, 2009 and amended on 21st May, 2010.

The Company has an "inter se" agreement with Tata Sons Limited and other Tata Group companies. Tata Sons Limited has informed the Company as follows:

- (i) Under the terms of the Shareholders Agreement if certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 the SP has an option to divest its entire shareholdings in TTSL at a price being the higher of fair value or ₹ 58.05 per share (i.e. 50 percent of the subscription price) ("Sale Price"), subject to compliance with applicable law and regulations ("Sale Option").
- (ii) Tata Sons Limited had offered other shareholders of TTSL, including the Company, the option in 2008-09 to sell to the SP. If Tata Sons Limited becomes obliged to acquire the Sale Shares under the Sale Option the Company can be nominated by it to acquire pro-rated proportions of the Sale Shares based on the number of shares sold by the Company to the SP. On a pro-rated bases the number of shares would be 2,58,83,846 shares out of the Sale Shares. The Company has further agreed to reimburse Tata Sons Limited for any other indemnification claim made on Tata Sons Limited by SP on a similar proportionate basis.
- (iii) In the wake of recent regulatory developments in India, Tata Sons Limited has considered its position relating to the possible exercise of the Sale Option under the Shareholders Agreement.
- (iv) The Shareholders Agreement obliges Tata Sons Limited to find a buyer for the shares at the Sale Price.
- (v) If there is no buyer at the Sale Price, then Tata Sons Limited is obliged to acquire or procure the acquisition of such shares. These obligations are subject to compliance with applicable law and regulations.
- (vi) No notice of exercise of the Sale Option has been received although the SP has communicated its board decision to exercise the Sale Option.
- (vii) Pending receipt of a notice exercising the Sale Option and in view of applicable law and regulations, the exposure of the Company (if any) cannot be ascertained.

The aforementioned agreements are governed by Indian Law.

- (i) Bills discounted ₹ 497.68 crores (31.03.2013: ₹ 578.76 crores).

B. Commitments

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 10,485.74 crores (31.03.2013: ₹ 14,501.82 crores).
- (b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2013: ₹ 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, State Bank of India 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 Limited and Tata Steel Netherlands Holdings 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. Ltd., (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Ltd, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing and Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge of lien or in any way encumber its holding in Taj Air Limited, (j) Sumitomo Mitsui Banking Corporation not to dispose of the management control in Tata Metaliks Di Pipes Limited (Formerly known as Tata Metaliks Kubota Pipes Limited) held through Tata Metaliks Ltd. so long as the dues to Sumitomo Mitsui Banking Corporation is subsisting by Tata Metaliks Di Pipes 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 Steel Ltd. (TBSSL) (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 TBSSL, 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 Ltd. (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) Limited (RTBML) (formerly Riversdale Energy Limited) upto a maximum amount of USD 100 million 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 under discussion and no contribution has been made till 31st March, 2014.
33. Odisha Legislative Assembly issued an amendment to Indian Stamp Act on 9th May, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company filed a writ petition challenging the constitutionality of the Act on 5th July, 2013. The Hon'ble High Court, Cuttack has passed an order on 9th July, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company has received demand notices for the various mines at Orissa totalling to ₹ 5,579 crores. The Company on the basis of external legal opinion has concluded that it is remote that the claim will sustain against the Company on ultimate resolution of the legal case by the Courts. Liability has been provided in the books of accounts as per the existing provisions of the Stamp Act, 1899.
34. Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹ 3,828 crores for the excess extraction over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done under the approval of the State Government and accordingly the Company has filed revision petitions.

An unconditional stay has been granted by the Mines Tribunal against one of the demand notices, which directed the State that no coercive action should be taken for recovery of demand. The hearing of the balance revision petitions is yet to take place.
35. Tax department raised demand on account of Excess mining in the assessment for assessment year 2009-10, subsequently quashed by the Dispute Resolution Panel. Tax department reopened assessments of the earlier years on the same ground and raised cumulative demand of ₹ 1,086 crores. The Company has obtained stay on the demand raised, with expectation of succeeding in appeals preferred with the higher appellate authorities.
36. 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 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 became positive in financial year 2011-12, much before the target set in the said scheme. ISWPL has been delisted from BIFR as per its order dated 29th October, 2013.

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 years 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14.

Particulars	₹ crores	
	31.03.2014	31.03.2013
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)*	0.29	0.29
Demands raised by Sales Tax Authorities (Under Appeal)	4.72	4.72
Employee State Insurance demand (Under Appeal)	1.49	1.49
Leave liability for ex-employees	0.33	0.33
Labour court cases	0.01	0.01
Railway dues	0.04	0.04
Power dues	6.21	6.21
Liability for loan for Learjet Aircraft purchase	1.49	1.49
Wealth tax	3.90	3.90

* 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.

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

37. 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, 2014, the subsidiary's investments in equipments and infrastructure aggregate to ₹ 25.80 crores (31.03.2013: ₹ 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.

38. 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 ltd.	India	50%	–	3.55
			–	0.08
The Dhamra Port Company Limited	India	50%	2.82	2.14
			1.52	8.55
Tata BlueScope Steel Ltd.	India	50%	29.74	0.34
			31.52	1.99
Tata NYK Shipping Pte Ltd.	Singapore	50%	–	90.85
			–	–
Bhubaneshwar Power Private Limited	India	26%	0.73	98.52
			0.73	100.70
S & T Mining Company Private Limited	India	50%	–	0.63
			–	0.07
Himalaya Steel Mills Services Pvt. Ltd.	India	26%	–	–
			–	–

39. Revenue expenditure charged to Consolidated Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ 542.59 crores (2012-13: ₹ 585.92 crores).

40. Goodwill, tangible and intangible assets include ₹ 2,000 crores in respect of an overseas mining joint venture which the Company is in the process of undertaking a strategic evaluation including divestment.

41. LEASES

The break-up of total minimum lease payments for operating lease due as on 31st March, 2014, entered into by the Group and its joint ventures are as follows:

Period	₹ crores	
		As at 31.03.2013
Not later than one year	1,293.24	1,158.02
Later than one year but not later than five years	3,870.15	3,199.77
Later than five years	4,617.79	3,473.89
Total	9,781.18	7,831.68

The total charge to the Consolidated Statement of Profit and Loss for the year on account of operating lease is ₹ 1,441.98 crores (2012-13: ₹ 1,294.85 crores).

The Group and its joint ventures have taken certain plant and machinery on finance lease, having an aggregate cost of ₹ 1,940.41 crores (31.03.2013: ₹ 1,619.19 crores). The break-up of total minimum lease payments due as on 31st March, 2014 and their corresponding present value are as follows:

Period	₹ crores			
			As at 31.03.2013	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	184.72	123.13	158.05	101.25
Later than one year but not later than five years	613.67	423.04	530.99	356.64
Later than five years	506.21	408.54	510.34	418.51
Total	1,304.60	954.71	1,199.38	876.40

42. EMPLOYEE BENEFITS

- (a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of ₹ 386.74 crores (2012-13: ₹ 355.48 crores) as expenses under the following defined contribution plans:

Benefit (Contribution to)	₹ crores	
		Previous Year
Provident Fund	253.18	227.95
Superannuation Fund	46.95	51.11
Employees Pension Scheme/Coal Mines Pension Scheme	68.70	59.77
TISCO Employees Pension Scheme	17.47	16.29
Employees State Insurance	0.44	0.36
	386.74	355.48

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

Funded

- Post Retirement Gratuity
- Post Retirement Pension Plan

Unfunded

- Post Retirement Medical Benefits
- Other Post Retirement Benefits
(includes Pension to Directors, Farewell Gifts, Packing and Transportation Expenses etc.)

- (c) Details of the post retirement gratuity plan are as follows:

Description	₹ crores	
		Previous Year
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	2,052.50	1,762.99
Current service cost	102.92	87.74
Interest cost	156.20	143.54
Plan Amendments	-	(0.04)
Settlement and curtailment	-	0.46
Obligation of new companies	-	8.55
Actuarial (gain)/loss	38.41	177.51
Exchange rate difference	0.59	3.56
Benefits paid	(162.66)	(131.81)
Obligation as at the end of the year	2,187.96	2,052.50

The defined benefit obligation as at 31.03.2014 is funded except in the case of Tata BlueScope Steel Ltd., Bhubaneshwar Power Private Limited, S & T Mining Company Private Limited, NatSteel Holdings Pte. Ltd., Himalaya Steel Mills Services Pvt. Ltd., Jamshedpur Continuous Annealing and Processing Company Private Limited, Tata Steel (Thailand) Public Company Ltd. and Lanka Special Steels Ltd.

Description	₹ crores	
		<i>Previous Year</i>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at the beginning of the year	1,809.59	1,634.91
Expected return on plan assets	147.38	130.82
Assets of new companies	–	8.64
Actuarial gain/(loss)	7.28	60.90
Employers' Contributions	211.21	100.89
Benefits paid	(157.77)	(126.57)
Fair value of plan assets as at the end of the year	2,017.69	1,809.59
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at the end of the year	2,017.69	1,809.59
Present value of obligation as at the end of the year	2,187.96	2,052.50
Amount recognised in the balance sheet	170.27	242.91
- Provisions	171.67	244.14
- Loans and advances	(1.40)	(1.23)
(iv) Expenses recognised in the year		
Current service cost	102.92	87.74
Interest cost	156.20	143.54
Expected return on plan assets	(147.38)	(130.82)
Actuarial (gain)/loss	31.13	116.61
Past Service Cost	–	0.07
Expense recognised during the year	142.87	217.14
	31.03.2014	31.03.2013
(v) Investment details	%	%
Government securities	11.00	13.00
Public Sector unit bonds	10.00	12.00
Central/State Government Guaranteed securities	6.00	5.00
Private sector unit bonds	9.00	8.00
Others (including funds with LIC and bank balances)	64.00	62.00
	100.00	100.00
(vi) Assumptions		
Discount rate (per annum)	0.51-9.25%	0.30-8.20%
Expected Return on Plan Assets (per annum)	8.00-9.40%	7.50-9.40%
Rate of escalation in salary (per annum)	5.00-10.00%	4.00-10.00%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	(225.85)	(102.33)
Experience adjustment on plan assets - gain/(loss)	7.28	60.90

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 Government 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:

	₹ crores	
Description	31.03.2014	31.03.2013
	%	%
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	1,52,837.14	1,39,508.78
Current service cost	1,714.94	1,264.02
Interest cost	7,080.12	6,634.84
Obligation of companies sold	-	(68.49)
Actuarial (gain)/loss	(2,296.69)	10,594.78
Exchange rate difference	31,330.69	1,503.81
Settlements and curtailments	(268.26)	(154.10)
Benefits paid	(8,019.02)	(7,020.09)
Employee contribution	641.90	573.59
Past service cost	(297.00)	-
Obligation as at the end of the year	<u>1,82,723.82</u>	<u>1,52,837.14</u>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at the beginning of the year	1,54,370.29	1,40,688.16
Expected return on plan assets	7,932.79	7,080.01
Actuarial gain/(loss)	(3,209.52)	10,281.87
Plan assets of companies sold	-	(59.93)
Employees' Contributions	641.90	573.59
Employers' Contributions	1,667.04	1,326.97
Benefits paid	(8,019.02)	(7,020.09)
Exchange rate difference	31,726.04	1,499.71
Net fair value of plan assets as at the end of the year	<u>1,85,109.52</u>	<u>1,54,370.29</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at the end of the year	1,85,109.52	1,54,370.29
Present value of obligation as at the end of the year	1,82,723.82	1,52,837.14
Amount recognised in the balance sheet - asset	2,385.70	1,533.15
- Provisions	(1,092.45)	(466.95)
- Loans and advances	3,478.15	2,000.10
(iv) Expenses recognised in the year		
Current service cost	1,714.94	1,264.02
Interest cost	7,080.12	6,634.84
Expected return on plan assets	(7,932.79)	(7,080.01)
Actuarial (gain)/loss ⁽¹⁾	912.83	312.91
Past service cost	(297.00)	-
Settlements and curtailments	(268.26)	(154.10)
Expense recognised during the year	<u>1,209.84</u>	<u>977.66</u>
Description	31.03.2014	31.03.2013
	%	%
(v) Investment details		
Equities	26.00	27.00
Bonds	61.00	62.00
Property	8.00	7.00
Others (including bank balances)	5.00	4.00
	<u>100.00</u>	<u>100.00</u>
(vi) Assumptions		
Discount rate (per annum)	3.25-4.50%	2.00-4.30%
Expected Return on Plan Assets (per annum)	2.25-7.00%	2.00-8.90%
Rate of escalation in salary (per annum)	1.00-3.85%	1.00-3.85%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	2,519.72	702.01
Experience adjustment on plan assets - gain/(loss)	(3,209.52)	10,281.87

(e) Details of the unfunded post retirement defined benefit obligation are as follows:

Description	₹ crores			
	Medical	Others	2012-13	
			Medical	Others
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at the beginning of the year	857.79	879.56	717.55	731.67
Current/Employer service cost	13.48	23.17	10.64	20.30
Interest cost	66.98	25.51	59.41	22.51
Obligation of new companies	–	–	0.32	2.03
Actuarial (gain)/loss	(95.55)	(3.67)	107.90	107.10
Exchange rate difference	–	150.52	–	26.34
Benefits paid	(42.07)	(53.25)	(38.03)	(30.39)
Obligation as at the end of the year	<u>800.63</u>	<u>1,021.84</u>	<u>857.79</u>	<u>879.56</u>
(ii) Expenses recognised in the year				
Current/Employer service cost	13.48	23.17	10.64	20.30
Interest cost	66.98	25.51	59.41	22.51
Actuarial (gain)/loss	(95.55)	(3.67) ⁽¹⁾	107.90	107.10 ⁽¹⁾
Expense recognised during the year	<u>(15.09)</u>	<u>45.01</u>	<u>177.95</u>	<u>149.91</u>
(iii) Assumptions				
Discount rate (per annum) as at the beginning of the year	8.00-8.20%	4.30-8.20%	8.00-8.70%	4.20-8.70%
Discount rate (per annum) as at the end of the year	8.10-9.25%	3.75-9.25%	8.00-8.20%	4.30-8.20%
Medical costs inflation rate	5.00-9.25%		5.00-8.00%	
Average medical cost (₹/person) at the beginning of the year	7,118.00		6,257.00	
Average medical cost (₹/person) at the end of the year	7,927.00		7,118.00	
Effect of a 1% change in health care cost on				
Increase				
- aggregate current service and interest cost	15.61		13.40	
- closing balance of obligation	186.84		139.39	
Decrease				
- aggregate current service and interest cost	(10.70)		(9.05)	
- closing balance of obligation	(85.59)		(102.07)	
(iv) Other Disclosures				
Experience adjustment on plan liabilities - gain/(loss)	(46.73)	(4.64)	(46.14)	(32.58)

(1) The Consolidated Statement of Profit and Loss includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 56% 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)/IND AS. IFRS/IND AS 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 ₹ 628.23 crores (2012-13: ₹ 317.26 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 Consolidated Statement of Profit and Loss, the Profit after tax, minority interest and share of profit of associates would have been lower by ₹ 628.23 crores (2012-13: the Loss after tax, minority interest and share of profit of associates would have been higher by ₹ 317.26 crores).

43. SEGMENT REPORTING
Primary Segment Information (Business Segment)

₹ crores

Particulars	Business Segments		Unallocable	Eliminations	Total
	Steel	Others			
Segment revenue					
External revenue	1,36,935.94	11,139.33	538.28	–	1,48,613.55
	1,23,104.72	11,149.62	457.20	–	1,34,711.54
Inter segment revenue	5,179.93	3,207.23	582.66	(8,969.82)	–
	4,516.11	3,391.45	535.89	(8,443.45)	–
Total revenue	1,42,115.87	14,346.56	1,120.94	(8,969.82)	1,48,613.55
	1,27,620.83	14,541.07	993.09	(8,443.45)	1,34,711.54
Segment results before finance costs, exceptional items and tax	12,470.70	829.74	1,835.59	(4,049.43)	11,086.60
	8,225.68	578.15	2,201.44	(3,780.23)	7,225.04
Less: Finance costs					4,336.83
					3,968.11
Profit before tax and exceptional items					6,749.77
					3,256.93
Exceptional Items					
(a) Provision for diminution in the value of investments					(0.42)
					–
(b) Profit on sale of non-current investments					18.20
					966.03
(c) Provision for impairment of non-current assets					(45.42)
					(8,355.91)
Profit before tax					6,722.13
					(4,132.95)
Tax expense					3,058.16
					3,229.44
Profit after tax					3,663.97
					(7,362.39)
Segment assets	1,68,526.01	8,167.72	21,939.86	(47,872.18)	1,50,761.41
	1,37,243.87	9,229.96	20,962.61	(36,492.52)	1,30,943.92
Segment liabilities	62,971.98	3,860.93	23,315.43	(47,875.59)	42,272.75
	51,254.02	4,106.31	17,520.37	(36,472.58)	36,408.12
Capital expenditure	17,991.70	287.56	38.32	–	18,317.58
	15,850.81	433.67	25.68	–	16,310.16
Segment depreciation	5,315.79	319.87	205.57	–	5,841.23
	5,100.88	306.76	167.68	–	5,575.32
Non-cash expenditure other than depreciation	326.99	13.06	(0.63)	–	339.42
	356.99	20.29	7.14	–	384.42

Secondary Segment Information (Geographical Segment)
₹ crores

		<i>Previous Year</i>
Segment Revenue		
– Within India	43,103.77	38,804.47
– Outside India	1,05,509.78	95,907.07
	<u>1,48,613.55</u>	<u>1,34,711.54</u>
Capital Expenditure		
– Within India	12,208.46	9,680.75
– Outside India	6,109.12	6,629.41
	<u>18,317.58</u>	<u>16,310.16</u>
Segment Assets		<i>31.03.2013</i>
– Within India	65,053.16	58,297.06
– Outside India	85,708.25	72,646.86
	<u>1,50,761.41</u>	<u>1,30,943.92</u>

Additional information:

- (1) The Group 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 etc.
- (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</i> <i>31.03.2013</i>
Assets:		
Non-current investments	2,425.07	2,137.51
Current investments	2,668.40	729.89
Goodwill on consolidation	15,748.80	13,064.98
Deferred tax assets	40.77	36.49
	<u>20,883.04</u>	<u>15,968.87</u>
Liabilities:		
Long-term borrowings	52,366.41	46,857.62
Short-term borrowings	16,026.18	10,547.56
Current maturities of long-term borrowings	13,216.06	11,102.14
Hybrid perpetual securities	2,275.00	2,275.00
Provision for employee separation compensation	602.60	704.56
Deferred tax liabilities	2,595.77	3,154.98
Preference shares issued by subsidiary companies	20.00	21.21
Minority interest	1,737.72	1,669.36
	<u>88,839.74</u>	<u>76,332.43</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.

44. RELATED PARTY DISCLOSURES
List of Related Parties and Relationships
Associate of:

- i) **NatSteel Asia Pte. Ltd.**
 - 1. SteelAsia Development and Management Corp.*
 - 2. SteelAsia Industries Inc.*
 - 3. SteelAsia Manufacturing Corporation*
- ii) **Tata Incorporated**
 - 1. TKM Overseas Ltd.*
- iii) **Tata Steel Limited**
 - 1. Industrial Energy Ltd.
 - 2. Jamipol Ltd.
 - 3. Kalinga Aquatics Ltd.
 - 4. Kumardhubi Fireclay & Silica Works Ltd.
 - 5. Kumardhubi Metal Casting & Engineering Ltd.
 - 6. Nicco Jubilee Park Limited
 - 7. Rujuvalika Investments Ltd.
 - 8. Strategic Energy Technology Systems Private Limited
 - 9. Tata Construction & Projects Ltd.
 - 10. TRL Krosaki Refractories Ltd.
 - 11. TRF Ltd.
- iv) **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 Braseq Ltda.*
 - 9. Danieli Corus Construction Services B.V.
 - 10. Danieli Corus Construction Services Usa Inc.*
 - 11. Danieli Corus Do Brasil Ltda.*
 - 12. Danieli Corus Inc.*
 - 13. Danieli Corus Services Usa Inc.*
 - 14. Danieli Corus India Private Limited
 - 15. European Profiles (Marketing) Sdn. Bhd.
 - 16. Galvpro LP.
 - 17. Gietwalsonderhoudcombinatie B.V.

- 18. Hoogovens Court Roll Service Technologies Vof:
- 19. Hoogovens Gan Multimedia S.A. De C.V.
- 20. Isolation Du Sud SA
- 21. Issb Limited
- 22. MDC Sublance Probe Technology
- 23. Richard Lees Steel Decking Asia Snd. Bhd.
- 24. Schreiner Fleischer AS*
- 25. Thoresen & Thorvaldsen AS*
- 26. Trico LLC
- 27. Weirton/Hoogovens GP
- 28. Wupperman Staal Nederland B.V.

III. Tata Steel Global Minerals Holdings Pte Ltd.

- 1. New Millennium Iron Corp.

v) Indian Steel & Wire Products Ltd.

- 1. Metal Corporation of India

Joint Ventures of:

- i) **Tata Steel Limited**
 - 1. Bhubaneshwar Power Private Limited
 - 2. Himalaya Steel Mills Services Pvt. Ltd.
 - 3. mjunction services ltd.
 - 4. S & T Mining Company Private Limited
 - 5. Tata BlueScope Steel Ltd.
 - 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. Bsr Pipeline Services Limited
 - 4. Caparo Merchant Bar Plc
 - 5. Corus Kalpinis Simos Cladding Industry SA
 - 6. Danieli Corus Technical Services B.V.
 - 7. Fabsec Limited
 - 8. Industrial Rail Services Ijmond B.V.
 - 9. Laura Metaal Holding B.V.
 - 10. Norsk Stal AS

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>11. Norsk Stal Tynnplater AS</p> <p>12. Ravenscraig Limited</p> <p>13. Redcar Bulk Terminal Limited</p> <p>14. Tata Elastron Steel Service Center SA</p> <p>15. Tata Steel Ticaret AS</p> <p>16. Texturing Technology Limited</p> <p>II. Tata Steel Global Minerals Holdings Pte. Ltd.</p> <p>1. Rio Tinto Benga (Mauritius) Limited</p> | <p>Promoters' holding together with its Subsidiaries is more than 20%</p> <p>(i) Tata Sons Limited</p> <p>Key Management Personnel</p> <p>(i) Mr. H. M. Nerurkar* - Managing Director, Tata Steel Limited</p> <p>(ii) Dr. Karl-Ulrich Koehler - Managing Director and Chief Executive Officer, Tata Steel Europe Limited</p> <p>(iii) Mr. Koushik Chatterjee - Group Executive Director (Finance & Corporate), Tata Steel Limited</p> <p>(iv) Mr. T. V. Narendran* - Managing Director, Tata Steel Limited</p> |
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* Part of the year.

Related Party Transactions

₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Purchase of Goods					
Rio Tinto Benga (Mauritius) Limited	398.13 132.65	—	—	—	398.13 132.65
Wupperman Staal Nederland B.V.	151.87 144.22	—	—	—	151.87 144.22
TRF Ltd.	193.98 170.41	—	—	—	193.98 170.41
TRL Krosaki Refractories Ltd.	158.84 93.64	—	—	—	158.84 93.64
Others	596.27 678.20	—	—	—	596.27 678.20
	1,499.09 1,219.12	—	—	—	1,499.09 1,219.12
Sale of Goods					
Tata BlueScope Steel Ltd.	704.53 513.71	—	—	—	704.53 513.71
Caparo Merchant Bar Plc	679.00 218.87	—	—	—	679.00 218.87
Laura Metaal Holding B.V.	611.62 568.77	—	—	—	611.62 568.77
Wupperman Staal Nederland B.V.	683.42 573.36	—	—	—	683.42 573.36
Others	385.93 608.20	—	—	—	385.93 608.20
	3,064.50 2,482.91	—	—	—	3,064.50 2,482.91
Receiving of Services					
Industrial Energy Ltd.	480.14 512.52	—	—	—	480.14 512.52
Tata NYK Shipping Pte Ltd.	664.16 576.75	—	—	—	664.16 576.75
Others	235.01 162.34	—	—	1.43 1.49	236.44 163.83
	1,379.31 1,251.61	—	—	1.43 1.49	1,380.74 1,253.10

Related Party Transactions

₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Rendering of Services					
The Dhamra Port Company Limited	58.16 80.78	–	–	–	58.16 80.78
Tata BlueScope Steel Ltd.	25.24 28.44	–	–	–	25.24 28.44
Others	12.67 14.22	–	–	0.05 0.09	12.72 14.31
	96.07 123.44	–	–	0.05 0.09	96.12 123.53
Purchase of Fixed Assets					
TRF Ltd.	– 2.06	–	–	–	– 2.06
	– 2.06	–	–	–	– 2.06
Dividend Paid					
Tata Sons Limited	–	–	–	231.12	231.12
	–	–	–	346.68	346.68
Others	0.93 1.40	* **	*** –	–	0.93 1.40
	0.93 1.40	* **	*** –	231.12 346.68	232.05 348.08
Dividend Income					
mjunction services ltd.	48.00	–	–	–	48.00
	–	–	–	–	–
Industrial Energy Ltd.	17.32	–	–	–	17.32
	–	–	–	–	–
Bsr Pipeline Services Limited	11.20 6.61	–	–	–	11.20 6.61
Others	20.81 93.08	–	–	9.90 9.90	30.71 102.98
	97.33 99.69	–	–	9.90 9.90	107.23 109.59
Interest Income					
The Dhamra Port Company Limited	41.00 41.62	–	–	–	41.00 41.62
Industrial Energy Ltd.	12.06 2.91	–	–	–	12.06 2.91
Others	0.54 11.37	–	–	–	0.54 11.37
	53.60 55.90	–	–	–	53.60 55.90
Management contracts					
Tata Sons Limited	–	–	–	145.00	145.00
	–	–	–	89.83	89.83
	–	–	–	145.00	145.00
	–	–	–	89.83	89.83

Related Party Transactions
₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Finance Provided					
Tata NYK Shipping Pte Ltd.	124.74	–	–	–	124.74
	<i>54.27</i>	–	–	–	<i>54.27</i>
Industrial Energy Ltd.	96.00	–	–	–	96.00
	<i>43.20</i>	–	–	–	<i>43.20</i>
Others	9.81	–	–	–	9.81
	<i>137.74</i>	–	–	–	<i>137.74</i>
	230.55	–	–	–	230.55
	<i>235.21</i>	–	–	–	<i>235.21</i>
Purchase of investments					
TRF Ltd.	32.06	–	–	–	32.06
	–	–	–	–	–
	32.06	–	–	–	32.06
	–	–	–	–	–
Remuneration					
Mr. H. M. Nerurkar	–	3.79	–	–	3.79
	–	<i>5.73</i>	–	–	<i>5.73</i>
Dr. Karl-Ulrich Koehler	–	16.29	–	–	16.29
	–	<i>13.70</i>	–	–	<i>13.70</i>
Mr. Koushik Chatterjee	–	5.06	–	–	5.06
	–	<i>3.44</i>	–	–	<i>3.44</i>
Mr. T. V. Narendran	–	4.83	–	–	4.83
	–	–	–	–	–
	–	29.97	–	–	29.97
	–	<i>22.87</i>	–	–	<i>22.87</i>
Guarantees outstanding					
Tata NYK Shipping Pte Ltd.	179.70	–	–	–	179.70
	<i>162.86</i>	–	–	–	<i>162.86</i>
	179.70	–	–	–	179.70
	<i>162.86</i>	–	–	–	<i>162.86</i>
Outstanding Receivables					
The Dhamra Port Company Limited	481.75	–	–	–	481.75
	<i>475.63</i>	–	–	–	<i>475.63</i>
Caparo Merchant Bar Plc	183.35	–	–	–	183.35
	<i>99.81</i>	–	–	–	<i>99.81</i>
Industrial Energy Ltd.	139.20	–	–	–	139.20
	<i>43.20</i>	–	–	–	<i>43.20</i>
Tata NYK Shipping Pte Ltd.	123.56	–	–	–	123.56
	<i>8.15</i>	–	–	–	<i>8.15</i>
Others	296.70	–	–	1.25	297.95
	<i>244.60</i>	–	–	<i>14.43</i>	<i>259.03</i>
	1,224.56	–	–	1.25	1,225.81
	<i>871.39</i>	–	–	<i>14.43</i>	<i>885.82</i>

Related Party Transactions

Transactions					₹ crores
	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Outstanding Payables					
Bsr Pipeline Services Limited	101.24 <i>100.31</i>	—	—	—	101.24 <i>100.31</i>
Tata Sons Limited	—	—	—	145.74 <i>95.73</i>	145.74 <i>95.73</i>
TRF Ltd.	70.86 <i>21.58</i>	—	—	—	70.86 <i>21.58</i>
Industrial Energy Ltd.	60.12 <i>63.60</i>	—	—	—	60.12 <i>63.60</i>
Others	199.20 <i>116.58</i>	—	—	—	199.20 <i>116.58</i>
	431.42 <i>302.07</i>	—	—	145.74 <i>95.73</i>	577.16 <i>397.80</i>

Transaction with Joint Ventures have been disclosed at full value

* ₹ 16,456.00

** ₹ 8,844.00

*** ₹ 448.00

45. Figures pertaining to the subsidiaries and joint ventures have been reclassified where necessary to bring them in line with the Group's financial statements.
46. Previous year's figures have been recast/restated where necessary.
47. Figures in italics are in respect of the previous year.

Mumbai, 14th May, 2014

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

JACOBUS SCHRAVEN

ANDREW ROBB

MALLIKA SRINIVASAN

D K MEHROTRA

O P BHATT

KARL-ULRICH KOEHLER

KOUSHIK CHATTERJEE

Group Executive Director
(Finance & Corporate)

T V NARENDRAN

Managing Director

Sl. No.	Name of the Company	Reporting Currency	Exchange Rate	Capital	Share application money pending allotment	Reserves	Total Assets	Total Liabilities	Total investment in (excluding subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
39	NatSteel Vina Co. Ltd.	VND	0.00	94.81	-	(31.26)	127.80	64.26	-	480.78	(1.79)	-	(1.79)	-	Vietnam
40	The Slam Industrial Wire Company Ltd.	THB	1.84	51.99	-	618.29	751.49	81.22	-	1,153.07	175.35	28.90	146.44	46.94	Thailand
41	TSN Wires Co., Ltd.	THB	1.84	67.15	-	(16.41)	197.08	146.33	-	2.13	(9.77)	(1.05)	(8.72)	-	Thailand
42	Tata Steel Europe Ltd.	GBP	99.79	40,538.11	-	(1,404.43)	45,678.06	6,544.38	-	-	45.42	-	45.42	-	UK
43	Almana Steel Dubai (Jersey) Limited	AED	16.31	4.08	-	50.69	55.75	0.98	-	-	(0.60)	-	(0.60)	-	Jersey
44	Apollo Metals Ltd.	USD	59.89	123.35	-	(141.26)	54.21	72.12	-	124.66	12.35	0.01	12.35	-	USA
45	Asthorne Hill Management College	GBP	99.79	-	-	83.41	90.31	6.90	-	35.74	(2.26)	-	(2.26)	-	UK
46	Augusta Grundstuecks GmbH	EUR	82.46	44.28	-	(44.70)	13.98	14.40	-	-	0.85	-	0.85	-	Germany
47	Automotive Laser Technologies Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
48	B S Pension Fund Trustee Ltd.	GBP	99.79	21.42	-	0.68	22.10	-	-	-	-	-	-	-	UK
49	Beheermaatschappij Industriële Producten B.V.	EUR	82.46	0.15	-	(56.65)	57.95	114.45	-	-	(0.66)	(0.17)	(0.50)	-	Netherlands
50	Belfin Beheermaatschappij B.V.	EUR	82.46	0.56	-	-	0.56	-	-	-	-	-	-	-	Netherlands
51	Bell & Hanwood Limited	GBP	99.79	-	-	(12.60)	-	12.60	-	-	-	-	-	-	UK
52	Blastmega Limited	GBP	99.79	-	-	928.13	928.15	0.01	-	-	-	-	-	-	UK
53	Blume Stahlservice GmbH	EUR	82.46	42.22	-	0.76	327.83	284.85	-	995.94	1.63	0.36	1.26	-	Germany
54	Blume Stahlservice Polska Sp.Z.O.O	PLZ	19.80	0.10	-	(17.62)	6.78	24.30	-	24.51	(1.86)	-	(1.86)	-	Poland
55	Bore Samson Group Ltd	GBP	99.79	209.56	-	(59.79)	224.74	74.98	-	-	-	-	-	-	UK
56	Bore Steel Ltd.	GBP	99.79	159.66	-	10.47	170.13	-	-	-	-	-	-	-	UK
57	British Guide Rails Ltd.	GBP	99.79	2.99	-	45.49	48.48	-	-	-	-	-	-	-	UK
58	British Steel Corporation Ltd	GBP	99.79	180.38	-	124.01	304.39	-	-	-	-	-	-	-	UK
59	British Steel De Mexico S.A. de C.V.	USD	59.89	-	-	-	-	-	-	-	-	-	-	-	Mexico
60	British Steel Directors (Nominees) Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
61	British Steel Employee Share Ownership Trustees Ltd.	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
62	British Steel Engineering Steels (Exports) Limited	GBP	99.79	-	-	-	0.12	0.12	-	-	-	-	-	-	UK
63	British Steel Nederland International B.V.	EUR	82.46	435.16	-	137.36	577.17	4.65	109.65	-	26.16	3.78	22.38	57.72	Netherlands
64	British Steel Samson Limited	GBP	99.79	-	-	9.98	9.98	-	-	-	-	-	-	-	UK
65	British Steel Service Centres Ltd.	GBP	99.79	199.58	-	334.03	781.82	248.21	-	-	-	-	-	-	UK
66	British Tubes Stockholding Ltd.	GBP	99.79	99.79	-	5.30	105.09	-	-	-	-	-	-	-	UK
67	Bs Quest Trustee Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
68	Burgdorfer Grundstuecks GmbH	EUR	82.46	0.66	-	16.17	19.67	2.84	-	-	(0.85)	-	(0.85)	-	Germany
69	C V Benne	EUR	82.46	37.46	-	(0.18)	137.30	100.02	-	-	-	-	-	-	Netherlands
70	C Walker & Sons Ltd.	GBP	99.79	34.93	-	127.21	695.01	532.87	-	-	-	-	-	-	UK
71	Catnic GmbH	EUR	82.46	0.21	-	37.23	44.97	7.53	-	98.11	9.26	3.33	5.94	-	Germany
72	Catnic Limited	GBP	99.79	2.24	-	(2.84)	0.19	0.80	-	-	-	-	-	-	UK
73	Cbs Investissements SAS	EUR	82.46	0.66	-	0.85	4.71	3.20	-	-	0.28	0.08	0.19	-	France
74	Cladding & Decking (UK) Limited	GBP	99.79	44.91	-	(39.88)	18.06	13.03	-	-	-	-	-	-	UK
75	Cogent Power Inc.	CAD	54.17	1.63	-	181.36	325.26	142.27	-	658.97	26.29	8.13	18.17	-	Canada
76	Cogent Power SA DE CV	USD	59.89	0.06	-	(6.56)	8.92	15.42	-	-	-	-	-	-	Mexico
77	Cogent Power Inc.	USD	59.89	1.80	-	24.03	30.62	4.79	-	-	-	-	-	-	USA
78	Cogent Power Limited	GBP	99.79	725.13	-	(292.09)	458.78	25.74	-	-	0.06	-	0.06	-	UK
79	Color Steels Limited	GBP	99.79	0.45	-	58.06	58.51	-	-	-	-	-	-	-	UK

Sl. No.	Name of the Company	Reporting Currency	Exchange Rate	Capital	Share application money pending allotment	Reserves	Total Assets	Total Liabilities	Total investment in (excluding subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
80	Corbell Les Rives SCI	EUR	82.46	5.30	-	4.84	10.17	0.03	-	-	-	-	-	-	France
81	Corby (Northants) & District Water Co.	GBP	99.79	2.59	-	3.11	8.17	2.47	-	3.78	0.31	0.01	0.30	-	UK
82	Cordor (C& B) Limited	GBP	99.79	3.24	-	-	3.24	-	-	-	-	-	-	-	UK
83	Tata Steel Speciality Service Centre Suzhou Co Ltd	USD	59.89	3.29	-	0.09	43.58	40.19	-	43.30	(0.06)	-	(0.06)	-	China
84	Corus Aluminium Verwaltungsgesellschaft MbH	EUR	82.46	4.29	-	(19.14)	84.18	99.03	-	-	(0.94)	-	(0.94)	-	Germany
85	Corus Beteiligungs GmbH	EUR	82.46	10.56	-	13.61	24.19	0.02	-	-	(0.08)	-	(0.08)	-	Germany
86	Corus Building Systems Bulgaria AD	LEV	42.16	4.93	-	(30.13)	49.26	74.46	-	13.40	(5.22)	-	(5.22)	-	Bulgaria
87	Corus Building Systems N.V.	EUR	82.46	1.12	-	7.44	10.65	2.10	-	-	(0.09)	-	(0.09)	-	Belgium
88	Corus Building Systems SAS	EUR	82.46	24.74	-	(16.16)	8.76	0.18	0.22	-	-	-	-	-	France
89	Tata Steel Sweden Byggsystem AB	SEK	9.25	0.93	-	35.76	59.44	22.75	-	132.83	(13.86)	(0.04)	(13.82)	-	Sweden
90	Corus CNBV Investments	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
91	Corus Coatings Usa Inc.	USD	59.89	43.81	-	(39.80)	4.60	0.59	-	-	(0.17)	-	(0.17)	-	USA
92	Corus Cold Drawn Tubes Limited	GBP	99.79	49.89	-	(71.63)	-	21.73	-	-	-	-	-	-	UK
93	Corus Engineering Steels (UK) Limited	GBP	99.79	99.79	-	357.31	457.10	-	-	-	-	-	-	-	UK
94	Corus Engineering Steels Holdings Limited	GBP	99.79	4,150.04	-	321.90	5,672.67	1,200.73	-	-	-	-	-	-	UK
95	Corus Engineering Steels Limited	GBP	99.79	4,611.16	-	132.72	4,743.87	-	-	-	-	-	-	-	UK
96	Corus Engineering Steels Overseas Holdings Limited	GBP	99.79	4.99	-	4.93	19.52	9.59	-	-	-	-	-	-	UK
97	Corus Engineering Steels Pension Scheme Trustee Ltd	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
98	Corus Packaging Plus Norway AS	NOK	10.00	0.12	-	(0.12)	-	-	-	-	275.96	-	275.96	-	Norway
99	Corus Group Limited	GBP	99.79	30,001.60	-	(6,651.91)	30,416.70	7,067.01	-	-	(286.29)	(5.08)	(281.21)	-	UK
100	Corus Holdings Ltd.	GBP	99.79	2.49	-	0.99	3.48	-	-	-	-	-	-	-	UK
101	Corus International (Overseas Holdings) Limited	GBP	99.79	2,968.68	-	1,674.84	4,650.06	6.54	-	-	63.45	-	63.45	-	UK
102	Corus International Limited	GBP	99.79	5,132.75	-	(2,151.16)	3,247.91	266.32	0.23	-	(10.90)	-	(10.90)	-	UK
103	Corus International Romania SRL.	RON	18.49	0.01	-	0.69	0.79	0.10	-	-	(0.16)	(0.01)	(0.14)	-	Romania
104	Corus Investments Ltd.	GBP	99.79	219.53	-	6.79	226.32	-	-	-	-	-	-	-	UK
105	Corus Ireland Ltd.	EUR	82.46	-	-	5.22	5.27	0.05	-	-	(0.08)	-	(0.08)	-	Ireland
106	Corus Large Diameter Pipes Limited	GBP	99.79	793.34	-	(67.46)	741.14	15.26	-	-	-	-	-	-	UK
107	Corus Liaison Services (India) Limited	GBP	99.79	9.98	-	(9.95)	1.53	1.50	-	-	-	-	-	-	UK
108	Corus Management Limited	GBP	99.79	-	-	(452.47)	2,452.98	2,905.45	-	-	-	-	-	-	UK
109	Corus Primary Aluminium B.V.	EUR	82.46	324.67	-	(460.48)	316.94	452.75	-	-	(4.34)	(1.08)	(3.25)	-	Netherlands
110	Corus Properties (Germany) Limited	GBP	99.79	-	-	(0.36)	-	0.36	-	-	-	-	-	-	UK
111	Corus Property	GBP	99.79	-	-	-	0.01	0.01	-	-	-	-	-	-	UK
112	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	EUR	82.46	-	-	-	-	-	-	-	-	-	-	-	Ireland
113	Corus Service Centre Limited	GBP	99.79	34.73	-	124.54	159.27	-	-	-	-	-	-	-	N Ireland
114	Corus Sheet & Tube Inc.	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	USA
115	Corus Steel Service STP LLC	RUB	1.70	0.19	-	(0.36)	3.49	3.66	-	-	1.91	0.37	1.53	-	Russia
116	Corus Trico Holdings Inc.	USD	59.89	859.24	-	(859.24)	-	-	-	-	-	-	-	-	USA
117	Corus Tubes Poland Spolka Z.O.O	PLZ	19.80	0.10	-	(0.01)	0.29	0.21	-	-	-	-	-	-	Poland

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118	Corus UK Healthcare Trustee Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
119	Corus Ukraine LLC	GBP	99.79	0.40	-	0.36	0.76	-	-	-	(0.15)	-	(0.15)	-	Ukraine
120	Cpn (85) Limited	GBP	99.79	-	-	(0.84)	-	0.84	-	-	-	-	-	-	UK
121	Crucible Insurance Company Ltd.	GBP	99.79	99.79	-	311.87	883.48	471.83	429.73	-	(61.67)	-	(61.67)	-	I of Man
122	Degels GmbH	EUR	82.46	0.25	-	0.09	295.94	295.61	-	1,304.83	(4.46)	0.66	(5.12)	-	Germany
123	Demka B.V.	EUR	82.46	68.89	-	4.33	73.58	0.36	-	-	0.39	0.10	0.29	-	Netherlands
124	Dsmr Group Plc.	GBP	99.79	49.89	-	148.12	198.01	-	-	-	-	-	-	-	UK
125	Eric Olsson & Soner Forvaltnings AB	SEK	9.25	0.09	-	4.20	4.33	0.04	-	-	0.02	0.01	0.02	-	Sweden
126	Esmil B.V.	EUR	82.46	119.71	-	(97.97)	21.85	0.11	-	-	0.16	0.04	0.12	-	Netherlands
127	Europressings Limited	GBP	99.79	5.99	-	0.39	6.38	-	-	-	-	-	-	-	UK
128	Firsteel Group Limited	GBP	99.79	62.87	-	116.03	353.25	174.35	-	-	-	-	-	-	UK
129	Firsteel Holdings Limited	GBP	99.79	0.07	-	77.16	172.93	95.70	-	-	-	-	-	-	UK
130	Firsteel Strip Mill Products Limited	GBP	99.79	86.82	-	15.20	102.01	-	-	-	-	-	-	-	UK
131	Fischer Profil GmbH	EUR	82.46	84.33	-	(44.01)	260.42	220.10	-	793.59	(17.88)	14.41	(32.24)	-	Germany
132	Gamble Simms Metals Ltd.	EUR	82.46	5.24	-	112.00	119.55	2.32	-	-	-	-	-	-	Ireland
133	Grant Lyon Eagre Ltd.	GBP	99.79	3.74	-	55.03	58.78	-	-	-	-	-	-	-	UK
134	HE Samson Ltd.	GBP	99.79	37.42	-	14.70	52.12	-	-	-	-	-	-	-	UK
135	Hadfields Holdings Ltd.	GBP	99.79	1.00	-	(81.18)	5.28	85.47	-	-	-	-	-	-	UK
136	Hammermega Limited	GBP	99.79	22.45	-	-	22.45	-	-	-	-	-	-	-	UK
137	Harrowmills Properties Ltd.	GBP	99.79	0.01	-	190.04	190.05	-	-	-	-	-	-	-	UK
138	Hille & Muller GmbH	EUR	82.46	42.21	-	101.55	398.26	254.50	-	619.49	(1.22)	5.69	(6.91)	-	Germany
139	Hille & Muller Usa Inc.	USD	59.89	0.02	-	99.09	106.37	7.26	-	27.12	3.14	1.22	1.92	-	USA
140	Hoogovens (UK) Limited	GBP	99.79	199.58	-	(12.40)	82.02	77.38	-	-	-	-	-	-	UK
141	Hoogovens Aluminium UK Limited	GBP	99.79	14.82	-	(12.40)	2.42	-	-	-	-	-	-	-	UK
142	Hoogovens Finance B.V.	EUR	82.46	1,220.05	-	452.29	1,676.87	4.53	-	-	8.70	2.18	6.53	-	Netherlands
143	Hoogovens Usa Inc.	USD	59.89	364.41	-	61.39	434.82	9.02	-	-	0.17	0.42	(0.25)	-	USA
144	Huizenbeziit "Breesaap" B.V.	EUR	82.46	0.37	-	(9.43)	0.43	9.48	-	0.10	(0.21)	(0.05)	(0.16)	-	Netherlands
145	Ickles Cottage Trust	GBP	99.79	-	-	1.15	1.66	0.51	-	1.06	0.57	0.11	0.46	-	UK
146	Immobilierie De Construction De Maubeuge Et Louvroil SAS	EUR	82.46	0.32	-	1.91	2.61	0.39	-	1.69	0.59	0.20	0.39	-	France
147	Inter Metal Distribution SAS	EUR	82.46	0.63	-	28.47	124.96	95.86	-	490.65	14.45	4.92	9.52	8.25	France
148	Kaizip Asia Pte Limited	SGD	47.61	64.27	-	(113.70)	44.22	93.64	-	59.92	(25.59)	(0.29)	(25.30)	-	Singapore
149	Kaizip FZE	AED	16.31	1.63	-	0.61	5.40	3.16	-	-	0.61	-	0.61	-	UAE
150	Kaizip GmbH	EUR	82.46	0.29	-	0.83	1.14	0.03	-	-	0.05	0.03	0.02	-	Austria
151	Kaizip GmbH	EUR	82.46	52.72	-	(28.64)	241.73	217.65	-	353.03	3.59	9.32	(5.73)	-	Germany
152	Kaizip Guangzhou Limited	CNY	9.63	24.31	-	31.51	124.70	68.89	-	120.89	(8.10)	1.05	(9.16)	-	China
153	Kaizip Inc	USD	59.89	-	-	(40.56)	0.66	41.22	-	1.26	(3.96)	0.02	(3.98)	-	USA
154	Kaizip India Private Limited	INR	1.00	5.46	-	(0.29)	18.35	13.18	-	15.12	(2.63)	-	(2.63)	-	India
155	Kaizip Italy SRL	EUR	82.46	0.08	-	0.11	1.51	1.33	-	-	0.15	0.12	0.03	-	Italy
156	Kaizip Limited	GBP	99.79	36.92	-	(30.23)	70.64	63.95	-	244.37	(28.95)	-	(28.95)	-	UK
157	Kaizip Spain S.L.U.	EUR	82.46	7.42	-	4.51	12.66	0.74	-	-	0.38	0.09	0.29	-	Spain
158	Layde Steel S.L.	EUR	82.46	41.23	-	(235.02)	319.21	513.00	0.03	893.39	(46.35)	-	(46.35)	-	Spain
159	Lister Tubes Ltd.	EUR	82.46	-	-	13.34	13.34	-	-	-	-	-	-	-	Ireland

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160	London Works Steel Company Ltd.	GBP	99.79	-	-	(102.84)	55.88	158.72	-	-	-	-	-	-	UK
161	Midland Steel Supplies Ltd.	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
162	Misbury Investments Limited	GBP	99.79	-	-	0.76	14.01	13.25	-	-	-	-	-	-	UK
163	Montana Bausysteme AG	CHF	67.66	54.13	-	94.45	233.65	85.07	-	470.31	30.26	5.75	24.51	31.80	Switzerland
164	Myriad Deutschland GmbH	EUR	82.46	1.28	-	1.63	3.68	0.78	-	-	(0.60)	(0.09)	(0.51)	-	Germany
165	Myriad Espana SI	EUR	82.46	0.10	-	(0.30)	-	0.20	-	-	-	-	-	-	Spain
166	Myriad Nederland B.V.	EUR	82.46	0.16	-	(1.03)	0.01	0.88	-	0.96	(1.07)	-	(1.07)	-	Netherlands
167	Namascor B.V.	EUR	82.46	50.10	-	17.84	76.75	8.82	-	48.65	0.84	0.19	0.66	-	Netherlands
168	Nationwide Steelstock Limited	GBP	99.79	0.02	-	(11.34)	-	11.32	-	-	-	-	-	-	UK
169	Oib Electrical Steels Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
170	Oib Carriers Ltd.	GBP	99.79	20.29	-	8.14	28.49	0.06	-	-	-	-	-	-	UK
171	Oremco Inc.	USD	59.89	0.60	-	(7.70)	1.37	8.47	-	-	(3.93)	0.02	(3.95)	-	USA
172	Plated Strip International Limited	GBP	99.79	22.47	-	(5.08)	17.52	0.12	-	-	-	-	-	-	UK
173	Precoat International Limited	GBP	99.79	8.22	-	69.13	99.47	22.12	0.10	-	-	-	-	-	UK
174	Precoat Limited	GBP	99.79	10.98	-	(32.15)	6.37	27.55	-	-	-	-	-	-	UK
175	Rafferty-Brown Steel Co Inc Of Conn.	USD	59.89	18.97	-	5.76	29.60	4.87	-	-	(0.05)	2.27	(2.32)	-	USA
176	Round Oak Steelworks Ltd.	GBP	99.79	29.94	-	(508.05)	1.19	479.31	-	-	-	-	-	-	UK
177	Runblast Limited	GBP	99.79	85.48	-	433.79	519.27	-	-	-	-	-	-	-	UK
178	Runmega Limited	GBP	99.79	4.34	-	-	4.34	-	-	-	-	-	-	-	UK
179	S A B Profil B.V.	EUR	82.46	101.98	-	543.65	726.73	81.10	-	663.75	23.14	(2.05)	25.19	-	Netherlands
180	S A B Profil GmbH	EUR	82.46	0.25	-	132.98	158.13	24.91	-	264.02	9.15	6.26	2.90	-	Germany
181	Scrap Processing Holding B.V.	EUR	82.46	0.89	-	44.85	45.95	0.21	-	-	0.24	0.06	0.18	-	Netherlands
182	Seamless Tubes Ltd.	GBP	99.79	199.58	-	(14.29)	185.29	-	-	-	-	-	-	-	UK
183	Service Center Gelsenkirchen GmbH	EUR	82.46	151.81	-	524.24	981.24	305.19	2.37	1,071.06	(41.96)	2.15	(44.10)	-	Germany
184	Service Centre Maastricht B.V.	EUR	82.46	25.71	-	32.47	628.28	570.10	-	1,639.92	(60.43)	(15.04)	(45.40)	-	Netherlands
185	SIA Corus Building Systems	LAT	117.76	0.71	-	(0.87)	0.54	0.69	-	3.83	4.07	-	4.07	-	Latvia
186	Skruv Erik AB	SEK	9.25	0.09	-	2.45	2.54	-	-	-	0.05	-	0.05	-	Sweden
187	Societe Europeenne De Galvanisation (Segal) Sa	EUR	82.46	103.08	-	94.31	279.18	81.79	-	426.12	12.95	(1.99)	14.94	-	Belgium
188	Staalverwerking En Handel B.V.	EUR	82.46	820.11	-	157.28	2,004.23	1,026.85	-	-	(16.45)	(4.11)	(12.34)	-	Netherlands
189	Stainless Velsen-Noord BV	EUR	82.46	0.97	-	(0.02)	1.20	0.24	-	-	-	-	-	-	Netherlands
190	Steel StockHoldings Ltd.	GBP	99.79	37.92	-	7.79	45.98	0.27	-	-	-	-	-	-	UK
191	Steelstock Ltd.	GBP	99.79	0.20	-	-	76.68	76.48	-	-	-	-	-	-	UK
192	Stewarts & Lloyds Of Ireland Ltd.	EUR	82.46	0.79	-	(2.70)	-	1.91	-	-	-	-	-	-	Ireland
193	Stewarts And Lloyds (Overseas) Ltd.	GBP	99.79	204.17	-	0.06	204.23	-	-	-	-	-	-	-	UK
194	Stocksbridge Works Cottage Trust Limited	GBP	99.79	-	-	0.93	0.97	0.04	-	0.60	0.07	-	0.07	-	UK
195	Surahammar Bruks AB	SEK	9.25	69.30	-	15.24	247.30	162.77	-	392.91	(54.57)	(5.33)	(49.24)	-	Sweden
196	Swinden Housing Association	GBP	99.79	-	-	4.57	6.92	2.35	-	0.43	(0.10)	(0.04)	(0.07)	-	UK
197	Tata Steel Belgium Packaging Steels N.V.	EUR	82.46	209.73	-	167.62	476.53	99.17	-	537.77	38.79	-	38.79	-	Belgium
198	Tata Steel Belgium Services N.V.	EUR	82.46	180.15	-	477.54	1,381.68	723.99	-	-	133.38	21.13	112.25	546.64	Belgium
199	Tata Steel Denmark Byggsystemer A/S	DKK	11.04	0.55	-	35.10	59.79	24.14	-	142.67	3.57	1.38	2.19	-	Denmark
200	Tata Steel Europe Distribution BV	EUR	82.46	6.03	-	(33.92)	4.81	32.70	-	-	10.15	2.55	7.60	-	Netherlands
201	Tata Steel Europe Metals Trading BV	EUR	82.46	329.96	-	(32.35)	499.97	202.36	-	597.36	1.99	0.50	1.49	-	Netherlands

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202	Tata Steel France Batiment et Systemes SAS	EUR	82.46	32.99	-	(260.13)	191.13	418.27	1.12	502.23	(123.15)	-	(123.15)	-	France
203	Tata Steel France Holdings SAS	EUR	82.46	164.93	-	676.48	1,382.79	541.38	-	-	(24.50)	15.33	(39.83)	-	France
204	Tata Steel France Rail SA	EUR	82.46	547.15	-	(141.75)	1,531.49	1,126.10	-	2,313.35	70.35	14.75	55.60	-	France
205	Tata Steel Germany GmbH	EUR	82.46	843.26	-	(16.16)	1,901.14	1,074.05	-	-	(38.96)	10.36	(49.31)	-	Germany
206	Tata Steel Jimulden BV	EUR	82.46	927.70	-	17,482.86	26,942.16	8,531.60	82.15	32,943.17	953.38	201.13	752.24	-	Netherlands
207	Tata Steel International (Americas) Holdings Inc	USD	59.89	4,873.49	-	(4,361.95)	1,611.53	1,099.99	-	-	0.10	0.40	(0.29)	-	USA
208	Tata Steel International (Americas) Inc	USD	59.89	270.15	-	659.05	1,757.54	828.34	-	1,735.05	20.03	0.38	19.64	-	USA
209	Tata Steel International (Australasia) Limited	NZD	51.88	1.04	-	149.53	205.83	55.25	-	310.80	17.72	5.77	11.95	10.38	New Zealand
210	Tata Steel International (Benelux) BV	EUR	82.46	0.15	-	4.91	7.56	2.50	-	-	5.88	1.47	4.41	-	Netherlands
211	Tata Steel International (Canada) Holdings Inc	CAD	54.17	0.06	-	1.95	2.14	0.13	-	-	(0.02)	(0.16)	0.14	-	Canada
212	Tata Steel International (Czech Republic) S.R.O	CZK	3.00	0.36	-	5.82	7.23	1.05	-	-	4.47	0.85	3.61	-	Czech Republic
213	Tata Steel International (Denmark) A/S	DKK	11.04	1.00	-	3.12	6.68	2.56	-	-	4.17	0.90	3.27	0.22	Denmark
214	Tata Steel International (Finland) OY	EUR	82.46	1.04	-	3.10	5.84	1.70	-	-	2.59	0.52	2.06	-	Finland
215	Tata Steel International (France) SAS	EUR	82.46	1.65	-	33.51	56.17	21.02	-	-	3.02	1.56	1.46	-	France
216	Tata Steel International (Germany) GmbH	EUR	82.46	7.17	-	(11.06)	39.50	43.38	-	-	(1.89)	-	(1.89)	-	Germany
217	Tata Steel International Hellas SA	EUR	82.46	0.49	-	0.72	1.94	0.73	-	-	-	-	-	-	Greece
218	Tata Steel International (India) Limited	INR	1.00	27.82	-	9.67	49.68	12.19	0.45	0.45	(2.09)	(0.04)	(2.06)	-	India
219	Tata Steel International (Italia) SRL	EUR	82.46	0.41	-	7.31	21.10	13.38	-	-	6.72	2.11	4.61	37.11	Italy
220	Tata Steel International (Middle East) FZE	AED	16.31	74.80	-	45.79	202.22	81.63	-	44.77	3.81	-	3.81	-	UAE
221	Tata Steel International (Nigeria) Ltd.	NGN	0.36	-	-	-	-	-	-	-	-	-	-	-	Nigeria
222	Tata Steel International (Poland) sp Zoo	PLZ	19.80	17.43	-	(21.72)	5.89	10.17	-	-	(2.78)	0.09	(2.87)	-	Poland
223	Tata Steel International (Schweiz) AG	CHF	67.66	0.68	-	2.30	4.29	1.32	-	-	2.65	0.70	1.95	0.17	Switzerland
224	Tata Steel International (Sweden) AB	SEK	9.25	0.09	-	5.91	9.45	3.44	-	1.22	5.04	1.17	3.87	-	Sweden
225	Tata Steel International (South America) Representacoes LTDA	USD	59.89	1.31	-	(1.03)	0.28	0.01	-	-	1.95	0.16	1.79	-	Brazil
226	Tata Steel International Iberica SA	EUR	82.46	1.24	-	17.54	25.27	6.49	-	-	16.34	4.86	11.48	-	Spain
227	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	59.89	69.04	-	(14.60)	233.34	178.90	-	473.21	4.16	-	4.16	-	Turkey
228	Tata Steel Logistics and Shipping BV	EUR	82.46	0.19	-	-	0.19	-	-	-	-	-	-	-	Netherlands
229	Tata Steel Maubeuge SAS	EUR	82.46	303.58	-	(721.88)	776.62	1,194.92	7.87	2,419.95	(89.47)	-	(89.47)	-	France
230	Tata Steel Nederland BV	EUR	82.46	3,631.83	-	7,482.37	22,338.38	11,224.18	-	-	512.92	(14.18)	527.10	618.47	Netherlands
231	Tata Steel Nederland Consulting & Technical Services BV	EUR	82.46	74.22	-	(66.30)	83.41	75.50	-	-	(0.65)	(4.29)	3.63	-	Netherlands
232	Tata Steel Nederland Investment BV	EUR	82.46	8,322.35	-	1,277.44	9,602.68	2.89	-	-	5.55	1.39	4.16	-	Netherlands
233	Tata Steel Nederland Perfo BV	EUR	82.46	4.58	-	(32.10)	0.15	27.67	-	-	(0.28)	(0.07)	(0.21)	-	Netherlands
234	Tata Steel Nederland Services BV	EUR	82.46	3.51	-	410.99	661.94	247.45	-	19.91	6.94	1.84	5.10	-	Netherlands
235	Tata Steel Nederland Star-Frame BV	EUR	82.46	3.71	-	(4.77)	0.04	1.10	-	0.05	5.12	1.28	3.84	-	Netherlands
236	Tata Steel Nederland Technology BV	EUR	82.46	0.15	-	506.42	674.85	168.29	-	35.01	50.07	15.20	34.88	-	Netherlands
237	Tata Steel Nederland Tubes BV	EUR	82.46	395.82	-	(486.42)	674.41	765.01	-	1,397.61	(19.06)	(4.33)	(14.73)	-	Netherlands
238	Tata Steel Netherlands Holdings B.V.	EUR	82.46	41,924.22	-	(13,649.59)	73,988.22	45,713.59	-	-	(1,677.75)	(581.09)	(1,096.66)	-	Netherlands

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239	Tata Steel Norway Byggsystemer A/S	NOK	10.00	1.22	-	42.09	78.75	35.44	-	216.25	12.12	3.28	8.84	-	Norway
240	Tata Steel Speciality Service Centre Xian Co. Ltd	USD	59.89	4.75	-	(0.35)	23.23	18.83	-	17.59	0.08	-	0.08	-	China
241	Tata Steel UK Consulting Limited	GBP	99.79	17.31	-	(18.08)	2.52	3.29	-	12.56	0.38	-	0.38	-	UK
242	Tata Steel UK Holdings Limited	GBP	99.79	39,391.38	-	(2,824.60)	48,370.88	11,804.10	-	-	604.96	-	604.96	-	UK
243	Tata Steel UK Limited	GBP	99.79	22,884.29	-	(14,782.29)	47,859.00	39,757.00	6.28	45,337.32	(3,186.18)	(496.82)	(2,689.36)	-	UK
244	Tata Steel UK Rail Consultancy Limited	GBP	99.79	299.37	-	(91.13)	429.17	220.93	-	212.23	33.14	2.39	30.75	-	UK
245	Tata Steel Usa Inc.	USD	59.89	51.06	-	15.57	73.62	6.99	-	-	0.60	1.21	(0.61)	-	USA
246	The Newport And South Wales Tube Company Ltd.	GBP	99.79	5.31	-	0.15	5.46	-	-	-	-	-	-	-	UK
247	The Stanton Housing Company Ltd.	GBP	99.79	0.60	-	9.01	9.61	-	-	-	-	-	-	-	UK
248	The Steel Company Of Ireland Limited	EUR	82.46	123.83	-	(93.49)	94.13	63.79	-	68.56	(1.60)	-	(1.60)	-	Ireland
249	The Templeborough Rolling Mills Ltd.	GBP	99.79	29.94	-	128.46	158.39	-	-	-	-	-	-	-	UK
250	Thomas Processing Company	USD	59.89	-	-	128.74	130.20	1.46	-	21.50	0.22	-	0.22	-	USA
251	Thomas Steel Strip Corp.	USD	59.89	89.84	-	(301.70)	278.05	489.92	0.60	616.44	21.18	0.01	21.17	-	USA
252	Toronto Industrial Fabrications Ltd.	GBP	99.79	0.16	-	(5.11)	-	4.95	-	155.26	(8.04)	1.27	(9.31)	-	UK
253	Trierer Watzwerk GmbH	EUR	82.46	21.11	-	(6.91)	78.07	63.86	-	-	-	-	-	-	Germany
254	Tulip UK Holdings (No.2) Ltd.	GBP	99.79	34,959.33	-	(525.59)	34,434.16	0.41	-	-	-	-	-	-	UK
255	Tulip UK Holdings (No.3) Ltd.	GBP	99.79	34,963.04	-	(1,643.67)	46,990.16	13,670.79	-	-	(633.15)	-	(333.15)	-	UK
256	Tuscaloosa Steel Corporation	GBP	99.79	3,604.50	-	(3,604.05)	0.55	0.11	-	-	(0.09)	-	(0.09)	-	USA
257	U.E.S. Bright Bar Limited	GBP	99.79	14.97	-	-	14.97	-	-	-	-	-	-	-	UK
258	UK Steel Enterprise Ltd.	GBP	99.79	99.79	-	51.82	279.36	127.74	6.10	28.80	(10.84)	-	(10.84)	-	UK
259	Ukse Fund Managers (General Partner) Limited	GBP	99.79	-	-	-	-	-	-	-	-	-	-	-	UK
260	Ukse Fund Managers Limited	GBP	99.79	0.35	-	0.11	0.73	0.27	-	-	-	-	-	-	UK
261	Unitol SAS	EUR	82.46	82.46	-	(163.09)	433.85	514.47	0.14	1,381.87	(45.22)	-	(45.22)	-	France
262	Walker Manufacturing And Investments Ltd.	GBP	99.79	5.31	-	148.86	154.17	-	-	-	-	-	-	-	UK
263	Walkersteelstock Ireland Limited	EUR	82.46	80.48	-	47.37	141.19	13.34	-	-	-	-	-	-	Ireland
264	Walkersteelstock Ltd.	GBP	99.79	9.98	-	-	9.98	-	-	-	-	-	-	-	UK
265	Westwood Steel Services Ltd.	GBP	99.79	234.50	-	-	234.50	-	-	-	-	-	-	-	UK
266	Whitehead (Narrow Strip) Ltd.	GBP	99.79	89.81	-	24.64	114.45	-	-	-	-	-	-	-	UK
267	Tata Steel Global Minerals Holdings Pte Ltd.	USD	59.89	2,564.69	4,344.52	235.77	7,851.90	706.93	2,504.81	-	31.51	28.26	3.25	-	Singapore
268	Al Rimal Mining LLC	OMR	155.56	15.56	-	(9.81)	8.24	2.49	-	-	(2.47)	-	(2.47)	-	Oman
269	Black Ginger 461 (Proprietary) Ltd	ZAR	5.69	33.55	-	8.02	167.95	126.39	42.28	6.03	(5.76)	-	(5.76)	-	South Africa
270	Kalimati Coal Company Pty. Ltd.	AUD	55.48	33.29	39.99	(284.48)	92.44	303.65	-	90.46	(97.22)	-	(97.22)	-	Australia
271	Sediberg Iron Ore Pty. Ltd.	ZAR	5.69	-	-	69.52	377.34	307.82	-	223.55	46.88	13.13	33.75	-	South Africa
272	Tata Steel Cote D'ivoire S.A	FCFA	0.13	32.70	134.99	(82.39)	90.90	5.61	-	-	(19.61)	(0.02)	(19.60)	-	Ivory Coast
273	Tata Steel Minerals UK Limited	CAD	54.17	-	1,072.04	(0.68)	1,071.56	0.20	-	-	(0.09)	-	(0.09)	-	UK
274	Tata Steel Minerals Canada Limited	CAD	54.17	1,242.54	-	(137.90)	4,179.72	3,075.08	-	-	(19.35)	-	(19.35)	-	Canada
275	TS Canada Capital Ltd	CAD	54.17	-	-	27.98	2,751.06	2,723.08	-	-	35.67	9.52	26.15	-	Canada
276	Howse Minerals Limited	CAD	54.17	54.17	-	(3.02)	166.74	115.59	-	-	(3.02)	-	(3.02)	-	Canada

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277	Tata Steel International (Singapore) Holdings Pte. Ltd.	HKD	7.72	418.00	-	(47.04)	370.96	-	-	-	-	-	-	-	Singapore
278	TSIA Holdings (Thailand) Limited	THB	1.84	0.02	-	(0.16)	0.01	0.15	-	-	(0.10)	-	(0.10)	-	Thailand
279	Tata Steel International (Shanghai) Ltd.	CNY	9.63	4.70	-	2.50	9.41	2.20	-	3.38	0.35	0.09	0.25	-	China
280	Tata Steel International (Malaysia) Sdn. Bhd.	MYR	18.35	-	-	0.08	0.08	-	-	-	(0.02)	-	(0.02)	0.15	Malaysia
281	Tata Steel International (Thailand) Limited	THB	1.84	0.37	-	0.35	0.85	0.13	-	-	(0.85)	-	(0.85)	-	Thailand
282	Tata Steel International (Singapore) Pte. Ltd.	SGD	47.61	8.09	-	49.85	93.17	35.22	8.57	180.79	(3.29)	-	(3.29)	-	Singapore
283	Tata Steel International (Asia) Limited	HKD	7.72	-	-	520.93	596.32	75.39	-	788.03	5.40	0.57	4.83	-	Hong Kong SAR
284	Tata Steel (Thailand) Public Company Ltd.	THB	1.84	1.55	-	0.78	3.05	0.72	-	0.10	0.02	-	0.02	-	Thailand
285	N.T.S Steel Group Plc.	THB	1.84	0.85	-	(0.55)	1.43	1.13	-	5.93	-	-	-	-	Thailand
286	The Siam Construction Steel Co. Ltd.	THB	1.84	0.32	-	0.04	0.59	0.23	-	1.75	0.05	0.01	0.04	-	Thailand
287	The Siam Iron And Steel (2001) Co. Ltd.	THB	1.84	0.02	-	0.19	0.35	0.14	-	1.04	-	-	-	-	Thailand
288	Tata Steel Global Procurement Company Pte. Ltd.	USD	59.89	596.72	-	907.62	22,574.84	21,070.51	-	19,712.13	586.49	87.34	499.15	-	Singapore
289	ProCo issuer Pte. Ltd.	GBP	99.79	-	-	2,339.78	10,250.98	7,911.20	-	1,178.42	768.14	47.27	720.88	-	Singapore
290	Tata Steel Processing and Distribution Limited	INR	1.00	68.25	-	377.09	418.66	(26.68)	11.04	1,722.70	60.24	17.50	42.74	-	India
291	TM International Logistics Ltd.	INR	1.00	18.00	-	107.40	251.87	126.47	44.64	177.36	11.85	3.61	8.24	1.80	India
292	International Shipping and Logistics FZE	AED	16.31	0.45	-	1,751.49	4,107.42	2,355.48	-	161.25	2.36	0.31	2.05	-	UAE
293	TKM Global China Ltd	CNY	9.63	6.58	-	(2.78)	41.19	37.38	-	33.62	0.35	-	0.35	-	China
294	TKM Global GmbH	EUR	82.46	0.42	-	124.28	179.50	54.80	-	147.45	19.66	6.19	13.47	-	Germany
295	TKM Global Logistics Limited	INR	1.00	1.80	-	17.13	43.55	24.62	-	129.30	(2.37)	(0.11)	(2.26)	-	India
296	TM Harbour Services Private Limited	INR	1.00	34.62	-	21.99	101.51	44.91	7.76	27.01	8.83	0.15	8.68	-	India
297	Indian Steel and Wire Products Ltd.	INR	1.00	5.99	-	37.65	121.93	78.30	-	232.38	19.06	6.48	12.58	-	India
298	The Tata Pigments Limited	INR	1.00	0.75	-	32.12	53.34	20.47	0.53	87.22	7.40	2.43	4.97	0.45	India
299	T M Mining Company Limited	INR	1.00	0.15	-	(0.17)	0.01	0.03	-	-	(0.04)	-	(0.04)	-	India
300	Jamshedpur Continuous Annealing and Processing Company Private Limited	INR	1.00	874.00	-	(10.56)	2,189.92	1,326.48	8.59	-	(10.54)	1.67	(12.21)	-	India
301	The Tintplate Company of India Limited	INR	1.00	151.10	-	428.59	941.39	361.69	0.23	1,079.54	90.69	27.90	62.80	24.90	India
302	Tata Sponge Iron Limited	INR	1.00	15.40	-	707.23	929.26	206.64	203.50	782.22	149.80	48.62	101.18	15.40	India
303	TSIL ENERGY LIMITED	INR	1.00	1.06	-	(0.05)	1.02	0.01	0.99	-	0.02	-	0.02	-	India
304	Tata Steel Odisha Limited	INR	1.00	0.05	2.50	(2.53)	0.06	0.04	-	-	(0.01)	-	(0.01)	-	India

TATA STEEL

Tata Steel Limited

Registered Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.

Tel.: 91 22 6665 8282 • Fax: 91 22 6665 7724 • Corporate Identity No.: (CIN) – L27100MH1907PLC000260 • Website: www.tatasteel.com

Attendance Slip

(To be presented at the entrance)

107th ANNUAL GENERAL MEETING ON THURSDAY, THE 14th AUGUST, 2014 AT 3.00 P.M.

at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020.

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member: _____ Signature: _____

Name of the Proxyholder: _____ Signature: _____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

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Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s) : _____

Registered address : _____

E-mail Id : _____

Folio No./Client ID No. _____ DP ID No. _____

I/We, being the member(s) of _____ Shares of Tata Steel Limited, hereby appoint

1. Name: _____ E-mail Id: _____

Address: _____ Signature: _____

or failing him

2. Name: _____ E-mail Id: _____

Address: _____ Signature: _____

or failing him

3. Name: _____ E-mail Id: _____

Address: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Hundred and Seventh Annual General Meeting of the Company to be held on Thursday, 14th August, 2014 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Audited Statement of Profit & Loss, Balance Sheet, Report of Board of Directors and Auditors for year ended 31st March, 2014.
2. Declaration of dividend on the Ordinary Shares of the Company.
3. Re-appointment of Mr. Cyrus P. Mistry as a Director of the Company.
4. Re-appointment of Mr. Ishaat Hussain as a Director of the Company.
5. Appointment of Auditors.
6. Appointment of Mr. T. V. Narendran as Director of the Company.
7. Appointment of Mr. T. V. Narendran as the Managing Director, India & South East Asia.
8. Appointment of Mr. Nusli N. Wadia as an Independent Director.
9. Appointment of Mr. Subodh Bhargava as an Independent Director.
10. Appointment of Mr. Jacobus Schraven as an Independent Director.
11. Appointment of Mrs. Mallika Srinivasan as an Independent Director.
12. Appointment of Mr. O. P. Bhatt as an Independent Director.
13. Ratification of Cost Auditors' remuneration.

Signed this _____ day of _____ 2014

Affix
Revenue
Stamp

Signature of Shareholder _____ Signature of Proxy holder(s) _____

NOTES: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001, not less than 48 hours before the commencement of the Meeting.



AWARDS & RECOGNITION

The Company has been honoured with several awards and accolades, some of which are mentioned below.

- » The Best Performing Integrated Steel Plant for 2011-12
- » The prestigious Indian MAKE Award 2013
- » NDTV Profit Business Leadership Award 2013
- » Highest category award - EXCELLENCE awarded to QC Team "Furnace Charging" system from FAP Joda in ICQCC (International Convention for Quality Control Circles) 2013 at Taipei, Taiwan
- » Noamundi Iron Mine bags first prize at FICCI Water Awards 2013
- » Sukinda Chromite Mines & Manganese Mines awarded in the 'Gold' and 'Silver' category respectively in the Mining and Metals sector, at the 14th Annual Greentech Environment Award 2013
- » Star Performer Award for the Year 2012-13 in the product group of Ferro Alloys for Large Enterprise by EEPC India
- » CAPEXIL Special Export Award 2011-12 for export of Chrome Concentrate under the category of Bulk Minerals & Ores
- » Re-certified with SA 8000 Certification for the fourth time in 2013
- » The CII-ITC Sustainability Award 2013
- » Best contribution in inclusive development at Think Odisha awards function, 2013
- » Tata Affirmative Action Programme (TAAP) Jury's Award 2013-14
- » Plaque of Commendation for Outstanding Contribution and Support to Labour Relations at the May Day Awards 2013 by the Singapore Government
- » Distinguished Defence Partner Award at the Total Defence Awards 2013 by the Singapore Government
- » Tata Football Academy felicitated for exemplary contribution towards Indian Football on February 13, 2014



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