

TATA STEEL



Tata Steel Nederland Consulting & Technical Services B.V.

Report & Accounts 2016

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Company address:	Wenckebachstraat 1	1951 JZ Velsen-Noord
Trade register:	Amsterdam	34122272
Date:	7 July 2016	

Report of the Board of Directors

Disposal of joint venture

On 6 May 2015 Tata Steel Nederland Consulting and Technical Services B.V. sold its 50% interest in Danieli Corus Technical Services B.V. to Danieli Industrielle Beteiligung S.A. (the other 50% shareholder).

Financial result and dividend

The profit on disposal of Danieli Corus Technical Services B.V. amounted to €11,867,368. The total operating income for the year ended 31 March 2016 was a profit of €11,918,409 against a loss of €(127,029) in the previous financial year.

Financial income was €263 (2015: €10) and financial charges were €9,376 (2015: €78,450).

The taxes amounted to a charge of €10,482 (2015: a gain of €51,367).

Income after taxation amounted to €11,898,814 compared to €(154,102) in 2015.

In August 2015 the Board approved to repay a €7m share premium to Tata Steel Nederland B.V. as the owner of all outstanding ordinary shares.

Personnel

As per 31 March 2016 the Company did not employ any active own employees.

Board of Directors

E.A.M. Selie

E.P. van der Werf

IJmuiden, 7 July 2016

Presentation of accounts and accounting policies

Introduction

Tata Steel Nederland Consulting & Technical Services B.V. (the "Company") with its seat in IJmuiden, municipality of Velsen, the Netherlands forms part of the Tata Steel Group.

The ultimate parent company is Tata Steel Limited ("TSL"), which is a company incorporated in India with shares listed on the Mumbai Stock Exchange and the National Stock Exchange of India, and with global depository receipts listed on the London and the Luxembourg Stock Exchanges.

The immediate parent company of Tata Steel Nederland Consulting & Technical Services B.V. is Tata Steel Nederland B.V. with its seat in IJmuiden, municipality of Velsen.

The 2016 Annual Accounts of Tata Steel Nederland Consulting & Technical Services B.V. have been authorised for issue by the Board of Directors on 7 July 2016.

The activities of the Company are those of a holding and funding company.

Consolidation

Consolidated accounts of Tata Steel Nederland Consulting & Technical Services B.V. with its subsidiary companies are not prepared as the Company applies the exemptions allowed by article 408b, Title 9 Book 2 of the Dutch Civil Code. The Annual Accounts of the Company and all its subsidiaries are included in the Consolidated Accounts of Tata Steel Nederland B.V.

In addition the Company has not prepared a cash flow statement, as this is also included in the Consolidated Accounts of Tata Steel Nederland B.V. The Accounts of Tata Steel Nederland B.V. have been filed with the Trade Register in Amsterdam, file number 34005278.

Basis of preparation

These Report & Accounts have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

The accounting principles set out below have been consistently applied to all periods presented.

Foreign currencies

Balance sheet items denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Income and expenditure in the Profit and Loss Account denominated in foreign currencies are translated at the average rates. Exchange differences on operating activity transactions are charged or credited to the operating profit. Other

exchange differences such as those on long-term debtors or creditors are shown under financial income and charges.

Financial Fixed Assets

As from the year 2001, interests in group companies and non-consolidated companies are stated at cost. For investments up to and including 31 December 2000, cost has been determined as the Tata Steel Nederland Consulting & Technical Services B.V.'s share of net assets as per 31 December 2000. Provisions are made if events or circumstances indicate that the carrying amount may not be recoverable. Income from these investments comprises dividends declared up to the balance sheet date.

Debtors

Debtors are stated net of provisions for doubtful accounts.

Creditors

Amounts falling due within one year are regarded as short-term.

Provisions

Provisions are set up in respect of risks and commitments existing at balance sheet date, of which the size is uncertain, but can be estimated using a reliable method. The provisions are stated at face value.

Income taxes

Taxes on income are accrued in the same periods as the revenues and expenses to which they relate, taking into account permanent differences. In computing the taxes current tax rates are applied. The difference between the taxation computed in this manner and that according to the tax regulations is included in the balance sheet as a deferred tax asset or liability.

Balance Sheet

		31 March 2016	31 March 2015
	Notes	€	€
<u>ASSETS</u>			
Non-current assets			
Financial fixed assets	1	-	9,292,006
Current assets			
Debtors	2	6,095,086	607,196
Deposits		-	-
Cash at bank	3	381,152	-
Total		6,476,238	9,899,202
<u>LIABILITIES</u>			
Capital and reserves	4	5,468,382	569,568
Provisions	5	132,838	132,838
Creditors: amounts falling due within one year			
Overdrafts		-	85,453
Short term loans	6	-	8,383,610
Other short term creditors	6	875,018	727,733
		875,018	9,196,796
Total		6,476,238	9,899,202

Profit and Loss Account

	Notes	12 months to March 2016	12 months to March 2015
		€	€
Profit on disposal	8	11,867,368	-
Operating costs	7	51,041	(127,029)
Operating Profit/(Loss)		11,918,409	(127,029)
Finance income	9	263	10
Finance costs	9	(9,376)	(78,450)
Profit/(Loss) before taxation		11,909,296	(205,469)
Taxation	10	(10,482)	51,367
Profit/(Loss) after taxation		11,898,814	(154,102)

Notes to the Annual Accounts

1. Financial fixed assets	JV's €	Total €
At 31 March 2015	9,292,006	9,292,006
Movements in Period :	-	-
Disposals	(9,292,006)	(9,292,006)
At 31 March 2016	-	-

On 6 May 2015, Tata Steel Nederland Consulting and Technical Services B.V. completed the sale of its 50% interest in Danieli Corus Technical Services B.V. to Danieli Industrielle Beteiligung S.A. (the other 50% shareholder).

2. Debtors	31 March 2016 €	31 March 2015 €
Other debtors	6,034,481	-
Dutch corporation tax	60,605	607,196
	6,095,086	607,196

Other debtors consists of the deferred purchase price for the sale of the shares in Danieli Corus Technical Services B.V.

3. Cash at bank

Cash at bank comprises bank balances and deposits with a maturity within 3 months when acquired.

4. Capital and reserves

	Issued share capital €	Share premium account €	General reserve €	Unappro- priated result €	Total €
At 31 March 2015	9,000,000	22,403,480	(30,679,810)	(154,102)	569,568
Movements in period:					
Appropriation of result	-	-	(154,102)	154,102	-
P/(L) after taxation	-	-	-	11,898,814	11,898,814
Share premium repayment	-	(7,000,000)	-	-	(7,000,000)
At 31 March 2016	9,000,000	15,403,480	(30,833,912)	11,898,814	5,468,382

The authorised share capital of the Company at 31 March 2016 amounts to €45,000,000 and consists of 450,000 ordinary shares of each €100.

As of 31 March 2016 90,000 ordinary shares of each €100 are issued and fully paid up, totalling to a nominal value of €9,000,000.

At 31 March 2016 Tata Steel Nederland B.V. held all of the ordinary shares.

5. Provisions

The provision is for the joint venture Hoogovens Gan Multimedia S.A. de C.V.

6. Creditors: amounts falling due within one year	31 March 2016	31 March 2015
	€	€
Other short term loans		
Loans from Tata Steel Nederland B.V.	-	8,383,610
	-	8,383,610
Other short term creditors		
Other creditors	875,018	665,018
Amounts owed to Tata Steel IJmuiden B.V.	-	9,660
Interest payable to Tata Steel Nederland B.V.	-	53,055
	875,018	727,733

7. Operating costs	12 months to March 2016	12 months to March 2015
	€	€
Legal costs	10,812	64,336
Reclassification legal costs previous year to profit on disposal	(62,474)	62,474
Other operating costs	621	219
	(51,041)	127,029

Other operating costs are mainly bank charges and legal fees.

8. Profit on disposal

On 6 May 2015 Tata Steel Nederland Consulting and Technical Services B.V. sold its 50% interest in Danieli Corus Technical Services B.V. to Danieli Industrielle Beteiligung S.A. (the other 50% shareholder).

	€	€
Carrying value		9,292,006
Gross consideration due to TSNC&TS	22,000,000	
Discount due deferral of purchase price	(545,090)	
Cash received including deferred purchase price	21,454,901	-
Difference		12,162,895
Legal costs previous year		(62,474)
Legal cost current year		(23,053)
Other expenses		(210,000)
Profit on disposal		11,867,368

9. Financing items

	12 months to March 2016	12 months to March 2015
	€	€
Interest payable on loans from Tata Steel Nederland B.V.	9,376	78,450
Finance costs	9,376	78,450
Other interest income	263	10
Interest receivable on loans to Tata Steel Nederland B.V.	-	-
Finance income	263	10

9. Reconciliation of taxation to profit/(loss)

	12 months to March 2016	12 months to March 2015
	€	€
Profit/(loss) before taxation	11,909,296	(205,469)
Multiplied by applicable tax rate of 25.0% (2015: 25.0%)	2,977,324	(51,367)
Effect of:		
Adjustment to current tax in respect of participation exemption regarding profit on disposal	(2,966,842)	-
Total taxation	10,482	(51,367)

11. Contingencies

Tata Steel Nederland Consulting & Technical Services B.V. is part of the fiscal unity "Tata Steel Netherlands Holdings B.V." and for this reason jointly and serially liable for the tax liabilities of the whole fiscal unity.

12 Number of employees

As per 31 March 2016 Tata Steel Nederland Consulting & Technical Services B.V. did not employ any active own employees, same as per 31 March 2015.

Further notes and signatures of the Annual Accounts

List of subsidiaries and joint ventures

Name	Residence	Participation %
Hoogovens Gan Multimedia S.A. de C.V.	Monterrey, Mexico	50

Remuneration and Loans to Directors

During the reporting period no remuneration or payment of any other kind was made at the Company's expense to its directors.

As per March 31, 2016 no loans had been granted by the Company to the directors of the Company.

Name and address of consolidating companies

The financial data of Tata Steel Nederland Consulting & Technical Services B.V. are included in the 2016 Consolidated Annual Accounts of Tata Steel Nederland B.V., which has been filed with the Trade Register at Amsterdam.

The office address of Tata Steel Nederland B.V. is given below.

Tata Steel Nederland B.V.
Postbus 10.000
1970 CA IJmuiden

Signature of Annual Accounts

The 2016 Annual Accounts of Tata Steel Nederland Consulting & Technical Services B.V. have been signed by the Board of Directors.

Board of Directors

E.A.M. Selie

E.P. van der Werf

IJmuiden, 7 July 2016

Other Information

Auditor's Report

According to the Dutch Civil Code, Book 2, Part 9, article 396, Tata Steel Nederland Consulting & Technical Services B.V. can be characterised as a small company. That is why there is no obligation to audit the Accounts for 2016, so there is no Auditor's Report. These accounts are the responsibility of the Company's Management.

Appropriation of profit as provided for by the Articles of Association

The income as shown in the Accounts, is at the disposal of the Annual General Meeting of Shareholders.

Appropriation of the result for the financial year 2016

In August 2015 an amount of €7m share premium was repaid to the shareholder.

Proposal concerning the appropriation of the result for the financial period 2016

The Board of Directors proposes to the Annual General Meeting of Shareholders that the profit for the financial year 2016 totalling €11,898,814 shall be added to the general reserve.