

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TATA METALIKS DI PIPES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA METALIKS DI PIPES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control



relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and 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 aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 302009E)


Abhijit Bandyopadhyay
Partner

Kolkata, 22 April, 2016

(Membership No. 054785)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TATA METALIKS DI PIPES LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A



company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.302009E)



Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata, 22 April, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
 - (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
 - (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted. 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.
 - (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, 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 determine whether they are accurate or complete.



- (vii) 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, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Central Sales tax Act, 1956	Central Sales Tax	Sr. Joint Commissioner (Appeal)	Financial Year 2011-12	8,252,770	8,252,770
Entry Tax	Duty	High Court	Financial year 2011-2012 to 2015- 2016	24,890,574	15,887,535

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all




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transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 302009E)



Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata, April 22, 2016

Balance Sheet as at 31 March 2016

	Notes	As at 31.03.2016 Audited	As at 31.03.2015 Audited
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	2,214,000,070	2,214,000,070
(b) Reserves and surplus	4	(1,166,432,445)	(1,888,263,666)
		1,047,567,625	325,736,404
(2) Non-current liabilities			
(a) Long-term borrowings	5	91,406,250	288,785,550
(b) Long-term provisions	6	32,866,094	24,781,890
		124,272,344	313,567,440
(3) Current liabilities			
(a) Short-term borrowings	5	115,126,750	51,000,000
(b) Trade payables	7	2,656,668,399	1,960,467,465
(i) outstanding dues of micro enterprises and small enterprises		1,182,731	4,578,638
(ii) outstanding dues of creditors other than micro enterprises and small enterprises		2,655,485,668	1,955,888,827
(c) Other current liabilities	8	473,926,643	568,880,682
(d) Short-term provisions	6	24,275,621	8,710,771
		3,269,997,413	2,589,058,918
TOTAL EQUITY AND LIABILITIES		4,441,837,382	3,228,362,762
(II) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	1,660,431,994	1,618,391,385
(ii) Intangible assets	10	1,511,693	741,046
(iii) Capital work-in-progress		446,849,824	167,442,782
		2,108,793,511	1,786,575,213
(b) Long-term loans and advances	11	48,281,271	44,256,141
(c) Other non-current assets	12	596,342	23,858,483
		2,157,671,124	1,854,689,837
(2) Current assets			
(a) Inventories	13	401,455,471	310,994,137
(b) Trade receivables	14	1,417,801,019	693,425,734
(c) Cash and bank balances	15	14,380,416	12,046,270
(d) Short-term loans and advances	11	445,020,889	355,039,910
(e) Other current assets	16	5,508,463	2,166,874
		2,284,166,258	1,373,672,925
TOTAL ASSETS		4,441,837,382	3,228,362,762

See accompanying notes forming part of the financial statements

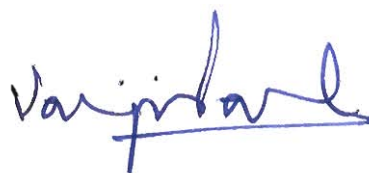
In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Kolkata, 22 April, 2016

Sanjiv Paul
Chairman

Joydeep Seal
Chief Financial Officer

Chitra Paul
Company Secretary


Mumbai, 22 April, 2016



Statement of Profit and Loss for the year ended 31 March 2016

	Notes	For the	For the
		Year ended 31.03.2016	Year ended 31.03.2015
		Audited	Audited
I Revenue from operations (gross)	17	6,444,168,408	6,042,726,473
Less: Excise duty		113,381,186	134,016,837
Revenue from operations (net)		6,330,787,222	5,908,709,636
II Other Income	18	6,814,125	31,383,069
III Total Revenue (I + II)		6,337,601,347	5,940,092,705
IV EXPENSES			
(a) Cost of materials consumed	19	2,957,460,873	3,209,814,172
(b) Changes in stock of finished goods and work-in-progress	20	(70,054,106)	59,851,380
(c) Employee benefits expense	21	323,195,440	265,604,407
(d) Finance costs	22	48,314,326	91,082,684
(e) Depreciation and amortisation expense	23	193,927,409	183,674,599
(f) Other expenses	24	2,046,826,184	1,875,279,144
Total Expenses (IV)		5,499,670,126	5,685,306,386
V Profit before tax (III - IV)		837,931,221	254,786,319
VI Tax Expense			
(1) Current tax		116,100,000	-
(2) Deferred tax		-	-
Total tax expense (VI)		116,100,000	-
VII Profit after tax (V - VI)		721,831,221	254,786,319
VIII Earnings per equity share:	30		
(1) Basic (Face Value of share Rs.10 each)		4.02	1.42
(2) Diluted (Face Value of share Rs.10 each)		4.02	1.42

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants



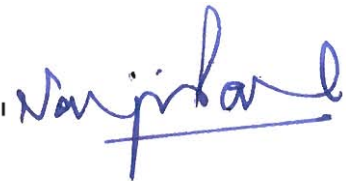
Abhjit Bandyopadhyay
Partner

Kolkata, 22 April, 2016



For and on behalf of the Board of Director

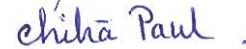
Sanjiv Paul
Chairman



Joydeep Seal
Chief Financial Officer



Chitra Paul
Company Secretary



Mumbai, 22 April, 2016



Cash Flow Statement for the year ended 31 March 2016

	For the Year ended 31.03.2016	For the Year ended 31.03.2015
	Audited	Audited
A. Cash Flow from Operating activities:		
Profit before taxes	837,931,221	254,786,319
<i>Adjustments for:</i>		
Depreciation and amortisation expense	193,927,409	183,674,599
Provision for doubtful debts	7,560,557	3,461,235
Liabilities no longer required written back	(1,292,153)	(29,467,833)
Interest income	(5,521,972)	(1,915,236)
Finance Costs	48,314,326	91,082,684
Loss on cancellation of forward contracts	513,079	955,147
Loss on sale of asset (incl. discarded asset written off)	(744,325)	15,792,930
Net Unrealised exchange losses	6,769,967	2,368,871
Net Realised exchange gains	(13,795,460)	(5,632,466)
Operating profit before working capital changes	1,073,662,649	515,106,250
<i>Adjustments for (increase)/decrease in operating assets</i>		
Inventories	(90,461,334)	49,357,817
Trade receivables	(732,324,745)	(148,057,995)
Short-term loans and advances	(89,376,207)	(93,964,896)
Long-term loans and advances	1,130,862	(21,742,821)
Other current assets	(3,611,143)	3,251,021
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Trade Payables	698,412,787	551,188,202
Other current liabilities	14,578,645	(110,405,741)
Short-term provision	15,564,850	8,632,521
Long-term provisions	8,084,204	13,243,600
Cash generated from operations	895,660,568	766,607,958
Direct taxes paid	(121,269,503)	(895,149)
Net cash generated from operating activities	774,391,065	765,712,809
B. Cash Flow from Investing activities:		
Capital Expenditure on fixed assets, including capital advances	(442,074,581)	(265,025,844)
Proceeds from sale of fixed assets	1,234,531	987,402
Bank balances not considered as cash and cash equivalents		
Matured	13,858,520	-
Interest income received	13,393,522	492,218
Net cash used in investing activities	(413,588,008)	(263,546,224)



Cash Flow Statement for the year ended 31 March 2016

	For the Year ended 31.03.2016	For the Year ended 31.03.2015
	Audited	Audited
C. Cash Flow from Financing activities:		
Proceeds from buyer's credit	118,258,503	-
Repayment of Inter corporate deposit to Holding Company	(51,000,000)	
Repayment of long term borrowings	(354,578,300)	(413,409,309)
Repayment of buyer's credit	(21,436,784)	(21,436,282)
Loss on cancellation of forward contract	(513,079)	(955,147)
Interest and other borrowing costs paid	(49,199,251)	(91,763,205)
Net cash used in financing activities	(358,468,911)	(527,563,943)
Net Increase/ (Decrease) in cash or cash equivalents	2,334,146	(25,397,358)
Cash and cash equivalents as at 1st April ¹	12,046,270	37,443,628
Cash and cash equivalents as at 31st March ¹	14,380,416	12,046,270

Notes:

1. Includes cash on hand and balance in current accounts with banks.
2. Figures in brackets represent outflows.
3. Previous year figures have been regrouped wherever necessary.

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants



Abhijit Bandyopadhyay
Partner

For and on behalf of the Board of Directors

Sanjiv Paul
Chairman



Joydeep Seal
Chief Financial Officer



Chitra Paul
Company Secretary



Kolkata, 22 April, 2016

Mumbai, 22 April, 2016



Notes to the Financial Statements

1. General Corporate Information

Tata Metaliks DI Pipes Limited ("the Company") is a wholly owned subsidiary of Tata Metaliks Limited, engaged in the manufacture of ductile iron pipe, having its manufacturing facilities in Khargpur in the state of West Bengal.

2. Summary of Significant Accounting Policies

2.01 Basis of Accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.02 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.03 Tangible Assets

- i). Tangible assets are stated at cost less accumulated depreciation and impairment, if any. The cost of an asset includes the purchase price, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.
- ii). Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.:

Category of Asset	Estimated Useful life
Furniture and Fixture	5 years
Moulds	2 years
Desktops and Laptops	4 years
Vehicles	5 years

2.04 Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and impairment, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The estimated useful life for each category is as under :

Category of Asset	Estimated Useful life
Computer Software	5 Years



2. Summary of Significant Accounting Policies

2.05 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. Recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss recognised on asset is reversed when the conditions warranting impairment provision no longer exists.

2.06 Inventories

Raw Materials are valued at cost comprising purchase price, freight and handling, non-refundable taxes and duties and other directly attributable costs and carried at lower of cost and net realisable value.

Work-in-progress is carried at lower of cost and net realisable value.

Finished products are valued 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 nonmoving items.

Cost of inventories are ascertained on the "weighted average" basis.

2.07 Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis over the lease term.

2.08 Revenue recognition

i). Income from operation

Revenue from sale of goods is recognised in the statement of profit and loss when the significant risks and rewards of ownership of the goods have been transferred to the buyer. Revenue includes consideration received or receivable, excise duty but net of discounts and other sales related taxes.

ii). Export Incentives

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

iii). Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.09 Foreign Currency Transactions

Foreign currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in currencies other than the reporting currency and foreign exchange contracts remaining unsettled are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, other than long-term foreign currency monetary items are included in the statement of profit and loss.

The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Foreign Currency forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 - Effects of Changes in Foreign Exchange Rates. The difference between the contract rate and spot rate on the date of transaction is recognised as premium/discount and recognised over the life of the contract. Exchange differences arising on account of remeasurement and gains and losses arising on account of roll over/cancellation of foreign currency forward contracts are recognised in the statement of profit and loss.

2.10 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.



2. Summary of Significant Accounting Policies

2.11 Employee Benefits

Short term Benefits

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 related service is rendered.

Defined Contribution Plans

Defined contribution plans are those plans where the Company pays fixed contributions to a fund managed by government authorities. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company provides Provident Fund benefits to all employees, Employee State Insurance to covered employees and Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries.

Defined Benefit Plans

The Company provides Gratuity to its employees. Gratuity liabilities are funded through a separate trust with its funds managed by Life Insurance Corporation of India. The present value of these defined benefit obligations are ascertained using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognised past service costs. All actuarial gains and losses are recognised in the Statement Profit and Loss in full in the year in which they occur.

Long Term Employee Benefit Plans

The Company provides benefits in the nature of Compensated absences to its employees. The liability towards compensated absence is not funded. The present value of these defined benefit obligations are determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans). All actuarial gains and losses are recognised in the Statement Profit and Loss in full in the year in which they occur.

2.12 Taxes on Income

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.



2. Summary of Significant Accounting Policies

2.13 Provisions, Contingent liabilities and Contingent assets

Provision

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if the Company has a present obligation as a result of past event, a probable outflow of resources is expected to settle the obligation and the amount of the obligation can be reliably estimated.

Contingent Liabilities and Assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent Assets are neither recognised nor disclosed.

2.14 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity together with any dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.16 Cash and Cash Equivalents

Cash comprises cash on hand and balances in current accounts with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.17 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns, internal organisation and management structure and the internal performance reporting systems. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocable asset/liabilities".



3. Share Capital

	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
Authorised:		
183,000,000 Equity Shares of Rs. 10 each	1,830,000,000	1,830,000,000
<i>(31.03.2015: 183,000,000 Equity Shares of Rs. 10 each)</i>		
4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each (31.03.2015: 4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each)	420,000,000	420,000,000
	<u>2,250,000,000</u>	<u>2,250,000,000</u>
Issued:		
179,400,007 Equity Shares of Rs. 10 each	1,794,000,070	1,794,000,070
<i>(31.03.2015: 179,400,007 Equity Shares of Rs. 10 each)</i>		
4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each (31.03.2015: 4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each)	420,000,000	420,000,000
	<u>2,214,000,070</u>	<u>2,214,000,070</u>
Subscribed and fully paid up:		
179,400,007 Equity Shares of Rs. 10 each	1,794,000,070	1,794,000,070
<i>(31.03.2015: 179,400,007 Equity Shares of Rs. 10 each)</i>		
4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each (31.03.2015: 4,200,000 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 each)	420,000,000	420,000,000
	<u>2,214,000,070</u>	<u>2,214,000,070</u>



Notes to the Financial Statements

3. Share Capital

Details of shares held by holding company

	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	%	No. of Shares	%
Tata Metaliks Limited				
Equity Shares	179,400,007	100%	179,400,007	100%
8% Non-Cumulative Redeemable Preference Shares of Rs.100 each	4,200,000	100%	4,200,000	100%

Details of shares held by other shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	%	No. of Shares	%
Equity Shares				
Tata Metaliks Limited	179,400,007	100%	179,400,007	100%
8% Non-Cumulative Redeemable Preference Shares of Rs.100 each	4,200,000	100%	4,200,000	100%

Reconciliation of Number of shares

Equity Shares

	For the year ended 31.03.2016		For the year ended 31.03.2015	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Issued:				
At the beginning of the year	179,400,007	1,794,000,070	179,400,007	1,794,000,070
Issued during the year	-	-	-	-
At the end of the year	179,400,007	1,794,000,070	179,400,007	1,794,000,070
Subscribed and fully paid up:				
At the beginning of the year	179,400,007	1,794,000,070	179,400,007	1,794,000,070
Issued during the year	-	-	-	-
At the end of the year	179,400,007	1,794,000,070	179,400,007	1,794,000,070



Notes to the Financial Statements

3. Share Capital

Reconciliation of Number of shares

	For the year ended 31.03.2016		For the year ended 31.03.2015	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
8% Non Cumulative Redeemable Preference Shares				
Issued:				
At the beginning of the year	4,200,000	420,000,000	4,200,000	420,000,000
Issued during the year	-	-	-	-
At the end of the year	4,200,000	420,000,000	4,200,000	420,000,000
Subscribed and fully Paid up:				
At the beginning of the year	4,200,000	420,000,000	4,200,000	420,000,000
Issued during the year	-	-	-	-
At the end of the year	4,200,000	420,000,000	4,200,000	420,000,000

Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. 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. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preference Shares

Non-cumulative redeemable preference shares having a par value of Rs.100 carry a fixed rate of dividend of 8%. The dividends proposed by the board of directors are subject to approval of the members in the ensuing annual general meeting. The dividends are not accumulated in case it is not approved in the annual general meeting. 700,000 (Seven Lakh) preference shares issued on 29 March 2013 are redeemable at par value on 1 April 2016, which has been further extended for a period of 3 years on same terms and condition and 3,500,000 (Thirty Five Lakh) preference shares issued on 27 March 2014 are redeemable at par value on 1 April 2017. In case of liquidation the preference shareholders will have preference over the equity shareholders over the distribution of the remaining assets of the Company, but shall not have any further or other right to participate either in profits or assets. The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not have 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.

4. Reserves and Surplus

	As at	As at
	31.03.2016 Rs.	31.03.2015 Rs.
Deficit in Statement of Profit and Loss		
Balance at the beginning of the year	(1,888,263,666)	(2,130,063,796)
Profit for the year	721,831,221	254,786,319
Carrying Value of Fixed Assets adjusted (Refer Note: 9)	-	(12,986,189)
Balance at the end of the year	(1,166,432,445)	(1,888,263,666)



Notes to the Financial Statements

5. Borrowings

	As at 31.03.2016		As at 31.03.2015	
	Long-term	Short-term	Long-term	Short-term
	Rs.	Rs.	Rs.	Rs.
A. Secured				
(a). Term loans				
i). From banks	91,406,250	-	250,324,350	-
ii). From others	-	-	38,461,200	-
(b). Buyer's Credit	-	115,126,750	-	-
Total Secured Borrowings	91,406,250	115,126,750	288,785,550	-
B. Unsecured				
(a). Loan from Holding Company	-	-	-	51,000,000
Total Unsecured Borrowings	-	-	-	51,000,000
Total Borrowings	91,406,250	115,126,750	288,785,550	51,000,000



Tata Metaliks DI Pipes Limited
Notes to the Financial Statements

5. Borrowings

(a) Nature of Security and terms of Repayment	As at 31.03.2016			As at 31.03.2015		
	Long-term	Short-term	Current Maturities of long term debt (refer note 8)	Long-term	Short-term	Current Maturities of long term debt (refer note 8)
SECURED						
Term loans from Banks						
Sumitomo Mitsui Banking Corporation	-	-	39,259,050	37,043,100	-	148,172,400
The Federal Bank Limited	91,406,250	-	121,875,000	213,281,250	-	121,875,000
Term loans from Others						
Tata Capital Limited	-	-	38,461,200	38,461,200	-	76,923,200
Buyer's Credit						
Indusind Bank Limited	-	115,126,750	-	-	-	20,240,850
	<u>91,406,250</u>	<u>115,126,750</u>	<u>199,595,250</u>	<u>288,785,550</u>	<u>-</u>	<u>367,211,450</u>
UNSECURED						
Loan from Holding Company	-	-	-	-	51,000,000	-
Total Unsecured	-	-	-	-	51,000,000	-
Total Borrowings	<u>91,406,250</u>	<u>115,126,750</u>	<u>199,595,250</u>	<u>288,785,550</u>	<u>51,000,000</u>	<u>367,211,450</u>

Repayment terms

Denominated in US\$. Repayable in 20 quarterly instalments Sumitomo Mitsui Banking Corporation is secured by way of first charge on all the present and future movable fixed assets of the Company ranking pari passu with other term lenders and Guaranteed by Tata Metaliks Limited to the extent of 51%.

Repayable in 16 quarterly instalments commencing from February 2014 and ending in November 2017.

Secured by way of first pari passu charge on the entire movable fixed assets (present and future) of the Company.

Repayable in 12 quarterly instalments of Rs. 19,230,800 and balance of Rs. 19,230,400 in 13th quarter, commencing from June 2013 and ending in July 2016.

Buyer's Credit from Banks are repayable at the end of three/ six months from the respective dates of disbursement which are falling due from May 2016.

Secured by way of first pari passu charge on entire movable fixed assets both present & future.

Repayable after 180 days from 23 November 2012 with an option to rollover at the time of maturity. The loan has been rolled over six times for 6 months on 22 May 2013, 18 November 2013, 17 May 2014, 13 Nov 2014, 12 May 2015 and 8 Nov 2015. ICD has been repaid on 9 Mar 2016.



6. Provisions

	As at 31.03.2016		As at 31.03.2015	
	Long-term	Short-term	Long-term	Short-term
	Rs.	Rs.	Rs.	Rs.
(a). Provision for employee benefits				
i). Post-employment Defined Benefits				
Retiring Gratuity	9,825,335	-	6,382,190	-
ii). Other Employee Benefits - Compensated absence	23,040,759	135,317	18,399,700	108,060
(b). Provision for entry tax & others	-	24,140,304	-	8,602,711
Total Provisions	32,866,094	24,275,621	24,781,890	8,710,771

7. Trade Payable

	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
(a). Outstanding dues of micro enterprises and small enterprises		
Creditors for supplies and services	1,182,731	4,578,638
Total outstanding dues of micro enterprises and small enterprises	1,182,731	4,578,638
(b). Outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Creditors for supplies and services	2,599,913,007	1,916,427,144
(ii) Creditors for accrued wages and salaries	55,572,661	39,461,683
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,655,485,668	1,955,888,827
Total Trade Payables	2,656,668,399	1,960,467,465

8. Other Current Liabilities

(a). Current maturities of long-term debt (refer Note (i) below)	199,595,250	367,211,450
(b). Interest accrued but not due on borrowings	2,346,742	5,033,292
(c). Advances received from customers	65,301,743	74,843,008
(d). Creditors for other liabilities		
i). Creditors for capital goods	173,929,620	105,208,768
ii). Employee recoveries and employer contributions	2,614,421	2,203,743
iii). Statutory dues (Excise duty, service tax, sales tax, TDS etc.)	21,995,161	13,899,014
iv). Derivatives - Foreign currency forward contract	8,143,706	481,407
Total Other Current Liabilities	473,926,643	568,880,682

Note:

(i) Current maturities of long-term debt (refer Note 5 Long-term borrowings for details of security and guarantee.)

Secured

(a). Term loans		
i). From banks	161,134,050	270,047,400
ii). From others	38,461,200	76,923,200
(b). Buyer's Credit	-	20,240,850
Total Current Maturities of Long Term Debt	199,595,250	367,211,450



Tata Metaliks DI Pipes Limited
Notes to the Financial Statements
9 Tangible assets
(OWNED)

Rs.

As at 31.03.2016	Factory Buildings	Non Factory Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Data Processing Equipments	Total Tangible Assets
Cost at beginning of the period	275,208,161	173,047,230	1,860,127,556	4,868,762	6,999,116	3,545,638	32,975,027	2,356,771,490
Additions	-	31,688,858	176,315,459	8,070,932	2,619,085	2,254,649	4,189,304	225,138,287
Exchange differences capitalised	1,448,389	443,947	9,127,248	-	-	-	-	11,019,584
Disposals & other adjustments	-	-	11,397,778	-	-	750,000	849,264	12,997,042
Cost at end of the period	276,656,550	205,180,035	2,054,172,485	12,939,694	9,618,201	5,050,287	36,315,067	2,579,932,319
Depreciation at beginning of the period	51,522,451	22,764,374	623,508,784	3,466,658	6,241,702	1,387,085	29,489,051	738,380,105
Charge for the period (Refer Note 3)	9,358,564	9,689,111	189,684,948	1,564,310	782,481	926,471	1,621,191	193,627,056
Disposals & other adjustments	-	-	11,397,778	-	-	259,794	849,264	12,506,836
Depreciation at end of the period	60,881,015	32,453,485	781,795,954	5,030,968	7,024,183	2,053,762	30,260,978	919,500,325
Net book value at beginning of the period	223,685,710	150,282,856	1,236,618,772	1,402,104	757,414	2,188,553	3,485,976	1,618,391,385
Net book value at end of the period	215,775,535	172,726,550	1,252,376,531	7,909,726	2,594,038	2,996,525	6,054,089	1,660,431,994
As at 31.03.2015	Factory Buildings	Non Factory Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Data Processing Equipments	Total Tangible Assets
Cost at beginning of the year	273,689,885	127,645,354	1,772,073,282	4,320,781	6,694,372	3,551,865	30,369,552	2,218,345,091
Additions	-	44,936,510	109,087,283	547,981	304,744	600,000	2,605,475	158,081,993
Exchange differences capitalised	1,518,276	465,366	9,151,049	-	-	-	-	11,134,691
Disposals & other adjustments	-	-	30,184,058	-	-	606,227	-	30,790,285
Cost at end of the year	275,208,161	173,047,230	1,860,127,556	4,868,762	6,999,116	3,545,638	32,975,027	2,356,771,450
Depreciation at beginning of the year	42,249,375	9,045,291	474,141,307	1,976,105	2,159,360	788,733	23,665,354	554,025,526
Charge for the year	9,273,076	6,408,809	160,758,187	1,490,552	1,608,155	1,204,579	2,634,985	183,378,343
Transition adjustment recorded against deficit balance in Statement of Profit and Loss (Refer Note 2)	-	7,310,274	13,016	-	2,474,187	-	3,188,712	12,966,189
Disposals	-	-	11,403,726	-	-	606,227	-	12,009,953
Depreciation at end of the year	51,522,451	22,764,374	623,508,784	3,466,658	6,241,702	1,387,085	29,489,051	738,380,105
Net book value at beginning of the year	231,440,510	118,600,063	1,297,931,975	2,344,675	4,535,012	2,763,132	6,704,198	1,664,319,565
Net book value at end of the year	223,685,710	150,282,856	1,236,618,772	1,402,104	757,414	2,188,553	3,485,976	1,618,391,385

Note:

- Depreciation on building and Plant and Machinery for the period includes adjustment of Rs. 366,046 (31.03.2015; Rs. 280,619) and Rs. 2,360,631 (31.03.2015; Rs. 1,758,949) respectively on account of depreciation attributable to exchange fluctuations on long term foreign currency loans for purchase/cost of construction of building and Plant and Machinery.
- The Company during the year ended 31.03.2015, has revised its estimates of useful life of its fixed assets as prescribed in Part C of Schedule II of the Companies Act, 2013, except for vehicles and furniture for which an useful life of 5 years have been considered. Due to above revision, cases where the carrying amount net of residual value of the assets for the beginning of the period has been adjusted with the opening balance of retained earnings.
- During the period, the Company has carried out componentisation study with the help of an external valuer due to which depreciation for the period is lower by Rs. 3,759,210. Further, the Company has re-classified certain assets based on the above study and resultant impact amounting to Rs. 4,959,628 has been adjusted with depreciation charge for period.



Notes to the Financial Statements

10. Intangible assets
(Acquired)

Rs.

As at 31.03.2016

	Computer Software	Total Intangible Assets
Cost at beginning of the year	1,573,062	1,573,062
Additions	1,071,000	1,071,000
Cost at end of the year	2,644,062	2,644,062
Amortisation at beginning of the year	832,016	832,016
Charge for the year	300,353	300,353
Amortisation at end of the year	1,132,369	1,132,369
Net book value at beginning of the year	741,046	741,046
Net book value at end of the year	1,511,693	1,511,693

As at 31.03.2015

	Computer Software	Total Intangible Assets
Cost at beginning of the year	1,573,062	1,573,062
Additions	-	-
Cost at end of the year	1,573,062	1,573,062
Amortisation at beginning of the year	535,760	221,148
Charge for the year	296,256	296,256
Amortisation at end of the year	832,016	832,016
Net book value at beginning of the year	1,037,302	1,037,302
Net book value at end of the year	741,046	741,046



Notes to the Financial Statements

11. Loans and Advances

	As at 31.03.2016		As at 31.03.2015	
	Long-term	Short-term	Long-term	Short-term
	Rs.	Rs.	Rs.	Rs.
(a). Capital advances	1,874,680	-	1,888,191	-
(b). Security deposits	37,934,575	82,337,790	39,065,437	62,429,094
(c). Advance with public bodies	-	343,280,415	-	280,279,314
(d). Other loans and advances				
i). Retirement benefit assets				
a). Superannuation fund	-	4,245,261	-	1,219,851
ii). Prepayments and others	-	15,157,423	-	11,111,951
iii). Advance income tax [Net of Provision for tax Rs. 119,069,971 (31.03.2015 :Rs.2,969,971)]	8,472,016	-	3,302,513	-
Total Loans and Advances	48,281,271	445,020,889	44,256,141	355,039,910
Classification of loans and advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	48,281,271	445,020,889	44,256,141	355,039,910
Doubtful	-	-	-	-
Gross Loans and advances	48,281,271	445,020,889	44,256,141	355,039,910

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
12. Other Non-current assets		
(a). Balances held as margin money deposits with maturity period of more than 12 months.	-	13,858,520
(b). Interest accrued on deposits, loans and advances	-	7,871,650
(c). Unamortised long term loan issue expenses	596,342	2,128,413
Total Other Non Current assets	596,342	23,858,483

13. Inventories

(a). Raw materials (At lower of cost and net realisable value)	13,489,212	20,074,519
(b). Work in progress (At lower of cost and net realisable value)	109,969,995	112,864,893
(c). Finished goods (At lower of cost and net realisable value)	154,587,888	81,618,884
(d). Stores and spares (At or lower than cost)	123,408,376	96,415,841
Total Inventories	401,455,471	310,994,137
Included above, goods-in-transit:		
(a). Stores and spares	3,053,703	-



	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
14. Trade Receivables		
i). More than six months (from the date they were due for payment)		
Considered good	57,817,905	28,110,061
Considered doubtful	11,449,520	3,888,963
Less: Provision for bad and doubtful debts	11,449,520	3,888,963
	-	-
ii). Others - Considered good	1,359,983,114	665,315,673
Net Trade Receivables	1,417,801,019	693,425,734
Classification of Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	1,417,801,019	693,425,734
Doubtful	11,449,520	3,888,963
Total Trade Receivables	1,429,250,539	697,314,697
15. Cash and Bank Balances		
Cash and Cash equivalents		
(a). Cash on hand	3,546	12,303
(b). Cheques on hand	-	48,750
(c). Balances with banks		
In Current Accounts	14,376,870	11,985,217
Total cash and cash equivalents	14,380,416	12,046,270
16. Other Current Assets		
(a). Unamortised long term loan issue expenses	1,527,215	1,796,769
(b). Deferred premium on forward contract	3,981,248	370,105
Total Other current assets	5,508,463	2,166,874



	For the Year ended 31.03.2016 Rs.	For the Year ended 31.03.2015 Rs.
17. Revenue from Operations		
(a). Sale of products	6,398,253,889	5,992,043,653
(b). Other operating income (refer note (i) below)	45,914,519	50,682,820
Gross Revenue from Operations	6,444,168,408	6,042,726,473
Note		
(i) Other operating revenue comprise:		
(a). Sale of miscellaneous scrap (net of excise)	32,869,611	35,005,135
(b). Duty drawback and other export incentives	13,044,908	15,677,685
	45,914,519	50,682,820
18. Other Income		
(a). Interest received on sundry advances, deposits, customers' balances etc.	5,521,972	1,915,236
(b). Liabilities no longer required written back	1,292,153	29,467,833
Total Other Income	6,814,125	31,383,069
19. Cost of Materials Consumed		
Raw Material Consumed		
i). Opening Stock	20,074,519	31,283,899
ii). Add: Purchases	2,950,875,566	3,198,604,792
	2,970,950,085	3,229,888,691
iii). Less: Closing Stock	13,489,212	20,074,519
	2,957,460,873	3,209,814,172
Raw Material Consumed comprises:		
(a). Molten metal	2,559,382,361	2,695,574,861
(b). Steel scrap	44,461,714	133,640,274
(c). Others	353,616,798	380,599,037
	2,957,460,873	3,209,814,172
20. Changes in stock of finished goods and work-in-progress		
Stock at the beginning of the year		
(a). Finished goods	81,618,884	166,652,288
(b). Work-in-progress	112,884,893	87,702,869
	194,503,777	254,355,157
Stock at the end of the year		
(a). Finished goods	154,587,888	81,618,884
(b). Work-in-progress	109,969,995	112,884,893
	264,557,883	194,503,777
Changes in stock of finished goods and work-in-progress	(70,054,106)	59,851,380
21. Employee Benefits Expense		
(a). Salaries and wages, including bonus	278,779,466	222,623,008
(b). Contribution to provident and other funds	26,790,908	26,790,631
(c). Staff welfare expenses	17,625,066	16,190,768
Total Employee Benefits Expense	323,195,440	265,604,407



	For the Year ended 31.03.2016 Rs.	For the Year ended 31.03.2015 Rs.
22. Finance Costs		
(a). Interest expense		
i). Interest on fixed loans	43,184,780	84,306,839
(b). Other borrowing costs	5,129,546	6,775,845
Total Finance cost	48,314,326	91,082,684
23. Depreciation and Amortisation Expense		
Depreciation on tangible assets as per Note 9.	193,627,056	183,378,343
Amortisation on Intangible assets as per Note 10.	300,353	296,256
Total Depreciation and amortisation	193,927,409	183,674,599
24. Other Expenses		
(a). Stores and spares consumed	447,986,135	466,281,889
(b). Repairs to buildings	3,640,866	1,604,575
(c). Repairs to machinery	22,068,948	23,166,578
(d). Repairs to others	29,638,537	25,104,038
(e). Fuel	87,808,108	67,730,689
(f). Purchase of power	287,638,673	282,774,348
(g). Freight and handling charges	588,522,993	507,301,093
(h). Rent	10,882,046	9,003,125
(i). Rates and taxes	324,918,937	281,312,311
(j). Insurance charges	8,647,969	6,807,712
(k). Commission on sales	110,053,748	118,293,545
(l). Excise duties [Refer Note 27]	8,107,667	(9,263,578)
(m). Bad Debts written-off	-	50,461
(n). Provison for Doubtful debts	7,560,557	3,461,235
(o). Other expenses		
i). Loss/ (gain) on foreign currency transactions	(7,025,493)	(3,263,595)
ii). Loss/ (gain) on cancellation of forward contracts	513,079	955,147
iii). Amortisation of forward premium	10,472,658	7,439,923
iv). Loss/ (gain) on fixed assets discarded	(744,325)	15,792,930
v). Auditors remuneration and out-of-pocket expenses		
Audit Fee	747,500	650,000
Tax Audit Fee	100,000	100,000
Other Services	354,250	650,000
Auditors out-of-pocket expenses	38,621	5,600
vi). Legal and other professional costs	5,236,575	5,325,146
vii). Advertisement, promotion and selling expenses	1,302,362	1,615,330
viii). Travelling expenses	19,392,903	14,671,287
ix). Testing & Inspection Charges	19,821,778	15,476,328
x). Bank charges	3,836,738	3,591,912
xi). Other general expenses	55,304,354	28,639,117
Total Other Expenses	2,046,826,184	1,875,279,144



	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
25. Capital and Other Commitments		
(a). Capital Commitments		
Estimated value of contracts in capital account remaining to be executed (net of advances)	167,469,172	38,585,820
(b). Other Commitments		
Export Obligation against import of capital goods under EPCG Scheme	729,749,777	421,587,829
	For the year ended	For the year ended
	31.03.2016	31.03.2015
	Rs.	Rs.
26. CIF Value of Imports		
i). Raw materials	-	2,545,620
ii). Components, store and spares	100,833,630	108,289,524
iii). Capital Goods	245,174,919	169,662,001
27. Expenditure in Foreign Currency (On accrual basis)		
i). Interest	2,669,683	5,747,066
ii). Technical fees	1,025,492	849,649
iii). Foreign Travel	1,661,100	1,098,980
iv). Commission on exports	617,807	1,020,645
v). Advertisement	-	359,150
28. Earnings in Foreign currency		
i). Export Sales (FOB Value)	215,666,235	268,773,348

29. Consumption of Imported and Indigenous Materials

	For the year ended 31.03.2016		For the year ended 31.03.2015	
	%	Rs.	%	Rs.
Consumption of Imported and Indigenous				
a). Raw Materials consumed				
- Indigenous	100.00%	2,957,460,873	99.83%	3,204,381,795
- Imported	-	-	0.17%	5,432,377
	100.00%	2,957,460,873	100.00%	3,209,814,172
b). Stores and Spare parts				
- Indigenous	76.22%	322,593,606	74.85%	331,259,207
- Imported	23.78%	100,670,041	25.15%	111,305,658
	100.00%	423,263,647	100.00%	442,564,865

30. Earnings Per Share

	For the Year ended 31.03.2016	For the Year ended 31.03.2015
	Rs.	Rs.
i). Profit for the period attributable to equity shareholders	721,831,221	254,786,319
ii). Weighted average no. of equity shares for basic and diluted EPS (Nos)	179,400,007	179,400,007
iii). Nominal value per equity share (Rs.)	10	10
iv). Earnings Profit per equity share for the year (Rs.) - Basic	4.02	1.42
v). Earnings Profit per equity share for the year (Rs.) - Diluted	4.02	1.42



Notes to the Financial Statements

31. Details of Excise duty pertaining to (accretion)/reduction to stock of finished goods is as under

i). On Opening Stock	9,068,767	18,332,345
ii). On Closing Stock	17,176,434	9,068,767
	<u>8,107,667</u>	<u>(9,263,578)</u>

32. Unhedged Foreign Currency exposures

The foreign currency exposures at the year end that have not been hedged by a derivative instrument or other wise are given below

	As at 31.03.2016		As at 31.03.2015	
	Foreign Currency	Amount Rs.	Foreign Currency	Amount Rs.
a). i). Creditors for capital imports (USD)	873,500	57,878,110	1,549,400	96,868,488
ii). Creditors for capital imports (GBP)	-	-	9,899	916,823
iii). Creditors for capital imports (EUR)	2,600	196,864	-	-
b). i). Creditors for other goods (USD)	-	-	15,290	955,931
ii). Creditors for other goods (EUR)	-	-	32,036	2,149,322
c). Advance from customers (EUR)	-	-	15,343	1,028,774
d). i). Advance for other goods (EUR)	32,472	2,447,707	112,979	7,579,748
ii). Advance for other goods (GBP)	505	48,037	1,925	178,294
e). Receivables against export of goods (USD)	1,045,234	69,246,764	449,597	28,090,847
f). Interest payable (USD)	6,390	423,422	16,372	1,023,552
g). Loan payable (USD)	-	-	2,693,750	168,413,250

33. Derivative Instruments

a). Outstanding Interest Rate Swap to hedge against fluctuations in interest rate changes:

As at	No. of Contracts	Foreign Currency	INR Equivalent Rs.
31.03.2016 (USD)	1	2,383	157,865
31.03.2015 (USD)	1	58,447	3,654,137

b). Outstanding short-term forward exchange contracts entered into by the Company on account of payables

Including forecast payables :

As at	No. of Contracts	Foreign Currency	INR Equivalent Rs.
31.03.2016 (USD)	11	2,664,100	176,523,266
31.03.2016 (EUR)	1	150,000	11,357,550
31.03.2015 (USD)	1	592,500	37,043,100
31.03.2015 (EUR)	-	-	-

c). Outstanding short-term forward exchange contracts entered into by the Company on account of receivables :

As at	No. of	Foreign	INR Equivalent
31.03.2016	-	-	-
31.03.2015	-	-	-

34. Disclosure in respect of Long-term Foreign Currency Monetary Items

Foreign exchange translation loss for the period ended on long term-foreign currency loan amounting to Rs.11,019,584 (Previous period Rs. 11,134,691) availed for purchase of capital assets has been capitalised and is included under the applicable fixed assets classification.

	For the Year ended 31.03.2016 Rs.	For the Year ended 31.03.2015 Rs.
Foreign exchange loss capitalised in the fixed assets block	11,019,584	11,134,691
Depreciation impact on account of exchange fluctuation capitalised during the period	312,152	271,692
Depreciation impact on account of exchange fluctuation capitalised till 31 March 2016	2,727,405	2,039,468



35. Segment Reporting

The Company has identified geographic segments as its primary segment. Geographic segments are primarily India, Asia excluding India and Africa. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Geographical revenues are allocated based on the location of the customer.

Particulars	India	Asia Excl.India	Others	Total	
Revenue					
Total External Sales	6,104,710,378	72,134,698	153,942,146	6,330,787,222	
	5,614,039,977	145,161,538	149,508,121	5,908,709,636	
Total Revenue	6,104,710,378	72,134,698	153,942,146	6,330,787,222	
	5,614,039,977	145,161,538	149,508,121	5,908,709,636	
Segment Result	821,126,421	15,672,000	43,925,154	880,723,575	
	280,412,477	23,344,840	40,196,450	343,953,767	
Interest expenses				48,314,326	
				91,082,684	
Interest income				5,521,972	
				1,915,236	
Profit before tax				837,931,221	
				254,786,319	
Tax Expenses				116,100,000	
				-	
Net Profit after tax				721,831,221	
				254,786,319	
Particulars	India	Asia Excl.India	Others	Unallocable	Total
Segment Assets	4,364,118,602	4,361,674	64,885,090	8,472,016	4,441,837,382
	3,196,969,424	7,249,880	20,840,945	3,302,513	3,228,362,762
Segment Liabilities	2,988,141,507	-	-	-	2,988,141,507
	2,195,629,358	-	-	-	2,195,629,358
Total Cost incurred during the period to acquire segment assets	521,086,885	-	-	-	521,086,885
	162,708,629	-	-	-	162,708,629
Segment Depreciation	193,927,409	-	-	-	193,927,409
	183,674,599	-	-	-	183,674,599
Non Cash expenses other than depreciation	8,050,763	-	-	-	8,050,763
	16,830,793	-	-	-	16,830,793

Note: Figures disclosed in *italics* are for the previous year

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Unallocable liabilities excludes		
Secured Loans	206,533,000	288,786,660
Unsecured Loans	-	51,000,000
Current maturities of long term debts	199,595,250	367,211,450
	406,128,250	706,997,000



Notes to the Financial Statements

36. Leases

As a lessee :

(i) Operating lease:

The company has entered into a non-cancellable operating lease for motor vehicles, and the lease rental expenses recognised for the year is **Rs. 367,160** (Previous year : Rs. 367,160). The lease agreement provides for an option to the company to renew the lease period at the end of the non-cancellable period. There are no exceptional/ restrictive covenants in the lease agreements.

The totals of future minimum lease payments under non-cancellable operating lease as at 31.03.2016 are as follows:

Minimum Lease Payments

Sl No	Particulars	As at 31.03.2016	As at 31.03.2015
		Rs.	Rs
i).	Payable not later than one year	289,795	366,740
ii).	Payable later than one year and not later than five years	-	289,795
iii)	Payable later than five years	-	-

37. 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

Description	As at 31.03.2016	As at 31.03.2015
i). The principal amount remaining unpaid to supplier as at the end of the year	1,182,731	4,578,638
ii). The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-



Notes to the Financial Statements

38. Related Party Transactions

Related party relationship:

Name of the related party	Nature of Relationship
Tata Steel Limited	Promoter Company/Ultimate parent
Tata Metaliks Limited	Promoter Company/Immediate parent
Tata Steel Processing and Distribution Limited	Fellow Subsidiary
Jamshedpur Utilities & Services Company Limited	Fellow Subsidiary
TKM Global Logistics Limited	Fellow Subsidiary
Tayo Rolls Limited	Fellow Subsidiary
Tata Pigments Limited	Fellow Subsidiary
Key Management Personnel	
Mr. Sudhin Chandra Mitter	CEO & Executive Director [Resigned w.e.f. 08 April 2016]
Mr. Joydeep Seal	Chief Financial Officer [From 22 April 2014]
Ms. Jyoti Purohit	Company Secretary [From 7 October 2010 to 29 January 2015]

Related party Transactions

Rs.

Nature of transaction	Name of the related party	For the	For the
		Year ended 31.03.2016	Year ended 31.03.2015
Rent Paid	Tata Steel Limited	1,462,096	1,786,873
	Tata Metaliks Limited	6,012,486	5,702,746
Loan from Holding Company	Tata Metaliks Limited	51,000,000	51,000,000
Purchase of materials	Tata Metaliks Limited	3,080,828,493	3,201,875,699
	Tata Steel Processing and Distribution Limited	8,336,135	-
	Tata Steel Limited	-	12,439
	Tata Pigments Limited	503,815	-
Reimbursement of expenses	Tata Metaliks Limited	799,398	576,120
Sale of materials	Jamshedpur Utilities & Services Company Limited	3,231,470	35,438,489
	Tayo Rolls Limited	-	5,264,576
Receiving of Services	TKM Global Logistics Limited	3,456,267	4,381,864
Remuneration paid	Mr. Sudhin Chandra Mitter	6,074,887	4,963,973
	Mr. Joydeep Seal	2,807,630	2,043,986
	Ms. Jyoti Purohit	-	784,476
Nature of transaction	Name of the related party	As at	As at
		31.03.2016	31.03.2015
		Rs.	Rs.
Outstanding payables	Tata Steel Limited	68,101	523,820
	Tata Metaliks Limited	2,140,231,506	1,597,425,594
	TKM Global Logistics Limited	-	176,041
Outstanding receivables	Jamshedpur Utilities & Services Company Limited	-	4,731,020
Loan from Holding Company	Tata Metaliks Limited	-	51,000,000
Other payables	Tayo Rolls Limited	173,534	173,534



39. Employee Benefits

Defined Contribution plans

The Company has recognised an amount of Rs. 20,648,788 in expenses for the year ended 31.03.2016 (Previous year Rs. 18,614,161) towards contribution to the following defined contribution plans:

	For the Year ended 31.03.2016	For the Year ended 31.03.2015
	Rs.	Rs.
Provident Fund	12,894,894	10,870,136
Superannuation Fund	6,641,367	5,658,417
Employees State Insurance	1,112,527	2,085,608
Total	20,648,788	18,614,161

Defined Benefit Plans

The Company provided the following employee benefits

Funded : Gratuity

Non Funded: Compensated absence

Details of the Gratuity Plan are as follows

Description	2015-16	2014-15
	Rs.	Rs.
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	18,750,520	10,026,360
b. Current service cost	4,379,730	2,855,810
c. Interest cost	1,437,910	907,320
d. Actuarial (gain)/loss	1,463,650	5,289,470
e. Benefits paid	631,630	328,440
f. Obligation as at end of the year	25,400,180	18,750,520
2. Change in fair value of plan assets		
a. Fair value of plan assets as at beginning of the year	12,368,330	9,122,690
b. Expected return on plan assets	1,139,170	876,130
c. Actuarial gain/(loss)	-	-
d. Contributions made by the company	2,698,980	2,697,950
e. Benefits paid	631,630	328,440
f. Fair value of plan assets as at end of the year	15,574,850	12,368,330
3. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation as at 31.03.2016	25,400,180	18,750,520
b. Fair value of plan assets as at 31.03.2016	15,574,850	12,368,330
c. Amount recognised in the balance sheet Asset/(Liability)	(9,825,330)	(6,382,190)



Tata Metaliks DI Pipes Limited

Notes to the Financial Statements

39. Employee Benefits

	2015-16	2014-15
	Rs.	Rs.
4. Expenses recognised during the year		
a. Current service cost	4,379,730	2,855,810
b. Interest cost	1,437,910	907,320
c. Expected return on plan assets	(1,139,170)	(876,130)
d. Actuarial (gain)/loss	1,463,650	5,289,470
e. Expenses recognised during the year	6,142,120	8,176,470

5. Investment details	% invested	% invested
Others (Funds with Life Insurance Corporation of India) #	100	100

The breakup of the fund assets are not provided by the insurance company.

6. Assumptions	%	%
a. Discount rate (per annum)	7.75%	7.80%
b. Estimated rate of return on plan assets (per annum)	8.50%	8.50%
c. Rate of escalation in salary	7.50%	7.50%

7. Experience adjustments	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
a. Present value of obligation	25,400,180	18,750,520	10,026,360	4,906,532	2,801,832
b. Fair value of plan assets	15,574,850	12,368,330	9,122,690	6,570,350	3,376,161
c. Amount recognised in the balance sheet Asset/(Liability)	(9,825,330)	(6,382,190)	(903,670)	1,663,818	574,329
d. Experience adjustments on plan liabilities (gain)/loss	1,222,430	881,720	416,480	(111,980)	108,380
e. Experience adjustments on plan assets (gain)/(loss)	-	-	75,260	2,253,190	-

Details of the Compensated absence Benefit are as follows

Description	2015-16	2014-15
	Rs.	Rs.
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	18,507,760	10,712,870
b. Current service cost	3,762,880	2,439,220
c. Interest cost	1,416,350	969,090
d. Actuarial (gain)/loss	187,880	4,745,240
e. Benefits paid	698,790	358,660
f. Obligation as at end of the year	23,176,080	18,507,760
2. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	23,176,080	18,507,760
b. Fair value of plan assets	-	-
c. Amount recognised in the balance sheet Asset/(Liability)	(23,176,080)	(18,507,760)
3. Expenses recognised during the year		
a. Current service cost	3,762,880	2,439,220
b. Interest cost	1,416,350	969,090
c. Actuarial gain/(loss)	187,880	4,745,240
d. Expenses recognised during the year	5,367,110	8,163,550
4. Assumptions	%	%
a. Discount rate (per annum)	7.75%	7.80%
b. Rate of escalation in salary	7.50%	7.50%



39. Employee Benefits

	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
5. Experience adjustments					
a. Present value of obligation	23,176,080	18,507,760	10,712,870	6,470,210	3,971,650
b. Amount recognised in the balance sheet Asset/(Liability)	(23,176,080)	(18,507,760)	(10,712,870)	(6,470,210)	(3,971,650)
c. Experience adjustments on plan liabilities ((gain)/loss)	4,520	1,134,800	2,381,130	1,152,600	778,960
d. Actuarial Gain/(Loss) due to change on assumptions	(183,360)	(3,610,440)	(2,193,200)	(603,560)	245,920

Additional Information

1. The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.
2. Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.
3. Expected rate of return on plan assets is based on the average long term rate of return expected on investments of the Fund during the estimated term of the obligation
4. In the absence of detailed information regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed
5. Net liabilities for gratuities are disclosed in Note 6 under the heading "Post-employment defined benefits.
6. Expenses for retiring gratuities are included under the Contribution to Provident and Other Funds in Note 21(b)



40. Deferred Tax (liability)/Assets

	As at 01.04.2015	Charge/(Credit) to the statement of profit and loss	As at 31.03.2016
	Rs.	Rs.	Rs.
Deferred tax liabilities			
Difference between book depreciation and tax depreciation	245,767,565	8,348,781	254,116,346
	245,767,565	8,348,781	254,116,346
Deferred tax assets			
Unabsorbed losses	(245,767,565)	5,695	(245,761,870)
Entry tax and other provisions	-	(8,354,476)	(8,354,476)
	(245,767,565)	(8,348,781)	(254,116,346)
Net Deferred tax liability/(asset)	-	-	-

The Company has recognised deferred tax asset on brought forward business losses and entry tax and other provisions to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

41. The Board of Directors of the Company in their meeting held on 10 April 2013 has approved a scheme of merger with the ultimate parent company, Tata Steel Limited with an appointed date of 1 April 2013. The application for scheme of merger was submitted before the Hon'ble High Court, Calcutta and Bombay on 13 December 2013. The Hon'ble High Court, Bombay has approved the said scheme on 21 August 2015. However, approval from the Hon'ble High Court, Calcutta is awaited.

42. Previous year's figures have been regrouped/reclassified where necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

Sanjiv Paul
Chairman

Joydeep Seal
Chief Financial Officer

Chitra Paul
Company Secretary

Mumbai, 22 April, 2016

