

***Tata Steel International  
(Schweiz) AG***

***Basel***

*Financial statements  
for the year ended March 31, 2016  
and report of the statutory auditor  
on the limited statutory examination*

## Report of the statutory auditor on the limited statutory examination

To the General Meeting of  
**Tata Steel International (Schweiz) AG, Basel**

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of Tata Steel International (Schweiz) AG for the year ended March 31, 2016.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

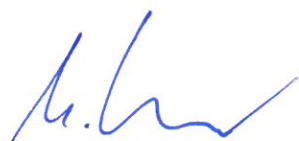
We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

### Deloitte AG



Patrick Fawer  
Licensed Audit Expert  
Auditor in Charge



Michael Kurz  
Licensed Audit Expert

Zurich, April 27, 2016

PFA/MKU/sdo

### Enclosures

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

**TATA STEEL INTERNATIONAL (SCHWEIZ) AG, BASEL**  
**BALANCE SHEET AS OF MARCH 31, 2016 AND 2015**

	<u>31.03.2016</u>	<u>31.03.2015</u>
	CHF	CHF
<b>ASSETS</b>		
Bank	593 702.78	352 612.40
Accounts receivables		
Affiliates	251 051.09	433 115.57
Other receivables		
Other Debtors Third	7 165.65	7 022.80
Prepaid Expenses	57 403.94	52 090.99
<b>Current Assets and Short Term Investments</b>	<b>909 323.46</b>	<b>844 841.76</b>
Information Technology	80.00	130.00
Office Furniture	520.00	700.00
<b>Non-current Assets</b>	<b>600.00</b>	<b>830.00</b>
<b>Total Assets</b>	<b>909 923.46</b>	<b>845 671.76</b>
<b>LIABILITIES and EQUITY</b>		
Accrued expenses	171 890.44	207 650.09
<b>Current Liabilities</b>	<b>171 890.44</b>	<b>207 650.09</b>
Share Capital	100 000.00	100 000.00
Legal retained earnings	50 000.00	50 000.00
<i>Carry forward</i>	<i>478 021.67</i>	<i>279 415.12</i>
<i>Profit for the year</i>	<i>110 011.35</i>	<i>208 606.55</i>
Other retained earnings	588 033.02	488 021.67
<b>Shareholders' Equity</b>	<b>738 033.02</b>	<b>638 021.67</b>
<b>Total Liabilities and Equity</b>	<b>909 923.46</b>	<b>845 671.76</b>

**TATA STEEL INTERNATIONAL (SCHWEIZ) AG, BASEL**  
**PROFIT AND LOSS ACCOUNT FOR THE PERIOD**

	<u>01.04.15-31.03.16</u>	<u>01.04.14-31.03.15</u>
	CHF	CHF
<i>Net proceeds from sales of goods and services</i>	482 304.52	622 725.69
<i>Other income</i>	2 970.35	4 560.05
<b>Operating income</b>	<b>485 274.87</b>	<b>627 285.74</b>
Personnel Expenses	(251 004.74)	(277 940.12)
- <i>Premises &amp; Services</i>	(36 841.87)	(35 058.58)
- <i>Hotels and Entertainment</i>	(3 144.83)	(2 392.55)
- <i>Travel</i>	(15 555.81)	(13 557.81)
- <i>Communications/Office Supplies</i>	(6 059.04)	(5 373.51)
- <i>IT Costs</i>	(137.90)	(398.00)
- <i>Consultant and Audit Fees</i>	(23 758.00)	(18 596.00)
- <i>Other General Expenses</i>	(4 215.90)	(2 682.95)
Other Operational Expenses	(89 713.35)	(78 059.40)
<b>EBITDA</b>	<b>144 556.78</b>	<b>271 286.22</b>
Depreciation	(230.00)	(320.00)
<b>EBIT</b>	<b>144 326.78</b>	<b>270 966.22</b>
Financial expenses	(85.02)	(734.20)
Financial income	16.65	79.40
<b>EBT</b>	<b>144 258.41</b>	<b>270 311.42</b>
Direct taxes	(34 247.06)	(61 704.87)
<b>Net profit</b>	<b>110 011.35</b>	<b>208 606.55</b>

**TATA STEEL INTERNATIONAL (SCHWEIZ) AG, BASEL**  
**NOTES TO THE FINANCIAL STATEMENTS**

	<u>2015/16</u>	<u>2014/15</u>
<b>Number of employees</b>		
Number of full-time positions in the annual average	1	1

**TATA STEEL INTERNATIONAL (SCHWEIZ) AG, BASEL**  
**PROPOSED APPROPRIATION OF THE AVAILABLE EARNINGS**

	<u>CHF</u>
Profit carried forward	478 021.67
Net profit of the year	<u>110 011.35</u>
Available earnings at March 31, 2016	<u><u>588 033.02</u></u>

The Board of Directors propose the following appropriation:

Dividend	10 000.00
Profit brought forward	<u>578 033.02</u>
Available earnings at March 31, 2016	<u><u>588 033.02</u></u>