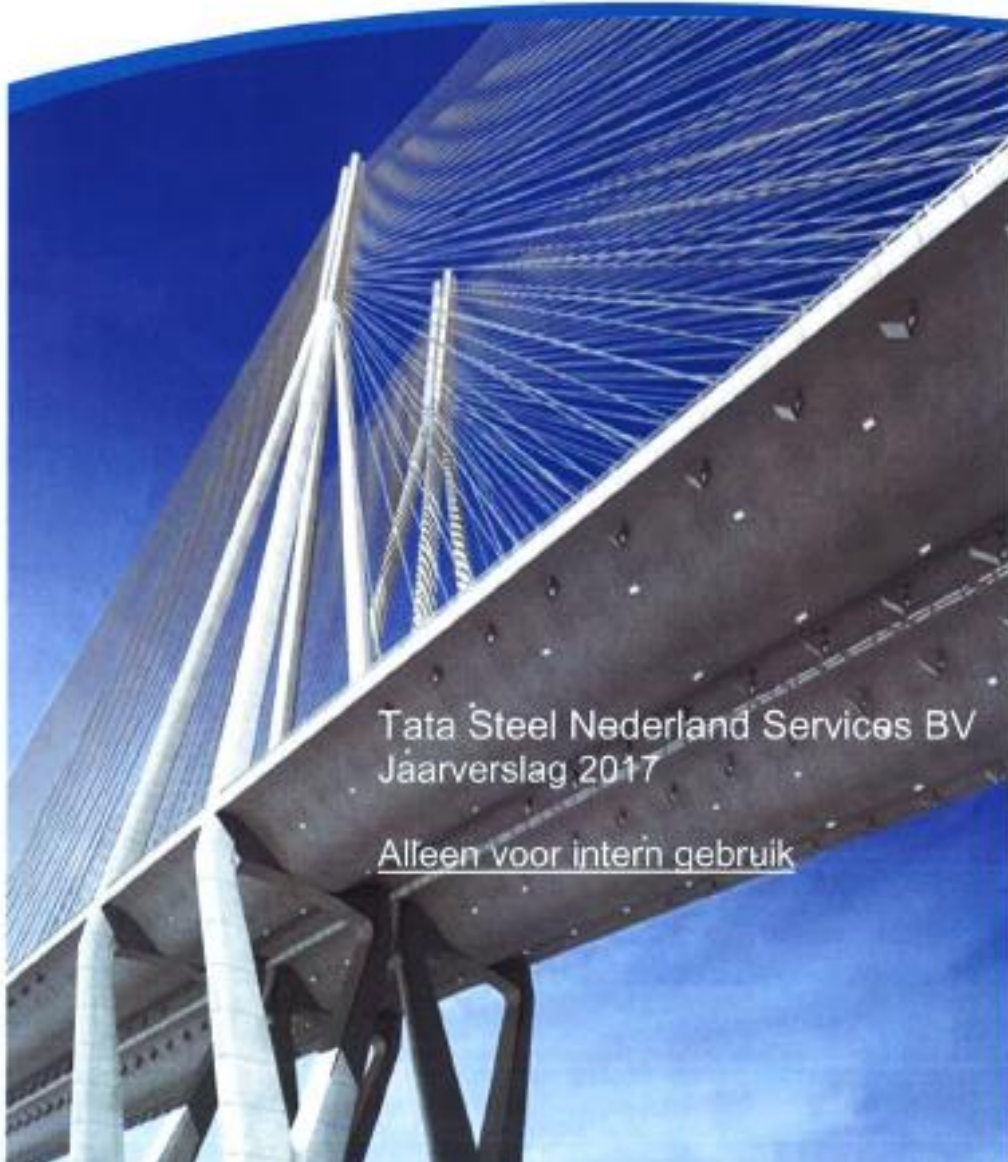


TATA STEEL



Tata Steel Nederland Services BV
Jaarverslag 2017

Alleen voor intern gebruik

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A. Introduction

Financial statement 2017, closing 31 March 2017

Introduction

Tata Steel Netherlands Services B.V. ("TSNS") provides high quality services to Tata Steel Nederland B.V. and affiliated companies in the areas of finance and banking, legal and fiscal affairs and personnel management, in order to support the operation of such companies and to consolidate information effectively; and is responsible for managing staff of Tata Steel Nederland B.V. and its subsidiaries, from personnel seconded to other Tata Steel companies, respectively, from the foundation of the Pension Fund.

Tata Steel Ltd.

Tata Steel Nederland Services B.V. registered office in IJmuiden and having offices in Velsen-Noord, The Netherlands, is a 100% subsidiary of Tata Steel Nederland B.V. The European holding company is Tata Steel Europe Ltd. This company is a 100% subsidiary of Tata Steel Global Holdings Pte. Ltd., a non-registered company in Singapore. Tata Steel Ltd. Is the ultimate parent company. Tata Steel Ltd. is established in Mumbai, India and is listed on the Mumbai Stock Exchange, India (BSE), the National Stock Exchange (NSE), the Calcutta Stock Exchange Assn. Limited and the Luxembourg Stock Exchange.

Consolidation

The financial data of Tata Steel Nederland Services B.V. are part of the published consolidated financial statements of Tata Steel Nederland B.V. The financial statements of Tata Steel Nederland B.V. has been deposited with the Amsterdam Chamber of Commerce, file number: 34005278.

The company has not drawn up a cash flow statement, since this cash flow overview is part of the consolidated financial statement of Tata Steel Nederland B.V.

The address of this firm has been taken up on page 8 of this report.

B. Annual report

Balance sheets

(for appropriation of the profit)

On 31 March	Remark	2017 (x€ 1.000)	2016 (x€ 1.000)
Fixed assets			
Intangible fixed assets		-	-
Financial fixed assets	1	650	956
		650	956
Current assets			
Claims	2	18.849	9.521
Cash	3	67.324	64.088
		86.173	73.609
TOTAL ASSETS		86.823	74.565
Liabilities			
Facilities	4	(556)	(506)
Other amounts payable	5	(46.496)	(21.381)
TOTAL LIABILITIES		(47.052)	(21.887)
NETT ASSETS		39.771	52.678
Equity			
Share capital		425	425
Reserves	6	52.253	55.276
Unappropriated profit	6	(12.907)	(3.023)
EQUITY		39.771	52.678

B. Annual report

Profit and Loss Account

For the financial period ended on 31 st March		2017	2016
		(x€ 1.000)	(x€ 1.000)
Through taxes	7	65.688	69.532
Operational cost	8	(82.813)	(76.500)
Operating result		(17.125)	(6.968)
Financial burden	9	-	-
Financial benefits	9	1	-
Pre-tax results		(17.124)	(6.968)
Taxes	1	4.217	3.945
	0		
Income after tax		(12.907)	(3.023)

B. Annual report

Summary of the most important principles for valuation and determination of results

General

The financial statements have been prepared in accordance with generally accepted accounting principles in the Netherlands and determination. The financial statement has been drafted on basis of the historical cost price. Unless otherwise indicated, have the assets and liabilities been valued against nominal value.

Foreign currency

The items of the balance sheets denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The incomes and expenses set out in the Profit and Loss Account and are denominated in foreign currencies are translated at average exchange rates in the case of bet hedging transactions, the conversion place against term indicated in the relevant agreements. Exchange differences relating to operating activities are credited or charged to the operating result. Other exchange differences, such as differences in long-term receivables and payables are recognized as financial income and expenses.

Intangible fixed assets

Software is recognized in the balance sheet as an Intangible Asset if it is expected that future economic benefits will flow to the company. In this case, it is actively valued at cost or fair value at acquisition date. After recording, the asset is depreciated linearly over the expected useful life; this is for software 5 years.

Financial fixed assets

Financial fixed assets include loans with a maturity of more than one year.

Claims

Claims are taken up after deduction of the provisions for dubious debtors.

Facilities

Provisions are obligations of an uncertain size or one with an uncertain time.

Debts

Amounts are considered as current liabilities. Payable within one year.

Taxes

With the calculation of the taxes over the profit or loss and over direct mutations in the reserves, the actual tax tariffs are assumed. The difference between the tax amounts calculated in this manner and the tax amounts on basis of the calculation of the result conform the tax-code is entered on the Balance sheet as a latent tax liability or asset (in accordance with the period-allocation method).

In general no provisions are entered into the Balance sheet for deferred tax liabilities related to land and interest in subsidiaries and related companies. Deferred tax liabilities are not activated if there is insufficient certainty that these will be compensated in the future.

B. Annual report

Explanation to the balance sheet

1. Financial fixed assets

(x€ 1.000)	
Balance sheet value per 31 st March 2016	956
Mutations in 2017:	
Redemption	(306)
Balance sheet value per 31 st March 2017	650

2. Claims

	2017	2016
(x€ 1.000)		
Trade debtors	-	-
Receivables from group companies	12.560	6.651
Current tax assets	4.281	1.631
Other receivables	2.008	1.239
	18.849	9.521

3. Cash

The cash is formed by the bank balances and permanent deposits.

4. Facilities

(x € 1.000)	2017	2016
Personnel facilities	(556)	(506)

5. Other amounts payable

	2017	2016
(x1.000)		
Liabilities to group companies	(8.787)	(4.288)
Other current liabilities	(37.709)	(17.193)
	(46.496)	(21.381)

B. Annual report

6. Equity

	Issued share capital	Non- distributable reserve	General reserve	Unappropriated profit	Total
(X 1.000)					
Balance sheet value per 31 st March 2016	425	4	55.272	(3.023)	52.678
Over distributed result 2016	-	-	(3.023)	3.023	-
Over distributed result current year	-	-	-	(12.907)	(12.907)
Balance sheet value per 31 st March 2017	425	4	52.249	(12.907)	39.771

The authorized capital of the company amounts to Euro 900,000 - divided into 20,000 shares of EUR 45.00.
Each issued and fully paid shares of Euro 9,453 for Euro 45.00 each. Total nominal € 425,385.
As on March 31, 2017 all shares were held by Tata Steel Nederland B.V.

B. Annual report

Explanation to the profit and loss account

7. The taxes

Operating revenues consist of the calculation of the cost of the functions to other group companies. A number of costs, due to ownership, remain with Tata Steel Nedreland Services B.V. and is not passed on. In the year under review, these are LTIP and GSM bonuses.

8. Operational cost

	2017	2016
(x € 1.000)		
Personnel costs	(44.612)	(43.926)
Other costs	(38.201)	(32.574)
	(82.813)	(76.500)

Personnel costs

	2017	2016
(x €1.000)		
Wages and salaries	(41.950)	(40.77)
Social security costs	(2.662)	(3.149)
	(44.612)	(43.926)

Staff costs increased by 2017 by costs for the Long Term Incentive Program and GSM bonuses.

The number of active employees as on 31 March 2017 was 337, at the end of the financial year 2016 this was 366.

These, 31 March 2017 were employed by the Corporate Staff Departments 133 (31 March 2016: 164).

9. Financial income and expenses

	2017	2016
(x1.000)		
Interest income	-	-
Total financial charges	-	-
Interest income group companies	-	-
Interest income	1	-
Total financial income	1	-

10. Taxes

	2017	2016
(x1.000)		
Corporate tax of the current fiscal year	4.281	1.742
Corrections for previous financial year	(64)	2.203
	4.217	3.945

The company is for the corporate tax fiscally joined with its fiscal parent company Tata Steel Netherlands Holdings B.V., like many Dutch subsidiaries of this B.V. Within the fiscal unit Tata Steel Holdings Netherlands B.V. it will apply, until further notice, that the company will each year take, as a debt towards Tata Steel Netherlands Holdings B.V., the corporate tax that it owes as per the applicable tariff over the fiscal profit. With a fiscal loss of the company in a year, will Tata Steel Netherlands Holdings B.V. take up a tax compensation towards the company, also calculated on basis of the tariff applicable for the year.

Tata Steel Nederland Services B.V., is part of the fiscal unit Tata Steel Netherlands Holdings B.V. and can as a result be held liable for all tax liabilities of the fiscal unit.

B. Annual report

Other explanations and signing of the financial statement

Remuneration of and loans to directors

Since the remuneration is traceable to one person, the remuneration of the directors are not recognized in accordance with BW2 Title 9, Article 383.

For the directors of the company, there were no loans granted by the company by 31st March 2017.

Name and addresses of consolidating companies

The financial data of Tata Steel Nederland Services B.V. and its subsidiaries are part of the published consolidated financial statement of Tata Steel Nederland B.V. which is registered with the concerned trade register of Amsterdam.

The office address of this company is mentioned below.

Tata Steel Nederland B.V.	Wenkebachstraat 1 Post box 10,000	1951 JZ Velsen-Noord 1970 CA IJmuiden
Tata Steel Nederland Services B.V.	Wenkebachstraat 1 Post box 10,000	1951 JZ Velsen-Noord 1970 CA IJmuiden

Signing of the annual report

The financial statement 2017 ends on 31 March 2017 of Tata Steel Nederland Services B.V. is signed by its complete statutory board of directors.

IJmuiden, 23 June 2017

W.J.H.M.B. Hamers

C. Other data

Other data

No audit

An audit with the financial statement is missing. Since Tata Steel Netherlands BV has issued a statement of liability to Tata Steel Netherlands BV Services resting on her not the obligation to have it checked. Statements by an auditor

Statutory rules concerning the appropriation of profit

The result shown in the adopted financial statement is available to the general meeting of shareholders.

Proposal concerning the appropriation of the profit over 2017, ending on 31 March 2017

At the general meeting of shareholders it has been proposed to charge the loss of the book year 2017 ending March 31, 2017, amounting to 12,906,989 € thousand, to the general reserves.

Decisions of the General Meeting of shareholders of Tata Steel Nederland Services B.V. in accordance with the provisions of Article 13 of the Article of associations of this company.

Tata Steel Nederland B.V. established in Ijmuiden.

Considers:

- That it is the owner of the complete share capital of Tata Steel Nederland Services B.V, hereafter called the company
- That the shares of the company have not been charged with any pledged or usufruct and that the Company did not cooperate with the issuance of certificates of shares and
- That on basis of article 13 of the statutes of the Company, its shareholders can take decisions outside the meeting, if in writing and unanimously.

Having taken note of:

The annual reports of Tata Steel Nederland Services B.V., prepared by the directors of this company, for the book year 2017, consisting of the financial statements - dated 23 June 2017 - and the added other information attached to it.

Decision:

- to determine the named financial statement for the book year 2017, ending on 31 March 2017.
- to grant discharge to the directors for the implemented policies for the financial period of 1 April 2016, ending on 31 March 2017 and
- to charge the loss of the book year 2017 ending on 31 March 2017 with the amount of € 12,906,989, - to the general reserve, conform the proposal of the directors.

Ijmuiden, 23 June 2017

Tata Steel Nederland B.V.

J.E. Van Dort

Director

Th.J. Henrar

Director

These accounts are a translated version for information purpose only, the original language version prevails in the event of any discrepancies between the English translation and the original.