

Tata Steel International (India) Limited

Balance Sheet as at 31 March, 2016

(Amount in Rs.)

Particulars	Notes		As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	2.1	63,906,970		63,906,970
(b) Reserves and Surplus	2.2	309,740,341	373,647,311	302,937,451
				366,844,421
(2) Non-Current Liabilities				
Deferred tax liabilities (Net)	2.3		-	1,562,220
(3) Current Liabilities				
(a) Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises; and		-		-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2.4	10,527,054		50,050,103
		10,527,054		50,050,103
(b) Other current liabilities	2.5	6,817,222		5,467,449
(c) Short-term provisions	2.6	2,001,990	19,346,266	1,479,748
				56,997,300
Total			392,993,577	425,403,941
II.ASSETS				
(1) Non-current assets				
(a) Fixed assets	2.7			
(i) Tangible assets			189,727,992	209,264,926
(ii) Intangible assets			21,071	53,160
(b) Long term loans and advances	2.8		12,261,933	11,960,260
(2) Current assets				
(a) Current Investments	2.9	78,219,334		95,630,528
(b) Trade receivables	2.10	54,101,967		27,207,731
(c) Cash and Cash Equivalents	2.11	51,905,675		72,102,503
(d) Short-term loans and advances	2.12	6,434,090		9,073,953
(e) Other Current Assets	2.13	321,515		110,880
			190,982,581	204,125,595
Total			392,993,577	425,403,941

Significant Accounting Policies and Notes to financial statements 1

In Terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Joe Pretto
Partner

Mumbai
Date :

For and on behalf of the Board of Directors

Sanjiva Verma
Whole Time Director

Sanjiv Verma
Director

Mumbai
Date :

Tata Steel International (India) Limited

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

(Amount in Rs.)

Particulars	Notes	For the year Ended 31.03.2016	For the year Ended 31.03.2015
Revenue from operations (Gross)	2.14	48,684,846	35,074,418
Other Income	2.15	8,948,792	10,828,589
Total Revenue		57,633,638	45,903,007
<u>Expenses:</u>			
Employee benefit expense	2.16	23,402,547	25,087,783
Depreciation and amortization expense	2.7	5,906,523	6,901,380
Other expenses	2.17	21,390,097	27,810,350
Total Expenses		50,699,167	59,799,513
Profit/(Loss) before Exceptional Items and Tax		6,934,471	(13,896,506)
Exceptional Items			
(a) Provision for impairment of non-current assets		(1,171,560)	-
Profit/(Loss) before Tax		5,762,911	(13,896,506)
Tax expense:			
(1) Current tax		522,242	-
(2) MAT Credit			
(3) Deferred tax Expenses/(benefit)	2.3	(1,562,220)	(5,184,065)
Profit/(Loss) after tax for the year		6,802,889	(8,712,441)
Earning(Loss) per equity share of Rs. 10 per Share	2.23		
(1) Basic		1.06	(1.36)
(2) Diluted		1.06	(1.36)

Significant Accounting Policies and Notes to financial statements 1

In Terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Joe Pretto
Partner

Sanjiva Verma
Whole Time Director

Mumbai
Date :

Sanjiv Verma
Director

Mumbai
Date :

TATA STEEL INTERNATIONAL (INDIA) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2015

	For the year ended 31 March, 2016 Amount (in Rs)	For the year ended 31 March, 2015 Amount (in Rs)
1 CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	5,762,911	(13,896,506)
Adjustments for :		
Depreciation and amortisation	5,906,523	6,901,380
Impairment loss on Fixed Assets	1,171,560	-
Profit on sale of fixed assets / fixed assets written off	(514,777)	375,907
Interest Income	(3,561,988)	(4,553,488)
Dividend Income	(4,588,806)	(6,130,998)
Operating profit before working capital changes	4,175,423	(17,303,705)
(a) Adjustments for (increase)/ decrease in Operating Assets:		
Inventories	-	-
Trade Receivables	(26,894,235)	(10,315,074)
Short Term Loans and Advances	2,639,864	12,212,015
(b) Adjustments for increase/ (decrease) in Operating Liabilities:		
Current Liabilities and Provisions	(38,173,276)	3,478,581
Cash from operations	(58,252,224)	(11,928,183)
Taxes paid	-	-
Net cash (used in) / provided by operating activities	(58,252,224)	(11,928,183)
2 CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(293,147)	(313,191)
Proceeds from sale of fixed assets	13,298,863	83,385
Long Term Loans and Advances	(301,673)	(472,563)
Current Investments	17,411,194	6,383,742
Interest received	3,351,353	4,656,481
Dividend Received from Mutual Funds	4,588,806	6,130,998
Net cash (used in) / provided by investing activities	38,055,396	16,468,852
3 CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	-
Share issue expenses	-	-
Net Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net increase in cash and cash equivalents	(20,196,828)	4,540,669
Cash and cash equivalents as at the beginning of the period	72,102,503	67,561,834
Cash and cash equivalents as at the end of the period, comprising:		
Cash in hand	15,926	17,680
Bank balances and Fixed Deposits	51,889,749	72,084,823
Total	51,905,675	72,102,503
Footnote :		
Cash and Bank balances	2,517,934	3,386,331
Deposits with original maturity over three months	49,387,741	68,716,172
Cash and Cash Equivalent at the end of the year as per Note 2.11	51,905,675	72,102,503

In Terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Joe Pretto
Partner

Sanjiva Verma
Whole Time Director

Mumbai
Date :

Sanjiv Verma
Director

Mumbai
Date :

Tata Steel International (India) Limited

Notes forming part of Financial Statement

Corporate Information

The Company is engaged in the activity of providing business support services to the group companies for Sale of Steel Products in India against commission income.

1. Significant Accounting Policies

1.1 Basis of Accounting

The Financial statement of the Company are prepared under historical cost convention on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof.

1.2 Revenue Recognition

- (a) Sales Comprises sale of goods and services, net of trade discount.
- (b) The Company recognizes commission income on the basis of services rendered and at the time when invoices are raised by the principal on its customers. Minimum Guarantee Fees being determinable after the end of each year, is recognized when the relevant invoices issued by the company.
- (c) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- (d) Interest income is accounted on accrual basis. Dividend income is accounted when right to receive it is established.

1.3 Fixed Assets

(a) Tangible Assets :

All tangible assets are valued at cost less depreciation. Pre-operation expenses including trial run expenses (net off revenue) are capitalized.

(b) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and net of impairment, if any. An intangible assets is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful life are amortized on a straight line basis over their estimated useful lives.

(c) Depreciation and amortization :

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, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

- a. Building – 25 Years
- b. Vehicles – 4 Years
- c. Intangibles (Softwares & Licences) – 5 Years

Tata Steel International (India) Limited

(d) 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 recognized 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 recognized on asset is reversed when the conditions warranting impairment provision no longer exists.

1.4 Foreign Currency Transactions

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction date. Foreign currency monetary assets and liabilities are translated to Indian Rupees at the closing rate prevailing on the balance sheet date. Exchange differences, on foreign currency transactions are recognized in the Statement of Profit and Loss. Further in respect of transactions covered by the forward exchange contracts, the differences between the contract rate and the spot rate on the date of transaction is charged to the Statement of Profit and Loss over the period of the contract.

1.5 Employee Benefits

Short term employee benefits are recognized as expenses at the undiscounted amount in the Statement of Profit and Loss of the year in which related service is rendered.

(i) Defined Contribution Plans

The Company's contribution to Employees' provident fund, Employees' Pension Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees, all of which are administered by the respective Trust, and has further obligation beyond making contribution towards deficiency if any, which is expensed in the year to which it pertains.

(ii) Defined Benefit Plans

The Company has a Defined Benefit Plan for payment of Gratuity to its employees. The liability for Gratuity is determined on the basis of an actuarial valuation carried out by an independent actuary at the year end, which is calculated using the projected unit credit method.

Gratuity Fund is recognized by the income tax authorities and is administered through trustees. The Employee's Gratuity Trust takes group gratuity policies with insurance companies.

Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

(iii) Employee Leave Entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end and charged to the Statement of Profit and Loss.

The Company has taken policy from Life Insurance Corporation of India under Employees' Group Leave Encashment – cum – life insurance scheme to cover its liability towards leave encashment payable to employees.

Tata Steel International (India) Limited

1.6 Taxation

Current Income Tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum alternative tax (MAT) if applicable is computed in accordance to the tax laws.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to Statement of Profit and Loss and shown as net credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying out of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions and the Company intends to settle the asset and liability on a net basis.

Deferred tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.7 Investments

Current investments are carried at lower of cost and fair value.

Tata Steel International (India) Limited

2 Notes forming part of the financial statements

2.1 Shareholders' Funds

(a) Share Capital

Share Capital	As at 31 March 2016	As at 31 March 2015
Authorised shares		
33,000,000 (31st March 2015: 33,000,000) equity shares of Rs.10/- each	330,000,000	330,000,000
	330,000,000	330,000,000
Issued, Subscribed and fully Paid up		
6,390,697 (31st March 2015: 6,390,697) equity shares of Rs.10/- each	63,906,970	63,906,970
Total	63,906,970	63,906,970

(b) Equity shares

Reconciliation of number of shares

	As at 31 March 2016		As at 31 March 2015	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	6,390,697	63,906,970	6,390,697	63,906,970
Shares outstanding at the end of the year	6,390,697	63,906,970	6,390,697	63,906,970

(c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by holding/ultimate holding company and/or their subsidiaries/associates and shareholding more than 5% shares in the Company

Out of equity shares issued by the company, shares held by its holding company and its six nominees are as follows

Number of shares (Including Nominees)	As at 31 March 2016	As at 31 March 2015
Tata Steel UK Limited holds 100% of equity Shares	6,390,697	6,390,697
Each nominee holds 1 equity share of the Company		

2.2	Reserves and Surplus		
(i)	Securities Premium Account		
	Balance as per last Balance Sheet	214,298,468	214,298,468
(ii)	Profit and Loss Account		
	Balance as per last Balance Sheet	88,638,983	97,351,424
	Profit/ (Loss) for the year	6,802,889	(8,712,441)
		95,441,873	88,638,983
	Total	309,740,341	302,937,451

Non-current Liabilities

2.3	Deferred Tax Liability- Net			
	Components of deferred tax liability are as under:			
		Deferred Tax Asset/(Liability) as at 01.04.2015	Current year (charge) / credit	Deferred Tax Asset/(Liability) as at 31.03.2016
		[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]
	Deferred Tax Liabilities			
	(i) Difference between book and tax depreciation.....	(1,713,353)	1,843,111	129,758
		(1,713,353)	1,843,111	129,758
	Deferred Tax Assets			
	(i) Expenses disallowed under section 43B of Income Tax Act, 1961	151,133	121,507	272,640
		151,133	121,507	272,640
	Deferred Tax Liability- Net *	(1,562,220)	1,562,220	-

*In the absence of virtual certainty of future taxable incomes, Deferred tax asset has been recognised to the extent of Deferred tax liability.

Current Liabilities

2.4	Trade Payables		
	(a) Creditors for Supplies and Services	9,488,162	50,050,103
	(b) Accrued Salaries and Benefits	1,038,892	-
		10,527,054	50,050,103
2.5	Other Current Liabilities		
	(a) Advance received from customers	2,376,855	2,970,552
	(b) Creditors for other Liabilities*	4,440,366	2,496,897
		6,817,222	5,467,449
2.6	Short Term Provisions		
	Provision for Income Tax (Net of Advances)	877,891	355,649
	Provision for Fringe Benefit Tax (Net of Advances)	1,124,099	1,124,099
		2,001,990	1,479,748

2.8	Long term loans and advances		
	(i) Unsecured, considered good		
	a) Advance Payment of Income Tax (Net of Provisions)	12,136,994	11,702,789
	b) Advance payment of Fringe Benefit Tax (Net of Provisions)	124,939	124,939
	c) Loans and Advances to employees	-	132,532
		12,261,933	11,960,260
2.9	Current Investments		
	Investments in Mutual Funds - Unquoted (Refer Note 2.27)		
	Liquid Funds	78,219,334	95,630,528
		78,219,334	95,630,528
2.10	Trade receivables		
	(Unsecured, considered good)		
	(i) More than six months	10,402,349	9,132,643
	(ii) Others	43,699,618	18,075,088
		54,101,967	27,207,731
2.11	Cash and cash equivalents		
	Cash and Bank Balances		
	(i) Cash on Hand	15,926	17,680
	(ii) Balances with Bank	2,502,008	3,368,651
	(iii) Others - Fixed Deposits	49,387,741	68,716,172
		51,905,675	72,102,503
	The deposits maintained by the company with banks comprise of time deposits, which can be withdrawn by the company at any point of time.		
2.12	Short-term loans and advances		
	(Unsecured, considered good)		
	1. Security Deposits	690,494	868,705
	2. Loans and Advances to employees	133,533	57,600
	3. Prepaid Expenses	145,694	129,150
	4. Balances with Government Authorities		
	Excise Duty	4,962,620	1,428,733
	Service Tax	-	5,918,090
	VAT	-	665
	5. Other Loans and Advances	501,749	671,010
		6,434,090	9,073,953
2.13	Other Current Assets		
	Accrued interest on Fixed Deposits	321,515	110,880
		321,515	110,880

2.14	Revenue from operations		
	Sale of services	47,688,638	31,548,353
	Other Operating Income (Recovery of office Expenses)	996,208	3,526,065
	Total	48,684,846	35,074,418
2.15	Other Income		
	Interest from bank deposits	3,561,988	4,553,488
	Dividend Earned on Mutual Funds Investments	4,588,806	6,130,998
	Miscellaneous income	797,998	144,103
	Total	8,948,792	10,828,589
2.16	Employee Benefit Expense		
	(a) Salaries and wages, allowances and bonus	18,221,894	16,852,009
	(b) Contribution to provident and other funds	5,132,493	5,502,782
	(c) Staff welfare expenses	48,160	2,192,494
	(d) Notice Pay and Retrenchment compensation	-	540,498
	Total	23,402,547	25,087,783
2.17	Other Expenses		
	Power and fuel	399,502	672,281
	Rent	6,750,171	6,698,909
	Repairs - Others	382,427	455,453
	Repairs - Plant and Machinery	-	-
	Insurance	346,071	396,026
	Rates and taxes	2,821,012	2,984,814
	Auditors' remuneration (excluding service tax)		
	(i) Statutory Audit (Including Tax Audit Fees Rs. 235,000/-)	1,285,500	1,035,000
	(ii) For reimbursement	5,481	14,620
	Exchange Loss on foreign currency translations/ transactions	-	6,088,033
	Legal and Professional expenses	1,941,228	2,068,131
	Postage and Telephone	557,611	635,275
	Travel and conveyance	3,549,640	3,353,030
	Security Charges	1,138,496	1,279,136
	Loss on sale of fixed assets / fixed assets written off	2,775	404,180
	Exhibition & Conference Expenses	423,540	310,500
	Miscellaneous expenses	1,786,643	1,414,962
	Total	21,390,097	27,810,350

2.7 Fixed Assets									
(a) Tangible Assets									
Particulars	1	2	3	4	5	6	7	8	Total
	Freehold Land	Building	Improvements	Plant & Machinery	Fittings	Vehicles	Office Equipments	Computers	
Cost:									
As on 01-04-2015	121,004,548	75,999,415	0	50,635,902	769,655	2,199,259	344,437	1,773,281	252,726,497
As on 01-04-2014	121,004,548	75,999,415	2,012,881	50,635,902	1,359,110	2,199,259	578,776	2,693,453	256,689,344
Additions	-	-	-	-	71,213	-	83,935	137,999	293,147
Additions for Previous year	-	-	-	-	12,375	-	12,375	300,816	313,151
Deletion	-	-	-	26,763,873	7,500	881,747	-	37,300	27,690,420
Deletion for Previous year	-	-	2,012,881	-	589,465	-	646,714	1,226,988	4,476,036
As at 31-03-2016	121,004,548	75,999,415	0	23,872,029	833,368	1,317,512	478,372	1,873,980	225,329,224
As at 31-03-2015	121,004,548	75,999,415	0	50,635,902	269,655	2,199,259	344,437	1,773,281	252,726,497
Depreciation:									
Accumulated as on 01-04-2015	-	14,635,689	-	16,435,354	372,780	2,199,259	205,775	1,184,825	35,034,683
Accumulated as on 01-04-2014	-	11,595,793	2,012,881	13,058,513	627,881	2,199,259	559,234	2,128,468	32,182,049
Charge for the period	-	3,048,225	-	2,491,177	80,018	-	39,008	216,008	5,874,435
Charge for the Previous Year	-	3,039,896	-	3,376,841	124,468	-	77,381	250,793	6,869,379
On assets sold/written off during the year	-	-	-	9,529,374	3,836	881,747	429,840	37,300	10,452,257
On assets sold/written off during the Previous year	-	-	2,012,881	-	379,569	-	-	1,194,455	4,016,746
As at 31-03-2016	-	17,683,913	-	9,397,157	448,962	1,317,512	245,783	1,363,534	30,456,860
As at 31-03-2015	-	14,635,689	-	16,435,354	372,780	2,199,259	206,775	1,184,825	35,034,683
Impairment									
Accumulated as on 01-04-2015	-	-	-	8,426,889	-	-	-	-	8,426,889
Accumulated as on 01-04-2014	-	-	-	8,426,889	-	-	-	-	8,426,889
Impairment losses recognised/(Reversed) in Statement of Profit and Loss	-	-	-	1,171,560	-	-	-	-	1,171,560
On assets sold/written off during the year	-	-	-	(4,454,077)	-	-	-	-	(4,454,077)
Charge for the Previous Year	-	-	-	-	-	-	-	-	-
As at 31-03-2016	-	-	-	5,144,372	-	-	-	-	5,144,372
As at 31-03-2015	-	-	-	8,426,889	-	-	-	-	8,426,889
Net carrying amount:									
As at 31-03-2016	121,004,548	58,315,502	0	9,330,500	384,406	0	182,589	510,446	189,727,992
As at 31-03-2015	121,004,548	61,363,726	0	25,773,659	396,875	0	137,662	588,465	209,264,926

Note : (i) The Company had purchased 14.5 acres of land in village Vanavate, Khalepur, Kholapoli. Approximately 0.2 acres (9,000 Sq. Ft) of land is in possession of third parties. The Company is negotiating to possess the same.

(ii) Figures in Italics represents balances of previous year.

(b) Intangible Assets

Particulars	1	Total
	Software & Licences	
Cost:		
As on 01-04-2015	169,691	169,691
As on 01-04-2014	169,691	169,691
Additions	-	-
Additions for Previous year	-	-
Deletion	-	-
Deletion for Previous year	-	-
As at 31-03-2016	169,691	169,691
As at 31-03-2015	169,691	169,691
Amortization:		
As on 01-04-2015	116,531	116,531
As on 01-04-2014	84,530	84,530
Charge for the period	32,088	32,088
Charge for the Previous Year	32,001	32,001
As at 31-03-2016	148,620	148,620
As at 31-03-2015	116,531	116,531
Net carrying amount:		
As at 31-03-2016	21,071	21,071
As at 31-03-2015	33,160	33,160

Tata Steel International (India) Limited

2.18 Contingent liabilities:

During the year the company received an order from the Principal Commissioner, Central Excise & Customs, Raigad disallowing the incorrect avaiement of Cenvat Credit during the period, 2010 to March 2013 amounting to Rs. 57,64,751. The commissioner has further imposed interest on such disallowed amount and Rs. 57,64,751 as penalty.

During the year the company received an order from the office of Assistant Commissioner Central Excise on account of cleaning of Decking profile without payment of duty and demanded an amount of Rs. 1,22,962 along with interest from the company. The company filed an appeal against the order on 15th Jan 2016.

2.19 Statement of Profit and Loss

(a) Foreign Currency Transactions:

Particulars	(Amount in Rs.)	
	For the Year 2015-16	For the Year 2014-15
(a) Earnings in foreign currency		
Sale of Services	47,688,638	31,548,353
Recovery of office expenses	216,208	2,746,065
Reimbursement of other Expenditure	1,081,037	1,285,917
Sales of Capital Assets	16,513,739	-
Total	64,179,622	35,580,335
(b) Expenditure in foreign currency		
Payment towards Purchases	47,106,093	-
Total	-	-

2.20 The Company has classified various employee benefits as under:

(A) Defined Contribution Plans

- Provident fund
- Superannuation fund

The provident fund scheme has been transferred from Company Trust to PF authorities w.e.f. 1st April, 2014 and the superannuation fund is administered by the trustees of superannuation trust. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. These funds are recognized by the Income tax authorities.

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The Company has recognized the following amounts in the Statement Profit and Loss for the year:

Particulars	(Amount in Rs.)	
	Year ended 31 st March, 2016	Year ended 31 st March, 2015
Contribution to Provident Fund	1,731,624	1,702,831
Contribution to Employee's Superannuation Fund	1,921,642	1,895,498

(B) Defined Benefit Plans - Funded

(i) Post Retirement Gratuity

Valuations in respect of Gratuity have been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Reconciliation of Benefit Obligations and Plan Assets

Particulars	(Amount in Rs.)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	2,534,198	1,715,191
Current Service Cost	545,914	451,287
Interest Cost	201,469	159,856
Actuarial Losses /(Gain)	167,474	319,446
Benefits Paid	-	(111,582)
Closing Defined Benefit Obligation	3,449,055	2,534,198
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	2,242,850	1,228,883
Expected Return on Plan Assets	178,307	106,913
Actuarial Gains / (Losses)	45,110	84,558
Contributions by Employer	425,255	934,078
Benefits paid	-	(111,582)
Closing Fair Value of Plan Assets	2,891,522	2,242,850

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Reconciliation of present Value of the obligation and the Fair value of the plan Assets		
Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Fair Value of plan assets at the end of the year *	2,891,522	2,242,850
Present value of the defined obligations at the end of the year	3,449,055	2,534,198
Funded status [Surplus / (Deficit)]	(557,533)	(291,348)
Assets/(Liability) recognised in the balance sheet	(557,533)	(291,348)
Net Gratuity cost for the period ended March 31, 2015		
Service Cost	545,914	451,287
Interest on Defined benefit Obligation	201,469	159,856
Expected return on plan assets	(178,307)	(106,913)
Actuarial (Gains) / Losses	122,364	234,888
(Income) / Expense recognized during the year	691,440	739,118
Assumptions		
Discount Rate	7.96% p.a.	7.95% p.a.
Expected Rate of Return on Plan Assets	7.96% p.a.	7.95% p.a.
Salary Escalation Rate	6.00% p.a.	6.00% p.a.
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Withdrawal rate	2.00% p.a.	2.00% p.a.

*Major portion of planned assets are invested in LIC

(ii). Other Disclosures:

Benefit	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
	Retiring Gratuity					
Defined benefit obligation	3,449,055	2,534,198	1,715,191	2,098,540	2,460,529	1,757,768
Plan assets	2,891,522	2,242,850	1,228,883	1,623,719	2,198,409	1,649,593
Surplus / (deficit)	(557,533)	(291,348)	(486,308)	(474,821)	(262,120)	(108,175)
Experience adjustments on plan liabilities - loss/(gain)	169,812	24,037	562,838	98,292	292,551	1,344,558
Experience adjustments on plan assets - gain/(loss)	45,110	84,558	45,916	40,092	54,756	(214,160)

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2.21 Information about Primary Business Segment :

Particulars	Business Segments		Unallocable	Total Rs.
	Marketing Services & Business Support Services (Commission Segment)	Manufacturing Segment		
Total External Revenue	476,88,638	-	-	476,88,638
	<i>315,48,353</i>	-	-	<i>315,48,353</i>
Other Income	(4,18,114)	22,12,320	81,50,794	99,45,000
	<i>31,50,158</i>	<i>1,15,830</i>	<i>106,84,486</i>	<i>139,50,474</i>
Total Revenue	472,70,524	22,12,320	81,50,794	576,33,638
	<i>346,98,511</i>	<i>1,15,830</i>	<i>106,84,486</i>	<i>454,98,827</i>
Unallocated Corporate Expenses			32,32,209	32,32,209
			<i>31,17,751</i>	<i>31,17,751</i>
Segment result before interest and tax	119,37,659	(110,93,332)	49,18,585	57,62,911
	<i>(130,66,993)</i>	<i>(83,96,249)</i>	<i>75,66,735</i>	<i>(138,96,506)</i>
Less : Net Finance Charges	-	-	-	-
Profit before Taxes	119,37,659	(110,93,332)	49,18,585	57,62,911
	<i>(130,66,993)</i>	<i>(83,96,249)</i>	<i>75,66,735</i>	<i>(138,96,506)</i>
Taxes				(10,39,978)
				<i>(51,84,065)</i>
Profit after Taxes				68,02,889
				<i>(87,12,441)</i>
Segment Assets	564,47,582	1937,53,963	645,72,698	3147,74,243
	<i>422,26,044</i>	<i>2154,44,865</i>	<i>1677,33,032</i>	<i>4254,03,941</i>
Segment Liabilities	119,36,598	7,04,718	3803,52,261	3929,93,577
	<i>91,95,110</i>	<i>455,68,177</i>	<i>37,96,234</i>	<i>585,59,521</i>
Total cost incurred during the year to acquire segment	2,93,147			2,93,147
	<i>3,13,191</i>	-		<i>3,13,191</i>
Segment Depreciation & Amortization	3,67,122	55,39,402		59,06,523
	<i>4,84,643</i>	<i>64,16,737</i>		<i>69,01,380</i>
Non-Cash Expenses other than depreciation	-	11,71,560		11,71,560
	-	-		-

Information about Secondary Segments - Geographical

Revenue by Geographical Market	2015-16	2014-15
India	-	-
Outside India	476,88,638	315,48,353
	476,88,638	315,48,353

Unallocable Assets and Liabilities exclude:

Assets :	2015-16	2014-15
Current Investments	78,219,334	95,630,528
Liabilities :		
Deferred Tax Liability (Net)	-	1,562,220

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2.22 Related Party Disclosures

(i) Parties where control exists :

Related Party	Relationship
Tata Steel UK Limited (Formerly Known as Corus UK Limited)	Holding Company (Holds 100% equity share capital)

(ii) Other Related Parties :

(a) Fellow Subsidiaries/ Affiliates:	
Tata Steel International (Middle East) FZE	Kalzip India Pvt Limited
Hille & Mueller GMBH	Tata Steel International UK Limited
Tata Steel International Americas Inc.	Tata Steel, Netherlands
Tata Steel France Rail SA	
(b) Key Managerial Person:	
Mr. Ghanshyam Singh (Whole Time Director)	Mr. Sanjiva Verma (Whole Time Director)

(iii) Transactions with related parties referred to in 2.22 (i) and (ii)(a) above:

(Amount in Rs.)

Sr. No.	Name of Party	Nature of Transaction	2015-2016	2014-2015
1	Tata Steel UK Limited	(a) Purchase of Goods	-	-
		(b) Purchase of Capital Goods	-	-
		(c) Telephone Expenditure	-	-
		(d) Insurance Expenses	-	-
		(e) Recruitment Expenses	-	-
		(f) Repairs Expenses	-	-
		(g) Sale of Services	47,688,638	31,548,353
		(h) Reimbursement of Expenses	1,001,934	1,285,917
		(i) Recovery of office expenses	200,387	2,746,065
		(j) Sales of Capital Asset	16,513,739	-
		(k) Outstanding receivable	52,030,652	25,352,220
(l) Outstanding payable	102,994	94,365		

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2	Hille & Mueller GMBH	(a)	Sale of Services	-	-
		(b)	Reimbursement of expenses	-	-
		(c)	Outstanding receivable	4,383	3,924
3	Kalzip India Pvt Ltd	(a)	Recovery of office expenses	780,000	780,000
		(b)	Reimbursement of expenses	-	-
		(c)	Rent Payable	-	240,000
		(c)	Outstanding Payable	113,556	724,647
4	Tata Steel International UK Limited	(a)	Recovery of office expenses	-	-
		(b)	Reimbursement of expenses	-	-
		(c)	Purchase of Traded Goods	-	-
		(c)	Outstanding Receivable	-	-
		(d)	Outstanding Payable	2,113,036	47,382,934
5	Tata Steel France Rail SA	(a)	Reimbursement of expenses	79,103	-
		(b)	Recovery of Office Expenses	15,821	-
		(c)	Sale of Services	-	2,371,398
		(d)	Outstanding Receivable	2054,806	2,248,788

(iv) Details relating to persons referred to in 2.22 (ii)(b) above:

Name of the person	Nature of Transactions	(Amount in Rs.)	
		For the year ended March 31, 2016	For the year ended March 31, 2015
Remuneration*			
Mr. Sanjiva Verma	Remuneration	7,249,125	6,573,326
	TDS recoverable	128,841	4,746
Mr. Ghanshyam Singh	Remuneration	4,168,389	3,382,088
	TDS recoverable	263,119	109,925
	Payable towards Car recovery	-	71,833

* Includes contribution to provident fund and superannuation fund Rs. 1,780,365/- (Previous year Rs. 1,749,473/-).

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2.23 Earnings/(Loss) Per Share

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Profit(Loss) available to Equity Shareholders - Profit/(Loss) after Tax (A) (Rs.)	6,802,889	(8,712,441)
Number of Equity Shares - Weighted Number of equity shares outstanding (B)	6,390,697	6,390,697
Basic and diluted earnings/(loss) per share (A/B) (Rs.)	1.06	(1.36)
Nominal value of an equity share (Rs.)	10	10

2.24 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

- a) An amount of Rs. Nil (Previous Year Rs. Nil) and Rs. Nil (Previous Year Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- b) No Interest was paid during the year in terms of Sec 16 of Micro, Small and Medium Enterprises Development Act, 2006.
- c) No Interest was paid to the suppliers for payments made beyond the appointed date during the accounting year.
- d) No claims have been received at the end of the year for interest under Micro, Small and Medium Enterprises Development Act, 2006.
- e) No amount of interest was accrued and unpaid at the end of the accounting year.
- f) Dues to micro and small enterprise has been determined and identified on the basis of information collected by the management.

2.25 The year ended foreign currency exposure that have not been hedged by a derivate instrument or otherwise are given below:

Particulars	As at 31.03.2016		As at 31.03.2015	
	<i>US Dollar Equivalent</i>	<i>INR Equivalent</i>	<i>US Dollar Equivalent</i>	<i>INR Equivalent</i>
A. Amounts receivable in foreign currency on account of the following: Debtors Outstanding	832,536	54,089,841	444,736	27,195,602
B. Amounts payable in foreign currency on account of the following: Import of goods and services Advances received	85 8,773	5,752 590,678	714,378 9,043	45,284,429 573,284

Tata Steel International (India) Limited

2.26 Current Investments :

Particulars	Units	As at 31.03.2016	As at 31.03.2015
HDFC Cash Mgt Fund – Savings Plan – Growth	9,744.92	10,365,071	<i>17,599,949</i>
ICICI Prudential Liquid Plan – Growth	192,684.39	19,274,041	<i>18,285,937</i>
JM High Liquidity Fund – Regular Plan – Daily DivRI	1,798,424.65	18,757,929	<i>17,782,151</i>
Kotak Liquid Scheme – Plan A – Growth	7,593.59	9,285,521	<i>11,238,883</i>
Tata Liquid Fund – SHIP- Growth	14,557.41	16,224,528	<i>16,372,332</i>
UTI Liquid Fund – Cash Plan – IP – Growth	4,229.99	4,312,244	<i>14,351,276</i>
Total		78,219,334	<i>95,630,528</i>
Aggregate NAV		78,232,804	<i>95,637,195</i>

2.27 During the year the Company has sold a part of the plant and machinery to their parent and is negotiating with prospective buyers to dispose-off the remaining assets of the manufacturing unit located at Khopoli. In the absence of concrete future plans the company has not estimated the future value in use but has appointed an independent valuer to ascertain the fair value of the manufacturing unit. The Company based on the valuation report received decided to report the assets at book value. Management intends to continue carrying out the existing commissioning business and has prepared the financial statement on going concern basis.

2.28 Exceptional Items

(a) During the year, the Company carried out impairment testing of it's of fixed assets relating to Manufacturing Segment due to existence of factors indicating probable impairment. Consequently, an amount of Rs. 11,71,560 of impairment loss made to Plant & machinery.

2.29 Previous year figures have been re grouped / re casted wherever necessary.

2.30 Figures in italics / brackets are in respect of the previous year.

Signatures to notes forming part of the Balance Sheet and Statement of Profit and Loss.

For and on behalf of the Board of Directors

Sanjiva Verma
Whole Time Director

Sanjiv Verma
Director

Mumbai,

Dated :