

TATA STEEL



105th Annual Report 2011-2012



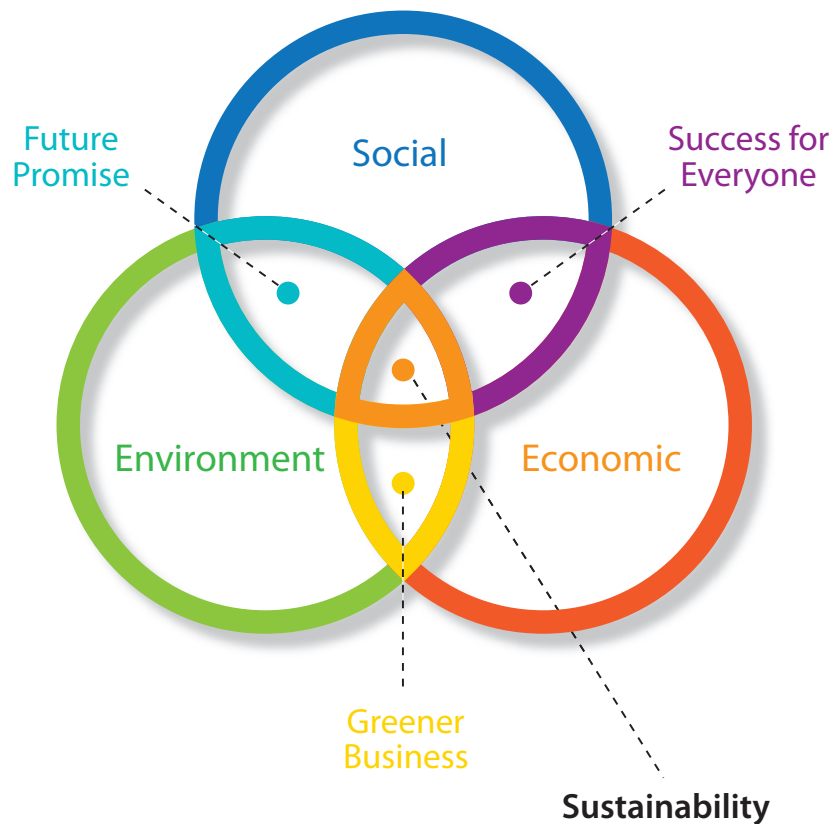
■ ■ ■
■ ■ ■ The cornerstones of
■ ■ ■ sustainability



Tata Steel's sustainability mission

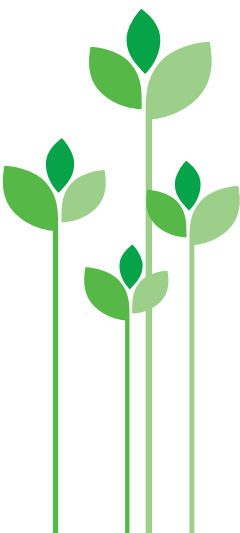
"In a free enterprise, the community is not just another stakeholder, but is, in fact, the very purpose of its existence."

It is these words of Jamsetji Tata, Founder of Tata Steel that have shaped the Company's culture of social responsibility. At Tata Steel, the benefits of wealth creation extend beyond the business, flowing into the communities in which the Company operates. Tata Steel's approach to business has evolved from the concept that the wealth created must be continuously returned to society.



The responsibility of combining the three elements of society – **social**, **environmental** and **economic** – is of utmost importance to the way of life at Tata Steel. It is the combination of these three elements that ensures that business is **sustainable** for all **stakeholders**.

Cover images: (Clockwise from top left) The manufacture of a hot rolled steel coil; Employees at the Jamshedpur Steel Works, India; A view of the Scunthorpe Blast Furnace, England; A young chess buff at the Tata Steel Chess Tournament, Wijk Aan Zee, the Netherlands.





The cornerstones of sustainability

At Tata Steel, we believe in sustainability that extends across the spheres of **economic strategy, environmental action, social support** and **governance**. Within each area, we are focused on creating a meaningful relationship with all our stakeholders, formulating policies and initiatives that have a positive bearing on our business.

At Tata Steel, **sustainability** is one of the core values of the Company, dating back to its inception. As the years have gone by, the legacy has been enhanced and is being continually and consciously improved at every stage.

Sustainability at Tata Steel is synonymous with **empowerment and success for everyone**, within the Company and the society as a whole, as we work with our communities.

Sustainability in the Company is identified with the process of creating a **greener business**, by using our resources prudently and developing high quality and environment friendly products.

Sustainability at Tata Steel involves the **awareness** that a greener, healthier planet is the best legacy we can leave for future generations and for our business.

 Extending sustainability across all spheres



(Clockwise from above) The Dimna Lake at Jamshedpur, India; Safety training being imparted at NatSteel's Singapore facility; The IJmuiden plant, in the Netherlands, by night; The St. Pancras Station in London, England. Tata Steel's European Operations contributed to the construction of the roof structure.



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The Annual General Meeting will be held on Tuesday, 14th August, 2012 at Birla Matushri Sabhagar at 3.00 p.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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Steel will remain the undisputed major foundation material in the world. Its predominance in building construction, infrastructure, ship-building, automobiles has not been substantially challenged and is unlikely to be for the foreseeable future.

Dear Shareholders,

The prolonged economic slowdown in the developed world, particularly in the European Union and the UK has resulted in a significant decline in steel consumption in several geographies in the western hemisphere. Steel plants are being closed or mothballed to conserve costs and to control over-supply.

By contrast, the demand for steel is still buoyant in Asia and Africa where growth rates and investment levels are higher than in the West and where new sources of iron ore and coking coal are being developed.

The demand for steel in India remains robust and in fact continues to outstrip supply. Unfortunately, major greenfield projects which would substantially increase domestic steel capacity are facing enormous delays due to hurdles in land acquisition and approvals for the necessary mining rights to feed these new plants.

Tata Steel's 2.9 million tonnes expansion in Jamshedpur is expected to go onstream during the Financial Year 2012-13, taking Jamshedpur's capacity to 9.7 million tonnes/annum. The Company's new 6 million tonnes/annum greenfield steel plant in Odisha is under construction and, subject to essential captive mining approvals from the Government, the first phase of 3 million tonnes is scheduled to commence in 2014. Therefore, Tata Steel by 2014, would have a global steel capacity of 33.5 million tonnes, and will add a further 3 million tonnes on the full implementation of the Odisha project.

While Tata Steel's operations in India are expected to remain strong, its operations in Europe will continue to be under enormous stress for the next year or two until the Western European economy recovers. The unprecedented rise in iron ore and coking coal prices coupled with the acute decline in market demand will continue to negatively impact the Company's European operations. Restructuring and capacity rationalising initiatives are under way

to reduce costs and under-utilisation. The real growth will most likely be in Asia, Africa and Latin America.

Steel will remain the undisputed major foundation material in the world. Its predominance in building construction, infrastructure, ship-building, automobiles has not been substantially challenged and is unlikely to be for the foreseeable future. At the same time, steel consumption will be closely linked to the economic growth and prosperity of a nation or a particular region.

Let me once again record my appreciation to all my colleagues in the Company in India, Europe, UK and Asia for their dedication and commitment to the Company in these difficult times. There is no doubt in my mind that the same spirit and commitment will enable Tata Steel to take its rightful place in the industry as one of the most cost-efficient steel producers – as the supplier of choice in the markets it serves – by differentiating itself, its products, its processes and its service to the customer.



Tata Steel by 2014, would have a global steel capacity of 33.5 million tonnes, and will add a further 3 million tonnes on the full implementation of the Odisha project.

Chairman

Mumbai, 31st May, 2012



Mr. Ratan N. Tata, *Chairman*



Mr. B. Muthuraman, *Vice Chairman*



Mr. Nusli N. Wadia



Mr. Subodh Bhargava



Mr. Jacobus Schraven



Mr. Cyrus Mistry

COMPANY SECRETARY

Mr. A. Anjeneyan

REGISTERED OFFICE

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E-mail : csg-unit@tsrdarashaw.com
Website : <http://www.tsrdarashaw.com>



LEGAL ADVISORS

AZB & Partners, Amarchand & Mangaldas & Suresh,
A. Shroff & Co., Mulla & Mulla and Craigie Blunt & Caroe,
Freehills, Slaughter & May.

AUDITORS

Messrs Deloitte Haskins & Sells



Group Corporate Functions



Senior Management



Anand Sen
Vice President
(TQM and Shared Services) TSL



Dr. Henrik Adam
Chief Commercial Officer
TSE



Abanindra M. Misra
Vice President (Coke, Sinter and
Iron and IR) TSL



Dook van der Boer
Strip MLE Hub Director, TSE



Partha Sengupta
Vice President
(Raw Materials) TSL



N. K. Misra
Executive Director
(Finance) TSE



Tor Farquhar
Director
(Human Resource) TSE



Varun Jha
Vice President (Engineering
and Chhattisgarh Projects) TSL



Jon Bolton
Long EU Hub Director, TSE



T. V. Narendran
Vice President
(Safety and Flat Products) TSL



Jon Ferriman
Strip UK Hub Director, TSE



Hridayeshwar Jha
Vice President
(Odisha Project) TSL



Bimlendra Jha
Vice President
(Long Products) TSL



Alastair Aitken
Supply Chain Director, TSE



Sanjeev Paul
Vice President
(Corporate Services) TSL



Theo Henrar
Director (Sales and Marketing)
TSE



P. Senthil Kumar
Chief Human Resource Officer,
Tata Steel Limited



Adriaan Vollebergh
Director (Commercial
Improvement projects) TSE



Helen Matheson
Director (Legal)
TSE



V. S. N. Murty
Chief Financial Controller
(Corporate) TSL



Rod Jones
Managing Director
Tata Consulting, TSE



Arun Misra
Principal Executive Officer
TSL



Vivek Kamra
President and CEO
NatSteel Holdings



Peeyush Gupta
President and CEO
Tata Steel Thailand



A. Anjeneyan
Company Secretary and
Chief of Compliance, TSL



Charudatta Deshpande
Chief, Corporate Affairs &
Communications TSL

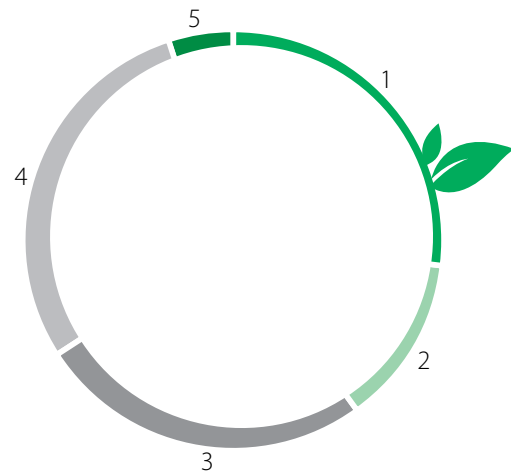


Sytske Seyffert
Director (Corporate
Communications &
Public Affairs) TSE

TSL - Tata Steel Limited
TSE - Tata Steel Europe

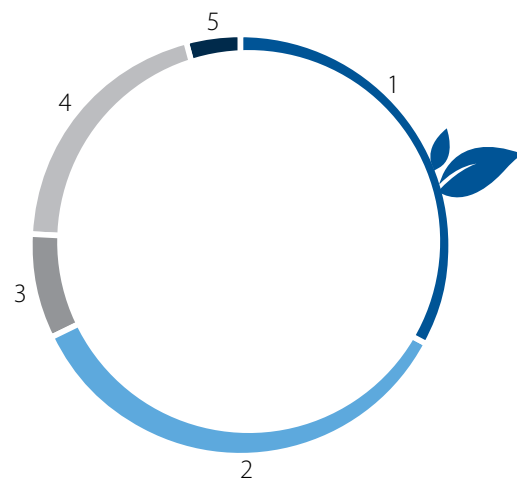


Geographical Distribution of Revenue



1. India	27%
2. Asia excluding India	13%
3. UK	26%
4. EU excluding UK	29%
5. Rest of World	5%
Total	100%

Capital Employed by Geographies

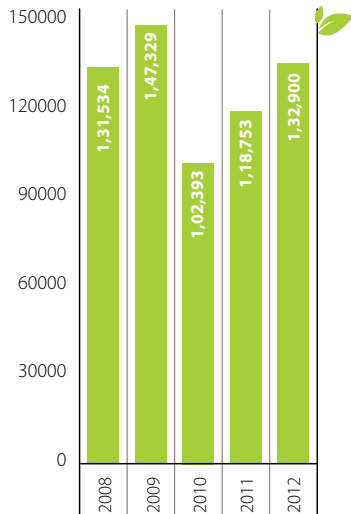


1. India	33%
2. Asia excluding India	35%
3. UK	8%
4. EU excluding UK	20%
5. Rest of World	4%
Total	100%

Key consolidated financial highlights 2011-12

Turnover

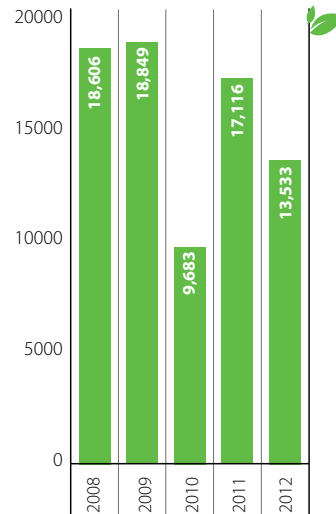
(₹ in crores)



Turnover = Sales and other operating income (-) Excise Duty

EBITDA

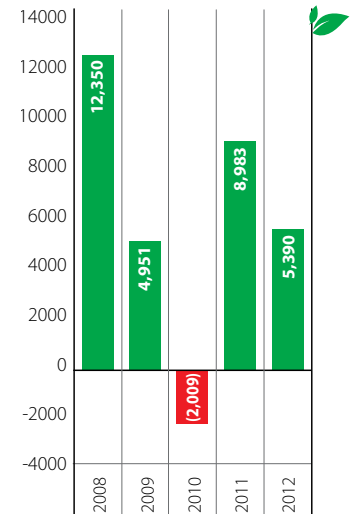
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EBITDA = Profit before exceptional items and taxes (+) Net Finance Charges (+) Depreciation (-) Minority Interest (+) Share of Profit of Associates

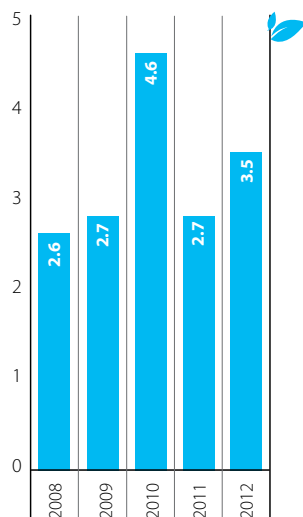
Profit after Tax

(₹ in crores)



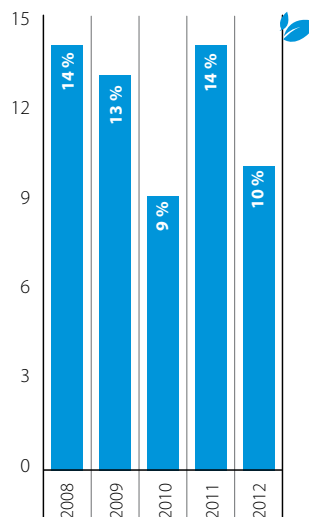
Profit after taxes, minority interest and share of profit of associates

Net Debt/EBITDA



Net Debt/EBITDA (Annualised)

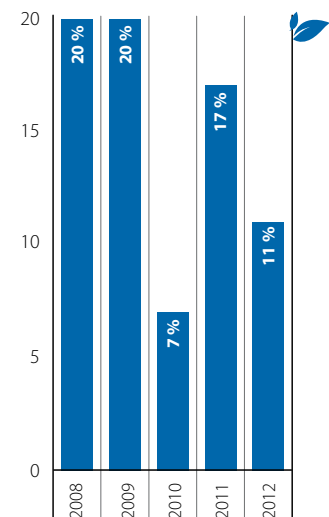
EBITDA Margin



EBITDA Margin = EBITDA/Turnover

Return on Invested Capital

(Pre-tax)



ROIC = Adjusted Operating Profit before tax and exceptional items/Average Invested Capital [Invested Capital = Net Fixed Assets (excluding WIP) + Goodwill + Investments + Adjusted Net Current Assets]

We are pursuing a comprehensive strategy of growth and sustainability.

In spite of a challenging economic environment during the Financial Year 2011-12, Tata Steel focussed on mitigating the challenges of the global economy and implementing its strategic objectives. Through their consistent interactions with various stakeholders, **Mr. H. M. Nerurkar** (Managing Director, Tata Steel), **Dr. Karl-Ulrich Koehler** (Managing Director and Chief Executive Officer, Tata Steel Europe) and **Mr. Koushik Chatterjee** (Group Chief Financial Officer, Tata Steel) have shared the Company's response to the global economic scenario and its continued commitment to sustainability. These are a few key themes of the discussions.

The Hlsarna plant at IJmuiden, the Netherlands.





Mr. H. M. Nerurkar,
Managing Director, Tata Steel Limited



Mr. Koushik Chatterjee,
Group Chief Financial Officer



Dr. Karl-Ulrich Koehler,
Managing Director and
Chief Executive Officer, Tata Steel Europe

Q1. In the backdrop of a volatile global economy, how would you briefly describe the operating environment in the last financial year across different geographies and its impact on the Tata Steel Group?

The global economy has been very volatile in the last twelve months. While the first half of 2011 showed definite signs of recovery, the Euro crisis clearly influenced the business sentiment of the underlying economy since August - September 2011. After a fairly steady first quarter of the financial year, the operating environment in Europe started to decelerate very significantly in the third quarter with contraction in the market demand for steel resulting in lower spread between raw material prices and steel prices. This affected the European performance in the third quarter specifically. However, the Company has undertaken a series of initiatives that involves re-orienting the business model towards better operating management of the existing facilities, renewal of assets, enhancing the supply chain strategy to serve our customers better with differentiated products and services, improving working capital

management and reducing overheads and costs towards a more efficient cost structure across the business. This is a journey that has already started delivering results and this strategy would be the cornerstone of the future direction in Europe.

The South East Asian business has been less impacted by the Euro zone crisis, especially countries like Singapore, which have better positioned themselves through prudent policies to ride out the storm. Consequently, our Singapore facility, which is an efficient Electric Arc-based operation, has been fairly steady during the year. Our Thailand business has been affected by a slower domestic economy, high cost of raw materials for the Mini Blast Furnace operations and the adverse impact of the floods. In view of the adverse macro conditions, a turnaround strategy was developed, which focused on enhancing productivity and yields in the three operating units in Thailand, rationalising the portfolio, better scrap sourcing to improve the scrap-rebar spread and deriving a better market premium through a customer-centric strategy. These structural initiatives are aimed at delivering a

sustainable value in the long term. The year ended with an improved performance in the last quarter.

In comparison, India was relatively better positioned for the first half of the fiscal year, though the domestic economy slowed down in the second half. Supply side issues on raw material availability and the sharp depreciation of the Rupee affected the operating environment of the industry. Tata Steel is focused on its operating performance, through the continuous improvement programmes, to remain one of the most competitive steel operations in the industry.

Q2. What has been Tata Steel Group's capital investment strategy in the last financial year?

The capital investment in Tata Steel is defined by the long term strategic plan of pursuing growth in the

Indian market, raw material integration and downstream value addition. Majority of the capital outlay for the Group in the last financial year was directed towards the brownfield and greenfield growth projects in India. We also allocated capital to our overseas raw material projects in Mozambique and in Canada. In Europe, the capital outlay was mostly for sustenance, de-bottlenecking and efficiency improvement projects, apart from the commitment made towards the rebuild of Blast Furnace #4 at Port Talbot.

Q3. Can you articulate the Tata Steel Group's focus on sustainability?

While we address all aspects of social, environmental and economic performance, the issues of immediate material concern to Tata Steel are the safety and health of our people, resource conservation, development of innovative

*(Right) Steel sheets manufactured in India;
(Facing page) An overview of the 2.9 mtpa expansion project at Jamshedpur, India.*

The Company's focus has been on downstream and value-added products through new investments and product development.



products and processes which lead to a low carbon future, minimising the carbon footprint, value creation for all stakeholders and contributing to the prosperity of the communities and nations where we operate.

Given the nature of steel-manufacturing operations, our relentless focus on the safety and health of the employees is evident from the launch of an interminable Safety Excellence Journey, to which new aspects of safety are added every year, and the Wellness@Workplace programme. They are designed to provide an injury-free working environment for a healthy and happy workforce.

The global steel industry faces the challenge of reducing CO₂ emissions and utilising finite resources efficiently. The effort to develop sustainable steel solutions for a shared sustainable future has led Tata Steel to continuously increase its focus on Research and Development.

Our Continuous Improvement journey has provided direction and served as an enabler in identifying solutions to the many challenges we face. We have a robust framework of experiential learning through the Performance Improvement Teams across the Group that act as forums for sharing good practices. Our Quality Assurance systems have accelerated the adoption of new solutions and improved delivery cycles for new products. Tata Steel's long term strategy is focused on sustainability and value creation in an interdependent manner. It is our endeavour to align all actions in the Company on the above principles.

Q4. How do you view the demand scenario in India especially after the sluggish growth witnessed in Financial Year 2011-12?

During Financial Year 2011-12, India had its own set of unique challenges. Fuelled by inflation and increasing





*(Above) Iron ore being transported at Noamundi, India;
(Right) Steel manufactured for rail projects in Europe.*



Tata Steel's long term strategy is focused on sustainability and value creation in an interdependent manner.

oil prices, the Fiscal and Current Account Deficit touched record highs in recent years. The exchange rate volatility increased significantly in the second half of the year. This impacted the underlying sentiment and uncertainty in the economic environment. While India recorded growth in apparent steel use, it was well below the expectations due to challenging macro conditions.

India's GDP growth eased to 6.9% in real terms in Financial Year 2011-12, in comparison to preceding two years, suggesting a slowdown primarily due to deceleration in the country's industrial growth. Steel intensity correspondingly grew at 5.5% as opposed to 10% in the previous year, signifying below-potential growth. The Reserve Bank of India, in a bid to contain inflation, tightened its monetary policy, resulting in reduced consumer demand and slowing industrial activity. Reduction in interest rates and cash reserve requirement ratios are supportive of creating additional steel demand, as it supports demand creation in interest rate-sensitive sectors like construction, infrastructure and automobiles. We hope that the infrastructure spend as envisaged in the 12th Five Year Plan of the Government of India, coupled with growing disposable incomes and rising urbanisation underpins steel makers' plans to augment capacity. As per the Government of India estimates, Indian steel demand is set to grow structurally over the next decade, though downside risks of slower than anticipated growth in the short term is possible given the current macro economic uncertainties.

Q5. As major capacity additions, primarily in the flats segment, are being planned in India, how is Tata Steel poised to defend its market position?

Tata Steel has been pursuing growth in India through brownfield and new greenfield expansion projects as also through strategic partnerships. We are in the final phase

of commissioning the 2.9 mtpa project at Jamshedpur and are currently executing the 6 mtpa greenfield plant at Odisha in two phases of 3 mtpa each.

India has been a net importer of steel especially at the high value-added end product portfolio and is likely to continue to do so. The steel demand in India will continue to grow given the significant need for infrastructure growth and the increasing urbanisation of the population. Over the last decade, Tata Steel's strategy has been to move up the value chain towards differentiated products and services. Therefore, the Company's focus has been on downstream and value-added products through new investments and product development. Our upstream growth in capacity is synchronised with the downstream expansion of the product portfolio in several areas like Tubes, Packaging and high-end automotive steels. Therefore, our capacity growth is integrated with value-added downstream products. Apart from focussing on developing a pipeline of new products through robust product development, we also have a very strong service focus on the retail and distribution network, which is also a big differentiator in the market place. The above philosophy is very well integrated with the growth strategy and therefore we expect to continue to differentiate ourselves in the market, as we keep growing and adding new capacities.

Q6. In the last twelve months, how have the raw material prices impacted the Tata Steel Group?

Raw material prices are one of the determinants of global steel price but not the only one. Various factors combine to determine steel price; such as underlying demand and the competitive advantage of local steel manufacturers. Global raw material dynamics should be read in conjunction with changes taking place within the Indian steel scene. Curtailment of iron ore

*(Right) A trench mesh machine at NatSteel, Singapore;
(Facing page) Port Talbot, Wales, UK.*

The South East Asian business has been less impacted by the Euro zone crisis, as countries have positioned themselves through prudent policies.



production due to reduced exports, increase in price of ore due to e-auction, reduced coal availability due to its diversion for power generation coupled with increased power and freight costs has led to declining profitability of the Indian steel makers. Tata Steel continues to focus on its captive mining operations in a sustainable manner. European operations were particularly impacted in the second and the third quarter of the financial year due to high raw material costs in the seaborne market and the customers timing their purchases in line with spot price movements in the raw material market. However, raw material prices softened towards the end of 2011 and the “zero lag” pricing mechanism offered by suppliers for iron ore helped in reducing the time lag between spot prices and its impact in product costing. The Company has made efforts to reduce the inventory levels, in order to minimise the “lag effect” and consequently lessen the impact of raw material price volatility.

Q7. How has Tata Steel managed its Balance Sheet and liquidity in the last financial year?

Tata Steel has judiciously maintained its debt level despite ongoing capex outlay. Gross debt at the end of Financial Year 2011-12 was lower than that at the end of Financial Year 2010-11, in spite of ₹12,138 crores (US\$ 2,386 million) capex spend. This was achieved through proactively prepaying debt and assuming new debt only to the extent required. Total liquidity at the end of Financial Year 2011-12 was ₹17,087 crores (US\$ 3,359 million) including ₹4,887 crores (US\$ 961 million) in undrawn credit lines, facilitating the planned capex programme of the Company. The Net Debt to Equity ratio for the Tata Steel Group reduced to 1.16 at the end of Financial Year 2011-12 from 1.55 at the end of the previous year.



Q8. How does cash contributions to Pension funds impact Company's financials?

The British Steel Pension Scheme (BSPS) is the largest defined benefit scheme within Tata Steel Europe's portfolio, where detailed valuation of its assets and liabilities is undertaken every three years. As part of the triennial valuation cycle of the pension funds' assets and liabilities, the future service cost of the pension scheme is also reviewed, especially if the fund is likely to be in the deficit. This leads to discussion about cash contribution rates and a benefits package to be made available to the scheme members. The triennial funding valuation is based on parameters, such as long-term investment return, mortality rates and company covenants. The triennial valuation may result in surplus or in deficit and, if there is a deficit, the same becomes a subject matter of negotiation between the Company and the Trustees, culminating in a

plan to recover the shortfall, as agreed upon, mutually.

Pension accounting standards require an employer company to estimate the amount by which the discounted pension scheme liabilities will increase over the year, known as the service cost that represents the costs of additional benefits earned by employees for their service in the relevant period. The company also estimates at the start of the year the amount by which the net present value of pension scheme liabilities will increase during the year, based on assumed discount rate. The expected return on fund assets is based on assumptions of investment performance and reflects changes in the fair value of fund assets taking into account the contributions made and expected benefits paid out of the fund. The combined impact of these movements is reflected in Reserves. Hence, there is no significant correlation in the short term between the cash contributions made into the scheme and its accounting treatment.



REVIEW OF OPERATIONS

CONTINUOUS IMPROVEMENT PROGRAMMES

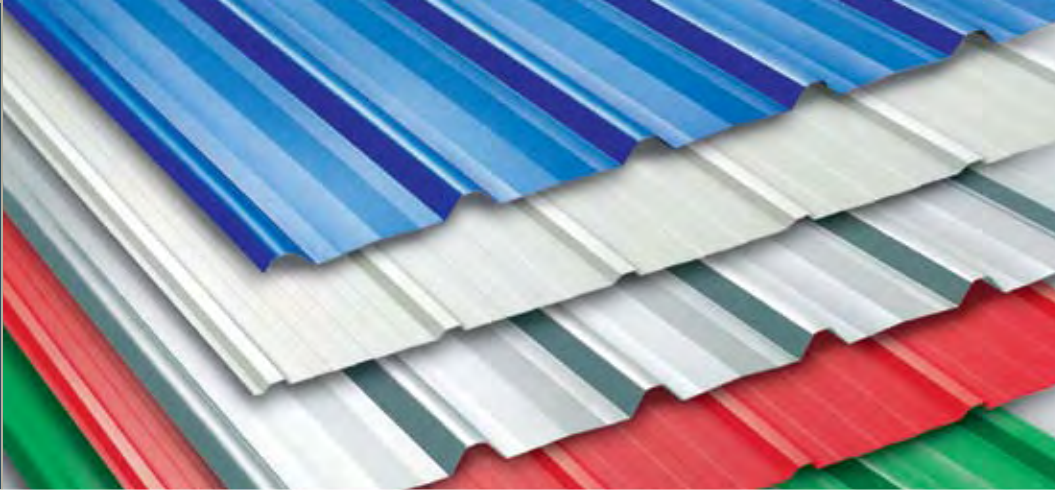
- Kar Vijay Har Shikhar
- OGSM
- Improvement Initiatives at NatSteel
- The Turnaround Plan at Tata Steel Thailand



The Year in Review 2011-2012



Clockwise from top-left: Raw materials; Coated steel manufactured by Tata BlueScope Steel; An employee with safety gear at Tata Steel Europe; Expansion at the Jamshedpur Steel Works, India; A training session in Jamshedpur, India; The application of steel in construction.



The cornerstones of endurance

Consolidation and continuous improvement are important values within Tata Steel's performance culture. Faced with the challenges of a sluggish global economy, Tata Steel has been consolidating through expansion projects in India, strengthening of its raw material procurement processes and a series of continuous improvement projects.

DOWNSTREAM INTEGRATION

- Tata BlueScope Steel
- Continuous Annealing and Processing Line
- Dhamra Port
- Tata NYK



EXPANSION

- Jamshedpur
- Port Talbot
- Ferro-Alloys and Minerals Division
- Odisha

HEALTH AND SAFETY

- Health and Safety Management Systems
- Safety Excellence Journey
- Wellness@Workplace

■ Review of Operations

Amidst the backdrop of sluggish growth, Tata Steel achieved important milestones in the areas of safety, product development and production performance.

Financial performance

The Tata Steel Group recorded a consolidated profit after tax of ₹ 5,390 crores (US\$1.06 billion) in the Financial Year 2011-12, compared to ₹ 8,983 crores (US\$1.77 billion) in Financial Year 2010-11. The Group EBITDA was ₹ 13,533 crores (US\$2.66 billion) for the Financial Year 2011-12, compared to ₹ 17,116 crores (US\$3.36 billion) in the previous year. The Group's consolidated turnover was ₹ 1,32,900 crores (US\$26.13 billion) in Financial Year 2011-12 compared to the turnover of ₹ 1,18,753 crores (US\$23.34 billion) in Financial Year 2010-11.

Indian operations

Indian operations recorded its best ever production of Hot Metal, Crude Steel and Works Saleable Steel. Production was approximately 4% higher than in Financial Year 2010-11. Crude steel production at 7.1 million tonnes exceeded the nameplate capacity in a year, when the Indian steel industry was impacted on account of a paucity of raw materials and higher power and freight costs. Indian operations recorded its best-ever sales of 6.6 million tonnes, exceeding the previous best of 6.4 million tonnes, in spite of sluggish market conditions prevailing, with interest rates remaining at elevated levels throughout the year. Flat products sales registered a 5.6% increase, reaching 3.7 million tonnes. Sales in the Automotive segment crossed 1 million tonnes with highest-ever Skin Panel sales of 0.06 million tonnes. The Company continued its efforts to increase the proportion of value-added products and worked in tandem with auto customers, meeting stringent technical specifications. With the newly institutionalised Corporate Quality assurance system, the Company achieved its best-ever Quality performance,

with customer claims reducing by more than 40% over Financial Year 2010-11.

Long products sales were at similar levels compared to the previous year, though the focus was to enrich the product-mix by maximising downstream sales through conversion of semis. Leveraging the countrywide distribution network, in conjunction with tracking dealer inventory on a daily basis, led to a spurt in retail sales. Value-selling of Cut and Bend and Coupler products from 'Ready Build' centres at distributor premises will aid the Company's product differentiation strategy in the future.

The Company recorded a 25% increase in sale of branded products in India with total branded sales touching the 2 million tonnes mark. Its leading retail brands, TISCON and Tata Shaktee, recorded a 45% (crossed 1 million tonnes) and 11% (0.212 million tonnes) increase in sales respectively. Branded products like Steelium and Galvano recorded a 7% growth. The Ferro Alloys and Minerals Division continued to supplement strong earnings of the steel division in spite of weak international demand, which affected exports. Tata Steel is planning an entry into new markets to reduce the dependence on China and focus on the domestic market, by exploiting the domestic market's potential through an organised distribution network.

Tata Steel Limited (TSL) and Krosaki Harima Corporation (KHC) signed definitive agreements on 21st April, 2011 to induct KHC as a strategic partner in Tata Refractories Limited (TRL). Under this arrangement, KHC acquired an equity stake of 51% out of TSL's 77.46% stake in TRL. TSL continues to hold a 26.46% equity stake. The transaction was based on an



(Clockwise from above) Planning and supervising the expansion project at Jamshedpur, India; Expansion in progress at the Jamshedpur site, India; Finished products.





equity valuation of TRL amounting to approximately ₹ 1,130 crores (US\$222 million). Tata Steel believes that the strategic association with KHC will allow TRL Krosaki to build a high-tech, developed product portfolio.

European operations

Financial Year 2011-12 was a challenging year for European steelmakers. In direct response to adverse trading conditions in the Eurozone, Tata Steel pursued necessary large-scale change in order to maintain competitiveness. Against this backdrop, the priority has been to serve valued customers whilst working to address key operational issues.

Tata Steel's output from its four key European production facilities was approximately 14 mt of crude steel. Around 70% of this output was put into hot rolled coil with the remainder processed into sections, plates,

speciality steels and wire rods. Of the hot rolled coils manufactured, around 25% was sold and about 55% further processed, i.e. adding value via the Company's cold rolling mills and coating lines. The remainder was used for tube manufacture.

Liquid steel output at 14 mt was significantly behind plan. This was in part due to measures taken to reduce output in line with market demand and in part due to operational issues.

Whilst key change projects were ongoing in Europe, the Company also worked hard to mitigate operational issues during the year. The Blast Furnace 4 at Port Talbot, which is nearing the end of its campaign life, will be rebuilt in Financial Year 2012-13. Blast Furnace 5 underwent a major mid-term maintenance campaign to ensure better operational performance in the future.

In Financial Year 2011-12, major projects in Europe were approved, with preparatory work commencing, for delivery in Financial Year 2012-13. Work on the project to rebuild Blast Furnace 4 in Port Talbot started. This is an initiative to de-bottleneck processes and build manufacturing efficiencies by ensuring consistency of iron output at the site. A further investment, earmarked for the plant's Basic Oxygen Steelmaking facility, is expected to enhance operational performance while simultaneously improving the energy balance on the site by increasing captive power generation. An investment in IJmuiden's Sinter Plant is expected to deliver a step-change in environmental performance in coming years.

Strategic market-led investments also took place during the year, such as in Long rails production at Hayange, France. The upgrade helped secure orders to supply new high-speed tracks to French rail operators. Market-driven capital investments like this will enable competitiveness in Financial Year 2012-13.

In Long Products business, significant restructuring was undertaken at the Scunthorpe site in the UK. Based on the current market reality, the bloom and billet mill was closed, while the Queen Bess Blast Furnace was mothballed. Manufacturing operations were reconfigured, not only to align output to demand in the short-term, but, importantly, to introduce flexibility in operations. This flexibility will enable both labour and the asset-base to be more quickly and efficiently aligned to changes in future market demand.

In IJmuiden, a five-year improvement programme began focusing on further enhancing product quality, improving plant reliability as well as reducing cost. The end result will ensure the plant retains its mantle as a world-class steelmaker. Capacity at the site is also set to increase as a result of these improvements.

Enhanced welding and material handling capability

at Hartlepool in England was another improvement initiative. A recovery plan also got underway for the Tubes business in Europe, affecting four sites in the UK and the Netherlands.

The British Steel Pension Scheme

The British Steel Pension Scheme (BSPS), with assets of about £12 billion, is one of the largest in the UK.

The Scheme's assets have been substantially de-risked, with around 65% held in a Maturity Portfolio that seeks to match a large part of the pensioner liabilities with secure bonds and inflation-linked securities.

Despite the defensive nature of this asset allocation, the Scheme's long-term investment performance continues to compare very favourably with UK peers. In an independent review of performance against the largest 50 UK pension schemes (year ending 31st March, 2011),



the BSPS was the top-performing fund over the past five and ten years, and the best performing in terms of risk-adjusted returns over the last five years.

South-East Asian Operations:

NatSteel's Singapore operations recorded its best performance since coming into the Tata Steel Group, with significant achievements in safety and output. However, other than China and Singapore, NatSteel's units in Australia and Vietnam witnessed slow growth.

NatSteel's Electric Arc Furnace (EAF) operations boast one of the highest energy efficiencies in the world, with the EAF power consumption reaching 277 kWh/mt and total power consumption for the billet plant reaching 365 kWh/mt in the last quarter. These achievements enabled the Company's EAF and Rolling Mill to achieve the highest-ever production of over 761k tonnes of billet, bars and wire rod coils.

Riding on the strong construction demand in Singapore, NatSteel's downstream reinforcement business also achieved the highest-ever deliveries of nearly 421k tonnes to construction sites. This was a 16% growth over Financial Year 2010-11 and makes it the largest Downstream Reinforcement Solutions operation in the world.

The Singapore business is further increasing its volumes in value-added products from 65% currently to 80% of its overall sales, over the next two years. The operating units have embarked on IT-enabling of its operations, beginning from sourcing scrap to refining the product-mix by increasing the share of finished value-added products, such as mesh, cages and cut and bend services.

China also recorded the highest-ever production and sales. Sales reached an all-time high of 540k tonnes, an increase of 9% over Financial Year 2010-11. Although demand in China tapered towards the second half of the

year, the NatSteel Xiamen (NSX) operations held its own to achieve its best-ever performance. NSX is currently setting up its downstream reinforcement solutions operation, which would commence in Financial Year 2012-13.

Steel consumption in Vietnam shrunk by over 3% in Financial Year 2011-12, which severely affected operations in NatSteelVina (NSV), a joint venture with Vietnam Steel Corporation. Overall profitability and demand were also impacted by unprecedented inflation and interest rates. NSV revamped its rolling mill in April 2011 to increase its production capacity from 120k tonnes to over 200k tonnes facilitating improvement in its product mix. This is expected to make the business robust and perform better on the back of an improved macroeconomic environment.

The Australian market continued to be adversely affected by poor construction demand and high competitive intensity. While the Company was able to maintain volumes at Financial Year 2010-11 levels, it saw a marginal drop in downstream sales and adverse affect on the profitability. Going forward, the business has taken on several initiatives to cut costs, improve manpower productivity and identify alternate sources of input feed.

Tata Steel Thailand (TSTH) recorded a decrease in the finished goods sales by 11% in Financial Year 2011-12 (1.14 mtpa) over Financial Year 2010-11 (1.23 mtpa). The shortfall was due to a drop in demand owing to the worst floods in the recorded history of Thailand, which affected sales in the second half of the year. The impact was so severe that the country recorded a GDP growth of mere 0.1% in 2011, a significant drop from the consensus estimates of 5%. However, the Company is implementing a comprehensive turnaround strategy that has led to an improved product mix and higher price realisations over Financial Year 2010-11, leading to a turnover of Baht 26.2 billion (2% lower than Financial Year 2010-11). Floods and lower demand also led to a lower production of

A bird's eye view of NatSteel.



1.16 mtpa in Financial Year 2011-12 (a drop of 9% over the previous year).

The Company also decided to mothball its Mini Blast Furnace in view of the higher billet cost from the Hot Metal route versus the scrap route, and took a one-time expense hit on the bottom line due to mothball-related expenses.

During the year, TSTH branded its rebars as TATA TISCON and was able to build sales to maintain its leadership position with 24% of the market share on the strength of the TATA name, consumer pull and channel confidence in Tata-manufactured rebars. The Company also maintained its leadership position in special wire rods with a share of more than 40% despite the increase in imports from China, which has adversely affected the entire ASEAN region including Thailand.

To further enrich its product mix and to reduce the dependence on construction segment, TSTH made a

successful entry in the Special Bar Quality product to serve the lucrative automotive segment. Overall, the Company has improved its value-added mix from 23% in Financial Year 2010-11 to 28% in Financial Year 2011-12.

Going forward, Thailand expects to improve its GDP in 2012-13 on the back of recovery in automotive and pent up demand in construction segment. The focus of the Company is to drive the "turnaround" and return to profit. Accordingly, the focus is on operational excellence that includes savvy scrap procurement and a vigil on operating costs. In terms of market-facing initiatives, the Company will further strengthen its reach in regional markets to sustain leadership for Tata TISCON. Additionally, the Company has initiated work on the direct supply of Cut and Bend, ready-to-use products to sites. Consolidating its sales in Special Wire Rods and Special Bar Quality, the Company expects the high-end product mix ratio to improve.

■ Expansion Initiatives

Tata Steel's 2.9 mtpa expansion at Jamshedpur covers the entire gamut of its operations; starting from augmenting the capacity of its mines to the introduction of the latest technologies in steel manufacture.

Brownfield expansion at Jamshedpur

Tata Steel India is implementing an expansion project at the Company's Jamshedpur Works to increase its crude steel capacity from 6.8 million tonnes per annum to 9.7 million tonnes per annum.

The project includes setting up a pellet plant with a capacity of 6 million tonnes per annum, a new Blast Furnace with a capacity of 3 million tonnes per annum, a new LD Shop and a Thin Slab Caster and Rolling Mill of 2.54 million tonnes per annum capacity to produce Hot Rolled Coils. The expansion project also entails augmentation of the Noamundi and Joda Iron Ore Mines and the setting-up of two coke ovens batteries with a capacity of 0.7 million tonnes per annum each.

Trial productions have begun for fines circuit of Noamundi Mines, Pellet Plant, 1 Blast Furnace and 1st stream of LD#3 and TSCR Mill. All balance facilities under this project are scheduled to be completed in Financial Year 2012-13.

Major civil and refractory work is nearing completion for Coke Oven Battery No. 10. Mechanical and electrical work is in progress.

The expansion project has been challenging as it requires carrying out large volumes of construction work while ensuring minimum disruption of ongoing operations. The highest safety standards are being stringently followed.

The project is being executed with world-class technology suppliers such as SMS for LD Shop, Thin Slab Caster and

Rolling Mill, Paul Wurth for the Blast Furnace, Outotech for the Pellet Plant, ACRE for the coke oven batteries, Maerz for the Lime Kilns. L&T is the main contractor for the rest of the plant and site work. During the project work, utmost care is being taken to ensure safety in construction activities. Also, quality is being ensured in equipment supplies and construction work at site. Work is being supervised by leading consultants like M N Dastur & Tata Consulting Engineers.

Blast Furnace Rebuild at Port Talbot

The rebuild of Blast Furnace No. 4 at Port Talbot began in earnest during Financial Year 2011-12. The project, at an estimated cost of approximately £185 million, will enhance the campaign life of the No.4 Blast Furnace by 20 years.

The Company is employing the best available technology from within the Group and from leading international technology suppliers.

The rebuild of the blast furnace is expected to boost productivity at the site by an additional 500k tonnes, increasing the overall productivity to 2.5 mtpa, with an increased inner volume and hearth diameter. The rebuilt blast furnace will ensure heavy end asset optimisation, making operations competitive in Europe.

The project will introduce a new centralised electrical control system that will replace obsolete equipment. A new gas cleaning plant, incorporating a cyclone technique will improve primary dust collection and containment. New hot blast stoves will further boost productivity and also reduce emissions and variable speed drives are expected to reduce the energy usage.



Minimising environmental impact has been one of the key objectives of the expansion at Jamshedpur.



Suitable measures are being taken to ensure that the pollution level arising out of the expansion project is being contained within the limits prescribed by the Ministry of Environment and Forest. Towards achieving this goal, schemes are being implemented to upgrade pollution control equipment, install covered sheds for pellet and pulverised coal stockpiles, recovery and reuse of waste water, increasing green cover and improved monitoring of effluents.

*Above: Ongoing work at Jamshedpur, India.
Below: Blast furnace, Jamshedpur, India.*

■ Continuous Improvement Programmes

Continuous Improvement is an integral part of the management culture in Tata Steel, with projects that cover all areas of functionality in the Company. Here are some of the important Continuous Improvement Programmes implemented across the Tata Steel Group.

Kar Vijay Har Shikhar

The 'Kar Vijay Har Shikhar' (KVHS) initiative was launched in Marketing and Sales at the Indian operations in October 2010, to enable a proactive and differentiated approach towards market creation and thus develop a market to support Tata Steel's volume expansion in India to 16 million mt. This is to be achieved by developing a third pillar for growth, i.e. SMEs, beyond OEMs and Retail.

The initiative has been launched in all four Business Units – Flats, Longs, Tubes and Wires. A specifically designed approach – the 'ECVM Way' (Emerging Corporate Value Management) – is being implemented across verticals tailored to the specific context.

In Flat Products, the context has been to create a market for the forthcoming capacity increase from TSCR, with a premium position. The team adopted a 4-step process:

- 1) Discovering the dominant segments in respective clusters.
- 2) Understanding segment-wise product service needs through customer interactions.
- 3) Mapping the demand along with segment-wise need gap analysis.
- 4) Testing the acceptance of the Company's value proposition, thus validating customer needs through pilots.

Some of the pilots have been completed and market ramp up has started. The results have been very encouraging, and there is a clear line of sight of both market share and share of business gains with customers with a premium position.

In Long Products, in view of an unchanged volume position, the context was to drive margin enhancement. To achieve this, the team has worked on two fronts:

- 1) Market work to implement the specifically designed 'ECVM Way' with SME customers.
- 2) Designing and implementing a downstream business model for Long Products.

Specifically, a lean capex model of Cut and Bend has been designed, along with a value selling model for this market shaping initiative, which is now being rolled out pan-India.

In Tubes, the context has been to profitably increase market share in the Process Tubes vertical, keeping in mind the increasing competitive intensity. Pain points of customers were mapped through the entire value chain of tubes usage and ideas were generated on ways to solve these. These ideas were then moulded into segmental value propositions.

The response has been positive, and the Company should soon be able to launch sub-brands to specifically target these sub-segments in a focused way.



In Wires, the team is working on migrating the Wires business up the maturity curve from a Wire and Wire Products manufacturer to a Solutions Provider, across several segments.

In conclusion, KVHS in Marketing and Sales is working to create a significantly differentiated position for Tata Steel's products in the marketplace. In the context of the Company's ambitions in the Indian market, this customer-centric approach will provide impetus for sustainable growth in the years to come.

OGSM at Tata Steel Europe

As part of developing and deploying an integrated strategy process across the Company, Tata Steel introduced the OGSM (Objective, Goal, Strategy, Measure) process throughout its European operations to ensure that actions undertaken in the coming years meet the long-term goals of the Company.

The OGSM process drives step-change improvement in three key areas: corporate citizenship (health, safety and environment), value creation and enablers (business excellence and people engagement).

OGSM is enabling significant improvement in the competitive gap in the following areas:

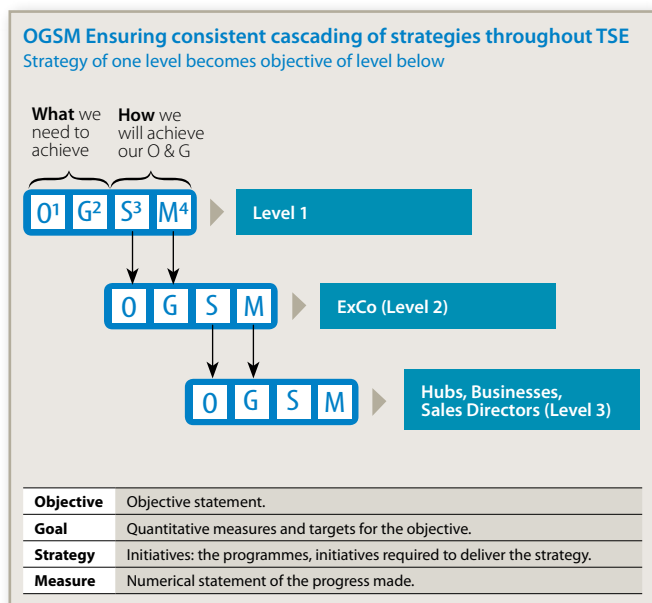
- EBITDA and Cash;
- Health and Safety;
- Environmental asset compliance;
- Business Excellence;
- World-class customer service and satisfaction.

The OGSM approach is common across Europe and each area has an OGSM process owner to support development and deployment of strategies as well as enabling the necessary knowledge skills and capabilities. OGSM strategy and process owners are supported in deployment of strategies by the business excellence infrastructure across TSE. Balance Scorecards and strategies are now in place across the organisation.

How OGSM works

Progress of strategies is driven and progress is monitored through degree of hardness (DoH). The levels of DoH range from DoH1 – idea generation, strategy formulation, ownership and initial benefits calculation – through to DoH5, which represents implementation, when all milestones in the action plan have been reached and the benefits are delivered and sustainable.

The process is structured and delivered through strong project management such as A3 thinking and discipline. Key steps moving from DoH2 to DoH5 require financial validation, which requires strategy owners to work in collaboration with finance to prepare the necessary supporting financial case. The maturity of the OGSM process, through engagement, empowerment and ownership of action across the TSE, is enabled by having a 'local' OGSM 'Plan-Do-Check-Act' (PDCA) in place across TSE. This is fostering a 'can do' attitude where employees are now able to demonstrate and see how their actions contribute to the company objectives and ambitions.



TSE-wide OGSM Reviews are held every month in three major centres (two in the UK and one in the Netherlands). The OGSM programme office identifies strategies and ideas that can be explored in detail through 'deep dives' working in close collaboration with senior leadership and the 'shop floor'. Web conferencing is used to increase participation at reviews and recorded web casts are also available to drive sharing and learning across TSE.

Improvement initiatives at NatSteel

The implementation of the Total Operational Performance (TOP) initiatives helped NatSteel's upstream operations in Singapore achieve savings of S\$7 million in the Financial Year 2011-12. Investments in technology and efforts to reduce electricity consumption were successful, with the billet centre reaching a world-benchmark in energy efficiency at 365 kWh/MT.

NatSteel also undertook a productivity enhancement drive, Project Phoenix, in its downstream operations, which helped the Company achieve a high of close to 42k tonnes in March 2012.

Similar initiatives in NatSteel's Australian operations also yielded significant results. A potential \$4.5 million in savings/revenue gains was achieved through a

programme called PUSH. The Australian operations also reduced its overheads by A\$1.1 million.

In Financial Year 2011-12, NatSteel's operations in Vietnam underwent a complete modernisation, doubling its rated capacity to over 200k tonnes per annum. Subsequently, a Retail Value Management (RVM) initiative has been undertaken to enhance retail presence in the individual home builder segment in North Vietnam.

The Turnaround Plan at Tata Steel Thailand

During the Financial Year 2011-12, Tata Steel Thailand (TSTH) launched the 'Turnaround plan' in Thailand, which included most of the Company's improvement projects. These improvement projects covered the areas of product portfolio optimisation, new product development, operations cost reduction and procurement cost savings. Here are some of the projects in detail:

- **Product portfolio optimisation:** A production planning model was implemented to improve the total contribution by adjusting the product mix to suit the productivity and contribution per tonne across the three plant sites.
- **New product development:** This specifically focused on introducing special bar quality products in the Thailand market and attained consistent sales of 2500 tpm in the very first year. It also covered the development of high-end wire rods hitherto not made at TSTH and imported in Thailand.
- **Operations cost:** This covered the conversion cost elements directed at addressing the overall KPI of lowest billet cost.
- **Procurement area:** A project was launched to improve the reliability in domestic scrap collection and optimisation of blending in various grades to help in reducing the total billet cost. In addition, the 'Group buy' concept in high spend product categories like bearings, electrodes has been initiated.



Caging centre at NatSteel, Singapore.

■ Downstream Integration

Tata Steel has plans for a comprehensive growth strategy with initiatives in downstream linkages and investments in supply chain logistics.

Tata BlueScope Steel

Tata BlueScope Steel (TBSL) is an equal joint venture between Tata Steel and BlueScope Steel in the field of coated steel, steel building solutions and related building products. The Company operates in the SAARC region.

Tata BlueScope Steel has three business divisions - Coated Steel, Building Solutions and Building Products.



Coated steel manufactured by Tata BlueScope, India.

The Coated Steel business markets metallic coated and pre-painted steel for the construction industry. It offers premium brands such as ZINCALUME® steel and COLORBOND® steel. The Coated Steel facility at Jamshedpur has an annual metallic coating capacity of 250,000 tonnes, including pre-painting capacity of 150,000 tonnes.

The Building Solutions business manufactures and supplies pre-engineered building solutions. Its premium brands include BUTLER™ BUILDING SYSTEMS and ECOBUILD™ BUILDING SYSTEMS. The Building Products business manufactures and supplies roll-formed roof and wall cladding solutions and related building components. It offers premium brands like LYSAGHT® range of roof and wall cladding solutions, DURASHINE® range of products and EZYBUILD® solutions. The Company's building solutions and building products businesses have state-of-the-art manufacturing facilities at Pune, Sriperumbudur and Bhiwadi supported by a wide network of regional and sales offices located across India.

Tata BlueScope Steel is playing the crucial role of completing the value chain in the form of efficient downstream steel products that meet market expectations for sustainable construction solutions. With TBSL, Tata Steel is better poised to increase per capita steel consumption in Construction sector.

Continuous Annealing and Processing Line

The implementation of the 0.6 mtpa Continuous Annealing and Processing Line (CAPL) project at Jamshedpur for the production of automotive cold rolled flat products is progressing as per schedule for

its commissioning by the end of 2013. A Joint Venture Company between Nippon Steel Corporation and Tata Steel India will complete the project implementation and serve the growing needs of Indian automotive customers for high-end cold rolled coils and sheets.

CAPL technology is best suited for the production of high-quality automotive skin panel steels and for the production of high-strength grades of cold rolled steels. These product offerings will expand the existing product range of cold rolled coils and sheets for automotive customers, thereby enabling them to substitute imports and achieve their objective of localisation.

Dhamra Port Company

The Dhamra Port Company Limited (DPCL) is a 50:50 joint venture between L&T and Tata Steel. DPCL has been awarded a concession by the Government of Odisha to build and operate a port north of the mouth of the river Dhamra in Bhadrak district, Odisha on a BOOST (Build, Own, Operate, Share and Transfer) basis for a period of 34 years, with an option for renewal.

Situated between Haldia and Paradeep, the port at Dhamra will be one of the deepest ports of India with a depth of 18 metres, which can accommodate super capesize vessels up to 180,000 DWT. The master plan

provides for 13 berths and, at its full capacity, the port is expected to be capable of handling more than 100 mtpa of dry bulk, liquid bulk, break bulk, containerised and general cargo.

The immediate hinterland of Dhamra is rich in mineral resources with reserves of iron ore, thermal coal, nickel, bauxite and chromite, all of which have brisk export demand. The area is also home to some of the largest steel producers in India who import coking coal to meet their requirements.

Presently two berths of the port have been fully developed. These are a mechanised import berth handling coal and limestone and an export berth for iron ore. The import and export circuit is equipped with ship unloader, stacker reclaimer, RCC silos and rail-loading facilities. The estimated aggregate capacity of the import and export circuit is 27 mtpa. The project has already had a positive effect on the Company's logistics cost of imported coking coal.

Tata NYK

Tata NYK Shipping Pvt. Ltd. is a 50:50 JV between Tata Steel Limited and NYK Lines, a Japanese shipping major. The Joint Venture was incorporated to meet the growing sea-borne trade requirements of the Indian market, including the Tata Group in anticipation of its expansion plans, which would increase dependence on sea-borne cargo. The Company is primarily in the business of owning, operating and chartering ships for carrying dry bulk and break bulk cargo including coal, iron ore, limestone and steel products with the capability of handling cargo originating in any geography.

The Company today has a diversified fleet of 14 vessels ranging from supramax, panamax and capesize vessels. It also has significant expansion plans in the near future. The cargo handled increased from 7.9 million tonnes in Financial Year 2010-11 to 11.2 million tonnes in Financial Year 2011-12.



Dhamra Port, India

■ Health and Safety

Across all its operational facilities, the Company implements policies that cover occupational and overall health.

Policy

Tata Steel embarked on its formal safety excellence journey in 2004 and since then, has made significant progress in its drive towards becoming a leader in industrial safety. The Group's Lost Time Injury Frequency Rate for Financial Year 2011-12 was 0.68, an improvement of 14% over last year.

'Health and Safety' is reviewed at all Board meetings of the Company with a Health, Safety and Environment committee established to carry out more detailed reviews. The integrated and systemic Health and Safety Management System, introduced in TSE in 2008 with a governance process for improvement actions and regular safety tours by the Board and executive members, has been developed for Group-wide application in the current year.

Specifically in India, a series of safety initiatives helped achieve an LTIFR (Lost Time Injury Frequency Rate) of 0.51. Some of these initiatives are given below:

- Special drive focusing on **Fatality Risk Control Programme (FRCP)** and **Elimination of Commonly Accepted Unsafe Practices (ECAUP)**, through which more than 10,000 unsafe conditions and 969 unsafe practices have been corrected.

Employees must wear safety equipment as stated in the Company's rules.



- The **Stock Yard Safety Management System** was rolled out at all the 40 stock yards. A **15-point safety rule book** on stock yard management was launched, followed by training for all workers and supervisors.
- The **Safety Excellence Journey** has set out standards and procedures and resulted in many improvements to processes, visual management and communications – all helping to raise awareness and foster a culture of safety. A 100-day Safety Excellence Journey campaign included safety training for senior leaders, and a 'train the trainer' programme for 24 plant managers.
- The Safety Excellence Journey has also been **extended at Group companies** in India namely JUSCO, ISWP, Dhamra Port Company Limited, TS Alloys, Tata Sponge Limited and TRL Krosaki Refractories Ltd. Tata Steel has also established a **safety organisation for the greenfield project** at Odisha.

Process safety

A comprehensive safety review process was conducted at Jamshedpur for the start-up of the new hot strip mill, blast furnace and a number of other key installations, helping to assess risks on new or modified facilities before the handover from project to operations team.

Nine high-hazard installations were modelled for toxic releases and explosions using specially-created 'Phast Risk' software. Tata Steel is the first steel company in India to use this advanced software, which is also in use at the Company's European facilities.

Process safety has been a constant focus for all high hazard facilities (HHF) in Tata Steel since 2008, when

dedicated teams were put in place. They have identified high hazard facilities across the European operations, and are now carrying out process hazard reviews. Work is going on to determine the required safety integrity level with respect to identified safety critical systems.

To aid the management of change, a tool has been created for managing changes to plant, process and people, and a training package has been developed. Loss of containment reporting – recording and reporting any spill of (listed) hazardous substances above a threshold amount – has been extended to all Seveso II (COMAH and BRZO) sites and, from mid-2010, sites were required to report all spills of hazardous substances, including molten metal, and rank each event in terms of potential impact. These reports are being used to measure and improve process safety performance in the same way that the lost time injury frequency rate is used to monitor occupational performance.

Occupational health

Apart from the safety of its employees, Tata Steel also focuses on improving their health through its Wellness@Workplace programme.

As part of the campaign to reduce health exposures across Tata Steel in Europe, IJmuiden has been investing in structural measures to reduce and prevent exposure to emissions of diesel engines in enclosed areas. Diesel-driven equipment have been replaced where possible, and exhaust gases extracted. Some vehicles have been equipped with filters.

A comprehensive workplace health programme is in place in NatSteel. The percentage of staff with high total cholesterol decreased to 23.8% in 2010-11, from 34.4% the year before. Over the same period, the percentage of staff exercising regularly (three times a week, 30 minutes per session) increased to 39.5% from 36.4%.

Tata Steel won the worldsteel 'Safety and Health

Excellence Recognition Award' for the second consecutive year. The award recognises excellence in a company's commitment and innovation in the pursuit of an injury and illness-free healthy workplace.



A fitness session at a NatSteel facility



The Vitality Centre, a lifestyle clinic at IJmuiden, the Netherlands.



Women employees benefit from the Women Health Improvement Project at Tata Steel.



Measuring the impact of sustainable policies

The cornerstones of longevity

Sustainability has been a core value at Tata Steel since its inception. A vision to create wealth for society, to work and improve the lives of our communities and other stakeholders, and an inherent respect for the environment has guided our business ethos. At Tata Steel, sustainability encompasses economic viability, environmental integrity and social equity with a long-term view of a sustainable business. Over the next few pages, Tata Steel has shared its long and vibrant history of initiatives through the nine principles defined in the National Voluntary Guidelines. The initiatives continue to grow and expand with the changing times.



1

Principle 1:
Governing our business on the foundation of ethics, transparency and accountability.



2

Principle 2:
Manufacturing safe, strong and sustainable steel.



3

Principle 3:
Promoting the well-being of all our employees.



4

Principle 4:
Engaging with stakeholders, including the disadvantaged, vulnerable and marginalised.

5

Principle 5:
Respecting and promoting human rights within and outside the work space.



(Facing Page, from top): An employee at the Jamshedpur Steel Works; Packaging products manufactured by Tata Steel; NatSteel employees at a charity event; An employee at Jamshedpur wearing safety gear at work.

A young student participating in an HIV-Aids awareness drive; A park at Jamshedpur; Employees at Tata Steel India; Employees at Tata Steel Europe; End-product usage manufactured by the Company.



6

Principle 6:
Respecting, protecting and restoring the environment.

7

Principle 7:
Shouldering the responsibility of policy creation.



8

Principle 8:
Understanding and minimising negative effects of our actions on social and economic development.

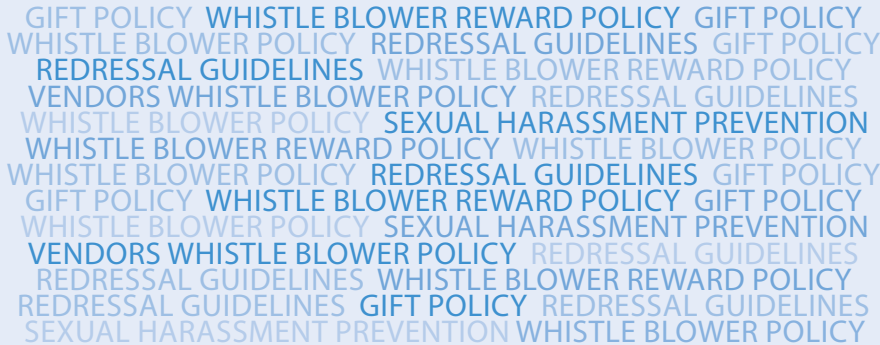


9

Principle 9:
Engaging and providing value to customers and end consumers.



PRINCIPLE 1 ETHICS, TRANSPARENCY AND ACCOUNTABILITY



The Tata Code of Conduct is followed across all facilities of Tata Steel. (Far right) A poster of the Speak Up Whistle Blower service at Tata Steel.

of the Code. These include Gift Policy, Whistle Blower Policy, Whistle Blower Reward Policy, Vendors Whistle Blower Policy, Sexual Harassment Prevention and Redressal Guidelines.

Tata Steel has a zero tolerance policy towards corruption and unethical behaviour and has, therefore, taken specific action to implement anti-corruption measures articulated in Clauses 2, 5, 6, 13, 17, 20 and 25 of the TCOC. All officers have to submit a Conflict of Interest (COI) declaration on the intranet and update it as and when a new COI situation emerges in their employment period.

Any employee can directly raise concerns with the Ethics Counsellor/Head of Vigilance/Chairman of the Audit Committee. The constitution and role of the Audit Committee is elaborated in the Corporate Governance Report, which forms a part of this Annual Report. To encourage employee activism against malpractices, and to protect the identity of the Whistle Blower, a third party-operated Whistle Blowing Line was established in 2011-12.

Annual TCOC Compliance Declaration

The Managing Director submits an annual declaration in the Annual Report regarding compliance by Board Members and Senior Management Personnel with the TCOC.

The Managing Director also submits an annual TCOC

Compliance declaration to the Chairman, incorporating the steps taken in the Company during the year to promote and institutionalise an ethical culture in the organisation.

Information related to compliance with all country specific statutory guidelines, the Tata Code of Conduct and standards for global businesses, such as the principles of the United Nations Global Compact (UNGC), is published annually and placed in the public domain in the Company’s annual Corporate Sustainability Report, which is subject to an independent third party assessment.

Action for Non-Compliance to the Code

Concerns raised regarding the involvement of its employees and business partners in any act of bribery or corruption are thoroughly investigated and punitive as well as preventive action is taken. Non-compliance by vendors leads to severe consequences, including blacklisting. Similarly for employees, punitive action is taken, including termination of employment.

Evaluation of Effectiveness

The MBE Programme evaluation is conducted once in every two years. This is done through Employee and Vendor perception surveys, conducted by TQMS through an independent third party. The results are analysed for self-evaluation and gaps identified are used for new initiatives under the MBE Annual Business Plan.

PRINCIPLE 2 PRODUCTS CONTRIBUTING TO SUSTAINABILITY

coke plants, a virtual switch from coal to gas as the energy source for power generation, and consequently a drop in CO₂ gas emission, besides more than 90% utilisation of Blast Furnace slag.

In Singapore, NatSteel uses only recyclable ferrous metal waste for processing into high quality construction steel, through one of the most energy-efficient processes globally.

Energy-efficient technologies employed in NatSteel’s Singapore plant include the use of the shaft electric arc furnace for waste heat recovery as well as billet hot charging into the reheating furnace. These have made the plant and rolling mill one of the most energy-efficient in the world.

Educating consumers of their rights, product properties, safe usage and disposal of products

A Retail Identity Programme in India, including development of dedicated channels, Company-certified retailers and branded outlets for its rebars (Tata TISCON) and steel roofing solution (Tata Shaktee), has transformed steel retailing in the country. The programme has created a vast network of dedicated distributors, exclusive showrooms and dealers covering all states and districts of the country. These distributors facilitate extensive dissemination of knowledge to consumers. Comprehensive product information, knowledge of applications and consistent pricing across shops enables consumers to fit a product to their budget.

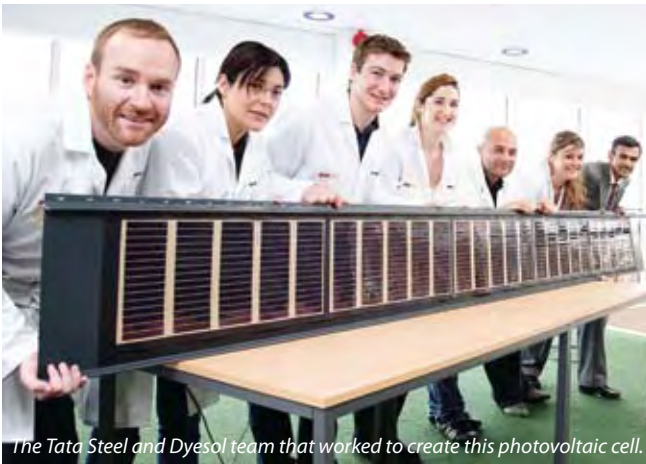
Rural marketing programmes reach out to nearly 3.5 million potential customers every year. In 2011-12, there were more than 6,000 such programmes. The retail reach of Tata TISCON was enhanced by 27% during the year, increasing its dealer network from 2,750 to 3,500.

Cross-functional product teams interface with a diverse range of end users including OEMs, architects, homeowners, masons, etc. through programmes such as Learning, Interaction, Networking, Knowledge Sharing (LINKS), Responsible Architectural Initiatives and Structural Engineering (RAISE), Build Wise, initiatives for influencer management, knowledge-sharing initiatives for the Cold Rolled and Galvanised Plain customers, along with the Customer Engagement Programmes – Value-in-Use and Wired2Win.

 **SUSTAINABILITY IN ACTION**

- European **Sustainability Management Group** comprising senior representatives from Environment, Marketing, Corporate Communications, Procurement and Hub teams, makes the link between stakeholder expectations and the Company’s performance on sustainability.
- Business **vertical of sustainability** created for Indian operations.
- **Sustainability Assessment Tool** used in European operations.
- **Environmental Product Declaration (EPD)** project as part of the Indian operations.
- 6,000 **Rural Marketing Programmes**, reaching out to nearly 3.5 million potential customers.
- Rise in Tata TISCON **dealer network** from 2,750 to 3,500.
- Embossing of **brand logo** on all Tata Steel products.
- **Technology Roadmap** with a dual mission – to ensure resource-efficient product designs and deploy eco-friendly technology.

PRINCIPLE 2 PRODUCTS CONTRIBUTING TO SUSTAINABILITY



The Tata Steel and Dyesol team that worked to create this photovoltaic cell.

Adoption of technologies such as Thin Slab Caster and Rolling Mill as well as the Continuous Annealing and Processing Line are leading to products with energy efficient end applications.

Recognising and respecting the rights of owners of traditional knowledge and intellectual property

Tata Steel’s locational proximity to indigenous communities makes it conscious and sensitive to the need to preserve their unique culture and traditional knowledge. Through its Tribal Cultural Society, the Company runs centres for teaching and preserving the Ho and Santhali scripts to keep them alive, an imperative for the perpetuation of traditional knowledge.

In recognising and preserving intellectual assets, Tata Steel addresses two principle challenges. The first challenge is the commercialisation of its patents to unlock the value of its IP portfolio. This process is benchmarked against international best practices. Seven companies worldwide have shown interest in the first patent placed in the market by Tata Steel for on-line property prediction in the hot strip mill. Twelve copyrights for e-learning packages have been identified

for commercialisation as pilot cases, with 78 companies eliciting interest in them.

The second challenge is to retain a claim on its IP while sharing developmental knowledge with international partners. It requires a fine balance between understanding of technology and legal negotiation skills. Tata Steel is reviewing international best practices to arrive at this balance.

Reduce, reuse and recycle to optimise resources utilisation

Raw material, energy and water requirements are continuously tracked and compared with global industry standards or benchmarks to optimise resource efficiency based on the twin drivers of resource conservation and cost reduction. For example, the Company continuously strives to reduce the carbon rate in its smelting operations through the adoption of efficient processes, raw material beneficiation and initiatives to recover iron from wastes such as slime, along with in-house improvement through process control.

Wastewater recovery systems increasingly recycle treated effluents back to the steel manufacturing process thereby minimising water uptake. The Jamshedpur Steel Works sources 14.5% of the 29.2 MGD of water consumed by it from recycled effluents. Tata Steel’s ore binding programme at its ore mines recovers clean water from the slime pond.

All products made by Tata Steel are fully recyclable. Hence the Company looks upon steel scrap as a recycled raw material resource integral to its steel-making processes. All steel-making units use a proportion of recycled steel as an input material, though the specific proportion of recycled content varies and is optimised within each of its steel-making operations.

PRINCIPLE

3



Employee Welfare

Businesses should promote the well-being of all employees.

Since its inception, Tata Steel has always viewed its people as its greatest asset. Measures taken by the Company became a part of modern India's laws and a part of the Conventions of the International Labour Organisation. The Company endeavours to be an 'Employer of Choice' by fostering an environment of aspirational goal setting, continuous improvement, in addition to health and safety, and corporate responsibility.

Right to freedom of association and collective bargaining

Tata Steel respects the right of employees to exercise freedom of association and collective bargaining. Trade unions are present and encouraged at all locations. All non-officers (~86% of the total workforce) in India are represented by 26 independent trade unions across the Company's locations. Challenges faced are discussed with the recognised unions at scheduled meetings.

Joint Consultations: Established in 1956, the three-tiered Joint Consultation System provides a platform for issues related to production, productivity, quality, safety, welfare, training, (excluding issues of collective bargaining and individual grievances). **Grievance Handling Mechanism:** The Company has an informal, online grievance resolution process called 'Samadhan', and a three-tier formal grievance resolution mechanism. Unresolved grievances are referred to the Central Works Committee. In Financial Year 2011-12, the Committee addressed six grievances, of which two were resolved to the satisfaction of the employees concerned.

Equal opportunity employer

Tata Steel recognises and values the differences in employee 'backgrounds and skills' and promotes equal access to employment and supply opportunities without discrimination. Any alleged violation of the equal opportunity policies is investigated and, if found valid, acted upon.

Promoting a just and fair workplace

The level of wages and salaries of all employees – except, for instance, the senior managers in Europe, skilled employees of NatSteel and the officers category in India – are defined and determined by periodic collective bargaining or wage arrangements. The Company complies strictly with rules and regulations stipulated by local governments on minimum wages paid to employees.

Encouraging work-life balance for employees

A unique initiative, launched in Financial Year 2010-11, Wellness@Workplace continued to be rolled out across locations in Financial Year 2011-12.

Employees	Tata Steel India	Tata Steel Europe	Tata Steel Thailand	NatSteel
Female	1,721 4.81%	3,150 9.45%	181 12.87%	138 8.23%
Male	34,072 95.19%	30,166 90.55%	1,226 87.13%	1538 91.77%
SC/ST	5,622 15.71%	-	-	-
Specially able	56 0.16%	-	-	1 0.05%

As on 31st March, 2012

PRINCIPLE 3 EMPLOYEE WELFARE

Some other employee initiatives cover aspects related to housing, medical care, education, culture and counselling.

Specific initiatives for female employees include:

- Additional 15 days leave for those with children below five years.
- Additional house points that allow them to create a nurturing environment for their children.
- Relaxation in eligibility clauses for sabbatical on maternity grounds.
- Promotion of the women empowerment cell of Tata Steel.

Caring for the well-being of its employees, including those with special needs

Committees comprising representatives of the Union and Management jointly monitor employee benefits. The following benefits are provided beyond statutory obligations:

- Workplace amenities superior to those prescribed by law; highly subsidised and quality canteen facilities; employee health provisions; monetary incentives for higher studies; family benefit scheme; TISCO Employees' Pension Scheme, in which the Company and employee make an equal contribution towards the fund; maternity leave provisions; Early Separation Scheme for non-officers of the Company who have been rendered surplus.

Providing a safe, hygienic and humane workplace

The Safety Excellence Journey enables the Company to continuously improve Occupational Health and Safety management using internationally recognised standards. The Safety Excellence Journey was launched in Tata Steel Thailand in 2010 with support from Tata Steel India.

Safety Governance Structure

The Management is responsible for training and supervising employees on safe procedures and health care, providing information on safety hazards and providing safety appliances. It is also responsible for

Rewarded for Excellence

NatSteel has been awarded the Work-Life Excellence Award by the Singapore Ministry of Manpower. It is also a recipient of the Apex Platinum Health Award by the Singapore Health Promotion Board.

the Company's compliance with statutory provisions on health and safety. The Company constantly strives to achieve its goals of a Zero Fatality rate, and a Lost Time due to Injury Frequency Rate (LTIFR) of 0.4.

Skill development and creating world-class employees

The Tata Steel Management Development Centre (TMDC) creates managerial and functional training opportunities for all officers of Tata Steel India, while the Shavak Nanavati Technical Institute (SNTI) is responsible for technical and functional training of officers and non-officers.

In April 2011, the Tata Steel Academy was launched in Europe to enable employees to achieve the highest standards of technical and professional expertise. During Financial Year 2011-12, NatSteel invested a total of 18,432.9 man-hours in training.

Offering a harassment-free workplace to all

Tata Steel aims to have a discrimination-free workplace. Guidance on a harassment-free workplace is taken from the Tata Code of Conduct and the Company's Human Resource, Sexual Harassment and Affirmative Action Policies.



Health check-ups, NatSteel

PRINCIPLE 4 STAKEHOLDER ENGAGEMENT

various issues and in compliance with the Listing Agreement.

- Tata Steel is an active and important member of various **industry forums** in India and around the world and plays an important role in policy formation and business development.

Serving local and indigenous communities

The nature of Tata Steel's operations in India have given it a presence in both urban as well as rural locations in the states of Jharkhand, Odisha and Chhattisgarh. These are regions with a substantially higher proportion of indigenous communities than the national average.

Among the communities that Tata Steel operates in, it is viewed as the primary source of employment and the Company responds by making its communities beneficiaries of this economic activity, directly and indirectly.

The Company has created multiple agencies with well-defined purposes. These include Tata Steel Rural Development Society, Urban Services and the Tribal Cultural Society. These agencies focus on sustainable livelihoods, employability, health care, education, empowerment, population stabilisation and ethnicity.



A lady weaving a basket in Odisha, India. The Company supports indigenous communities and their cultural traditions.

In Thailand, the Company operates in the Amnart Charoen and Yasothon provinces. Its 'Grow Smart with Tata Steel' project reached out to 158 schools within the region in 2011-12. NatSteel's 'Building beyond Borders' programme reaches out to children with physical disabilities or physically disabled parents, under the NatSteel-SPD Education Bursary Award. The Company also partners charities for community projects.

An advocate for a just, fair and equitable society

Tata Steel's proactive approach to stakeholder engagement and conflict resolution has been rewarded with over eight decades of industrial harmony and the continued license to operate in the very communities it began operations in, over a century ago. The Company takes pride in being the employer of choice in several instances to four generations of the same family.

At all greenfield sites, the Company diligently follows processes as defined by law. The Company's first greenfield project at Kalinganagar is focused on meeting the Millennium Development Goals in 21 villages, 14 of which are directly project-impacted.

SUSTAINABILITY IN ACTION

The Company plays an active role in the urban administration of Jamshedpur. In 2004, the city was nominated as the first South Asian city for the pilot phase of the UN Global Compact Cities Programme. The programme aims at resolving intractable urban problems and replicating these solutions worldwide. Tata Steel's Public Private Partnership Project, which gives last-mile consumer access to safe water was hailed. The Company's engagement with UNGC has deepened with its membership of CEO Water Mandate, which focuses on development through better utilisation of natural resources. In the Third Party Survey conducted in 2011-12, the citizens of Jamshedpur rated it as the second-best city to live in, in India.



Human Rights

Businesses should respect and promote human rights

Tata Steel respects and protects human rights both within and outside the workplace through the application of frameworks such as SA 8000 and the United Nations Global Compact based on the Universal Declaration of Human Rights and ILO conventions. Tata Steel's commitment to human rights is reflected in its Human Resource Policy, Procurement systems, Affirmative Action Policy and Social Strategy, all of which are aimed at fostering socio-economic empowerment through inclusive growth. Tata Steel's CSR and Accountability Policy upholds applicable laws while dealing with stakeholders, avoiding any direct or indirect complicity in the infringement of fundamental rights.

Human rights in the workplace

Across its locations, Tata Steel provides equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality and different ability status. To ensure diversity of its workforce, Tata Steel exercises positive discrimination in favour of socially disadvantaged communities provided potential employees fulfill its merit-based criteria. These systems and processes are monitored for compliance and subject to continuous improvement through the SA 8000 standard's independent third-party verification.

All employees of the Company have access to the Ethics Counsellor both directly and through a third party helpline. They are free to raise rights-based issues through forums for two-way communication, participative management and joint consultations. A special forum for women's

empowerment has been created to address issues related to women and to support them as professionals.

To raise awareness, all recruits in Tata Steel must certify that they understand and accept the Tata Code of Conduct and are oriented to SA 8000, covering human rights issues.

The SA 8000 code of practice for companies comprises nine clauses:

1. Child Labour
2. Forced and Compulsory Labour
3. Health and Safety
4. Freedom of Association and Right to Collective Bargaining
5. Discrimination
6. Disciplinary Practices
7. Working Hours
8. Remuneration
9. Management Systems

The Company has incorporated the clause on Child Labour in all its communication and reinforcement to stakeholders. The policy states that no persons below the age of 18 years may be engaged by contractors, suppliers or vendors at any point, within or outside the Company premises, and in the event of discovery of such a case, liabilities for suitable remediation and ensuring well-being of the child would accrue to the defaulting party.

Universalising Human Rights

A founder signatory to the United Nations Global Compact (UNGC), Tata Steel supports Principles One and Two of the UNGC, which are derived from the 1948 Universal Declaration of Human Rights (UDHR).

PRINCIPLE 5 HUMAN RIGHTS

Tata Steel also promotes human rights widely through its policy of inclusive growth. Its sensitivity to encouraging a life of dignity extends to people living with HIV/AIDS through its HIV/AIDS policy and actions that flow from it.

The nine SA 8000 clauses and the UNGC Human Rights clauses are among the primary criteria for new vendor selection. Tier-2 service providers, i.e. sub-contractors of the Company's principal service providers, are provided registration only after they submit a declaration in support of the SA 8000. Engagement mechanisms such as vendor meets, training on SA 8000, surveys and continuing dialogues show the emphasis on human rights and social compliances.

To foster inclusive growth, the Company encourages local buying, particularly from small entrepreneurs and Non-Governmental Organisations (NGOs), whose revenue flows benefit the local and disadvantaged communities. In Financial Year 2011-12, the Company's purchases from those falling under the ambit of the Company's initiatives focussed on Affirmative Action amounted to ₹ 17 crores (US\$3.6 million) and another ₹ 23 crores (US\$4.8 million) of supplies was sourced from organisations with majority of the employees from AA communities.

Securing rights of the disadvantaged and indigenous communities

Tata Steel continually revisits its social strategy to align it to the developmental needs of the disadvantaged and indigenous communities. Key elements of Tata Steel's social strategy include sustainable livelihoods, access to education and empowerment. The Company also seeks to promote tribal languages and culture to safeguard the unique identity of primitive and indigenous tribes.

Self Help Groups (SHGs) have been extremely successful in

empowering and drawing its rural constituents, especially women, into the decision making process of their families. SHGs have also encouraged them to leverage their strengths when required for collective bargaining.

In 2011-12, Tata Steel increased the number of sponsorships for meritorious students from disadvantaged communities, specially from Scheduled Castes and Scheduled Tribes, by influencing their parents to allow students to attend mainstream residential schools. The cost of their education is borne by organisations responsible for actualising the Company's social policies. Tata Steel also established a partnership with the Government of Jharkhand in Financial Year 2011-12 to introduce a mid-day meal scheme for government schools in Jamshedpur. In Financial Year 2011-12, the number of scholarships offered to students from Affirmative Action communities increased almost three-fold to touch 1,956 children with an outlay of ₹ 7.5 million (US\$0.16 million).

 **SUSTAINABILITY IN ACTION**

A Center for International Private Enterprise (CIPE) and Social Accountability International (SAI) study concluded "...Tata Steel has significant potential to demonstrate the beneficial influence of adopting SA 8000 in India and beyond." Tata Steel introduced the SA 8000 assessment of vendors, which included labour, human rights and environmental aspects.



PRINCIPLE

6



Environment

Businesses should respect, protect, and make efforts to restore the environment.

Tata Steel has always adopted a proactive approach to the conservation of the environment. The Company's actions are guided by the Tata Code of Conduct, Tata Climate Change Policy, Tata Steel's Vision and Environmental policy.

Resource conservation

Integrated steelmaking requires large amounts of raw materials such as iron ore and coal. To ensure optimal use of resources, the Company's policy of reduce, reuse and recycle has been embedded in its processes. Efforts to improve performances have resulted in considerable reduction in the use of energy and natural resources.

The main raw material used across all three locations in Tata Steel Thailand is ferrous scrap, which is fully recyclable. At NatSteel, scrap metal generated within the plant is mostly recycled internally. In 2011-12, the percentage of recycled input materials accounted for 2.36% of the total billet production at NatSteel.

Research and development of innovative technologies and processes for Ore and Coal Beneficiation

Raw material cost is critical to the sustainability of steel manufacturers. Raw materials used for steel making are not renewable. Therefore, R&D and operations seek to enhance yield and maximise utilisation of raw material. Innovative application of Jigs to beneficiate iron ore to control Alumina, processes to reduce slime generation, research to produce clean coal at optimal yield and plant rejects to produce concentrates are targeted to achieve this objective.

Process optimisation, waste management through reduce, reuse and recycle

Advanced techniques are used to extract iron and carbon, by reusing most of the residual materials through sinter plants, steelmaking and coke ovens, replacing primary raw materials and reducing overall CO₂ emissions.

The most significant by-product of steel making, in terms of quantity, is blast furnace slag. It is used as a substitute for clinker in the cement industry. Steelmaking slag is used for civil engineering purposes and agricultural applications by TSE. Tar and benzole derived from the coke-making processes are used by chemicals industry.

EAF slag, a byproduct of NatSteel's operations, is further processed by a third party for use as road surfacing material. In Financial Year 2011-12, EAF slag accounted for approximately 14.53% of the crude steel produced.

Relatively large volumes of water are used by all steel manufacturing units, mostly for non-contact cooling and is primarily reused. Tata Steel India reported an 18% decrease in specific water consumption over a ten year span from 7.1 m³/tcs in Financial Year 2002-03 to 5.8 m³/tcs in Financial Year 2011-12.

In Europe, the Company is developing a tool that will provide a more accurate measure of fresh water consumed per tonne of steel produced to target additional water efficiency schemes.

PRINCIPLE 6 ENVIRONMENT

All industrial cooling water processes at NatSteel use NEWater, a high-grade reclaimed water produced from treated, used water that is purified further using advanced membrane technologies. At NatSteel, 100% of the water is recycled and reused a few times before eventual discharge into the public sewage system.

Adoption of green and clean technologies, best operating practices and process upgradation

Appropriate measures for environment protection are taken by adopting BAT (Best Available Technology) and designing pollution control infrastructure to achieve discharge and emissions within statutory limits.

An Environment Impact Assessment is undertaken prior to the implementation of capital projects and appropriate environment management programmes are implemented with the project.

Tata Steel adopts best practices to prevent, or otherwise minimise, mitigate and remediate, harmful effects of mining operations.

Some of the environment friendly technologies adopted in Financial Year 2011-12 include installation of a tailing de-watering plant for the first time in India to nullify the requirement of a tailing pond and the use of a pipe conveyor to reduce dust generation at the Jamshedpur Works.

Mitigating the impact of Climate Change

Although emissions are an area of critical concern for steel manufacturers, Tata Steel believes its products are part of the solution to climate change, as steel has inherent environmental advantages, such as being durable, adaptable, reusable and recyclable.

A waste water treatment plant at Jamshedpur, India.



PRINCIPLE 6 ENVIRONMENT

energy and environment committees – such as ‘Clean, Green and Safe’ in Singapore, ‘Green Team’ in Canada, the ‘YmGreen’ initiative in the Netherlands and the ‘Greenfection’ campaign in India. The Company’s technical staff and engineers are trained to identify energy-saving opportunities in drive trains (drive controls, motors, couplings and prime movers), which have resulted in significant savings in energy.

In India, an environmental performance report is regularly sent to statutory bodies. This includes monthly reports to State Pollution Control Boards and half yearly reports to the Ministry of Environment and Forests (MoEF) by operating sites in India and quarterly reports by the Raw Materials Division to the Director General, Mine Safety. Real time environment data of the Steel Works is displayed at its main entrance.

Some of the significant issues dealt with by the Indian operations during the year are as below:

- a) The higher emissions at Sinter Plant No. 3 were reduced by commissioning Best Available Technology – Coromax ESP – in January 2012, in compliance with statutory limits.
- b) In order to improve LD Slag disposal practices, the Company has initiated actions at Bagunhatu as prescribed by experts.

On the matter of spillage of fuel oil into the river Tees in the north-east England in September 2008, Tata Steel was fined £8,000. While delivering the verdict, the regulating authorities noted Tata Steel’s prompt and effective response to the original incident, a high level of cooperation between Tata Steel and the Environment Agency and the Company’s good record in the UK.

Extending environment management across the supply chain

The environmental impact of the movement of goods and products, though not captured due to a large global vendor base, is mitigated by complying with procedures laid down under the ISO 14001 standards for vendor registration and contractors. This is being done to reduce air pollution and vehicular emissions at operating sites.

 **SUSTAINABILITY IN ACTION**

- The EU Emissions Trading Scheme (EU ETS) is a ‘cap and trade’ scheme covering all large electricity generators and industrial emitters of greenhouse gases (mainly CO₂) within EU Members States. This sets a ceiling on the total amount of greenhouse gases (GHGs) that can be emitted in a multi-year phase.
- In 2013, the ETS will move into its third phase (2013-2020) and the supply of emissions allowances will be further tightened and set on a trajectory to -21% by 2020 compared to 1990 emission levels. Electricity generators will have to pay for all their allowances through an auctioning process but because the steel industry is classified as being at risk of ‘carbon leakage’, the sector should continue to receive a free allocation, although it will now be based on a CO₂/tonne benchmark of the top 10% best performing sites multiplied by the average output in recent years.
- The above proposals are being discussed with various stakeholders. Tata Steel continues to make efforts to look for solutions that will help reduce its carbon footprint in the future.

PRINCIPLE 7 POLICY ADVOCACY

resources, future demand till 2050 and recommendations for allocation and acquisition has been submitted to the Planning Commission.

During Financial Year 2011-12, the Company provided inputs for the new Mines and Minerals Development and Regulation (MMDR) Act and Land Acquisition, Rehabilitation and Resettlement (LARR) Act through presentations to members of the Standing Committee of Parliament, concerned Ministries and the Planning Commission.

It also participated in a review of India's Coal Disposal Policy and Coal Allocation Policy, providing inputs on proposed revisions to the policies. An active participant in the formulation of the New Steel Policy (up to 2050), Tata Steel is represented in task forces formed by the Steel Ministry, namely Raw Material and Infrastructure, R&D, Technology, Environment, Manpower and Steel Demand Forecast.

In an education-related intervention, Tata Steel together with a leading university advised the Indian Government to change its policy with respect to allowing medical

colleges to be opened in cities even if the distance between the teaching hospital and the College was more than five kms. The rule has since been changed and it has paved the way for a medical college to be set up in Jamshedpur, in collaboration with TSL and its affiliates. The policy will help more medical colleges open in the country with the aim of training medical and paramedical staff to cater to its growing population.

Participation through industry associations

Tata Steel is a part of the World Steel Association, which represents 180 major steel producers, steel industry associations and steel research institutes around the world.

As a member of the Manufacturing, Mining and Environment Committees in both the Confederation of Indian Industry (CII) and the Federation of Indian Chambers of Commerce and Industry (FICCI), an executive member of the Federation of Indian Mineral Industries (FIMI) and a member of its Sustainable Mining Initiatives, the Company, as an involved corporate citizen, participates in the debate on relevant industry-related policies.

The West Bokaro coal mines, India.



PRINCIPLE 8 INCLUSIVE GROWTH

Company, which includes sports infrastructure, training centres and academies, has contributed to the development of football, archery and athletics. In 2011-12, Deepika Kumari and Jayanta Talukdar, cadets of the Tata Archery Academy were selected to represent India at the London 2012 Olympics. Academy coach Purnima Mahato was nominated as the coach of the Indian Archery Team. The Tata Football Academy launched its grassroots-training programme to train potential footballers between the ages of eight and ten years.

Active participation in sports, by adults and children alike, has been a thrust area in Europe. A corporate partner for British Triathlon since 2006, Tata Steel supports the 'Tata Kids of Steel' series across UK, which enables children to experience the disciplines of the triathlon in a fun, supporting atmosphere. Since 2007, over 35,000 children from almost 400 schools have participated in the programme. The Company's support for the British Paratriathlon Championships since the inaugural event in 2008, led to its inclusion in the Rio 2016 Paralympics.

In 2011-12, the Tata Steel Chess Tournament, an important event for the economy of host town Wijk aan Zee, located

close to Tata Steel's IJmuiden plant, marked its 73rd year. The tournament attracts thousands of international visitors, including chess grandmasters, and also gives local people a chance to participate.

 **SUSTAINABILITY IN ACTION**

- Tata Main Hospital (TMH), a 900-bed hospital provides specialised indoor and outdoor care to the community in Jamshedpur. TMH also serves as a centre for post-graduate medical education. During 2011-12, capabilities of the departments at TMH were significantly enhanced and a state-of-the-art Intensive Care Unit added to the hospital. Nine dispensaries and a public health service provide health care services to one million citizens of Jamshedpur. Societies run by Tata Steel ensure availability of disability services, health services (immunisation and family planning) and speciality health services such as medical care at the Meherbai Tata Memorial Hospital and the Jamshedpur Eye Hospital.

The Company is focussed on enhancing medical care within its communities.



Cancer care and research in Europe has received support from the Lady Tata Memorial Trust for over 78 years with an annual grant of £500,000 (US\$780,000) made towards blood cancer research. The Trust currently supports a project at the Institute of Cancer Research to help develop a genetic test to identify treatments for incurable Myeloma cancer. Leading cancer charities Macmillan and Marie Curie have also benefited. Awareness-raising campaigns in 2011-12 raised an impressive £100,000 (US\$156,000) for Marie Curie.



The 'Tata Steel Kids of Steel' event, held in the UK.

PRINCIPLE 8 INCLUSIVE GROWTH

government agencies. Tata Steel and its employees played a monumental role in assisting victims of floods that ravaged Thailand in 2011.

NatSteel stays actively involved in furthering the well-being of the community in the geographies it operates through its 'Building Beyond Borders' programme. In Financial Year 2011-12, S\$91,200 in bursary awards were disbursed to 129 children with physical disabilities or physically disabled parents, as part of the NatSteel-SPD Education Bursary Award, a joint initiative with the Society of the Physically Disabled (SPD). In addition, a partnership with the NatSteel Employees' Union led to S\$30,100 being disbursed to 33 children of NatSteel staff as part of the NEU-NatSteel Bursary and Merit Awards.



NatSteel is involved with various long-term partner charities.

In 2011-12, a total of 17 community involvement activities were organised in Singapore with NatSteel's three long-term partner charities. In Australia, China and Vietnam, social responsibility activities included bursary awards, engagement with local schools and disaster relief work.

Resettlement and rehabilitation of communities

In executing its greenfield project in Gopalpur, in the state of Odisha, Tata Steel has met all requirements under the

Resettlement and Rehabilitation Policy of the Government of Odisha and also extended its community development initiatives to the displaced families. Benefits which extend beyond the entitlements stipulated in the Government policy include:

- a) **Facilitating resettlements** through free accommodation in transit homes close to their existing villages to maintain continuity, free transportation of household goods and a welcome package for each household with free monthly groceries.
- b) **Rehabilitation assistance** via additional land compensation, maintenance allowance, additional house building allowance, rehabilitation infrastructure, medical services, training and development, supplementary allowance, education and infrastructure.
- c) **Grievance redressal** system constituting an internal grievance cell and third party grievance redressal group.

To ensure minimum disruption and displacement of people, only three villages Patrapur, Badapur and Sindhigaon were completely relocated for the proposed plant site and rehabilitated in separate geographical areas within a well-planned colony with all civic amenities. The colony has been divided into ten sectors, each complete with roads, drains, electrical lines and green areas. Their sociocultural identity has been preserved with the structure of the "Sahi" (hamlets) also being maintained, giving the families a sense of continuity with their old village.

Employment training has been imparted to wards of displaced as well as project affected families, impacting 304 students till 2011-12. Another 190 students are currently undergoing training, while about 600 families have been employed in various construction sites as semi-skilled and unskilled workers.

PRINCIPLE 9 VALUE TO CUSTOMERS



Tata Steel also takes its role as a supplier seriously with regard to information on health, safety and environment down the supply chain. In Europe, the Company fulfils its responsibilities under REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), supplying Safety Data Sheets (SDS) for all substances classified as hazardous to downstream customers, even though its products fall outside the legal scope of REACH.

Widening customer choice and encouraging free competition in all segments

In 2011-12, its Long Product Division in India launched a Home Building Solution under the brand name 'Build Wise' to offer architectural, structural designs and bill of material quantities to Individual House Builders (IHB) on a pilot basis (through an IT-based and location-specific Standard Design Library).

Educating customers on safe and responsible usage of steel products

In 2011-12, the Company's Long Product Division launched RAISE (Responsible Architectural Initiatives and Structural Engineering), an initiative promoted with INSDAG, to engage with architects and structural engineers across India. The programme aims at driving responsible construction practices and creating brand ambassadors in the process.

An engagement programme for wire rod customers – Wired2Win – introduced in 2011-12 strengthens the Company's relationship with customers through knowledge sharing sessions and various interactions.

Building knowledge capabilities of channel partners to disseminate information

Tata Steel believes that continuous dissemination of knowledge is vital to its marketing strategy. Through institutionalised Human Resource practices, close to 10,000 hours have been invested in the training, development and consumer sensitisation of channel partners in the last five years.

LINKS is a structured customer engagement initiative which is customised to deliver value across different categories and segments of Steelium customers. It is based on the core principles of **Learning** (Regional Customer meets, Suraksha Meets and Regional Technical Workshops); **Interaction** (among customers through awards, summits, participation in exhibitions and celebration of customer milestones); **Networking** (plant

 **SUSTAINABILITY IN ACTION**

- The unique shifts brought about by an interest in the health and safety of customers can be seen in the change from Acid Pickling to the mechanical de-scaling method in Low Carbon Wire Rods (LCWR) and the development of lead-free coating chemistry for the Zero Spangled Galvanised Plain Sheets, through its brand Galvano. The benefits of switching from Acid Pickling include elimination of health risks posed by the acid to the employees at the customer's premises and the disposal of the environmentally hazardous acid sludge. In addition a saving of ₹ 800 per tonne, including money spent on the purchase of acid, has been achieved.

PRINCIPLE 9 VALUE TO CUSTOMERS

visits for customers); **Knowledge Sharing** (industry meets for customers where sector specific issues are discussed).

TISC-ON-LINE, a pioneering initiative to integrate its entire rebar channel network of 36 distributors and 3000+ dealers on a single IT platform and facilitate the adoption of retail best practices, was launched in Financial Year 2011-12.

Encouraging savings in natural resources

Backed by superior process control and capabilities in product innovation, the Company replaced its Fe415 grade rebars with the Fe500 grade in India. This translated into an 18% saving in steel consumption by weight for consumers. The improved Yield Strength of Fe500 allows for the conservation of critical natural resources for future generations. The potential for saving natural resources as a result of this product alone is significant as secondary producers producing the Fe415 grade serve 67% of the Indian rebar market of 18 MT.

A holistic approach to the use of natural resources led to improvements in the productivity of customers who manufacture continuous electrodes for the auto industry from WR3M / Low Ca ER70S6 grades of wire rods. The 100% increase in speed and productivity has led to a reduction in power consumption and water that makes up for consumption in different parts of the product's value chain.

Leveraging feedback to deliver enhanced value

Tata Steel's New Product Development programme, knowledge-sharing and customer engagement initiatives are a product of the Company's strategic goals as well as inputs received from customers on emerging needs and future product applications.

Once such example is the information shared through 'Steelovation' – a unique initiative targeted at creating value for Key Account Customers of the Galvano and

Steelium brands. Based on feedback from customers, the products have been customised, enhancing value and ensuring end-customer satisfaction.

Steelovation is a knowledge-sharing initiative aimed at customers, which was launched by Tata Steel Flat Products. This is a landmark programme, as it has been conceived, developed and implemented with a focus on customer issues.

The content for the programme was based on actual feedback from customers and was customised to their specific needs. The sessions are highly interactive and customers are encouraged to ask questions and discuss issues related to painting and welding freely with the experts in the field. The solutions help them to enhance value and ensure end-customer satisfaction to a great extent.

In response to customers' needs, diameters of the Tata TISCON rebars are now embossed on the rebars for easy traceability at the construction site to reduce inadvertent misuse of rebars by bar-benders. This results in steel savings for the Company's customers.



Notice

THE HUNDRED AND FIFTH ANNUAL GENERAL MEETING OF TATA STEEL LIMITED will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020, on Tuesday, the 14th August, 2012, at 3.00 p.m., to transact the following business:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2012 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Ordinary Shares.
3. To appoint a Director in the place of Mr. B. Muthuraman, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. Ishaat Hussain, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in the place of Mr. Andrew Robb, who retires by rotation and is eligible for re-appointment.
6. To appoint auditors and fix their remuneration.
7. To appoint a Director in the place of Mr. Cyrus Pallonji Mistry, who was appointed an Additional Director of the Company by the Board of Directors with effect from 21st May, 2012 under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.
8. To appoint a Director in the place of Mrs. Mallika Srinivasan, who was appointed an Additional Director of the Company by the Board of Directors with effect from 21st May, 2012 under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director under the provisions of Section 257 of the Act.

NOTES:

- (a) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 7 and 8 above, are annexed hereto. The relevant details of directors seeking appointments/ re-appointment under Item Nos. 3 to 5, 7 and 8 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.

- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
- (c) The Register of Members and Transfer Books of the Company will be closed from Wednesday, 18th July, 2012 to Tuesday, 24th July, 2012 (both days inclusive).
- (d) If dividend on Ordinary Shares as recommended by the Board of Directors is passed at the meeting, payment of such dividend will be made on and from 17th August, 2012 to those members whose names are on the Company's Register of Members on Wednesday, 18th July, 2012. In respect of Ordinary Shares held in electronic form, the dividend will be paid to the beneficial owners of shares as at the end of business hours on 17th July, 2012, as per details furnished by the Depositories for this purpose.
- (e) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- (f) As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrars of the Company.
- (g) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period, are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to

Office of Registrar of Companies
Central Government Office Bldg., 'A' Wing,
2nd Floor, Next to Reserve Bank of India,
CBD, Belapur-400 614.

Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

Accordingly, the Company has transferred to the IEPF all unclaimed/unpaid dividends in respect of the financial years 1995-96 to 2003-04. Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2005 onwards, are requested to make their claims to the Company accordingly, without any delay. It may be noted that the unclaimed dividend for the financial year 2004-05 declared on 27th July, 2005 can be claimed by the shareholders by 26th July, 2012.

By Order of the Board of Directors

A. ANJENEYAN

*Company Secretary &
Chief of Compliance*

Mumbai, 22nd May, 2012.

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai-400 001.

Annexure to Notice

As required by Section 173 of the Companies Act, 1956, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 7 and 8 of the accompanying Notice dated 22nd May, 2012.

2. **Item Nos. 7 and 8:** Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan, were appointed as additional directors by the Board with effect from 21st May, 2012. In terms of Section 260 of the Act and Article 121 of the Company's Articles of Association, Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan hold office as Directors only till the date of the forthcoming Annual General Meeting, but are eligible for appointment. Notices have been received from members as required by Section 257 of the Act, signifying their intention to propose the candidatures of Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan for the office of Director.
3. Mr. Cyrus Pallonji Mistry is a graduate of Civil Engineering from Imperial College, UK and has an M.Sc. in Management from London Business School. He has been associated with the Shapoorji Pallonji Group since 1994. Under Mr. Mistry's guidance, Shapoorji Pallonji's construction business has grown from a turnover of USD 20 million to approximately USD 1.5 billion, with presence in over 10 countries. He joined the Board of Tata Sons Limited in 2006 and is presently the Executive Deputy Chairman. He is also Director of Tata Industries Limited, The Tata Power Company Limited, Tata Teleservices Limited and Tata Consultancy Services Limited.
4. Mrs. Mallika Srinivasan, holds degrees of Master of Business Management from Wharton School of Business, University of Pennsylvania, USA and Master of Arts in Econometrics from the University of Madras, Chennai. She has been associated with Tractors and Farm Equipment Limited since 1985 and presently is the Chairman & Chief Executive Officer. She is also on the Boards of TAFE Motors and Tractors Limited and Tata Global Beverages Limited. Mrs. Mallika Srinivasan is recognised for her professionalism, commitment to excellence and contributions to Indian industry and Academia.
5. The Board considers it desirable that the Company should continue to avail itself of the services of Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan as Directors and accordingly commend the Resolutions at Item Nos. 7 and 8 for approval by the Members.
6. None of the Directors other than Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan is interested in the Resolutions at Item Nos. 7 and 8.

By Order of the Board of Directors

A. ANJENEYAN

*Company Secretary &
Chief of Compliance*

Mumbai, 22nd May, 2012.

Registered Office:

Bombay House,
24, Homi Mody Street,
Mumbai-400 001.

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. B. Muthuraman	Mr. Ishaat Husain	Mr. Andrew Robb
Date of Birth	26.09.1944	02.09.1947	02.09.1942
Date of Appointment	01.10.2009	17.07.1999	22.11.2007
Expertise in specific functional areas	Metallurgy	Wide experience in the field of Finance & Management	Wide experience in the field of Finance
Qualifications	B.Tech. (Met), P.G.D.B. M.	B.A. (Economics) F.C.A. (England & Wales)	FCMA
Directorship held in other public companies (excluding foreign companies)	Tata International Limited Tata Industries Limited Bosch Limited Strategic Energy Technology Systems Limited	Tata Sons Limited Titan Industries Limited Voltas Limited Tata Teleservices Limited Tata Industries Limited Tata AIG General Insurance Company Limited Tata AIG Life Insurance Company Limited Tata Consultancy Services Limited Tata Sky Limited Tata Capital Limited Bombay Dyeing & Manufacturing Company Limited Viom Networks Limited Go Airlines (India) Limited	NIL
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	Audit Committee - Member Bosch Limited	Audit Committee - Chairman Tata Industries Limited Tata Teleservices Limited Audit Committee - Member Titan Industries Limited Tata AIG General Insurance Company Limited Tata AIG Life Insurance Company Limited Tata Sky Limited Tata Consultancy Services Limited	NIL
Shareholdings in the Company	Ordinary Shares - 6,230	Ordinary Shares - 2,216	NIL

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Cyrus Pallonji Mistry	Mrs. Mallika Srinivasan
Date of Birth	04.07.1968	19.11.1959
Date of Appointment	21.05.2012	21.05.2012
Expertise in specific functional areas	Company Director with rich and varied business experience.	Wide experience in tractors and farm equipment industry.
Qualifications	Graduate of Civil Engineering from Imperial College, UK. M.Sc. in Management from London Business School.	Master of Business Management from Wharton School of Business, University of Pennsylvania, USA. Master of Arts in Econometrics from the University of Madras, Chennai.
Directorship held in other public companies (excluding foreign companies)	Tata Sons Limited Tata Industries Limited The Tata Power Company Limited Tata Teleservices Limited Tata Consultancy Services Limited	Tractors and Farm Equipment Limited TAFE Access Limited TAFE Reach Limited TAFE Motors and Tractors Limited The United Nilgiri Tea Estates Company Limited Tata Global Beverages Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders'/ Investors' Grievance Committee)	Audit Committee - Member Tata Sons Limited	Audit Committee - Member TAFE Motors and Tractors Limited
Shareholdings in the Company	NIL	NIL

Directors' Report

To the Members,

The Board of Directors hereby present the 105th annual report on the business and operations of your company along with the standalone and consolidated summary financial statements for the year ended 31st March, 2012.

Figures in ₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2011-12	2010-11	2011-12	2010-11
Net Sales/Income from Operations	33,933.46	29,396.35	1,32,899.70	1,18,753.12
Total expenditure before depreciation (net of expenditure transferred to capital)	22,396.69	17,914.06	1,20,482.91	1,02,006.45
Operating Profit	11,536.77	11,482.29	12,416.79	16,746.67
Add: Dividend and other income	886.43	528.36	1,573.03	679.98
Profit before finance costs, depreciation, exceptional items and tax	12,423.20	12,010.65	13,989.82	17,426.65
Less: Finance costs	1,925.42	1,735.70	4,250.11	3,955.78
Profit before depreciation, exceptional items and tax	10,497.78	10,274.95	9,739.71	13,470.87
Less: Depreciation	1,151.44	1,146.19	4,516.65	4,414.82
Profit before exceptional items and tax	9,346.34	9,128.76	5,223.06	9,056.05
Add/(Less): Restructuring, Impairment & Disposals	-	-	-	2,310.21
Add/(Less): Profit on sale of Long term Investments	511.01	648.09	3,361.92	735.69
Profit before tax	9,857.35	9,776.85	8,584.98	12,101.95
Less: Provision for current tax	3,115.11	2,857.00	3,512.24	2,910.34
Less: Provision for deferred tax	45.82	54.16	124.22	335.56
Profit after tax	6,696.42	6,865.69	4,948.52	8,856.05
Add: Share of profit of Associates	-	-	268.11	66.36
Less: Minority Interest	-	-	(173.14)	(60.28)
Profit after minority interest and share of profit of associates	-	-	5,389.77	8,982.69
Distribution on hybrid perpetual securities	256.54	6.79	256.54	6.79
Tax effect on distribution of hybrid perpetual securities	(83.24)	(2.25)	(83.24)	(2.25)
	6,523.12	6,861.15	5,216.47	8,978.15
Add: Balance brought forward from the previous year	16,639.46	12,772.65	12,959.16	7,010.48
Add: Profit and Loss account balance relating to acquisitions	(0.87)	-	-	-
Balance	23,161.71	19,633.80	18,175.63	15,988.63
Which the Directors have apportioned as under to:-				
(i) Dividend on Preference Shares	-	-	0.21	-
(ii) Proposed dividend on Ordinary Shares	1,165.46	1,151.06	1,165.46	1,150.25
(iii) Tax on dividends	181.57	156.71	185.71	163.22
(iv) General Reserve	669.64	686.57	680.51	703.42
(v) Debenture Redemption Reserve	-	1,000.00	-	1,007.26
(vi) Special Reserve	-	-	11.77	5.32
(vii) Capital Redemption Reserve	-	-	6.55	-
Total	2,016.67	2,994.34	2,050.21	3,029.47
Balance to be carried forward	21,145.04	16,639.46	16,125.42	12,959.16

DIVIDEND

The Board recommended dividend of ₹ 12 per Ordinary Share on 97,12,14,450 Ordinary Shares (Financial Year 2010-11: ₹ 12 per Ordinary Share on 95,92,14,450 Ordinary Shares of ₹ 10 each) for the year ended 31st March, 2012.

The dividend on Ordinary Shares is subject to the approval of the shareholders at the Annual General Meeting. The total dividend payout works out to 20% (Financial Year 2010-11: 19%) of the net profit for the standalone results and 25% (Financial Year 2010 -11: 15%) of the net profit of the consolidated results of the Company.

CONVERSION OF WARRANTS

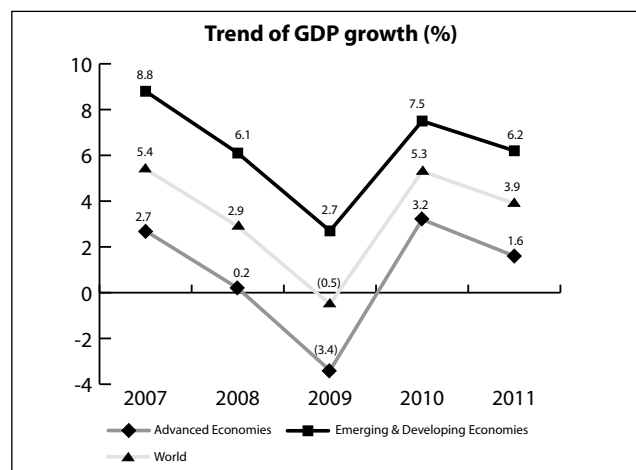
1,20,00,000 Warrants were allotted to Tata Sons Limited (TSL) on Preferential basis on 23rd July, 2010, where each Warrant entitled TSL to subscribe for one Ordinary Share of the Company at a price of ₹ 594/- per share.

On 20th January, 2012, TSL exercised its option to convert 1,20,00,000 Warrants into Ordinary Shares at a price of ₹ 594/- per share. Accordingly, 1,20,00,000 Ordinary Shares of ₹ 10 each were allotted to TSL on 20th January, 2012 at a premium of ₹ 584/- per share aggregating to ₹ 712.80 crores.

After the preferential issue, the paid-up share capital of the Company stands at ₹ 971.21 crores comprising of 97,12,14,450 Ordinary Shares of ₹ 10 each.

GLOBAL ECONOMY

The world GDP, as reported by the International Monetary Fund, witnessed a moderate growth of 4.0% in 2011 as compared to a growth of 5.0% in 2010. The growth in the advanced economies slowed to 1.6% in 2011 in comparison to 3.2% in 2010, while the emerging and developing economies grew at 6.2% in 2011 compared to 7.5% in 2010. The year also saw supply-side disruptions from the earthquake and tsunami in Japan and the floods in Thailand. The future of economic and monetary environment of the European Union has become uncertain, as the sovereign debt crisis in the Eurozone has affected the confidence of the underlying economy.



US: After a weak start, the economic activity in the US gained strength through the year with the quarterly growth rate rising each quarter to finish at 1.7% for the full year. The United States has seen a spate of encouraging economic news, including fall in unemployment rates. Risks in the outlook are more balanced though with downside bias, given the fiscal uncertainty, weakness in the housing market, and potential spillovers from Europe.

Europe: GDP in the Euro zone increased by 1.4% in 2011 over 2010. Germany and France posted growth of 3% and 2% respectively while Italy and Spain posted an increase of only 0.4% and 0.7% respectively. Europe tipped back into recession, resulting from renewed escalation of perceived Euro zone crisis risks in late 2011. The Euro area crisis is the outcome of several underlying forces. These factors include mispriced risk, prolonged liquidity fed macroeconomic policies over many years and weak prudential banking norms. While the overall public and external debt levels of the euro area are lower than those of the United States and Japan, the crisis has exposed flaws in the governance of the European Monetary Union. While cross-border bank lending markets became increasingly integrated, the supervision and regulation remained at national level.

India: As reported in the Economic Survey of 2011-12, GDP grew by 6.9% in 2011-12 as compared to the growth of 8.4% in 2010-11. The inflation (WPI) at 9.1% in Financial Year 2011-12 led to consistent interest rate hikes, affecting

demand adversely. The agricultural output is expected to grow by 2.5%, lower than expected as compared to a high growth of 7% in 2010-11. It is a matter of concern that the agricultural growth is characterised by fluctuations due to the vagaries of nature. The manufacturing sector grew by 3.9% during the year as compared to 7.6% during 2010-11. The fragile economic recovery in the US and Europe and moderately subdued expectations at home affected the growth of the industrial sector in the current year. Growth in services was around 9.4% as compared to a growth of 9.3% in 2010-11. Amongst the key macroeconomic indicators, fiscal deficit was around 5.9% of GDP in 2011-12 as compared to 4.8% in 2010-11. Export and import grew positively by 23.5% and 29.4% compared to 2010-11 despite difficult conditions in the global economy.

South East Asia: The GDP of Association of South East Asian Nations (ASEAN) (Indonesia, Malaysia, Philippines, Thailand and Vietnam) grew at 4.5%. The Thailand economy grew at 0.1% while that of Singapore by 4.9% and Vietnam by 5.9% in 2011. As the pace of economic activity in the region has slowed and capital flows have diminished, inflation pressure has waned and credit flows have slowed.

TATA STEEL GROUP PERFORMANCE

Gross steel deliveries were at par with previous year in line with the underlying market conditions. Tata Steel India deliveries were higher by 3% while Tata Steel Europe and Tata Steel Thailand deliveries declined by 5% and 12% respectively. Deliveries of NatSteel Holdings were at par with the previous year.

Tata Steel India's turnover increased by 15% due to better market conditions and enhanced product mix. Higher revenues from sale of automotive and branded products and increased sale of long products in the retail segment, contributed to the increased turnover. The turnover of Tata Steel Europe and NatSteel increased by 3% and 4% respectively while there was a reduction in the turnover of Tata Steel Thailand by 2% (in their respective reporting currencies).

Earnings before interest, taxes and depreciation (EBIDTA) of the group was ₹13,533 crores in Financial Year 2011-12 compared to ₹ 17,116 crores in Financial Year 2010-11.

Indian operations: Tata Steel completed the year 2011-12 with an all-round increase in the production levels. The production of hot metal (7.75 mt), crude steel (7.13 mt) and saleable steel (6.97 mt) are the highest milestones for the Company till date. The production from the larger furnaces was maximised with better productivity and lower coke consumption while increased vessel life in the steel melting area enhanced the liquid steel production levels.

The deliveries during Financial Year 2011-12 were 6.63 million tonnes compared to 6.42 million tonnes in the previous year. There were several best ever performances recorded by many units of the Company during Financial Year 2011-12.

The special improvement initiative, the 'Kar Vijay Har Shikhar' programme launched in India, has resulted in savings of ₹945 crores in Financial Year 2011-12. The program is an operations transformation exercise implemented through a focused methodology to de-bottleneck processes in order to increase throughput and reduce costs across functions, notably marketing, mining and production. Application of 'Theory of Constraints' in the Marketing function has led us to leverage our retail network to push unique value propositions to customers, replenishing stocks at dealer levels on a predetermined basis, resulting in robust retail sales and better margins.

The Ferro Alloys and Minerals Division (FAMD) registered total sales volume of 1,351k tonnes in Financial Year 2011-12 as against 1,464k tonnes in Financial Year 2010-11. Lower sales of Chrome concentrate and Pyroxenite resulted in lower overall FAMD sales. Sales of Ferro alloys (Chrome and Manganese Alloys) registered an increase of 17% (Financial Year 2011-12: 309 k tonnes; Financial Year 2010-11: 264k tonnes) and dolomite sales registered an increase of 15% (Financial Year 2011-12: 480k tonnes; Financial Year 2010-11: 417 k tonnes). FAMD continues to supplement profits of the Steel division,

in spite of weakness in international demand witnessed in the second half of the financial year.

The Tubes division recorded sales of 377k tonnes in Financial Year 2011-12 compared to 366k tonnes in Financial Year 2010-11, an increase of 3% over the previous year. This was due to improved demand in the irrigation and infrastructure segments and increasing order book of Tata Structura. The year also marked the unveiling of the 'CHARKHA' at Oval Maidan, Mumbai – a symbol of the innovative and futuristic applications of the Tata Structura hollow section.

The Bearings division registered sales of 34.54 million numbers in Financial Year 2011-12 compared to 32.95 million numbers in Financial Year 2010-11, signifying growth of 5%, driven primarily by robust demand from the auto segment.

European operations: Sales volume in Europe remained flat through the year at around 3.5 million tonnes per quarter. The liquid steel production for the year was 14 million tonnes. Higher demand driven by restocking resulted in a sharp increase of 12% in the first quarter of Financial Year 2011-12, before weakening demand and stabilising raw material costs saw average revenue per tonne fall steadily each quarter through the year. The fourth quarter average revenue per tonne was 9% lower than the first quarter.

The Company's European operations were impacted on account of excess steel capacity in the Eurozone and weak underlying demand. Each quarter witnessed steeper decline in steel price compared to raw material prices, resulting in cost/price squeeze. Management continued its efforts to restructure Long Products business at Scunthorpe, aligned business operations to current and projected demand in Speciality business, infused capital to improve asset quality and energy efficiency while simultaneously implemented cost reduction program titled 'Step Up and Save'.

In order to enhance customer service, Tata Steel Europe (TSE) is implementing a 'Supply Chain Transformation' project, aimed

at allocating customer demand to the production hubs in the most efficient and cost-effective manner. This is expected to reduce inventory levels, improve delivery compliance and strengthen customer relationships. During the financial year 2011-12, TSE's customer orientation was much appreciated. The Company was selected as the preferred supplier of choice for select automakers and was shortlisted for a prestigious Annual Quality Improvement award.

South East Asian operations: NatSteel marginally increased its sales level in Financial Year 2011-12 (1.81 million tonnes) over Financial Year 2010-11 (1.80 million tonnes) resulting in increase of turnover by 4%. NatSteel Singapore increased its sales volume from 844k tonnes in Financial Year 2010-11 to 893k tonnes in Financial Year 2011-12, a 6% growth in volume on the back of strong construction demand. Singapore operations are focused to add higher proportion of value added products to their existing range of products. In China, the sales volumes reached 540k tonnes in Financial Year 2011-12 compared to 495k tonnes in Financial Year 2010-11. NatSteel is setting up in China a Downstream Reinforcements Solutions operation to add depth to its product portfolio. Operations in Australia suffered on account of poor demand, rapidly accelerating costs and disproportionate supply in the market place.

Tata Steel Thailand (TSTH) recorded crude steel production of 1.18 million tonnes in Financial Year 2011-12 compared to 1.30 million tonnes in Financial Year 2010-11. Sales during the year was lower at 1.14 million tonnes compared to 1.29 million tonnes registered in Financial Year 2010-11. Thailand's economy suffered on account of unprecedented floods which impacted construction activity country wide. Low capacity utilization coupled with elevated imported scrap prices led to reduction in rebar scrap spread, impacting margins of TSTH. In spite of tough market conditions TSTH continued to be a market leader in rebars and high end wire rods. Tata TISCON a prominent brand in India was launched for the first time internationally in Thailand. TSTH diversified its product portfolio by producing

Special Bar Quality product, for applications in the automotive segment and doubled its efforts to reduce costs, optimize product-mix and improve yield of mills.

EXPANSION PROJECTS

Brownfield Projects:

The 2.9 mtpa brownfield expansion at Jamshedpur would enhance the crude steel making capacity to 9.7 mtpa and the Flat Steel production capacity will increase by 2.54 mtpa. The trial production and testing has started for Pellet plant, I Blast furnace, LD#3, first stream of Thin Slab Caster (TSC) and fines circuit of Noamundi iron ore mines. All balance facilities under this project are scheduled to be completed in Financial Year 2012-13.

The implementation of the 0.6 mtpa Continuous Annealing and Processing Line project at Jamshedpur for the production of automotive cold rolled flat products is progressing as per schedule for commissioning in end 2013. The above project is being undertaken as part of the JV between Nippon Steel Corporation and Tata Steel. The above Joint Venture will serve the growing needs of the Indian automotive customers for high end cold rolled coils and sheets.

These projects, along with other sustenance and improvement projects, are being implemented to support the Company's current operations and its growth aspirations.

Greenfield Project:

The greenfield project in Odisha to produce Flat Steel products with 6 mtpa capacity in two phases of 3 mtpa each, has made considerable progress on all fronts during the year. Contracts for major technology packages for Blast Furnace, Sinter Plant, Coke Plant, Steel Melting Shops (SMS) and Hot Strip Mill have been finalised and orders for civil and structural packages have been placed. The construction work at the site is progressing, with major piling and nearly 1.3 lakh cubic metres of concreting work, having been completed. Structural erection for Sinter Plant, Blast Furnace and SMS has commenced. Equipments for

major facilities have been received and ordering of imported equipments for Coke Plant and Hot Strip Mill is in progress.

RAW MATERIAL PROJECTS

Tata Steel continued to implement its long-term strategy to secure ownership of assets to enhance raw materials self-sufficiency. During Financial Year 2011-12, the Company continued to focus on expediting implementation of its existing overseas ventures.

Coal Projects:

Benga Coal Project, Mozambique:

In November 2007, Tata Steel entered into definitive agreements with Riversdale Mining Limited (RML), an Australian listed company for purchasing 35% stake in Riversdale's Mozambique Coal project at Benga and Tete tenements located in Moatize basin of Mozambique. The Company had also acquired 27.1% stake in RML.

In April 2011, the British-Australian mining company, Rio Tinto took over Riversdale Mining Limited (RML). The Company divested 27.1% of its stake in Riversdale Mining Limited (RML) for a consideration of ₹ 5,017 crores (US\$ 1,104 million) to Rio Tinto and continues to hold 35% equity stake in the Benga project.

In Phase1, the project is expected to produce 5.3 mtpa Run of Mine (ROM) coal (1.5 mtpa coking coal and 0.9 mtpa thermal coal) and in Phase2 production is expected to increase to 10.6 mtpa ROM (3mtpa coking coal and 1.8 mtpa thermal coal). The Benga coal project has commenced production from March 2012 and the first shipment of coal is expected to be dispatched in June 2012.

Coal Mining Project in Australia, Carborough Downs Joint Venture:

The existing Carborough Downs Joint Venture in Australia is operating at 1.8 mtpa capacity. The Company has 5% equity stake with 20% off-take rights.

Iron Ore Projects in Canada:

In September 2008, the Company entered into a Heads of Agreement with New Millennium Iron Corporation, Canada (NML), a Canadian listed mining company, to develop iron ore projects in northern Quebec and Newfoundland and Labrador and gradually acquired 27.16% stake in NML through its wholly-owned subsidiary Tata Steel Global Minerals Holdings Pte. Ltd. NML owns Direct Shipping Ore (DSO) project, having estimated proven and probable reserves of 64.1 million tonnes and Taconite projects, namely Labmag and Kemag with a combined resource size of 5.65 billion tonnes. Subsequently, a joint venture company, Tata Steel Minerals Canada (TSMC), was formed in October 2010 for development of DSO project. The Company holds 80% equity stake in TSMC and the balance 20% equity stake is held by NML.

TSMC has obtained the required permits for camp, site levelling and construction. The Camp in Schefferville was inaugurated in January 2012. Site levelling is underway and frame supported Dome is under construction to house the beneficiation facility. Orders have been placed for major part of the processing facility and civil work at the site has commenced. Production from the mine is expected to commence by Q3 Financial Year 2012-13.

On 6 March, 2011, the Company signed a binding Heads of Agreement with NML to develop iron ore deposits under Taconite projects. Feasibility study of the project is currently under progress and is expected to be completed by the end of calendar year 2012.

HEALTH AND SAFETY

The Company's safety and occupational health responsibilities are expressed in its policy and is driven by an absolute commitment to ensure zero harm to employees, contract workforce and society at large and are integral to the way the business is carried out. The group vision has a target of 0.4 Lost Time Injury Frequency Rate (LTIFR) and zero fatality by end CY 2012. In pursuance of this policy, the management is committed

to continue with their efforts to strengthen safety excellence journey in the Company. Over the last three years, extensive efforts in order to address premature mortality on account of occupational health and medical illness have been undertaken. An initiative named 'Wellness @ Workplace' was launched in 2010 to control lifestyle-related diseases. Workplace hazards were minimised through the implementation of the Industrial Hygiene Programme and workplace ergonomics issues were addressed through Industrial Ergonomics.

In 2011-12, Tata Steel Europe and NatSteel received the World Steel Association's recognition awards for their improvements in health and safety. Tata Steel group companies have won an award every year for the last four years. Tata Steel India was awarded the best SHE (Safety, Health and Environment) award for the first time by CII, Eastern Region.

'Health and Safety' is reviewed at all Board meetings of the Company with a Safety, Health and Environment Committee established to carry out more detailed reviews. The integrated and systemic Health and Safety Management System, introduced in Tata Steel Europe in 2008 with a governance process for improvement actions and regular safety tours by the Board and executive members, has been developed for Tata Steel Group-wide application in the current year.

During the year, Tata Steel Group operations recorded a LTIFR of 0.68 against 0.78 in 2010-11, a 13% improvement over the last year. However, during the year there were 8 fatalities across the Group. Each of these has been thoroughly investigated, the lessons communicated and corrective actions taken across the group. The Board expresses its sincere regret at these tragic fatalities.

The implementation of process safety management, to reduce the occurrence of high consequence but very low frequency events has continued across the group. This will help the sustainability of the operations by assuring safety to the community and achievement of operational excellence.

ENVIRONMENT

Overall, the Tata Steel Group continues to lay emphasis on minimising the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvements in environmental performance. Furthermore, the Company aims to contribute positively to the communities around or near its operations, participating actively in community initiatives, encouraging biodiversity and nature conservation.

Tata Steel products are part of the solution to climate change as steel has inherent environmental advantages by being durable, adaptable, reusable and recyclable. As a result, CO₂ emissions in steel production are offset by reductions in emissions through the life cycle of steel products, achieved through effective product design and through end of life recycling. One of the key corporate objectives for your company is to reduce CO₂ emissions per tonne of crude steel (tcs) produced. The current targets are provisional and are under review pending regulatory developments in both Europe and India.

The Group continues to invest substantially in short to medium term CO₂ emissions reduction and energy efficiency programmes. In addition to these improvements, Tata Steel Europe is also working with other steelmakers in Europe on a longer term major research and development project, ULCOS (ultra low CO₂ steelmaking), which aims to develop breakthrough technologies to significantly reduce CO₂ emissions per tonne of steel produced.

Tata Steel maintains proactive approach towards environment management and has adopted ISO 14001 for mining and manufacturing operations. Tata Steel is examining means to reduce energy consumption and CO₂ emissions to retain its position as the Indian benchmark in steelmaking through Blast Furnace-Basic Oxygen Furnace (BF-BOF) route by increasing process efficiency, scrap utilisation, reduction of Alumina in Iron Ore and Ash in Coal through beneficiation.

In Jamshedpur Steel Works CO₂ emissions during Financial Year 2011-12 were 2.5 tCO₂/tcs, similar to emission levels in Financial Year 2010-11. Specific make-up water consumption in Financial Year 2011-12 at 5.84 m³/tcs was lower by 3.3% than 6.04 m³/tcs recorded in Financial Year 2010-11 due to more than normal rainfall and increased recycling of effluents. The recycling of treated effluent increased to 4.3 MGD¹ in Financial Year 2011-12 from 3.4 MGD in Financial Year 2010-11. Solid waste utilisation² was 75% in Financial Year 2011-12 compared to 78% in Financial Year 2010-11.

In Tata Steel Europe, CO₂ emissions during Financial Year 2011-12 were at 1.9 tCO₂/tcs. Compliance with environmental permit conditions continued to be at a very high level across TSE during the financial year.

Tata Steel Europe met its environmental obligations in Phase 1 (2005 to 2007) of the EU ETS and expects to do the same in Phase 2 (2008 to 2012). As a result of generally lower production levels since October 2008, TSE now expects to be in surplus carbon credits in Phase 2. Excess rights can either be sold in the market or retained for future compliance purposes. Whilst TSE continues to invest to reduce CO₂ emissions, current proposals by the EU Commission for Phase 3 (2013 to 2020) of the scheme could, as they currently stand, have a negative impact on production levels post 2012 for European steelmakers in general. However, these proposals are continuing to evolve and no final decisions have been made at this stage.

TSE currently participates in a voluntary agreement with the Dutch government regarding energy efficiency improvements over the period 2009 to 2012. The primary requirement of the agreement is an energy efficiency improvement of 2% per annum, covering both energy used within the manufacturing process and energy saved across the product life cycle. The total energy efficiency improvement in 2011 was 3.4%.

The UK government announced in the 2011 budget their intention to introduce a 'carbon price floor' with effect from

¹ MGD - Million Gallons per Day

² As per revised Utilisation concept & calculation

2013-14. This is an additional UK-only tax on electricity generation related to the carbon intensity of the generation fuel used, which would come into effect if the price of carbon in the EU ETS does not reach certain thresholds. The impact of the tax for consumers, if triggered, will be to raise the wholesale price of electricity in the UK. European steelmakers already face significantly higher emission costs under Phase 3 of the EU ETS and the carbon price floor will impose additional cost specifically on the UK steel industry. However, in response to concerns being raised in relation to the effects that this and other policy decisions would have on international competitiveness, a compensation package for energy intensive industries has been announced in principle by the UK Government, although the scope and extent of the package are still being determined.

SUBSIDIARIES

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable Accounting Standards. The Ministry of Corporate Affairs, Government of India vide its Circular No. 5/12/2007-CL-III dated 8th February, 2011 has granted general exemption under Section 212(8) of the Companies Act, 1956, from attaching the balance sheet, profit and loss account and other documents of the subsidiary companies to the balance sheet of the Company, provided certain conditions are fulfilled. Accordingly, annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at its Head Office in Mumbai and that of the subsidiary companies concerned.

Details of major subsidiaries of the Company are covered in this Annual Report.

DIRECTORS

Mr. Suresh Krishna stepped down as a Director of the Company on 24th December, 2011 on reaching the age of 75 years. The Directors would like to place on record their sincere appreciation of the contributions made by Mr. Suresh Krishna during his tenure on the Board since 1994.

In April 2012, Mr. B. Muthuraman, Vice Chairman of the Company was conferred with the prestigious Padma Bhushan Award by the Honourable President of India, in the trade and industry category.

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. B. Muthuraman, Mr. Ishaat Hussain and Mr. Andrew Robb retire by rotation and are eligible for re-appointment.

Mr. Cyrus Pallonji Mistry, Executive Deputy Chairman of Tata Sons Limited and Mrs. Mallika Srinivasan, Chairman & Chief Executive Officer of Tractors and Farm Equipment Limited were appointed as Additional Directors by the Board with effect from 21st May, 2012.

Mr. Cyrus Pallonji Mistry and Mrs. Mallika Srinivasan will hold office till the date of the forthcoming Annual General Meeting and notices have been received from a Member proposing the candidatures of Mr. Mistry and Mrs. Srinivasan for being appointed as Directors of the Company.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Details of energy conservation and research and development activities undertaken by the Company along with the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given in Annexure 'A' to the Directors' Report.

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules there under, in respect of the employees of the Company, is provided in the Annexure forming part of this Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing AGM, and if any Member is interested in obtaining a copy thereof such Member may write to the Company Secretary, whereupon a copy would be sent.

COPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A Business Responsibility Report on the Company's corporate sustainability initiatives is also included.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Operating Management, confirm that :

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. they have, in the selection of the Accounting Policies, consulted the Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis.

On behalf of the Board of Directors

RATAN N. TATA

Chairman

Mumbai, 22nd May, 2012

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

This is to confirm that the Company has adopted Tata Code of Conduct for its employees including the Managing Director and Whole-time Directors. In addition, the Company has adopted the Tata Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2012, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on 31st March, 2012.

Mumbai, 22nd May, 2012

H. M. NERURKAR
Managing Director

Annexure 'A' to the Directors' Report:

Particulars for Tata Steel Limited, the standalone entity, required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988:

Conservation of Energy

a. Energy Conservation measures taken:

- i. Coke dry quenching at Battery 5, 6, & 7 in Coke Plant.
- ii. Reduction in auxiliary power consumption at Power House # 3 & 5.
- iii. Dynamic modeling of oxygen offtake to reduce oxygen delay in Steel Making Shops.
- iv. Efficient use of by-product gases for Power Generation – Highest ever power generation through by-product gases.
- v. Application of V/F drives to reduce Specific power consumption.

b. Additional investments and proposal for reduction of consumption of energy:

- i. Installation and commissioning of new L.D. Gas Holder (cap:100000 cum.) and its export system.
- ii. Recovery of sensible heat of coke by installation of Coke Dry Quenching system in Batteries of 10 & 11 at Coke Plant.
- iii. Installation and commissioning of '1' Blast Furnace with Top Recovery Turbine.
- iv. Combined Cycle Power Plant on by-product gases.
- v. Use of Pellets and shift on alternate fuel (i.e. gas mixing) for utilizing clean by-product gases.

c. Impact of the above Measures:

Energy Conservation measures during 2011-2012 has resulted in achieving:

- i. Plant specific energy consumption – 6.097 Gcal/tcs.
- ii. Achieved World bench mark level of lowest BF gas venting 3.47% of generation (benchmark 5 % of generation, WSA).
- iii. Best ever LD gas yield of 91.50 Nm³/tcs (daily) as against previous best of 89.52 Nm³/tcs (daily).
- iv. Highest ever power generation through by product gases – 200 MW.
- v. Lowest ever Plant Power Rate – 351 kWh/tss.
- vi. Highest ever combined boiler efficiency – 85.22 %.
- vii. Lowest ever Fuel rate at Hot Strip Mill – 0.269 Gcal/t.
- viii. Achieved zero oxygen delay at Steel Melting Shops.

Form - A

Form for disclosure of particulars with respect to Conservation of energy : 2011 - 12

Particulars	2011-12	2010-11	Difference	Reasons for variation
A. POWER & FUEL CONSUMPTION				
1. Electricity				
(a) Purchased				
Units (M. KWH)	2,545.63	2,354.76	190.87	Increase in demand due to higher production.
Total Amount (₹ Lakhs) #	98,653.43	70,459.98	28,193.46	
Average Rate/Unit (₹/KWH)	3.88	2.99	0.88	
(b) Own Generation				
(i) Through Diesel Generator				
Units (M. KWH)	4.09	15.45	(11.36)	Lower use of DG Set.
Units per litre of Diesel Oil (KWH)	3.73	3.92	(0.19)	
Average Cost/Unit (₹/KWH)	37.49	19.92	17.56	
(ii) Through Steam Turbine/Generator				
Units (M. KWH)	995.83	952.66	43.17	Increase in Diesel Price.
Units per tonne of Coal (KWH)	9,107	9,103	3.56	
Average Cost/Unit (₹/KWH)	2.41	2.17	0.24	
(* This includes generation of PH4 in M Kwh which is operated on by-product gases upto 95%)	242.62	204.78		
(iii) Through TRT				
Units (M. KWH)	105.24	140.28	(35.04)	Lower In-house power generation by Top recovery turbine.
Average Cost/Unit (₹/KWH)	2.00	2.00	(0.00)	
2. Coal				
(i) Coking Coal and Cokeries				
Quantity (Million Tonnes)	5.39	5.17	0.21	Increase in coke production and increase in coal prices.
Total cost (₹ Lakhs)	469,866.54	323,002.24	146,864.30	
Average Rate (₹/Tonne)	8,721.82	6,244.20	2,477.62	
(ii) Blast Furnace Injection Coal				
Quantity (Million Tonnes)	0.87	0.84	0.03	Increase in imported coal price.
Total cost (₹ Lakhs)	116,867.14	82,557.59	34,309.54	
Average Rate (₹/Tonne)	13,412.19	9,862.08	3,550.12	
(iii) Middling Coal and ROM				
Quantity (Million Tonnes)	0.10	0.10	0.00	Increase in Middling Cost At West Bokaro.
Total cost (₹ Lakhs)	1,679.89	1,066.19	613.71	
Average Rate (₹/Tonne)	1,602.43	1,062.04	540.39	
3. Furnace Oil				
Quantity (Kilo litres)	15,424.23	16,225.92	(801.69)	Lower use of Diesel in DG due to lower generation.
Total Amount (₹ Lakhs)	5,637.40	4,306.58	1,330.82	
Average Rate (₹/KL)	36,548.98	26,541.36	10,007.62	
4. Others				
L.D.O.				
Quantity (Kilo litres)	2,390.15	4,853.14	(2,462.98)	Increase in Diesel price.
Total cost (₹ Lakhs)	1,264.22	2,262.67	(998.45)	
Average Rate (₹/KL)	52,892.98	46,622.93	6,270.06	
5. Others				
L.P.G.				
Quantity (Tonnes)	7,623.76	6,576.22	1,047.54	Decrease is mainly due to lower production and also partly due to manual soap settlement tank being added to the existing filtration circuit
Total cost (₹ Lakhs)	3,933.98	2,720.59	1,213.39	
Average Rate (₹/Tonnes)	51,601.57	41,370.11	10,231.47	
6. Others				
HSD. Oil				
Quantity (Kilo Litres)	49.69	58.85	(9.16)	Decrease is mainly due to lower production and also partly due to manual soap settlement tank being added to the existing filtration circuit
Total cost (₹ Lakhs)	22.40	23.78	(1.38)	
Average Rate (₹/Tonnes)	45,079.49	40,411.94	4,667.55	

Excludes electricity duty paid on purchases.

B. CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Steel (per tonne)	Tubes (per tonne)	Bearings (per no.)	F.A.M.D. (per tonne)	Growth Shop (per tonne)	CRC West (per tonne)	Wire Div. (per tonne)
Electricity (KWH)	351.00	105.00	0.33	3728.05	531.67	81.88	216.14
	356.00	113.00	0.41	3614.14	570.74	113.00	222.14
Furnace Oil (Litres)				—	10.09	4.55	25.50
					(11.31)	(6.37)	(29.40)
Coking Coal (Tonnes)*	0.59						
	(0.61)						
Others:							
Light Diesel Oil (Litres)	0.26						2.04
	(0.63)						(2.84)
High Speed Diesel Oil (Litres)		0.20					
		(0.28)					
L.P.G. (kg)						9.99	20.01
						(13.50)	(20.67)

* Coal Consumed in HMC for producing Coke has not been considered for this calculation.

Form - B

Form for disclosure of particulars with respect of Technology Absorption 2011-12.

Research and Development

1. Specific Areas in which R&D was carried out by the Company:

- Raw Materials
- Cost and productivity
- Market and new products
- Energy and Environment

2. Benefits derived

Pilot trials of organo-refining to produce 4% ash clean coal with 80% combustible recovery

During 2011, the Raw Materials and Coke Making Research Group successfully piloted a novel technology for chemical beneficiation of coal with a capacity of processing 20 kg coal per batch. The objective was to reduce the ash content from 25% ash captive coal to 4%, while maintaining yield. The pilot plant results have shown that this patented technology is capable of 90% de-ashing of high ash Indian coal.

This investigation focused on coal beneficiation through a chemical processing route and has been established at bench scale level for the first time. The innovative technique was able to obtain high levels of coal enrichment, from as high as 30% ash content to less than 4% ash, while maintaining almost 80% combustible recovery. The innovation is based on solvent extraction technique which involves dissolving the coal in a solvent and the extract so produced contains mostly organic material derived from coal, with little mineral matter.

The current steel making practice uses 40% of beneficiated captive coal, a large proportion of which gets rejected due to the high ash content. The limitations of physical beneficiation process necessitated venturing into physicochemical approaches in order to obtain a breakthrough in ash level. However, a chemical treatment process is generally cost intensive, the reasons for which are inefficient and costly regeneration processes (like distillation, evaporation etc.), stringent environmental norms and loss of expensive chemicals. Cost of the process was substantially reduced through various innovative approaches in energy and chemistry optimisation and more work is planned to further improve. Solvent loss was reduced by controlling the solvent ratio and various further studies are planned for reaching towards a 'zero loss' target.

Table 1 revealed that the plant values for ash content of run of mine coal was significantly higher than the lab results. Similarly for floatation clean coal, a substantial increase in yield was observed maintaining the same product quality. This established a successful up-scaling of the process to bench scale level.

This innovation has the potential of bringing down the overall ash in West Bokaro clean coal from 15% to 8%. Apart from coal processing for coke making, the process can also be used as a resource for value added carbon products like carbon foam, carbon composite and for green fuel which reduces the environmental burden. Bench scale plant results have been very encouraging and the next target is to establish the process performance at a higher scale of 500 kg/batch. The up-scaled plant will be continuous and equipped with several tailor made machines and automation.

Table 1: Comparative results between lab scale and bench scale plant

WB R.O.M Coal (Feed ash 26%)			
Lab Result		Plant Result	
Yield	45%	Yield	60%
Clean Coal Ash	<=4%	Clean Coal Ash	<=4%
Reject Ash	>43%	Reject Ash	>57%

Flotation Clean Coal (Feed ash 14%)			
Lab Result		Plant Result	
Yield	65%	Yield	70%
Clean Coal Ash	<=3.5%	Clean Coal Ash	<=3%
Reject Ash	>=23%	Reject Ash	>=31%

A novel scheme to increase the in-house electrical power generation by 50 MW

The in-house power stations of Tata Steel, Jamshedpur use a Rankine cycle for power generation and a part of the total steam produced in the steam plants is utilised to meet the requirements of process steam too. This adversely affects the efficiency of power generation. Together with Chief, Power Systems, the Steel Making and Casting Research Group evaluated options to improve the thermal efficiency and generate additional power using combined cycle power plants.

Energy and thermo-dynamic calculations were carried out which revealed that the overall thermal efficiency of power generation at Power Houses 3, 4 & 5 (combined) was ~23% and ~33% at Power House 6. The combined cycle power generation is more efficient alternative and is being adopted worldwide. The potential of implementation was evaluated and accordingly a scheme of 'combined-cycle co-generation and power system' was recommended to the operations. In line with the plant requirements, it was suggested that there should be five identical gas turbines in the proposed plant. Suitable specifications for the gas turbine cycle were also worked out.

In changing over to the combined cycle system, there are two options. The first option is to use a combined cycle co-generation and power system, where the whole of the available by-product gases is used to run gas turbines and generate electrical power in the topping cycle. A part of the steam produced in the Heat Recovery Steam Generator (HRSG) is used as process steam and the balance is used for generating power through steam turbines in the bottoming cycle. The second option is to use a part of the available by-product gases to raise process steam in fired boilers and the balance is used separately to generate electrical power in combined cycle mode.

This pre-feasibility study analysed the first option. The proposed unit for co-generation system would require five identical gas turbines, the existing steam turbines of Power House 4 & 5 along with HRSGs and the combustion chambers. In a gas turbine and steam turbine combined cycle power plant, a gas turbine is used to generate electricity and the heat of the exhaust gases of the turbine is utilised to produce steam in a HRSG. The steam produced drives a steam turbine and generates power.

The above scheme, if implemented, will generate an estimated 51 MW more power and also meet the requirement of process steam. Other benefits include reduction in cooling water requirement, CO₂ emission, space requirement etc. The Power Engineering Division will now continue its detailed analysis including Option 2, and will work out a scheme if this technology is deemed feasible and suitable for Jamshedpur.

3. Future plan of action

Tata Steel's R&D recognises clean environment as one of the biggest challenge and are determined to provide the solutions aimed at reducing CO₂ emissions through the above mentioned programs. As part of the company's vision, the reduction in the emissions of Carbon-di-oxide is attracting significant importance as a corporate strategy.

4. Expenditure on R&D	(₹ in crores)
(a) Capital	0.68
(b) Recurring	52.30
(c) Total	52.98
(d) Total R&D expenditure as a % of Total Turnover	0.16%

Technology Absorption, Adaptation and Innovation
Efforts made
On the Process Front:
Raw Materials & Iron Making
Agglomerates

- Managing sinter return fines at lower level through comprehensive mapping and tracking of factors en route from sinter plant to BF.
- Significant improvement in sinter operation in respect to sinter strength.
- Establishing pellet chemistry regime for start up of pellet plant with respect to basicity and MgO level – based on practice study and consultation.

Coal/Coke

- Managing coal blends to maintain coke quality, despite large deviations in captive coal production and surprises in coal procurement.
- New coals from US and Indonesia were introduced based on evaluation and testing.

Blast Furnace

- Helping solve issues like tuyere failure rate at 'H' furnace.
- Study of the process deterioration caused by drift in carbon rate and introduction of dry quenched coke.
- Development of tools to track process condition in quantitative manner.
- About 15 diagnosis reports were produced to help operations.

Beneficiation

- Significant improvement in yield of clean coal in beneficiation circuits for fine coal at both WB and Jharia.
- Stabilisation of reflux classifier at WB to recover clean coal from tailings.
- Contributions to development of beneficiation flow sheets for KBP washeries.

Iron Ore

- Contributions to development of beneficiation flow sheets for Khondbond and other mines.
- Reduction of alumina and moisture in ore fines by use of sodium silicate as dispersant.
- Better recovery of process water and improved settling of slime fines could be achieved by the development of a suitable binder for the treatment of tail pond water. This also resulted in improved slime pond life.

Ferro Alloys

- Introduction of data mining for Ferro alloy production.
- Introduction of a x-ray based 'sorting' technology for higher reliability and faster processing of manganese ore - as an alternative to manual labour based practice.
- Strengthening QA systems in certification of products and managing conversions

Flat Product
Product Development:

- Deep drawn IF GA for Hyundai commercialised.
- Automotive GI grade for components for the first time for Volkswagen India.
- Peritectic to Non-Peritectic Conversion to debottleneck slab caster production – 5 grades changed in Financial Year 2011-12.

Process Improvement:

- Best ever overall skin panel strike rate of 33.8%: The overall skin panel strike rate (CRCA category) has consistently improved over the last 3 years In Financial Year 2011-12 it stands at 33.8% which is 7% improvement over Financial Year 2010-11.
- The overall strike rate for last 3 years is given below:

	FY 12	FY 11	FY 10
	33.8	26.9	23.8

Long Product
Product Development:

- Designed and developed superior earthquake resistant rebar through Micro alloying-first time in India (Section: 6, 8, 12 mm) with UTS/YS ratio >1.25. Good customer response received on trial supplies.
- Rationalization of chemistry for rebar successfully done leading to Ferro alloy savings of worth ₹ 2.04 crore/month for total LD1 production effected from Dec-2011.
- Reduced Scale Loss in High carbon wire rods in TSWD from 0.6% to 0.3% by process modification.
- Successful laboratory trials in the development of next generation CRS rebar with superior corrosion resistance property.
- Plasma coated rebar was marketed on trial basis and the market feedback was excellent.

Process Improvement:

- Joint projects with selected customers to improve drawability of WR3M/ER70S6 wire rods successfully implemented. Customers appreciated the benefits that they could achieve in wire drawing.
- Customer complaint: The Product complaint was at the level of 257 PPM as against the target of 280 PPM. The decrease in customer rejections was due to the Improvement in production processes.

Tubes Division

- New cut-off machine installed in 2" PT mills to get burr-free tubes.
- Replacement of 2" PT Mill online eddy current testing machine.
- New end chamfering machine installed in 4" PT Mill.
- New spectrometer installed in Chemical Laboratory.
- Development of fire resistant steel for structural application.
- Development of Non-Peritectic micro alloyed steel for structural application.
- Development of 300 x 150 mm tubes for structural application.
- Development of 4 purlin sizes for structural application.
- Development of 4 sizes for AREVA Solar. Commercialisation is yet to happen.
- Development of 168.30 mm diameter Idler pipe.
- Development of extra light (2 mm) galvanised structural tubes for new Market segment.

New Projects

- CRM Bara – Few highlights:
 - Internal rejections reduced from 10% to 2.5% (of Bara Output).
 - Approval obtained for HRPO/HRSP0 from M/s Ford, Wheels India, SSWL, Bajaj & Tata Motors
 - Approval awaited from – Toyota, Nissan and Hyundai.

National Metallurgical Laboratory (NML) – TATA STEEL Projects

About 40 projects were taken up as collaborative Research Projects between NML and TATA STEEL. About 20 projects were completed during

the last year. The results of the successful projects were deployed in the steel manufacturing process.

- The process developed to manufacture bricks from Steel slag, fly ash and Iron making slag has been commercialised.
- Ultrasonic testing method developed to check the High Speed Rolls in HSM resulted in the loss of roll due to spall.

Bearings Division:

- Solution provided to Maruti Suzuki India Limited (MSIL) for new version of Gear Box – Gear Box was modeled in advanced design software and simulated in extreme operating conditions – 32004 and 33005 Taper Roller Bearings designed with optimized internal geometry and carbo-nitrided Inner Race and Outer Race to suit this application.

- Alternate solution provided to Toyota Kirloskar Motors Ltd. (TKML) Wheel Bearing of Innova – Wheel Bearing (SP802135) modeled in Advanced design software.
- 6304 EL Bearing designed to substitute a non-standard bearing required by Tata Motors Ltd. for Nano Europa Gear Box.
- Modified Bearing design for better sealing ability & higher fatigue life bearing has been developed for TML- Nano, with double lip rubber seal and internal dimensional characteristics for Front wheel application.
- Carbo-nitriding process for Ball Bearing (e.g. 6202 NC) and Taper Roller Bearing (e.g. 30205 NC) have been established – carbo-nitrided bearings have been tested and found to have 3 to 5 times more fatigue life compared to normally through hardened bearings.

Particulars of technology imported during last five years

Steel Division	Absorption	Status of Implementation
a) Variable Frequency Drive for Descaling Pump Motor at Hot Strip Mill (ABB, India)	2007	Commissioned
b) Sinter Plant No. 4, having a bed area of 204 sq mtr with ESP having lesser emission of 50 mg/ Nm ³	2007	Commissioned
c) Double Jaw Eye Vertical Tong For Batch Annealing Furnace at CRM	2007	Commissioned
d) SCADA System for Water Utilities	2007	Commissioned
e) Quantitative Estimation of Minerals by SEM (Scanning Electron Microscope)	2007	Commissioned
f) XRD (X-Ray Defraction) for quantitative phase and texture analysis	2007	Commissioned
g) Electric Blowers for 'H' Blast Furnace	2009	Commissioned
h) Top Gas Recovery Turbine for 'H' Blast Furnaces	2009	Commissioned
l) Flat Cast House Design for 'H' Blast Furnace	2009	Commissioned
j) Internal Stoves for 'H' Blast Furnace	2009	Commissioned
k) Use of mixed gas in place for CO gas, for firing in 7th Lime Kiln	2009	Commissioned
l) New Billet Caster having all the latest facilities and having 9 m casting radius installed in an existing building suitable for 6 m casting radius, by going underground and taking the pass line to (-)3.3 m level	2009	Commissioned
m) Use of hydraulic mould occillator and hydraulically operated turn over cooling bed at CC 3 at LD Shop 1	2009	Commissioned
n) Robotised Sample Testing Laboratory at LD Shop No 1	2009	Commissioned
o) Top Gas Recovery Turbine for 'G' Blast Furnace	2010	Commissioned
p) 4th Stove for 'G' Blast Furnace to facilitate relining of other stoves, without hampering hot metal production	2010	Commissioned
q) Continuous Emission Monitoring stations at 4 locations inside Tata Steel Works	2010	Commissioned
r) Installation of Roll Coating & Drying System at Continuous Galvanising Line at Cold Rolling Mill	2011	Commissioned
s) Use of Blast Furnace Gas at New Reheating Furnace using regenerative burners at Hot Strip Mill	2011	Commissioned
t) Installation of Chiller system for maintaining temperature of cooling medium for 'H' Bl. Fce Blower Drives at Blower House No. 5	2011	Commissioned
u) Installation of 6.0 mtpa Pellet Plant for making pellets using iron ore fines, for use in Blast Furnaces	2012	Commissioned
v) Installation of New Steel Melting Shop (LD3), and one strand of Thin Slab Casting & Rolling (TSCR) facility	2012	Commissioned
w) Installation of Pipe Conveyor in the Lime handling circuit	2012	Commissioned
x) Installation of Rapid Loading Station at Dispatch Yard of Noamundi Iron Ore Mines, including Extromat Silo Extractor in the fines circuit	2012	Commissioned
y) Installation of Barrel Reclaimer at Noamundi Iron Mines	2012	Commissioned
z) Installation of 0.25 mtpa FHCR (Full Hard Cold Rolling) Mill at Bara in Jamshedpur	2012	Commissioned
aa) Installation of Coke Dry Quenching facilities at Coke Oven Battery Nos 5, 6 & 7	2012	Commissioned
ab) Installation of Compactor at Wire Rod Mill	2012	Commissioned

Foreign Exchange earnings and outgo:

a. Export performance:

1. Activities relating to exports:

Tata Steel sells its key products like HR, CR, Galvanised, Rebar, Wires, Ferro Alloys & Minerals (FAM) in international market of strategic importance viz., Middle East, South Africa, Japan, China, Korea, South East Asia, Europe and SAARC countries. The key focus is to serve a wide range of industries and to end customers. Considering the limited availability of Flat and Long products material for exports due to robust domestic demand during the year, the focus was to keep our presence in Nepal, Sri Lanka and Bhutan. Ferro Alloys Division was honoured with the CAPEXIL (Chemical and Allied Export Promotion Council of India) and EEPC (Engineering Export Promotion Council) awards in Financial Year 2011-12 for its export performance in the recent years. This Division also won the coveted TBEM Award (Tata Business Excellence Award) in 2011.

2. Initiatives taken to increase exports during 2011-12:

- Increased presence in the ship building market of Bangladesh which resulted in higher revenue over commercial HRC exports.
- Increased the sales of Tata Steellium in Nepal markets through distribution.
- Increased sales volume of Wires in 2011-12 by about 15%. Expanded sales of binding Wires in Nepal.

3. Development of new export markets for products and services:

- **Flat Products:** The major focus is towards meeting our long-term objectives for export of Flat Products from TSCR (Thin Slab Caster).
- **Long Products:** Near term plan is to maintain our presence with some key relationship customers.

- **Wires:** Developed new customers and re-entered the duct wire market in USA with significant volumes.
- **Ferro Alloys and Minerals:** Growth in Financial Year 2011-12 was subdued in most parts of the world, especially in H2 due to the impact of the European crisis, strong appreciation of the Yen and liquidity crunch in India and China. Global Stainless Steel production grew 3.5% in 2011 at 33.4 million tonnes (against a 24% growth in 2010 at 32.3 million tonnes), impacting demand for Ferro Alloys.

4. Export plans:

- **Flat Products:** After the commissioning and stabilisation of TSCR, the company plans to increase exports of HRC from H2 2012-13 to around 30k tonnes per month. This will be done across geographies in South East Asia, Far East and Middle East.
- **Long Products:** Near term plan is to maintain our presence with some key relationship customers. Increase in exports is expected as and when planned new capacities come up for production in India.
- **Wires:** In Financial Year 2012-13 the focus is to increase sales volumes by 30-35% on YoY basis by targeting new unexplored geographies.
- **FAM Division:** Increase in infrastructural spending in India & China, strong steel demand in US from a buoyant auto sector and a likely recovery in the Euro zone, is expected to increase the demand for Ferro Alloys by 5-6%. The Company plans to increase its production capacity in Ferro Chrome and Silico Manganese in Financial Year 2012-13.

- **Total foreign exchange used and earned:** This has been covered as a part of the notes to the financial statements in this Annual Report.

Management Discussion and Analysis 2011-12

INDUSTRY STRUCTURE:

Global Steel Industry:

Overall the global steel industry witnessed steady growth during 2011. The growth in global steel demand was driven by increased demand from key steel end-user industries including infrastructure, construction and automotive, especially in the emerging markets; in spite of financial turbulence in the Eurozone, weak private demand in the United States and events in Japan and the Middle East.

In 2011, the global steel demand is estimated to have increased by 6% to reach a new high of 1,373 million tonnes, 13% above the pre crisis levels in 2007. Growth was led by the emerging economies, notably China (6% up) and India (4% up), where new demand records were set. In the developed economies, demand levels remained 15-25% below 2007 levels. Europe saw steel demand increase by 5% and North America by 9% in 2011, but steel demand in Japan fell by 3%, as the impact of the earthquake and subsequent tsunami was felt on the manufacturing activity. The growth in 2011 can be segregated in two halves. In the first half of 2011, global steel consumption grew relatively faster, underpinned by infrastructure construction and manufacturing activity. In the second half of 2011, steel consumption was lower than in the first half due to moderate economic growth in China, the United States and Europe.

In 2011, global steel output reached 1.5 billion tonnes, an increase of 7% compared to 2010 and a new record for world crude steel production. All major steel producing countries apart from Japan and Spain showed growth in 2011. Growth was particularly strong in Turkey, South Korea and Italy.

Looking ahead, global steel market developments are likely to remain generally positive, but with lower growth in 2012 compared to 2011. In the first few months of 2012, apparent steel demand remained muted due to the uncertain economic climate. For 2012 as a whole, global steel demand is forecast to grow by a further 4% to reach 1,422 million tonnes. China, India and other emerging markets will continue to drive demand but recent market developments suggest likely slackening of demand.

This is primarily due to the recent changes in the monetary policy in China to reduce bank credit and improve asset quality as well as lower growth forecast in India. While USA and Japan is expected to continue its recovery, steel demand in Europe is expected to fall by 1%.

The following table shows the crude steel production volume of the top ten steel producing nations:

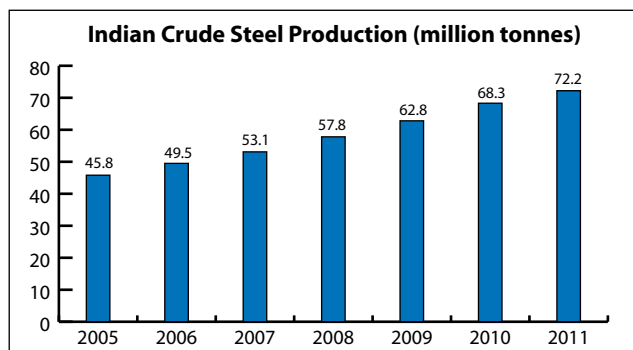
Figures in million tonnes

Rank	Country	2011	2010	Change %
1	China	695.5	638.7	8.9%
2	Japan	107.6	109.6	(1.8%)
3	United States	86.2	80.5	7.1%
4	India	72.2	68.3	5.7%
5	Russia	68.7	66.9	2.7%
6	South Korea	68.5	58.9	16.3%
7	Germany	44.3	43.8	1.1%
8	Ukraine	35.3	33.4	5.7%
9	Brazil	35.2	32.9	7.0%
10	Turkey	34.1	29.1	17.2%

Source: World Steel Association

Steel Industry in India: India improved its ranking to become the 4th largest producer of crude steel in the world during 2011 after China, Japan and the USA. The country's production grew by around 6% in 2011 over 2010.

The trend of crude steel production in India is shown in the following chart:



Source: World Steel Association

There has been a diversification in the product mix of the steel industry in India towards sophisticated value added steel used in the automotive sector, heavy machinery and physical infrastructure. In 2011, the industry was faced with stiff challenges due to rising inflationary pressures and deteriorating global growth conditions. The multiple hikes in interest rates by the central bank also impacted the industry's growth in rate sensitive key user industries. The production of flat products and long products of major Indian companies is estimated to have grown by around 7.5% and 4.5% respectively during Financial Year 2011-12 when compared with the previous financial year. Steel consumption of Flat products and Long products in Financial Year 2011-12 grew by 2.3% and 5.8% respectively. Flat product exports grew by 23% and Long product exports increased to 279k tonnes in Financial Year 2011-12 compared to 155k tonnes in Financial Year 2010-11. There was a reduction in the import of Flat and Long Products by 5% and 8% respectively. The steel prices during Financial Year 2011-12 have increased from the average prices prevailing in the previous financial year driven by increase in the input costs and improvement in demand.

UK and European Steel Industry: The recovery of the UK economy as was witnessed in Financial Year 2010-11 slowed down to 0.5% GDP growth in Financial Year 2011-12. Real disposable income increased only marginally and private consumption fell by 0.8% as personal savings have started to rise. Industrial production during the year fell by 2.2%, while unemployment increased to 5%. The UK government continued with the execution of its fiscal austerity package to bring the budget to a balanced position by 2015-16 and to protect its credit rating. The estimated UK demand for carbon steel products in Financial Year 2011-12 amounted to 9.7 mt. Estimated UK demand for the Group's main carbon steel products at 7.5 mt, remained broadly unchanged compared to 2010-11, reflecting the weak economic conditions in the UK. Imports from outside Europe peaked at 21% in the first half, declining subsequently, as importers focused

on higher priced regions and buyers reduced purchases of long-lead time imports due to uncertainty in underlying demand.

Apparent steel consumption in the EU increased strongly during the first half of 2011 as underlying demand improved and prices increased. Customers increased stock levels and purchases of imports to secure supply. However, the pace of underlying growth slowed from mid-2011 mainly due to the European sovereign debt crisis. As a result, customers became unwilling to hold too much stock and focused buying on immediate needs only. This cautious buying behaviour continued throughout the second half of 2011, reflecting both the ongoing cash and credit constraints faced by businesses, and the continuing high degree of uncertainty in the general business climate. For 2011 as a whole, apparent steel consumption in the EU is estimated to have increased by 5% year-on-year. In the first months of 2012, although underlying demand remained below 2011 levels, apparent steel demand increased as customers replenished stock levels from the low levels reached in December 2011. Steel imports into the EU rose sharply during the first half of 2011 before moderating in the second half, though the absolute volumes were still higher by approximately 25% over 2010 levels at almost 20 mt.

South-East Asian Steel industry: Preliminary numbers compiled by South East Asia Iron and Steel Institute (SEAISI) suggest that apparent steel consumption in the Association of South East Asian Nations (ASEAN) at 50.5 million tonnes in 2011 grew by 4% over 2010. Overall demand in the area grew by 4% over 2010 for both Flat products as well as Long products. Flat products demand of 27 million tonnes was largely met through imports of 25 million tonnes whereas Long products demand of 24 million tonnes was mostly catered through domestic production of 18.5 million tonnes.

In **Thailand**, demand for Flat steel increased moderately by 3.5%, which was met by higher imports as domestic output declined significantly by 14%. The Flat steel consumption in

Indonesia was up by 12% at 6 million tonnes, met largely by imports as domestic output was only 2.6 million tonnes. In **Philippines**, Flat steel demand was met mostly by domestic output with stagnation in the imports and a significant decline in exports. A similar situation was witnessed in **Malaysia's** Flat steel market with a substantial increase in domestic output while imports declined by 6%. **Vietnam's** Flat steel demand declined by 2.7% whereas exports increased significantly by 40% to 1.4 million tonnes and also the increase in imports was to the tune of 5.8% to reach 5.6 million tonnes. In **Singapore**, Flat steel consumption increased by 23% to 1.5 million tonnes, met by increase in imports. Long steel demand in Singapore also witnessed a significant increase this year by almost a million tonnes. NatSteel Holdings, the only Long steel producer, expanded its production by 4.7% which, however, was not sufficient to meet the local demand. As a result, import showed a significant increase of 38% during the year.

TATA STEEL GROUP OPERATIONS:

Gross steel deliveries were at par with the previous year due to the economic situation in Europe and severe floods in Thailand. Deliveries of Tata Steel India were higher by 3% while Tata Steel Europe and Tata Steel Thailand deliveries declined by 5% and 12% respectively. Deliveries of NatSteel were at par with the previous year. The turnover for the Group at ₹ 1,32,900 crores during Financial Year 2011-12 was 12% higher than the turnover in Financial Year 2010-11 (₹ 1,18,753 crores). This increase was primarily driven by higher prices across the Group due to higher input costs. EBITDA for the Group in Financial Year 2011-12 was ₹ 13,533 crores as compared to ₹ 17,116 crores of Financial Year 2010-11 primarily due to market conditions in Europe.

The Group reported a consolidated profit after taxes (after minority interest and share of profit of associates) of ₹ 5,390 crores during Financial Year 2011-12 (₹ 8,983 crores in Financial Year 2010-11).

Tata Steel India:

Figures in ₹ Crores

	2011-12	2010-11
Turnover	33,933	29,396
Profit before tax (PBT)	9,857	9,777
Profit after tax (PAT)	6,696	6,866

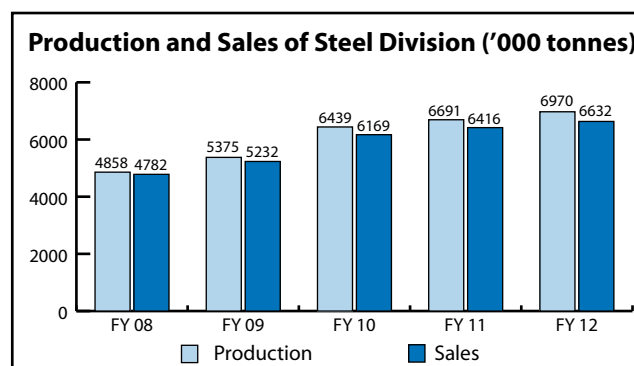
1. Steel division:

The production and sales figures of the steel division of the Company are shown in the following table:

Figures in million tonnes

	FY 12	FY 11	Change %
Hot Metal	7.75	7.50	3.33%
Crude Steel	7.13	6.86	3.94%
Saleable Steel	6.97	6.69	4.19%
Sales	6.63	6.42	3.27%

The trend of steel production and sales is shown below:



The major production and sales highlights for Financial Year 2011-12 are shown below:

Production: Key highlights of the production performances of various units in the Steel Works are shown below:

Figures in million tonnes

	Best ever	FY 12	Previous best
G Blast Furnace	Hot metal production	2.13	2.11 – FY 11
LD shop #2 & Slab Caster	Slab production	4.00	3.80 – FY 11
LD shop #1	Billet production	3.12	3.05 – FY 11
Hot Strip Mill	Production	3.94	3.73 – FY 11
New Bar Mill	Production	0.78	0.72 – FY 11
Wire Rolling Mill	Production	0.42	0.40 – FY 10
Lime Plant	Production	0.70	0.69 – FY 11
West Bokaro (clean coal)	Production	2.30	2.20 – FY 11

The production from the larger furnaces was maximised with better productivity and lower coke consumption while increased vessel life in the steel melting area enhanced crude steel production to 7.13 million tonnes, crossing the 7 million tonnes milestone for the first time.

Sales

- Overall sales at 6.63 million tonnes grew by 3% over last year (6.42 million tonnes in Financial Year 2010-11).
- Due date performance (which measures delivery compliance) was sustained at 96% in Flat Products and improved significantly from 91% to 96% in Long Products.

Flat Products

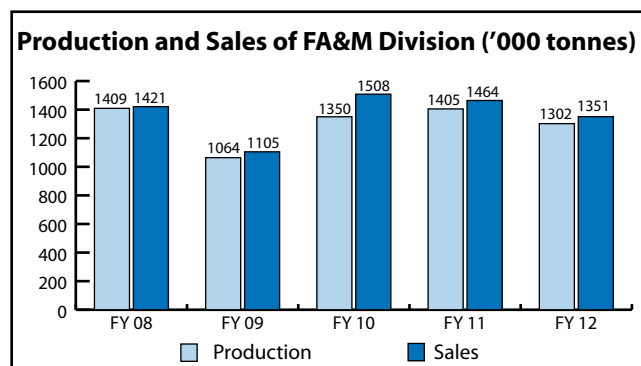
- The sales of Flat products at 3.74 million tonnes increased by 6% in Financial Year 2011-12 (3.54 million tonnes in Financial Year 2010-11).
- The division achieved the best ever sales performance in Skin Panel (0.06 mt) and Tata Shaktee GC sheets (0.21 mt).

Long Products

- Sales of Long products at 2.90 million tonnes increased by 1% in Financial Year 2011-12 (2.88 million tonnes in Financial Year 2010-11).
- The division crossed one million tonne sales of Tata TISCON in retail segment, clocking an increase of 40% over Financial Year 2010-11.

2. Ferro Alloys and Minerals division:

The trend of production and sales volumes of the Ferro Alloys and Minerals Division is shown below:



The total sales volume in Financial Year 2011-12 was 1,351k tonnes against the volumes of 1,464k tonnes in Financial Year 2010-11.

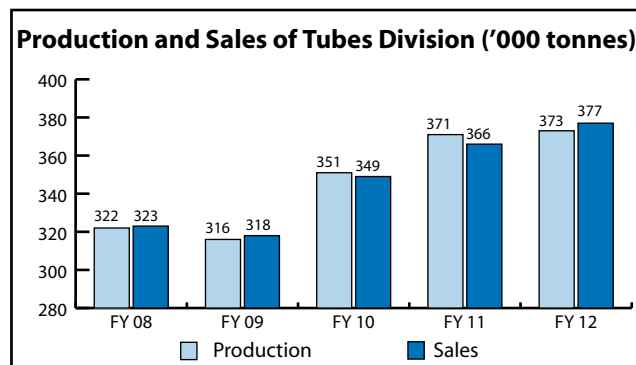
Growth in Financial Year 2011-12 was subdued in most parts of the world, especially in H2, due to the impact of the European crisis, strong appreciation of the Yen and a liquidity crunch in India and China. Global stainless steel production grew 3.5% in 2011 at 33.4 million tonnes (against a 24% growth in 2010 at 32.3 million tonnes), impacting demand for Ferro alloys. Accordingly, the prices of Ferro Chrome dropped by 7% in Financial Year 2011-12 compared to Financial Year 2010-11.

Going forward, the demand for ferro alloys is expected to improve as a result of an increase in infrastructural spending in India and China, strong steel demand from a buoyant auto sector in the US and the likely recovery in the Eurozone. The division has aggressive plans to increase its production capacity in Ferro Chrome and Silico Manganese in Financial Year 2012-13.

The division was honoured with the CAPEXIL (Chemical and Allied Export Promotion Council of India) and EEPC (Engineering Export Promotion Council) awards in Financial Year 2011-12 for its export performance in the recent years. The division also won the coveted TBEM Award (Tata Business Excellence Award) in 2011 and its mines at Sukinda were judged as the 'Overall Best Performer' during the Odisha Metalliferous Mines Safety campaign for 2011-12.

3. Tubes division:

The trend of production and sales volume of the tubes division over the last five years is shown below:



During Financial Year 2011-12, the Tubes division consolidated its position in the market by registering a growth in production (1%) and sales (3%), enabled by the identification of new applications for Tata Structura. The year also marks the unveiling of the 'CHARKHA' – a symbol of the innovative and futuristic applications of Tata Structura's hollow section.

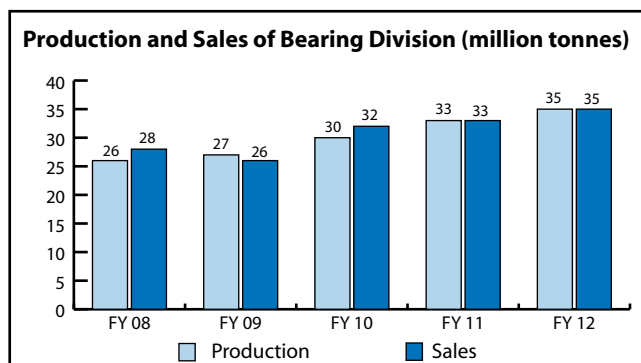
The key performance highlights of the division are given below:

- 'Tata Pipes' continues to be the market leader in India in the conveyance tubes business for the plumbing and irrigation segments. Sales grew by 4% over the previous year. For the first time in the country, red oxide-coated pipes are being supplied to customers in firefighting and the HVAC segment.
- 'Tata Structura' sales have been the best ever at 1,08,000 tonnes. It has also been approved for usage in solar panels by global players like Areva. The solar energy segment will be one of the largest consumers of steel hollow section in future. Tata Structura has been approved by Eastern Railway for making new platforms. Over 100 new platforms are expected to be built.
- Tata Steel's 'Precision Tubes' at Jamshedpur along with Thai Summit Neel Auto (India's largest two wheeler ancillary group) celebrated the milestone of 2 million TVS moped frames made with precision tubes. Precision Tube mills successfully developed 3 high strength ERW sizes for Honda Activa Model. This is a major enabler in increasing the share of business with Honda Motorcycle and Scooter India Pvt. Ltd. (HMSI).

The Tubes division received the award of the 'Most Innovative Environment Project' at the CII Environmental Best Practices Competition held on 9-10 February, 2012 at Hyderabad.

4. Bearings division:

The performance of the bearings division in terms of production and sales volume is shown below:



The division has posted a Y-o-Y growth of 6% and 5% in production and sales respectively, driven primarily by a robust demand from the domestic auto segment.

The division adopted various improvement initiatives like TOC (Theory of Constraints) methodology and increase in Overall Equipment Efficiency (OEE) of equipments through implementation of Total Productivity Maintenance (TPM) practices.

During Financial Year 2011-12, the division was bestowed with a number of awards and accolades from its customers. The division was conferred with the 'Gold Certificate of Merit' at the India Manufacturing Excellence Awards-2011 by Frost & Sullivan and Economic Times in recognition of the efforts in Manufacturing and the Supply Chain. The division has also qualified in the category of 'Emerging Industry Leader' in JN Tata Business Excellence Assessment, for the first time.

Tata Steel Europe (TSE):

Figures in ₹ Crores

	FY 12	FY 11
Turnover	82,153	73,844
Profit before tax (PBT)	(4,281)	1,725
Profit after tax (PAT)	(4,242)	1,641

The EU continues to be the most important market for the TSE Group, accounting for 82% of its total turnover in Financial Year 2011-12.

TSE's Crude steel production stood at 14.0 million tonnes in Financial Year 2011-12, a 4% drop over the previous year. Deliveries at 14.0 million tonnes in Financial Year 2011-12 were lower by 5% over Financial Year 2010-11. The production and sales performance of TSE are shown below:

Figures in million tonnes

	FY 12	FY 11	Change %
Crude steel production	14.0	14.6	(4%)
Deliveries	14.0	14.7	(5%)

In Financial Year 2011-12, about 70% of TSE's crude steel production was used in hot rolled coils. Most of the remainder was further processed into sections, plates, speciality steels or wire rods, or sold in a semi-finished form. Approximately 25% of the hot rolled coil was sold without further processing and 55%

was further processed in cold rolling mills and coating lines. The remainder was transferred to TSE's tube mills for the manufacture of welded tubes. Principal end-user markets for the Group's steel products are the construction, automotive, packaging, lifting and excavating, energy and power and rail sectors.

Crude steel production at different facilities in TSE along with their capacity is shown below:

Figures in million tonnes

	Production capacity	Actual production
Port Talbot steelworks, West Glamorgan, Wales	4.9	3.4
Scunthorpe steelworks, South Humberside, England	4.5	3.2
Rotherham steelworks, South Yorkshire, England	1.2	0.7
Ijmuiden steelworks, the Netherlands	7.2	6.7
Total	17.8	14.0

Excluding seasonal effects, the sales volumes of TSE improved in the last quarter of Financial Year 2010-11 to reach the highest level of quarterly sales since Financial Year 2008-09. However, this higher level of sales was not sustained in Financial Year 2011-12, with quarterly sales falling back to levels seen in early Financial Year 2010-11 and remaining reasonably flat through the year.

During Financial Year 2011-12, TSE announced various restructuring measures to introduce greater flexibility into costs and operations. These included closure or mothballing of parts of the Scunthorpe site, cessation of operations at its Construction Products business at Newport, Wales, mothballing of the hot strip mill at Llanwern, Wales, a recovery plan for its tube-making business and opening up of a new steel distribution centre at Lackenby, Teeside to match operations with projected market demand in the foreseeable future.

NatSteel Holdings:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	8,600	7,413
Profit before tax (PBT)	35	143
Profit after tax (PAT)	18	152

During the financial year under review, NatSteel Holdings (NSH) achieved a production level of 1.63 million tonnes as compared to 1.59 million tonnes of Financial Year 2010-11, registering an increase of 3%. Sales volume at 1.81 million tonnes was almost at par with the previous year (1.80 million tonnes). The performance of the major business operations of the Company are discussed below:

During Financial Year 2011-12, the Singapore operations registered growth of 6% in sales at 893k tonnes.

NatSteel Xiamen, the Chinese subsidiary of NatSteel sold 545k tonnes of rolled products during Financial Year 2011-12, registering an increase of 9% over Financial Year 2010-11. Australian operations were in the red due to a combination of poor demand and rapidly accelerating costs. However, there was an improvement in the average revenue per tonne across all units, except Vietnam.

Tata Steel Thailand (TSTH):

Figures in ₹ Crores

	FY 12	FY 11
Turnover	4,110	3,911
Profit/(loss) before tax	(211)	(151)
Profit (loss) after tax	(323)	(139)

TSTH recorded a sales volume of 1.14 million tonnes during Financial Year 2011-12 registering a decrease of 11% over Financial Year 2010-11 (1.29 million tonnes). The shortfall was due to a drop in demand owing to the worst ever floods in Thailand that affected sales in second half of Financial Year 2011-12. However, the Company improved its product mix, resulting in an improved average realisation per tonne. Floods and lower demand led to a lower production of 1.16 million tonnes in Financial Year 2011-12 (1.28 million tonnes in Financial Year 2010-11). The mini blast furnace in Thailand was mothballed from August 2011 due to the higher billet cost from the hot metal route, as against the scrap route. The Company maintained its leadership position in high-end wire rods and became the only Thailand-based producer to make an entry in the Special Bar Quality products.

Tata Metaliks:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	1,231	1,347
Profit/(loss) before tax	(170)	(15)
Profit/(loss) after tax	(113)	1

Tata Metaliks Limited (TML), a subsidiary of Tata Steel Limited, is the largest producer of Foundry Grade Pig Iron in India. The Company has two plants in India – in Kharagpur (West Bengal) and Redi (Maharashtra) – with a total capacity of 6.5 lakh tonnes per annum. Tata Metaliks Kubota Pipes Limited (TMKPL), is a subsidiary of Tata Metaliks Limited engaged in the manufacturing of DI (Ductile Iron) Pipe with a total capacity of 1.10 lakh tonnes per annum. The production and sales for Financial Year 2011-12 and Financial Year 2010-11 are shown below:

	2011-12	2010-11
Production	'000 tonnes	'000 tonnes
Pig iron	343	477
Ductile Iron Pipe	50	20

	FY 12	FY 11
Sales	'000 tonnes	'000 tonnes
Pig Iron	356	473
Ductile Iron Pipe	47	19

In Financial Year 2011-12, the sales volume was lower at 356k tonnes as compared to 473k tonnes in Financial Year 2010-11 due to lower production at Kharagpur unit and the shutdown of the Redi unit from November, 2011. Higher raw material costs, a disruption in the supply of iron ore at Kharagpur and poor blast furnace health leading to higher specific consumption of raw material have resulted in negative operating margins.

TML is striving to improve its operating margin by setting up a Sinter Plant at Kharagpur and upgrading the Blast Furnace to increase the production volume. The capacity of the Kharagpur plant would be increased to 407k tonnes. The Company is also

setting up Coke Oven plant at Kharagpur on BOOT (Built Operate Own and Transfer) basis.

TM International Logistics Limited:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	929	978
Profit before tax (PBT)	68	72
Profit after tax (PAT)	55	57

TM International Logistics Limited (TMILL) and its subsidiaries offer logistic services pertaining to port-based services, shipping, freight forwarding and marine services.

TMILL runs terminal operations in Haldia, Kolkata and Paradip. Port management services of TMILL include container stuffing/destuffing facility and handling of various types of clean cargo, both bulk and break bulk, including project cargo. The Company owns a fleet of pay loaders, forklifts and trailers to provide port services and also a vast open storage area along with covered warehousing facilities.

TMILL has been chosen as the O&M operator at Dhamra Port, in Odisha, which lies between the existing ports of Paradip and Haldia. TMILL handles the overall operations and maintenance activity of the mechanised cargo handling system, comprising of ship loader, ship unloader, stackers and reclaimers, wagon tippler, rapid rail loading system and conveyor lines with transfer stations and control centres.

The shipping business of TMILL offers integrated solutions to customers by packaging ocean freighting with other auxiliary services like transloading and barging for draft-restricted ports or with port handling and ship agency services.

During Financial Year 2011-12, there was a marginal decrease in the profit of the Company due to a decrease in the volumes handled at Gangavaram Port. However, there has been an overall increase in volumes handled at ports due to the commencement of operations at Dhamra Port. There was a significant jump in the profit of the shipping business and increase in the TEUs (Twenty-tonne equivalent units) handled by the freight forwarding business.

The key performance highlights of the Company during Financial Year 2011-12 are:

Division		2011-12	2010-11	Change
Port operations	Million tonnes	9.9	7.9	25%
Shipping	Million tonnes	5.2	5.3	(2)%
CHA & Inland Logistics	CIF in ₹ crores	7,616	6,097	25%
Freight forwarding	Volume in TEUs	34,070	28,240	21%

Tayo Rolls Limited:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	140	133
Profit before tax (PBT)	(53)	(30)
Profit after tax (PAT)	(53)	(30)

Tayo Rolls Limited, a subsidiary of Tata Steel Limited, is a leading roll manufacturer in India, promoted by Tata Steel Limited, Yodogawa Steel Works, Japan and Sojitz Corporation Japan in 1968.

The rolls industry, which is largely dependent on steel industry, was worst hit by the downturn in 2008. The reduction in demand due to lower consumption of rolls was compounded by stringent inventory control instituted by steel manufacturers, resulting in lower off-take. This situation has improved to some extent during Financial Year 2010-11 and Financial Year 2011-12. However, the continued sluggish demand in USA, Europe and other developed nations last year, had an effect on the volume of overall export of rolls from India, thereby resulting in higher allocation of capacities for the domestic market which adversely impacted the order volume and realisation. The Company also witnessed severe working capital shortage during the year which adversely affected production and had to close at a lower level of production as compared to Financial Year 2010-11.

The completion of the integrated forging facilities for the Forged Roll and Engineer Forgings gives enough opportunity to the Company to cater to the requirement of the Forged Roll

segment. The excess forging capacity to be used for Engineering Forgings will also provide the Company with an opportunity to explore newer markets, which may isolate it from the volatility of the steel industry.

Financial Year 2011-12 saw a turnaround of the pig iron business of the Company with realisations firming up. The furnace, which was shut down from August, 2010, was functional again on 15th April, 2011. The Company also entered into a conversion agreement with Tata Steel in August, 2011 wherein Tata Steel supplies iron ore and nut coke to Tayo for conversion to pig iron. The pig iron business is expected to grow further in Financial Year 2012-13.

The key highlights during the year in shown below:

Figures k tonnes

	2011-12	2010-11	Change %
Rolls Production	7.2	7.2	–
Rolls Sales	7.2	7.5	(4)%
Pig Iron Production (own)	5.1	10.7	(52)%
Pig Iron Sales (own)	4.0	8.1	(51)%
Pig Iron Production (conversion)	12.2	–	–
Pig Iron Sales (conversion)	10.7	–	–
Ingot production	1.9	2.4	(21)%
Ingot Sales	1.3	1.6	(19)%

During Financial Year 2011-12, the Company made a preferential allotment of 8.5% Non-Cumulative Redeemable Preference Shares amounting to ₹ 85 crores to its promoters.

Tata Steel Processing & Distribution Limited:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	1,864	1,592
Profit before tax (PBT)	81	63
Profit after tax (PAT)	55	43

Tata Steel Processing and Distribution Limited (TSPDL) is the largest steel service centre in India with a steel processing capacity of around 2 million tonnes. It has 8 steel processing units and several distribution locations across the country.

During the last few financial years, the Company has diversified its business portfolio by entering into the manufacture of high value auto components for Auto Majors like Caterpillar and Tata Motors through its commissioned facility at Tada, Andhra Pradesh and Pantnagar, Uttarakhand respectively.

During Financial Year 2011-12, the Company recorded an all-time high tolling and distribution production volume of 1.58 million tonnes, as compared to 1.46 million tonnes in the previous year. Higher volumes supplemented with better realisations enabled the Company to achieve an all-time high revenue and EBITDA during Financial Year 2011-12. Different units of the Company received reputable accolades, notable amongst which are:

- The Pantnagar Unit won the prestigious Northern Region Tata Innovista Award for the second consecutive year. The unit was also declared the 'Idea Champion' at the 13th 'National Suggestion Summit' conducted by Indian National Suggestion Schemes Association.
- The Pune Unit was the recipient of the 'Best in Class Operational Excellence Award' from Stars of the Industry Group, Mumbai.
- The Tada Unit achieved the prestigious Silver Certification in Caterpillar's worldwide Supplier Quality Excellence Programme.
- The highest number of volunteer hours (approx. 1000 hours) contributed on a single day were recorded within the Company, on the occasion of 'World CSR Day'.

The Tinplate Company of India Limited:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	641	810
Profit before tax (PBT)	28	51
Profit after tax (PAT)	17	36

The Tinplate Company of India Limited (TCIL) is the largest indigenous producer of tin-coated and tin free steel sheets in India, manufacturing various grades of electrolytic tinplates (ETP) and tin-free steel (TFS) sheets used for metal packaging. TCIL has also been 'value-adding' its ETP/TFS products by way of

providing printing and lacquering facility to reach closer to food processors/fillers.

During Financial Year 2011-12, the Company achieved a production of 256k tonnes as compared to 241k tonnes in Financial Year 2010-11, registering an increase of 6%. Turnover for Financial Year 2011-12 at ₹ 641 crores was lower by 21% as compared to Financial Year 2010-11 (₹ 810 crores), primarily on account of reductions in export volume of around 32% due to adverse international market conditions, lower production and sale on 'own' account compensated by a higher conversion volume by around 30%. The profits of the Company were lower as compared to the previous year due to depressed global tinplate prices, a steep increase in input steel and tin prices, unfavourable exchange rates, higher depreciation and interest charge relating to the new CRM2 facilities.

TCIL was an associate company of Tata Steel till Financial Year 2010-11 and became a subsidiary with effect from 1st April, 2011 consequent upon the automatic and compulsory conversion of the 3% Fully Convertible Debentures (which were issued in September 2009) into Equity Shares.

Tata NYK Shipping Pte Ltd.:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	698	660
Profit before tax (PBT)	(114)	3
Profit after tax (PAT)	(114)	3

TATA NYK Shipping Pte Ltd., a 50:50 joint venture between TATA Steel Ltd., India and NYK Line, a Japanese shipping major has been incorporated to cater to the growing sea-borne trade for the Tata group and the Indian markets.

The Company is primarily into the business of owning, operating and chartering of ships to carry dry bulk and break bulk cargo including coal, iron ore, limestone and steel products.

The Company has steadily grown its fleet from two ships in 2007 to a current fleet size of 20 ships (2 owned and 18 chartered).

The company has a diversified fleet, ranging from Supramax (58,000 DWT), Panamax (75,000 DWT) and Capesize (180,000 DWT) vessels. The vessels are deployed for the Tata Group and

Indian dry bulk cargo, based on the available port facilities and cargo requirements across geographies.

Despite the difficult market conditions, the Company registered a growth of 42% in the cargo carriage (11.2 million tonnes in Financial Year 2011-12 as compared to 7.9 million tonnes in Financial Year 2010-11). However, the revenue increased by only 6% owing to the fact that spot shipping freight rates dropped by 50%. This substantial decline in spot freight rates resulted in a loss of ₹ 114 crores in Financial Year 2011-12 as compared to a profit of ₹ 3 crores in Financial Year 2010-11.

The Company has taken steps to restructure its long-term fleet and to create more long-term business opportunities to minimise the impact of market volatilities.

TRL Krosaki Refractories Limited:

(Formerly : Tata Refractories Limited)

Figures in ₹ Crores

	FY 12	FY 11
Turnover	1,000	926
Profit before tax (PBT)	18	67
Profit after tax (PAT)	10	44

During first quarter of Financial Year 2011-12, Tata Steel Limited sold its 51% equity stake out of total 77.46% equity stake in Tata Refractories Ltd. (TRL) to Krosaki Harima Corporation, Japan. Consequently, Tata Steel and its subsidiary's holding in TRL (now known as TRL Krosaki Refractories Limited) has reduced to 26.62%. Accordingly, it has ceased to be a subsidiary and became an associate.

TRL Krosaki has maintained its leadership position in refractories market in India, producing and supplying the full range of refractories products required for Iron and Steel and other core industries.

The Company's performance was impacted by the economic downturn which severely subdued the demand for industrial goods. Gross production at 222k tonnes was lower by 5% as compared to 235k tonnes during Financial Year 2010-11. Similarly, sales volume was also lower by 6% at 299k tonnes as compared to 318k tonnes during Financial Year 2010-11. Despite lower sales volume, the Company was able to achieve higher revenue primarily due to better product mix leading to a higher average

realisation. Higher input costs of raw materials, fuel and power along with increase in finance cost during Financial Year 2011-12 resulted in 47% lower profit before tax (PBT) as compared to Financial Year 2010-11.

Tata Sponge Iron Limited:

Figures in ₹ Crores

	FY 12	FY 11
Turnover	636	683
Profit before tax (PBT)	112	150
Profit after tax (PAT)	76	101

Tata Sponge Iron Limited, a manufacturer of sponge iron and producer of power is located at Joda, Odisha. During the financial year 2011-12, the production volumes were lower by 29% as compared to previous year. Lower production is mainly on account of disruption in supply of iron ore.

In Power business, the Company achieved a generation of 134.40 million kwh of power in Financial Year 2011-12 as compared to 191.39 million kwh in Financial Year 2010-11. The sale of surplus power during the Financial Year 2011-12 was 88.31 million kwh against with 133.77 million kwh sold in the previous year. The shortfall in generation and sale of power is also due to stoppage of sponge iron kilns due to shortage of iron ore.

During Financial Year 2011-12, the lower sponge iron turnover is partly offset by higher realisation. However, the shortages of raw materials resulting in lower production and increase in the cost of raw materials have adversely impacted the profitability for the year.

Tata Steel KZN Pte Limited :

Figures in ₹ Crores

	FY 12	FY 11
Turnover	463	597
Profit before tax (PBT)	(169)	(55)
Profit after tax (PAT)	(169)	(55)

Tata Steel KZN, located at Richards Bay on the KwaZulu-Natal coast of South Africa, is in the business of making high-carbon ferrochrome. During Financial Year 2011-12, saleable production volume of 94k tonnes decreased by 12% as compared to 107k tonnes registered during Financial Year 2010-11. This was a

result of the furnaces being shut for 3.5 months during winter. The sales were lower by 20% from 116k tonnes in Financial Year 2010-11 to 93k tonnes in Financial Year 2011-12. Increased losses in Financial Year 2011-12 were mainly contributed by a steep increase in electricity costs, weakening of the Rand against USD, lower realisation per tonne of ferrochrome and lower production volumes.

The operational highlights of the Company during the year were the following:

- Improved average daily hot metal production during H2 Financial Year 2011-12.
- Improved furnace availability.
- Reduction in average monthly auxiliary power consumption.
- Lowest fines generation in Financial Year 2011-12.
- Successful commissioning of modified Briquette plant in February 2012.

OUTLOOK:

The global economy is on a recovery path due to concerted policy actions around the world although it is still looking fragile in some regions. Primary uncertainty remains with the Eurozone, where high debt levels and austerity measures may drag the economic improvement for a prolonged period. US has shown sustained improvement and looks set for a slow but steady growth in the coming period. Chinese GDP growth and targets remains strong albeit softening to some extent in the recent quarters. Growth in the Indian economy is expected to remain strong, although the momentum in industrial activity is losing steam. Overall, the world GDP is expected to grow by 3.3% in 2012 with emerging and developing economies leading the growth (+5.4% in 2012) and developed economies growing by 1.2%.

Steel prices have recovered from the lows reached in December last year with increased buying activity seen across regions. However, the momentum seems to have lost steam and with the economic conditions in many parts of the world not looking strong, steel capacity utilisation remains below 80%. Seaborne iron ore and coking coal prices have shown resilience at lower levels and are expected to remain relatively stable in the coming months. In view of this, the extreme mismatch of steel price and raw material costs seen in the previous year is

not expected to recur in the current year, although the margins for steelmakers worldwide continue to remain under pressure.

Worldsteel forecasts that apparent steel consumption worldwide will grow by 3.6% to 1,422 mt in 2012 and should grow by 4.5% in 2013. Steel demand in the EU in 2012 is expected to contract by 1.2% in 2012, while growing by 3.3% in the following year. This represents below 80% of the pre-crisis demand levels. Chinese steel demand growth is expected to be moderate as the government pursues economic restructuring. As such, steel demand in China is projected to grow by 4% every year in the next two years. Indian steel demand growth is expected to remain subdued due to slowdown in investments and delayed start-up of industrial projects. However, the automotive segment, the focus area for the Company, is expected to grow by 11-13% in Financial Year 2012-13. As per worldsteel forecasts, steel demand in India should grow by 6.9% in 2012 and the growth should accelerate to 9.4% in 2013.

FINANCE:

The chances of a slow but continued global recovery in Financial Year 2011-12 were largely constrained by intensifying strains in the Eurozone and fragilities elsewhere, with heightened increase in financial volatility arising mainly from concerns about the depth of fiscal challenges in the Euro periphery area. Against a backdrop of unresolved structural fragilities, a barrage of shocks hit the international economy early last year, including the devastating Japanese earthquake and tsunami and unrest in some oil-producing countries, leading to supply-chain disruptions and increased commodity induced inflationary pressures across the globe. While major advanced economies like United States tried to sustain their recovery by addressing their medium-term fiscal imbalances and reforming their financial systems, a credit downgrade of US treasuries by major credit rating agencies rattled the investor's confidence in the financial markets. On the other hand, despite a series of discussions and ratification of bail-out programmes, the Eurozone economy was plagued by ever-rising sovereign yields, the effects of banks deleveraging on the real economy and internal political instability arising from the need of additional fiscal consolidation.

From fears of overheating in the first half, emerging and developing economies have also started to slow down in the

second half of financial year possibly due to fragile external environment, greater-than-expected effect of macro-economic policy tightening or weaker underlying growth. In the past few months, growth in the advanced economies managed to surprise on the upside, as consumers in the United States unexpectedly lowered their saving rates with increasing confidence in the economic outlook and the business fixed investment staying strong. However, the main priority of the policy makers throughout the world, remains to restore confidence in the capital markets, put an end to the crisis in euro zone by supporting growth, while containing deleveraging, encouraging reforms and providing more liquidity and monetary accommodation.

In line with the deleveraging journey started in the previous financial year, the Company continued to rebalance its capital structure. The Company deleveraged by prepaying ₹ 3,960 crores of borrowings during the year. In May 2011, Tata Steel successfully launched the second tranche of its first ever offering of Corporate Hybrid Perpetual Securities through an additional issuance of ₹ 775 crores. The unique features of these securities are that they are perpetual in nature, with no maturity or redemption, and are callable only at the option of the Company thereby incorporating equity characteristics. In order to maintain a liquidity buffer, the Company also tied up an unsecured long-term Rupee term loan facility of ₹ 2,000 crores to be drawn over the next 10 months and repaid over the next five years.

As a positive development, S&P's upgraded Tata Steel Ltd's Corporate Rating to BB from BB- with Stable outlook in August 2011 on the back of the company's sound financial profile and strong cash flows. The Company's rating had been raised because the agency expects it to sustain the significant improvement in its cash flow protection measures in the fiscal ending 31st March, 2012. They also anticipate that the Company's cash flows will further improve in fiscal 2013 due to the commissioning of brown field expansion. The agency also revised the financial risk profile of Tata Steel to 'significant' from 'aggressive' due to its deleveraging measures and higher cash flows.

The Company had made a preferential issue of Ordinary Shares and Warrants to Tata Sons Limited on 23rd July, 2010. As per

the preferential issue, 12 million warrants were issued, where each Warrant entitled Tata Sons Limited to subscribe to one Ordinary Share of the Company at a price of ₹ 594 per share. Consequently, as per the SEBI (ICDR Regulations 2009), an amount equivalent to 25% of the price i.e. ₹ 148.50 per Warrant aggregating to ₹ 178.20 crores was received from Tata Sons Limited in July 2010. On 20th January, 2012, Tata Sons Limited exercised the option to convert all the Warrants into Ordinary Shares at ₹ 594 per share and paid the Company the balance amount of ₹ 534.60 crores.

As on 31st March, 2012, the cash and cash equivalent in Tata Steel Limited, India was ₹ 3,901 crores and ₹ 10,753 crores for the Group.

FINANCIAL PERFORMANCE:

Tata Steel Standalone:

Profit after tax at ₹ 6,696 crores during the financial year 2011-12 was almost flat as compared to the financial year 2010-11 (₹ 6,866 crores). The diluted earnings per share was at ₹ 66.62 for Financial Year 2011-12 (Financial Year 2010-11: ₹ 70.99) while the basic earnings per share for Financial Year 2011-12 was at ₹ 67.84 (Financial Year 2010-11: ₹ 75.63).

The analysis of major items of the financial statements is shown below:

a) Net sales and other operating income

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Sale of products	35,656	30,747	4,909	16%
Sale of power and water	980	796	184	23%
Income from town, medical and other services	51	36	15	42%
Other operating income	318	323	(5)	(2%)
Sales and other operating income	37,005	31,902	5,103	16%
Less: Excise Duty	3,072	2,506	566	23%
Net sales and other operating income	33,933	29,396	4,537	15%

Steel sales volume during Financial Year 2011-12 at 6.63 million tonnes recorded an increase of 3% over Financial Year 2010-11 (6.42 million tonnes). Net sales increased by 15% due to better market conditions and enhanced product mix. Division wise net sales are shown below:

Figures in ₹ Crores

Net Sales	FY 12	FY 11	Change	Change %
Steel	29,874	25,568	4,306	17%
Tubes	1,783	1,616	167	10%
Ferro Alloys and Minerals	2,100	2,045	55	3%
Bearings	176	167	9	5%
Total	33,933	29,396	4,537	15%

b) Purchase of finished, semi-finished steel and other products:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Purchase of finished, semi-finished steel and other products	210	180	30	17%

The purchase of finished and semi-finished products were higher than previous year due to higher purchases at Steel and Bearing divisions to support higher volumes as well as higher purchases at Growth Shop in relation to Kalinganagar project.

c) Raw materials consumed:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Raw materials consumed	8,014	6,244	1,770	28%

Raw Materials consumed increased primarily due to increase in production, increase in cost of imported coal, use of purchased coke and other raw materials during the year.

d) Payments to and provisions for employees:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Payments to and provisions for employees	3,047	2,837	210	7%

The payments to and provisions for employees were higher by 7% over the previous year primarily on account of normal

wage increase and arrear wage provisions partially offset by decrease in the retiring benefits as per actuarial valuation.

e) Stores consumed:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Stores consumed	1,693	1,417	276	19%

Stores consumed (including industrial gases and spares) increased over Financial Year 2010-11 primarily on account of higher price and consumption of operational refractories, industrial gases, and other stores & spares to support higher production.

f) Repairs to machinery:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Repairs to machinery	1,163	1,064	99	9%

Repairs to machinery increased by 9% as compared to Financial Year 2010-11 mainly on account of increase in civil contract jobs, overhauling and other equipment maintenance activities at mines and collieries and various steel making facilities in the Steel Works partly offset by lower maintenance activities at Finishing Mills.

g) Conversion charges:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Conversion charges	1,514	1,193	321	27%

Conversion charges are higher by 27% over Financial Year 2010-11 primarily due to increases in conversion volumes and rates at both Long products and Flat products and Ferro Alloys & Minerals division. Higher volume for tin coating activities and Pig iron conversion resulted in further increase in the conversion charges.

h) Purchase of power:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Purchase of power	1,804	1,405	399	28%

The increase of 28% in Financial Year 2011-12 is mainly due to increase in cost for own use and higher purchases for outside sales.

i) Freight and handling charges:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Freight and handling charges	1,704	1,541	163	11%

Higher volumes of despatches along with increase in rates led to the 11% increase in Freight and handling charges.

j) Royalty:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Royalty	912	615	297	48%

Royalty charges in Financial Year 2011-12 were higher due to increase in royalty rates of iron ore as well as increase in rates and volume at Ferro Alloys and Minerals Division.

k) Rates and Taxes:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Rates & Taxes	372	291	81	28%

Rates and taxes during Financial Year 2011-12 increased primarily on account of substantial increase in tariff for water charges.

l) Other expenses:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Other expenses	2,662	1,499	1,163	78%

Increase in other expenses is primarily due to forex losses during the year. During Financial Year 2011-12, there was also increase in expenses in technical consultancy charges, product promotion and hiring and packing charges.

m) Finance costs and Net Finance cost:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Finance costs	1,925	1,736	189	11%

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Net Finance costs	1,062	1,350	(288)	(21%)

The decline in net finance cost is driven by higher interest income on short-term deposits with bank and profit on sale of current investments partly offset by higher interest on NCDs and term loans.

n) Fixed Assets:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Gross Block	39,544	28,458	11,086	39%
Less: Impairment	133	126	7	6%
Less: Depreciation	11,986	10,915	1,071	10%
Net Block	27,425	17,417	10,008	57%

The increase in fixed assets represent primarily the 2.9 mtpa expansion at Jamshedpur and Kalinganagar project at Odisha.

o) Investments:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Trade investments	1,804	1,889	(85)	(4%)
Investment in subsidiary companies	47,275	41,676	5,599	13%
Investment in mutual funds	1,204	3,000	(1,796)	(60%)
Total investments	50,283	46,565	3,718	8%

Total investments increased by 8% over March 2011. This increase was primarily due to further capitalisation of subsidiaries during Financial Year 2011-12. Decrease in trade investment is mainly due to The Tinsplate Company of India Limited (TCIL), becoming a subsidiary during Financial Year 2011-12.

p) Stores and spares and Stock-in-trade:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Stores & Spares	923	716	207	29%
Stock-in-trade	3,936	3,238	698	22%
Total inventories	4,859	3,954	905	23%

Inventories have gone up by 23% as compared to Financial Year 2010-11 due to increase in volumes as well as increase in cost. Increase in stores & spares is due to planned maintenance activities during first quarter of Financial Year 2012-13.

q) Sundry Debtors:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Gross Debtors	915	439	476	108%
Less: provision for doubtful debts	11	15	(4)	(27%)
Net Debtors	904	424	480	113%

Increase in Debtors is mainly on account of discontinuation of Receivable Purchase (RP) program during Financial Year 2011-12.

r) Loans and Advances:

Figures in ₹ Crores

	FY 12	FY 11	Change	Change %
Loans and advances	8,244	16,912	(8,668)	(51%)

The decrease primarily represents repayment of loan by Tata Steel Holding (TSH) as well as reduction in advance against equity due to issuance of shares by TSH during the year.

s) Cash flow and Net debt:

Cash Flow:

Figures in ₹ Crores

	FY 12	FY 11	Change
Net Cash flow from operating activities	10,256	8,339	1,917
Net Cash flow from investing activities	(2,859)	(13,085)	10,226
Net Cash flow from financing activities	(7,599)	5,651	(13,250)
Net increase/(decrease) in cash & cash equivalents	(202)	905	(1,107)

Net cash flow from operating activities: The net cash generated from operating activities was ₹ 10,256 crores during the year ended 31st March, 2012 as compared to ₹ 8,339 crores during April to March 2011. The cash operating profit before working capital changes and direct taxes during Financial Year 2011-12 was ₹ 11,829 crores, as compared to ₹ 11,240 crores during Financial Year 2010-11, as a result of higher profits during the current year. Increase in inventories in the current year were more than compensated by increase in creditors and decrease

in trade and other receivables resulting in the overall decrease in working capital. The payment of income taxes (including the dividend distribution tax) during Financial Year 2011-12 was ₹ 3,298 crores as compared to ₹ 2,870 crores during the same period last year.

Net cash from investing activities: The net cash outflow from investing activities amounted to ₹ 2,859 crores in Financial Year 2011-12 as compared to an outflow of ₹ 13,085 crores during Financial Year 2010-11. The outflow broadly represents an incremental investment in subsidiaries (₹ 2,542 crores) and capex (₹ 7,059 crores) offset by sale of current and other investments (₹ 2,802 crores), receipt of shareholders' loan repayment and inter corporate deposits (₹ 4,007 crores) and interest and dividend income received (₹ 565 crores).

Net cash from financing activities: The net cash outflow from financing activities was ₹ 7,599 crores during Financial Year 2011-12 as compared to an inflow of ₹ 5,651 crores during Financial Year 2010-11. The outflow was primarily due to repayment of borrowings net of fresh drawl (₹ 5,895 crores) and interest and dividend payments (₹ 2,744 crores) partly offset by proceeds from perpetual securities (₹ 775 crores) and issue of equity (₹ 535 crores).

Net debt:

	FY 12	FY 11	Change
Gross Debt	26,172	28,301	(2,129)
Less: Cash and Bank balances	3,950	4,142	(192)
Less: Current investments	1,204	3,000	(1,796)
Net Debt	21,018	21,159	(141)

Net debt as on 31st March, 2012 was ₹ 21,018 crores as compared to ₹ 21,159 crores as on 31st March, 2011. During the current fiscal year, the decrease in net debt is primarily due to net repayments including prepayments of certain facilities.

Tata Steel Group:

Tata Steel Group posted a consolidated profit after tax (after minority interest and share of profit of associates) of ₹ 5,390 crores against a profit of ₹ 8,983 crores in the previous year primarily due to market conditions in Europe.

Net sales and other operating income:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	33,933	29,396	4,537
TS Europe	82,153	73,844	8,309
NatSteel Holding	8,600	7,413	1,187
TS Thailand	4,110	3,911	199
Others	22,566	16,252	6,314
Eliminations & Adjustments	(18,462)	(12,063)	(6,399)
Group Total	1,32,900	1,18,753	14,147

Tata Steel, India turnover increased by 15% due to better market conditions and enhanced product mix. Turnover of TSE increased by 3%, Nat Steel increased by 4% and there was a reduction in the turnover of TSTH by 2% (in their respective reporting currencies).

Purchase of finished, semi-finished and other products:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	210	180	30
TS Europe	10,274	7,352	2,922
NatSteel Holding	6,595	5,613	982
TS Thailand	2,826	2,141	685
Others	5,367	3,928	1,439
Eliminations & Adjustments	(4,199)	(3,324)	(875)
Group Total	21,073	15,890	5,183

Increase in TSE was due to higher purchase prices and also increased purchase of external steel during the year due to production issues. The increase in NSH and TSTH mainly reflects increase in scrap prices. 'Others' include the effect of TCIL becoming a subsidiary during the year and increase in volume of operations in TSPDL.

Raw materials consumed:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	8,014	6,244	1,770
TS Europe	35,853	30,328	5,525
NatSteel Holding	116	105	11
TS Thailand	514	783	(269)
Others	12,502	8,430	4,072
Eliminations & Adjustments	(11,541)	(7,141)	(4,400)
Group Total	45,458	38,749	6,709

The increase in Group's Raw materials consumed broadly reflects the increase in raw material prices impacting Indian and European operations. Reduction in Thailand is due to temporary closure of Mini Blast Furnace (MBF).

Payments to and Provisions for Employees:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	3,047	2,837	210
TS Europe	12,885	11,955	930
NatSteel Holding	563	471	92
TS Thailand	114	104	10
Others	620	517	103
Eliminations & Adjustments	-	(44)	44
Group Total	17,229	15,840	1,389

Employees' cost in Tata Steel, India increased on account of normal wage increase and arrear wage provisions partly offset by lower provisions for retiral benefits as per actuarial valuations. In TSE there was a marginal reduction due to restructuring initiatives, the same was more than offset by the adverse exchange rate impact (GBP to INR).

Purchase of Power:

Figures in ₹ Crores

	FY 12	FY 11	Inc./ (Dec.)
Tata Steel	1,804	1,405	399
TS Europe	2,046	1,759	287
NatSteel Holding	392	312	80
TS Thailand	341	325	16
Others	414	318	96
Eliminations & Adjustments	(82)	(104)	22
Group Total	4,915	4,015	900

Increase in cost for own use and higher purchases for outside sales resulted in the increase in Tata Steel, India. Increase in TSE was on account of higher energy prices.

Freight and handling charges:

Figures in ₹ Crores

	FY 12	FY 11	Inc./ (Dec.)
Tata Steel	1,704	1,541	163
TS Europe	3,823	3,688	135
NatSteel Holding	181	156	25
TS Thailand	31	31	-
Others	1,014	1,044	(30)
Eliminations & Adjustments	(93)	(70)	(23)
Group Total	6,660	6,390	270

Freight and Handling charges for the Group were higher by 4% in Financial Year 2011-12 over Financial Year 2010-11 mainly on account of increased despatches and rates in Tata Steel, India. In TSE the increase is on account of the exchange rate impact (GBP to INR).

Other Expenditure:

Figures in ₹ Crores

	FY 12	FY 11	Inc./ (Dec.)
Tata Steel	7,839	5,880	1,959
TS Europe	16,568	15,210	1,358
NatSteel Holding	620	544	76
TS Thailand	502	499	3
Others	1,875	1,395	480
Eliminations & Adjustments	(1,470)	(1,049)	(421)
Group Total	25,934	22,479	3,455

Other Expenditure represents the following expenses:

Figures in ₹ Crores

	FY 12	FY 11	Change
Stores & spares consumed	8,024	6,541	1,483
Fuel Oil consumed	1,020	874	146
Repairs to building	486	415	71
Repairs to machinery	5,244	4,858	386
Relining expenses	116	87	29
Conversion charges	1,168	1,124	44
Rent	3,377	2,833	544
Royalty	928	622	306
Rates & Taxes	830	727	103
Insurance charges	249	310	(61)
Commission, Rebates & Discounts	257	229	28
Provision for wealth tax	2	1	1
Adjustments relating to previous years (net)	(19)	(19)	-
Other expenses	4,933	4,280	653
Provision for Doubtful Debts and Advances	82	191	(109)
Excise Duty	95	94	1
Less: Exp (other than interest) trfd to capital and other accounts	858	688	170
Other Expenditure	25,934	22,479	3,455

Increase in other expenditure in Tata Steel, India was mainly due to Forex losses, increase in Royalty rates and higher conversion charges. There was a decrease in TSE on account of credit in relation to the TCP consortium arbitration settlement and insurance claim offset by exchange rate impact (GBP to INR).

Finance costs and Net Finance cost:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	1,925	1,736	189
TS Europe	3,253	2,501	752
NatSteel Holding	53	37	16
TS Thailand	52	45	7
Others	1,039	504	535
Eliminations & Adjustments	(2,072)	(867)	(1,205)
Group Total	4,250	3,956	294

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	1,062	1,350	(288)
TS Europe	3,201	2,424	777
NatSteel Holding	46	34	12
TS Thailand	50	43	7
Others	199	(25)	224
Eliminations & Adjustments	(1,206)	(307)	(899)
Group Total	3,352	3,519	(167)

Reduction in Tata Steel India's Net finance costs were primarily due to higher interest income on short-term deposits with banks and profit on sale of current investments partly offset by higher interest on NCDs and term loans. The increase in TSE represents higher interest on New Senior Facility Agreement (NFSA) and finance charges on securitisation arrangements. Finance charges related to inter-company securitisation arrangements gets eliminated within the group on consolidation.

Stores and Spares Stock:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	923	716	207
TS Europe	803	715	88
NatSteel Holding	84	71	13
TS Thailand	301	237	64
Others	155	105	50
Eliminations & Adjustments	-	(2)	2
Group Total	2,266	1,842	424

Increase in stores & spares at Tata Steel, India is due to planned maintenance activities during first quarter of Financial Year 2012-13. In TSE, the increase is on account of exchange rate impact (GBP to INR).

Stock-in-trade:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Finished Goods	8,657	8,118	539
WIP	5,679	4,065	1,614
Raw Materials	8,996	10,031	(1,035)
Total Inventory	23,332	22,214	1,118

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	3,936	3,238	698
TS Europe	17,060	16,696	364
NatSteel Holding	915	748	167
TS Thailand	844	782	62
Others	932	783	149
Eliminations & Adjustments	(355)	(33)	(322)
Group Total	23,332	22,214	1,118

The overall finished and semi-finished inventory increased over March 2011 on account of increase in volumes as well as increase in cost. The raw material inventory decreased mainly in TSE due to lower volumes and increase in NRV provisions.

Sundry Debtors:

Figures in ₹ Crores

	FY 12	FY 11	Inc./.(Dec.)
Tata Steel	904	424	480
TS Europe	7,449	10,643	(3,194)
NatSteel Holding	696	484	212
TS Thailand	133	187	(54)
Others	13,607	8,020	5,587
Eliminations & Adjustments	(7,911)	(4,946)	(2,965)
Group Total	14,878	14,812	66

Debtors in India were higher than previous year primarily on account of discontinuation of the receivable purchase schemes. Increase in NSH is on account of higher sales with longer credit periods. Included in 'Others' are Proco debtors, receivable from TSE on account of securitisation of TSE debtors getting eliminated at group consolidation level.

Cash Flow and Net debt:

Cash Flow:

Net cash flow from operating activities: The Group generated ₹ 11,284 crores from operations during Financial Year 2011-12 as compared to ₹ 5,512 crores in Financial Year 2010-11. While the consolidated profit in the Financial Year 2011-12 at ₹ 5,390 crores was lower than Financial Year 2010-11, cash from operations was higher than the last year due to decrease in working capital in Financial Year 2011-12, whereas during the last year there was an increase of working capital.

Net cash from investing activities: A sum of ₹ 3,666 crores was applied in the current year towards investing activities including capex of ₹ 12,136 crores partly offset by sale of investments including sale proceeds of equity stake in RML and sale of current investments as compared to previous year application of ₹ 7,584 crores.

Net cash from financing activities: Cash from financing activities (equity raised/loans availed net of repayments and interest payments) in the current year is an outflow of ₹ 8,304 crores as compared to an inflow of ₹ 5,973 crores during last year.

Net decrease in cash and cash equivalents was ₹ 687 crores, excluding ₹ 634 crores effect of exchange rate on translation of foreign currency cash & bank balances, in the year 2011-12 resulting in a cash and cash equivalent balance of ₹ 10,753 crores as on 31st March, 2012 for the Group.

Net Debt:

Figures in ₹ Crores

	FY 12	FY 11	Change
Gross Debt	59,897	60,679	(782)
Less: Cash and Bank balance	10,841	10,893	(52)
Less: Current investments	1,398	3,159	(1,761)
Net Debt	47,658	46,627	1,031

Net Debt at ₹ 47,658 crores at end March 2012 was higher than March 2011 by ₹ 1,031 crores. Both in Tata Steel, India and TSE net debt was lower compared to last year offset by adverse exchange rate impact (GBP to INR).

RISKS, OPPORTUNITIES AND THREATS:

The Tata Steel Group aims to address the opportunities offered and threats posed by its business environment strategically by maintaining sustainable and robust business models and further improving on them. Tata Steel's response to its risks, opportunities and threats is discussed in the sections below.

Growth Strategy:

Since Financial Year 2005, the Group has added capacity of 25 million tonnes across South East Asia, the United Kingdom and Europe through acquisitions. The crude steel capacity at its existing steel plant in Jamshedpur will increase by almost 3 million tonnes to 9.7 million tonnes (crude steel production in Financial Year 2011-12: 7.13 million tonnes). There are substantial market opportunities, in India particularly, that warrant further expansion of steel capacity.

The greenfield project in Odisha, India, is progressing and capacity is planned to increase by 6 million tonnes in two phases of 3 million tonnes each. The Dhamra Port commenced commercial operations in May 2011 and Tata Steel is seeing an integrated logistics cost benefit on the cargo moved through Dhamra Port, which is expected to further increase once the Odisha project is commissioned.

Tata Steel's installed capacity in Europe is sufficient to address regional demand. Growth in this region is planned to take place via technical innovation and diversified product offerings to identified market sectors. Initiatives supporting this include a strategic review of the asset portfolio, business specific improvement plans and securing access to cost effective raw materials.

Industry Cyclicity:

The steel industry is subject to cyclical swings arising from factors such as excess capacity, regional demand and supply imbalances and volatile swings in market demand and prices, more recently exacerbated by swings in input prices as well as the debt crisis in Euro zone.

After showing a positive growth trend in Financial Year 2010-11, global demand for steel started tempering again in line with slowing economic growth in both developed as well as emerging markets. The Indian operations benefitted from strong domestic

demand and achieved record crude steel output at 7.13 million tonnes. The South East Asian plants also benefitted from good demand and operated close to full capacity.

Steel demand has not recovered to pre-crisis levels in the developed countries. Tata Steel Europe continued to calibrate its production at levels consistent with market demand in the UK and Europe, besides continuing efforts to prioritise capex and manage working capital.

Raw Materials Security and Price Volatility:

During the financial year 2011-12, volatile raw material prices have only reinforced the validity of the strategic objective to achieve greater raw material security to insulate the Group from swings in prices and the resultant impact on profitability. Further steps have been taken to achieve this.

Development of the Benga project in Mozambique, a 35-65% joint venture with Riversdale continues and its first shipment is expected in Financial Year 2012-13. The Direct Shipping Ore project in Labrador, Canada, through the joint venture with NML is also expected to begin production in Financial Year 2012-13. In addition, a feasibility study will be undertaken with regard to the adjacent LabMag and Kémag projects; together, these contain an estimated 5.6 billion tonnes of proven and probable iron ore reserves.

The Group's raw materials depend, to a large extent, on worldwide supply and demand relationships, notably iron ore, metallurgical coal and scrap. A majority of suppliers of iron ore and coal to the seaborne markets have now shifted from annual to quarterly pricing, and some of these are now seeking to shorten pricing periods to monthly or spot terms. The Group is working with suppliers to achieve competitive prices and has agreed to a range of pricing bases, whilst adjusting its commercial policy to maximise opportunities presented by moves to shorter term pricing.

Health, Safety and Environmental Risks:

The manufacture of steel involves steps that are potentially hazardous if not executed with due care. The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to health, safety and the environment

in the countries in which it operates and these rules are becoming more stringent. In Europe, new CO₂ emission caps and trade regulations may leave the EU steel industry with a greater competitive disadvantage than the current trading scheme. However no final decisions have been taken on the proposals as yet.

Regarding Health and Safety, the Group's philosophy is that all injuries can be prevented. The Group's Lost Time Injury Frequency Rate in 2011-12 reduced by 14% over that of last year. Due to the nature of their operations, extra efforts are being taken to ensure workplace safety in the mines and collieries in India.

To meet environmental standards, dust and other emission levels are monitored to ensure they stay within permissible limits. Besides ongoing operational initiatives in Europe for reducing CO₂ emissions, in India, the capacity increase coincide with a planned improvement in CO₂ emissions per tonne by replacing multiple blast furnaces with a smaller number of high-capacity furnaces and several other measures to enhance energy efficiency.

Technology Risks:

A key challenge of the Group is to ensure that its plants are equipped with updated technologies in order to serve clients, secure cost competitiveness and maintain R&D leadership.

To that effect, the Group's R&D efforts have continued to be geared at improving existing processes to advance the Group's cost competitive position.

R&D efforts are also being made to advance the Group's proprietary knowledge in order to produce new generations of steel products.

Furthermore, the Group has engaged in a 600k tonnes Continuous Annealing Processing Line Joint Venture with Nippon Steel Corporation (NSC). This JV will benefit from NSC's world-class technology for production of high-grade cold-rolled steel sheet and the Company's leadership position in the Indian automotive industry to serve its customers with innovative products and services.

Financing:

Tata Steel Group's expansion is dependent on sufficient cash generation and attracting fresh equity and loans to that effect.

The debt for the Corus acquisition in 2007 that resides in Tata Steel Europe's balance sheet is a specific risk to the Group in the light of a set of covenants to be met. In September 2010, £3,670 mn of senior secured facilities arranged for this purpose were refinanced with new senior secured facilities comprising £3,400 mn of term loans and a £690 mn revolving credit facility, to provide future working capital for Tata Steel Europe. These facilities have final maturities of between five and seven years, and minimise repayment obligations over the next five years.

Pensions:

Tata Steel Europe has significant pension obligations arising from the provision of retirement benefits including defined benefit plans to virtually all its employees. The market value of its net pension assets substantially exceed the net assets of Tata Steel Europe and thus any adverse change can have a material impact on its financial statements as well as on the level of company pension contributions.

TSE has put in place a framework to manage pension risks and works with schemes' trustees to ensure that obligations remain affordable and sustainable. As part of this framework proposals have been announced to close the UK defined benefit scheme to new recruits, and to cap the contribution rate for future service for existing members at an affordable and sustainable level. A range of measures has already been adopted by the principal schemes in TSE to manage liabilities and to protect against investment market risk exposure, whilst maintaining asset performance. Further actions will be considered as and when appropriate.

Forex, Credit, Liquidity and Counterparty Risk:

Through its global operations, the Group operates in several currency areas. The major currencies used in its sales and procurement activities are the US Dollar, Euro, Sterling and the Indian Rupee. Volatility in the currency markets can adversely affect the outcome of commercial transactions and cause trading uncertainties.

The Group has foreign exchange hedging policies in place to protect its trading and manufacturing margins against rapid and significant foreign exchange movements.

Related to its pro-active funding strategies (see 'Financing'), cash and bank balances of the Group stood at ₹ 10,753 crores as at 31st March, 2012.

The Group imposes strict approval procedures and limits to contain counterparty risks and does not enter into leveraged derivative instruments.

Regulatory and Compliance Risks:

The Group operates in multiple geographies and thus has compliance obligations with diverse and complex laws and regulations. In countries where the political systems are still evolving, frequent changes to investment and economic policies are common and any unforeseen changes can expose the Group's businesses.

To limit such exposures, the Group operates primarily in countries where investment flows are free and where well-established political, business and legal frameworks are in place. For new investments into emerging economies, country risk assessments are conducted as part of the investment evaluation. Protecting the reputation of Tata Steel and the wider Tata Group is an integral part of this.

INTERNAL CONTROL SYSTEMS:

In Tata Steel India, the Corporate Audit Division continuously monitors the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes. The division also assesses opportunities for improvement in business processes, systems and controls; provides recommendations, designed to add value to the organisation and follows up on the implementation of corrective actions and improvements in business processes after review by the Audit Committee and Senior Management.

The scope and authority of the Corporate Audit division is derived from the Audit Charter approved by the Audit Committee. The Charter is designed in a manner that the Audit Plan is focused on the following objectives:

- All operational and related activities are performed efficiently and effectively.
- Significant financial, managerial and operating information that is relevant, accurate and reliable is provided on time.
- Review the process of identification and management of business risks.
- Resources are acquired economically, used efficiently and safeguarded adequately.
- Employees' actions are in accordance with the Company's policies and procedures, Tata Code of Conduct and applicable laws and regulations.
- Significant legislative and regulatory provisions impacting the organisation are recognised and addressed appropriately.
- Opportunities identified during audits, for improving management control, business targets and profitability, process efficiency and the organisation's image, are communicated to the appropriate level of management.
- Shareholders' and other Stakeholders' wealth and welfare are preserved, protected and enhanced.

Corporate Audit division develops an annual audit plan based on the risk profile of business activities of the organisation and the business activities are prioritised for audit accordingly. The audit plan is approved by the Audit Committee which regularly reviews the compliance to the plan.

During the year, the Audit Committee met regularly to review the reports submitted by the Corporate Audit Division. All significant audit observations and follow-up actions thereon were reported to the Audit Committee.

The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company. The Audit

Committee's observations and suggestions were acted upon by the Management.

In Tata Steel Europe, the Board of Directors is responsible for TSE's system of internal control and reviewing its effectiveness. The Company has a well-established internal audit function that reports to the Director (Finance) on a day-to-day basis and has direct access to the Chairman of the Audit committee, who meets with the Director (Audit) several times each year. The Audit Committee receives reports from the internal audit function four times a year and also considers the terms of reference, plans and effectiveness of the function. The internal audit function works closely with the external auditors. It provides independent and objective assurance to the Board, the Audit Committee and the Executive committee on the systems of internal control employed in the Group, and provides a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance procedures.

There were no changes in internal control over financial reporting that occurred during the period under review that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

TSE's system of internal control has been designed in order to provide the directors with reasonable assurance that its assets are safeguarded, that transactions are authorised and properly recorded and that material errors and irregularities are either prevented or would be detected within a timely period.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Tata Steel Group recognises people as the primary source of its competitiveness, and continues to focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations.

The Company's vision is to be the global steel industry benchmark for value creation and corporate citizenship and become an employer of choice. This has to be done by making a difference through its people, by fostering team work, nurturing

talent, enhancing leadership capability and acting with pace, pride and passion. The year under review saw the HR activities directed towards this end through initiatives in areas of training, talent management, compensation, leadership development and knowledge sharing.

Major highlights of new initiatives in these areas in Tata Steel India during the financial year under review were:

Training

With a view to enhancing the technical capability of the people, a 3-year certificate programme at NIT was started this year for two more disciplines i.e. Electrical and Metallurgy, apart from the Mechanical discipline which was introduced last year. Within the Company, for the first time ever, a course on Combustion in Reheating Furnaces was designed, developed and delivered jointly by SNTI and R&D.

The identification of training needs has been and continues to remain a focus area as this is the basis on which subsequent training is designed. This year, the Company launched the 'Enterprise Capability Building System' (ECBS) for the Shared Services Division. This online system presents random questions on selected topics from the question bank created to suit the participants work profile and generates the participants score on the 4Q model automatically at the end of the exercise. This is a tool for identifying training needs.

Compensation & HR Services

The Company firmly believes that in the quest for maintaining a high performance culture, a calibration of performance and merit is important. This needs to be supported by a compensation structure which is comparable to the market so as to attract and retain the best talent especially against growing competition. Accordingly, the Company did a salary correction for all the officers in the year under review. While the results of such initiatives are visible over a period of time, as an immediate indicator, the measure resulted in the enhancement of retention rate by 1%.

With the setting up of new operations overseas, required support was provided for international mobility of people through country-specific packages and benefits. Concurrently,

the development of a repatriation process facilitated transition of officers from TSE to TSI.

In order to provide better services to our officers and address the concerns and queries raised by them in the area of HR Processes, Compensation and other HR areas, an HR Service Desk was launched during the year.

Talent Management

In view of the Company's growth plans and current requirements, the primary emphasis is on the quality of talent and this could only be achieved by institutionalisation of a robust talent acquisition process. The Selection Process across the technical and business schools from which the Company recruits, was strengthened with inclusion of a Written test, Psychometric test, and a vigorous interview process. New campus schemes were introduced for MT-Geologists, Fire and Safety Professionals and MT-Administration. Further, the Company also introduced a due diligence process for senior-level recruitment. These measures are helping in meeting the talent requirements of greenfield and brownfield projects as per the needs of the business.

Leadership Development

The Global Leadership Development Program (GLDP) was designed for the Senior Leaders of the Tata Steel Group to come together as one Company and assist in conveying what it means to be part of Tata and the Tata Steel Group (TSG) as a global company. The aim is to build a shared understanding of the TSG Plan and work together as one team to live the Tata Values, inspire one another and bring out the best in all the Company's people, customers, suppliers and the communities that the Company serves.

Knowledge Sharing

It is believed that learning in totality is imperative to ignite the passion and inert potential of human beings. Towards this end, 'The Round Table' was launched as a platform for individuals to get together, share their ideas with each other and join in thoughtful conversation with knowledgeable persons in the pursuit of holistic learning. Four sessions were held during the year on different themes. The 'Window on the World' programmes continued during the year. A wide array of speakers participated on topics ranging from science and technology to spiritualism.

During the year, the Company received various rewards and recognition in HR area as enumerated below:

- In a survey done by Fortune India in collaboration with the Hay Group, the company received the highest score in Talent Management among India's 50 most admired companies.
- Tata Steel was ranked as a Best Employer in the Aon Hewitt Best Employer Study 2011.
- Tata Steel was adjudged the 'Best Company' at the CII National Work Skill Competition.
- SNTI was declared the 'Best Establishment' in the Eastern Region at the 86th Regional Competition of Apprentices. The competition is conducted by Directorate General of Employment and Training, Ministry of Labour and Employment, Government of India.

The European operations have not experienced any significant industrial relations problems during the year. The number of employees in TSE at the end of March 2012 was 33,300 as compared to 34,200 on 31st March, 2011. The reduction mainly resulted from restructuring measures due to the continued economic downturn.

There are well established and effective arrangements at each business location for communication and consultation with work councils and trade union representatives, to systematically provide employees with information on matters of concern to them. Well-developed policies and procedures have operated in all parts of the group for a considerable time for the purpose of consulting and negotiating with trade unions, the European works council and employee representatives on a regular basis, so that views of employees can be taken into account in making decisions that are likely to affect their interests.

UK Steel Enterprise Limited ('UKSE'), the Company's subsidiary that helps the economic regeneration of communities affected by changes in the steel industry, delivered a package of support measures to a variety of businesses across all steel areas of the UK to help them create new job opportunities for steel communities.

TSE has two major pension schemes – the British Steel Pension Scheme (BSPS) in the UK and the Stichting Pensioenfonds Hoogovens (SPH) in the Netherlands where the members, along with the Company, contribute to meet the cost of future service benefits subject to review at the future actuarial valuations.

STATUTORY COMPLIANCE:

The Managing Director makes a declaration at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmation from all the units of the company. The Company Secretary ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The Group Chief Financial Officer as the Compliance Officer ensures compliance with the guidelines on the insider trading for prevention of insider trading.

CAUTIONARY STATEMENT:

Statements made in this report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Corporate Governance Report for the year 2011-12

(as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. The Company's Corporate Governance Philosophy

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

In accordance with the Tata Steel Group Vision, Tata Steel Group ('the Group') aspires to be the global steel industry benchmark for value creation and corporate citizenship. The Group expects to realise its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

2. Board of Directors

Profile –

Mr. Ratan N. Tata joined the Company as a Director in 1977 and was appointed Chairman of the Board in April 1993. He is currently Chairman of Tata Sons Limited, the Promoter of Tata Steel Limited. He is also the Chairman of other major Tata companies including Tata Motors Limited, Tata Power Limited and Tata Chemicals Limited. It is under his leadership that the Company has scaled new heights and established a presence as one of the leading steel conglomerates in the world. Mr. Ratan Tata received a Bachelor's degree in Science field in architecture, with specialisation in structural engineering, from Cornell University in 1962. He completed the Advanced Management Programme at Harvard Business School in 1975. Mr. Ratan Tata is on the Board of a number of leading companies, as also Government bodies and non-profit organisations, in India and overseas. The Government of India honoured Mr. Ratan Tata with its second highest civilian award, the Padma Vibhushan, in 2008. He has also been conferred honorary degrees by several prestigious Indian and international universities.

Mr. B. Muthuraman holds degrees in Bachelor of Technology in Metallurgical Engineering from IIT, Madras and a Masters of Business Administration from XLRI, Jamshedpur. He has also completed the Advanced Management Programme at European Centre for Executive Development, France and has undergone the Leadership Programme at INSEAD, France. Mr. Muthuraman was bestowed an Honorary Degree of Doctor of Humane Letters, Honoris Causa from Loyola University, Chicago. Mr. Muthuraman joined the Company in 1966 and has held various positions at the Company including Vice President (Marketing & Sales) and Vice President (Cold Rolling Mill Projects). He was appointed as Executive Director in 2000, Managing Director of the Company in 2001 and Non-executive Vice Chairman in 2009. He is the Chairman of Tata International Limited and on the Boards of several companies which include Bosch Limited, Tata Industries and Strategic Energy Technology Systems Pvt. Ltd. Mr. Muthuraman was the President of Confederation of Indian Industry during the year 2011-12. Mr. Muthuraman received the Distinguished Alumnus Award from IIT Madras in 1997 and the Tata Gold Medal from the Indian Institute of Metals in 2002. He also received the "CEO of the Year Award" from Business Standard in 2005, "CEO with HR Orientation Award" from World HRD Congress in 2005, Economic Times Award for Corporate Excellence in 2008 and IIM JRD Tata Award conferred by Indian Institute of Metals. Mr. Muthuraman has been conferred with the prestigious "Padma Bhushan" award in 2012, by Government of India for his significant contribution to Indian Trade & Industry.

Mr. Nusli N. Wadia joined the Company on August 29, 1979 as a Director. Mr. Wadia is a well-known Indian Industrialist. He is the Chairman of Wadia Group companies and also Director on the Board of several Indian companies. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Mill Owners' Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and also of MOA. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September,

1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is Trustee of the Executive Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

Mr. S. M. Palia joined the Company in 1988 as a nominee Director of IDBI and was appointed as a Director in 1994. He holds a Bachelors degree in Commerce and in Law from Mumbai University. He is also a Certified Associate of the Indian Institute of Bankers and is a Development Banker by profession. He was with IDBI Bank from 1964 to 1989 during which period he held various responsible positions including that of an executive director of IDBI Bank. Mr. Palia has also acted as an advisor to Industrial Bank of Yemen, Saana (North Yemen) and Industrial Bank of Sudan, Khartoum (Sudan) under World Bank Assistance Programmes. He was also the Managing Director of Kerala Industrial and Technical Consultancy Organisation Limited which was set up to provide consultancy services to micro enterprises and small and medium enterprises. Mr. Palia is on the Boards of various companies in the industrial and financial service sectors and is also actively involved as a trustee in various NGOs and Trusts.

Mr. Ishaat Hussain is the Finance Director of Tata Sons Limited. Mr. Hussain has been with the Tata Group for 30 years. Prior to joining the Tata Sons Board in 1999, he held various positions in Tata Steel Limited and was the Finance Director of Tata Steel Limited for ten years from 1989. Mr. Hussain is a graduate in Economics from the Delhi University and a member of the ICAEW. He has also attended the Advanced Management Programme at the Harvard Business School. Besides being on the Board of Tata Sons Limited, he represents Tata Sons on the Boards of various Tata Companies and is the Chairman of Voltas Limited and Tata Sky Limited. Mr. Hussain has been a member of the Board of Trade of India and is currently a member of SEBI's Committee on Capital Markets. He is also a Trustee of the India Foundation of the Arts.

Mr. Subodh Bhargava is a Mechanical Engineer from the University of Roorkee. He was the Group Chairman and Chief Executive Officer of Eicher Group of Companies. He was the President of the Confederation of Indian Industries, the President of the Association of Indian Automobile Manufacturers and the Vice President of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees including as a member of the Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He has been closely associated with various IIMs, IITs and other Management and Technical Institutions as also with a number of NGOs. He is currently Chairman of Tata Communications Limited, TRF Limited, Tata Communications International Pte Limited and Director on the Boards of a number of companies including Tata Motors Limited, Larsen & Toubro Limited, etc. He is also the recipient of the first Distinguished Alumnus Award in 2005 by Indian Institute of Technology, Roorkee and in 2011, the "Gaurav Shri Award" from Agra University. He has also been recognised as the "Best Independent Director 2011" by Asian Centre for Corporate Governance & Sustainability.

Mr. Jacobus Schraven was appointed as an Additional Director of the Company with effect from May 17, 2007. Mr. Schraven was appointed a Non-executive Director and Deputy Chairman of Corus Group plc. in December 2004. Additionally, in 2005 he was appointed a member and Chairman of the supervisory board of Corus Nederland BV (now renamed Tata Steel Nederland BV). He had an international career with the Royal Dutch Shell Group and became Chairman of the board of Shell Nederland BV. He was also President of the Confederation of The Netherlands Industry and Employers and a vice-chairman of Business Europe. Currently, he is a Chairman of the supervisory board of Stork B.V. and of the Trust Foundation Unilever N.V. Additionally, he is a member of the supervisory board of NUON Energy B.V. and of BNP OBAM NV. He is also Chairman of the board of trustees of the Netherlands Blood Institute Sanquin, Chairman of the Netherlands Normalisation Institute and treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is a Commander of the Order of Orange Nassau (Netherlands) and an Officer of the l'Legion d'Honneur (France).

Mr. Andrew Robb is a Fellow of the Chartered Institute of Management Accountants and holds a Joint Diploma in Management Accounting. Mr. Robb has been a Non-Executive Independent Director of the Company since November 22, 2007. He joined the

Board of Corus Group plc, and became Chairman of the audit committee in August 2003. Following the takeover of Corus by Tata Steel in March 2007, Mr. Robb remained on the Board and in November 2007, he became a Non-Executive Independent Director of the Company. He is currently also the Chairman of the Board and the Audit Committee of Tata Steel Europe Limited. Mr. Robb was Finance Director of the Peninsular and Oriental Steam Navigation Co., between 1983 and 1989 and then became Finance Director of Pilkington Group PLC from 1989 to 2001. Mr. Robb remained a Director of Pilkington until January 28, 2003. He has been chairman of the board of Tata Steel Europe Limited since March 2009 and its Independent Director since August 1, 2003. He is also a Non-Executive Director of Jaguar Land Rover Plc., Kesa Electricals Plc. and Paypoint Plc.

Mr. Hemant M. Nerurkar was Executive Director of India and South East Asia of the Company since April 9, 2009 and was appointed as Managing Director from October 01, 2009. A Bachelor of Technology in metallurgical engineering from the College of Engineering, Pune University, Mr. Nerurkar has attended several management courses in India and overseas, including CEDEP in France. He is associated with several professional organisations such as Indian Institute of Metals, Institute for Steel Development and Growth and All India Management Association, amongst others. Mr. Nerurkar joined the Company on February 1, 1982 and has held various positions including Chief Metallurgist, Senior Divisional Manager (LD-1), Deputy General Manager (Steel & Primary Mills), General Manager (Marketing), Senior General Manager (Supply Chain) and Chief Operating Officer. He has over 35 years of experience in steel industry in various functions. Mr. Nerurkar is an Executive with multifaceted experience ranging from Project Execution, Manufacturing, Quality Control, Supply Chain and Marketing. He became the Vice President (Flat Products) in November 2002 and in September 2007, was appointed Chief Operating Officer.

During his illustrious career, Mr. Nerurkar has been conferred with several prestigious awards such as the 'Tata Gold Medal 2004', 'SMS Demag Excellence Award 2002', 'Steel 80's Award - 1990', 'SAIL Gold Medal - 1989', 'Visveswaraya Award - 1988', 'NMD Award 1987' and 'CEO with HR Orientation Award - 2010' and has been conferred with the Maxell Foundation & Maharashtra Corporate Excellence Award - 2012.

Dr. Karl-Ulrich Koehler was appointed as an additional Director of the Company with effect from November 12, 2010. He studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. Dr. Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2010. He was appointed Chief Operating Officer of Tata Steel Europe Limited in February 2010. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a former member of the executive committee of the World Steel Association and Vice-chairman of VDEh, the German Iron and Steel Institute. He has worked during his 32-year steel industry career at the companies that today comprise ThyssenKrupp Steel, where he was Chairman of the Executive Board and a member of the Executive Board of the parent company, ThyssenKrupp AG. In October 2009, he was president of Eurofer, the European steelmaking federation. He has knowledge and experience of steelmaking in Europe, as well as of the European steel supply chain and customer base. Dr. Koehler is based at IJmuiden in the Netherlands.

CORPORATE GOVERNANCE

The Company has a Non-Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2012, the Company has 10 Directors on its Board, of which 5 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50% of the total number of Directors. The Company is in compliance with the Clause 49 of the listing Agreement pertaining to compositions of Directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies and Shareholdings are given below :

Name of the Director	Director Identification Number	Category	No. of Board Meetings attended during 2011-12	Attendance at the last AGM	No. of Directorships in other public companies * as on 31.03.2012		No. of Committee positions held in other public companies** as on 31.03.2012		Share holdings#
					Chairman	Member	Chairman	Member	
Mr. R. N. Tata (Chairman)	00000001	Not Independent Non-Executive	7	Yes	9	1	-	-	25,141
Mr. B. Muthuraman (Vice-Chairman)	00004757	Not Independent Non-Executive	7	Yes	1	3	-	1	6,230
Mr. Nusli N. Wadia	00015731	Independent Non-Executive	5	Yes	4	3	-	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	6	Yes	-	6	2	3	3,208
Mr. Suresh Krishna @	00046919	Independent Non-Executive	2	Yes	NA	NA	NA	NA	NA
Mr. Ishaat Hussain	00027891	Not Independent Non-Executive	7	Yes	2	11	2	5	2,216
Dr. J. J. Irani @@	00311104	Not Independent Non-Executive	2	Yes	NA	NA	NA	NA	NA
Mr. Subodh Bhargava	00035672	Independent Non-Executive	7	Yes	2	6	1	4	1,012
Mr. Jacobus Schraven	01462126	Independent Non-Executive	5	Yes	-	-	-	-	-
Mr. Andrew Robb	01911023	Independent Non-Executive	7	Yes	-	-	-	-	-
Mr. H. M. Nerurkar (Managing Director)	00265887	Not Independent Executive	7	Yes	1	1	-	-	737
Dr. Karl-Ulrich Koehler	03319129	Not Independent Non-Executive	7	Yes	-	-	-	-	-

* Excludes Directorships in associations, private, foreign and Section 25 companies.

** Represents Chairmanships/Memberships of Audit Committee and Shareholders'/Investors' Grievance Committee.

@ Stepped down as Director w.e.f. 24th December, 2011.

@@ Stepped down as Director w.e.f. 2nd June, 2011.

Shareholdings represent holdings in Director's personal capacity and either as sole or first or joint holder. Total Shareholding of the Directors as on 31st March, 2012 – 38,544 Ordinary Shares.

Seven Board Meetings were held during the year 2011-12 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

11th April, 2011, 25th May, 2011, 7th July, 2011, 2nd August, 2011, 10th November, 2011, 14th December, 2011, 9th February, 2012.

Dates for the Board Meetings in the ensuing year are decided well in advance and communicated to the Directors. Board Meetings are held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

Four Meetings of the Board Sub-Committees/Committee of Directors constituted by the Board for specific purposes from time to time were held during the year 2011-12.

The dates on which the Committee meetings were held are as follows:

12th August, 2011, 26th September, 2011, 23rd November, 2011 and 20th January, 2012.

During 2011-12, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Dr. J. J. Irani and Mr. B. Muthuraman to whom the Company paid retiring benefits aggregating to ₹ 8.90 lakhs and ₹ 60.30 lakhs, respectively.

The Company has adopted the Tata Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Managing Director as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Tata Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the year under review. Both the Codes are posted on the website of the Company.

3. Audit Committee

The Company had constituted an Audit Committee in the year 1986. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows :

- a. To review compliance with internal control systems;
- b. To review the findings of the Internal Auditor relating to various functions of the Company;
- c. To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors;
- d. To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- e. To make recommendations to the Board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
- f. Recommending the appointment of statutory auditors and branch auditors and fixation of their remuneration.

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 3rd August, 2011.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Names of Members	Category	No. of Meetings attended during the year 2011-12
Mr. Subodh Bhargava, Chairman	Independent, Non-Executive	5
Mr. S. M. Palia, Member	-do-	5
Mr. Ishaat Hussain, Member, Chartered Accountant	Not Independent, Non-Executive	5
Mr. Andrew Robb, Member	Independent, Non-Executive	5

Audit Committee meetings are attended by the Group Chief Financial Officer, Chief (Corporate Audit) and Chief Financial Controller (Corporate) and Representatives of Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

Five Audit Committee Meetings were held during 2011-12. The dates on which the said meetings were held were as follows :

24th May, 2011, 12th August, 2011, 26th September, 2011, 10th November, 2011 and 9th February, 2012.

The necessary quorum was present at the meetings.

Whistle Blower Policy

The Audit Committee at its meeting held on 25th October, 2005, approved framing of a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counsellor/Chairman of the Audit Committee.

Cost Auditor's details –

The Central Government has approved the appointment of the following cost auditors for conducting Cost Audit for the financial year 2011-12:

(i) For Steel Tubes and Pipes Division – M/s. Bahadur Murao & Co, Cost Accountants; (ii) For Bearings Division and Steel Plant – M/s. Shome & Banerjee, Cost Accountants. The due date for filing the Cost Audit Reports for the financial year ended 31st March, 2012 is 30th September, 2012.

The due date for filing the Cost Audit Reports for the Steel Tubes and Pipes Division and the Bearings Division for the financial year ended 31st March, 2011 was 30th September, 2011 and the Cost Audit Reports were filed by the Cost Auditors on 26th September, 2011 and 27th September, 2011 respectively. For the Steel Plant – M/s Shome & Banerjee, Cost Accountants, were appointed as the Cost Auditor on 12th August, 2011 and the Cost Audit Report was filed by the Cost Auditor on 5th March, 2012.

4. Remuneration Committee

The Company had constituted a Remuneration Committee in the year 1993. The broad terms of reference of the Remuneration Committee are as follows :

- a. Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- b. Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- c. Finalise the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- d. Recommend to the Board, retirement benefits to be paid to the Managing Director and Whole-time Directors under the Retirement Benefit Guidelines adopted by the Board.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the year 2011-12
Mr. S. M. Palia, Chairman *	Independent, Non-Executive	2
Mr. Suresh Krishna, Chairman **	Independent, Non-Executive	–
Mr. R. N. Tata, Member	Not Independent, Non-Executive	2
Mr. Nusli N. Wadia, Member *	Independent, Non-Executive	–

* Appointed w.e.f. 29th February, 2012.

** Stepped down w.e.f. 24th December, 2011.

Two meetings of the Remuneration Committee were held during 2011-12 on 25th May, 2011 and 7th July, 2011.

The ex-Chairman of the Remuneration Committee, Mr. Suresh Krishna was present at the Annual General Meeting held on 3rd August, 2011.

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

Remuneration Policy

The Company while deciding the remuneration package of the senior management members takes into consideration the following items:

- (a) employment scenario
- (b) remuneration package of the industry and
- (c) remuneration package of the managerial talent of other industries.

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

The Non-Executive Directors (NEDs) are paid remuneration by way of Commission and Sitting Fees. In terms of the shareholders' approval obtained at the AGM held on 3rd August, 2011, the Commission is paid at a rate not exceeding 1% per annum of the profits of the Company (computed in accordance with Section 309(5) of the Companies Act, 1956). The distribution of Commission amongst the NEDs is placed before the Board. The Commission is distributed on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent on operational matters other than at the meetings.

The Company pays sitting fees of ₹ 20,000 per meeting to the NEDs for attending the meetings of the Board, Executive Committee of the Board, Remuneration Committee, Audit Committee, Safety, Health and Environment Committee and Committees constituted by the Board from time to time. For other meetings, viz. Investors' Grievance Committee and Ethics and Compliance Committee, the Company pays to the NEDs sitting fees of ₹ 5,000 per meeting.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary is paid within the range approved by the Shareholders. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. Specific amount payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

Details of remuneration for 2011-12

Non-Whole-time Directors

(₹ lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. R. N. Tata	250.00	2.20
2. Mr. B. Muthuraman	@ 125.00	3.20
3. Mr. Nusli N. Wadia	70.00	1.20
4. Mr. S. M. Palia	85.00	3.80
5. Mr. Suresh Krishna	5.00	0.50
6. Mr. Ishaat Hussain	85.00	** 3.70
7. Dr. J. J. Irani	@@ 5.00	0.40
8. Mr. Subodh Bhargava	70.00	2.60
9. Mr. Jacobus Schraven	25.00	1.60
10. Mr. Andrew Robb	30.00	3.40
11. Dr. Karl-Ulrich Koehler	–	2.80
Total	750.00	25.40

* Payable in 2012-13.

** Includes an amount of ₹ 20,000 paid in 2012-13.

@ Excluding retirement benefits of ₹ 60.30 lakhs paid to Mr. B. Muthuraman.

@@ Excluding retirement benefits of ₹ 8.90 lakhs paid to Dr. J. J. Irani.

Managing Director

Name	Salary ₹ lakhs	Perquisites & Allowances ₹ lakhs	Commission @ ₹ lakhs	Stock Options
Mr. H. M. Nerurkar	113.09	54.16	475.00	NIL

@ Payable in 2012-13.

Service Contracts, Severance Fees and Notice Period

Period of Contract of MD : From 01.10.2009 to 31.10.2013

The Contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

There is no separate provision for payment of severance fees.

5. Shareholders' Committee

An Investors' Grievance Committee was constituted on 23rd March, 2000 to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

One meeting of the Investors' Grievance Committee was held on 2nd August, 2011.

The composition of the Investors' Grievance Committee is given below :

Names of Members	Category	No. of Meetings attended during 2011-12
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member *	Independent, Non-Executive	1
Mr. S. M. Palia, Member **	Independent, Non-Executive	–
Mr. Subodh Bhargava, Member **	Independent, Non-Executive	–

* Stepped down w.e.f. 24th December, 2011.

** Appointed w.e.f. 29th February, 2012.

**Name, designation & address of
Compliance Officer:**

Mr. A. Anjeneyan
Company Secretary & Chief of Compliance
Bombay House,
24, Homi Mody Street,
Fort, Mumbai - 400 001.

Phone : (022) 6665 7279

Fax : (022) 6665 7724/6665 7725

Email : cosec@tatasteel.com

**Name, designation & address of
Investor Relations Officer:**

Mr. Praveen Sood
Chief – Financial Communications & Investor Relations
Bombay House,
24, Homi Mody Street,
Fort, Mumbai - 400 001.

Phone : (022) 6665 7306

Fax : (022) 6665 8113

Email : p.sood@tatasteel.com

Shareholder/Investor Complaints:

Complaints pending as on 1st April, 2011	:	4
During the period 1st April, 2011 to 31st March, 2012, complaints identified and reported under Clause 41 of the Listing Agreements	:	533
Complaints disposed off during the year ended 31st March, 2012	:	530
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2012	:	7
No. of pending share transfers of Ordinary Shares as on 31st March, 2012	:	90*

* Transfers lodged in the last two weeks of March 2012 and hence pending as on 31st March, 2012.

Sr. No.	Description	Total Received	Total Replied	Total Pending
A	Complaints			
	Letters received from Statutory Bodies			
1.	Securities and Exchange Board of India	128	124	4
2.	Ministry of Corporate Affairs	7	7	0
3.	Stock Exchanges	28	28	0
4.	Depositories	10	10	0
	Total Nos.	173	169	4
B	Legal Matters			
1.	Court/Consumer Forum Matters	2	2	0
	Total Nos.	2	2	0
C	Dividends			
1.	Non-receipt of Dividend warrants	157	157	0
2.	Fraudulent Encashment of redemption/dividend warrants	3	1	2
	Total Nos.	160	158	2
D	Letters in the nature of reminders/ complaints including rights issue/Follow-on Public offer related	198	197	1
	Total Correspondence Statistics	533	526	7

Note:

The correspondence identified as investor complaints are letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, (where the Company/Registrar is involved and is accused of deficiency in service)

fraudulent encashment, non-receipt of dividend/fractional warrants (received after one month from the date of payment and where reconciliation of the payment was in progress) and non-receipt of refund orders/allotment of shares pertaining to Rights issue. The above figures are consolidated figures which includes complaints received by Link Intime India Pvt. Ltd. and TSR Darashaw Ltd.

Committees

In addition to the above Committees, the Board has constituted 5 more Committees, viz. Executive Committee of the Board, the Nomination Committee, Committee of Directors, the Ethics and Compliance Committee and Safety, Health and Environment Committee.

The terms of reference of the **Executive Committee of the Board** (ECOB) are to approve capital expenditure schemes and donations within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes, to consider new businesses, acquisitions, divestments, changes in organisational structure and also to periodically review the Company's business plans and future strategies.

The composition of the ECOB and details of the meetings attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the year 2011-12
Mr. R. N. Tata, Chairman	Not Independent, Non-Executive	2
Mr. B. Muthuraman, Member	-do-	3
Mr. Nusli N. Wadia, Member	Independent, Non-Executive	1
Mr. S. M. Palia, Member	-do-	3
Mr. Ishaat Hussain, Member	Not Independent, Non-Executive	2
Dr. J. J. Irani, Member *	-do-	-
Mr. Andrew Robb, Member	Independent, Non-Executive	3
Mr. H. M. Nerurkar, Member	Not Independent, Executive	3
Dr. Karl-Ulrich Koehler, Member	Not Independent, Non-Executive	3

* Stepped down w.e.f. 2nd June, 2011

Three ECOB Meetings were held during the year 2011-12. The dates on which the said meetings were held were as follows :

1st August, 2011, 24th October, 2011 and 8th February, 2012.

The **Nomination Committee** has been constituted on 18th May, 2006 with the objective of identifying Independent Directors to be inducted to the Board from time to time and to take steps to refresh the constitution of the Board from time to time.

The composition of the Nomination Committee is given below :

Names of Members	Category
Mr. Nusli N. Wadia, Chairman*	Independent, Non-Executive
Mr. Suresh Krishna, Chairman **	-do-
Mr. R. N. Tata, Member	Not Independent, Non-Executive
Mr. S. M. Palia, Member	Independent, Non-Executive
Mr. Subodh Bhargava, Member ***	-do-

* Appointed Chairman w.e.f 29th February, 2012.

** Stepped down w.e.f. 24th December, 2011.

*** Appointed w.e.f. 29th February, 2012.

During the year under review, no meeting of the Nomination Committee was held.

The **Committee of Directors** has been re-constituted on 26th May, 2010 to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant Powers of Attorney to the Officers of the Company, to appoint representatives to attend general meetings or through postal ballot on behalf of the Company etc. The Members of this Committee are – Mr. R. N. Tata (Chairman), Mr. B. Muthuraman (Vice-Chairman), Dr. J. J. Irani (Stepped down w.e.f. 2nd June, 2011), Mr. Ishaat Hussain and Mr. H. M. Nerurkar. The business of the Committee is transacted by passing Circular Resolutions which are placed before the Board at its next meeting.

Ethics and Compliance Committee

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the revised Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other Employees. The Code is based on the principle that Directors, Officers and Employees of a Tata Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

In terms of the said Code, a Committee has been constituted on 30th May, 2002, called Ethics and Compliance Committee.

One meeting of the Ethics and Compliance Committee was held on 2nd August, 2011.

The composition of the Ethics and Compliance Committee is given below :

Names of Members	Category	No. of meetings attended during 2011-12
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member *	Independent, Non-Executive	1
Mr. Subodh Bhargava, Member **	Independent, Non-Executive	–
Mr. Andrew Robb, Member **	Independent, Non-Executive	–

* Stepped down w.e.f. 24th December, 2011.

** Appointed w.e.f. 29th February, 2012.

The Board has also appointed the Group Chief Financial Officer as the Compliance Officer to ensure compliance and effective implementation of the Regulations and also the Code across the Company.

During the year under review, the Compliance Officer submitted Monthly Committee Report of the Tata Code of Conduct for Prevention of Insider Trading to the Board of Directors.

Safety, Health and Environment Committee

The Safety, Health and Environment Committee of the Board was constituted on 25th June, 2009 to oversee the policies and their implementation across Tata Steel Group. The main remit of the Committee would be to :

- Review operational performance, anticipate potential issues and provide support in setting direction for improvements;
- Reduce carbon emissions per tonne of steel produced; and
- Functional health, safety and environmental team would provide a coordinated and effective specialist advisory support to the said Committee.

Three meetings of the Safety, Health and Environment Committee were held during the year 2011-12. The dates on which the said meetings were held were as follows :

24th May, 2011, 9th November, 2011 and 8th February, 2012.

The composition of the Safety, Health and Environment Committee is given below :

Names of Members	Category	No. of Meetings attended during 2011-12
Mr. Jacobus Schraven, Chairman	Independent, Non-Executive	3
Mr. S. M. Palia, Member	-do-	2
Mr. B. Muthuraman, Member	Not Independent, Non-Executive	3
Mr. H. M. Nerurkar, Member	Not Independent, Executive	3
Dr. Karl-Ulrich Koehler, Member	Not Independent, Non-Executive	3

Company Secretary acts as the Secretary of the Safety, Health and Environment Committee.

6. General Body Meetings

a) Location and time, where last three Annual General Meetings (AGMs) were held :

Financial Year	Details of Location	Date & Time
2010-11	Birla Matushri Sabhagar,	3 rd August, 2011 at 3.00 p.m
2009-10	19, Sir Vithaldas Thackersey Marg,	13 th August, 2010 at 3.30 p.m.
2008-09	Mumbai-400 020.	27 th August, 2009 at 3.30 p.m.

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) Special Resolutions passed in previous three Annual General Meetings :

- At the last Annual General Meeting held on 3rd August, 2011, Special Resolution for commission to Directors other than the Managing and whole-time Directors was passed unanimously.
- At the Annual General Meeting held on 13th August, 2010, no Special Resolutions were passed.
- At the Annual General Meeting held on 27th August, 2009, Special Resolution for Further issuance of Securities was passed unanimously.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

d) **Postal Ballot:** In February 2012, the Company had obtained the approval of its Members under Section 192A of the Companies Act, 1956, pertaining to:

Resolution No. (1): Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 for increase in borrowing limits from ₹ 40,000 crores to ₹ 50,000 crores or the aggregate of the paid-up capital and free reserves of the Company, whichever is higher.

Resolution No. (2): Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for creation of charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings in terms of resolution No.(1) above.

Voting Pattern and Procedure for Postal Ballot:

- The Board of Directors of the Company had, at its meeting held on 9th February, 2012, appointed Ms. Shirin Bharucha, as the Scrutinizer for conducting the postal ballot voting process.
- The Postal Ballot process was carried out in a fair and transparent manner. The postal ballot forms had been kept under her safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- All postal ballot forms received up to the close of working hours on 30th March, 2012 the last date and time fixed by the Company for receipt of the forms, had been considered.
- The results of the Postal Ballot were announced on 3rd April, 2012 at the Registered Office of the Company as per the Scrutinizer's Report as under :

Ordinary Resolution No. 1

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	302,984,357	302,984,357	100.00	302,984,357	0.00	100.00	0.00
Public – Institutional holders	233,678,884	233,060,721	99.74	181,155,201	51,905,520	77.73	22.27
Public-Others	9,179,392	8,356,692	91.04	8,049,905	306,787	96.33	3.67
Total	545,842,633	544,401,770	99.74	492,189,463	52,212,307	90.41	9.59

Ordinary Resolution No. 2

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	302,984,357	302,984,357	100.00	302,984,357	0.00	100.00	0.00
Public – Institutional holders	233,678,884	233,060,721	99.74	181,596,201	51,464,520	77.92	22.08
Public-Others	9,179,392	7,969,959	86.82	7,604,381	365,578	95.41	4.59
Total	545,842,633	544,015,037	99.67	492,184,939	51,830,098	90.47	9.53

Accordingly, both the Ordinary Resolutions indicated above have been passed by the requisite majority.

7. Disclosures

- i) The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
- ii) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 7 of the Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behaviour. No personnel has been denied access to the Ethics Counsellor/Chairman of the Audit Committee.
- iv) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a) The Company has set up a Remuneration Committee. Please see para 4 for details.
 - b) The Company has moved towards a regime of unqualified financial statements.

Secretarial Audit

- i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

- ii) A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with Depositories).

8. Means of Communication

Quarterly/Half-yearly results –

The quarterly/half-yearly and annual results of the Company are published in the newspapers and posted on the website of the Company. As a part of the Green initiative, since December 2010, the quarterly results are sent by email to Shareholders whose email *ids* are registered with the Depositories/Registrar and Share Transfer Agents of the Company.

Results –

The quarterly and annual results along with the Segmental Report are generally published in The Indian Express, Financial Express, Nav Shakti, Free Press Journal and also displayed on the website of the Company www.tatasteel.com shortly after its submission to the Stock Exchanges.

Presentation to Institutional Investors or to analysts –

Official news releases and presentations made to Institutional Investors and analysts are posted on the Company's website.

Management Discussion & Analysis Report (MD&A Report) –

The MD&A Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

Company's Corporate Website –

The Company's website is a comprehensive reference on Tata Steel's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investors' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Media' includes all major press reports and releases, awards, campaigns.

9. General Shareholder Information

AGM: Date, time & venue – 14th August, 2012 at 3.00 p.m.
Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.

As required under Clause 49 IV(G)(i), particulars of Directors seeking appointment/reappointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 14th August, 2012.

Financial Calendar –	Year ending	March 31
	AGM	August
	Dividend Payment	Generally in August

Date of Book Closure – Wednesday, 18th July, 2012 to Tuesday, 24th July, 2012
(both days inclusive)

Dividend Payment Date – The dividend warrants will be posted on and from 17th August, 2012.

Unclaimed Dividend –

- All unclaimed/unpaid dividend amounts upto the financial year ended 31st March,1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to Office of Registrar of Companies, Central Government Office Bldg., 'A' Wing, 2nd Floor, Next to Reserve Bank of India, CBD, Belapur-400 614.
- All unclaimed/unpaid dividend amounts for the financial years 1995-96 to 2003-04 have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2004-05 declared on 27th July, 2005 can be claimed by the shareholders by 26th July, 2012.

Address for Correspondence : Tata Steel Limited, Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001.
 Phone : (022) 6665 8282, Fax : (022) 6665 7724/6665 7725,
 E-mail : cosec@tatasteel.com, Website : www.tatasteel.com

Listing on Stock Exchanges –

The Company's Ordinary shares are listed on the BSE Limited and National Stock Exchange of India Limited in India :

Stock Exchanges	ISIN	Stock Code	Address	Website
BSE Limited	INE081A01012	500470	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	www.bseindia.com
National Stock Exchange of India Limited	INE081A01012	TATASTEEL	Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	www.nseindia.com

Unsecured Redeemable Non Convertible Debentures (NCDs) are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited:

Coupon Rate (%)	ISIN	Principle Amount (₹ crores)	Date of Maturity	Debenture Trustee
10.20	INE081A07175	620	7th May, 2015	IDBI Trusteeship Services Ltd., Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400 001.
10.25	INE081A08140	500	₹ 166.67 crores – 22nd December, 2028 ₹ 166.67 crores – 22nd December, 2029 ₹ 166.66 crores – 22nd December, 2030	
10.25	INE081A08157	2,500	₹ 833.34 crores – 6th January, 2029 ₹ 833.33 crores – 6th January, 2030 ₹ 833.33 crores – 6th January, 2031	
12.50	INE081A08116	1,250	₹ 416.67 crores – 19th November, 2014 ₹ 416.67 crores – 19th November, 2015 ₹ 416.66 crores – 19th November, 2016	
10.40	INE081A08124	650.9	15th May, 2019	
11.00	INE081A08132	1,500	19th May, 2019	
2.00	INE081A08181	1,500	23rd April, 2022	

Perpetual Hybrid Securities in the form of Non-Convertible Debentures are listed on the Wholesale Debt Market segments of the Stock Exchanges as under :

Distribution Rate (%)	ISIN	Principle Amount (₹ crores)	Date of Maturity	Debenture Trustee	Stock Exchange where listed
11.80	INE081A08165	1,500	Perpetual	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate Mumbai-400 001	National Stock Exchange of India Limited & BSE Limited
11.50	INE081A08173	775	Perpetual		National Stock Exchange of India Limited

International Listings of securities issued by the Company are as under:

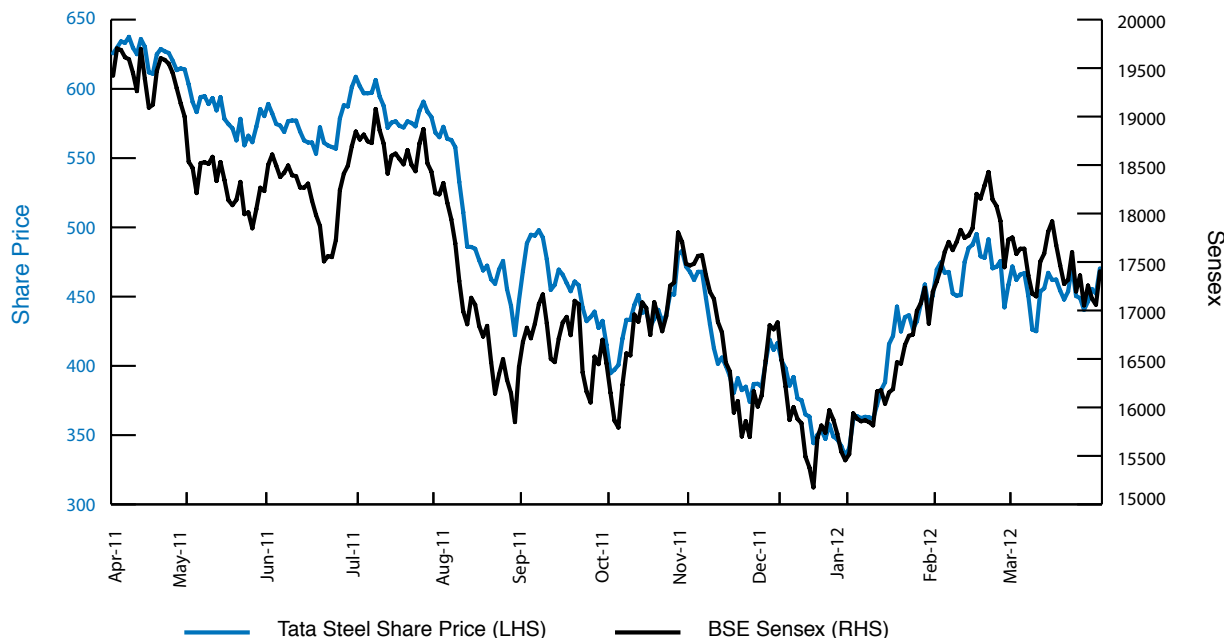
Security	Year of Issue	Stock Exchanges & Address	ISIN	Website
Global Depository Receipts (GDRs)	1994	Luxembourg Stock Exchange 11, Avenue de la porte – Neuve, L - 2227, Luxembourg	US87656Y1091	www.bourse.lu
1% Convertible Alternative Reference Securities (CARS)	2007	Singapore Exchange Securities Trading Limited 2, Shenton Way, #19-00 SGX Center 1, Singapore-068804	XS0315783026	www.sgx.com
4.5% Replacement Foreign Currency Convertible Bonds (FCCBs)	2009	Singapore Exchange Securities Trading Limited 2, Shenton Way, #19-00 SGX Center 1, Singapore-068804	XS0466930780	www.sgx.com
Global Depository Receipts (GDRs)	2009	London Stock Exchange 10 Paternoster Square, London - EC4M 7LS	US87656Y4061	www.londonstockexchange.com

Market Information

Market Price Data : High, Low (based on the closing prices) and volume during each month in last financial year.

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of shares)
Apr-11	637.55	610.90	1,11,15,964	638.35	609.40	4,49,48,584
May-11	614.00	559.25	1,79,77,018	614.64	559.40	6,74,71,502
Jun-11	608.70	553.15	1,46,42,244	610.25	553.25	6,82,21,211
Jul-11	606.40	565.10	1,02,46,508	606.70	564.00	5,38,89,280
Aug-11	572.60	422.25	2,52,75,117	573.80	422.30	9,83,86,611
Sep-11	497.95	415.25	2,21,95,932	498.50	415.35	9,62,24,342
Oct-11	482.95	394.70	1,71,96,679	483.70	394.65	7,68,68,654
Nov-11	471.65	374.10	2,89,23,743	472.00	374.95	10,35,35,658
Dec-11	418.85	335.25	2,86,67,735	419.10	335.35	11,13,52,850
Jan-12	458.75	340.55	3,08,90,076	458.75	341.10	12,64,32,220
Feb-12	495.15	442.25	3,27,25,014	495.15	442.40	14,71,58,840
Mar-12	471.85	425.05	2,47,00,135	472.40	423.80	10,67,15,809

Performance of Tata Steel Share Price in comparison to BSE Sensex



Registrar and Transfer Agents

For Share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents – TSR Darashaw Limited quoting their folio no./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence: TSR Darashaw Limited, Unit: Tata Steel Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, (Nr. Famous Studios) Mahalaxmi, Mumbai - 400 011. Tel: 022-6656 8484; Fax: 022- 6656 8494; E-mail : csg-unit@tsrdarashaw.com; Website:www.tsrdarashaw.com
2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Limited:
 - (i) 503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road, Bengaluru - 560 001. Tel.:080-25320321; Fax :080-25580019; E-mail :tsrdlbg@tsrdarashaw.com
 - (ii) Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001. Tel.: 0657-2426616; Fax: 0657-2426937; Email :tsrdljsr@tsrdarashaw.com
 - (iii) Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata-700 071. Tel.: 033-22883087; Fax: 033-22883062; E-mail:tsrdlcal@tsrdarashaw.com
 - (iv) Plot No. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi-110 002. Tel.: 011-23271805; Fax : 011-23271802; E-mail :tsrdldel@tsrdarashaw.com
 - (v) Agent: Shah Consultancy Services Pvt. Limited: 3-Sumathinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad - 380 006. Telefax :079-2657 6038; E-mail:shahconsultancy8154@gmail.com

Share Transfer System :

Share Transfers in physical form can be lodged with TSR Darashaw Limited at the above mentioned addresses. The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

Distribution of Shareholding of Ordinary Shares as on 31st March, 2012

Shareholding	Total No. of Shareholders		% to total holders		Total No. of Shares		% to total capital	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011	31-03-2012	31-03-2011	31-03-2012	31-03-2011
1 to 100	6,84,877	6,29,982	66.03	64.95	2,45,13,068	22,184,799	2.52	2.31
101 to 500	2,81,041	2,71,268	27.10	27.97	5,93,14,943	56,495,921	6.11	5.89
501 to 1000	37,619	36,030	3.63	3.71	2,67,37,202	25,533,879	2.75	2.66
1001 to 10,000	31,546	30,458	3.04	3.14	7,55,36,790	72,977,246	7.78	7.61
10,001 and above	2,126	2,249	0.20	0.23	78,51,12,447	78,20,22,605	80.84	81.53
Total	10,37,209	9,69,987	100.00	100.00	97,12,14,450	95,92,14,450	100.00	100.00

Categories of Shareholders – Ordinary Shares

Category	Number of Shareholders		Voting Strength %		Number of Ordinary Shares Held	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011	31-03-2012	31-03-2011
Individuals	10,28,578	9,61,159	21.06	20.37	20,45,52,216	19,54,37,550
Unit Trust of India	1	1	0.00	0.00	35,193	35,363
Life Insurance Corporation of India	1	1	15.00	13.62	14,57,09,733	13,06,13,514
Government & Other Public Financial Institutions	15	15	3.75	3.65	3,64,38,951	3,50,34,535
Tata Group Companies	13	17	31.35	*30.60	30,45,14,362	29,34,92,790
Companies	7618	7,639	7.92	7.31	7,68,30,575	7,00,86,968
Nationalised Banks, Mutual Funds and Trusts	405	464	4.70	4.45	4,56,02,943	4,26,79,046
Foreign Institutional Investors	578	691	16.22	20.00	15,75,30,477	19,18,34,684
Total	10,37,209	9,69,987	100.00	100.00	97,12,14,450	95,92,14,450

* This includes 6,71,455 shares as on 31st March, 2011, allotted to Kalimati Investment Company Limited pursuant to the Bombay High Court Order dated 3rd April, 2003, approving the Scheme of Amalgamation of Tata SSL Limited with the Company. These shares do not carry any voting rights.

Top Ten Ordinary Shareholders of the Company as on 31st March, 2012

Sr. No.	Name of the Shareholders	No. of Shares Held	% of Holding
1	Tata Sons Limited	28,88,98,245	29.75
2	Life Insurance Corporation of India	13,06,13,514	13.45
3	ICICI Prudential Life Insurance Company Ltd.	2,15,41,894	2.22
4	Citibank N.A. New York, NYADR Department	1,80,91,089	1.86
5	Government of Singapore	1,51,63,161	1.56
6	National Insurance Company Ltd.	1,09,04,459	1.12
7	The New India Assurance Company Limited	1,03,84,993	1.07
8	Franklin Templeton Investment Funds	73,69,609	0.76
9	SBI Life Insurance Co. Ltd.	72,08,289	0.74
10	HDFC Trustee Company Limited - HDFC Top 200 Fund	63,26,963	0.65

Dematerialisation of shares as on 31st March, 2012 and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

93,53,67,103 Ordinary Shares of the Company representing 96.31% of the Company's share capital is dematerialised as on 31st March, 2012.

The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information.

As per Clause 5A of the Listing Agreements with the Stock Exchanges, the details of shares in the suspense accounts of Link Intime India Pvt. Ltd., Registrars to the Issues are given below :

Issues	Securities	As on 1st April, 2011		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31st March, 2012	
		No. of records	No. of shares	No. of records	No. of shares	No. of shares	No. of records
Rights Issue – 2007	Ordinary Shares	126	3,018	–	–	126	3,018
Follow-on Public Issue – 2011		22	1,230	14	609	08	621

The voting rights in respect of the balance shares in the suspense accounts will be freezed, in the event of a poll at the general meetings of the Company.

In compliance with Clause 5A of Listing Agreement, with the Stock Exchanges, the Company has sent two reminder letters to the shareholders to claim their shares in physical form which have been returned undelivered by the postal authorities to the Company's Registrars and Share Transfer Agents.

Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity :

- 3,867 GDRs (each GDR representing 1 Ordinary share of the Company)
- 1,80,87,222 GDRs (out of 6,54,10,589 GDRs issued during Financial Year 2010) with each GDR representing right to receive one Ordinary Share of the Company.
- Pursuant to the Exchange Offer of CARS aggregating to US \$875 million, made in accordance with Offering Circular dated 11th November, 2009, the Company exchanged CARS aggregating US \$493 million, leaving the residual CARS at US \$382 million, convertible into 21,047,371 Ordinary Shares at ₹ 730.5188 per share and issued 5,469.35 – 4.5% Replacement FCCBs of US \$1,00,000 each aggregating US \$546.935 million, convertible into 4,21,12,300 fully paid up Ordinary Shares of the Company at ₹ 602.1022 per share.

Major Plant Locations

Tata Steel, India	:	Company's Steel Works and Tubes Division	..	Jamshedpur (Jharkhand)	
		Bearings Division	..	Kharagpur (West Bengal)	
		Ferro Manganese Plant	..	Joda (Odisha)	
		Charge Chrome Plant	..	Bamnipal (Odisha)	
		Cold Rolling Complex	..	Tarapur (Maharashtra)	
		Mines, Collieries & Quarries	..	States of Jharkhand, Odisha and Karnataka	
		Wire Division	..	Tarapur (Maharashtra) Bengaluru (Karnataka)	
	Agrico Plant	..	Indore (Madhya Pradesh)		
	Tata Steel Europe	:	Steel	..	Port Talbot, UK
				..	Scunthorpe, UK
			..	Rotherham, UK	
			..	Ijmuiden, Netherlands	

10. Other information to the shareholders
Dividend History for the Last 10 years

Financial Year	Dividend Date	Rate	Financial Year	Dividend Date	Rate
2010-11	05.08.11	120%	2005-06	06.07.06	130%
2009-10	14.08.10	80%	2004-05	28.07.05	130%
2008-09	28.08.09	160%	2003-04	23.07.04	100%
2007-08	29.08.08	160%	2002-03	24.07.03	80%
2006-07	30.08.07	155%	2001-02	12.06.02	40%

Bank Details

Shareholders holding in the physical form are requested to notify/send the following to TSR Darashaw Limited to facilitate better servicing :-

- i) any change in their address/mandate/bank details, and
- ii) particulars of the bank account in which they wish their dividend to be credited, in case have not been furnished earlier.

Shareholders are advised that respective bank details and address as furnished by them or by Depositories to the Company, for shares held in the physical form and in the dematerialised form respectively, will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

Nomination Facility

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 109A of the Companies Act, 1956, may submit to TSR Darashaw Limited the prescribed Form 2B. The Nomination Form can be downloaded from the Company's website www.tatasteel.com under the section 'Investors'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that:

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to their Depository Participants (DP). As per the regulations of Depositories, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

National - Electronic Clearing Service (NECS) Facility

As per RBI notification, with effect from 1st October, 2009, the remittance of dividend through Electronic Credit Service (ECS) is replaced by National Electronic Clearing Service (NECS). Shareholders were requested by the Company vide Circular dated 5th March, 2010, to intimate their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions (CBS) and the 9 digit MICR Code Number.

Shareholders who have already intimated the above information to the Depository Participants (DPs)/Registrars of the Company ("Registrars") pursuant to the above Circular need not take any further action in this regard.

Shareholders who have not intimated the DPs/Registrars are once again requested to intimate the above information in respect of shares held in electronic form to the DPs and in respect of shares held in physical form, to the Registrars at their address.

Those Shareholders who do not wish to avail of the NECS facility, are requested to furnish to the DPs/Registrars, the Name and Branch of the Bank and the Bank Account Number allotted by their banks after implementation of Core Banking Solutions, which will be printed on the warrants.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, by its recent Circulars, enabling electronic delivery of documents including the Annual Report, Quarterly, Half-yearly results etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with TSR Darashaw Limited, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Depository Services

Shareholders may write to the respective Depository or to TSR Darashaw Limited for guidance on depository services. Address for correspondence with Depositories are as follows:-

- 1. National Securities Depository Limited** - Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Telephone: (022) 2499 4200, Facsimile: (022) 2497 6351, E-mail: info@nsdl.co.in, Website: www.nsdl.co.in
- 2. Central Depository Services (India) Limited** – Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai - 400 001. Telephone: (022) 2272 3333, Facsimile: (022) 2272 3199, E-mail: investors@cdslindia.com, Website: www.cdslindia.com

Certificate

To the Members of**TATA STEEL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Tata Steel Limited, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No.: 117366W

N. VENKATRAM

Partner

Membership No.: 71387

Mumbai, 22nd May, 2012

Highlights

Figures in ₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2011-12	2010-11	2011-12	2010-11
Gross revenue	37,028.31	32,044.72	1,36,650.49	1,21,588.73
Profit before tax	9,857.35	9,776.85	8,584.98	12,101.95
Profit after tax	6,696.42	6,865.69	4,948.52	8,856.05
Profit after tax, minority interest and share of profits of associates	–	–	5,389.77	8,982.69
Dividend	1,165.46	1,151.06	1,165.67	1,150.25
Retained earnings	6,327.53	6,699.57	8,381.74	12,079.50
Capital employed	81,634.22	77,682.55	1,08,422.88	1,00,837.25
Net worth	54,491.46	48,444.63	44,931.11	37,081.37
Borrowings	26,172.25	28,301.12	59,896.77	60,678.80
	Ratio		<i>Ratio</i>	
Net Debt : Equity	0.41	0.49	1.16	1.55
	₹	₹	₹	₹
Net worth per Share as at year end	566.69	533.97	467.57	409.02
Earnings per Share:				
<i>Basic</i>	67.84	75.63	54.28	99.03
<i>Diluted</i>	66.62	70.99	53.63	92.86
Dividend per Share	12.00	12.00	12.00	12.00
Employees (Numbers)	35,793	34,912	81,622	81,251
Shareholders (Numbers)	10,37,209	9,69,987		

Financial Ratios

	Tata Steel Standalone		Tata Steel Group	
	2011-12	2010-11	2011-12	2010-11
1. EBITDA/Turnover	34.06%	39.55%	10.18%	14.41%
2. PBT/Turnover	27.54%	31.05%	4.26%	7.73%
3. Return on Average Capital Employed	13.07%	14.87%	8.62%	14.14%
4. Return on Average Net worth	13.01%	16.04%	13.14%	29.88%
5. Asset Turnover	76.28%	79.88%	93.06%	93.04%
6. Inventory Turnover (in days)	45	42	68	66
7. Debtors Turnover (in days)	7	5	41	40
8. Gross Block to Net Block	1.44	1.63	2.15	2.23
9. Net Debt to Equity	0.41	0.49	1.16	1.55
10. Current Ratio	0.96	1.63	1.68	1.83
11. Interest Cover ratio	9.80	7.76	2.69	3.61
12. Net worth per share (₹)	566.69	533.97	467.57	409.02
13. Basic Earnings per share (₹)	67.84	75.63	54.28	99.03
14. Dividend Payout	20.00%	19.00%	25.00%	15.00%
15. P/E Ratio	6.93	8.20	8.67	6.27

1. EBITDA/Turnover
(EBITDA: PAT after minority and share of associates + Tax +/- Exceptional Items + Net Finance Charges + Depreciation and amortisation)
(Net Finance Charges: Finance costs – Interest income – Dividend income from current investments – Net gain/(loss) on sale of current investments)
(Turnover: Revenue from Operations less Excise Duty)
2. PBT/Turnover
(PBT: PAT after minority and share of associates + Tax +/- Exceptional Items)
3. Return on Average Capital Employed: EBIT/Average Capital Employed
(Capital Employed: Net worth + Minority interest + Long-term Borrowings + Current maturities of long-term borrowings + Short-term Borrowings + Deferred tax liabilities)
(EBIT: PAT after minority and share of associates + Tax +/- Exceptional Items + Net Finance Charges)
4. Return on Average Net worth: PAT after minority and share of associates/Average Net worth
(Net worth: Shareholders' funds + Preference Shares issued by subsidiary companies + Warrants issued by a subsidiary company + Hybrid Perpetual Securities +/- Foreign Currency Monetary Item Translation Difference Account)
5. Asset Turnover: Turnover/(Total Assets - Investments - Advance Against Equity - Foreign Currency Monetary Item Translation Difference Account)
6. Inventory Turnover: Average Inventory/Sale of Products in days
7. Debtors Turnover: Average Debtors/Turnover in days
8. Gross Block to Net Block: Gross Block/Net Block
(Gross Block: Cost of tangible assets + Capital work in progress + Cost of intangible assets + Intangible assets under development)
(Net Block: Gross Block - Accumulated depreciation and amortisation - Accumulated impairment)
9. Net Debt to Equity: Net Debt/Average Net Worth
(Net Debt: Long-term borrowings + Current maturities of long-term borrowings + Short-term borrowings - Current Investments - Non-current balances with banks - Cash and Bank Balances)
10. Current Ratio: Current Assets (excluding current investments)/Current Liabilities
(Current liabilities: Trade Payables + Other current liabilities + Short-term provisions - Current maturities of long-term borrowings)
11. Interest Cover Ratio: EBIT/Net Finance Charges
12. Net worth per share: Net Worth/Average Number of Equity Shares
13. Basic Earnings per share: Profit attributable to Ordinary Shareholders/Weighted average number of Ordinary Shares
14. Dividend Payout: Dividend/Profit after tax
15. P/E Ratio: Market Price/Basic Earnings per share

Production Statistics

('000 Tonnes)

Year	Iron Ore	Coal	Iron	Crude Steel	Rolled/ Forged Bars and Structurals	Plates	Sheets	Hot Rolled Coils/ Strips	Cold Rolled Coils	Railway Materials	Semi- Finished for Sale	Total Saleable Steel
1982-83	3,224	2,671	1,793	1,957	501	103	137	119	—	11	750	1,621
1983-84	3,137	3,335	1,746	1,973	488	107	129	138	—	20	744	1,626
1984-85	3,454	3,582	1,804	2,049	512	122	139	168	—	19	754	1,714
1985-86	3,184	3,739	1,752	2,094	484	108	134	169	—	18	859	1,702
1986-87	3,305	3,796	1,940	2,250	436	93	122	152	—	13	1,091	1,861
1987-88	3,237	3,793	2,018	2,275	591	99	127	155	—	13	929	1,862
1988-89	3,569	3,793	2,238	2,313	637	93	131	166	—	13	904	1,900
1989-90	3,726	3,754	2,268	2,323	553	91	117	155	—	17	1,033	1,913
1990-91	3,509	3,725	2,320	2,294	558	88	118	153	—	14	1,013	1,901
1991-92	3,996	3,848	2,400	2,415	599	92	123	170	—	9	1,045	1,978
1992-93	4,126	3,739	2,435	2,477	575	78	122	163	—	7	1,179	2,084
1993-94	4,201	3,922	2,598	2,487	561	—	124	281	—	6	1,182	2,117
1994-95	4,796	4,156	2,925	2,788	620	—	137	613	—	2	1,074	2,391
1995-96	5,181	4,897	3,241	3,019	629	—	133	1,070	—	—	869	2,660
1996-97	5,766	5,294	3,440	3,106	666	—	114	1,228	—	—	811	2,783
1997-98	5,984	5,226	3,513	3,226	634	—	60	1,210	—	—	1,105	2,971
1998-99	6,056	5,137	3,626	3,264	622	—	—	1,653	—	—	835	3,051
1999-00	6,456	5,155	3,888	3,434	615	—	—	2,057	—	—	615	3,262
2000-01	6,989	5,282	3,929	3,566	569	—	—	1,858	356	—	647	3,413
2001-02	7,335	5,636	4,041	3,749	680	—	—	1,656	734	—	566	3,596
2002-03	7,985	5,915	4,437	4,098	705	—	—	1,563	1,110	—	563	3,975
2003-04	8,445	5,842	4,466	4,224	694	—	—	1,578	1,262	—	555	4,076
2004-05	9,803	6,375	4,347	4,104	706	—	—	1,354	1,445	—	604	4,074
2005-06	10,834	6,521	5,177	4,731	821	—	—	1,556	1,495	—	679	4,551
2006-07	9,776	7,041	5,552	5,046	1,230	—	—	1,670	1,523	—	506	4,929
2007-08	10,022	7,209	5,507	5,014	1,241	—	—	1,697	1,534	—	386	4,858
2008-09	10,417	7,282	6,254	5,646	1,350	—	—	1,745	1,447	—	833	5,375
2009-10	12,044	7,210	7,231	6,564	1,432	—	—	2,023	1,564	—	1,421	6,439
2010-11	13,087	7,024	7,503	6,855	1,486	—	—	2,127	1,544	—	1,534	6,691
2011-12	13,189	7,460	7,750	7,132	1,577	—	—	2,327	1,550	—	1,514	6,970

Additional information:

Figures of total saleable steel are adjusted for:

(a) From 1985-86 and onwards - steel transferred to and produced at the Company's Tubes Division.

(b) Total saleable steel for 2003-04 includes production of the erstwhile Tata SSL Ltd., pursuant to its merger with the Company.

Financial Statistics

(₹ crores)

Year	CAPITAL ACCOUNTS						REVENUE ACCOUNTS							
	Capital	Reserves and Surplus	Borrowings	Gross Block *	Net Block	Investments	Income	Expenditure ☆	Depreciation	Profit before Tax	Tax	Profit after Tax	Net Transfer to Reserves	Dividend
1982-83	83.44	152.80	310.34	789.76	420.31	20.04	798.16	729.52	23.77	44.87	—	44.87	31.78	13.09
1983-84	72.02 ⁺	160.61	380.62	843.64	453.46	20.22	889.54	826.39	43.14	20.01	—	20.01	7.77	12.24
1984-85	72.02	230.24	398.52	911.55	451.55	103.12	1,105.02	938.33	69.95 [@]	96.74	12.00	84.74	69.62	15.12
1985-86	82.74	334.19	447.43	1,115.76	577.41	144.54	1,285.51	1,078.55	49.28	157.68	50.00	107.68	90.88	20.60
1986-87	82.63	401.05	517.83	1,299.84	708.09	130.12	1,416.39	1,259.27	57.60	99.52	12.00	87.52	66.86	20.66
1987-88	136.01	476.33	576.65	1,525.46	861.88	163.52	1,526.78	1,340.65	73.98	112.15	20.00	92.15	62.81	29.34
1988-89	156.09	645.53	611.64	1,753.13	998.71	234.44	1,861.77	1,587.74	93.69	180.34	26.00	154.34	108.17	46.17
1989-90	229.43	1,103.11	954.11	2,062.76	1,200.09	795.32	2,135.57	1,840.95	118.79	175.83	27.30	148.53	97.94	50.59
1990-91	229.89	1,194.22	1,183.75	2,703.29	1,713.79	571.86	2,330.83	1,955.67	137.03	238.13	78.00	160.13	88.79	71.34
1991-92	230.12	1,315.36	2,051.30	4,026.16	2,878.19	248.77	2,869.70	2,426.65	164.89	278.16	64.00	214.16	133.61	80.55
1992-93	278.45	1,707.94	3,039.55	5,463.13	4,107.64	170.06	3,423.33	3,094.84	215.37	127.12	—	127.12	62.30	64.82
1993-94	335.21	2,189.53	3,428.59	6,439.94	4,924.39	261.62	3,822.64	3,464.10	177.70	180.84	—	180.84	84.29	96.55
1994-95	336.87	2,351.17	3,561.24	6,962.89	5,213.48	220.65	4,649.06	4,120.01	247.93	281.12	—	281.12	162.88	118.24
1995-96	367.23	3,375.17	3,842.14	7,408.46	5,393.56	410.94	5,879.96	5,016.56	297.61	565.79	—	565.79	408.82	156.97
1996-97	367.38	3,606.64	4,082.65	7,850.82	5,526.40	664.90	6,409.43	5,540.39	326.83	542.21	73.00	469.21	286.98	182.23 [#]
1997-98	367.56	3,697.32	4,579.14	8,948.52	6,300.04	623.45	6,516.58	5,810.02	343.23	363.33	41.25	322.08	160.10	161.98 [#]
1998-99	367.97	3,796.45	4,938.93	10,032.17	7,058.58	585.44	6,335.60	5,638.19	382.18	315.23	33.00	282.23	118.94	163.29 [#]
1999-00	517.97	4,040.43	4,907.23	10,668.33	7,426.38	803.10	6,943.33	6,040.20	426.54	476.59	54.00	422.59	250.69	171.90 [#]
2000-01	507.97	4,380.46	4,672.22	11,258.17	7,538.09	846.92	7,810.05	6,715.36	492.25	602.44	49.00	553.44	335.83	217.61 [#]
2001-02	367.97	3,077.99	4,705.48	11,742.44	7,543.70	912.74	7,682.70	6,906.95	524.75	251.00	46.10	204.90	55.51	149.39 [#]
2002-03	369.18	2,816.84	4,225.61	12,393.79	7,543.80	1,194.55	9,843.66	8,025.68	555.48	1,262.50	250.19	1,012.31	679.30	333.01 [#]
2003-04	369.18	4,146.68	3,382.21	13,269.47	7,857.85	2,194.12	12,069.62	8,778.55	625.11	2,665.96	919.74	1,746.22	1,329.97	416.25 [#]
2004-05	553.67	6,506.25	2,739.70	14,957.73	9,112.24	2,432.65	16,053.48	10,137.42	618.78	5,297.28	1,823.12	3,474.16	2,652.79	821.37 [#]
2005-06	553.67	9,201.63	2,516.15	16,470.71	9,865.05	4,069.96	17,398.98	11,383.92	775.10	5,239.96	1,733.58	3,506.38	2,685.95	820.43 [#]
2006-07	727.73	13,368.42	9,645.33	18,426.52	11,040.56	6,106.18	20,196.24	13,115.30	819.29	6,261.65	2,039.50	4,222.15	3,117.82	1,104.33 [#]
2007-08	6,203.30	21,097.43	18,021.69	20,746.57	12,623.56	4,103.19	22,526.80	14,625.83	834.61	7,066.36	2,379.33	4,687.03	3,293.48	1,393.55 [#]
2008-09	6,203.45	23,972.81	26,946.18	23,444.22	14,482.22	42,371.78	27,152.00	18,862.99	973.40	7,315.61	2,113.87	5,201.74	3,709.24	1,492.50 [#]
2009-10	887.41	36,074.39	25,239.20	26,043.59	16,006.03	44,979.67	27,611.59	19,314.11	1,083.18	7,214.30	2,167.50	5,046.80	4,168.35	878.45 [#]
2010-11	2,637.61	45,807.02	28,301.12	22,719.96	11,805.10	46,564.94	33,078.59	22,155.55	1,146.19	9,776.85	2,911.16	6,865.69	5,553.38	1,307.77 [#]
2011-12	3,246.41	51,649.94	26,172.25	23,352.43	11,366.27	50,282.52	38,403.15	27,394.36	1,151.44	9,857.36	3,160.93	6,696.42	5,176.08	1,347.03[#]

+ Excluding Preference Shares which have been cancelled with effect from 1-4-1983 and Non-Convertible Bonds issued in lieu thereof.

@ Including ₹ 15.05 crores additional depreciation for 1983-84.

Including tax on dividend.

* Gross block is net of impairment, if any.

☆ Expenditure includes excise duty recovered on sales.

Dividend Statistics

Year	First Preference (₹ 150)		Second Preference (₹ 100)			Ordinary (₹ 100 upto 1988-89 and ₹ 10 from 1989-90) °			Total ₹ lakhs
	Rate ₹	Dividend ₹ lakhs	Rate ₹	Dividend @ ₹ lakhs	Tax on dividend ₹ lakhs	Rate ₹	Dividend @ ₹ lakhs	Tax on dividend ₹ lakhs	
1982-83	9.00	4.50	7.50	79.89	—	17.00	1,224.28	—	1,308.67
1983-84	—	—	—	—	—	17.00	1,224.28	—	1,224.28
1984-85	—	—	—	—	—	21.00	1,512.34	—	1,512.34
1985-86	—	—	—	—	—	25.00	2,059.43	—	2,059.43
1986-87	—	—	—	—	—	25.00	2,065.72	—	2,065.72
1987-88	—	—	—	—	—	25.00 ^a	2,934.29	—	2,934.29
1988-89	—	—	—	—	—	30.00 ^b	4,616.74	—	4,616.74
1989-90	—	—	—	—	—	3.00 ^{c, d}	5,059.30	—	5,059.30
1990-91	—	—	—	—	—	3.10	7,134.23	—	7,134.23
1991-92	—	—	—	—	—	3.50	8,054.78	—	8,054.78
1992-93	—	—	—	—	—	2.50 ^e	6,482.21	—	6,482.21
1993-94	—	—	—	—	—	3.00 ^f	9,655.44	—	9,655.44
1994-95	—	—	—	—	—	3.50 ^g	11,823.94	—	11,823.94
1995-96	—	—	—	—	—	4.50 ^h	15,697.11	—	15,697.11
1996-97	—	—	—	—	—	4.50	18,222.25	1,656.57	18,222.25
1997-98	—	—	—	—	—	4.00	16,198.05	1,472.55	16,198.05
1998-99	—	—	—	—	—	4.00	16,329.05	1,618.19	16,329.05
1999-00	—	—	9.25	860.80	85.30	4.00	16,329.07	1,618.20	17,189.87
2000-01	—	—	— ^{i, j}	1,496.58 ^{i, j}	275.88	5.00	20,264.09	1,875.50	21,760.67
2001-02	—	—	8.42	228.33	21.13	4.00	14,710.88	—	14,939.21
2002-03	—	—	—	—	—	8.00	33,299.88	3,781.33	33,299.88
2003-04	—	—	—	—	—	10.00	41,625.77	4,727.58	41,625.77
2004-05	—	—	—	—	—	13.00	82,137.22	10,185.74	82,137.22
2005-06	—	—	—	—	—	13.00	82,042.66	10,092.00	82,042.66
2006-07	—	—	—	—	—	15.50	1,10,432.51	16,041.72	1,10,432.51
2007-08	—	—	0.41	2,596.11	377.12 ^k	16.00	1,36,759.54	19,866.05	1,39,355.65
2008-09	—	—	2.00	12,805.48	1,860.16	16.00	1,36,443.72	19,549.31	1,49,249.20
2009-10	—	—	2.00	5,367.78	779.74	8.00	82,477.15	11,500.02	87,844.93
2010-11	—	—	—	—	—	12.00	1,30,777.35	15,671.62	1,30,777.35
2011-12	—	—	—	—	—	12.00	1,34,703.22	18,157.49	1,34,703.22

a Including on Bonus Shares issued during the year.

b On the Capital as increased by Rights Issue of Ordinary Shares during 1987-88.

c The Ordinary Shares of ₹ 100 each have been sub-divided into Ordinary Shares of ₹ 10 each during 1989-90 and the rate of Dividend is per Ordinary Share of ₹ 10 each.

d On the Capital as increased by shares allotted on Conversion of Convertible Debentures.

e On the Capital as increased by Rights Issue of Ordinary Shares during 1992-93.

f On the Capital as increased by Ordinary Shares issued during 1993-94 against Detachable Warrants.

g On the Capital as increased by Ordinary Shares issued during 1994-95 against Detachable Warrants and Foreign Currency Convertible Bonds.

h On the Capital as increased by Ordinary Shares issued during 1995-96 against Detachable Warrants, Foreign Currency Convertible Bonds and Naked Warrants.

i Includes Dividend of ₹ 22.30 lakhs on 9.25% Cumulative Redeemable Preference Shares for the period 1st April, 2000 to 27th June, 2000.

j Includes Dividend of ₹ 1,198.40 lakhs on 8.42% Cumulative Redeemable Preference Shares for the period 1st June, 2000 to 31st March, 2001.

k Dividend paid for 74 days.

° Includes tax on dividend.

Auditors' Report

TO THE MEMBERS OF
TATA STEEL LIMITED

1. We have audited the attached Balance Sheet of TATA STEEL LIMITED ("the Company") as at 31 March, 2012, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) we have 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

MUMBAI, 18 May, 2012

Annexure to the Auditors' Report

[Referred to in paragraph (3) of our report of even date]

- (i) Having regard to the nature of the Company's business/activities/result, clauses (x), (xii), (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of 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 explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished and semi-finished goods and raw materials at Works, Mines and Collieries were physically verified during the year by the Management. In respect to stores and spare parts and stocks at stockyards and with consignment/conversion agents, the Company has a programme of verification of stocks over a three year period. In our opinion, having regard to the nature and location of the stocks, the frequency of verification is reasonable. In case of materials lying with third parties, certificates confirming stocks have been received for stocks held.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans aggregating Rs.167.22 crores to one party during the year. At the year-end, there is no balance outstanding and the maximum amount involved during the year was Rs. 3,720.38 crores.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have been regular/as per stipulations.
 - (d) There were no loans outstanding as at the year-end, and therefore clause (iii) (d) of paragraph 4 of CARO is not applicable.

The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses (iii) (e) to (iii) (g) of paragraph 4 of CARO are not applicable.

- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. 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.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Company intends to obtain exemption from operations of Employees' State Insurance Act at all locations and necessary steps have been taken by the Company. We are also informed that actions taken by the authorities at some locations to bring the employees of the Company under the Employees' State Insurance Scheme has been contested by the Company and full payment has not been made of the contributions demanded.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2012 for a period of more than six months from the date they became payable, except for collection of sales tax which we are informed are refundable to customers because they have been collected in excess or which have been collected pending receipt of necessary certificates from the customers.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31 March, 2012 on account of disputes are given below:

Name of the Statute (Nature of dues)	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in crores)
Customs Act	Supreme Court	1990-91, 1993-94	9.68
	High Court	2002-03	0.03
	Commissioner	1993-94	3.92
Central Excise Act	Supreme Court	2004-05	235.48
	High Court	1988-90, 2000-01, 2003-09	14.54
	Tribunal	1990-91, 1992-93, 1996-1997, 1998-2012	271.56
	Commissioner	1988-90, 1993-94 to 2011-2012	28.53
	Deputy Commissioner	1985-87, 1998-99	0.18
	Assistant Commissioner	1982-84 to 2005-06	0.85

Name of the Statute (Nature of dues)	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in crores)
Sales Tax	Supreme Court	2006 to 2012	25.73
	High Court	1973-74, 1991-93, 1994-97, 1999-2000 to 2005-06, 2007-08 to 2009-2010	105.70
	Tribunal	1980-82, 1984-85, 1987-88, 1989-96, 1997-2008	59.93
	Commissioner	1983-95, 1998-99 to 2008-09	245.99
	Deputy Commissioner	1975-76, 1977-80, 1981-86, 1995-96 to 2008-09	62.83
	Assistant Commissioner	1973-74, 1980-81, 1983-84 to 1997-99, 2000-01 to 2009-12	52.22
Cess on Royalty, education, welfare etc.	High Court	1956-94, 1999-2002, 2003-06, 2007-2011	7.66

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued unsecured debentures which did not require creation of any charge or security.
- (xvii) The Management has disclosed the end use of money raised by public issue during the previous year, in Note 2 to the financial statements and we have verified the same.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

MUMBAI, 18 May, 2012

Tata Steel Limited

Balance Sheet as at 31st March, 2012

Note	Page		₹ crores	As at 31.03.2011 ₹ crores
		EQUITY AND LIABILITIES		
		(1) SHAREHOLDERS' FUNDS		
2	148	(a) Share Capital	971.41	959.41
3	151	(b) Reserves and Surplus	51,649.95	45,807.02
		(c) Money received against share warrants	—	178.20
			52,621.36	46,944.63
4	152	(2) HYBRID PERPETUAL SECURITIES	2,275.00	1,500.00
		(3) NON-CURRENT LIABILITIES		
5	152	(a) Long-term borrowings	21,353.20	24,499.05
6	154	(b) Deferred tax liabilities (net)	970.51	936.80
7	154	(c) Other long-term liabilities	216.05	373.88
8	155	(d) Long-term provisions	1,851.30	2,201.47
			24,391.06	28,011.20
		(4) CURRENT LIABILITIES		
5	152	(a) Short-term borrowings	65.62	149.13
9	155	(b) Trade payables	5,973.23	4,464.81
10	155	(c) Other current liabilities	8,798.55	6,262.10
8	155	(d) Short-term provisions	2,066.24	2,219.85
			16,903.64	13,095.89
			96,191.06	89,551.72
		ASSETS		
		(5) NON-CURRENT ASSETS		
		(a) Fixed Assets		
11	156	(i) Tangible assets	11,142.36	11,532.58
		(ii) Capital work-in-progress	16,058.49	5,612.28
12	157	(iii) Intangible assets	223.90	272.52
			27,424.75	17,417.38
13	158	(b) Non-current investments	49,078.35	43,565.15
14	162	(c) Foreign currency monetary item translation difference account	404.90	—
15	162	(d) Long-term loans and advances	6,415.80	10,453.41
16	163	(e) Other non-current assets	2.76	2.76
			83,326.56	71,438.70
		(6) CURRENT ASSETS		
17	163	(a) Current investments	1,204.17	2,999.79
18	164	(b) Inventories	4,858.99	3,953.76
19	164	(c) Trade receivables	904.08	424.02
20	164	(d) Cash and bank balances	3,946.99	4,138.78
15	162	(e) Short-term loans and advances	1,828.09	6,458.94
21	165	(f) Other current assets	122.18	137.73
			12,864.50	18,113.02
			96,191.06	89,551.72
1-48	146	Notes to Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA Chairman
B MUTHURAMAN Vice Chairman

S M PALIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
JACOBUS SCHRAVEN
ANDREW ROBB
KARL-ULRICH KOEHLER } Directors

H M NERURKAR Managing Director

Statement of Profit and Loss for the year ended 31st March, 2012

Note	Page		₹ crores	Previous Year ₹ crores
		(1) REVENUE		
22	165	(a) Revenue from operations	37,005.71	31,902.14
		Less: Excise duty	<u>3,072.25</u>	<u>2,505.79</u>
			33,933.46	29,396.35
23	166	(b) Other Income	<u>886.43</u>	<u>528.36</u>
		TOTAL REVENUE	34,819.89	29,924.71
		(2) EXPENSES		
24	166	(a) Raw materials consumed	8,014.37	6,244.01
25	166	(b) Purchase of finished, semi-finished and other products	209.52	180.20
26	167	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(220.72)	(173.65)
27	167	(d) Employee benefits expense	3,047.26	2,837.46
28	168	(e) Depreciation and amortisation expense	1,151.44	1,146.19
29	168	(f) Finance costs	1,925.42	1,735.70
30	168	(g) Other expenses	<u>11,824.49</u>	<u>9,024.82</u>
			25,951.78	20,994.73
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	<u>478.23</u>	<u>198.78</u>
		TOTAL EXPENSES	25,473.55	20,795.95
		(3) PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	9,346.34	9,128.76
31	169	(4) EXCEPTIONAL ITEM		
		(a) Profit on sale of non-current investments	<u>511.01</u>	<u>648.09</u>
		(5) PROFIT BEFORE TAX	9,857.35	9,776.85
		(6) TAX EXPENSE		
		(a) Current tax	3,115.11	2,857.00
		(b) Deferred tax (Note 6, Page 154)	<u>45.82</u>	<u>54.16</u>
			3,160.93	2,911.16
		(7) PROFIT AFTER TAX	6,696.42	6,865.69
32	169	(8) BASIC EARNINGS PER SHARE (₹)	67.84	75.63
32	169	(9) DILUTED EARNINGS PER SHARE (₹)	66.62	70.99
1-48	146	Notes to Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
S M PALIA	} Directors
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	
KARL-ULRICH KOEHLER	} Managing Director
H M NERURKAR	

Cash Flow Statement for the year ended 31st March, 2012

	₹ crores	Year Ended 31.03.2011 ₹ crores
A. Cash Flow from Operating Activities:		
Net Profit before tax	9,857.35	9,776.85
Adjustments for:		
Depreciation and amortisation expense	1,151.44	1,146.19
Impairment of fixed assets	6.90	20.23
(Profit)/Loss on sale of assets/discarded assets written off	52.98	0.62
Profit on sale of non-current investments	(511.01)	(648.09)
(Gain)/Loss on cancellation of forwards, swaps and options	41.92	(50.54)
Interest and income from current investments	(863.83)	(385.78)
Income from other investments	(117.50)	(92.66)
Finance costs	1,925.42	1,735.70
Provision for wealth tax	1.70	1.28
Exchange (Gain)/Loss on revaluation of foreign currency loans and swaps	283.59	(263.70)
	1,971.61	1,463.25
Operating Profit before Working Capital Changes	11,828.96	11,240.10
Adjustments for:		
Trade and other receivables	1,425.86	(103.01)
Inventories	(905.23)	(876.01)
Trade payables and other liabilities	1,205.36	948.20
	1,725.99	(30.82)
Cash Generated from Operations	13,554.95	11,209.28
Direct tax paid	(3,298.48)	(2,870.28)
Net Cash Flow from Operating Activities	10,256.47	8,339.00
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(7,059.20)	(4,118.58)
Sale of fixed assets	9.19	387.42
Purchase of non-current investments	(55.36)	(180.30)
Purchase of investments in subsidiaries ⁽³⁾	(2,541.97)	(5,312.05)
Sale of non-current investments	-	719.55
Sale of investments in subsidiaries	576.10	-
(Purchase)/Sale of current investments (net)	2,226.19	(1,129.75)
Inter-corporate deposits/Shareholder loan given	(585.93)	(7,667.09)
Refund of inter-corporate deposits/shareholders' loan	4,006.87	3,959.70
Interest and income from current investments received	447.50	163.58
Dividend received	117.50	92.66
Net Cash used in Investing Activities	(2,859.11)	(13,084.86)

Cash Flow Statement for the year ended 31st March, 2012

	₹ crores	Year Ended 31.03.2011 ₹ crores
C. Cash Flow from Financing Activities:		
Issue of Equity Share Capital	534.60	4,368.01
Issue of Share Warrants	—	178.20
Capital contributions received	1.52	0.33
Proceeds from Hybrid Perpetual Securities	775.00	1,500.00
Proceeds from borrowings	2,317.43	6,412.04
Repayment of borrowings	(8,212.56)	(4,257.64)
Amount received/(paid) on cancellation of forwards, swaps and options	(31.82)	34.61
Expenses on issue of equity instruments	(16.79)	(98.52)
Distribution on Hybrid Perpetual Securities	(222.47)	—
Interest paid ⁽²⁾	(1,593.20)	(1,776.27)
Dividend paid	(1,151.06)	(709.77)
Net Cash from Financing Activities	(7,599.35)	5,650.99
Net increase/(decrease) in Cash and Cash equivalents (A + B + C)	(201.99)	905.13
Opening Cash and Cash equivalents [Note 20, Page 164]	(4) 4,102.52	3,191.29
Closing Cash and Cash equivalents [Note 20, Page 164]	3,900.53	4,096.42

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 284.49 crores (2010-11: ₹ 81.77 crores).
- (3) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the year and includes application money on investments ₹ 981.18 crores (2010-11: ₹ 5,307.34 crores).
- (4) Includes ₹ 6.10 crores of Centennial Steel Company Ltd. on amalgamation with the Company (Note 38, Page 173).
- (5) Previous year figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA *Chairman*
B MUTHURAMAN *Vice Chairman*

S M PALIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
JACOBUS SCHRAVEN
ANDREW ROBB
KARL-ULRICH KOEHLER
H M NERURKAR *Managing Director*

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS**1. ACCOUNTING POLICIES****(a) Basis for Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

During the year, Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its financial statements. The Company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

(b) Revenue Recognition

- (i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.
- (ii) Revenue from services rendered is recognised on pro-rata basis in proportion to the stage of completion of the related transaction.
- (iii) Export incentive under various schemes notified by the Government has been recognised on the basis of credits afforded in the pass book/amount received.

(c) Employee Benefits

- (i) 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 employee has rendered services.
- (ii) Post employment benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate.
- (iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yield on government bonds, as on the date of balance sheet.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Statement of Profit and Loss.
- (v) In respect of the Employee Separation Scheme, the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Statement of Profit and Loss.

(d) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised 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 lives are amortised on a straight-line basis over their estimated useful lives.

(f) Depreciation and Amortisation

- (i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.
- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. However, asset value upto ₹ 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset are as under:
 - (a) Buildings and Roads — 30 to 62 years
 - (b) Plant and Machinery — 3 to 30 years
 - (c) Railway Sidings — 21 years
 - (d) Vehicles and Aircraft — 5 to 18 years

- (e) Furniture, Fixtures and Office Equipments — 5 years
- (f) Intangibles (Computer Softwares) — 5 to 10 years
- (g) Development of property for development of mines and collieries are depreciated over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
- (h) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
- (i) Freehold land is not depreciated.
- (j) Leasehold land and other leasehold assets are amortised over the life of the lease.

(g) 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.

(h) Foreign Currency Transactions

Foreign Currency Transactions (FCT) and forward exchange contracts entered into to hedge FCT are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities denominated in foreign currency and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

The differences in translation and settlement of FCT and forward exchange contracts used to hedge FCT (excluding the long-term foreign currency monetary items accounted in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009 as amended on 29th December, 2011) are recognised in the Statement of Profit and Loss. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Statement of Profit and Loss.

Exchange differences relating to monetary items that are in substance forming part of the Company's net investment in non integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.

(i) Investments

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

(j) Inventories

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realisable value.

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

Coal, iron ore and other raw materials produced and purchased by the Company are carried at lower of cost and net realisable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of inventories is generally ascertained on the 'weighted average' basis. Work-in-progress and finished and semi-finished products are valued on full absorption cost basis.

(k) Relining Expenses

Relining expenses other than expenses on blast furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(l) Research and Development

Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(m) Deferred Tax

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.

2. SHARE CAPITAL

(Item No. 1(a), Page 142)

	₹ crores	As at 31.03.2011 ₹ crores
Authorised:		
1,75,00,00,000 Ordinary Shares of ₹ 10 each <i>(31.03.2011: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)</i>	1,750.00	1,750.00
35,00,00,000 "A" Ordinary Shares of ₹ 10 each <i>(31.03.2011: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)</i>	350.00	350.00
2,50,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each <i>(31.03.2011: 2,50,00,000 Shares of ₹ 100 each)</i>	250.00	250.00
60,00,00,000 Cumulative Convertible Preference Shares of ₹ 100 each <i>(31.03.2011: 60,00,00,000 Shares of ₹ 100 each)</i>	6,000.00	6,000.00
	8,350.00	8,350.00
Issued:		
97,21,26,020 Ordinary Shares of ₹ 10 each <i>(31.03.2011: 96,01,26,020 Ordinary Shares of ₹ 10 each)</i>	972.13	960.13
Subscribed and Paid up:		
97,12,14,450 Ordinary Shares of ₹ 10 each fully paid up <i>(31.03.2011: 95,92,14,450 Ordinary Shares of ₹ 10 each)</i>	971.21	959.21
Add: Amount paid up on 3,89,516 Ordinary Shares forfeited <i>(31.03.2011: 3,89,516 Ordinary Shares of ₹ 10 each)</i>	0.20	0.20
	971.41	959.41

Additional information:

(1) The movement in subscribed and paid up share capital is set out below:

Ordinary Shares of ₹ 10 each			As at 31.03.2011	
	No. of shares	₹ crores	No. of shares	₹ crores
At beginning of the year	95,92,14,450	959.21	88,72,14,196	887.21
Shares allotted during the year	1,20,00,000^(a)	12.00	7,20,00,254 ^(b)	72.00
	97,12,14,450	971.21	95,92,14,450	959.21

- (a) **1,20,00,000** Ordinary Shares of face value of ₹ 10 per share were allotted on 20th January, 2012 to Tata Sons Limited on preferential basis on conversion of warrants at a price of ₹ 594 per share.
- (b) (i) **1,50,00,000** Ordinary Shares of face value ₹ 10 per share were allotted on 23rd July, 2010 to Tata Sons Limited on preferential basis at price of ₹ 594 per share.

- (ii) 5,70,00,000 Ordinary Shares of face value of ₹ 10 per share were allotted on 29th January, 2011 in the Follow-on Public Offer vide prospectus dated 25th January, 2011 at a price of ₹ 610 per share. The proceeds of the issue have been utilised as under:

Object of the issue	Actual	
	₹ crores	As at 31.03.2011 ₹ crores
Gross Proceeds of the issue	3,477.00	3,477.00
Utilisation of funds		
Part finance the capital expenditure for expansion of the Company's existing works at Jamshedpur	1,875.00	—
Payment of redemption amounts on maturity of certain redeemable non-convertible debentures issued by the Company on a private placement basis	1,090.00	—
General corporate purposes	390.30	—
Issue related expenses	121.70	57.12
	3,477.00	57.12
Unutilised amount represented by:		
Investments in Mutual Funds	409.74	1,014.27
Deposits with banks	—	2,400.00
Bank balance	—	5.61
	3,477.00	3,477.00

- (iii) 146 Ordinary Shares of face value of ₹ 10 per share allotted on 3rd March, 2011 at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.
- (iv) 108 Ordinary Shares of face value of ₹ 10 per share allotted on 3rd March, 2011 at a premium of ₹ 590 per share to holders of CCPS in the ratio of 6:1 on conversion whose shares were kept in abeyance in the Rights issue made in 2007.
- (c) The balance Ordinary Shares kept in abeyance are **3,07,807** (31.03.2011: 3,07,807) in respect of rights issue of 2007.

- (2) Shareholders holding more than 5 percent shares in the Company:

Name of shareholders	No. of Ordinary Shares		As at 31.03.2011	
	No. of Ordinary Shares	%	No. of Ordinary Shares	%
(a) Tata Sons Limited	28,88,98,245	29.75	27,34,22,790	28.51
(b) Life Insurance Corporation of India Limited	14,57,09,733	15.00	13,06,13,514	13.62

- (3) Particulars of securities convertible into Ordinary Shares:

- (a) In November 2009, the Company had issued 5,469.35 numbers of 4.5% Foreign Currency Convertible Bonds (FCCBs) aggregating to USD 546.935 million. These represent **4,21,12,300** (31.03.2011: 4,19,60,304) underlying shares and are convertible at any time on or after 31st December, 2009 and upto 11th November, 2014 by the holders of such FCCBs at a conversion price of ₹ **602.1022** per share (31.03.2011: ₹ 604.2832 per share) and at a fixed USD/INR conversion rate of 46.36.
- (b) In September 2007, the Company had issued 3,820 numbers of 1% Convertible Alternative Reference Securities (CARS) aggregating to USD 382 million. These represent **2,10,47,371** (31.03.2011: 2,10,15,711) underlying shares and are convertible at any time on or after 4th September, 2011 and upto 3.00 p.m. on 6th August, 2012 at the option of the holders at a conversion price of ₹ **730.5188** per share (31.03.2011: ₹ 731.6193 per share) and at a fixed USD/INR conversion rate of 40.25.

Changes to premium payable on account of exchange fluctuation is transferred to "Foreign Currency Monetary Item Translation Difference Account" in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by the Government of India on 31st March, 2009 (as amended on 29th December, 2011). Such exchange fluctuation on the premium payable is amortised over the balance period

of CARS, by adjusting the same to securities premium reserve. Accordingly, an amount of ₹ 25.22 crores (net of deferred tax ₹ 12.11 crores) [2010-11: ₹ 2.07 crores (net of deferred tax ₹ 3.57 crores)] has been adjusted against securities premium reserve on account of amortisation.

- (4) (a) **3,867** Shares (31.03.2011: 3,867) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 1994. Each GDR represents one underlying Ordinary Share.
- (b) **1,80,87,222** Shares (31.03.2011: 2,39,13,921) of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 2010. Each GDR represents one underlying Ordinary Share.
- (5) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principle rights are as follows:

A. Ordinary Shares of ₹ 10 each

The Company has only one class of share capital namely Ordinary Shares having a face value of ₹ 10 per share.

- (a) In respect of every Ordinary Share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such Ordinary Share bears to the total paid up ordinary capital of the Company.
- (b) 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.
- (c) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

B. 'A' Ordinary Shares of ₹ 10 each

- (a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:
- in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.
 - in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares.
- (ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such Shares including in relation to any scheme under Sections 391 to 394 of the Act.
- (b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

C. Preference Shares

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹ 100 per share.

- (a) Such Shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid up or credited as paid up thereon.
- (b) Such Shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.
- (c) The holders of such Shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof 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.
- (d) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

3. RESERVES AND SURPLUS

(Item No. 1(b), Page 142)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Capital Reserve		
Balance as per last account	1.49	1.49
(b) Capital Redemption Reserve		
Balance as per last account	0.83	0.83
(c) Securities Premium Reserve		
Balance as per last account	18,211.72	14,032.80
Amount received on conversion of CCPS	–	0.01
Amount received on follow on public issue of equity shares	–	3,420.00
Amount received on preferential issue of equity shares	–	876.00
Amount received on conversion of Warrants	700.80	–
Expenses related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	(9.39)	(115.02)
Exchange difference on redemption premium of CARS	(25.22)	(2.07)
	18,877.91	18,211.72
(d) Debenture Redemption Reserve		
Balance as per last account	2,046.00	1,046.00
Amount transferred from Statement of Profit and Loss	–	1,000.00
	2,046.00	2,046.00
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	44.74	44.41
Received during the year	1.52	0.33
	46.26	44.74
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) General Reserve		
Balance as per last account	8,747.06	8,060.49
Amount transferred from Statement of Profit and Loss	669.64	686.57
	9,416.70	8,747.06
(l) Surplus in the Statement of Profit and Loss		
Balance as per last account	16,639.46	12,772.65
Balance of Centennial Steel Company Limited on amalgamation (Note 38, Page 173)	(0.87)	–
Profit for the year	6,696.42	6,865.69
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 83.24 crores (2010-11: ₹ 2.25 crores)]	(173.30)	(4.54)
Proposed dividend (Note 46, Page 187)	(1,165.46)	(1,151.06)
Tax on dividend	(181.57)	(156.71)
Transfer to General Reserve	(669.64)	(686.57)
Transfer to Debenture Redemption Reserve	–	(1,000.00)
	21,145.04	16,639.46
	51,649.95	45,807.02

4. HYBRID PERPETUAL SECURITIES

(Item No. 2, Page 142)

Hybrid Perpetual Securities

₹ crores	<i>As at</i> 31.03.2011 ₹ crores
2,275.00	<u>1,500.00</u>
2,275.00	<u>1,500.00</u>

Additional information:

- (1) The Company has issued Hybrid Perpetual Securities of ₹ 775 crores and ₹ 1,500 crores in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on the securities, which may be deferred at the option of the Company if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument, are 11.50% p.a. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are not classified as 'debt'.

5. BORROWINGS

(Item No. 3(a) and 4(a), Page 142)

	₹ crores			<i>As at 31.03.2011</i>		
	Long Term	Short Term	Total	Long Term	Short Term	Total
A. Secured Borrowings						
(a) Term loans						
(i) From financial institutions and others ^{(1)(a)}	1,915.47	-	1,915.47	1,860.05	-	1,860.05
(b) Repayable on demand						
(i) From banks ^{(1)(b)}	-	-	-	-	149.13	149.13
	<u>1,915.47</u>	<u>-</u>	<u>1,915.47</u>	<u>1,860.05</u>	<u>149.13</u>	<u>2,009.18</u>
B. Unsecured Borrowings						
(a) Bonds/Debentures ^{(2)(a)}						
(i) Non-convertible debentures	7,328.40	-	7,328.40	7,094.62	-	7,094.62
(ii) 1% Convertible Alternative Reference Securities	-	-	-	2,101.16	-	2,101.16
(iii) 4.5% Foreign Currency Convertible Bonds	2,782.81	-	2,782.81	2,439.06	-	2,439.06
(b) Term loans						
(i) From banks ^{(2)(b)}	8,473.72	-	8,473.72	10,151.36	-	10,151.36
(ii) From financial institutions and others ^{(2)(c)}	849.00	-	849.00	849.00	-	849.00
(c) Deferred payment liabilities ^{(2)(d)}	3.80	-	3.80	3.80	-	3.80
(d) Other loans	-	65.62	65.62	-	-	-
	<u>19,437.73</u>	<u>65.62</u>	<u>19,503.35</u>	<u>22,639.00</u>	<u>-</u>	<u>22,639.00</u>
	<u>21,353.20</u>	<u>65.62</u>	<u>21,418.82</u>	<u>24,499.05</u>	<u>149.13</u>	<u>24,648.18</u>

Additional information:

- (1) Details of outstanding secured borrowings are as follows:

- (a) Represents loan from Joint Plant Committee – Steel Development Fund which includes funded interest ₹ 316.13 crores (31.03.2011: ₹ 280.06 crores). It is repayable in 16 equal semi-annual installments after completion of 4 years from the date of receipt of the last tranche.

It is secured by mortgages, ranking pari passu inter se, on all present and future fixed assets, excluding land and buildings mortgaged in favour of Government of India for constructing a hostel for trainees at Jamshedpur and setting up a dispensary and a clinic at collieries, land and buildings, plant and machinery and movables of the Tubes division and the Bearings division mortgaged in favour of the financial institutions and banks, assets of the Ferro Alloys Plant at Bamnival mortgaged

in favour of State Bank of India and assets of Cold Rolling Complex (West) at Tarapur and a floating charge on other properties and assets (excluding investments) of the Company, subject to the prior floating charge in favour of banks under item A (b).

The Company has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is sub-judice.

Loan from the Joint Plant Committee-Steel Development Fund includes ₹ **1,411.84** crores (*31.03.2011: ₹ 1,317.49 crores*) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction is not secured by charge on movable assets of the Company.

- (b) Loan from banks repayable on demand are secured by hypothecation of stocks, stores and book debts, ranking in priority to the floating charge under item A (a).
- (2) Terms of repayment of outstanding unsecured borrowings are as follows:
- (a) Bonds/Debentures
- (i) 10.25% p.a. interest bearing 25,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 6th January, 2029.
 - (ii) 10.25% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 22nd November, 2028.
 - (iii) 11.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 19th May, 2019.
 - (iv) 10.40% p.a. interest bearing 6,509 debentures of face value ₹ 10,00,000 each are redeemable at par on 15th May, 2019.
 - (v) 10.20% p.a. interest bearing 6,200 debentures of face value ₹ 10,00,000 each are redeemable on 7th May, 2015.
 - (vi) 12.50% p.a. interest bearing 12,500 debentures of face value ₹ 10,00,000 each are redeemable in 3 equal annual installments commencing from 19th November, 2014.
- (b) Term loans from banks
- (i) GBP 100 million equivalent to ₹ **815.05** crores (*31.03.2011: GBP 100 million equivalent to ₹ 717.02 crores*) loan is repayable on 4th April, 2015.
 - (ii) USD 335 million equivalent to ₹ **1,704.48** crores (*31.03.2011: USD 335 million equivalent to ₹ 1,493.93 crores*) loan is repayable on 10th June, 2015.
 - (iii) Euro 5.82 million equivalent to ₹ **39.52** crores (*31.03.2011: Euro 6.30 million equivalent to ₹ 43.02 crores*) loan is repayable in 12 equal semi-annual installments; the next installment is due on 2nd May, 2012.
 - (iv) Euro 32.85 million equivalent to ₹ **223.11** crores (*31.03.2011: Euro 35.20 million equivalent to ₹ 237.92 crores*) loan is repayable in 14 equal semi-annual installments; the next installment is due on 2nd July, 2012.
 - (v) Euro 54.04 million equivalent to ₹ **367.03** crores (*31.03.2011: Euro 10.58 million equivalent to ₹ 67.08 crores*) loan is repayable in 20 equal semi-annual installments commencing from 6th July, 2012.
 - (vi) Euro 183.01 million equivalent to ₹ **1,243.03** crores (*31.03.2011: Euro Nil million equivalent to ₹ Nil crores*) loan is repayable in 20 equal semi-annual installments commencing from 31st October, 2012.
 - (vii) JPY 71,598 million equivalent to ₹ **4,437.64** crores (*31.03.2011: JPY 89,497.50 million equivalent to ₹ 4,819.44 crores*) syndicated loan is repayable in 4 equal semi-annual installments; the next installment is due on 11th April, 2012.
 - (viii) Indian rupee loan amounting ₹ **1,500.00** crores (*31.03.2011: ₹ 2,500.00 crores*) is repayable on 28th July, 2013.
 - (ix) Indian rupee loan amounting ₹ **500.00** crores (*31.03.2011: ₹ Nil*) is repayable in 9 semi-annual installments commencing from 30th April, 2013.
- (c) Term loans from financial institutions and others
- (i) Indian rupee loan amounting ₹ **650.00** crores (*31.03.2011: ₹ 650.00 crores*) is repayable on 16th June, 2019.
 - (ii) Indian rupee loan amounting ₹ **199.00** crores (*31.03.2011: ₹ 199.00 crores*) is repayable on 30th June, 2016.
- (d) Deferred payment liabilities amounting ₹ **3.80** crores (*31.03.2011: ₹ 3.80 crores*) is payable in 10 annual installments (first 5 installments are of ₹ 0.09 crores each and next 5 installments are of ₹ 0.67 crores each) commencing from 29th December, 2014.

6. DEFERRED TAX LIABILITIES (NET)

(Item No. 3(b), Page 142)

	<i>Deferred tax (asset)/liability as at 01.04.2011 ₹ crores</i>	Current year charge/ (credit) ₹ crores	Deferred tax (asset)/liability as at 31.03.2012 ₹ crores
Deferred Tax Liabilities			
(a) Differences in depreciation and amortisation for accounting and income tax purposes	1,955.71	(45.66)	1,910.05
(b) Prepaid expenses	106.16	(28.43)	77.73
	<u>2,061.87</u>	<u>(74.09)</u>	<u>1,987.78</u>
Deferred Tax Assets			
(a) Employee separation compensation	(441.82)	44.95	(396.87)
(b) Wage provision	(124.59)	124.59	-
(c) Provision for doubtful debts and advances	(31.80)	1.76	(30.04)
(d) Disallowance under Section 43B of IT Act	(161.27)	(20.80)	(182.07)
(e) Provision for leave salary	(136.84)	(20.16)	(157.00)
(f) Provision for employee benefits	(67.31)	-	(67.31)
(g) Loan prepayment charges	-	(4.88)	(4.88)
(h) Others	(32.43)	(5.55)	(37.98)
	<u>(996.06)</u>	<u>119.91</u>	<u>(876.15)</u>
	<u>1,065.81</u>	<u>45.82</u>	<u>1,111.63</u>
		<u>45.82</u>	
Net amount charged to Statement of Profit and Loss (Item 6(b), Page 143)			
Deferred tax asset on the redemption premium on CARS adjusted against securities premium reserve	(129.01)	(12.11)	(141.12)
Deferred tax liabilities (net)	<u>936.80</u>		<u>970.51</u>

7. OTHER LONG-TERM LIABILITIES

(Item No. 3(c), Page 142)

	₹ crores	<i>As at 31.03.2011 ₹ crores</i>
(a) Creditors for capital supplies/services	210.11	373.88
(b) Others	5.94	-
	<u>216.05</u>	<u>373.88</u>

8. PROVISIONS

(Item No. 3(d) and 4(d), Page 142)

	₹ crores			As at 31.03.2011		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits ⁽¹⁾	1,254.40	76.58	1,330.98	1,509.68	92.07	1,601.75
(b) Provision for employee separation compensation ⁽²⁾	596.90	167.83	764.73	691.79	181.55	873.34
(c) Provision for taxation	-	651.64	651.64	-	791.29	791.29
(d) Provision for fringe benefit tax	-	4.73	4.73	-	3.88	3.88
(e) Proposed dividend	-	1,165.46	1,165.46	-	1,151.06	1,151.06
	<u>1,851.30</u>	<u>2,066.24</u>	<u>3,917.54</u>	<u>2,201.47</u>	<u>2,219.85</u>	<u>4,421.32</u>

Additional information:

- (1) Includes provision for leave salaries ₹ 495.00 crores (31.03.2011: ₹ 464.72 crores).
- (2) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 18.23 crores (2010-11: ₹ 27.53 crores) in respect of schemes introduced during the year.

9. TRADE PAYABLES

(Item No. 4(b), Page 142)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Creditors for supplies/services	5,111.07	3,920.21
(b) Creditors for accrued wages and salaries	862.16	544.60
	<u>5,973.23</u>	<u>4,464.81</u>

10. OTHER CURRENT LIABILITIES

(Item No. 4(c), Page 142)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Current maturities of long-term borrowings	4,753.43	3,652.94
(b) Interest accrued but not due on borrowings	683.49	679.31
(c) Unpaid dividend	45.81	41.26
(d) Application money received due for refund and interest accrued thereon	0.17	0.61
(e) Unpaid matured deposits and interest accrued thereon	0.33	0.67
(f) Advances received from customers	333.47	293.90
(g) Creditors for other liabilities ⁽¹⁾	2,981.85	1,593.41
	<u>8,798.55</u>	<u>6,262.10</u>

Additional information:

- (1) Includes liability for employee family benefit scheme ₹ 76.54 crores (31.03.2011: ₹ 64.62 crores)

11. TANGIBLE ASSETS

(Item No. 5(a)(i), Page 142)

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Freehold Buildings ⁽³⁾	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2011	440.02	191.65	1,175.11	0.90	19,900.69	36.13	96.72	193.75	190.34	22,225.31
	345.07	189.95	1,168.03	0.90	19,725.07	34.46	87.13	136.13	169.70	21,856.44
Additions during the year ⁽¹⁾	28.10	–	89.88	–	520.81	3.31	19.93	11.09	12.98	686.10
	94.95	1.70	8.01	–	468.33	2.53	10.80	63.22	20.64	670.18
Deductions during the year ⁽²⁾	0.33	–	2.91	–	69.64	0.68	3.47	9.46	–	86.49
	–	–	0.93	–	293.77	0.86	1.21	5.60	–	302.37
Exchange fluctuations capitalised during the year	–	–	–	–	32.76	–	–	–	–	32.76
	–	–	–	–	1.06	–	–	–	–	1.06
Gross Block as at 31.03.2012	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
	440.02	191.65	1,175.11	0.90	19,900.69	36.13	96.72	193.75	190.34	22,225.31
Impairment as at 01.04.2011	125.05	–	1.25	–	–	–	–	–	–	126.30
	104.82	–	1.25	–	–	–	–	–	–	106.07
Impairment during the year	6.90	–	–	–	–	–	–	–	–	6.90
	20.23	–	–	–	–	–	–	–	–	20.23
Impairment as at 31.03.2012	131.95	–	1.25	–	–	–	–	–	–	133.20
	125.05	–	1.25	–	–	–	–	–	–	126.30
Accumulated depreciation as at 01.04.2011	25.47	11.09	379.88	0.69	9,862.82	33.22	79.49	87.61	86.16	10,566.43
	21.21	8.83	347.77	0.67	9,113.98	31.20	63.86	80.54	78.21	9,746.27
Depreciation during the year	4.37	2.18	34.96	0.03	1,016.13	3.81	10.97	14.55	8.83	1,095.83
	4.26	2.26	33.06	0.02	1,009.61	2.87	16.81	12.01	7.95	1,088.85
Depreciation on assets written off during the year ⁽¹⁾	0.01	–	1.05	–	65.59	0.73	4.18	8.58	–	80.14
	–	–	0.95	–	260.77	0.85	1.18	4.94	–	268.69
Accumulated depreciation as at 31.03.2012	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
	25.47	11.09	379.88	0.69	9,862.82	33.22	79.49	87.61	86.16	10,566.43
Total accumulated depreciation and impairment as at 31.03.2012	161.78	13.27	415.04	0.72	10,813.36	36.30	86.28	93.58	94.99	11,715.32
	150.52	11.09	381.13	0.69	9,862.82	33.22	79.49	87.61	86.16	10,692.73
Net book value as at 31.03.2012	306.01	178.38	847.04	0.18	9,571.26	2.46	26.90	101.80	108.33	11,142.36
	289.50	180.56	793.98	0.21	10,037.87	2.91	17.23	106.14	104.18	11,532.58

Additional information:

- (1) Additions and depreciation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Freehold Buildings include ₹ 2.32 crores (31.03.2011: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- (4) Rupee liability has increased by ₹ 32.76 crores (net) (2010-11: ₹ 1.06 crores) arising out of realignment of the value of foreign currency loans for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ 2.04 crores (2010-11: ₹ 0.06 crores) arising on account of this adjustment.

11. TANGIBLE ASSETS (continued)

(Item No. 5(a)(i), Page 142)

(5) Tangible assets schedule includes the capital cost of in-house research recognised facility as under:

Tangible Assets	₹ crores									
	Freehold Land and Roads	Leasehold Land	Freehold Buildings	Leasehold Buildings	Plant and Machinery	Furniture and fixtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2011	–	–	0.02	–	38.29	1.83	–	0.03	–	40.17
	–	–	0.02	–	38.10	1.68	–	0.03	–	39.83
Additions during the year	–	–	–	–	4.18	0.06	0.07	–	–	4.31
	–	–	–	–	0.22	0.16	–	–	–	0.38
Deductions during the year	–	–	–	–	0.10	0.02	–	–	–	0.12
	–	–	–	–	0.03	0.01	–	–	–	0.04
Gross Block as at 31.03.2012	–	–	0.02	–	42.37	1.87	0.07	0.03	–	44.36
	–	–	0.02	–	38.29	1.83	–	0.03	–	40.17
Capital work-in-progress										2.04
										5.64

12. INTANGIBLE ASSETS

(Item No. 5(a)(iii), Page 142)

Intangible Assets	₹ crores		
	Software Costs	Development of property ⁽³⁾	Total
Gross Block as at 01.04.2011	80.09	540.86	620.95
	79.05	370.58	449.63
Additions during the year ⁽¹⁾	1.47	5.57	7.04
	1.24	170.28	171.52
Deductions during the year ⁽²⁾	0.04	–	0.04
	0.20	–	0.20
Gross Block as at 31.03.2012	81.52	546.43	627.95
	80.09	540.86	620.95
Accumulated amortisation as at 01.04.2011	64.46	283.97	348.43
	57.35	233.94	291.29
Amortisation during the year	6.61	49.00	55.61
	7.31	50.03	57.34
Amortisation on assets written off during the year ⁽¹⁾	(0.01)	–	(0.01)
	0.20	–	0.20
Accumulated amortisation as at 31.03.2012	71.08	332.97	404.05
	64.46	283.97	348.43
Net book value as at 31.03.2012	10.44	213.46	223.90
	15.63	256.89	272.52

Additional information:

- (1) Additions and amortisation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Development of property represents expenditure incurred on development of mines/collieries.

13. NON-CURRENT INVESTMENTS

(Item No. 5(b), Page 142)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31.03.2011 ₹ crores
Trade investments			
(I) Investments in Equity Instruments			
(a) Investments in Subsidiary Companies			
(i) Quoted			
(1) Indian Steel & Wire Products Ltd.*	54,74,030	–	–
(2) Tata Metaliks Ltd.	1,17,99,992	11.80	11.80
(3) Tayo Rolls Limited	55,87,372	48.57	48.57
(4) The Tinsplate Company of India Ltd. (Became subsidiary during the year) (1,72,46,968 fully convertible debentures converted to 3,13,58,123 equity shares)	6,22,19,222	301.09	–
		361.46	60.37
(ii) Unquoted			
(1) Adityapur Toll Bridge Company Limited	1,50,00,000	14.44	14.44
(2) Centennial Steel Company Limited (merged with the Company)	–	–	0.05
(3) Gopalpur Special Economic Zone Limited	10,00,000	1.00	1.00
(4) Jamshedpur Continuous Annealing & Processing Co. Private Limited (50,000 shares subscribed during the year)	50,000	0.05	–
(5) Jamshedpur Utilities & Services Company Limited	2,03,50,000	20.35	20.35
(6) Kalimati Investment Company Ltd.	1,63,87,469	86.68	86.68
(7) Lanka Special Steel Ltd. (Face value of LKR 10 each)	25,00,000	1.16	1.16
(8) NatSteel Asia Pte Ltd. (Face value of SGD 1 each) (14,37,128 shares subscribed during the year)	28,14,37,128	773.86	768.41
(9) Sila Eastern Ltd. (Face value of THB 100 each)	9,800	0.10	0.10
(10) T M International Logistics Limited	91,80,000	9.18	9.18
(11) T M Mining Company Limited (37,000 shares subscribed during the year)	74,000	0.07	0.03
(12) Tata Incorporated N.Y (Face value of USD 1,000 each)	1,500	1.64	1.64
(13) Tata Korf Engineering Services Ltd.*	2,40,386	–	–
(14) Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	84.70	84.70
(15) Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each) (74,74,19,492 shares subscribed during the year)	5,65,90,52,090	45,588.50	40,205.94
(16) Tata Steel Processing and Distribution Limited	6,82,50,000	274.45	274.45
(17) The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	0.70	0.70
(18) TRL Krosaki Refractories Limited (Became an associate during the year) (1,06,59,000 shares sold during the year)	–	–	90.97
(19) TS Alloys Ltd.	4,33,09,271	56.24	56.24
		46,913.12	41,616.04
		47,274.58	41,676.41
Carried forward		47,274.58	41,676.41

13. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page 142)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31.03.2011 ₹ crores
Brought forward		47,274.58	41,676.41
(b) Investments in Joint Ventures			
(i) Unquoted			
(1) Bhubaneshwar Power Pvt. Ltd.	56,90,800	5.69	5.69
(2) Himalaya Steel Mill Services Private Limited (36,16,431 shares subscribed during the year)	36,19,945	3.61	–
(3) mjunction services limited	40,00,000	4.00	4.00
(4) S & T Mining Company Private Ltd. (28,21,400 shares subscribed during the year)	59,46,400	5.95	3.13
(5) Tata BlueScope Steel Limited	32,80,00,000	328.00	328.00
(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each) (15,00,000 shares subscribed during the year)	2,85,00,000	127.28	119.56
(7) The Dhamra Port Company Limited	32,40,00,000	324.00	324.00
		798.53	784.38
(c) Investments in Associate Companies			
(i) Quoted			
(1) Indian Steel Rolling Mills Ltd.*	3,30,115	–	–
(2) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	–	–
(3) Tata Construction and Projects Ltd.*	5,61,335	–	–
(4) Tata Sponge Iron Limited	61,19,960	7.20	7.20
(5) The Tinplate Company of India Ltd. (Became subsidiary during the year)	–	–	128.61
(6) TRF Limited	35,85,428	4.38	4.38
		11.58	140.19
(ii) Unquoted			
(1) Industrial Energy Ltd.	8,65,80,000	86.58	86.58
(2) Jamipol Limited	31,75,000	3.18	3.18
(3) Kalinga Aquatics Ltd.*	10,49,920	–	–
(4) Kumardhubi Metal Casting and Engineering Ltd.*	10,70,000	–	–
(5) Nicco Jubilee Park Limited *	3,40,000	–	–
(6) Strategic Energy Technology Systems Pvt. Ltd. (52,02,000 shares subscribed during the year)	2,21,59,000	22.16	16.96
(7) TRL Krosaki Refractories Limited (Became an associate during the year) (1,06,59,000 shares sold during the year)	42,39,360	25.88	–
		137.80	106.72
		149.38	246.91
Carried forward		48,222.49	42,707.70

13. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page 142)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31.03.2011 ₹ crores
Brought forward		48,222.49	42,707.70
(d) Investments in Others			
(i) Quoted			
(1) Housing Development Finance Corporation Ltd. (Face value of ₹ 2 each)	7,900	0.01	0.01
(2) Tata Motors Ltd. (Face value of ₹ 2 each)	14,78,10,695	261.43	261.43
(3) The Tata Power Company Ltd. (Face value of ₹ 1 each)	1,73,18,180	30.48	30.48
(4) Others ₹ 40,275 (31.03.2011: ₹ 40,275) ⁽³⁾		0.01	0.01
		291.93	291.93
(ii) Unquoted			
(1) IFCI Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(2) Panatone Finvest Ltd.	45,000	0.05	0.05
(3) Steelscape Consultancy Pvt. Ltd.	50,000	0.05	0.05
(4) Tarapur Environment Protection Society (14,698 shares subscribed during the year)	30,424	0.31	0.16
(5) Tata Industries Ltd. (Face value of ₹ 100 each)	84,42,582	149.62	149.62
(6) Tata International Ltd. (Face value of ₹ 1,000 each) (5,740 shares subscribed during the year)	9,480	6.23	0.49
(7) Tata Projects Ltd. (Face value of ₹ 100 each)	90,000	0.18	0.18
(8) Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	0.16	0.16
(9) Tata Teleservices Ltd.	6,31,53,638	134.06	134.06
(10) Others ₹ 32,496 (31.03.2011: ₹ 32,495) ⁽⁴⁾		—	—
		290.76	284.87
		582.69	576.80
		48,805.18	43,284.50
(II) Investments in Preference Shares			
(a) Investments in Subsidiary Companies			
(i) Unquoted			
(1) Tata Metaliks Ltd. 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each) (1,00,00,000 shares subscribed during the year)	1,00,00,000	100.00	—
(2) Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each) (65,00,000 shares subscribed during the year)	65,00,000	65.00	—
(3) The Tinplate Company of India Ltd.# 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (Became subsidiary during the year)	1,09,90,000	108.17	—
		273.17	—
(b) Investments in Associates Companies			
(i) Unquoted			
(1) The Tinplate Company of India Ltd.# 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (Became subsidiary during the year)	—	—	108.17
		273.17	108.17
Carried forward		49,078.35	43,392.67

13. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page 142)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31.03.2011 ₹ crores
Brought forward		49,078.35	43,392.67
(III) Investments in Debentures/Bonds			
(a) Investments in Subsidiary Companies			
(i) Quoted			
(1) The Tinsplate Company of India Ltd. Fully Convertible Debentures (Converted to equity shares)	—	—	172.48
(b) Investments in Associate Companies			
(i) Unquoted			
(1) Tata Construction and Projects Ltd.* 10% Convertible debentures of ₹ 100 each	43,000	—	—
		—	172.48
		49,078.35	43,565.15

* These investments are carried at a book value of ₹ 1.00

includes ₹ 0.03 crore incurred towards stamp duty.

Additional information:

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31.03.2011 ₹ crores
(1) Carrying value of Quoted Investments Market Value as at 31st March, 2012 ₹ 4,911.43 crores (31.03.2011: ₹ 4,914.95 crores)		664.97	664.97
(2) Carrying value of Unquoted Investments		48,413.38	42,900.18
		49,078.35	43,565.15
		₹	₹
(3) Equity instruments (Others) - Quoted - Others include:			
(a) Reliance Firebrick and Pottery. Co. Ltd. (Partly paid-up)	16,800	1	1
(b) Reliance Firebrick and Pottery. Co. Ltd.	2,400	1	1
(c) Sanderson Industries Ltd.	2,27,642	1	1
(d) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	40,260	40,260
(e) Standard Chrome Ltd.	5,58,000	1	1
(f) Timken India Ltd.	1	10	10
(g) Wellman Incandescent India Ltd.	8,99,100	1	1
		40,275	40,275
(4) Equity instruments (Others) - Unquoted - Others include:			
(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face Value of ₹ 25 each)	200	5,000	5,000
(b) Bokaro and Ramgarh Ltd.	100	16,225	16,225
(c) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(d) Jamshedpur Co-operative House Building Society Ltd. (Face Value of ₹ 100 each)	10	1,000	1,000
(e) Jamshedpur Co-operative Stores Ltd. (Face Value of ₹ 5 each)	50	250	250
(f) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face Value of ₹ 100 each)	50	5,000	5,000
(g) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(h) Malusha Travels Pvt. Ltd.	2	20	20
(i) Woodland Multispeciality Hospital Ltd. (1,25,000 shares subscribed during the year)	1,25,000	1	—
		32,496	32,495

14. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Item No. 5(c), Page 142)

Foreign Currency Monetary Item Translation Difference Account

₹ crores	As at 31.03.2011 ₹ crores
404.90	—
404.90	—

Additional information:

- (1) The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.
- As on 31st March, 2012, a debit of ₹ 404.90 crores (31.03.2011: Nil) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 243.21 crores (2010-11: credit of ₹ 261.44 crores) in the Statement of Profit and Loss and ₹ 25.22 crores (net of deferred tax ₹ 12.11 crores) [2010-11: ₹ 2.07 crores (net of deferred tax ₹ 3.57 crores)] have been adjusted against Securities Premium Reserve on account of amortisation. The depreciation for the year ended 31st March, 2012 is higher by ₹ 2.52 crores (2010-11: ₹ 0.48 crores) and Profit before tax for the year ended 31st March, 2012 is higher by ₹ 425.77 crores (2010-11: higher by ₹ 208.99 crores).

15. LOANS AND ADVANCES

(Item No. 5(d) and 6(e), Page 142)

	₹ crores			As at 31.03.2011 ₹ crores		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Capital advances ⁽¹⁾						
Unsecured and considered good	2,448.14	—	2,448.14	1,357.10	—	1,357.10
(b) Security deposits						
Unsecured and considered good	83.72	—	83.72	71.70	—	71.70
Unsecured and considered doubtful	1.45	—	1.45	0.88	—	0.88
Less: Provision for bad & doubtful loans and advances	1.45	—	1.45	0.88	—	0.88
	83.72	—	83.72	71.70	—	71.70
(c) Advance with public bodies						
Unsecured and considered good	313.20	589.06	902.26	196.04	330.19	526.23
Unsecured and considered doubtful	16.45	1.87	18.32	—	20.45	20.45
Less: Provision for bad & doubtful loans and advances	16.45	1.87	18.32	—	20.45	20.45
	313.20	589.06	902.26	196.04	330.19	526.23
(d) Loans and advances to related parties ⁽²⁾						
Unsecured and considered good	1,907.28	77.76	1,985.04	6,684.86	4,363.41	11,048.27
(e) Advance payment against taxes						
Unsecured and considered good	173.05	—	173.05	228.98	—	228.98
(f) Other loans and advances ⁽³⁾						
Unsecured and considered good	1,490.41	1,161.27	2,651.68	1,914.73	1,765.34	3,680.07
Unsecured and considered doubtful	0.39	27.61	28.00	0.43	30.04	30.47
Less: Provision for bad & doubtful loans and advances	0.39	27.61	28.00	0.43	30.04	30.47
	1,490.41	1,161.27	2,651.68	1,914.73	1,765.34	3,680.07
	6,415.80	1,828.09	8,243.89	10,453.41	6,458.94	16,912.35

Additional information:

- (1) Includes capital advance in respect of research and development activities of ₹ 0.09 crore (31.03.2011: ₹ 1.61 crores).
 (2) Loans and advances to related parties include:
 (a) Advances against equity for purchase of shares in subsidiary companies and associate.
 (b) Loans and advances in the nature of loans given to subsidiaries ₹ 571.07 crores (31.03.2011: ₹ 4,214.58 crores).

Disclosure as per clause 32 of the listing agreement:

Name of the Company	Relationship	As at	Maximum balance	Investment by the
		31.03.2012	outstanding during	loanee in the
		₹ crores	the year	shares of parent
			₹ crores	company
				No. of Shares
Tata Korf Engineering Services Ltd.	Subsidiary	– 0.84	0.84 0.84	– –
Indian Steel & Wire Products Ltd.	Subsidiary	8.09 11.50	11.50 15.27	– –
Tata Steel (KZN) (Pty) Ltd.	Subsidiary	490.98 448.17	503.34 459.47	– –
Tata Metaliks Ltd.	Subsidiary	72.00 22.00	72.00 22.00	– –
Adityapur Toll Bridge Company Limited	Subsidiary	– 14.00	22.00 14.00	– –
Tata Steel Holdings Pte. Ltd.	Subsidiary	– 3,708.07	3,720.38 3,708.07	– –
Tayo Rolls Limited	Subsidiary	– 10.00	25.00 10.00	– –

- (c) Intercompany deposits ₹ 422.00 crores (31.03.2011: ₹ 46.00 crores)
 (3) Other loans and advances include:
 (a) Loan due by an officer of the Company ₹ 1,11,250 (31.03.2011: ₹ 1,26,250)
 (b) Intercompany deposits ₹ 2.00 crores (31.03.2011: ₹ 2.00 crores)

16. OTHER NON-CURRENT ASSETS

(Item No. 5(e), Page 142)

Balances with banks ⁽¹⁾

₹ crores	As at 31.03.2011 ₹ crores
2.76	2.76
2.76	2.76

Additional information:

- (1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

17. CURRENT INVESTMENTS

(Item No. 6(a), Page 142)

Investments in Mutual Funds – Unquoted
Liquid Funds

₹ crores	As at 31.03.2011 ₹ crores
1,204.17	2,999.79
1,204.17	2,999.79

18. INVENTORIES
(At lower of cost and net realisable value)

(Item No. 6(b), Page 142)

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished and semi-finished goods
- (d) Stock-in-trade of goods acquired for trading
- (e) Stores and spares

₹ crores	As at 31.03.2011 ₹ crores
2,241.96	1,763.88
53.83	81.19
1,639.83	1,391.91
0.76	0.60
922.61	716.18
4,858.99	3,953.76

Included above, goods-in-transit:

- (i) Raw materials
- (ii) Finished and semi-finished goods
- (iii) Stores and spares

462.40	386.88
1.55	-
98.19	46.93
562.14	433.81

19. TRADE RECEIVABLES

(Item No. 6(c), Page 142)

- (a) More than six months
- (b) Others

Less: Provision for bad and doubtful debts

₹ crores	As at 31.03.2011 ₹ crores
34.51	42.28
880.91	396.29
915.42	438.57
11.34	14.55
904.08	424.02

 Unsecured and considered good
Doubtful

904.08	424.02
11.34	14.55
915.42	438.57

20. CASH AND BANK BALANCES

(Item No. 6(d), Page 142)

- (a) Cash in hand
- (b) Cheques, drafts on hand
- (c) Remittances in-transit
- (d) Balances with banks
- Total cash and cash equivalents**
- (e) Other bank balances ⁽¹⁾

₹ crores	As at 31.03.2011 ₹ crores
0.36	0.40
22.76	107.91
7.70	50.65
3,869.71	3,937.46
3,900.53	4,096.42
46.46	42.36
3,946.99	4,138.78

Additional information:

- (1) Represents ₹ 0.17 crore (31.03.2011: ₹ 0.61 crore) refund orders issued on account of oversubscription of rights issue and follow on public offer of equity shares not encashed, ₹ 0.48 crore (31.03.2011: ₹ 0.49 crore) in pre-funded accounts for bonus and CCPS related payments and ₹ 45.81 crores (31.03.2011; ₹ 41.26 crores) in pre-funded dividend accounts.
- (2) Balances with banks held as security against guarantees ₹ 28.46 crores (31.03.2011: ₹ 28.46 crores).

21. OTHER CURRENT ASSETS

(Item No. 6(f), Page 142)

Interest accrued on deposits, loans and advances

₹ crores	As at 31.03.2011 ₹ crores
122.18	137.73
122.18	137.73

22. REVENUE FROM OPERATIONS

(Item No. 1(a), Page 143)

- (a) Sale of products ⁽¹⁾
- (b) Sale of power and water
- (c) Income from town, medical and other services
- (d) Other operating income ⁽²⁾

₹ crores	Previous Year ₹ crores
35,655.99	30,747.57
980.44	795.90
50.70	35.82
318.58	322.85
37,005.71	31,902.14

Additional information:

- (1) Details of products sold:

Class of Products

- (i) Saleable Steel (Finished)
- (ii) Agrico Products
- (iii) Semi-finished Steel and Scrap
- (iv) Welded Steel Tubes
- (v) By-products, etc.
- (vi) Raw Materials:
 - Ferro Manganese
 - Charge Chrome/Ferro Chrome
 - Other Raw Materials
- (vii) Other Products [includes tubular steel structures ₹ 495.58 crores (2010-11: ₹ 429.13 crores)]
- (viii) Bearings
- (ix) Metallurgical Machinery
- (x) Sale of Purchased Materials:
 - Saleable Steel (finished/converted)
 - Raw Materials/Scrap/Other Materials

₹ crores	Previous Year ₹ crores
27,587.53	23,042.97
156.14	159.66
1,332.86	1,531.12
1,399.70	1,281.97
316.39	251.41
140.69	155.46
1,157.61	898.06
2,744.03	2,499.04
554.45	489.58
193.90	183.84
67.55	249.39
–	0.02
5.14	5.05
35,655.99	30,747.57

- (2) Includes lease rentals of ₹ 0.20 crores (2010-11: ₹ 0.20 crores) on wagons leased to railways under Own Your Wagon Scheme.

23. OTHER INCOME

(Item No. 1(b), Page 143)

	₹ crores	Previous Year ₹ crores
(a) Dividend income		
(i) Investment in subsidiaries	46.18	9.68
(ii) Investment in joint ventures and associates	9.11	26.96
(iii) Other non-current investments	62.21	56.02
(iv) Current investments	-	0.08
(b) Interest income	433.26	234.97
(c) Net gain/(loss) on sale of current investments	430.57	150.73
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(52.98)	(0.62)
(e) Gain/(Loss) on cancellation of forwards, swaps and options	(41.92)	50.54
	886.43	528.36

24. RAW MATERIALS CONSUMED

(Item No. 2(a), Page 143)

	₹ crores	Previous Year ₹ crores
(a) Iron ore	1,203.83	896.84
(b) Coal [excluding ₹ 4,698.67 crores (2010-11: ₹ 3,230.02 crores) used for manufacturing coke]	1,382.27	1,134.07
(c) Coke	5,234.48	3,553.89
(d) Limestone and Dolomite	510.63	495.67
(e) Ferro Manganese	109.28	103.82
(f) Zinc and Zinc Alloys	251.35	234.31
(g) Spelter, sulphur and other materials	1,409.45	1,246.55
	10,101.29	7,665.15

Additional information:

- (1) The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- (2) Raw materials consumed includes ₹ 2,086.92 crores (2010-11: ₹ 1,421.14 crores) charged to wages and salaries and other revenue accounts.

25. PURCHASE OF FINISHED, SEMI-FINISHED AND OTHER PRODUCTS

(Item No. 2(b), Page 143)

	₹ crores	Previous Year ₹ crores
(a) For Resale:		
(i) Finished/Semi-finished steel materials	4.35	3.39
(ii) Finished/Semi-finished steel materials - Agrico	16.60	18.83
(b) For Own Consumption:		
(i) Finished/Semi-finished steel materials ⁽¹⁾	178.03	150.70
(ii) Others	10.54	7.28
	209.52	180.20

Additional information:

- (1) Includes components for manufacture of metallurgical machinery ₹ 69.24 crores (2010-11: ₹ 56.71 crores).

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Item No. 2(c), Page 143)

	₹ crores	Previous Year ₹ crores
Inventories at the end of the year		
(a) Work-in-progress	53.83	81.19
(b) Finished and semi-finished goods	1,639.83	1,391.91
(c) Stock-in-trade of goods acquired for trading	0.76	0.60
	<u>1,694.42</u>	<u>1,473.70</u>
Inventories at the beginning of the year		
(a) Work-in-progress	81.19	158.65
(b) Finished and semi-finished goods	1,391.91	1,140.73
(c) Stock-in-trade of goods acquired for trading	0.60	0.67
	<u>1,473.70</u>	<u>1,300.05</u>
	<u>220.72</u>	<u>173.65</u>

Additional information:

(1) Details of finished and semi-finished goods, stock-in-trade of goods acquired for trading:

Class of Products	Closing Stock		Opening Stock	
	₹ crores	₹ crores	₹ crores	₹ crores
(a) Saleable Steel (Finished)	832.43	829.40	829.40	658.08
(b) Agrico Products	14.41	11.99	11.99	6.95
(c) Semi-finished Steel and Scrap	591.76	345.68	345.68	291.05
(d) Welded Steel Tubes	62.22	77.33	77.33	51.47
(e) By-products, etc.	3.42	2.16	2.16	1.76
(f) Other Products	117.63	110.69	110.69	116.57
(g) Bearings	18.72	15.23	15.23	15.44
(h) Sale of Purchased Materials - Saleable Steel (finished/converted)	-	0.03	0.03	0.08
	<u>1,640.59</u>	<u>1,392.51</u>	<u>1,392.51</u>	<u>1,141.40</u>

27. EMPLOYEE BENEFITS EXPENSE

(Item No. 2(d), Page 143)

	₹ crores	Previous Year ₹ crores
(a) Salaries and wages, including bonus	2,646.21	2,106.52
(b) Contribution to provident and other funds	299.29	491.94
(c) Staff welfare expenses ⁽¹⁾	101.76	239.00
	<u>3,047.26</u>	<u>2,837.46</u>

Additional information:

(1) Staff welfare expenses excludes payment on account of salaries and wages ₹ 116.77 crores (2010-11: ₹ 90.62 crores).

28. DEPRECIATION AND AMORTISATION EXPENSE

(Item No. 2(e), Page 143)

- (a) Depreciation on tangible assets ⁽¹⁾
- (b) Amortisation of intangible assets

₹ crores	Previous Year ₹ crores
1,095.83	1,088.85
55.61	57.34
1,151.44	1,146.19

Additional information:

- (1) Includes ₹ 1.08 crores (2010-11: ₹ 2.79 crores) in respect of research and development activities undertaken during the year.

29. FINANCE COSTS

(Item No. 2(f), Page 143)

- (a) Interest expense
 - (i) Debentures/bonds and fixed loans
 - (ii) Others ⁽¹⁾
 - (b) Other borrowing costs
- Less: Interest capitalised

₹ crores	Previous Year ₹ crores
1,993.61	1,712.20
110.55	55.84
105.75	49.43
2,209.91	1,817.47
284.49	81.77
1,925.42	1,735.70

Additional information:

- (1) Includes interest on income tax assessment for earlier years ₹ 41.70 crores (31.03.2011: Nil)

30. OTHER EXPENSES

(Item No. 2(g), Page 143)

- (a) Consumption of stores and spares
- (b) Repairs to buildings
- (c) Repairs to machinery
- (d) Relining expenses
- (e) Fuel oil consumed
- (f) Purchase of power
- (g) Conversion charges
- (h) Freight and handling charges
- (i) Rent
- (j) Royalty
- (k) Rates and taxes
- (l) Insurance
- (m) Commission, discounts and rebates
- (n) Provision for wealth tax
- (o) Provision for doubtful debts and advances
- (p) Excise duty
- (q) Others ⁽¹⁾

₹ crores	Previous Year ₹ crores
1,693.48	1,417.26
61.08	39.84
1,162.95	1,064.26
28.87	30.89
186.44	153.63
1,803.72	1,404.86
1,513.97	1,192.89
1,703.98	1,540.82
30.88	16.76
912.43	615.01
371.71	290.73
36.48	31.76
128.42	109.36
1.70	1.28
(5.41)	8.23
94.95	88.80
2,098.84	1,018.44
11,824.49	9,024.82

Additional information:

	₹ crores	Previous Year ₹ crores
(1) Others include:		
(a) Provision for impairment losses on fixed assets	6.90	20.23
(b) Net loss/(gain) on foreign currency transactions	467.12	(259.14)
(c) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	4.00	3.35
(ii) For taxation matters	0.37	0.35
(iii) For other services (excluding ₹ 0.10 crores being expenses related to issue of Hybrid Perpetual Securities adjusted against the Securities Premium Reserve)	0.50	0.23
(iv) Auditors out-of-pocket expenses	0.04	0.01
(d) Cost audit fees [including expenses ₹ 79,462 (2010-11: ₹ 41,248)]	0.07	0.01
(2) Other expenses includes ₹ 51.22 crores (2010-11: ₹ 72.90 crores) in respect of research and development activities undertaken during the year.		

31. EXCEPTIONAL ITEM

(Item No. 4(a), Page 143)

During the year, the Company has sold part of its investment in TRL Krosaki Refractories Limited (formerly Tata Refractories Limited) (TRL) to Krosaki Harima Corporation for ₹ 576.10 crores. Consequently, the company's holding in TRL have reduced to 26.46%. Accordingly, it has ceased to be a subsidiary and became an associate. 'Profit on sale of non-current investment' of ₹ 511.01 crores represents gain on sale of these shares. In the previous year, the Company had made profit on sale of part of its investments in Tata Motors Ltd., The Tata Power Company Ltd. and TRF Limited of ₹ 648.09 crores.

32. EARNINGS PER SHARE (EPS)

(Item No. 8 and 9, Page 143)

	₹ crores	Previous Year ₹ crores
(a) Profit after tax	6,696.42	6,865.69
Less: Distribution on Hybrid Perpetual Securities (net of tax)	173.30	4.54
Profit attributable to Ordinary Shareholders – for Basic EPS	6,523.12	6,861.15
Add: Adjustment for 3,820 (31.03.2011: 3,820) 1% Convertible Alternative Reference Securities	–	46.14
Adjustment for 5,469.35 (31.03.2011: 5,469.35) 4.5% Foreign Currency Convertible Bonds	162.97	(17.28)
Profit attributable to Ordinary Shareholders – for Diluted EPS	6,686.09	6,890.01
	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	96,15,75,106	90,72,52,572
Add: Adjustment for 3,820 (31.03.2011: 3820) 1% Convertible Alternative Reference Securities	–	2,10,15,711
Adjustment for 5,469.35 (31.03.2011: 5,469.35) 4.5% Foreign Currency Convertible Bonds	4,21,12,297	4,19,60,304
Adjustment for Options relating to 1,20,00,000 (31.03.2011: 1,20,00,000) Detachable Warrants	–	3,53,829
Weighted average no. of Ordinary Shares for Diluted EPS	1,00,36,87,403	97,05,82,416
(c) Nominal value of Ordinary Shares	₹ 10	₹ 10
(d) Basic Earnings per Ordinary Share	₹ 67.84	₹ 75.63
(e) Diluted Earnings per Ordinary Share	₹ 66.62	₹ 70.99

33. CONTINGENT LIABILITIES AND COMMITMENTS
A. Contingent Liabilities
(a) Claims not acknowledged by the Company

	₹ crores	
		As at 31.03.2011
(i) Excise	320.81	313.26
(ii) Customs	13.69	13.68
(iii) Sales Tax and VAT	539.99	494.54
(iv) State Levies	202.13	187.28
(v) Suppliers and Service Contract	74.31	72.21
(vi) Labour Related	41.69	38.84
(vii) Income Tax	17.92	119.79
(viii) Royalty (Iron ore)	80.35	-

- (b) The Company has given guarantees aggregating ₹ 391.58 crores (31.03.2011: ₹ 991.11 crores) to banks and financial institutions on behalf of others. As at 31st March, 2012, the contingent liabilities under these guarantees amounts to ₹ 391.58 crores (31.03.2011: ₹ 991.11 crores).
- (c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2011: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2011: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.
- (d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2011: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.
- (e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for decoiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi, which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the decoiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st March, 2012, will be approximately ₹ 298.87 crores (31.03.2011: ₹ 298.87 crores). However, the Company has already paid duty amounting to ₹ 196.48 crores (31.03.2011: ₹ 196.48 crores) till date based on the final sale price of the material.
- (f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved to the Supreme Court against the order of Odisha High Court and the case is pending with Supreme Court. The potential liability, as of 31st March, 2012 would be approximately ₹ 2,085.88 crores (31.03.2011: ₹ 1,562.72 crores).
- (g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 52,46,590 equity shares in TTSL to the SP.

Pursuant to the rights issue made in 2010-11, SP's shareholding in TTSL has increased from 1,17,26,17,866 equity shares of ₹ 10 each to 1,24,89,74,378 equity shares of ₹ 10 each as on 31st March, 2012. The shareholding of SP represents 26.50% of the paid up equity share capital of TTSL on a fully diluted basis as against 26.27% prior to the issuance and allotment of rights shares to them.

If certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 and should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price subject to compliance with applicable exchange control regulations, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above.

Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 78.75 crores. The exercise of the option by SP being contingent on several variables the liability, if any, is remote and indeterminable.

(h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 384.64 crores (31.03.2011: ₹ 355.83 crores) and has been considered as a contingent liability.

(i) Bills discounted ₹ 174.78 crores (31.03.2011: ₹ 212.38 crores).

B. Commitments

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ 13,178.11 crores (31.03.2011: ₹ 9,605.46 crores).

(b) Uncalled liability on partly paid shares and debentures ₹ 0.01 crores (31.03.2011: ₹ 0.01 crores).

34. The Company has given undertakings to: (a) ICICI Bank Ltd. (formerly ICICI), IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation, (b) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (c) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (d) Standard Chartered Bank, Hong Kong Shanghai Banking Corporation Limited not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (e) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, not to dispose of its investments in Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long-term debt), (f) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Ltd. and Tata Steel Netherlands Holding B V and other companies (the borrower group), (g) Bank of America N.A. Singapore, Hong Kong Shanghai Banking Corporation Limited and The Royal Bank of Scotland N.V. not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Limited (TBSL) (i.e. BlueScope Steel Limited, Australia and Tata Steel Ltd.) have given an Undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to dispose of the management control in TBSL.

The Promoters' (i.e. L & T Infrastructure Development Projects Ltd. and Tata Steel Ltd.) combined investments in The Dhamra Port Company Ltd., (DPCL) representing 51% of DPCL's paid-up equity share capital are pledged with IDBI Trusteeship Services Ltd.

The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Ltd.) combined investments in Industrial Energy Limited, (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).

The Company has agreed, if requested by Tata Steel UK Holdings Ltd. (TSUKH), an indirect wholly owned subsidiary of Tata Steel Limited, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level.

35. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The state government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. In the current financial year the Government initiated discussion and the Company provided a draft trust deed to the Government for formation of the scheme and trust. The matter is still under discussion. However no contribution has been made till 31st March, 2012.

36. The Board of Industrial and Financial Reconstruction (BIFR) sanctioned a scheme for rehabilitation of Indian Steel & Wire Products Ltd. (ISWP), a Sick Company in FY 2003-04. In terms of the scheme, the Company –

(a) took management control of ISWP; (b) acquired 4,74,130 Equity Shares from the existing promoters at ₹ 1/- per share; (c) converted ₹ 5 crores of dues into 50,00,000 fully paid Equity Shares at ₹ 10 each and ₹ 10.88 crores into unsecured loan to be repaid by ISWP in 8 annual installments starting from FY 2004-05; (d) has an advance of ₹ 8.09 crores as at 31st March, 2012 (31.03.2011: ₹ 11.50 crores) with ISWP towards one time settlement with financial institutions for capital expenditure and margin for working capital.

37. STATEMENT OF PROFIT AND LOSS

(a) Value of direct imports (C.I.F. Value):

	₹ crores	
		Previous Year
(i) Raw materials	5,912.14	4,369.54
(ii) Semi-finished products	35.85	23.55
(iii) Components, stores and spare parts	466.34	353.48
(iv) Capital Goods	1,425.23	712.45
	7,839.56	5,459.02

(b) The value of consumption of directly imported and indigenously obtained raw materials, stores and spare parts and the percentage of each to the total consumption:

	₹ crores		Previous Year	
	₹ crores	%	₹ crores	%
(i) Raw materials				
– Directly imported	6,116.87	60.56%	4,672.63	60.96%
– Indigenously obtained	3,984.42	39.44%	2,992.52	39.04%
	<u>10,101.29</u>	<u>100.00%</u>	<u>7,665.15</u>	<u>100.00%</u>
(ii) Components, stores and spare parts				
– Directly imported	497.36	15.33%	492.92	17.17%
– Indigenously obtained	2,746.17	84.67%	2,377.91	82.83%
	<u>3,243.53</u>	<u>100.00%</u>	<u>2,870.83</u>	<u>100.00%</u>
Less: Consumption charged to other revenue accounts	1,234.19		1,127.19	
	<u>2,009.34</u>		<u>1,743.64</u>	

Additional information:

- The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.
- Raw materials consumed includes ₹ 2,086.92 crores (2010-11: ₹ 1,421.14 crores) charged to wages and salaries and other revenue accounts
- Stores and spares consumed (including write-off of obsolete spares, if any) includes ₹ 129.42 crores (2010-11: ₹ 172.75 crores) being cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts.

(c) Expenditure in foreign currency:

	₹ crores	
		Previous Year
(i) Technical know-how and technical consultant's fees (net of taxes) [including ₹ 205.02 crores (2010-11: ₹ 106.05 crores) on capital account]	206.49	111.71
(ii) Interest, commitment and bank charges	708.86	633.04
(iii) Commission	39.35	28.48
(iv) Payable on other accounts	12.49	182.88

(d) Remittance in foreign currencies for dividend:

The Company has not remitted any amount in foreign currencies on account of dividend during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by/on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the year are as under:

		Previous Year
(i) Number of non-resident shareholders	11,863	10,644
(ii) Number of Ordinary Shares held by them	19,63,74,449	15,70,60,911
(iii) Gross amount of dividend	₹ 235.64 crores	₹ 125.64 crores

Gross amount of dividend declared in current and previous year pertain to FY 2010-11 and FY 2009-10 respectively.

(e) Earnings in foreign exchange:

	₹ crores	
		Previous Year
(i) Export of steel and other materials (F.O.B.) (including value of exports through export houses)	1,804.87	2,252.37
(ii) Interest received	75.55	57.90
(iii) Others	(29.95)	63.70

38. Pursuant to the sanction of the Honourable High Court of Bombay to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Centennial Steel Company Limited (CSCL) whose principal business was manufacture, sale and purchase of iron and steel and related products have been merged with the Company with effect from 1st April, 2011 in accordance with the Scheme so sanctioned. The effect of the merger has been given in the accounts as per the scheme sanctioned.

The amalgamation has been accounted for under the "Pooling of Interests method" as prescribed by Accounting Standard 14 (AS-14) as notified by the Government of India. Accordingly, the assets (including capital work-in-progress ₹ 3,689.32 crores and capital advance ₹ 877.18 crores), liabilities (including loans of ₹ 1,438.22 crores) and other reserves of the erstwhile CSCL as at 1st April, 2011 have been taken over at their book values. As a result, debit balance of Statement of Profit and Loss of the erstwhile CSCL aggregating to ₹ 0.87 crores have been adjusted against the reserves of the Company.

39. 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 disclosures relating to Micro and Small Enterprises as at 31st March, 2012 are as under:

Description	₹ crores	
		2010-11
(i) The principal amount remaining unpaid to supplier as at the end of the year	7.46	0.86
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	0.09	*
(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	0.41	0.15
(iv) The amount of interest accrued during the year and remaining unpaid at the end of the year	0.51	0.16

* ₹ 70,261.84

40. No amount is paid/payable by the Company under Section 441A of the Companies Act, 1956 (cess on turnover) since the rules specifying the manner in which the cess shall be paid has not been notified yet by the Central Government.

41. EMPLOYEE BENEFITS

- (a) The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2012, an amount of ₹ 217.79 crores (2010-11: ₹ 185.54 crores) as expenses under the following defined contribution plans.

Benefit (Contribution to)	₹ crores	
		2010-11
Provident Fund	149.62	125.57
Superannuation Fund	34.92	28.89
Employees Pension Scheme/Coal Mines Pension Scheme	19.06	18.50
TISCO Employees Pension Scheme	14.19	12.58
	<u>217.79</u>	<u>185.54</u>

The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund Act, 1952.

- (b) The Company operates post retirement defined benefit plans as follows:
Funded

- Post Retirement Gratuity

Unfunded

- Post Retirement Medical Benefits

- Pensions to Directors

- Farewell Gifts

- Packing and Transportation Costs on Retirement

(c) Details of the post retirement gratuity plan are as follows:

Description	₹ crores	
	31.03.2012	31.03.2011
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at 01.04.2011	1,536.69	1,173.34
Current service cost	72.12	54.71
Interest cost	118.66	90.20
Actuarial (gain)/loss	15.00	310.10
Benefits paid	(106.90)	(91.66)
Obligation as at 31.03.2012	<u>1,635.57</u>	<u>1,536.69</u>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at 01.04.2011	1,173.86	1,044.59
Expected return on plan assets	104.15	85.06
Actuarial gain/(loss)	20.65	6.94
Contributions	362.85	128.93
Benefits paid	(106.90)	(91.66)
Fair value of plan assets as at 31.03.2012	<u>1,554.61</u>	<u>1,173.86</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at 31.03.2012	1,554.61	1,173.86
Present value of obligation as at 31.03.2012	1,635.57	1,536.69
Net obligation/(asset) recognised in the balance sheet	<u>80.96</u>	<u>362.83</u>
(iv) Expenses recognised during the year		
Current service cost	72.12	54.71
Interest cost	118.66	90.20
Expected return on plan assets	(104.15)	(85.06)
Actuarial (gain)/loss	(5.65)	303.16*
Expense recognised during the year (included in the line item - employee benefits expense)	<u>80.98</u>	<u>363.01</u>
	31.03.2012	31.03.2011
(v) Investment details	%	%
GOI securities	14.97	9.67
Public sector unit bonds	15.18	27.89
Central/State guaranteed securities	6.11	5.30
Private sector unit bonds	10.47	7.03
Deposit with LIC	49.97	47.93
Others (including bank balances)	3.30	2.18
	<u>100.00</u>	<u>100.00</u>
(vi) Assumptions		
Discount rate (per annum)	8.50%	8.00%
Expected return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	7.5 to 10%	7.5 to 10%

The long-term estimate of the expected rate of return on the plan assets have been arrived at based on the asset allocation and prevailing yield rates on such assets. The major portions of the assets are invested in PSU bonds and LIC. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

(d) Details of the unfunded post retirement defined benefit obligation are as follows:

Description	₹ crores			
	Medical	Others	2010-11	
			Medical	Others
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at 01.04.2011	718.26	49.53	600.72	45.02
Current service cost	8.03	1.51	6.44	1.15
Interest cost	56.20	3.82	46.11	3.49
Actuarial (gain)/loss	(55.07)	2.86	113.68	2.67
Benefits paid	(31.62)	(3.59)	(48.69)	(2.80)
Obligation as at 31.03.2012	<u>695.80</u>	<u>54.13</u>	<u>718.26</u>	<u>49.53</u>
(ii) Expenses recognised during the year				
Current service cost	8.03	1.51	6.44	1.15
Interest cost	56.20	3.82	46.11	3.49
Actuarial (gain)/loss	(55.07)	2.86	113.68	2.67
Expense recognised during the year (included in the line item - employee benefits expense)	<u>9.16</u>	<u>8.19</u>	<u>166.23</u>	<u>7.31</u>
(iii) Assumptions				
Discount rate (per annum) as at the beginning of the year	8.00%	8.00%	8.00%	8.00%
Discount rate (per annum) as at the end of the year	8.50%	8.50%	8.00%	8.00%
Medical costs inflation rate	8.00%		5.00%	
Effect of a 1% change in health care cost on				
Increase	9% p.a.		6% p.a.	
– aggregate current service and interest cost	7.98		7.54	
– closing balance of obligation	109.01		87.48	
Decrease	7% p.a.		4% p.a.	
– aggregate current service and interest cost	(0.84)		(6.24)	
– closing balance of obligation	(88.06)		(75.42)	

(e) The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.

(f) Other disclosures:

Benefits	2011-12	₹ crores			
		2010-11	2009-10	2008-09	2007-08
		Retiring Gratuity			
Defined benefit obligation	1,635.57	1,536.69	1,173.34	1,053.62	761.17
Plan assets	1,554.61	1,173.86	1,044.59	809.93	709.14
Surplus/(Deficit)	(80.96)	(362.83)	(128.75)	(243.69)	(52.03)
Experience adjustment on obligation - (gain)/loss	78.04	183.67	98.15	192.98	27.15
Experience adjustment on plan assets - gain/(loss)	20.65	6.94	5.61	33.35	(6.02)
Expected adjustments (best estimate) to funded plans in subsequent finance year	80.96	362.83	128.75	243.69	52.03
		Medical			
Defined benefit obligation	695.80	718.26	600.72	541.68	507.42
Experience adjustment on obligation - (gain)/loss	104.39	113.68	70.27	6.78	26.47
		Others			
Defined benefit obligation	54.13	49.53	45.02	37.02	37.73
Experience adjustment on obligation - (gain)/loss	5.32	2.67	7.70	3.70	1.13

42. SEGMENT REPORTING
Primary Segment Information (Business Segment)

₹ crores

Particulars	Ferro					Total
	Steel	Alloys and Minerals	Others	Unallocable	Eliminations	
Segment revenue						
External revenue	29,874.62 <i>25,567.64</i>	2,099.57 <i>2,045.29</i>	1,959.27 <i>1,783.42</i>	– –	– –	33,933.46 <i>29,396.35</i>
Inter segment revenue	1,433.31 <i>1,293.53</i>	374.41 <i>386.41</i>	43.15 <i>56.32</i>	– –	(1,850.87) <i>(1,736.26)</i>	– –
Total revenue	31,307.93 <i>26,861.17</i>	2,473.98 <i>2,431.70</i>	2,002.42 <i>1,839.74</i>	– –	(1,850.87) <i>(1,736.26)</i>	33,933.46 <i>29,396.35</i>
Segment results before finance costs, exceptional items and tax	10,276.29 <i>9,459.43</i>	530.45 <i>822.18</i>	63.61 <i>79.09</i>	401.41 <i>503.76</i>	– –	11,271.76 <i>10,864.46</i>
Less: Finance costs						1,925.42 <i>1,735.70</i>
Profit before exceptional items and tax						9,346.34 <i>9,128.76</i>
Profit on sale of non-current investments						511.01 <i>648.09</i>
Profit before tax						9,857.35 <i>9,776.85</i>
Tax expense						3,160.93 <i>2,911.16</i>
Profit after tax						6,696.42 <i>6,865.69</i>
Segment assets	36,173.86 <i>23,333.94</i>	542.56 <i>593.89</i>	417.00 <i>387.07</i>	7,349.12 <i>12,484.30</i>	– –	44,482.54 <i>36,799.20</i>
Segment liabilities	10,026.24 <i>7,336.26</i>	347.13 <i>260.02</i>	173.61 <i>187.79</i>	2,840.23 <i>3,211.76</i>	– –	13,387.21 <i>10,995.83</i>
Capital expenditure	7,489.59 <i>3,887.54</i>	5.35 <i>121.09</i>	1.74 <i>(0.55)</i>	– –	– –	7,496.68 <i>4,008.08</i>
Segment depreciation	1,106.01 <i>1,097.45</i>	23.13 <i>25.12</i>	22.30 <i>23.62</i>	– –	– –	1,151.44 <i>1,146.19</i>
Non-cash expenditure other than depreciation	11.03 <i>62.08</i>	(3.83) <i>(0.65)</i>	0.67 <i>0.70</i>	– –	– –	7.87 <i>62.13</i>

Secondary Segment Information (Geographical Segment)

	₹ crores	
		2010-11
Segment Revenue		
– Within India	32,117.83	27,135.71
– Outside India	1,815.63	2,260.64
	<u>33,933.46</u>	<u>29,396.35</u>
Capital Expenditure		
– Within India	7,496.68	4,008.08
– Outside India	–	–
	<u>7,496.68</u>	<u>4,008.08</u>
		As at 31.03.2011
Segment Assets		
– Within India	44,482.54	36,799.20
– Outside India	–	–
	<u>44,482.54</u>	<u>36,799.20</u>

Additional information:

- (1) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel and Ferro Alloys and Minerals business. Other business segments comprise Tubes and Bearings.
- (2) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (3) Unallocable Assets and Liabilities exclude:

	₹ crores	
		As at 31.03.2011
Assets:		
Non-current investments	49,078.35	43,565.15
Current investments	1,204.17	2,999.79
Advance against equity	1,021.10	6,187.58
Foreign Currency Monetary Item Translation Difference Account	404.90	–
	<u>51,708.52</u>	<u>52,752.52</u>
Liabilities:		
Long-term borrowings	21,353.20	24,499.05
Short-term borrowings	65.62	149.13
Current maturities of long-term borrowings	4,753.43	3,652.94
Hybrid perpetual securities	2,275.00	1,500.00
Provision for employee separation compensation	764.73	873.34
Deferred tax liabilities (net)	970.51	936.80
	<u>30,182.49</u>	<u>31,611.26</u>

- (4) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.

43. RELATED PARTY TRANSACTIONS
(a) List of Related Parties and relationships

Name of the Party	Country	Name of the Party	Country
A. Subsidiaries:		III. Tata Steel International (Singapore)	
i) Adityapur Toll Bridge Company Limited	India	Holdings Pte. Ltd.	Singapore
ii) Centennial Steel Company Ltd. *	India	1. TSIA Holdings (Thailand) Limited	Thailand
iii) Gopalpur Special Economic Zone Limited	India	2. Tata Steel International (Guangzhou) Ltd.	China
iv) Jamshedpur Utilities & Services Company Limited	India	3. Tata Steel International (Shanghai) Ltd.	China
1. Haldia Water Management Limited	India	4. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia
2. Naba Diganta Water Management Limited	India	5. Tata Steel International (Thailand) Limited	Thailand
3. SEZ Adityapur Limited	India	6. Tata Steel International (Singapore) Pte. Ltd.	Singapore
v) Kalimati Investment Company Ltd.	India	7. Tata Steel international (Asia) Limited	Hongkong S.A.R.
1. Bangla Steel & Mining Co. Ltd.	Bangladesh	8. Tata Steel International (Hongkong) Limited	Hongkong S.A.R.
vi) Lanka Special Steels Ltd.	Sri Lanka	IV. Tata Steel Europe Limited	UK
vii) NatSteel Asia Pte. Ltd.	Singapore	1. Almana Steel Dubai (Jersey) Limited	Jersey
1. Tata Steel Asia (Hong Kong) Ltd.	Hongkong S.A.R.	2. Apollo Metals Ltd.	USA
2. Tata Steel Resources Australia Pty. Ltd.	Australia	3. Ashorne Hill Management College	UK
viii) Sila Eastern Ltd. ☆	Thailand	4. Augusta Grundstucks GmbH	Germany
ix) T S Alloys Limited	India	5. Automotive Laser Technologies Limited	UK
x) Tata Incorporated	USA	6. B S Pension Fund Trustee Ltd.	UK
xi) Tata Korf Engineering Services Ltd.	India	7. Bailey Steels Limited	UK
xii) Tata Metaliks Ltd.	India	8. Beheermaatschappij Industriële Producten B.V.	Netherlands
1. Tata Metaliks Kubota Pipes Limited	India	9. Belfin Beheermaatschappij B.V.	Netherlands
xiii) TRL Krosaki Refractories Limited ◆	India	10. Bell & Harwood Limited	UK
1. TRL Asia Private Ltd. *	Singapore	11. Blastmega Limited	UK
2. TRL China Ltd. *	China	12. Blume Stahlservice GmbH	Germany
xiv) Tayo Rolls Limited	India	13. Blume Stahlservice Polska Sp.Z.O.O	Poland
xv) Tata Steel (KZN) (Pty) Ltd.	South Africa	14. Bore Samson Group Ltd	UK
xvi) Tata Steel Holdings Pte. Ltd.	Singapore	15. Bore Steel Ltd.	UK
1. Tata Steel Global Holdings Pte Ltd.	Singapore	16. British Guide Rails Ltd.	UK
I. Orchid Netherlands (No.1) B.V.	Netherlands	17. British Steel Corporation Ltd	UK
II. NatSteel Holdings Pte. Ltd.	Singapore	18. British Steel De Mexico S.A. de C.V.	Mexico
1. Best Bar Pty. Ltd.	Australia	19. British Steel Directors (Nominees) Limited	UK
2. Best Bar (VIC) Pte. Ltd.	Australia	20. British Steel Employee Share Ownership Trustees Ltd.	UK
3. Burwill Trading Pte. Ltd.	Singapore	21. British Steel Engineering Steels (Exports) Limited	UK
4. Easteel Construction Services Pte. Ltd.	Singapore	22. British Steel Holdings B.V. *	Netherlands
5. Easteel Services (M) Sdn. Bhd.	Malaysia	23. British Steel International B.V. *	Netherlands
6. Eastern Steel Fabricators Phillipines, Inc.	Phillipines	24. British Steel Nederland International B.V.	Netherlands
7. Eastern Steel Services Pte. Ltd.	Singapore	25. British Steel Samson Limited	UK
8. Eastern Wire Pte. Ltd.	Singapore	26. British Steel Service Centres Ltd.	UK
9. Materials Recycling Pte. Ltd. *	Singapore	27. British Steel Tubes Exports Ltd.	UK
10. NatSteel (Xiamen) Ltd.	China	28. British Transformer Cores Ltd. *	UK
11. NatSteel Asia (S) Pte. Ltd.	Singapore	29. British Tubes Stockholding Ltd.	UK
12. NatSteel Australia Pty. Ltd.	Australia	30. Bs Quest Trustee Limited	UK
13. NatSteel Equity IV Pte. Ltd.	Singapore	31. Bskh Corporate Services (UK) Limited *	UK
14. Natsteel Recycling Pte Ltd.	Singapore	32. Burgdorfer Grundstuecks GmbH	Germany
15. NatSteel Trade International (Shanghai) Company Ltd.	China	33. C V Benine	Netherlands
16. NatSteel Trade International Pte. Ltd.	Singapore	34. C Walker & Sons Ltd.	UK
17. NatSteel Vina Co. Ltd.	Vietnam	35. Catnic GmbH	Germany
18. PT Materials Recycling Indonesia	Indonesia		
19. The Siam Industrial Wire Company Ltd.	Thailand		
20. Wuxi Jinyang Metal Products Co. Ltd.	China		

Name of the Party	Country	Name of the Party	Country
36. Catnic Limited	UK	84. Corus Metal Iberica S.A	Spain
37. Cbs Investissements SAS	France	85. Corus Metals Limited *	UK
38. Cladding & Decking (UK) Limited	UK	86. Corus Multi-Metals Limited *	UK
39. Cogent Power Inc.	Canada	87. Corus Norge A/S	Norway
40. Cogent Power Inc.	Mexico	88. Corus Packaging Plus Norway AS	Norway
41. Cogent Power Inc.	USA	89. Corus Primary Aluminium B.V.	Netherlands
42. Cogent Power Limited	UK	90. Corus Properties (Germany) Limited	UK
43. Cold drawn Tubes Ltd.	UK	91. Corus Property	UK
44. Color Steels Limited	UK	92. Corus Quest Trustee Limited *	UK
45. Corbeil Les Rives SCI	France	93. Corus Rail Limited *	UK
46. Corby (Northants) & District Water Co.	UK	94. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland
47. Cordor (C& B) Limited	UK	95. Corus Service Center Milano Spa	Italy
48. Corus Aerospace Service Centre Suzhou Co Ltd.	China	96. Corus Service Centre Limited	N Ireland
49. Corus Aluminium Limited *	UK	97. Corus Sheet & Tube Inc.	USA
50. Corus Aluminium Verwaltungsgesellschaft Mbh	Germany	98. Corus Stainless Limited *	UK
51. Corus Beteiligungs GmbH	Germany	99. Corus Stainless UK Ltd. *	UK
52. Corus Brokers Limited *	UK	100. Corus Steel Limited *	UK
53. Corus Building Systems Bulgaria AD	Bulgaria	101. Corus Steel Service STP LLC	Russia
54. Corus Building Systems N.V.	Belgium	102. Corus Trico Holdings Inc.	USA
55. Corus Building Systems SAS	France	103. Corus Tubes Poland Spolka Z.O.O	Poland
56. Corus Byggesystemer A/S	Denmark	104. Corus UK Healthcare Trustee Limited	UK
57. Corus Byggsystem AB	Sweden	105. Corus Ukraine LLC	Ukraine
58. Corus Byggsystemer A/S	Norway	106. Cpn (85) Limited	UK
59. Corus CNBV Investments	UK	107. Crucible Insurance Company Ltd.	I of Man
60. Corus Coatings Usa Inc.	USA	108. Degels GmbH	Germany
61. Corus Cold drawn Tubes Limited	UK	109. Demka B.V.	Netherlands
62. Corus Consulting B.V.	Netherlands	110. Dsrn Group Plc.	UK
63. Corus Electrical Limited *	UK	111. Ees Group Services Limited	UK
64. Corus Engineering Limited *	UK	112. EES Nederland B.V. *	Netherlands
65. Corus Engineering Steels (UK) Limited	UK	113. Eric Olsson & Soner Forvaltnings AB	Sweden
66. Corus Engineering Steels Holdings Limited	UK	114. Esmil B.V.	Netherlands
67. Corus Engineering Steels Limited	UK	115. Euro-Laminations Limited	UK
68. Corus Engineering Steels Overseas Holdings Limited	UK	116. European Electrical Steels Limited *	UK
69. Corus Finance Limited	UK	117. Europressings Limited	UK
70. Corus Group Limited	UK	118. Firsteel Group Limited	UK
71. Corus Holdings Ltd.	UK	119. Firsteel Holdings Limited	UK
72. Corus Holdings SA *	France	120. Firsteel Strip Mill Products Limited	UK
73. Corus India Ltd.	India	121. Fischer Profielen NV *	Belgium
74. Corus International (Overseas Holdings) Limited	UK	122. Fischer Profil GmbH	Germany
75. Corus International Bulgaria Limited	Bulgaria	123. Gamble Simms Metals Ltd.	Ireland
76. Corus International Limited	UK	124. Grant Lyon Eagre Ltd.	UK
77. Corus International Representacoes Do Brasil Ltda.	Brazil	125. H E Samson Ltd.	UK
78. Corus International Romania SRL.	Romania	126. Hadfields Holdings Ltd.	UK
79. Corus Investments Ltd.	UK	127. Hammermega Limited	UK
80. Corus Ireland Ltd.	Ireland	128. Harrowmills Properties Ltd.	UK
81. Corus Large Diameter Pipes Limited	UK	129. Hille & Muller GmbH	Germany
82. Corus Liaison Services (India) Limited	UK	130. Hille & Muller Usa Inc.	USA
83. Corus Management Limited	UK	131. Holorib GmbH *	Germany
		132. Hoogovens (UK) Limited	UK
		133. Hoogovens Aluminium UK Limited	UK
		134. Hoogovens Finance B.V.	Netherlands
		135. Hoogovens Technical Services Mexico De S. De R.L. De C.V.	Mexico

Name of the Party	Country	Name of the Party	Country
136. Hoogovens Usa Inc.	USA	186. Societe Europeenne De Galvanisation (Segal) Sa	Belgium
137. Huizenbezit "Breesaap" B.V.	Netherlands	187. Staalverwerking En Handel B.V.	Netherlands
138. Ickles Cottage Trust	UK	188. Stainless Velsen-Noord BV	Netherlands
139. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France	189. Steel StockHoldings Ltd.	UK
140. Industrial Steels Limited	UK	190. Steelstock Ltd.	UK
141. Inter Metal Distribution SAS	France	191. Stewarts & Lloyds Of Ireland Ltd.	Ireland
142. Kalzip Asia Pte Limited	Singapore	192. Stewarts And Lloyds (Overseas) Ltd.	UK
143. Kalzip GmbH	Germany	193. Stocksbridge Works Cottage Trust Limited	UK
144. Kalzip GmbH	Austria	194. Stuwadoorsbedrijf Velserkom B.V.	Netherlands
145. Kalzip Guanzhou Limited	China	195. Surahammar Bruks AB	Sweden
146. Kalzip Inc	USA	196. Swinden Housing Association	UK
147. Kalzip Italy SRL	Italy	197. Tata Steel Belgium Packaging Steels N.V.	Belgium
148. Kalzip Limited	UK	198. Tata Steel Belgium Services N.V.	Belgium
149. Kalzip Spain S.L.U.	Spain	199. Tata Steel Europe Distribution BV	Netherlands
150. Layde Steel S.L.	Spain	200. Tata Steel Europe Metals Trading BV	Netherlands
151. Lister Tubes Ltd.	Ireland	201. Tata Steel France Batiment et Systemes SAS	France
152. London Works Steel Company Ltd.	UK	202. Tata Steel France Rail SA	France
153. Midland Steel Supplies Ltd.	UK	203. Tata Steel Germany GmbH	Germany
154. Mistbury Investments Limited	UK	204. Tata Steel Hungary LLC	Hungary
155. Montana Bausysteme AG	Switzerland	205. Tata Steel Ijmuiden BV	Netherlands
156. Myriad Deutschland GmbH	Germany	206. Tata Steel International (Americas) Holdings Inc	USA
157. Myriad Espana SI	Spain	207. Tata Steel International (Americas) Inc	USA
158. Myriad Nederland B.V.	Netherlands	208. Tata Steel International (Australasia) Limited	New Zealand
159. Myriad SA	France	209. Tata Steel International (Benelux) BV	Netherlands
160. Myriad United Kingdom Limited *	UK	210. Tata Steel International (Canada) Holdings Inc	Canada
161. Namascor B.V.	Netherlands	211. Tata Steel International (Czech Republic) S.R.O	Czech Republic
162. Nationwide Steelstock Limited	UK	212. Tata Steel International (Denmark) A/S	Denmark
163. Oostflank B.V.	Netherlands	213. Tata Steel International (Finland) OY	Finland
164. Orb Electrical Steels Limited	UK	214. Tata Steel International (France) SAS	France
165. Ore Carriers Ltd.	UK	215. Tata Steel International (Germany) GmbH	Germany
166. Oremco Inc.	USA	216. Tata Steel International Hellas SA	Greece
167. Plated Strip International Limited	UK	217. Tata Steel International (Italia) SRL	Italy
168. Precoat International Limited	UK	218. Tata Steel International (Middle East) FZE	UAE
169. Precoat Limited	UK	219. Tata Steel International (Nigeria) Ltd.	Nigeria
170. Rafferty-Brown Steel Co Inc Of Conn.	USA	220. Tata Steel International (North America) Ltd.	USA
171. Richard Thomas And Baldwins 1978. Limited	New Zealand	221. Tata Steel International (Poland) sp Z.O.O.	Poland
172. Round Oak Steelworks Ltd.	UK	222. Tata Steel International (Schweiz) AG	Switzerland
173. Runblast Limited	UK	223. Tata Steel International (Sweden) AB	Sweden
174. Runmega Limited	UK	224. Tata Steel International (UK) Ltd.	UK
175. S A B Profiel B.V.	Netherlands	225. Tata Steel International (India) Limited	India
176. S A B Profil GmbH	Germany	226. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
177. Sacra-Nord SAS	France	227. Tata Steel Logistics and Shipping BV	Netherlands
178. Scrap Processing Holding B.V.	Netherlands	228. Tata Steel Nederland BV	Netherlands
179. Seamless Tubes Ltd.	UK	229. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
180. Service Center Gelsenkirchen GmbH	Germany		
181. Service Centre Maastricht B.V.	Netherlands		
182. SIA Corus Building Systems	Latvia		
183. Simiop Investments Ltd.	UK		
184. Simiop Ltd.	UK		
185. Skruv Erik AB	Sweden		

Name of the Party	Country	Name of the Party	Country
230. Tata Steel Nederland Investment BV	Netherlands	VII. Tata Steel Global Procurement Company Pte. Ltd.	Singapore
231. Tata Steel Nederland Perfo BV	Netherlands	1. ProCo Issuer Pte. Ltd.	Singapore
232. Tata Steel Nederland Services BV	Netherlands	xvii) Tata Steel Processing And Distribution Limited	India
233. Tata Steel Nederland Star-Frame BV	Netherlands	xviii) TM International Logistics Limited	India
234. Tata Steel Nederland Technology BV	Netherlands	1. International Shipping Logistics FZE	UAE
235. Tata Steel Nederland Tubes BV	Netherlands	2. TKM Global China Ltd.	China
236. Tata Steel Netherlands Holdings B.V.	Netherlands	3. TKM Global GmbH	Germany
237. Tata Steel UK Consulting Limited	UK	4. TKM Global Logistics Limited	India
238. Tata Steel UK Holdings Limited	UK	5. TM Harbour Services Private Limited	India
239. Tata Steel UK Limited	UK	xix) Indian Steel & Wire Products Ltd.	India
240. Tata Steel UK Rail Consultancy Limited	UK	xx) The Tata Pigments Limited	India
241. Tata Steel Usa Inc.	USA	xxi) T M Mining Company Limited	India
242. The Newport And South Wales Tube Company Ltd.	UK	xxii) Jamshedpur Continuous Annealing & Processing Company Private Limited	India
243. The Stanton Housing Company Ltd.	UK	xxiii) The Tinplate Company of India Ltd. ▲	India
244. The Steel Company Of Ireland Limited	Ireland	B. Joint Ventures of:	
245. The Templeborough Rolling Mills Ltd.	UK	i) Tata Steel Ltd.	
246. Thomas Processing Company	USA	1. Bhubaneshwar Power Private Limited	India
247. Thomas Steel Strip Corp.	USA	2. Himalaya Steel Mill Services Private Limited	India
248. Tinsley Trailers Limited	UK	3. mjunction services limited	India
249. Toronto Industrial Fabrications Ltd.	UK	4. S & T Mining Company Private Limited	India
250. Trierer Walzwerk GmbH	Germany	5. Tata BlueScope Steel Limited	India
251. Tulip Netherlands (No.1) B.V. *	Netherlands	6. Tata NYK Shipping Pte Ltd.	Singapore
252. Tulip Netherlands (No.2) B.V. *	Netherlands	7. The Dhamra Port Company Limited	India
253. Tulip UK Holdings (No.2) Ltd.	UK	ii) Tata Steel Holdings Pte. Ltd.	
254. Tulip UK Holdings (No.3) Ltd.	UK	a) Tata Steel Global Holdings Pte Ltd.	
255. Tuscaloosa Steel Corporation	USA	I. Tata Steel Europe Limited	
256. U.E.S. Bright Bar Limited	UK	1. Afon Tinplate Company Limited	UK
257. UK Steel Enterprise Ltd.	UK	2. Air Products Llanwern Limited	UK
258. Ukse Fund Managers (General Partner) Limited	UK	3. B V Ijzerleew	Netherlands
259. Ukse Fund Managers Limited	UK	4. Bsr Pipeline Services Limited	UK
260. Unitol SAS	France	5. Caparo Merchant Bar Plc	UK
261. Vlietjonge BV	Netherlands	6. Corus Cogifer Switches And Crossings Limited	UK
262. Walker Manufacturing And Investments Ltd.	UK	7. Corus Kalpinis Simos Rom SRL. *	Romania
263. Walkersteelstock Ireland Limited	Ireland	8. Danieli Corus Technical Services B.V.	Netherlands
264. Walkersteelstock Ltd.	UK	9. Hks Scrap Metals B.V.	Netherlands
265. Westwood Steel Services Ltd.	UK	10. Ijzerhandel Geertsema Staal B.V.	Netherlands
266. Whitehead (Narrow Strip) Ltd.	UK	11. Industrial Rail Services Ijmond B.V.	Netherlands
V. Tata Steel Global Minerals Holdings Pte Ltd.	Singapore	12. Laura Metaal Holding B.V.	Netherlands
1. Al Rimal Mining LLC	Oman	13. Norsk Stal AS	Norway
2. Black Ginger 461 (Proprietary) Ltd.	South Africa	14. Norsk Stal Tynnplater AS	Norway
3. Kalimati Coal Company Pty. Ltd.	Australia	15. Ravenscraig Limited	UK
4. Sedibeng Iron Ore Pty. Ltd.	South Africa	16. Tata Elastron SA	Greece
5. Tata Steel Cote D' Ivoire S.A	Ivory Coast	17. Tata Elastron Steel Service Center SA	Greece
6. Tata Steel Minerals UK Limited	UK	18. Tata Steel Ticaret AS	Turkey
7. Tata Steel Minerals Canada Limited	Canada	19. Texturing Technology Limited	UK
VI. Tata Steel (Thailand) Public Company Ltd.	Thailand	20. Redcar Bulk Terminal Limited	UK
1. N.T.S. Steel Group Plc.	Thailand	II. Tata Steel Global Minerals Holdings Pte. Ltd.	
2. The Siam Construction Steel Co. Ltd.	Thailand	1. Rio Tinto Benga (Mauritius) Limited	Mauritius
3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand		

Name of the Party		Country	Name of the Party		Country
C. Associate through:			9.	Danieli Corus Braseq Ltda.	Brazil
i)	Kalimati Investment Company Ltd.	India	10.	Danieli Corus Construction Services B.V.	Netherlands
	1. Rujvalika Investments Limited		11.	Danieli Corus Construction Services Usa Inc.	USA
ii)	NatSteel Asia Pte. Ltd.		12.	Danieli Corus Do Brasil Ltda.	Brazil
	1. Steel Asia Development and Management Corp.	Philippines	13.	Danieli Corus Inc.	USA
	2. Steel Asia Industries Inc.	Philippines	14.	Danieli Corus Services Usa Inc.	USA
	3. Steel Asia Manufacturing Corporation	Philippines	15.	Danieli India (Pvt.) Ltd.	India
iii)	Tata Incorporated		16.	European Profiles (Marketing) Sdn.Bhd.	Malaysia
	1. TKM Overseas Limited	India	17.	Galvpro LP.	USA
iv)	TRL Krosaki Refractories Limited		18.	Gietwalsonderhoudcombinatie B.V.	Netherlands
	1. Almora Magnesite Limited *	India	19.	Hoogovens Court Roll Service Technologies Vof.	Netherlands
v)	Tata Steel Ltd.		20.	Hoogovens Gan Multimedia S.A. De C.V.	Mexico
	1. Indian Steel Rolling Mills Ltd.	India	21.	Isolation Du Sud SA	France
	2. Industrial Energy Limited	India	22.	Issb Limited	UK
	3. Jamipol Limited	India	23.	MDC Sublance Probe Technology	Shanghai
	4. Kalinga Aquatics Ltd.	India	24.	Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. *	Netherlands
	5. Kumardhubi Fireclay & Silica Works Ltd.	India	25.	Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
	6. Kumardhubi Metal Casting & Engineering Ltd.	India	26.	Rsp Holding B.V.	Netherlands
	7. Nicco Jubilee Park Limited	India	27.	Schreiner Fleischer AS	Norway
	8. Strategic Energy Technology Systems Pvt. Limited	India	28.	Shanghai Bao Yi Beverage Can Making Co. Ltd.	China
	9. Tata Construction & Projects Ltd.	India	29.	SMS Mevac UK Limited *	UK
	10. Tata Sponge Iron Limited	India	30.	Thoresen & Thorvaldsen AS	Norway
	11. TRL Krosaki Refractories Ltd. ♦	India	31.	Trico LLC	USA
	12. The Tinplate Company of India Ltd. ▲	India	32.	Weirton/Hoogovens GP	USA
	13. TRF Limited	India	33.	Wupperman Staal Nederland B.V.	Netherlands
vi)	Tata Steel Holdings Pte. Ltd.		III. Tata Steel Global Minerals Holdings Pte Ltd.		
a)	Tata Steel Global Holdings Pte Ltd.		1.	Riversdale Mining Ltd. *	Australia
	I. Tata Steel International (Singapore) Holdings Pte. Ltd.		2.	New Millennium Iron Corporation	Canada
	1. European Profiles Malaysia (M) Sdn.Bhd.	Malaysia	vii) The Indian Steel and Wire Products Ltd.		
	II. Tata Steel Europe Limited		1.	Metal Corporation of India Limited	India
	1. Ab Norskstal AS	Norway	D. Promoters holding together with its subsidiary is more than 20% Tata Sons Ltd.		
	2. Albi Profils SRL	France	E. Key Management Personnel – Whole-time director		
	3. Appleby Frodingham Cottage Trust Limited	UK	Mr. H. M. Nerurkar		
	4. Combulex B.V.	Netherlands			
	5. Cv Gasexpansie Ijmond	Netherlands			
	6. Danieli Corus Canada Inc.	Canada			
	7. Danieli Corus Asia B.V.	Netherlands			
	8. Danieli Corus B.V.	Netherlands			

* Part of the year.

▲ Earlier an associate, became subsidiary during the year.

♦ Earlier subsidiary, became an associate during the year.

☆ By virtue of management control.

(b) Related Party Transactions
₹ crores

Transactions	Subsidiaries	Associates and JVs	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of Goods						
Tata Steel Resources Australia Pty. Ltd.	4,782.57	–	–	–	–	4,782.57
	3,874.07	–	–	–	–	3,874.07
Others	151.85	254.81	–	–	–	406.66
	160.22	112.30	–	–	–	272.52
	4,934.42	254.81	–	–	–	5,189.23
	4,034.29	112.30	–	–	–	4,146.59
Sale of Goods						
Tata Steel Asia (Hong Kong) Ltd.	722.42	–	–	–	–	722.42
	696.20	–	–	–	–	696.20
Tata Steel Processing And Distribution Ltd.	1,359.36	–	–	–	–	1,359.36
	1,196.48	–	–	–	–	1,196.48
Others	611.30	341.13	–	–	–	952.43
	583.63	459.10	–	–	–	1,042.73
	2,693.08	341.13	–	–	–	3,034.21
	2,476.31	459.10	–	–	–	2,935.41
Receiving of Services						
Jamshedpur Utilities & Services Company Ltd.	292.87	–	–	–	–	292.87
	241.12	–	–	–	–	241.12
The Tinplate Company of India Ltd.	390.93	–	–	–	–	390.93
	–	321.51	–	–	–	321.51
Industrial Energy Ltd.	–	433.21	–	–	–	433.21
	–	146.09	–	–	–	146.09
Others	552.39	102.57	–	–	1.64	656.60
	532.04	21.93	–	–	2.21	556.18
	1,236.19	535.78	–	–	1.64	1,773.61
	773.16	489.53	–	–	2.21	1,264.90
Rendering of Services						
Jamshedpur Utilities & Services Company Ltd.	62.39	–	–	–	–	62.39
	68.92	–	–	–	–	68.92
The Tinplate Company of India Ltd.	49.73	–	–	–	–	49.73
	–	43.31	–	–	–	43.31
Indian Steel & Wire Products Ltd.	21.43	–	–	–	–	21.43
	19.49	–	–	–	–	19.49
Others	35.65	15.91	–	–	0.16	51.72
	21.30	13.54	–	–	0.19	35.03
	169.20	15.91	–	–	0.16	185.27
	109.71	56.85	–	–	0.19	166.75
Purchase of Fixed Assets						
TRF Ltd.	–	45.85	–	–	–	45.85
	–	54.00	–	–	–	54.00
Rujuvalika Investments Limited	–	8.35	–	–	–	8.35
	–	–	–	–	–	–
Others	0.07	–	–	–	–	0.07
	–	–	–	–	–	–
	0.07	54.20	–	–	–	54.27
	–	54.00	–	–	–	54.00
Sale of Fixed Assets						
Lanka Special Steels Ltd.	–	–	–	–	–	–
	0.04	–	–	–	–	0.04
	–	–	–	–	–	–
	0.04	–	–	–	–	0.04

₹ crores

Transactions	Subsidiaries	Associates and JVs	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Dividend Expense						
Tata Sons Ltd.	–	–	–	–	328.11	328.11
	–	–	–	–	206.74	206.74
Others	0.81	1.40	*	–	–	2.21
	0.54	0.93	**	–	–	1.47
	0.81	1.40	*	–	328.11	330.32
	0.54	0.93	**	–	206.74	208.21
Dividend Income						
TRL Krosaki Refractories Limited	23.54	–	–	–	–	23.54
	8.19	–	–	–	–	8.19
The Tinplate Company of India Ltd.	16.81	–	–	–	–	16.81
	–	13.97	–	–	–	13.97
Others	5.83	9.11	–	–	–	14.94
	1.49	12.83	–	–	–	14.32
	46.18	9.11	–	–	–	55.29
	9.68	26.80	–	–	–	36.48
Interest Income						
Tata Steel Holdings Pte. Ltd.	54.95	–	–	–	–	54.95
	35.56	–	–	–	–	35.56
Tata Steel (KZN) (Pty.) Ltd.	20.60	–	–	–	–	20.60
	20.91	–	–	–	–	20.91
Others	8.51	2.48	–	–	–	10.99
	4.23	5.17	–	–	–	9.40
	84.06	2.48	–	–	–	86.54
	60.70	5.17	–	–	–	65.87
Management contracts including deputation of employees						
Tata Sons Ltd.	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
	–	–	–	–	50.00	50.00
Finance Provided						
Tata Steel Holdings Pte. Ltd.	2,536.10	–	–	–	–	2,536.10
	11,547.95	–	–	–	–	11,547.95
The Dhamra Port Company Limited	–	350.00	–	–	–	350.00
	–	77.50	–	–	–	77.50
Others	246.83	49.48	–	–	–	296.31
	1,511.45	84.68	–	–	–	1,596.13
	2,782.93	399.48	–	–	–	3,182.41
	13,059.40	162.18	–	–	–	13,221.58
Unsecured advances/Deposits given						
Jamshedpur Utilities & Services Company Ltd.	–	–	–	–	–	–
	7.21	–	–	–	–	7.21
Others	–	–	–	–	–	–
	0.02	–	–	–	–	0.02
	–	–	–	–	–	–
	7.23	–	–	–	–	7.23

₹ crores

Transactions	Subsidiaries	Associates and JVs	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Remuneration Paid						
Mr. H. M. Nerurkar	–	–	6.42	–	–	6.42
	–	–	4.16	–	–	4.16
	–	–	6.42	–	–	6.42
	–	–	4.16	–	–	4.16
Guarantees and collaterals given						
Centennial Steel Company Ltd.	–	–	–	–	–	–
	637.86	–	–	–	–	637.86
	–	–	–	–	–	–
	637.86	–	–	–	–	637.86
Guarantees outstanding						
Tata Steel UK Ltd.,						
Tata Steel UK Rail Consultancy Ltd.,	157.73	–	–	–	–	157.73
Industrial Steels Ltd.,	138.24	–	–	–	–	138.24
Tata Steel International (UK) Ltd.						
Tata NYK Shipping Pte. Ltd.	–	152.64	–	–	–	152.64
	–	133.79	–	–	–	133.79
Others	–	–	–	–	–	–
	637.86	–	–	–	–	637.86
	157.73	152.64	–	–	–	310.37
	776.10	133.79	–	–	–	909.89
Outstanding Receivables						
Tata Steel Holdings Pte. Ltd.	973.18	–	–	–	–	973.18
	7,713.05	–	–	–	–	7,713.05
Tata Steel (KZN) (Pty) Ltd.	588.43	–	–	–	–	588.43
	522.04	–	–	–	–	522.04
The Dhamra Port Company Limited	–	352.48	–	–	–	352.48
	–	–	–	–	–	–
Others	228.32	84.58	–	–	4.01	316.91
	3,005.31	11.35	–	–	4.01	3,020.67
	1,789.93	437.06	–	–	4.01	2,231.00
	11,240.40	11.35	–	–	4.01	11,255.76
Outstanding Payables						
TS Resources Australia Pty. Ltd.	2,301.48	–	–	–	–	2,301.48
	1,537.91	–	–	–	–	1,537.91
Others	311.43	119.05	–	–	55.86	486.34
	173.14	127.63	–	–	50.76	351.53
	2,612.91	119.05	–	–	55.86	2,787.82
	1,711.05	127.63	–	–	50.76	1,889.44
Bad Debts Recovered						
The Indian Steel & Wire Products Ltd.	3.07	–	–	–	–	3.07
	3.07	–	–	–	–	3.07
	3.07	–	–	–	–	3.07
	3.07	–	–	–	–	3.07

* ₹ 8,944.00

** ₹ 5,096.00

44. The Company has the following Joint Ventures as on 31st March, 2012 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Venture Companies is given below:

Name of the Joint Venture Company	Country of Incorporation	Percentage of Holding	As at 31.03.2012				2011-12	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services limited	India	50%	146.04 104.34	56.90 40.54	0.60 -	0.30 -	68.36 52.57	32.64 25.62
The Dhamra Port Company Limited	India	50%	1,792.04 1,761.16	1,698.68 1,438.75	- -	24.18 76.18	98.89 0.01	327.94 0.52
Tata BlueScope Steel Limited	India	50%	851.83 745.86	614.47 493.41	25.74 20.26	17.66 56.05	358.96 257.72	404.04 266.88
Tata NYK Shipping Pte. Ltd.	Singapore	50%	429.40 363.04	344.32 238.35	219.85 -	185.81 171.91	348.97 329.73	405.96 328.31
Bhubaneshwar Power Private Limited	India	14%	5.71 5.63	0.11 0.08	0.39 0.40	38.02 38.02	0.16 0.05	0.05 0.05
S & T Mining Company Private Limited	India	50%	3.25 1.81	0.58 0.52	- -	0.13 0.04	0.10 0.03	1.51 1.19
Himalaya Steel Mill Services Private Limited	India	26%	8.54 2.35	4.83 0.01	- -	- -	0.46 -	0.43 0.02

45. DERIVATIVE INSTRUMENTS

- (a) The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per Accounting Policies stated in Note 1 annexed to Balance Sheet and Statement of Profit and Loss.

- (i) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of payables including forecast payables:

No. of contracts
US Dollar equivalent (million)
INR equivalent (₹ crores)

	As at 31.03.2011
64	57
527.15	297.23
2,682.12	1,325.52

(Forward exchange contracts outstanding include Forward Purchase of United States Dollars against Indian National Rupee for contracted imports).

Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of receivables:

No. of contracts
US Dollar equivalent (million)
INR equivalent (₹ crores)

	As at 31.03.2011
3	22
3.96	830.93
20.14	3,704.70

Outstanding long-term forward exchange contracts entered into by the Company:

No. of contracts
US Dollar equivalent (million)
INR equivalent (₹ crores)

	As at 31.03.2011
27	29
5*	2*
1,207.18	1,696.07
6,142.12	7,563.64

* represents outstanding long-term forward exchange contracts used to hedge currency risk of Euro and GBP against USD. The corresponding USD exposure has been disclosed under unhedged loans payable.

(Long-term Forward Exchange Contracts outstanding as on 31st March, 2012 have been used to hedge the foreign currency risk on repayment of External Commercial Borrowings and Export Credit Agency Borrowings of the Company).

- (ii) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. Such transactions are governed by the strategy approved by the Board of Directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Outstanding Interest Rate Swaps to hedge against fluctuations in interest rate changes:

		As at 31.03.2011
No. of contracts	8*	4
US Dollar equivalent (million)	335.00	244.48
INR equivalent (₹ crores)	1,704.48	1,090.00

(* The above interest rate swap is part of full currency swap and the number of contract is also reflected in the outstanding long-term forward exchange contract as part of hedging the exchange risk).

- (b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	US Dollar equivalent (million)	INR equivalent (₹ crores)	As at 31.03.2011	
			US Dollar equivalent (million)	INR equivalent (₹ crores)
Amounts receivable in foreign currency on account of the following:				
(i) Loans receivable	96.52	490.98	<i>101.28</i>	<i>451.54</i>
(ii) Interest receivable	19.16	97.45	<i>20.63</i>	<i>91.99</i>
(iii) Bill Discounted and debtors outstanding	1.28	6.52	<i>31.02</i>	<i>138.30</i>
Amounts payable in foreign currency on account of the following:				
(i) Import of goods and services	119.77	609.41	<i>67.64</i>	<i>301.62</i>
(ii) Capital imports	105.68	537.70	<i>35.92</i>	<i>160.20</i>
(iii) Interest and commitment charges payable	23.78	121.01	<i>20.04</i>	<i>89.35</i>
(iv) Loans payable	1,543.84	7,855.08	<i>1,593.75</i>	<i>7,107.33</i>

46. The Board recommended dividend of ₹ 12 per Ordinary Share (2010-11: ₹ 12 per Ordinary Share) for the year ended 31st March, 2012. The dividend is subject to the approvals of the shareholders at the Annual General Meeting. The total dividend payout (including tax on dividend) works out to ₹ 1,347.03 crores (2010-11: ₹ 1,307.77 crores) for the company.

47. Previous year's figures have been recast/restated where necessary.

48. Figures in italics are in respect of the previous year.

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board
 RATAN N TATA *Chairman*
 B MUTHURAMAN *Vice Chairman*
 S M PALIA
 ISHAAT HUSSAIN
 SUBODH BHARGAVA
 JACOBUS SCHRAVEN
 ANDREW ROBB
 KARL-ULRICH KOEHLER } *Directors*
 H M NERURKAR *Managing Director*

Auditors' Report on Consolidated Financial Statements

TO THE BOARD OF DIRECTORS OF TATA STEEL LIMITED

1. We have audited the attached Consolidated Balance Sheet of TATA STEEL LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31 March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. (a) Attention is invited to the Note 40(1) to the financial statements regarding accounting policy for recognition of actuarial valuation change of Rs. 2,372.26 crores (net of taxes) [Gross: Rs. 2,292.72 crores] in the pension and other post retirement benefit plans of Tata Steel Europe Limited, a subsidiary, for reasons specified therein. Had the Company followed the practice of recognizing actuarial valuation changes in the Statement of Profit and Loss, the deferred tax expenses would have been higher by Rs. 79.54 crores and the profit after taxes, minority interest and share of profits of associates would have been lower by Rs. 2,372.26 crores.
- (b) i) The financial statements of overseas subsidiaries and of a jointly controlled entity whose financial statements reflect total assets of Rs. 43,700.95 crores as at 31 March, 2012, total revenue of Rs. 97,197.14 crores and net cash outflows amounting to Rs. 1,093.78 crores for the year ended on that date have been audited by auditors in the respective countries.
- ii) The financial statements of certain subsidiaries and of a jointly controlled entity in India, whose financial statements reflect total assets of Rs. 610.26 crores as at 31 March, 2012, total revenue of Rs. 386.97 crores and net cash out flows amounting to Rs. 3.78 crores for the year ended on that date and in case of an associate in India having a carrying value of Rs. 72.44 crores as at 31 March, 2012 after accounting for the Company's share of profit after tax of Rs. 1.37 crores for the year ended on that date, have been audited by other auditors.

The reports of those auditors have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of those auditors.

- (c) As stated in Note 1 to the financial statements, in the case of one associate having a carrying value of Rs. 3.19 crores as at 31 March, 2012 after accounting for the Company's share of loss after tax of Rs. 3.35 crores for the year ended on that date, the figures used for the consolidation are based on the management's estimates and are not audited by their auditors.
- (d) As stated in Note 1 to the financial statements, in the case of one foreign associate, having a carrying value of Rs. 353.03 crores after accounting for the Company's share of profit after tax of Rs. 15.19 crores, the financial statements as on 31 March, 2012 are not available and the figures used for consolidation are based on the financial statements up to 31 December, 2011 audited by their auditors. Further, in respect of investments in certain associates valued at Re. 1 each in the Financial Statements of the Company no adjustment have been made in the Consolidated Financial Statements as at 31 March, 2012 as the financial statements from these associates were not available.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and the aforesaid subsidiaries, joint ventures and associates and to the best of our information and according to the explanations given to us and read with our comments in paragraph 3(a) to 3(d), in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2012;
 - (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

MUMBAI, 18 May, 2012

Tata Steel Limited and its Subsidiaries
Consolidated Balance Sheet as at 31st March, 2012

Note	Page		₹ crores	As at 31.03.2011 ₹ crores
		EQUITY AND LIABILITIES		
		(1) SHAREHOLDERS' FUNDS		
3	206	(a) Share Capital	971.41	958.74
4	207	(b) Reserves and surplus	42,049.71	34,426.97
		(c) Money received against share warrants	—	178.20
			43,021.12	35,563.91
5	208	(2) PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES	22.43	—
		(3) WARRANTS ISSUED BY A SUBSIDIARY COMPANY	17.46	17.46
6	209	(4) HYBRID PERPETUAL SECURITIES	2,275.00	1,500.00
		(5) MINORITY INTEREST	1,091.15	888.90
		(6) NON-CURRENT LIABILITIES		
7	209	(a) Long-term borrowings	45,238.24	49,250.69
8	210	(b) Deferred tax liabilities	2,503.85	2,188.18
9	210	(c) Other long-term liabilities	807.88	845.65
10	211	(d) Long-term provisions	4,715.05	4,585.05
			53,265.02	56,869.57
		(7) CURRENT LIABILITIES		
7	209	(a) Short-term borrowings	4,699.08	3,794.44
11	211	(b) Trade payables	20,617.86	18,457.48
12	211	(c) Other current liabilities	18,860.99	15,001.22
10	211	(d) Short-term provisions	3,370.05	3,395.25
			47,547.98	40,648.39
			1,47,240.16	1,35,488.23
		ASSETS		
		(8) NON-CURRENT ASSETS		
		(a) Fixed assets		
13	212	(i) Tangible assets	39,080.93	34,778.13
		(ii) Capital work-in-progress	20,039.71	13,550.83
14	213	(iii) Intangible assets	2,851.33	1,789.50
		(iv) Intangible assets under development	168.06	0.88
			62,140.03	50,119.34
		(b) Goodwill on consolidation	17,354.61	15,298.20
15	214	(c) Non-current investments	2,622.88	4,688.06
8	210	(d) Deferred tax assets	61.44	175.56
16	216	(e) Foreign currency monetary item translation difference account	404.90	—
17	216	(f) Long-term loans and advances	8,039.01	8,684.56
18	217	(g) Other non-current assets	39.39	33.55
			90,662.26	78,999.27
		(9) CURRENT ASSETS		
15	214	(a) Current investments	1,398.37	3,159.28
19	217	(b) Inventories	25,598.00	24,055.24
20	217	(c) Trade receivables	14,878.48	14,811.92
21	217	(d) Cash and bank balances	10,801.58	10,859.05
17	216	(e) Short-term loans and advances	3,868.73	3,547.18
22	218	(f) Other current assets	32.74	56.29
			56,577.90	56,488.96
			1,47,240.16	1,35,488.23
1-45	194	Notes to Consolidated Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA

Chairman

B MUTHURAMAN

Vice Chairman

S M PALIA

ISHAAT HUSSAIN

SUBODH BHARGAVA

JACOBUS SCHRAVEN

ANDREW ROBB

KARL-ULRICH KOEHLER

Directors

H M NERURKAR

Managing Director

Consolidated Statement of Profit and Loss for the year ended 31st March, 2012

Note	Page		₹ crores	Previous Year ₹ crores
		(1) REVENUE		
23	218	(a) Revenue from operations	1,35,975.56	1,21,345.75
		Less: Excise duty	3,075.86	2,592.63
			<u>1,32,899.70</u>	<u>1,18,753.12</u>
24	218	(b) Other Income	1,573.03	679.98
		TOTAL REVENUE	1,34,472.73	1,19,433.10
		(2) EXPENSES		
		(a) Raw materials consumed	45,457.54	38,748.58
		(b) Purchase of finished, semi-finished and other products	21,073.43	15,890.40
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(785.93)	(1,355.98)
25	218	(d) Employee benefits expense	17,228.64	15,840.20
26	219	(e) Depreciation and amortisation expense	4,516.65	4,414.82
27	219	(f) Finance costs	4,250.11	3,955.78
28	219	(g) Other expenses	38,366.86	33,571.61
			<u>130,107.30</u>	<u>1,11,065.41</u>
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	857.63	688.36
		TOTAL EXPENSES	1,29,249.67	1,10,377.05
		(3) PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	5,223.06	9,056.05
29	220	(4) EXCEPTIONAL ITEMS		
		(a) Profit on sale of non-current investments	3,361.92	735.69
		(b) Restructuring, impairment and disposals	—	2,310.21
			<u>3,361.92</u>	<u>3,045.90</u>
		(5) PROFIT BEFORE TAX	8,584.98	12,101.95
		(6) TAX EXPENSE		
		(a) Current tax	3,512.24	2,910.34
		(b) Deferred tax	124.22	335.56
			<u>3,636.46</u>	<u>3,245.90</u>
		(7) PROFIT AFTER TAX	4,948.52	8,856.05
		(8) MINORITY INTEREST	173.14	60.28
		(9) SHARE OF PROFITS OF ASSOCIATES	268.11	66.36
		(10) PROFIT AFTER TAX, MINORITY INTEREST AND SHARE OF PROFITS OF ASSOCIATES	5,389.77	8,982.69
30	220	(11) BASIC EARNINGS PER SHARE (₹)	54.28	99.03
30	220	(12) DILUTED EARNINGS PER SHARE (₹)	53.63	92.86
1-45	194	Notes to Consolidated Balance Sheet and Statement of Profit and Loss		

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA *Chairman*
B MUTHURAMAN *Vice Chairman*

S M PALIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
JACOBUS SCHRAVEN
ANDREW ROBB
KARL-ULRICH KOEHLER
} *Directors*

H M NERURKAR *Managing Director*

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	₹ crores	Year Ended 31.03.2011 ₹ crores
A. Cash Flow from Operating Activities:		
Profit before Tax, Minority Interest and Share of Profits of Associates	8,584.98	12,101.95
Adjustments for:		
Depreciation and amortisation expense	4,516.65	4,414.82
Income from non-current investments	(90.89)	(87.30)
(Profit)/Loss on sale of non-current investments	(3,368.44)	(736.44)
(Profit)/Loss on sale of assets/discarded assets written off	7.41	(100.38)
Restructuring, impairment and disposal	–	(2,310.21)
Interest and income from current investments	(898.10)	(437.00)
Finance costs	4,250.11	3,955.78
(Gain)/Loss on cancellation of forwards, swaps and options	43.06	(54.55)
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	625.61	(277.44)
Provision for wealth tax	1.80	1.36
Other non-cash expenditure	104.95	27.73
	5,192.16	4,396.37
Operating Profit before Working Capital Changes	13,777.14	16,498.32
Adjustments for:		
Trade and other receivables	888.71	(4,473.69)
Inventories	407.72	(4,888.51)
Trade payables and other liabilities	(137.42)	1,611.42
	1,159.01	(7,750.78)
Cash Generated from Operations	14,936.15	8,747.54
Direct tax paid	(3,652.37)	(3,235.07)
	(3,652.37)	(3,235.07)
Net Cash Flow from Operating Activities	11,283.78	5,512.47
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(12,136.03)	(9,588.39)
Sale of fixed assets	177.39	252.43
Purchase of non-current investments	(203.65)	(1,393.14)
Acquisition of subsidiaries/joint ventures/undertakings	–	(64.67)
Disposal of subsidiaries/joint ventures/undertakings	721.47	2,878.01
Sale of non-current investments	5,136.75	1,049.95
(Purchase)/sale of current investments (net)	2,193.38	(1,069.89)
Inter-corporate deposits (net)	(175.00)	–
Interest/Income from current investments received	492.13	245.56
Dividend received	127.26	106.20
Net Cash Flow from Investing Activities	(3,666.30)	(7,583.94)

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	₹ crores	Year Ended 31.03.2011 ₹ crores
C. Cash Flow from Financing Activities:		
Issue of equity share capital	534.60	4,368.01
Proceeds from sale of cross holdings	31.22	-
Issue of Preference Shares	20.00	-
Issue of Share Warrants	-	178.20
Capital contributions received	35.43	10.60
Proceeds from issue of Hybrid Perpetual Securities	775.00	1,500.00
Proceeds from borrowings	18,826.75	39,429.75
Repayment of borrowings	(23,549.04)	(34,138.84)
Amount received/(paid) on cancellation of forward, swaps and options	(32.96)	38.62
Distribution on Hybrid Perpetual Securities	(222.47)	-
Expenses on issue of equity instruments	(16.79)	(98.52)
Interest paid ⁽²⁾	(3,542.12)	(4,598.52)
Dividend paid	(1,163.94)	(716.21)
Net Cash Flow from Financing Activities	(8,304.32)	5,973.09
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	(686.84)	3,901.62
Opening Cash and Cash equivalents (As per Note 21, Page 217)	(3) 10,805.77	6,769.73
Effect of exchange rate on translation of foreign currency cash and bank balances	633.87	142.92
Closing Cash and Cash equivalents (As per Note 21, Page 217)	10,752.80	10,814.27

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 336.22 crores (2010-11: ₹ 219.63 crores).
- (3) Includes ₹ 2.59 crores of opening cash and cash equivalents in the books of The Tinplate Company of India Ltd. which became a subsidiary during the year and excludes ₹ 11.09 crores in the books of TRL Krosaki Refractories Ltd. which became an associate during the year.
- (4) Previous years figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

N VENKATRAM
Partner

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	<i>Chairman</i>
B MUTHURAMAN	<i>Vice Chairman</i>
S M PALIA	}
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	
KARL-ULRICH KOEHLER	<i>Directors</i>
H M NERURKAR	<i>Managing Director</i>

NOTES TO CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS
1. PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements consist of Tata Steel Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign currency translation reserve.
- The difference between the cost of investment in the subsidiaries and joint ventures, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Company's shareholders.
Minority interest in the net assets of consolidated subsidiaries consists of:
 - a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- Investment in associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.
- The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries, associates and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2012, except for certain associates (indicated as \$ below) for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements.
- In the absence of financial statements as on the reporting date for certain associates (indicated as # below), no adjustment has been made in the consolidated financial statements. These investments are carried at ₹ 1 in the financial statements.
- Unaudited financial statement of Orchid Netherlands (No. 1) B.V. being a subsidiary and Strategic Energy Technology Systems Pvt. Limited, being an associate have been considered for consolidation.

The list of subsidiary companies, joint ventures and associates which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2011-12	2010-11	
A. Subsidiaries:			
i) Adityapur Toll Bridge Company Limited	73.63	73.63	India
ii) Centennial Steel Company Ltd.*	–	100.00	India
iii) Gopalpur Special Economic Zone Limited	100.00	100.00	India
iv) Jamshedpur Utilities & Services Company Limited	100.00	100.00	India
1. Haldia Water Management Limited	60.00	60.00	India
2. Naba Diganta Water Management Limited	74.00	74.00	India
3. SEZ Adityapur Limited	51.00	51.00	India

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2011-12	2010-11	
v) Kalimati Investment Company Ltd.	100.00	100.00	India
1. Bangla Steel & Mining Co. Ltd.	100.00	100.00	Bangladesh
vi) Lanka Special Steels Ltd.	100.00	100.00	Sri Lanka
vii) NatSteel Asia Pte. Ltd.	100.00	100.00	Singapore
1. Tata Steel Asia (Hong Kong) Ltd.	100.00	100.00	Hongkong S.A.R
2. Tata Steel Resources Australia Pty. Ltd.	100.00	100.00	Australia
viii) Sila Eastern Ltd. ☆	49.00	49.00	Thailand
ix) T S Alloys Limited	100.00	100.00	India
x) Tata Incorporated	100.00	100.00	USA
xi) Tata Korf Engineering Services Ltd.	100.00	100.00	India
xii) Tata Metaliks Ltd.	50.09	50.04	India
1. Tata Metaliks Kubota Pipes Limited	51.17	51.00	India
xiii) TRL Krosaki Refractories Limited †	–	77.46	India
1. TRL Asia Private Ltd. *	–	88.00	Singapore
2. TRL China Ltd. *	–	100.00	China
xiv) Tayo Rolls Limited	54.45	54.45	India
xv) Tata Steel (KZN) (Pty) Ltd.	90.00	90.00	South Africa
xvi) Tata Steel Holdings Pte. Ltd.	100.00	100.00	Singapore
1. Tata Steel Global Holdings Pte. Ltd.	100.00	100.00	Singapore
I. Orchid Netherlands (No.1) B.V.	100.00	100.00	Netherlands
II. NatSteel Holdings Pte. Ltd.	100.00	100.00	Singapore
1. Best Bar Pty. Ltd.	71.00	71.00	Australia
2. Best Bar (VIC) Pte. Ltd.	71.00	71.00	Australia
3. Burwill Trading Pte. Ltd.	100.00	100.00	Singapore
4. Easteel Construction Services Pte. Ltd.	100.00	100.00	Singapore
5. Easteel Services (M) Sdn. Bhd.	100.00	100.00	Malaysia
6. Eastern Steel Fabricators Phillipines, Inc.	67.00	67.00	Phillipines
7. Eastern Steel Services Pte. Ltd.	100.00	100.00	Singapore
8. Eastern Wire Pte. Ltd.	100.00	100.00	Singapore
9. Materials Recycling Pte. Ltd. *	–	100.00	Singapore
10. NatSteel (Xiamen) Ltd.	100.00	100.00	China
11. NatSteel Asia (S) Pte. Ltd.	100.00	100.00	Singapore
12. NatSteel Australia Pty. Ltd.	100.00	100.00	Australia
13. NatSteel Equity IV Pte. Ltd.	100.00	100.00	Singapore
14. NatSteel Recycling Pte Ltd.	100.00	100.00	Singapore
15. NatSteel Trade International (Shanghai) Company Ltd.	100.00	100.00	China
16. NatSteel Trade International Pte. Ltd.	100.00	100.00	Singapore
17. NatSteel Vina Co. Ltd.	56.50	56.50	Vietnam
18. PT Materials Recycling Indonesia	100.00	100.00	Indonesia
19. The Siam Industrial Wire Company Ltd.	100.00	100.00	Thailand
20. Wuxi Jinyang Metal Products Co. Ltd.	95.00	95.00	China
III. Tata Steel Europe Limited	100.00	100.00	UK
1. Almana Steel Dubai (Jersey) Limited	100.00	100.00	Jersey
2. Apollo Metals Ltd.	100.00	100.00	USA
3. Ashorne Hill Management College	100.00	100.00	UK
4. Augusta Grundstucks GmbH	100.00	100.00	Germany
5. Automotive Laser Technologies Limited	100.00	100.00	UK
6. B S Pension Fund Trustee Ltd.	100.00	100.00	UK

	Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
		2011-12	2010-11	
7.	Bailey Steels Limited	100.00	100.00	UK
8.	Beheermaatschappij Industriële Producten B.V.	100.00	100.00	Netherlands
9.	Belfin Beheermaatschappij B.V.	100.00	100.00	Netherlands
10.	Bell & Harwood Limited	100.00	100.00	UK
11.	Blastmega Limited	100.00	100.00	UK
12.	Blume Stahlservice GmbH	100.00	100.00	Germany
13.	Blume Stahlservice Polska Sp.Z.O.O	100.00	100.00	Poland
14.	Bore Samson Group Ltd.	100.00	100.00	UK
15.	Bore Steel Ltd.	100.00	100.00	UK
16.	British Guide Rails Ltd.	100.00	100.00	UK
17.	British Steel Corporation Ltd.	100.00	100.00	UK
18.	British Steel De Mexico S.A. de C.V.	100.00	100.00	Mexico
19.	British Steel Directors (Nominees) Limited	100.00	100.00	UK
20.	British Steel Employee Share Ownership Trustees Ltd.	100.00	100.00	UK
21.	British Steel Engineering Steels (Exports) Limited	100.00	100.00	UK
22.	British Steel Holdings B.V. *	–	100.00	Netherlands
23.	British Steel International B.V. *	–	100.00	Netherlands
24.	British Steel Nederland International B.V.	100.00	100.00	Netherlands
25.	British Steel Samson Limited	100.00	100.00	UK
26.	British Steel Service Centres Ltd.	100.00	100.00	UK
27.	British Steel Tubes Exports Ltd.	100.00	100.00	UK
28.	British Transformer Cores Ltd. *	–	100.00	UK
29.	British Tubes Stockholding Ltd.	100.00	100.00	UK
30.	Bs Quest Trustee Limited	100.00	100.00	UK
31.	Bskh Corporate Services (UK) Limited *	–	100.00	UK
32.	Burgdorfer Grundstuecks GmbH	100.00	100.00	Germany
33.	C V Benine	76.92	76.92	Netherlands
34.	C Walker & Sons Ltd.	100.00	100.00	UK
35.	Catnic GmbH	100.00	100.00	Germany
36.	Catnic Limited	100.00	100.00	UK
37.	Cbs Investissements SAS	100.00	100.00	France
38.	Cladding & Decking (UK) Limited	100.00	100.00	UK
39.	Cogent Power Inc.	100.00	100.00	Canada
40.	Cogent Power Inc.	100.00	100.00	Mexico
41.	Cogent Power Inc.	100.00	100.00	USA
42.	Cogent Power Limited	100.00	100.00	UK
43.	Cold drawn Tubes Ltd.	100.00	100.00	UK
44.	Color Steels Limited	100.00	100.00	UK
45.	Corbeil Les Rives SCI	67.30	67.30	France
46.	Corby (Northants) & District Water Co.	100.00	100.00	UK
47.	Cordor (C& B) Limited	100.00	100.00	UK
48.	Corus Aerospace Service Centre Suzhou Co Ltd.	100.00	100.00	China
49.	Corus Aluminium Limited *	–	100.00	UK
50.	Corus Aluminium Verwaltungsgesellschaft MbH	100.00	100.00	Germany
51.	Corus Beteiligungs GmbH	100.00	100.00	Germany
52.	Corus Brokers Limited *	–	100.00	UK
53.	Corus Building Systems Bulgaria AD	100.00	100.00	Bulgaria
54.	Corus Building Systems N.V.	100.00	100.00	Belgium
55.	Corus Building Systems SAS	100.00	100.00	France
56.	Corus Byggesystemer A/S	100.00	100.00	Denmark
57.	Corus Byggsystem AB	100.00	100.00	Sweden
58.	Corus Byggsystemer A/S	100.00	100.00	Norway
59.	Corus CNBV Investments	100.00	100.00	UK
60.	Corus Coatings Usa Inc.	100.00	100.00	USA

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2011-12	2010-11	
61. Corus Cold drawn Tubes Limited	100.00	100.00	UK
62. Corus Consulting B.V.	100.00	100.00	Netherlands
63. Corus Electrical Limited *	–	100.00	UK
64. Corus Engineering Limited *	–	100.00	UK
65. Corus Engineering Steels (UK) Limited	100.00	100.00	UK
66. Corus Engineering Steels Holdings Limited	100.00	100.00	UK
67. Corus Engineering Steels Limited	100.00	100.00	UK
68. Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
69. Corus Finance Limited	100.00	100.00	UK
70. Corus Group Limited	100.00	100.00	UK
71. Corus Holdings Ltd.	100.00	100.00	UK
72. Corus Holdings SA *	–	100.00	France
73. Corus India Ltd.	100.00	100.00	India
74. Corus International (Overseas Holdings) Limited	100.00	100.00	UK
75. Corus International Bulgaria Limited	100.00	100.00	Bulgaria
76. Corus International Limited	100.00	100.00	UK
77. Corus International Representacoes Do Brasil Ltda.	100.00	100.00	Brazil
78. Corus International Romania SRL.	100.00	100.00	Romania
79. Corus Investments Ltd.	100.00	100.00	UK
80. Corus Ireland Ltd.	100.00	100.00	Ireland
81. Corus Large Diameter Pipes Limited	100.00	100.00	UK
82. Corus Liaison Services (India) Limited	100.00	100.00	UK
83. Corus Management Limited	100.00	100.00	UK
84. Corus Metal Iberica S.A	100.00	100.00	Spain
85. Corus Metals Limited *	–	100.00	UK
86. Corus Multi-Metals Limited *	–	100.00	UK
87. Corus Norge A/S	100.00	100.00	Norway
88. Corus Packaging Plus Norway AS	100.00	100.00	Norway
89. Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
90. Corus Properties (Germany) Limited	100.00	100.00	UK
91. Corus Property	100.00	100.00	UK
92. Corus Quest Trustee Limited *	–	100.00	UK
93. Corus Rail Limited *	–	100.00	UK
94. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
95. Corus Service Center Milano Spa	100.00	100.00	Italy
96. Corus Service Centre Limited	100.00	100.00	N Ireland
97. Corus Sheet & Tube Inc.	100.00	100.00	USA
98. Corus Stainless Limited *	–	100.00	UK
99. Corus Stainless UK Ltd. *	–	100.00	UK
100. Corus Steel Limited *	–	100.00	UK
101. Corus Steel Service STP LLC	100.00	100.00	Russia
102. Corus Trico Holdings Inc.	100.00	100.00	USA
103. Corus Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
104. Corus UK Healthcare Trustee Limited	100.00	100.00	UK
105. Corus Ukraine LLC	100.00	100.00	Ukraine
106. Cpn (85) Limited	100.00	100.00	UK
107. Crucible Insurance Company Ltd.	100.00	100.00	I of Man
108. Degels GmbH	100.00	100.00	Germany
109. Demka B.V.	100.00	100.00	Netherlands
110. Dsrn Group Plc.	100.00	100.00	UK
111. Ees Group Services Limited	100.00	100.00	UK
112. EES Nederland B.V. *	–	100.00	Netherlands
113. Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2011-12	2010-11	
114. Esmil B.V.	100.00	100.00	Netherlands
115. Euro-Laminations Limited	100.00	100.00	UK
116. European Electrical Steels Limited *	–	100.00	UK
117. Europressings Limited	100.00	100.00	UK
118. Firsteel Group Limited	100.00	100.00	UK
119. Firsteel Holdings Limited	100.00	100.00	UK
120. Firsteel Strip Mill Products Limited	100.00	100.00	UK
121. Fischer Profielen NV *	–	100.00	Belgium
122. Fischer Profil GmbH	100.00	100.00	Germany
123. Gamble Simms Metals Ltd.	100.00	100.00	Ireland
124. Grant Lyon Eagre Ltd.	100.00	100.00	UK
125. H E Samson Ltd.	100.00	100.00	UK
126. Hadfields Holdings Ltd.	62.50	62.50	UK
127. Hammermega Limited	100.00	100.00	UK
128. Harrowmills Properties Ltd.	100.00	100.00	UK
129. Hille & Muller GmbH	100.00	100.00	Germany
130. Hille & Muller Usa Inc.	100.00	100.00	USA
131. Holorib GmbH *	–	100.00	Germany
132. Hoogovens (UK) Limited	100.00	100.00	UK
133. Hoogovens Aluminium UK Limited	100.00	100.00	UK
134. Hoogovens Finance B.V.	100.00	100.00	Netherlands
135. Hoogovens Technical Services Mexico De S. De R.L. De C.V.	100.00	100.00	Mexico
136. Hoogovens Usa Inc.	100.00	100.00	USA
137. Huizenbezit “Breesaap” B.V.	100.00	100.00	Netherlands
138. Ickles Cottage Trust	100.00	100.00	UK
139. Immobiliere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
140. Industrial Steels Limited	100.00	100.00	UK
141. Inter Metal Distribution SAS	100.00	100.00	France
142. Kalzip Asia Pte Limited	100.00	100.00	Singapore
143. Kalzip GmbH	100.00	100.00	Germany
144. Kalzip GmbH	100.00	100.00	Austria
145. Kalzip Guanzhou Limited	100.00	100.00	China
146. Kalzip Inc.	100.00	100.00	USA
147. Kalzip Italy SRL	100.00	100.00	Italy
148. Kalzip Limited	100.00	100.00	UK
149. Kalzip Spain S.L.U.	100.00	100.00	Spain
150. Layde Steel S.L.	100.00	100.00	Spain
151. Lister Tubes Ltd.	100.00	100.00	Ireland
152. London Works Steel Company Ltd.	100.00	100.00	UK
153. Midland Steel Supplies Ltd.	100.00	100.00	UK
154. Mistbury Investments Limited	100.00	100.00	UK
155. Montana Bausysteme AG	100.00	100.00	Switzerland
156. Myriad Deutschland GmbH	100.00	100.00	Germany
157. Myriad Espana SI	100.00	100.00	Spain
158. Myriad Nederland B.V.	100.00	100.00	Netherlands
159. Myriad SA	100.00	100.00	France
160. Myriad United Kingdom Limited *	–	100.00	UK
161. Namascor B.V.	100.00	100.00	Netherlands
162. Nationwide Steelstock Limited	100.00	100.00	UK
163. Oostflank B.V.	100.00	100.00	Netherlands
164. Orb Electrical Steels Limited	100.00	100.00	UK
165. Ore Carriers Ltd.	100.00	100.00	UK

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2011-12	2010-11	
166. Oremco Inc.	100.00	100.00	USA
167. Plated Strip International Limited	100.00	100.00	UK
168. Precoat International Limited	100.00	100.00	UK
169. Precoat Limited	100.00	100.00	UK
170. Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA
171. Richard Thomas And Baldwins 1978 Limited	100.00	100.00	New Zealand
172. Round Oak Steelworks Ltd.	100.00	100.00	UK
173. Runblast Limited	100.00	100.00	UK
174. Runmega Limited	100.00	100.00	UK
175. S A B Profiel B.V.	100.00	100.00	Netherlands
176. S A B Profil GmbH	100.00	100.00	Germany
177. Sacra-Nord SAS	100.00	100.00	France
178. Scrap Processing Holding B.V.	100.00	100.00	Netherlands
179. Seamless Tubes Ltd.	100.00	100.00	UK
180. Service Center Gelsenkirchen GmbH	100.00	100.00	Germany
181. Service Centre Maastricht B.V.	100.00	100.00	Netherlands
182. SIA Corus Building Systems	100.00	100.00	Latvia
183. Simiop Investments Ltd.	100.00	100.00	UK
184. Simiop Ltd.	100.00	100.00	UK
185. Skruv Erik AB	100.00	100.00	Sweden
186. Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium
187. Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
188. Stainless Velsen-Noord BV	100.00	100.00	Netherlands
189. Steel StockHoldings Ltd.	100.00	100.00	UK
190. Steelstock Ltd.	100.00	100.00	UK
191. Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
192. Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
193. Stocksbridge Works Cottage Trust Limited	100.00	100.00	UK
194. Stuwadoorsbedrijf Velserkom B.V.	100.00	100.00	Netherlands
195. Surahammar Bruks AB	100.00	100.00	Sweden
196. Swinden Housing Association	100.00	100.00	UK
197. Tata Steel Belgium Packaging Steels N.V.	100.00	100.00	Belgium
198. Tata Steel Belgium Services N.V.	100.00	100.00	Belgium
199. Tata Steel Europe Distribution BV	100.00	100.00	Netherlands
200. Tata Steel Europe Metals Trading BV	100.00	100.00	Netherlands
201. Tata Steel France Batiment et Systemes SAS	100.00	100.00	France
202. Tata Steel France Rail SA	100.00	100.00	France
203. Tata Steel Germany GmbH	100.00	100.00	Germany
204. Tata Steel Hungary LLC	100.00	100.00	Hungary
205. Tata Steel Ijmuiden BV	100.00	100.00	Netherlands
206. Tata Steel International (Americas) Holdings Inc	100.00	100.00	USA
207. Tata Steel International (Americas) Inc	100.00	100.00	USA
208. Tata Steel International (Australasia) Limited	100.00	100.00	New Zealand
209. Tata Steel International (Benelux) BV	100.00	100.00	Netherlands
210. Tata Steel International (Canada) Holdings Inc	100.00	100.00	Canada
211. Tata Steel International (Czech Republic) S.R.O	100.00	100.00	Czech Republic
212. Tata Steel International (Denmark) A/S	100.00	100.00	Denmark
213. Tata Steel International (Finland) OY	100.00	100.00	Finland
214. Tata Steel International (France) SAS	100.00	100.00	France
215. Tata Steel International (Germany) GmbH	100.00	100.00	Germany
216. Tata Steel International Hellas SA	100.00	100.00	Greece
217. Tata Steel International (Italia) SRL	100.00	100.00	Italy
218. Tata Steel International (Middle East) FZE	100.00	100.00	UAE

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2011-12	2010-11	
219. Tata Steel International (Nigeria) Ltd.	100.00	100.00	Nigeria
220. Tata Steel International (North America) Ltd.	100.00	100.00	USA
221. Tata Steel International (Poland) Sp. Z.O.O.	100.00	100.00	Poland
222. Tata Steel International (Schweiz) AG	100.00	100.00	Switzerland
223. Tata Steel International (Sweden) AB	100.00	100.00	Sweden
224. Tata Steel International (UK) Ltd.	100.00	100.00	UK
225. Tata Steel International (India) Limited	100.00	100.00	India
226. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	88.00	88.00	Turkey
227. Tata Steel Logistics and Shipping BV	100.00	100.00	Netherlands
228. Tata Steel Nederland BV	100.00	100.00	Netherlands
229. Tata Steel Nederland Consulting & Technical Services BV	100.00	100.00	Netherlands
230. Tata Steel Nederland Investment BV	100.00	100.00	Netherlands
231. Tata Steel Nederland Perfo BV	100.00	100.00	Netherlands
232. Tata Steel Nederland Services BV	100.00	100.00	Netherlands
233. Tata Steel Nederland Star-Frame BV	100.00	100.00	Netherlands
234. Tata Steel Nederland Technology BV	100.00	100.00	Netherlands
235. Tata Steel Nederland Tubes BV	100.00	100.00	Netherlands
236. Tata Steel Netherlands Holdings B.V.	100.00	100.00	Netherlands
237. Tata Steel UK Consulting Limited	100.00	100.00	UK
238. Tata Steel UK Holdings Limited	100.00	100.00	UK
239. Tata Steel UK Limited	100.00	100.00	UK
240. Tata Steel UK Rail Consultancy Limited	100.00	100.00	UK
241. Tata Steel Usa Inc.	100.00	100.00	USA
242. The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
243. The Stanton Housing Company Ltd.	100.00	100.00	UK
244. The Steel Company Of Ireland Limited	100.00	100.00	Ireland
245. The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
246. Thomas Processing Company	100.00	100.00	USA
247. Thomas Steel Strip Corp.	100.00	100.00	USA
248. Tinsley Trailers Limited	100.00	100.00	UK
249. Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
250. Trierer Walzwerk GmbH	100.00	100.00	Germany
251. Tulip Netherlands (No.1) B.V. *	–	100.00	Netherlands
252. Tulip Netherlands (No.2) B.V. *	–	100.00	Netherlands
253. Tulip UK Holdings (No.2) Ltd.	100.00	100.00	UK
254. Tulip UK Holdings (No.3) Ltd.	100.00	100.00	UK
255. Tuscaloosa Steel Corporation	100.00	100.00	USA
256. U.E.S. Bright Bar Limited	100.00	100.00	UK
257. UK Steel Enterprise Ltd.	100.00	100.00	UK
258. Ukse Fund Managers (General Partner) Limited	100.00	100.00	UK
259. Ukse Fund Managers Limited	100.00	100.00	UK
260. Unitol SAS	100.00	100.00	France
261. Vlietjonge BV	100.00	100.00	Netherlands
262. Walker Manufacturing And Investments Ltd.	100.00	100.00	UK
263. Walkersteelstock Ireland Limited	100.00	100.00	Ireland
264. Walkersteelstock Ltd.	100.00	100.00	UK
265. Westwood Steel Services Ltd.	100.00	100.00	UK
266. Whitehead (Narrow Strip) Ltd.	100.00	100.00	UK
IV. Tata Steel Global Minerals Holdings Pte Ltd.	100.00	100.00	Singapore
1. Al Rimal Mining LLC	70.00	70.00	Oman
2. Black Ginger 461 (Proprietary) Ltd.	100.00	100.00	South Africa
3. Kalimati Coal Company Pty. Ltd.	100.00	100.00	Australia
4. Sedibeng Iron Ore Pty. Ltd.	64.00	64.00	South Africa

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2011-12	2010-11	
5. Tata Steel Cote D' Ivoire S.A	85.00	85.00	Ivory Coast
6. Tata Steel Minerals UK Limited	100.00	100.00	UK
7. Tata Steel Minerals Canada Limited	80.00	80.00	Canada
V. Tata Steel International (Singapore) Holdings Pte. Ltd.	100.00	100.00	Singapore
1. TSIA Holdings (Thailand) Limited	49.55	49.55	Thailand
2. Tata Steel International (Guangzhou) Ltd.	100.00	100.00	China
3. Tata Steel International (Shanghai) Ltd.	100.00	100.00	China
4. Tata Steel International (Malaysia) Sdn. Bhd.	100.00	100.00	Malaysia
5. Tata Steel International (Thailand) Limited	74.27	74.27	Thailand
6. Tata Steel International (Singapore) Pte. Ltd.	100.00	100.00	Singapore
7. Tata Steel international (Asia) Limited	100.00	100.00	Hongkong S.A.R
8. Tata Steel International (Hongkong) Limited	100.00	100.00	Hongkong S.A.R
VI. Tata Steel (Thailand) Public Company Ltd.	67.90	67.90	Thailand
1. N.T.S. Steel Group Plc.	99.66	99.66	Thailand
2. The Siam Construction Steel Co. Ltd.	99.99	99.99	Thailand
3. The Siam Iron And Steel (2001) Co. Ltd.	99.99	99.99	Thailand
VII. Tata Steel Global Procurement Company Pte. Ltd.	100.00	100.00	Singapore
1. ProCo Issuer Pte. Ltd.	100.00	100.00	Singapore
xvii) Tata Steel Processing and Distribution Limited	100.00	100.00	India
xviii) TM International Logistics Limited	51.00	51.00	India
1. International Shipping Logistics FZE	100.00	100.00	UAE
2. TKM Global China Ltd.	100.00	100.00	China
3. TKM Global GmbH	100.00	100.00	Germany
4. TKM Global Logistics Limited	100.00	100.00	India
5. TM Harbour Services Private Limited	100.00	100.00	India
xix) Indian Steel & Wire Products Ltd.	91.36	91.36	India
xx) The Tata Pigments Limited	100.00	100.00	India
xxi) T M Mining Company Limited	74.00	74.00	India
xxii) Jamshedpur Continuous Annealing & Processing Company Private Limited	100.00	100.00	India
xxiii) The Tinplate Company of India Ltd. ▲	60.96	–	India
B. Joint Ventures of:			
i) Tata Steel Ltd.			
1. Bhubaneshwar Power Private Limited	26.00	26.00	India
2. mjunction services limited	50.00	50.00	India
3. S & T Mining Company Private Limited	50.00	50.00	India
4. Tata BlueScope Steel Limited	50.00	50.00	India
5. Tata NYK Shipping Pte Ltd.	50.00	50.00	Singapore
6. The Dhamra Port Company Limited	50.00	50.00	India
7. Himalaya Steel Mill Services Private Limited	26.00	26.00	India
ii) Tata Steel Holdings Pte. Ltd.			
a) Tata Steel Global Holdings Pte Ltd.			
i. Tata Steel Europe Limited			
1. Afon Tinplate Company Limited	64.00	64.00	UK
2. Air Products Llanwern Limited	50.00	50.00	UK
3. B V Ijzerleew	50.00	50.00	Netherlands
4. Bsr Pipeline Services Limited	50.00	50.00	UK
5. Caparo Merchant Bar Plc	25.00	25.00	UK
6. Corus Cogifer Switches And Crossings Limited	50.00	50.00	UK
7. Corus Kalpinis Simos Rom SRL. *	–	50.00	Romania
8. Danieli Corus Technical Services B.V.	50.00	50.00	Netherlands

Name of the Company	Ownership in % either directly or through Subsidiaries®		Country of Incorporation
	2011-12	2010-11	
9. Hks Scrap Metals B.V.	50.00	50.00	Netherlands
10. Ijzerhandel Geertsema Staal B.V.	50.00	50.00	Netherlands
11. Industrial Rail Services Ijmond B.V.	50.00	50.00	Netherlands
12. Laura Metaal Holding B.V.	49.00	49.00	Netherlands
13. Norsk Stal AS	50.00	50.00	Norway
14. Norsk Stal Tynnplater AS	50.00	50.00	Norway
15. Ravenscraig Limited	33.33	33.33	UK
16. Redcar Bulk Terminal Limited	50.00	50.00	UK
17. Tata Elastron SA	50.00	50.00	Greece
18. Tata Elastron Steel Service Center SA	50.00	50.00	Greece
19. Tata Steel Ticaret AS	50.00	50.00	Turkey
20. Texturing Technology Limited	50.00	50.00	UK
II. Tata Steel Global Minerals Holdings Pte. Ltd.			
1. Rio Tinto Benga (Mauritius) Limited	35.00	35.00	Mauritius
C. Associate of:			
i) Kalimati Investment Company Ltd.			
1. Rujvalika Investments Ltd.	24.12	24.12	India
ii) NatSteel Asia Pte. Ltd.			
1. Steel Asia Development and Management Corp. †	40.00	40.00	Philippines
2. Steel Asia Industries Inc. †	50.00	50.00	Philippines
3. Steel Asia Manufacturing Corporation	40.00	40.00	Philippines
iii) Tata Incorporated			
1. TKM Overseas Ltd.	49.00	49.00	India
iv) TRL Krosaki Refractories Limited			
1. Almora Magnesite Ltd. *	–	39.00	India
v) Tata Steel Ltd.			
1. Indian Steel Rolling Mills Ltd. #	20.56	20.56	India
2. Industrial Energy Ltd.	26.00	26.00	India
3. Jamipol Ltd.	32.67	31.78	India
4. Kalinga Aquatics Ltd. #	30.00	30.00	India
5. Kumardhubi Fireclay & Silica Works Ltd. #	27.78	27.78	India
6. Kumardhubi Metal Casting & Engineering Ltd. #	49.31	49.31	India
7. Nicco Jubilee Park Ltd. #	23.46	23.46	India
8. Strategic Energy Technology Systems Limited	25.00	25.00	India
9. Tata Construction & Projects Ltd. #	29.66	29.66	India
10. Tata Sponge Iron Ltd.	43.24	43.24	India
11. TRL Krosaki Refractories Ltd. †	26.62	–	India
12. The Tinsplate Company of India Limited ▲	–	44.40	India
13. TRF Ltd.	34.29	34.29	India
vi) Tata Steel Holdings Pte. Ltd.			
a) Tata Steel Global Holdings Pte Ltd.			
I. Tata Steel International (Singapore) Holdings Pte. Ltd.			
1. European Profiles Malaysia (M) Sdn.Bhd.	20.00	20.00	Malaysia
II. Tata Steel Europe Limited			
1. Ab Norskstal AS †	50.00	50.00	Norway
2. Albi Profils SRL †	30.00	30.00	France
3. Appleby Frodingham Cottage Trust Limited †	33.30	33.30	UK
4. Combulex B.V.	50.00	50.00	Netherlands
5. Cv Gasexpansie Ijmond	50.00	50.00	Netherlands

Name of the Company	Ownership in % either directly or through Subsidiaries [@]		Country of Incorporation
	2011-12	2010-11	
6. Danieli Corus Canada Inc. †	50.00	50.00	Canada
7. Danieli Corus Asia B.V. †	50.00	50.00	Netherlands
8. Danieli Corus B.V. †	50.00	50.00	Netherlands
9. Danieli Corus Braseq Ltda. †	50.00	50.00	Brazil
10. Danieli Corus Construction Services B.V. †	50.00	50.00	Netherlands
11. Danieli Corus Construction Services Usa Inc. †	50.00	50.00	USA
12. Danieli Corus Do Brasil Ltda. †	50.00	50.00	Brazil
13. Danieli Corus Inc. †	50.00	50.00	USA
14. Danieli Corus Services Usa Inc. †	50.00	50.00	USA
15. Danieli India (Pvt.) Ltd. †	50.00	50.00	India
16. European Profiles (Marketing) Sdn.Bhd. †	10.20	10.20	Malaysia
17. Galvpro LP. †	45.50	45.50	USA
18. Gietwalsonderhoudcombinatie B.V.	50.00	50.00	Netherlands
19. Hoogovens Court Roll Service Technologies Vof:	50.00	50.00	Netherlands
20. Hoogovens Gan Multimedia S.A. De C.V. †	50.00	50.00	Mexico
21. Isolation Du Sud SA †	0.33	0.33	France
22. Issb Limited †	50.00	50.00	UK
23. MDC Sublance Probe Technology †	50.00	50.00	Shanghai
24. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. *	—	6.67	Netherlands
25. Richard Lees Steel Decking Asia Snd. Bhd. †	10.00	10.00	Malaysia
26. Rsp Holding B.V. †	13.19	13.19	Netherlands
27. Schreiner Fleischer AS †	50.00	50.00	Norway
28. Shanghai Bao Yi Beverage Can Making Co. Ltd.	12.50	12.50	China
29. Sms Mevac UK Limited *	—	45.00	UK
30. Thoresen & Thorvaldsen AS †	50.00	50.00	Norway
31. Trico LLC †	25.00	25.00	USA
32. Weirton/Hoogovens GP †	50.00	50.00	USA
33. Wupperman Staal Nederland B.V.	30.00	30.00	Netherlands
III. Tata Steel Global Minerals Holdings Pte Ltd.			
1. Riversdale Mining Ltd. * \$	—	27.14	Australia
2. New Millennium Iron Corporation \$	26.62	27.10	Canada
vii) The Indian Steel and Wire Products Ltd.			
1. Metal Corporation of India Limited #	42.05	42.05	India

@ Represents the holding percentage of the respective companies and does not indicate the effective percentage holding of the Group.

* Part of the year.

☆ By virtue of management control.

† Investments in these associates are reported at nil value in the consolidated financial statements.

‡ Earlier a subsidiary, became an associate during the year.

▲ Earlier an associate, became a subsidiary during the year.

2. ACCOUNTING POLICIES**(a) Basis for Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

During the year, Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company for preparation and presentation of its financial statements. The Company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

(b) Revenue Recognition

- (i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.
- (ii) Revenue from services rendered is recognised on pro-rata basis in proportion to the stage of completion of the related transaction.
- (iii) Export incentive under various schemes notified by the Government has been recognised on the basis of credits afforded in the pass book/amount received.
- (iv) In one of the subsidiaries, income from services are recognised upon completion of the relevant shipping activities and related services. Income and expenses relating to incomplete voyages are carried forward as voyages-in-progress. Despatch earnings are accounted for on receipt basis.

(c) Employee Benefits

- (i) 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.
- (ii) Post employment benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds at the balance sheet date as the discounting rate. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present value, using the market yield on government bonds, as on the date of balance sheet, as the discounting rate. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are recognised in the Statement of Profit and Loss. However, in one of the subsidiary (Tata Steel Europe Limited) because of potential volatility caused by periodic changes in the assumptions underlying the computation of the pension and other post retirement benefit liabilities, it is not considered practicable to adopt a common accounting policy for accounting for these liabilities of the company and Tata Steel Europe Limited. The actuarial gains and losses for these liabilities of Tata Steel Europe Limited have been accounted in Reserves and Surplus.
- (v) In respect of the Employee Separation Scheme (ESS), the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Statement of Profit and Loss.

(d) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairments, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised 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 lives are amortised on a straight-line basis over their estimated useful lives.

(f) Depreciation and Amortisation

- (i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.

- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. The details of estimated life for each category of asset are as under:
- (a) Buildings and Roads — 30 to 62 years
 - (b) Plant and Machinery — 3 to 30 years
 - (c) Railway Sidings/Lines — 21 years
 - (d) Vehicles and Aircraft — 5 to 18 years
 - (e) Furniture, Fixtures and Office Equipments — 5 years
 - (f) Intangibles (Computer Software) — 5 to 10 years
 - (g) Development of property for development of mines and collieries are depreciated over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
 - (h) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
 - (i) Freehold land is not depreciated.
 - (j) Leasehold land and other leasehold assets are amortised over the life of the lease.

In some of the subsidiaries, joint ventures and associates depreciation is calculated on written down value basis and intangible assets are amortised over the period for which the rights are obtained. The depreciation charge in respect of these entities is not significant in the context of the consolidated financial statements.

(g) Impairment

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

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.

(h) Foreign Currency Transactions

Foreign Currency Transactions (FCT) and forward exchange contracts entered into to hedge FCT are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities denominated in foreign currency and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

The differences in translation and settlement of FCT and forward exchange contracts used to hedge FCT (excluding the long-term foreign currency monetary items accounted in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009 as amended on 29th December, 2011) are recognised in the Statement of Profit and Loss. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Statement of Profit and Loss.

Exchange differences relating to monetary items that are in substance forming part of the Company's net investment in non integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

(i) Investments

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Stock-in-trade in case of one of the subsidiaries, being an investment company, has been valued at cost or at market quotation whichever is lower scrip wise.

(j) Inventories

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realisable value.

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

Coal, iron ore and other raw materials produced and purchased by the Company are carried at lower of cost and net realisable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of inventories is generally ascertained on the 'weighted average' basis. Work-in-progress and finished and semi-finished products are valued on full absorption cost basis.

(k) Relining Expenses

Relining expenses other than expenses on blast furnace relining are charged as an expense in the year in which they are incurred.

(l) Research and Development

Research and development costs (other than cost of fixed assets acquired) are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(m) Deferred Tax

Deferred tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.

(n) Tax on Income

Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of applicable tax laws of the respective countries.

Foreign Companies recognise tax liabilities and assets in accordance with the applicable local laws.

3. SHARE CAPITAL

(Item No. 1(a), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
Authorised:		
1,75,00,00,000 Ordinary Shares of ₹ 10 each (31.03.2011: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)	1,750.00	1,750.00
35,00,00,000 "A" Ordinary Shares of ₹ 10 each (31.03.2011: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)	350.00	350.00
2,50,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each (31.03.2011: 2,50,00,000 Shares of ₹ 100 each)	250.00	250.00
60,00,00,000 Cumulative Convertible Preference Shares of ₹ 100 each (31.03.2011: 60,00,00,000 Shares of ₹ 100 each)	6,000.00	6,000.00
	8,350.00	8,350.00
Issued:		
97,21,26,020 Ordinary Shares of ₹ 10 each (31.03.2011: 95,94,54,565 [@] Ordinary Shares of ₹ 10 each)	972.13	959.46
Subscribed:		
97,12,14,450 Ordinary Shares of ₹ 10 each fully paid up (31.03.2011: 95,85,42,995 [@] Ordinary Shares of ₹ 10 each)	971.21	958.54
Add: Amount paid-up on 3,89,516 Ordinary Shares forfeited (31.03.2011: 3,89,516 Ordinary Shares of ₹ 10 each)	0.20	0.20
	971.41	958.74

[@] excludes 6,71,455 Ordinary Shares held by a Subsidiary.

4. RESERVES AND SURPLUS

(Item No. 1(b), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Capital Reserve		
Balance as per last account	22.31	21.61
Adjustments on account of equity accounting for associates	9.45	–
Received during the year	0.12	0.70
	<u>31.88</u>	<u>22.31</u>
(b) Capital Redemption Reserve		
Balance as per last account	20.78	20.78
Amount transferred from Statement of Profit and Loss	6.55	–
	<u>27.33</u>	<u>20.78</u>
(c) Securities Premium Reserve		
Balance as per last account	18,210.42	14,031.50
Amount received on conversion of CCPS	–	0.01
Amount received on follow on public issue of equity shares	–	3,420.00
Amount received on preferential issue of equity shares	–	876.00
Expenses related to CARS/NCD/GDR/Hybrid Securities/ Preferential and Public issue of equity shares	(9.39)	(115.02)
Amount received on conversion of warrants	700.80	–
Effect of change in cross holdings	(0.21)	–
Exchange difference on redemption premium of CARS	(25.22)	(2.07)
	<u>18,876.40</u>	<u>18,210.42</u>
(d) Debenture Redemption Reserve		
Balance as per last account	2,053.26	1,046.00
Amount transferred from Statement of Profit and Loss	–	1,007.26
	<u>2,053.26</u>	<u>2,053.26</u>
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	80.00	72.88
Received during the year	16.97	8.65
Release to Statement of Profit and Loss	(2.34)	(1.53)
	<u>94.63</u>	<u>80.00</u>
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) Capital Reserve on Consolidation		
Balance as per last account	19.30	20.23
Effect of changes in Group's interest	(1.59)	(0.93)
	<u>17.71</u>	<u>19.30</u>
(l) Investment Allowance (Utilised) Reserve		
Balance as per last account	0.23	0.23
(m) Foreign Currency Translation Reserve		
Balance as per last account	(4,658.80)	(5,996.99)
Adjustment for translation of Non Integral Foreign Operations	5,045.22	1,338.19
	<u>386.42</u>	<u>(4,658.80)</u>
Carried forward	21,603.58	15,863.22

4. RESERVES AND SURPLUS (continued)

(Item No. 1(b), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
Brought forward	21,603.58	15,863.22
(n) Special Reserve		
Balance as per last account	88.02	82.69
Transfer from Statement of Profit and Loss	11.77	5.33
	99.79	88.02
(o) Statutory Reserve		
Balance as per last account	179.52	179.52
(p) Actuarial Gain/(Loss) Reserve		
Balance as per last account	(3,533.78)	(3,130.97)
Actuarial loss (net of tax) recognised during the year	(2,372.26)	(402.81)
	(5,906.04)	(3,533.78)
(q) Cash Flow Hedge Reserve		
Balance as per last account	(224.53)	61.53
Fair value changes recognised (net of tax)	365.34	(286.06)
	140.81	(224.53)
(r) General Reserve		
Balance as per last account	9,095.36	8,391.94
Effect of change in cross holdings	30.76	–
Amount transferred from Statement of Profit and Loss	680.51	703.42
	9,806.63	9,095.36
(s) Surplus in the Statement of Profit and Loss		
Balance as per last account	12,959.16	7,010.48
Profit for the year	5,389.77	8,982.69
Distribution on hybrid perpetual securities [net of tax of ₹ 83.24 crores (2010-11: ₹ 2.25 crores)]	(173.30)	(4.54)
Dividend on preference shares	(0.21)	–
Proposed dividend on Ordinary Shares	(1,165.46)	(1,150.25)
Tax on dividend	(185.71)	(163.22)
Transfers to Reserves		
General Reserve	(680.51)	(703.42)
Debenture Redemption Reserve	–	(1,007.26)
Special Reserve	(11.77)	(5.32)
Capital Redemption Reserve	(6.55)	–
	16,125.42	12,959.16
	42,049.71	34,426.97

5. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES

(Item No. 2, Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
Preference Shares issued by subsidiary companies	22.43	–
	22.43	–

Additional information:

- (1) 8.50% – 2,43,000 non-cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100 each were issued by The Tintplate Company of India Ltd., the subsidiary of the Company in the financial year 1999-2000 and 2000-2001. The OCPS will be redeemed in accordance with the terms of the issue thereof, the provisions of the Companies Act, 1956 and other applicable laws between 2012-2015.

- (2) 8.50% – 20,00,000 non-cumulative Redeemable Preference Shares (RPS) were issued by Tayo Rolls Limited, a subsidiary of the Company in March 2012. These RPS are redeemable in 3 equal annual installments with all arrears of dividend, if any, commencing from 1st April, 2020. The subsidiary may exercise its call option by giving 30 days clear notice at the expiry of 36 months from the date of allotment thereof.

6. HYBRID PERPETUAL SECURITIES

(Item No. 4, Page 190)

Hybrid Perpetual Securities

₹ crores
2,275.00
2,275.00

As at 31.03.2011 ₹ crores
1,500.00
1,500.00

Additional information:

- (1) The Company has issued Hybrid Perpetual Securities of ₹ 775 crores and ₹ 1,500 crores in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on the securities may be deferred at the option of the Company, if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. The distribution on these securities are 11.50% p.a and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are not classified as 'debt'.

7. BORROWINGS

(Item No. 6(a) and 7(a), Page 190)

	₹ crores			As at 31.03.2011 ₹ crores		
	Long Term	Short Term	Total	Long Term	Short Term	Total
A. Secured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	268.00	–	268.00	281.50	–	281.50
(b) Term loans						
(i) From banks	22,311.08	38.16	22,349.24	21,843.34	0.41	21,843.75
(ii) From financial institutions and others ⁽¹⁾	1,928.80	–	1,928.80	1,860.05	–	1,860.05
(c) Repayable on demand						
(i) From banks	–	336.18	336.18	–	580.85	580.85
(d) Finance lease obligations	321.64	–	321.64	295.32	–	295.32
(e) Other loans	3.88	–	3.88	4.16	–	4.16
	24,833.40	374.34	25,207.74	24,284.37	581.26	24,865.63
B. Unsecured Borrowings						
(a) Bonds/Debentures						
(i) Non-convertible bonds/debentures	7,328.40	–	7,328.40	7,094.62	–	7,094.62
(ii) 1% Convertible Alternative Reference Securities	–	–	–	2,101.16	–	2,101.16
(iii) 4.5% Foreign Currency Convertible Bonds	2,782.81	–	2,782.81	2,439.06	–	2,439.06
(b) Term loans						
(i) From banks	8,657.29	4,246.25	12,903.54	11,752.32	3,175.35	14,927.67
(ii) From financial institutions and others	856.56	–	856.56	857.83	10.00	867.83
(c) Deferred payment liabilities	3.80	–	3.80	31.34	–	31.34
(d) Fixed deposits	1.91	–	1.91	7.35	–	7.35
(e) Finance lease obligations	545.41	–	545.41	547.09	–	547.09
(f) Other loans	228.66	78.49	307.15	135.55	27.83	163.38
	20,404.84	4,324.74	24,729.58	24,966.32	3,213.18	28,179.50
	45,238.24	4,699.08	49,937.32	49,250.69	3,794.44	53,045.13

Additional information:

- (1) Includes loan from Joint Plant Committee – Steel Development Fund of ₹ 1,915.47 crores (31.03.2011: ₹ 1,860.05 crores) which also includes funded interest ₹ 316.13 crores (31.03.2011: ₹ 280.06 crores).

8. DEFERRED TAX LIABILITIES (NET)

(Item No. 6(b) and 8(d), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
Deferred Tax Liabilities		
(a) Differences in depreciation and amortisation for accounting and income tax purposes	3,278.78	3,399.55
(b) Prepaid expenses	77.68	106.08
(c) Actuarial gain/(loss)	308.19	595.36
(d) Others	1,316.72	1,176.93
	<u>4,981.37</u>	<u>5,277.92</u>
Deferred Tax Assets		
(a) Unabsorbed losses	(1,327.99)	(1,853.36)
(b) Employee separation compensation	(399.46)	(442.40)
(c) Provision for doubtful debts and advances	(47.94)	(46.41)
(d) Disallowance under Section 43B of IT Act	(183.61)	(164.47)
(e) Provision for employee benefits	(249.00)	(355.69)
(f) Redemption premium on CARS	(141.12)	(129.01)
(g) Other provisions	(189.84)	(273.96)
	<u>(2,538.96)</u>	<u>(3,265.30)</u>
Deferred tax liabilities (net)	<u>2,442.41</u>	<u>2,012.62</u>

9. OTHER LONG-TERM LIABILITIES

(Item No. 6(c), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Creditors for capital supplies/services	228.98	390.61
(b) Deferred income	181.33	177.48
(c) Creditors for other liabilities	397.57	277.56
	<u>807.88</u>	<u>845.65</u>

10. PROVISIONS

(Item No. 6(d) and 7(d), Page 190)

	₹ crores			As at 31.03.2011 ₹ crores		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits	2,855.67	184.32	3,039.99	2,767.06	168.67	2,935.73
(b) Provision for employee separation compensation ⁽¹⁾	603.03	169.65	772.68	696.19	183.18	879.37
(c) Provision for taxation	–	1,213.67	1,213.67	–	1,151.22	1,151.22
(d) Provision for fringe benefits tax	–	7.84	7.84	–	3.93	3.93
(e) Proposed dividend	–	1,165.67	1,165.67	–	1,150.25	1,150.25
(f) Other provisions	1,256.35	628.90	1,885.25	1,121.80	738.00	1,859.80
	<u>4,715.05</u>	<u>3,370.05</u>	<u>8,085.10</u>	<u>4,585.05</u>	<u>3,395.25</u>	<u>7,980.30</u>

Additional information:

- (1) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 18.23 crores (31.03.2011: ₹ 27.53 crores) in respect of schemes introduced during the year.

11. TRADE PAYABLES

(Item No. 7(b), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Creditors for supplies/services	15,500.35	14,696.76
(b) Creditors for accrued wages and salaries	2,908.91	2,419.41
(c) Acceptances	2,208.60	1,341.31
	<u>20,617.86</u>	<u>18,457.48</u>

12. OTHER CURRENT LIABILITIES

(Item No. 7(c), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Current maturities of long-term borrowings	9,859.55	7,531.94
(b) Current maturities of finance lease obligations	99.90	101.73
(c) Interest accrued but not due on borrowings	785.61	771.92
(d) Unpaid dividend	58.22	54.92
(e) Advances received from customers	511.91	528.19
(f) Creditors for other liabilities	7,545.80	6,012.52
	<u>18,860.99</u>	<u>15,001.22</u>

13. TANGIBLE ASSETS

(Item No. 8(a)(i), Page 190)

Tangible Assets	₹ crores											
	Freehold Land and Roads	Leasehold Land	Freehold Buildings ⁽³⁾	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE and Vehicles	Railway Sidings/ Lines	Total
Gross Block as at 01.04.2011	1,418.55	315.49	8,741.29	508.11	80,360.53	1,509.40	1,062.50	229.52	259.29	3.31	651.69	95,059.68
	1,268.81	311.12	8,877.63	457.04	80,770.18	1,302.62	1,018.41	198.68	195.50	3.75	696.02	95,099.76
Assets of new companies	0.90	-	132.09	-	645.15	6.21	1.51	2.16	2.31	-	0.37	790.70
	7.34	-	17.93	-	14.97	-	0.27	-	0.05	-	-	40.56
Additions during the year ⁽¹⁾	98.02	572.57	819.26	32.97	4,345.69	23.18	(7.97)	64.09	22.15	7.85	326.58	6,304.39
	104.87	1.73	127.72	4.42	2,951.37	240.96	19.88	25.49	71.54	0.26	37.29	3,585.53
Deductions during the year ⁽²⁾	9.03	-	21.55	0.07	730.12	109.95	244.10	7.33	13.72	1.40	3.33	1,140.60
	6.89	2.98	640.50	(21.42)	6,294.64	99.68	15.65	1.13	9.88	0.83	104.96	7,155.72
Disposal of group undertakings	8.08	4.68	83.66	-	351.44	-	9.50	0.30	4.83	-	2.47	464.96
	-	-	-	-	-	-	-	-	-	-	-	-
Exchange fluctuations capitalised during the year	-	-	2.22	-	40.95	-	-	-	-	-	-	43.17
	-	-	(0.05)	-	0.91	-	-	-	-	-	-	0.86
Exchange difference on consolidation	89.72	19.87	791.26	69.77	6,845.65	172.92	75.92	15.42	6.37	0.14	40.36	8,127.40
	44.42	5.62	358.56	25.23	2,917.74	65.50	39.59	6.48	2.08	0.13	23.34	3,488.69
Gross Block as at 31.03.2012	1,590.08	903.25	10,380.91	610.78	91,156.41	1,601.76	878.36	303.56	271.57	9.90	1,013.20	108,719.78
	1,418.55	315.49	8,741.29	508.11	80,360.53	1,509.40	1,062.50	229.52	259.29	3.31	651.69	95,059.68
Impairment as at 01.04.2011	194.33	0.52	60.40	14.73	2,753.62	75.96	-	-	-	-	-	3,099.56
	171.08	0.49	89.71	14.02	2,475.15	76.20	-	-	-	-	13.00	2,839.65
Impairment during the year	6.90	-	0.14	7.88	24.44	-	-	-	-	-	-	39.36
	20.23	-	-	-	641.44	-	-	-	-	-	-	661.67
Reversal during the year	1.66	-	-	-	-	-	-	-	-	-	-	1.66
	-	-	-	-	254.56	-	-	-	-	-	-	254.56
Deduction on disposals	-	-	-	-	8.54	-	-	-	-	-	-	8.54
	-	-	33.32	-	236.88	4.06	-	-	-	-	13.48	287.74
Exchange difference on consolidation	7.12	0.07	7.69	2.49	373.58	10.37	-	-	-	-	-	401.32
	3.02	0.03	4.01	0.71	128.47	3.82	-	-	-	-	0.48	140.54
Impairment as at 31.03.2012	206.69	0.59	68.23	25.10	3,143.10	86.33	-	-	-	-	-	3,530.04
	194.33	0.52	60.40	14.73	2,753.62	75.96	-	-	-	-	-	3,099.56
Accumulated depreciation as at 01.04.2011	210.84	62.84	5,291.68	231.50	48,753.12	902.37	977.32	152.66	129.51	3.03	467.12	57,181.99
	188.75	54.74	5,318.72	184.88	48,634.09	859.75	926.89	120.48	116.76	2.96	523.89	56,931.91
Depreciation of new companies	-	-	36.86	-	284.94	0.57	1.06	1.65	1.34	-	0.36	326.78
	6.78	-	9.55	-	11.54	-	0.22	-	-	-	-	28.09
Depreciation during the year	12.70	22.08	301.35	29.15	3,727.98	94.56	25.93	36.05	22.60	0.33	31.48	4,304.21
	11.58	5.21	276.94	25.81	3,709.88	94.04	27.27	35.22	19.26	0.57	15.17	4,220.95
Depreciation on assets written off during the year ⁽¹⁾	8.71	-	17.50	-	585.06	116.00	261.86	7.06	11.55	1.38	3.32	1,012.44
	5.68	-	558.78	(10.07)	5,542.40	93.87	14.26	6.02	7.95	0.59	91.48	6,310.96
Disposal of group undertakings	-	0.49	16.49	-	204.60	-	6.68	0.18	2.92	-	0.97	232.33
	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference on consolidation	18.86	7.53	565.23	38.79	4,694.52	101.17	68.60	8.10	3.87	0.12	33.81	5,540.60
	9.41	2.89	245.25	10.74	1,940.01	42.45	37.20	2.98	1.44	0.09	19.54	2,312.00
Accumulated depreciation as at 31.03.2012	233.69	91.96	6,161.13	299.44	56,670.90	982.67	804.37	191.22	142.85	2.10	528.48	66,108.81
	210.84	62.84	5,291.68	231.50	48,753.12	902.37	977.32	152.66	129.51	3.03	467.12	57,181.99
Total accumulated depreciation and impairment as at 31.03.2012	440.38	92.55	6,229.36	324.54	59,814.00	1,069.00	804.37	191.22	142.85	2.10	528.48	69,638.85
	405.17	63.36	5,352.08	246.23	51,506.74	978.33	977.32	152.66	129.51	3.03	467.12	60,281.55
Net book value as at 31.03.2012	1,149.70	810.70	4,151.55	286.24	31,342.41	532.76	73.99	112.34	128.72	7.80	484.72	39,080.93
	1,013.38	252.13	3,389.21	261.88	28,853.79	531.07	85.18	76.86	129.78	0.28	184.57	34,778.13

Additional information:

- Additions and depreciation on assets written off during the year include adjustments for inter se transfers.
- Deductions include cost of assets scrapped/surrendered during the year.
- Freehold Buildings include ₹ 2.32 crores (31.03.2011: ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies and Limited Companies.
- Rupee liability has increased by a net amount of ₹ 43.17 crores (2010-11: by ₹ 1.11 crores) arising out of realignment of the value of foreign currency loans for procurement of tangible assets. This increase has been adjusted in the carrying cost of respective tangible assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ 2.28 crores (2010-11: ₹ 0.06 crores) arising on account of this adjustment.

14. INTANGIBLE ASSETS

(Item No. 8(a)(iii), Page 190)

₹ crores

Intangible Assets	Patents	Development Costs	Software Costs	Mining Rights	Development of Property ⁽³⁾	Other Intangible Assets	Total Intangible Assets
Gross Block as at 01.04.2011	73.49	263.96	1,355.22	287.66	988.92	72.45	3,041.70
	70.06	216.12	1,202.69	42.19	595.00	63.18	2,189.24
Assets of new companies	-	-	1.14	-	-	-	1.14
	-	-	-	231.95	10.32	-	242.27
Additions during the year ⁽¹⁾	7.07	-	33.92	217.89	759.01	16.58	1,034.47
	0.71	36.61	105.07	-	404.84	9.27	556.50
Deductions during the year ⁽²⁾	-	-	20.71	-	-	0.60	21.31
	-	-	7.50	-	2.93	-	10.43
Disposal of group undertakings	1.48	-	-	-	-	-	1.48
	-	-	-	-	-	-	-
Exchange difference on consolidation	6.67	19.29	150.66	19.39	166.29	-	362.30
	2.72	11.23	54.96	13.52	(18.31)	-	64.12
Gross Block as at 31.03.2012	85.75	283.25	1,520.23	524.94	1,914.22	88.43	4,416.82
	73.49	263.96	1,355.22	287.66	988.92	72.45	3,041.70
Impairment as at 01.04.2011	-	-	22.35	-	-	-	22.35
	-	-	21.31	-	-	-	21.31
Impairment on assets written off during the year	-	-	-	-	-	-	-
	-	-	0.04	-	-	-	0.04
Exchange differences on consolidation	-	-	3.06	-	-	-	3.06
	-	-	1.08	-	-	-	1.08
Impairment as at 31.03.2012	-	-	25.41	-	-	-	25.41
	-	-	22.35	-	-	-	22.35
Accumulated amortisation as at 01.04.2011	68.63	146.13	710.18	5.06	287.39	12.46	1,229.85
	64.95	100.13	556.35	2.80	235.93	10.78	970.94
Amortisation of new companies	-	-	0.97	-	-	-	0.97
	-	-	-	-	-	-	-
Amortisation during the year	0.90	45.21	130.33	2.77	52.03	3.80	235.04
	1.07	39.69	136.77	1.78	51.27	1.68	232.26
Amortisation on assets written off during the year ⁽¹⁾	-	-	19.92	-	-	(0.36)	19.56
	-	-	7.57	-	-	-	7.57
Disposal of group undertakings	1.48	-	-	-	-	-	1.48
	-	-	-	-	-	-	-
Exchange difference on consolidation	5.70	11.87	76.45	0.84	0.40	-	95.26
	2.61	6.31	24.63	0.48	0.19	-	34.22
Accumulated amortisation as at 31.03.2012	73.75	203.21	898.01	8.67	339.82	16.62	1,540.08
	68.63	146.13	710.18	5.06	287.39	12.46	1,229.85
Total accumulated amortisation and impairment as at 31.03.2012	73.75	203.21	923.42	8.67	339.82	16.62	1,565.49
	68.63	146.13	732.53	5.06	287.39	12.46	1,252.20
Net book value as at 31.03.2012	12.00	80.04	596.81	516.27	1,574.40	71.81	2,851.33
	4.86	117.83	622.69	282.60	701.53	59.99	1,789.50

Additional information:

- (1) Additions and amortisation on assets written off during the year include adjustments for inter se transfers.
- (2) Deductions include cost of assets scrapped/surrendered during the year.
- (3) Development of property represents expenditure incurred on development of mines/collieries.

15. INVESTMENTS

(Item No. 8(c) and 9(a), Page 190)

	₹ crores			As at 31.03.2011		
	Non-current	Current	Total	Non-current	Current	Total
(a) Investments in equity instruments	2,073.64	1.42	2,075.06	3,947.50	1.44	3,948.94
(b) Investments in preference shares	-	-	-	108.17	-	108.17
(c) Investments in government or trust securities	0.02	-	0.02	0.02	-	0.02
(d) Investments in debentures and bonds	395.93	-	395.93	502.04	-	502.04
(e) Investments in partnership firms	16.36	-	16.36	21.83	-	21.83
(f) Investment properties	128.18	-	128.18	108.50	-	108.50
(g) Investments in mutual funds	8.75	1,396.95	1,405.70	-	3,157.84	3,157.84
	<u>2,622.88</u>	<u>1,398.37</u>	<u>4,021.25</u>	<u>4,688.06</u>	<u>3,159.28</u>	<u>7,847.34</u>

Additional information:

	₹ crores			As at 31.03.2011		
	Non-current	Current	Total	Non-current	Current	Total
(1) Aggregate amount of quoted investments	1,520.73	4.96	1,525.69	3,812.52	4.99	3,817.51
(2) Aggregate amount of unquoted investments	973.97	1,393.41	2,367.38	767.04	3,154.29	3,921.33
	<u>2,494.70</u>	<u>1,398.37</u>	<u>3,893.07</u>	<u>4,579.56</u>	<u>3,159.28</u>	<u>7,738.84</u>
(3) Equity Accounted Associates						
Cost of investment			649.74			2,717.93
[including ₹ 123.34 crores (31.03.2011: ₹ 1,277.40 crores) of goodwill (net of capital reserve) arising on consolidation]						
Add: Share of post acquisition profit (net of losses)			528.95			399.13
			<u>1,178.69</u>			<u>3,117.06</u>

(4) Details of equity accounted associates are as follows:

Name of the Company	Original Cost of Investment (a) ₹ crores	Goodwill/ (Capital Reserve) (a) ₹ crores	Accumulated Profit/(Loss) as at 31.03.2012 (a) (b) ₹ crores	Carrying amount of Investments as at 31.03.2012 (a) (b) ₹ crores
Almora Magnesite Limited *	-	-	-	-
	0.78	-	0.36	1.14
Combulex B.V.	10.49	-	1.50	11.99
	9.23	-	2.20	11.43
Cv Gasexpansie Ijmond	0.25	-	0.06	0.31
	0.22	-	0.07	0.29
European Profiles Malaysia (M) Sdn. Bhd.	7.06	-	(0.21)	6.85
	6.21	-	(0.48)	5.73
Gietwalsonderhoudcombinatie B.V.	9.23	-	8.38	17.61
	9.66	-	3.89	13.55

Name of the Company	Original Cost of Investment	Goodwill/ (Capital Reserve)	Accumulated Profit/(Loss) as at 31.03.2012	Carrying amount of Investments as at 31.03.2012
	(a) ₹ crores	(a) ₹ crores	(a) (b) ₹ crores	(a) (b) ₹ crores
Hoogovens Court Roll Service Technologies Vof	9.42 8.29	— —	7.08 5.57	16.50 13.86
Industrial Energy Limited	86.58 86.58	— —	29.22 8.93	115.80 95.51
Jamipol Limited	4.38 4.38	0.32 0.01	17.99 15.60	22.37 19.98
Nicco Jubilee Park Limited (₹ 1/-)	0.38 0.38	— —	(0.38) (0.38)	— —
New Millenium Iron Corporation	333.15 290.48	109.65 97.84	19.88 (0.63)	353.03 289.85
Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied NV *	— 0.77	— —	— (0.77)	— —
Riversdale Mining Ltd. *	— 2,066.63	— 1,164.13	— 71.08	— 2,137.71
Rujuvalika Investments Limited	0.60 0.60	(0.29) (0.29)	6.65 5.30	7.25 5.90
Shanghai Bao Yi Beverage Can Making Co Ltd.	12.30 —	— —	0.02 —	12.32 —
Sms Mevac UK Limited *	— 3.11	— —	— (2.58)	— 0.53
Steel Asia Manufacturing Corporation	— —	— —	123.34 —	123.34 —
Strategic Energy Technology Systems Pvt. Ltd.	18.21 18.21	— —	(15.02) (16.88)	3.19 1.33
Tata Sponge Iron Limited	20.74 20.74	11.42 11.42	240.07 214.42	260.81 235.16
The Tinplate Company of India Ltd. ▲	— 132.13	— 2.86	— 18.06	— 150.19
TKM Overseas Limited	1.13 1.13	— —	(1.13) (1.13)	— —
TRF Limited	5.82 5.82	1.43 1.43	53.00 45.85	58.82 51.67
TRL Krosaki Refractories Limited ◆	70.24 —	0.81 —	2.20 —	72.44 —
Wupperman Staal Nederland B.V.	59.76 52.58	— —	36.30 30.65	96.06 83.23
	649.74 2,717.93	123.34 1,277.40	528.95 399.13	1,178.69 3,117.06

(a) Includes impact of exchange rate changes on translation.

(b) Includes other adjustments to carrying value routed through reserves.

* Part of the year.

◆ Earlier a subsidiary, became an associate during the year.

▲ Earlier an associate, became a subsidiary during the year. Carrying value of investment on the date of becoming subsidiary ₹ 150.19 crores.

16. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Item No. 8(e), Page 190)

Foreign Currency Monetary Item Translation Difference Account

₹ crores	As at 31.03.2011 ₹ crores
404.90	—
404.90	—

Additional information:

- (1) The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

As on 31st March, 2012, a debit of ₹ 404.90 crores (31.03.2011: Nil) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 243.21 crores (2010-11: credit of ₹ 261.44 crores) in the Statement of Profit and Loss and ₹ 25.22 crores (net of deferred tax ₹ 12.11 crores) [2010-11: ₹ 2.07 crores (net of deferred tax ₹ 3.57 crores)] have been adjusted against Securities Premium Reserve on account of amortisation. The depreciation for the year ended 31st March, 2012 is higher by ₹ 2.37 crores (2010-11: lower by ₹ 0.14 crore) and the Profit after tax, minority interest and share of profit of associates for the year ended 31st March, 2012 is higher by ₹ 436.41 crores (2010-11: higher by ₹ 209.66 crores).

17. LOANS AND ADVANCES

(Item No. 8(f) and 9(e), Page 190)

	₹ crores			As at 31.03.2011 ₹ crores		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Capital advances						
Unsecured and considered good	2,535.61	—	2,535.61	2,273.99	—	2,273.99
Unsecured and considered doubtful	0.99	—	0.99	0.39	—	0.39
Less: Provision for bad & doubtful loans and advances	0.99	—	0.99	0.39	—	0.39
	2,535.61	—	2,535.61	2,273.99	—	2,273.99
(b) Security deposits						
Unsecured and considered good	110.70	46.08	156.78	105.15	19.89	125.04
Unsecured and considered doubtful	1.45	0.03	1.48	2.65	—	2.65
Less: Provision for bad & doubtful loans and advances	1.45	0.03	1.48	2.65	—	2.65
	110.70	46.08	156.78	105.15	19.89	125.04
(c) Advance with public bodies						
Unsecured and considered good	361.29	1,172.22	1,533.51	238.06	799.40	1,037.46
Unsecured and considered doubtful	18.22	2.32	20.54	—	20.90	20.90
Less: Provision for bad & doubtful loans and advances	18.22	2.32	20.54	—	20.90	20.90
	361.29	1,172.22	1,533.51	238.06	799.40	1,037.46
(d) Loans and advances to related parties						
Unsecured and considered good	4.86	12.66	17.52	4.51	—	4.51
(e) Advance payment against taxes						
Unsecured and considered good	323.59	112.43	436.02	279.50	85.06	364.56
(f) Other loans and advances						
Unsecured and considered good	4,702.96	2,525.34	7,228.30	5,783.35	2,642.83	8,426.18
Unsecured and considered doubtful	136.55	35.00	171.55	127.53	34.26	161.79
Less: Provision for bad & doubtful loans and advances	136.55	35.00	171.55	127.53	34.26	161.79
	4,702.96	2,525.34	7,228.30	5,783.35	2,642.83	8,426.18
	8,039.01	3,868.73	11,907.74	8,684.56	3,547.18	12,231.74

18. OTHER NON-CURRENT ASSETS

(Item No. 8(g), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
Balances with banks ⁽¹⁾	39.39	33.55
	<u>39.39</u>	<u>33.55</u>

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

19. INVENTORIES

(At lower of cost and net realisable value)

(Item No. 9(b), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Raw materials	8,995.63	10,030.87
(b) Work-in-progress	5,679.12	4,064.53
(c) Finished and semi-finished goods	8,262.84	7,760.22
(d) Stock-in-trade of goods acquired for trading	394.32	358.04
(e) Stores and spares	2,266.09	1,841.58
	<u>25,598.00</u>	<u>24,055.24</u>
Included above, goods-in-transit:		
(i) Raw materials	1,085.73	1,496.58
(ii) Finished and semi-finished goods	174.13	194.80
(iii) Stores and spares	113.73	54.46
	<u>1,373.59</u>	<u>1,745.84</u>

20. TRADE RECEIVABLES

(Item No. 9(c), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) More than six months	684.05	730.87
(b) Others	14,778.72	14,696.72
	<u>15,462.77</u>	<u>15,427.59</u>
Less: Provision for bad and doubtful debts	584.29	615.67
	<u>14,878.48</u>	<u>14,811.92</u>
Unsecured and considered good	14,878.48	14,811.92
Doubtful	584.29	615.67
	<u>15,462.77</u>	<u>15,427.59</u>

21. CASH AND BANK BALANCES

(Item No. 9(d), Page 190)

	₹ crores	As at 31.03.2011 ₹ crores
(a) Cash in hand	1.22	5.61
(b) Cheques, drafts on hand	28.19	110.81
(c) Remittances in-transit	14.83	51.14
(d) Balances with banks	10,708.56	10,646.71
Total cash and cash equivalents	<u>10,752.80</u>	<u>10,814.27</u>
(e) Other bank balances ⁽¹⁾	48.78	44.78
	<u>10,801.58</u>	<u>10,859.05</u>

Additional information:

(1) Represents ₹ 0.17 crore (31.03.2011: ₹ 0.61 crore) refund orders issued on account of oversubscription of rights issue and follow on public offer of equity shares not encashed, ₹ 0.48 crore (31.03.2011: ₹ 0.49 crore) in pre-funded accounts for bonus and CCPS related payments and ₹ 48.13 crores (31.03.2011: ₹ 43.68 crores) in pre-funded dividend accounts.

22. OTHER CURRENT ASSETS

(Item No. 9(f), Page 190)

- (a) Interest accrued on investments
- (b) Interest accrued on deposits, loans and advances
- (c) Others

₹ crores	As at 31.03.2011 ₹ crores
4.71	5.49
26.24	48.27
1.79	2.53
32.74	56.29

23. REVENUE FROM OPERATIONS

(Item No. 1(a), Page 191)

- (a) Sale of products
- (b) Sale of power and water
- (c) Income from town, medical and other services
- (d) Other operating income

₹ crores	Previous Year ₹ crores
1,33,024.72	1,17,611.41
1,127.23	1,026.10
1,181.27	1,104.90
642.34	1,603.34
1,35,975.56	1,21,345.75

24. OTHER INCOME

(Item No. 1(b), Page 191)

- (a) Dividend Income
 - (i) Non-current investments
 - (ii) Current investments
- (b) Interest Income
- (c) Net gain/(loss) on sale of
 - (i) Other non-current investments
 - (ii) Current investments
- (d) Profit on sale of capital assets (net of loss on assets sold/written off)
- (e) Gain/(Loss) on cancellation of forwards, swaps and options
- (f) Other miscellaneous income

₹ crores	Previous Year ₹ crores
90.89	87.30
10.36	4.65
455.27	274.20
6.52	0.75
432.47	158.15
(7.41)	100.38
(43.06)	54.55
627.99	-
1,573.03	679.98

25. EMPLOYEE BENEFITS EXPENSE

(Item No. 2(d), Page 191)

- (a) Salaries and wages, including bonus
- (b) Contribution to provident and other funds
- (c) Staff welfare expenses

₹ crores	Previous Year ₹ crores
14,453.38	13,010.59
2,372.44	2,241.04
402.82	588.57
17,228.64	15,840.20

26. DEPRECIATION AND AMORTISATION EXPENSE

(Item No. 2(e), Page 191)

	₹ crores	Previous Year ₹ crores
(a) Depreciation on tangible assets	4,304.21	4,220.95
(b) Amortisation of intangible assets	235.04	232.26
	<u>4,539.25</u>	<u>4,453.21</u>
Less: Amount released from specific grants	22.60	38.39
	<u>4,516.65</u>	<u>4,414.82</u>

27. FINANCE COSTS

(Item No. 2(f), Page 191)

	₹ crores	Previous Year ₹ crores
(a) Interest expense		
(i) Debentures/bonds and fixed loans	3,975.10	3,248.86
(ii) Others	181.35	113.75
(b) Finance charges on finance leases	64.37	64.06
(c) Other borrowing costs	365.51	748.74
	<u>4,586.33</u>	<u>4,175.41</u>
Less: Interest capitalised	336.22	219.63
	<u>4,250.11</u>	<u>3,955.78</u>

28. OTHER EXPENSES

(Item No. 2(g), Page 191)

	₹ crores	Previous Year ₹ crores
(a) Consumption of stores and spares	8,024.05	6,541.10
(b) Repairs to buildings	486.03	415.36
(c) Repairs to machinery	5,244.06	4,858.01
(d) Relining expenses	116.44	87.25
(e) Fuel oil consumed	1,020.03	874.42
(f) Purchase of power	4,915.45	4,014.77
(g) Conversion charges	1,168.36	1,124.43
(h) Freight and handling charges	6,659.54	6,389.62
(i) Rent	3,377.08	2,833.30
(j) Royalty	927.74	621.52
(k) Rates and taxes	830.11	727.38
(l) Insurance	248.73	309.92
(m) Commission, discounts and rebates	257.12	229.09
(n) Provision for wealth tax	1.80	1.36
(o) Provision for doubtful debts and advances	81.63	190.95
(p) Excise duties	94.70	93.80
(q) Others ⁽¹⁾	4,913.99	4,259.33
	<u>38,366.86</u>	<u>33,571.61</u>

Additional information:

- (1) Includes provision for impairment losses on fixed assets ₹ 104.95 crores (2010-11: ₹ 27.91 crores).
- (2) Other expenses include ₹ 505.99 crores (2010-11: ₹ 639.19 crores) in respect of research and development activities undertaken during the year.

29. EXCEPTIONAL ITEMS

(Item No. 4, Page 191)

During the year, the Company has sold part of its investment in TRL Krosaki Refractories Limited (formerly Tata Refractories Limited) (TRL) to Krosaki Harima Corporation for ₹ 576.10 crores. Consequently, the Company and its subsidiary's holding in TRL have reduced to 26.62%. Accordingly, it has ceased to be a subsidiary and became an associate. The Company has also tendered its entire 26.27% stake in Riversdale Mining Limited to Rio Tinto Jersey Holdings Limited. The Company continues to hold 35% stake in Rio Tinto Benga (Mauritius) Limited.

'Profit on sale of non-current investments' includes ₹ 441.85 crores on account of sale of shares in TRL and ₹ 2,920.07 crores on disposal of Tata Steel Global Minerals Holdings investment in Riversdale Mining Limited. In the previous year, the Company had made profit on sale of part of its investments in Tata Motors Ltd., The Tata Power Company Ltd., TRF Limited and Southern Steel Berhad of ₹ 735.69 crores.

Restructuring, impairment and disposals relate to restructuring, impairment, profit on disposals of fixed assets and undertakings and includes profit of ₹ 2,503.19 crores on disposal of Teesside Cast Products to Sahaviriya Steel Industries, Thailand on 24th March, 2011.

30. EARNINGS PER SHARE (EPS)

(Item No. 11 and 12, Page 191)

	₹ crores	Previous Year ₹ crores
(a) Profit after tax, minority interest and share of profit of associates	5,389.77	8,982.69
Less: Dividend on Preference Shares	0.21	-
Less: Distribution on Hybrid Perpetual Securities (net of tax)	173.30	4.54
Profit attributable to Ordinary Shareholders – for Basic EPS	5,216.26	8,978.15
Add: Adjustment for 3,820 (31.03.2011: 3,820) 1% Convertible Alternative Reference Securities	-	46.14
Adjustment for 5,469.35 (31.03.2011: 5,469.35) 4.5% Foreign Currency Convertible Bonds	162.97	(17.28)
Profit attributable to Ordinary Shareholders – for Diluted EPS	5,379.23	9,007.01
	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	96,09,56,853	90,65,81,117
Add: Adjustment for 3,820 (31.03.2011: 3,820) 1% Convertible Alternative Reference Securities	-	2,10,15,711
Adjustment for 5,469.35 (31.03.2011: 5,469.35) 4.5% Foreign Currency Convertible Bonds	4,21,12,297	4,19,60,304
Adjustment for Options relating to 1,20,00,000 (31.03.2011: 1,20,00,000) Detachable Warrants	-	3,53,829
Weighted average no. of Ordinary Shares for Diluted EPS	1,00,30,69,150	96,99,10,961
(c) Nominal value of Ordinary Shares	₹ 10	₹ 10
(d) Basic earnings per Ordinary Share	₹ 54.28	₹ 99.03
(e) Diluted earnings per Ordinary Share	₹ 53.63	₹ 92.86

31. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Company

	₹ crores	
		As at 31.03.2011
(i) Excise	521.52	439.44
(ii) Customs	16.51	13.68
(iii) Sales tax and VAT	583.52	513.61
(iv) State levies	219.32	202.18
(v) Suppliers and service contract	74.63	72.21
(vi) Labour related	42.66	39.77
(vii) Income tax	27.05	125.00
(viii) Royalty (Iron ore)	80.35	-
(ix) Others	996.06	631.65

- (b) The Company has given guarantees aggregating ₹ **758.57** crores (31.03.2011: ₹ 662.73 crores) to banks and financial institutions on behalf of others. As at 31st March, 2012, the contingent liabilities under these guarantees amounts to ₹ **758.57** crores (31.03.2011: ₹ 662.73 crores).
- (c) Claim by a party arising out of conversion arrangement - ₹ **195.82** crores (31.03.2011: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ **139.65** crores (31.03.2011: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.
- (d) The Excise Department has raised a demand of ₹ **235.48** crores (31.03.2011: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.
- (e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for decoiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the decoiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st March, 2012, will be approximately ₹ **298.87** crores (31.03.2011: ₹ 298.87 crores). However, the Company has already paid duty amounting to ₹ **196.48** crores (31.03.2011: ₹ 196.48 crores) till date based on the final sale price of the material.
- (f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved to the Supreme Court against the order of Odisha High Court and the case is pending with Supreme Court. The potential liability, as of 31st March, 2012 would be approximately ₹ **2,085.88** crores (31.03.2011: ₹ 1,562.72 crores).
- (g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 52,46,590 equity shares in TTSL to the SP.

Pursuant to the rights issue made in 2010-11, SP's shareholding in TTSL has increased from 1,17,26,17,866 equity shares of ₹ 10 each to 1,24,89,74,378 equity shares of ₹ 10 each as on 31st March, 2012. The shareholding of SP represents 26.50% of the paid up equity share capital of TTSL on a fully diluted basis as against 26.27% prior to the issuance and allotment of rights shares to them.

If certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 and should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price subject to compliance with applicable exchange control regulations, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above.

Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 78.75 crores. The exercise of the option by SP being contingent on several variables the liability, if any, is remote and indeterminable.

- (h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ **384.64** crores (31.03.2011: ₹ 355.83 crores) and has been considered as a contingent liability.
- (i) Bills discounted ₹ **225.29** crores (31.03.2011: ₹ 286.00 crores).

B. Commitments

- (a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ **16,236.68** crores (31.03.2011: ₹ 14,095.68 crores).
- (b) Uncalled liability on partly paid shares and debentures ₹ **0.01** crore (31.03.2011: ₹ 0.01 crore).
32. The Company has given undertakings to: (a) ICICI Bank Ltd. (formerly ICICI), IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation, (b) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (c) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (d) Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation Limited not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (e) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, not to dispose of its investments in Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long-term debt), (f) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Ltd. and Tata Steel Netherlands Holding B.V. and other companies (the borrower group), (g) Bank of America N.A. Singapore, Hong Kong and Shanghai Banking Corporation Limited and The Royal Bank of Scotland N.V. not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Limited, (i) IL&FS Trust Company Ltd., not to transfer, dispose off, assign, charge or lien or in any way encumber its holding in Taj Air Ltd., without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Limited (TBSL) (i.e. BlueScope Steel Limited, Australia and Tata Steel Ltd.) have given an Undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to dispose of the management control in TBSL.

The Promoters' (i.e. L & T Infrastructure Development Projects Ltd. and Tata Steel Ltd.) combined investments in The Dhamra Port Company Ltd., (DPCL) representing 51% of DPCL's paid-up equity share capital are pledged with IDBI Trusteeship Services Ltd.

The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Ltd.) combined investments in Industrial Energy Limited, (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).

Tata Steel Global Minerals Holdings Pte Ltd. (TSGMH), a subsidiary and Riversdale Mining Limited (RML), (erstwhile an associate of the Company) have executed a deed of cross charge in favour of each other to secure the performance of obligation under Joint Venture agreement and funding requirements of the Joint Venture Rio Tinto Benga (Mauritius) Ltd. (RTBML) (Formerly Riversdale Energy (Mauritius) Limited) upto a maximum amount of US\$ 100 mn on the shares of RTBML and all of its present and future benefits and rights under the Joint Venture agreement.

33. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The State Government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. In the current year, the Government initiated discussion and the Company provided a draft trust deed to the Government for formation of the scheme and trust. The matter is still under discussion. The scheme is yet to be formed and no contribution has been made till 31st March, 2012.
34. Indian Steel & Wire Products Ltd. (ISWPL), a subsidiary, was declared a sick industrial company within the meaning of Section 3(i)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as 'SICA'). The Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme vide its order dated 22nd October, 2003, 21st November, 2003 and 18th December, 2003 for rehabilitation of the ISWPL by takeover of its management by Tata Steel Limited.

The significant notes appearing in the accounts of Indian Steel & Wire Products Ltd. are given below:

As per clause 6.12(xiii) of BIFR Order dated 21st November, 2003, all liabilities not disclosed in the audited balance sheet for the year ended 31st March, 2002 including notes on accounts as then would be the personal responsibility of the erstwhile

promoters to discharge. In view of the above, the following liabilities, which were not disclosed in the said balance sheet including the notes on accounts, have not been provided for or recognised in the accounts for financial year 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 as well as accounts for financial year 2011-12.

Particulars	₹ crores
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)	0.29
Demands raised by Sales Tax Authorities (Under Appeal)	4.72
Employee State Insurance demand (Under Appeal)	1.49
Leave liability for ex-employees	0.33
Labour court cases	0.01
Income tax demand (Under Appeal)	–
Railway dues	0.04
Power dues	6.21
Liability for loan for Learjet Aircraft purchase	1.49
Wealth tax	3.90
Liability for Security Services	0.32

During the year, the Company has received the final order from the Income Tax Authorities for the assessment year 1998-99 for ₹ 2.70 crores against the contingent liability of ₹ 3.05 crores. Accordingly, this amount has been charged to the Statement of Profit and Loss for the year ended 31st March, 2011 as provision for income tax for prior years. The claim has already been lodged with the erstwhile management for recovery.

The items indicated above are not exhaustive and any other liability, which may come to the notice of the present management also, would be the personal liability of the erstwhile promoters.

35. The notes to accounts of Tata Korf Engineering Services Limited (TKES), a subsidiary, state that: The accumulated losses of the Company as at 31st March, 2012 exceed its paid-up Share Capital. The Company has practically closed its operations. Pending the preparation of a scheme, the financial statements have been prepared on a “going concern” basis. The report of the auditors to the members of TKES contains an audit qualification on this account.

Tata Korf Engineering Services Ltd. has a negative net worth as on 31st March, 2012 of ₹ 9.12 crores (31.03.2011: ₹ 8.77 crores).

36. The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements for the year ended 31st March, 2012 are given below:

	₹ crores	
	Acquisition	Disposal
EQUITY AND LIABILITIES		
Share capital	217.13	20.90
Reserves and surplus	389.46	239.88
Minority interest	–	5.25
Borrowings	101.02	170.96
Deferred tax liability	64.70	15.52
Other non-current liabilities	24.55	13.50
Other current liabilities	201.71	210.02
ASSETS		
Fixed assets	789.04	258.99
Investments	0.27	1.01
Loans and advances	121.23	48.84
Inventories	52.55	162.29
Trade receivables	34.10	193.83
Cash and bank balances	1.38	11.09
REVENUE		
Revenue from operations	641.18	150.70
Other income	4.83	0.17
EXPENSES		
Manufacturing and other expenses	553.07	141.41
Depreciation and amortisation expense	48.19	4.95
Finance costs	16.83	2.88
PROFIT BEFORE TAX FOR THE YEAR	27.92	1.63

37. In one of the subsidiaries, in terms of the License Agreement dated 29th January, 2002 with Board of Trustees for the Port of Kolkata, the subsidiary is required to invest in equipment and infrastructure as follows:

Purpose of Investment	Phasing of Investment (₹ crores)			
	Within 18 months	Within 24 months	Within 36 months	Total
1. For procurement of equipment for ship to shore handling and vice versa and horizontal transfer of cargo	23.06	2.85	–	25.91
2. Storage of cargo	–	1.74	1.20	2.94
3. Office building, workshop etc.	–	0.75	0.25	1.00
4. Utility Services	–	0.22	–	0.22
	23.06	5.56	1.45	30.07

As at 31st March, 2012 the subsidiary's investments in equipments and infrastructure aggregate to ₹ 25.80 crores (31.03.2011: ₹ 25.80 crores). The management of the subsidiary company has requested the Port Trust Authorities for suitable modification to the investment obligation in view of the changes in the business and economic scenario. The Port Trust Authorities have, subject to sanction of Central Government approved the changes proposed by the subsidiary in the specifications of the equipments and other required infrastructure.

38. In respect of joint ventures directly owned by the Company, the contingent liabilities and capital commitments are as follows:

Name of the Joint Venture Company	Country of Incorporation	Percentage of Holding	Contingent Liabilities ₹ crores	Capital Commitment ₹ crores
mjunction services limited	India	50%	0.60	0.30
			–	–
The Dhamra Port Company Limited	India	50%	–	24.18
			–	76.18
Tata BlueScope Steel Limited	India	50%	25.74	17.66
			20.26	56.05
Tata NYK Shipping Pte. Ltd.	Singapore	50%	219.85	185.81
			–	171.91
Bhubaneshwar Power Private Limited	India	26%	0.73	70.60
			0.73	70.60
S & T Mining Company Private Limited	India	50%	–	0.13
			–	0.04
Himalaya Steel Mill Services Private limited	India	26%	–	–
			–	–

39. LEASES

The break-up of total minimum lease payments for operating lease due as on 31st March, 2012, entered into by the Company, its subsidiaries and joint ventures are as follows:

Period	₹ crores	
		As at 31.03.2011
Not later than one year	1,323.38	1,344.52
Later than one year but not later than five years	3,265.98	3,371.12
Later than five years	3,589.11	2,331.11
Total	8,178.47	7,046.75

The total charge to the Statement of Profit and Loss for the year on account of operating lease is ₹ 1,099.52 crores (2010-11: ₹ 1,005.71 crores).

The Company, its subsidiaries and joint ventures have taken certain leaseholds on finance lease, having an aggregate cost of ₹ 1,601.76 crores (31.03.2011: ₹ 1,509.40 crores). The break-up of total minimum lease payments for finance lease due as on 31st March, 2012 and their corresponding present value are as follows:

Period			₹ crores	
	Minimum Lease Payments	Present Value	As at 31.03.2011 Minimum Lease Payments	Present Value
Not later than one year	159.94	99.90	159.87	101.73
Later than one year but not later than five years	553.66	362.57	521.33	338.50
Later than five years	672.07	504.48	685.41	503.91
Total	1,385.67	966.95	1,366.61	944.14

40. EMPLOYEE BENEFITS

(a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 349.28 crores (2010-11: ₹ 299.15 crores) as expenses under the following defined contribution plans.

Benefit (Contribution to)	₹ crores	
		2010-11
Provident Fund	207.85	169.71
Superannuation Fund	55.61	45.30
Employees Pension Scheme/Coal Mines Pension Scheme	70.00	70.29
TISCO Employees Pension Scheme	15.27	13.37
Employees State Insurance	0.55	0.48
	349.28	299.15

(b) The Company operates post retirement defined benefit plans as follows:

Funded

- Post Retirement Gratuity
- Post Retirement Pension Plan

Unfunded

- Post Retirement Medical Benefits
- Pensions to Directors
- Farewell Gifts
- Packing and Transportation Expenses

(c) Details of the post retirement gratuity plan are as follows:

Description	₹ crores	
		2010-11
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	1,642.74	1,258.50
Current service cost	84.84	62.17
Interest cost	125.96	95.67
Plan Amendments	0.08	0.49
Obligation of new companies	23.74	-
Actuarial (gain)/loss	24.45	325.22
Exchange rate difference	3.60	1.97
Obligation of companies sold	(17.06)	-
Benefits paid	(125.71)	(101.28)
Obligation as at the end of the year	1,762.64	1,642.74

The defined benefit obligation as at 31.03.2012 is funded except in the case of Tata BlueScope Steel Ltd., Bhubaneswar Power Private Limited, NatSteel Asia Pte Ltd., S & T Mining Co. Private Ltd., NatSteel Holding Pte. Ltd., Tata Steel (Thailand) Public Company Ltd. and Lanka Special Steel Ltd.

Description	₹ crores	
		2010-11
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at beginning of the year	1,228.95	1,092.87
Expected return on plan assets	109.63	89.35
Assets of new companies	22.46	-
Actuarial gain/(loss)	20.78	6.90
Employers' Contributions	385.52	137.94
Plan assets of companies sold	(16.12)	-
Benefits paid	(116.66)	(98.11)
Fair value of plan assets as at end of the year	<u>1,634.56</u>	<u>1,228.95</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	1,634.56	1,228.95
Present value of obligation as at the end of the year	1,762.64	1,642.74
Unrecognised past service cost	0.07	0.13
Amount recognised in the balance sheet	128.01	413.66
- Provisions	128.67	413.82
- Loans and advances	(0.66)	(0.16)
(iv) Expenses recognised in the year		
Current service cost	84.84	62.17
Interest cost	125.96	95.67
Expected return on plan assets	(109.63)	(89.35)
Actuarial (gain)/loss	3.67	318.32
Past Service Cost	-	0.28
Expense recognised during the year	<u>104.84</u>	<u>387.09</u>
	31.03.2012	31.03.2011
(v) Investment details	%	%
GOI securities	15	10
Public Sector unit bonds	16	28
Central/State Government Guaranteed securities	6	5
Private sector unit bonds	10	7
Others (including bank balances)	53	50
	<u>100</u>	<u>100</u>
(vi) Assumptions		
Discount rate (per annum)	0.45-8.90%	0.91-8.50%
Expected Return on Plan Assets (per annum)	7.50-9.25%	4.25-9.25%
Rate of escalation in salary (per annum)	4.00-10.00%	4.00-10.00%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	(89.95)	(194.77)
Experience adjustment on plan assets - gain/(loss)	20.78	6.72

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows:

The major portions of the assets are invested in PSU bonds and GOI securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long-term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government bonds.

(d) Details of Post Retirement Pension plans are as follows:

Description	₹ crores	
	31.03.2012	31.03.2011
(i) Reconciliation of opening and closing balances of obligation		
Obligation as at the beginning of the year	1,13,762.22	1,07,476.89
Current service cost	1,309.58	1,223.72
Interest cost	6,310.50	5,614.71
Actuarial (gain)/loss	10,081.29	225.29
Exchange rate difference	13,911.50	5,184.75
Settlements and curtailments	(76.58)	(310.52)
Benefits paid	(6,279.87)	(6,098.14)
Employee contribution	490.14	445.52
Obligation as at the end of the year	<u>1,39,508.78</u>	<u>1,13,762.22</u>
(ii) Reconciliation of opening and closing balances of plan assets		
Fair value of plan assets as at beginning of the year	1,16,048.78	1,09,009.37
Expected return on plan assets	6,962.61	6,385.90
Actuarial gain/(loss)	7849.84	(331.77)
Employees' Contributions	490.14	445.52
Employers' Contributions	1,508.70	1,372.12
Refund of scheme assets	-	(12.53)
Benefits paid	(6,279.87)	(6,112.28)
Exchange rate difference	14,107.96	5,292.45
Net fair value of plan assets as at end of the year	<u>1,40,688.16</u>	<u>1,16,048.78</u>
(iii) Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	1,40,688.16	1,16,048.78
Present value of obligation as at the end of the year	1,39,508.78	1,13,762.22
Amount recognised in the balance sheet - Asset	1,179.38	2,286.56
- Provisions	(418.44)	(222.22)
- Loans and advances	1,597.82	2,508.78
(iv) Expenses recognised in the year		
Current service cost	1,309.58	1,223.72
Interest cost	6,310.50	5,614.71
Expected return on plan assets	(6,962.61)	(6,385.90)
Actuarial (gain)/loss ⁽¹⁾	2,231.45	557.06
Settlements and curtailments	(76.58)	(310.52)
Expense recognised during the year	<u>2,812.34</u>	<u>699.07</u>
Description	31.03.2012	31.03.2011
	%	%
(v) Investment details		
Equities	27	29
Bonds	63	60
Property	7	7
Others (including bank balances)	3	4
	<u>100</u>	<u>100</u>
(vi) Assumptions		
Discount rate (per annum)	2.50-4.80%	3.00-5.90%
Expected Return on Plan Assets (per annum)	1.00-3.45%	2.00-9.60%
Rate of escalation in salary (per annum)	1.00-4.20%	1.00-4.60%
(vii) Other Disclosures		
Experience adjustment on plan liabilities - gain/(loss)	206.78	(106.07)
Experience adjustment on plan assets - gain/(loss)	7,849.84	332.34

- (1) The consolidated Statement of Profit and Loss includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 60% of the consolidated total revenue. The pension and other post retirement defined benefit liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS). IFRS permits the impact of changes in the assets and liabilities, inter alia, due to assumption of variables like bond yield rates, inflation and demographic assumptions to be accounted for in "Reserves and Surplus". This practice is consistently followed by Tata Steel Europe Limited. The Accounting Standard (AS-15) – Employee Benefits is different from the above and requires such changes to be accounted for in the Statement of Profit and Loss. Given the large share of Tata Steel Europe Limited in the consolidated Statement of Profit and Loss of the Company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the liabilities, it is not considered practicable to adopt a common accounting policy for accounting of the actuarial gains/losses in respect of the pension and other post retirement defined benefit liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of ₹ 2,372.26 crores (2010-11: ₹ 402.81 crores) (net of tax) recognised in Tata Steel Europe Limited has been accounted in Reserves and Surplus in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – Consolidated Financial Statements. Had the Company followed the practice of recognising changes in actuarial valuations in respect of the pension and other post retirement benefit plans of Tata Steel Europe Limited, in the Statement of Profit and Loss, the profit after tax, minority interest and share of profit of associates would have been lower by ₹ 2,372.26 crores (2010-11: ₹ 402.81 crores).

- (e) Details of the unfunded post retirement defined benefit obligation are as follows:

Description			₹ crores	
	Medical	Others	2010-11 Medical	Others
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at the beginning of the year	731.62	599.54	612.61	595.71
Current/Employer service cost	8.41	17.30	6.84	8.84
Interest cost	57.78	27.60	47.05	25.48
Obligation of new companies	11.42	1.27	–	–
Actuarial (gain)/loss	(52.61)	63.06	114.35	(32.95)
Exchange rate difference	–	53.82	–	20.01
Obligation of companies sold	(5.83)	(3.68)	–	–
Benefits paid	(33.24)	(27.24)	(49.23)	(17.55)
Obligation as at the end of the year	<u>717.55</u>	<u>731.67</u>	<u>731.62</u>	<u>599.54</u>
(ii) Expenses recognised in the year				
Current/Employer service cost	8.41	17.30	6.84	8.84
Interest cost	57.78	27.60	47.05	25.48
Actuarial (gain)/loss	(52.61)	63.06 ⁽¹⁾	114.35	(32.95) ⁽¹⁾
Expense recognised during the year	<u>13.58</u>	<u>107.96</u>	<u>168.24</u>	<u>1.37</u>
(iii) Assumptions				
Discount rate (per annum) as at the beginning of the year	8.00-8.40%	3.30-8.00%	7.00-8.40%	3.90-8.00%
Discount rate (per annum) as at the end of the year	8.00-8.70%	4.20-8.70%	8.00-8.40%	3.30-8.00%
Medical costs inflation rate	5.00-8.00%		5.00%	
Effect of a 1% change in health care cost on				
Increase				
- aggregate current service and interest cost	8.72		8.91	
- closing balance of obligation	115.51		94.93	
Decrease				
- aggregate current service and interest cost	(0.35)		(5.10)	
- closing balance of obligation	(83.48)		(69.49)	
(iv) Other Disclosures				
Experience adjustment on plan liabilities - gain/(loss)	(106.26)	(65.80)	(114.35)	(2.41)

41. SEGMENT REPORTING

Primary Segment Information (Business Segment)

₹ crores

Particulars	Business Segments		Unallocable	Eliminations	Total
	Steel	Others			
Segment revenue					
External revenue	1,22,018.20 1,08,477.70	10,534.92 9,879.75	346.58 395.67	– –	1,32,899.70 1,18,753.12
Inter segment revenue	5,224.52 4,557.13	2,961.66 3,195.13	1,317.24 1,074.82	(9,503.42) (8,827.08)	– –
Total revenue	1,27,242.72 1,13,034.83	13,496.58 13,074.88	1,663.82 1,470.49	(9,503.42) (8,827.08)	1,32,899.70 1,18,753.12
Segment results before finance costs, exceptional items and tax	9,575.83 12,373.54	102.21 1,041.82	4,431.65 559.53	(4,636.52) (963.06)	9,473.17 13,011.83
Less: Finance costs					4,250.11 3,955.78
Profit before tax and exceptional items					5,223.06 9,056.05
Profit on sale of non-current investments					3,361.92 735.69
Restructuring, impairment and disposals					– 2,310.21
Profit before tax					8,584.98 12,101.95
Tax expense					3,636.46 3,245.90
Profit after tax					4,948.52 8,856.05
Segment assets	1,31,906.42 1,09,435.29	8,070.28 8,487.49	17,027.15 25,129.66	(31,227.23) (30,555.27)	1,25,776.62 1,12,497.17
Segment liabilities	50,811.91 49,194.39	3,806.72 3,319.99	13,806.81 11,749.36	(30,785.74) (30,492.13)	37,639.70 33,771.61
Capital expenditure	12,753.41 8,679.60	270.89 1,057.75	159.42 113.14	(2.15) (10.15)	13,181.57 9,840.34
Segment depreciation	4,067.72 4,064.24	287.61 216.23	161.32 134.35	– –	4,516.65 4,414.82
Non-cash expenditure other than depreciation	128.76 882.73	76.90 3.46	2.50 –	– –	208.16 886.19

Secondary Segment Information (Geographical Segment)

₹ crores

		2010-11
Segment Revenue		
– Within India	35,156.08	30,815.20
– Outside India	97,743.62	87,937.92
	<u>1,32,899.70</u>	<u>1,18,753.12</u>
Capital Expenditure		
– Within India	7,927.07	6,886.66
– Outside India	5,254.50	2,953.68
	<u>13,181.57</u>	<u>9,840.34</u>
		31.03.2011
		₹ crores
Segment Assets		
– Within India	50,126.26	42,380.03
– Outside India	75,650.36	70,117.14
	<u>1,25,776.62</u>	<u>1,12,497.17</u>

Additional information:

- (1) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel. Other business segments comprise of Tubes, Bearings, Refractories, Pigments, Port operations, Town services and Investment activities.
- (2) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (3) Unallocable Assets and Liabilities exclude.

	₹ crores	
		As at 31.03.2011
Assets:		
Non-current investments	2,259.98	4,379.75
Current investments	1,381.76	3,137.55
Advance against equity	0.85	–
Goodwill on consolidation	17,354.61	15,298.20
Deferred tax assets	61.44	175.56
Foreign Currency Monetary Item Translation Difference Account	404.90	–
	<u>21,463.54</u>	<u>22,991.06</u>
Liabilities:		
Long-term borrowings	45,238.24	49,250.69
Short-term borrowings	4,699.08	3,794.44
Current maturities of long-term borrowings	9,959.45	7,633.67
Hybrid perpetual securities	2,275.00	1,500.00
Provision for employee separation compensation	772.68	879.37
Deferred tax liabilities	2,503.85	2,188.18
Preference shares issued by subsidiary companies	22.43	–
Share warrants issued by a subsidiary company	17.46	17.46
Minority interest	1,091.15	888.90
	<u>66,579.34</u>	<u>66,152.71</u>

- (4) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.

42. RELATED PARTY DISCLOSURES
List of Related Parties and Relationships
Associate through:

- i) **Kalimati Investment Company Ltd.**
 1. Rujuvalika Investments Limited
- ii) **NatSteel Asia Pte. Ltd.**
 1. Steel Asia Development and Management Corp.
 2. Steel Asia Industries Inc.
 3. Steel Asia Manufacturing Corporation
- iii) **Tata Incorporated**
 1. TKM Overseas Limited
- iv) **TRL Krosaki Refractories Limited**
 1. Almora Magnesite Limited *

v) Tata Steel Ltd.

1. Indian Steel Rolling Mills Ltd.
2. Industrial Energy Limited
3. Jamipol Limited
4. Kalinga Aquatics Ltd.
5. Kumardhubi Fireclay & Silica Works Ltd.
6. Kumardhubi Metal Casting & Engineering Ltd.
7. Nicco Jubilee Park Limited
8. Strategic Energy Technology Systems Pvt. Limited
9. Tata Construction & Projects Ltd.
10. Tata Sponge Iron Limited
11. TRL Krosaki Refractories Limited *
12. The Tinsplate Company of India Ltd. *
13. TRF Limited

vi) **Tata Steel Holdings Pte. Ltd.**

a) **Tata Steel Global Holdings Pte Ltd.**

I. **Tata Steel International (Singapore) Holdings Pte. Ltd.**

1. European Profiles Malaysia (M) Sdn.Bhd.

II. **Tata Steel Europe Limited**

1. Ab Norskstal AS
2. Albi Profils SRL
3. Appleby Frodingham Cottage Trust Limited
4. Combulex B.V.
5. Cv Gasexpansie Ijmond
6. Danieli Corus Canada Inc.
7. Danieli Corus Asia B.V.
8. Danieli Corus B.V.
9. Danieli Corus Braseq Ltda.
10. Danieli Corus Construction Services B.V.
11. Danieli Corus Construction Services Usa Inc.
12. Danieli Corus Do Brasil Ltda.
13. Danieli Corus Inc.
14. Danieli Corus Services Usa Inc.
15. Danieli India (Pvt.) Ltd.
16. European Profiles (Marketing) Sdn.Bhd.
17. Galvpro LP.
18. Gietwalsonderhoudcombinatie B.V.
19. Hoogovens Court Roll Service Technologies Vof:
20. Hoogovens Gan Multimedia S.A. De C.V.
21. Isolation Du Sud SA
22. Issb Limited
23. MDC Sublance Probe Technology
24. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. *
25. Richard Lees Steel Decking Asia Snd. Bhd.
26. Rsp Holding B.V.
27. Schreiner Fleischer AS
28. Shanghai Bao Yi Beverage Can Making Co. Ltd.
29. Sms Mevac UK Limited *
30. Thoresen & Thorvaldsen AS
31. Trico LLC
32. Weirton/Hoogovens GP
33. Wupperman Staal Nederland B.V.

III. **Tata Steel Global Minerals Holdings Pte Ltd.**

1. New Millennium Iron Corporation
2. Riversdale Mining Ltd. *

vii) **The Indian Steel and Wire Products Ltd.**

1. Metal Corporation of India

Joint Ventures of:

i) **Tata Steel Ltd.**

1. Bhubaneshwar Power Private Limited
2. Himalaya Steel Mill Services Private Limited
3. mjunction services limited
4. S & T Mining Company Private Limited
5. Tata BlueScope Steel Limited
6. Tata NYK Shipping Pte Ltd.
7. The Dhamra Port Company Limited

ii) **Tata Steel Holdings Pte. Ltd.**

a) **Tata Steel Global Holdings Pte Ltd.**

I. **Tata Steel Europe Limited**

1. Afon Tinplate Company Limited
2. Air Products Llanwern Limited
3. B V Ijzerleew
4. Bsr Pipeline Services Limited
5. Caparo Merchant Bar Plc
6. Tata Steel Ticaret AS
7. Corus Cogifer Switches And Crossings Limited
8. Corus Kalpinis Simos Rom SRL. *
9. Danieli Corus Technical Services B.V.
10. Hks Scrap Metals B.V.
11. Ijzerhandel Geertsema Staal B.V.
12. Industrial Rail Services Ijmond B.V.
13. Laura Metaal Holding B.V.
14. Norsk Stal AS
15. Norsk Stal Tynnplater AS
16. Ravenscraig Limited
17. Tata Elastron SA
18. Tata Elastron Steel Service Center SA
19. Texturing Technology Limited
20. Redcar Bulk Terminal Limited

II. **Tata Steel Global Minerals Holdings Pte. Ltd.**

1. Rio Tinto Benga (Mauritius) Limited

Promoters' holding together with its Subsidiaries is more than 20%

- (i) Tata Sons Ltd.

Key Management Personnel

- (i) Mr. H. M. Nerurkar - Whole-time Director
- (ii) Dr. Karl-Ulrich Koehler - Managing Director & Chief Executive Officer, Tata Steel Europe Limited

* Part of the year.

Related Party Transactions

Transactions					₹ crores
	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Purchase of Goods					
Hks Scrap Metals B.V.	236.21	–	–	–	236.21
	–	–	–	–	–
Wupperman Staal Nederland B.V.	142.56	–	–	–	142.56
	128.31	–	–	–	128.31
Others	642.89	–	–	–	642.89
	461.51	–	–	–	461.51
	1,021.66	–	–	–	1,021.66
	589.82	–	–	–	589.82
Sale of Goods					
Wupperman Staal Nederland B.V.	656.29	–	–	–	656.29
	417.05	–	–	–	417.05
Laura Metaal Holding B.V.	647.77	–	–	–	647.77
	–	–	–	–	–
Caparo Merchant Bar Plc	278.88	–	–	–	278.88
	–	–	–	–	–
Others	584.90	–	–	–	584.90
	897.44	–	–	–	897.44
	2,167.84	–	–	–	2,167.84
	1,314.49	–	–	–	1,314.49
Receiving of Services					
Industrial Energy Ltd.	433.21	–	–	–	433.21
	146.09	–	–	–	146.09
Tata NYK Shipping Pte Ltd.	254.01	–	–	–	254.01
	305.33	–	–	–	305.33
Others	119.73	–	–	7.89	127.62
	343.82	–	–	3.40	347.22
	806.95	–	–	7.89	814.84
	795.24	–	–	3.40	798.64
Rendering of Services					
The Dhamra Port Company Ltd.	53.01	–	–	–	53.01
	22.63	–	–	–	22.63
Tata BlueScope Steel Ltd.	11.02	–	–	–	11.02
	19.56	–	–	–	19.56
Others	12.48	–	–	0.16	12.64
	52.94	–	–	0.19	53.13
	76.51	–	–	0.16	76.67
	95.13	–	–	0.19	95.32
Purchase of Fixed Assets					
TRF Ltd.	45.85	–	–	–	45.85
	54.00	–	–	–	54.00
Rujuvalika Investments Ltd.	8.35	–	–	–	8.35
	–	–	–	–	–
	54.20	–	–	–	54.20
	54.00	–	–	–	54.00

Related Party Transactions

₹ crores

Transactions	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Dividend Expense					
Tata Sons Ltd.	–	–	–	328.11	328.11
	–	–	–	206.74	206.74
Others	1.40	*	–	–	1.40
	0.93	**	–	–	0.93
	1.40	*	–	328.11	329.51
	0.93	**	–	206.74	207.67
Dividend Income					
Norsk Stal AS	25.75	–	–	–	25.75
	47.48	–	–	–	47.48
Laura Metaal Holding B.V.	24.35	–	–	–	24.35
	5.92	–	–	–	5.92
Wupperman Staal Nederland B.V.	15.35	–	–	–	15.35
	–	–	–	–	–
Others	63.41	–	–	–	63.41
	49.71	–	–	–	49.71
	128.86	–	–	–	128.86
	103.11	–	–	–	103.11
Interest Income					
The Dhamra Port Company Ltd.	2.48	–	–	–	2.48
	–	–	–	–	–
Others	–	–	–	–	–
	5.17	–	–	–	5.17
	2.48	–	–	–	2.48
	5.17	–	–	–	5.17
Management contracts including deputation of employees					
Tata Sons Ltd.	–	–	–	73.97	73.97
	–	–	–	68.69	68.69
	–	–	–	73.97	73.97
	–	–	–	68.69	68.69
Finance Provided					
The Dhamra Port Company Ltd.	350.00	–	–	–	350.00
	77.50	–	–	–	77.50
Others	63.04	–	–	–	63.04
	84.68	–	–	–	84.68
	413.04	–	–	–	413.04
	162.18	–	–	–	162.18
Remuneration Paid					
Mr. H. M. Nerurkar	–	6.42	–	–	6.42
	–	4.16	–	–	4.16
Dr. Karl-Ulrich Koehler	–	13.58	–	–	13.58
	–	4.02	–	–	4.02
Mr. Kirby Adams	–	–	–	–	–
	–	11.22	–	–	11.22
	–	20.00	–	–	20.00
	–	19.40	–	–	19.40

Related Party Transactions

Transactions					₹ crores
	Associates and JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Guarantees Outstanding					
Tata NYK Shipping Ltd.	152.64	–	–	–	152.64
	<i>133.79</i>	–	–	–	<i>133.79</i>
	152.64	–	–	–	152.64
	<i>133.79</i>	–	–	–	<i>133.79</i>
Outstanding Receivables					
The Dhamra Port Company Ltd.	366.88	–	–	–	366.88
	<i>2.37</i>	–	–	–	<i>2.37</i>
Others	251.21	–	–	4.01	255.22
	<i>200.38</i>	–	–	<i>4.01</i>	<i>204.39</i>
	618.09	–	–	4.01	622.10
	<i>202.75</i>	–	–	<i>4.01</i>	<i>206.76</i>
Outstanding Payables					
Tata Sons Ltd.	–	–	–	92.49	92.49
	–	–	–	<i>69.66</i>	<i>69.66</i>
Industrial Energy Ltd.	66.27	–	–	–	66.27
	<i>43.97</i>	–	–	–	<i>43.97</i>
Bsr Pipeline Services Limited	49.99	–	–	–	49.99
	<i>26.92</i>	–	–	–	<i>26.92</i>
Others	160.96	–	–	–	160.96
	<i>143.43</i>	–	–	–	<i>143.43</i>
	277.22	–	–	92.49	369.71
	<i>214.32</i>	–	–	<i>69.66</i>	<i>283.98</i>

* ₹ 8,944.00

** ₹ 5,096.00

Transactions with Joint Venture have been disclosed at full value.

43. Figures pertaining to the subsidiary companies and joint ventures have been reclassified where necessary to bring them in line with the Company's financial statements.
44. Previous year's figures have been recast/restated where necessary.
45. Figures in italics are in respect of the previous year.

Mumbai, 18th May, 2012

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	}	Chairman
B MUTHURAMAN		Vice Chairman
S M PALIA	}	Directors
ISHAAT HUSSAIN		
SUBODH BHARGAVA		
JACOBUS SCHRAVEN		
ANDREW ROBB		
KARL-ULRICH KOEHLER	}	Managing Director
H M NERURKAR		

Summary of Financial Information of Subsidiary Companies

₹ crores

Sl. No.	Name of the Company	Reporting currency	Exchange rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
1	Adityapur Toll Bridge Company Limited	INR	1.00	20.38	64.27	36.40	-	3.12	(1.39)	-	(1.39)	-	India
2	Gopalpur Special Economic Zone Limited	INR	1.00	1.00	22.69	21.66	-	-	(0.01)	-	(0.01)	-	India
3	Jamshedpur Utilities & Services Company Ltd.	INR	1.00	20.35	448.93	384.78	-	500.24	(71.98)	2.19	(74.17)	-	India
4	Haldia Water Management Limited	INR	1.00	27.77	(102.22)	20.40	-	46.49	(87.76)	-	(87.76)	-	India
5	Naba Diganta Water Management Ltd.	INR	1.00	18.45	53.33	29.44	-	1.62	(5.43)	-	(5.43)	-	India
6	SEZ Adityapur Ltd.	INR	1.00	0.05	(0.06)	0.04	-	-	(0.01)	-	(0.01)	-	India
7	Kalimati Investment Company Ltd.	INR	1.00	16.39	380.27	5.82	358.77	59.57	59.45	5.54	53.91	-	India
8	Bangla Steel & Mining Co. Ltd.	BDT	0.62	0.06	(0.04)	0.03	-	-	-	-	-	-	Bangladesh
9	Lanka Special Steels Ltd.	LKR	0.40	0.99	13.68	26.97	-	69.40	5.58	1.39	4.19	-	Sri Lanka
10	NatSteel Asia Pte. Ltd.	SGD	40.45	1,138.51	274.13	1,887.40	474.76	-	34.98	0.08	34.90	-	Singapore
11	Tata Steel Asia (Hong Kong) Ltd.	USD	50.87	7.31	82.88	430.66	340.47	2,549.83	14.65	1.17	13.48	-	Hong Kong
12	Tata Steel Resources Australia Pty. Ltd.	AUD	52.86	-	12.60	555.44	542.84	6,720.47	0.78	0.35	0.43	-	Australia
13	T S Alloys Limited	INR	1.00	43.31	115.77	31.12	4.71	167.12	14.41	5.09	9.32	-	India
14	Sila Eastern Ltd.	THB	1.65	0.33	4.87	6.42	1.22	14.15	(1.76)	-	(1.76)	-	Thailand
15	Tata Incorporated	USD	50.87	7.63	46.79	54.65	0.23	1.27	0.33	0.20	0.13	-	USA
16	Tata Korf Engineering Services Ltd.	INR	1.00	0.40	(9.52)	0.32	9.44	-	(0.35)	-	(0.35)	-	India
17	Tata Metaliks Ltd.	INR	1.00	125.29	(3.70)	664.47	542.88	1,161.72	(125.46)	(34.86)	(90.60)	-	India
18	Tata Metaliks Kubota Pipes Limited	INR	1.00	179.40	(124.52)	264.21	209.33	232.88	(44.43)	-	(44.43)	-	India
19	Tayo Rolls Limited	INR	1.00	10.26	(15.98)	312.14	317.86	142.27	(53.12)	-	(53.12)	-	India
20	Tata Steel (KZN) (Pty) Ltd.	ZAR	6.64	95.56	(485.48)	635.93	1,005.85	473.80	(173.13)	-	(173.13)	-	South Africa
21	Tata Steel Holdings Pte. Ltd.	GBP	81.46	46,100.45	(513.68)	46,580.65	993.88	60.88	(0.22)	0.03	(0.25)	-	Singapore
22	Tata Steel Global Holdings Pte. Ltd.	GBP	81.46	39,504.88	2,600.29	51,051.41	8,946.24	3,038.76	2,639.78	89.05	2,550.73	-	Singapore
23	Tata Steel International (Singapore) Holdings Pte. Ltd.	GBP	81.46	282.75	-	288.15	5.40	-	-	-	-	-	Singapore
24	TSIA Holdings (Thailand) Limited	THB	1.65	0.02	(0.10)	0.01	0.09	-	0.13	-	0.13	-	Thailand
25	Tata Steel International (Guangzhou) Ltd.	CNY	8.08	-	-	-	-	-	-	-	-	-	China
26	Tata Steel International (Shanghai) Ltd.	CNY	8.08	3.94	1.67	5.49	(0.12)	0.20	0.19	0.08	0.11	-	China
27	Tata Steel International (Malaysia) Sdn. Bhd.	MYR	16.60	-	1.38	1.54	0.16	0.93	0.15	(0.08)	0.23	-	Malaysia
28	Tata Steel International (Thailand) Limited	THB	1.65	0.33	3.36	3.79	0.10	-	(6.46)	-	(6.46)	-	Thailand
29	Tata Steel International (Singapore) Pte. Ltd.	SGD	40.45	6.88	44.08	247.70	196.74	313.01	0.85	-	0.85	-	Singapore
30	Tata Steel International (Asia) Limited	HKD	6.55	-	215.07	292.21	77.14	-	22.32	3.47	18.85	-	Hong Kong
31	Tata Steel International (Hongkong) Limited	HKD	6.55	0.01	207.42	290.17	82.74	2,142.26	9.34	1.76	7.58	-	Hong Kong
32	NatSteel Holdings Pte. Ltd.	SGD	40.45	809.17	147.82	2,060.60	1,103.61	3,655.01	48.91	14.75	34.16	-	Singapore
33	Best Bar Pty. Ltd.	AUD	52.86	17.60	(77.67)	237.82	297.89	483.10	(71.29)	-	(71.29)	-	Australia
34	Best Bar (Vic) Pte. Ltd.	AUD	52.86	-	29.12	191.77	162.65	573.94	(20.36)	-	(20.36)	-	Australia
35	Burwill Trading Pte. Ltd.	SGD	40.45	44.09	(7.60)	36.50	0.01	-	0.02	(0.02)	0.04	-	Singapore



₹ crores

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36	Easteel Construction Services Pte. Ltd.	SGD	40.45	4.05	13.73	0.16	-	-	0.07	0.27	(0.20)	-	Singapore
37	Easteel Services (M) Sdn. Bhd.	MYR	16.60	-	0.76	0.09	-	0.76	0.02	0.01	0.01	-	Malaysia
38	Eastern Steel Fabricators Philippines, Inc.	SGD	40.45	17.57	8.99	43.79	-	-	-	-	-	-	Philippines
39	Eastern Steel Services Pte. Ltd.	SGD	40.45	40.45	48.49	0.01	-	-	0.17	-	0.17	-	Singapore
40	Eastern Wire Pte. Ltd.	SGD	40.45	33.78	94.82	10.32	41.26	-	12.51	2.17	10.34	-	Singapore
41	NatSteel (xiamen) Ltd.	CNY	8.08	29.81	94.65	43.35	-	362.44	8.76	2.46	6.30	-	China
42	NatSteel Asia (S) Pte. Ltd.	SGD	40.45	8.09	11.61	0.57	-	-	0.27	(1.42)	1.69	-	Singapore
43	NatSteel Australia Pty. Ltd.	AUD	52.86	52.29	197.16	213.48	-	454.22	1.59	1.49	0.10	-	Australia
44	NatSteel Equity IV Pte. Ltd.	SGD	40.45	-	121.33	0.01	-	-	-	-	-	-	Singapore
45	NatSteel Recycling Pte Ltd.	SGD	40.45	40.45	259.79	105.43	-	2,140.83	6.22	0.97	5.25	-	Singapore
46	NatSteel Trade International (Shanghai) Company Ltd.	CNY	8.08	0.27	0.09	0.05	-	-	(0.02)	-	(0.02)	-	China
47	NatSteel Trade International Pte. Ltd.	USD	50.87	14.96	269.45	192.40	-	2,594.44	5.87	0.99	4.88	-	Singapore
48	NatSteel Vina Co. Ltd.	VND	0.00	-	0.01	0.01	-	0.02	-	-	-	-	Vietnam
49	PT Materials Recycling Indonesia	SGD	40.45	1.08	(1.15)	0.07	-	-	-	-	-	-	Indonesia
50	The Siam Industrial Wire Company Ltd.	THB	1.65	1.80	19.65	1.90	-	37.09	2.11	0.45	1.66	-	Thailand
51	Wuxi Jinyang Metal Products Co. Ltd.	CNY	8.08	18.12	33.29	7.56	-	48.56	(3.82)	(0.45)	(3.37)	-	China
52	Orchid Netherlands (No.1) B.V.	EUR	67.88	0.12	1.49	0.00	-	0.04	0.03	(0.14)	0.17	-	Netherlands
53	Tata Steel Europe Ltd.	GBP	81.46	28,633.18	(552.81)	28,545.86	465.49	-	(116.85)	-	(116.85)	-	UK
54	Almana Steel Dubai (Jersey) Limited	AED	13.85	3.46	44.06	48.16	0.64	9.17	1.23	-	1.23	-	Jersey
55	Apollo Metals Ltd.	USD	50.87	104.77	(140.49)	53.83	89.55	138.24	15.11	-	15.11	-	USA
56	Ashorne Hill Management College	GBP	81.46	-	66.93	73.19	6.26	35.87	4.16	-	4.16	-	UK
57	Augusta Grundstucks GmbH	EUR	67.88	36.45	(38.81)	11.74	14.10	0.04	(1.16)	-	(1.16)	-	Germany
58	Automotive Laser Technologies Limited	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
59	B S Pension Fund Trustee Ltd.	GBP	81.46	17.48	0.56	18.04	-	-	-	-	-	-	UK
60	Bailey Steels Limited	GBP	81.46	0.16	3.48	3.64	-	-	-	-	-	-	UK
61	Beheermaatschappij Industriële Producten B.V.	EUR	67.88	0.12	(45.32)	48.46	93.66	-	(1.00)	(0.25)	(0.75)	-	Netherlands
62	Belfin Beheermaatschappij B.V.	EUR	67.88	0.46	-	0.46	-	-	-	-	-	-	Netherlands
63	Bell & Harwood Limited	GBP	81.46	-	(10.29)	-	10.29	-	-	-	-	-	UK
64	Blastmega Limited	GBP	81.46	757.61	0.08	757.70	0.01	-	-	-	-	-	UK
65	Blume Stahlservice GmbH	EUR	67.88	34.76	31.86	291.15	224.53	1,246.61	0.26	0.08	0.18	-	Germany
66	Blume Stahlservice Polska Sp.Z.O.O	PLZ	16.35	0.08	(11.27)	13.29	24.48	32.13	0.13	-	0.13	-	Poland
67	Bore Samson Group Ltd.	GBP	81.46	171.07	(48.81)	183.47	61.21	-	-	-	-	-	UK
68	Bore Steel Ltd.	GBP	81.46	130.34	8.55	138.89	-	-	-	-	-	-	UK
69	British Guide Rails Ltd.	GBP	81.46	2.44	37.14	39.58	-	-	-	-	-	-	UK
70	British Steel Corporation Ltd.	GBP	81.46	147.25	101.24	248.49	-	-	-	-	-	-	UK
71	British Steel De Mexico S.A. de C.V.	USD	50.87	-	-	-	-	-	-	-	-	-	Mexico
72	British Steel Directors (Nominees) Limited	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
73	British Steel Employee Share Ownership Trustees Ltd.	GBP	81.46	-	-	-	-	-	-	-	-	-	UK

₹ crores

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74	British Steel Engineering Steels (Exports) Limited	GBP	81.46	-	0.10	0.10	-	-	-	-	-	-	UK
75	British Steel Nederland International B.V.	EUR	67.88	358.22	641.33	34.99	90.26	176.23	151.65	3.31	148.34	119.46	Netherlands
76	British Steel Samson Limited	GBP	81.46	8.15	8.15	-	-	-	-	-	-	-	UK
77	British Steel Service Centres Ltd.	GBP	81.46	162.93	638.25	202.63	-	-	-	-	-	-	UK
78	British Steel Tubes Exports Ltd.	GBP	81.46	0.20	0.20	-	-	-	-	-	-	-	UK
79	British Tubes Stockholding Ltd.	GBP	81.46	81.46	85.79	-	-	-	-	-	-	-	UK
80	Bs Quest Trustee Limited	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
81	Burgdorfer Grundstuecks GmbH	EUR	67.88	0.54	16.68	1.78	-	0.08	(0.88)	0.01	(0.89)	-	Germany
82	C V Benine	EUR	67.88	30.83	133.85	103.11	-	-	(0.05)	-	(0.05)	-	Netherlands
83	C Walker & Sons Ltd.	GBP	81.46	28.51	567.37	435.01	-	-	-	-	-	-	UK
84	Catnic GmbH	EUR	67.88	0.17	20.48	26.67	-	72.53	5.82	1.29	4.53	-	Germany
85	Catnic Limited	GBP	81.46	2.62	(3.12)	0.15	-	-	-	-	-	-	UK
86	Cbs Investissements SAS	EUR	67.88	0.54	0.25	3.82	-	-	0.32	0.17	0.15	-	France
87	Cladding & Decking (UK) Limited	GBP	81.46	37.88	(33.77)	14.74	-	-	-	-	-	-	UK
88	Cogent Power Inc.	CAD	50.98	1.53	140.32	247.78	-	489.70	17.11	4.17	12.94	-	Canada
89	Cogent Power Inc.	USD	50.87	0.05	(5.57)	7.58	-	-	-	-	-	-	Mexico
90	Cogent Power Inc.	USD	50.87	1.53	20.41	26.00	-	-	-	-	-	-	USA
91	Cogent Power Limited	GBP	81.46	591.97	(238.97)	368.03	-	-	(6.91)	(0.38)	(6.53)	-	UK
92	Cold drawn Tubes Ltd.	GBP	81.46	189.36	(145.11)	44.25	-	-	-	-	-	-	UK
93	Color Steels Limited	GBP	81.46	0.37	47.40	(0.01)	-	-	-	-	-	-	UK
94	Corbell Les Rives SCI	EUR	67.88	4.36	3.98	0.03	-	-	-	-	-	-	France
95	Corby (Northants) & District Water Co.	GBP	81.46	2.12	2.78	6.94	-	3.48	0.08	0.18	(0.10)	-	UK
96	Cordor (C& B) Limited	GBP	81.46	2.65	-	2.65	-	-	-	-	-	-	UK
97	Corus Aerospace Service Centre Suzhou Co Ltd.	USD	50.87	2.80	(1.55)	14.95	-	29.82	1.10	-	1.10	-	China
98	Corus Aluminium Verwaltungsgesellschaft MbH	EUR	67.88	3.53	(19.72)	67.59	-	1.18	-	-	-	-	Germany
99	Tata Steel France Batiment et Systemes SAS	EUR	67.88	27.15	(91.16)	233.54	1.07	485.57	(53.70)	-	(53.70)	-	France
100	Corus Beteiligungs GmbH	EUR	67.88	8.69	11.34	20.03	-	0.01	(0.08)	(0.04)	(0.04)	-	Germany
101	Corus Building Systems Bulgaria AD	LEV	34.70	4.06	(16.46)	43.83	-	14.70	(6.58)	-	(6.58)	-	Bulgaria
102	Corus Building Systems N.V.	EUR	67.88	0.92	6.31	8.95	-	0.10	0.07	-	0.07	-	Belgium
103	Corus Building Systems SAS	EUR	67.88	20.36	(13.31)	7.15	0.18	-	-	-	-	-	France
104	Corus Byggesystemer A/S	DKK	9.12	0.46	26.76	50.93	-	123.59	(5.55)	(1.79)	(3.76)	-	Denmark
105	Corus Byggsystem AB	SEK	7.68	0.77	41.09	20.30	-	146.06	0.86	0.22	0.64	-	Sweden
106	Corus Byggsystemer A/S	NOK	8.93	1.09	23.77	55.18	-	186.36	8.34	2.74	5.60	-	Norway
107	Tata Steel International (Czech Republic) S.R.O	CZK	2.74	0.33	1.89	2.85	-	-	0.18	0.07	0.11	-	Czech Republic
108	Tata Steel International (Canada) Holdings Inc	CAD	50.98	0.05	2.08	2.27	-	2.52	2.84	(0.29)	3.13	81.74	Canada
109	Corus CNBV Investments	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
110	Corus Coatings Usa Inc.	USD	50.87	-	3.63	4.11	-	-	(0.07)	-	(0.07)	-	USA

₹ crores

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111	Corus Cold drawn Tubes Limited	GBP	81.46	40.73 (54.77)	-	14.04	-	-	-	-	-	-	UK
112	Corus Consulting B.V.	EUR	67.88	0.31 4.81	5.44	0.32	-	0.24	0.24	(0.14)	0.38	-	Netherlands
113	Corus Engineering Steels (UK) Limited	GBP	81.46	81.46 291.69	373.16	0.01	-	-	-	-	-	-	UK
114	Corus Engineering Steels Holdings Limited	GBP	81.46	3,387.91 262.78	4,630.92	980.23	-	-	-	-	-	-	UK
115	Corus Engineering Steels Limited	GBP	81.46	3,764.35 108.35	3,872.70	-	-	-	-	-	-	-	UK
116	Corus Engineering Steels Overseas Holdings Limited	GBP	81.46	4.07 4.03	15.93	7.83	-	-	-	-	-	-	UK
117	Corus Finance Limited	GBP	81.46	0.41 (0.19)	0.21	(0.01)	-	-	-	-	-	-	UK
118	Corus Group Limited	GBP	81.46	24,492.02 (2,278.23)	27,495.10	5,281.31	-	6.34 (289.13)	29.59	(318.72)	-	-	UK
119	Corus Holdings Ltd.	GBP	81.46	2.04 0.81	2.84	(0.01)	-	-	-	-	-	-	UK
120	Corus India Ltd.	INR	1.00	5.46 1.59	27.95	20.90	-	34.44	3.21	1.32	1.89	-	India
121	Corus International (Overseas Holdings) Limited	GBP	81.46	2,423.51 1,243.85	3,674.86	7.50	-	61.30	61.30	-	61.30	-	UK
122	Corus International Bulgaria Limited	LEV	34.70	0.02	0.02	-	-	-	(0.12)	-	(0.12)	-	Bulgaria
123	Corus International Limited	GBP	81.46	4,190.15 (1,802.05)	2,633.36	245.26	0.19	-	8.90	-	8.90	-	UK
124	Corus International Representacoes Do Brasil Ltda.	USD	50.87	1.11 (2.43)	1.21	2.53	-	-	0.50	0.21	0.29	-	Brazil
125	Corus International Romania SRL.	RON	15.47	0.01 0.56	0.66	0.09	-	-	0.15	0.03	0.12	-	Romania
126	Corus Investments Ltd.	GBP	81.46	179.22 5.54	184.76	-	-	-	-	-	-	-	UK
127	Corus Ireland Ltd.	EUR	67.88	- 4.78	5.61	0.83	-	0.08	0.06	(0.01)	0.07	-	Ireland
128	Corus Large Diameter Pipes Limited	GBP	81.46	647.65 (55.07)	605.04	12.46	-	-	-	-	-	-	UK
129	Corus Liaison Services (India) Limited	GBP	81.46	8.15 (27.57)	1.60	21.02	-	-	-	-	-	-	UK
130	Corus Management Limited	GBP	81.46	- (369.38)	2,002.51	2,371.89	-	-	-	-	-	-	UK
131	Corus Metal Iberica S.A	EUR	67.88	1.02 4.56	12.46	6.88	-	0.07	1.10	0.43	0.67	-	Spain
132	Corus Norge A/S	NOK	8.93	3.18 (2.91)	0.68	0.41	-	0.01	(0.05)	(0.02)	(0.03)	-	Norway
133	Corus Packaging Plus Norway AS	NOK	8.93	0.10 (231.26)	12.61	243.77	-	0.20	(18.75)	-	(18.75)	-	Norway
134	Corus Primary Aluminium B.V.	EUR	67.88	267.26 (372.58)	264.31	369.63	-	-	(7.95)	(1.99)	(5.96)	-	Netherlands
135	Corus Properties (Germany) Limited	GBP	81.46	- (0.30)	-	0.30	-	-	-	-	-	-	UK
136	Corus Property	GBP	81.46	-	0.01	0.01	-	-	-	-	-	-	UK
137	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	EUR	67.88	-	-	-	-	-	-	-	-	-	Ireland
138	Corus Service Center Milano Spa	EUR	67.88	10.59 (46.86)	10.94	47.21	-	-	-	-	-	-	Italy
139	Corus Service Centre Limited	GBP	81.46	28.35 101.67	130.02	-	-	-	-	-	-	-	N Ireland
140	Service Centre Maastricht B.V.	EUR	67.88	21.17 113.37	338.92	204.88	-	742.94	0.15	(0.33)	0.48	18.67	Netherlands
141	Corus Sheet & Tube Inc.	USD	50.87	-	-	-	-	-	-	-	-	-	USA
142	Stainless Velsen-Noord BV	EUR	67.88	0.80 (0.01)	0.97	0.18	-	-	-	-	-	-	Netherlands
143	Corus Steel Service STP LLC	RUB	1.73	0.20 (1.44)	5.09	6.33	-	28.88	(1.18)	(0.04)	(1.14)	-	Russia
144	Tata Steel Usa Inc.	USD	50.87	105.35 71.75	185.59	8.49	-	1.07	1.58	0.07	1.51	-	USA
145	Tata Steel International (Sweden) AB	SEK	7.68	0.08 1.26	5.09	3.75	-	0.04	0.67	0.23	0.44	0.54	Sweden
146	Corus Trico Holdings Inc.	USD	50.87	729.83 (729.83)	-	-	-	-	-	-	-	-	USA

₹ crores

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147	Corus UK Healthcare Trustee Limited	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
148	Corus Ukraine LLC	UAH	8.04	0.03	0.10	0.02	-	-	(0.06)	-	(0.06)	-	Ukraine
149	Cpn (85) Limited	GBP	81.46	-	-	0.69	-	-	-	-	-	-	UK
150	Crucible Insurance Company Ltd.	GBP	81.46	81.46	750.24	395.71	395.71	33.35	11.68	-	11.68	-	I of Man
151	Degels GmbH	EUR	67.88	0.20	256.54	256.26	-	1,291.00	7.58	(0.11)	7.69	6.26	Germany
152	Demka B.V.	EUR	67.88	56.71	60.12	0.74	-	1.04	1.04	0.26	0.78	-	Netherlands
153	Dsrn Group Pic.	GBP	81.46	40.73	146.42	-	-	-	-	-	-	-	UK
154	Ees Group Services Limited	GBP	81.46	488.86	0.38	-	-	0.38	0.38	-	0.38	-	UK
155	Eric Ojsson & Soner Fovnaltings AB	SEK	7.68	0.08	3.54	0.04	-	-	-	-	-	-	Sweden
156	Esmil B.V.	EUR	67.88	98.54	17.62	0.01	-	0.27	0.38	0.10	0.28	-	Netherlands
157	Euro-Laminations Limited	GBP	81.46	0.01	-	-	-	-	-	-	-	-	UK
158	Europressings Limited	GBP	81.46	4.89	5.21	-	-	-	-	-	-	-	UK
159	Firsteel Group Limited	GBP	81.46	146.03	288.38	142.33	-	-	-	-	-	-	UK
160	Firsteel Holdings Limited	GBP	81.46	27.60	141.17	78.12	-	-	-	-	-	-	UK
161	Firsteel Strip Mill Products Limited	GBP	81.46	70.87	83.28	-	-	-	-	-	-	-	UK
162	Fischer Profil GmbH	EUR	67.88	69.42	239.71	182.75	-	798.00	6.24	0.13	6.11	-	Germany
163	Gamble Simms Metals Ltd.	EUR	67.88	4.31	98.41	1.91	-	-	-	-	-	-	Ireland
164	Grant Lyon Eagre Ltd.	GBP	81.46	3.05	47.98	-	-	-	-	-	-	-	UK
165	H E Samson Ltd.	GBP	81.46	30.55	42.55	-	-	-	-	-	-	-	UK
166	Hadfields Holdings Ltd.	GBP	81.46	0.81	(66.27)	4.31	-	-	-	-	-	-	UK
167	Hammermaga Limited	GBP	81.46	18.33	-	69.77	-	-	-	-	-	-	UK
168	Harrowmills Properties Ltd.	GBP	81.46	0.01	155.15	0.00	-	-	-	-	-	-	UK
169	Hille & Muller GmbH	EUR	67.88	34.74	394.46	221.13	-	553.30	10.73	(0.24)	10.97	25.70	Germany
170	Hille & Muller Usa Inc.	USD	50.87	0.02	96.01	16.29	-	28.44	4.30	0.32	3.98	-	USA
171	Hoogovens (UK) Limited	GBP	81.46	162.93	66.96	63.17	0.08	-	-	-	-	-	UK
172	Hoogovens Aluminium UK Limited	GBP	81.46	12.10	1.98	-	-	-	0.04	-	0.04	-	UK
173	Hoogovens Finance B.V.	EUR	67.88	1,004.31	361.13	10.06	-	18.71	18.71	4.68	14.03	-	Netherlands
174	Hoogovens Technical Services Mexico De S. De R.L. De C.V.	USD	50.87	-	-	-	-	-	(0.27)	-	(0.27)	-	Mexico
175	Corus Tubes Poland Spolka Z.O.O	PLZ	16.35	0.08	0.41	1.63	-	0.46	0.04	-	0.04	-	Poland
176	Hoogovens Usa Inc.	USD	50.87	309.52	370.58	7.67	-	0.60	0.22	3.06	(2.84)	-	USA
177	Huizenbezt "Breesaap" B.V.	EUR	67.88	0.31	2.35	9.62	-	0.12	(0.17)	(0.04)	(0.13)	-	Netherlands
178	Ickles Cottage Trust	GBP	81.46	-	0.85	0.52	-	0.79	(0.02)	-	(0.02)	-	UK
179	Immobiliere De Construction De Maubeuge Et Louvroil SAS	EUR	67.88	0.26	1.47	0.35	-	1.48	0.53	0.18	0.35	-	France
180	Industrial Steels Limited	GBP	81.46	-	31.04	-	-	-	0.11	(0.01)	0.12	-	UK
181	Inter Metal Distribution SAS	EUR	67.88	0.52	71.22	52.57	-	313.75	6.12	2.28	3.84	6.79	France
182	Kalzip Asia Pte Limited	SGD	40.45	54.61	(67.65)	82.15	-	105.81	(18.11)	5.70	(23.81)	-	Singapore
183	Kalzip GmbH	EUR	67.88	43.40	(14.10)	238.45	-	425.62	3.41	0.79	2.62	-	Germany
184	Kalzip GmbH	EUR	67.88	0.24	0.62	1.05	-	1.96	0.09	0.03	0.06	-	Austria
185	Kalzip Guanzhou Limited	CNY	8.08	20.38	32.88	116.71	-	114.35	7.93	0.55	7.38	-	China

₹ crores

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186	Kaizip Inc	USD	50.87	— (22.90)	15.19	38.09	—	31.39	(14.54)	(0.07)	(14.47)	—	USA
187	Kaizip Italy SRL	EUR	67.88	0.07	1.01	0.92	—	2.84	0.12	0.05	0.07	—	Italy
188	Kaizip Limited	GBP	81.46	30.14	84.98	36.70	—	211.96	(5.27)	(0.78)	(4.49)	—	UK
189	Kaizip Spain S.L.U.	EUR	67.88	6.11	9.64	0.32	—	5.94	0.55	0.13	0.42	—	Spain
190	Layde Steel S.L.	EUR	67.88	41.72	308.82	369.53	0.02	674.07	(59.70)	3.06	(62.76)	—	Spain
191	Lister Tubes Ltd.	EUR	67.88	—	10.98	—	—	—	—	—	—	—	Ireland
192	London Works Steel Company Ltd.	GBP	81.46	—	45.62	129.58	—	—	—	—	—	—	UK
193	Midland Steel Supplies Ltd.	GBP	81.46	—	—	—	—	—	—	—	—	—	UK
194	Mistbury Investments Limited	GBP	81.46	—	11.44	10.82	—	—	—	—	—	—	UK
195	Montana Bausysteme AG	CHF	56.33	45.07	198.24	70.82	—	413.68	27.86	5.15	22.71	71.72	Switzerland
196	Myriad Deutschland GmbH	EUR	67.88	1.05	2.63	0.41	—	7.20	0.20	0.04	0.16	—	Germany
197	Myriad Espana SI	EUR	67.88	0.08	0.22	0.05	—	0.47	(0.17)	—	(0.17)	—	Spain
198	Myriad Nederland B.V.	EUR	67.88	0.14	0.60	0.13	—	1.58	0.02	(0.04)	0.06	—	Netherlands
199	Myriad SA	EUR	67.88	249.90	695.06	565.66	6.12	2,089.79	(109.21)	—	(109.21)	—	France
200	Namascor B.V.	EUR	67.88	41.24	290.94	197.40	—	858.76	(23.76)	(5.94)	(17.82)	—	Netherlands
201	Nationwide Steelstock Limited	GBP	81.46	0.02	—	9.23	—	—	—	—	—	—	UK
202	Tata Steel Logistics and Shipping BV	EUR	67.88	0.15	0.15	—	—	—	—	—	—	—	Netherlands
203	Oostflank B.V.	EUR	67.88	0.12	47.05	8.48	—	0.57	0.57	0.14	0.43	—	Netherlands
204	Orb Electrical Steels Limited	GBP	81.46	—	—	—	—	—	—	—	—	—	UK
205	Ore Carriers Ltd.	GBP	81.46	16.75	23.26	0.05	—	—	—	—	—	—	UK
206	Oremco Inc.	USD	50.87	0.51	7.48	10.28	—	—	(3.42)	—	(3.42)	—	USA
207	Plated Strip International Limited	GBP	81.46	18.35	14.30	0.09	—	—	—	—	—	—	UK
208	Precoat International Limited	GBP	81.46	14.97	81.21	18.06	0.09	—	—	—	—	—	UK
209	Precoat Limited	GBP	81.46	8.96	5.20	22.49	—	—	—	—	—	—	UK
210	Rafferty-Brown Steel Co Inc Of Conn.	USD	50.87	—	103.50	4.99	—	1.34	1.29	—	1.29	—	USA
211	Richard Thomas And Baldwins 1978. Limited	NZD	41.65	—	—	—	—	—	—	—	—	—	New Zealand
212	Round Oak Steelworks Ltd.	GBP	81.46	24.44	0.97	391.28	—	—	—	—	—	—	UK
213	Runblast Limited	GBP	81.46	69.78	423.91	—	—	—	—	—	—	—	UK
214	Runmega Limited	GBP	81.46	3.54	3.54	—	—	—	—	—	—	—	UK
215	S A B Profil B.V.	EUR	67.88	83.95	563.66	74.16	—	725.61	73.94	0.73	73.21	—	Netherlands
216	S A B Profil GmbH	EUR	67.88	0.20	113.78	14.32	—	262.63	20.76	6.27	14.49	—	Germany
217	Sacra-Nord SAS	EUR	67.88	915.49	1,738.36	928.43	—	(9.83)	(22.18)	(6.04)	(16.14)	—	France
218	Scrap Processing Holding B.V.	EUR	67.88	0.73	37.69	0.39	—	0.51	0.51	0.11	0.40	—	Netherlands
219	Seamless Tubes Ltd.	GBP	81.46	162.93	151.26	—	—	—	—	—	—	—	UK
220	Service Center Gelsenkirchen GmbH	EUR	67.88	124.97	757.03	155.80	2.05	1,057.06	4.33	1.60	2.73	13.08	Germany
221	SIA Corus Building Systems	LAT	96.89	0.58	1.61	4.32	—	14.17	(0.37)	0.02	(0.39)	—	Latvia
222	Simiop Investments Ltd.	GBP	81.46	—	28.13	—	—	—	—	2.77	(2.77)	—	UK
223	Simiop Ltd.	GBP	81.46	—	—	—	—	—	—	—	—	—	UK
224	Skruv Erik AB	SEK	7.68	0.08	1.99	0.03	—	—	—	—	—	—	Sweden
225	Societe Europeenne De Galvanisation (Segal) Sa	EUR	67.88	84.85	206.49	62.68	—	380.98	14.56	3.62	10.94	—	Belgium

₹ crores

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226	Staalverwerking En Handel B.V.	EUR	67.88	675.09	1,657.42	827.58	-	135.79	109.00	(6.69)	115.69	-	Netherlands
227	Steel Stock Holdings Ltd.	GBP	81.46	30.96	37.54	0.22	-	-	-	-	-	-	UK
228	Steelstock Ltd.	GBP	81.46	0.16	62.60	62.44	-	-	-	-	-	-	UK
229	Stewarts & Lloyds Of Ireland Ltd.	EUR	67.88	0.65	(2.22)	1.57	-	-	-	-	-	-	Ireland
230	Stewarts And Lloyds (Overseas) Ltd.	GBP	81.46	166.67	0.05	166.72	-	-	-	-	-	-	UK
231	Stouckbridge Works Cottage Trust Limited	GBP	81.46	-	0.52	0.57	-	0.46	-	-	-	-	UK
232	Stuwadoorsbedrijf Veijserkom B.V.	EUR	67.88	0.31	3.66	20.95	16.98	26.18	2.08	0.52	1.56	-	Netherlands
233	Surahammar Bruks AB	SEK	7.68	57.49	120.54	279.00	100.97	623.64	(14.39)	-	(14.39)	-	Sweden
234	Swindon Housing Association	GBP	81.46	-	3.84	2.04	-	0.32	(0.15)	0.01	(0.16)	-	UK
235	Tata Steel Belgium Packaging Steels N.V.	EUR	67.88	172.65	78.62	334.55	83.28	382.42	36.60	-	36.60	-	Belgium
236	Tata Steel Belgium Services N.V.	EUR	67.88	4,615.19	1,587.02	7,469.87	1,267.66	353.51	341.91	40.21	301.70	628.44	Belgium
237	Tata Steel Europe Distribution BV	EUR	67.88	4.96	(34.24)	7.16	36.44	-	1.77	0.45	1.32	-	Netherlands
238	Tata Steel Europe Metals Trading BV	EUR	67.88	271.52	(30.18)	435.02	193.68	564.33	22.82	5.71	17.11	-	Netherlands
239	Tata Steel France Rail SA	EUR	67.88	393.50	(72.43)	1,050.77	729.70	1,589.40	(81.76)	-	(81.76)	-	France
240	Tata Steel Germany GmbH	EUR	67.88	694.15	295.46	1,880.38	890.77	58.60	35.97	(1.41)	37.38	195.63	Germany
241	Tata Steel Hungary LLC	HUF	0.23	16.32	(7.68)	33.32	24.68	110.29	(1.75)	0.34	(2.09)	-	Hungary
242	Tata Steel Jmuiden BV	EUR	67.88	763.66	13,399.72	25,368.14	11,204.76	29,696.04	357.77	79.22	278.55	-	Netherlands
243	Tata Steel International (Americas) Holdings Inc	USD	50.87	4,139.49	(3,743.82)	654.32	258.65	14.17	8.82	(0.17)	8.99	-	USA
244	Tata Steel International (Americas) Inc	USD	50.87	229.46	516.34	1,381.53	635.73	1,712.87	13.87	22.10	(8.23)	-	USA
245	Tata Steel International (Australasia) Limited	NZD	41.65	63.30	121.76	237.21	52.15	388.72	8.55	1.51	7.04	41.65	New Zealand
246	Tata Steel International (Benelux) BV	EUR	67.88	0.12	7.62	10.21	2.47	0.09	0.46	0.13	0.33	-	Netherlands
247	Tata Steel International (denmark) A/S	DKK	9.12	0.83	0.64	2.44	0.97	(0.04)	0.47	0.14	0.33	0.55	Denmark
248	Tata Steel International (Finland) OY	EUR	67.88	0.86	0.69	2.77	1.22	0.02	0.23	0.06	0.17	-	Finland
249	Tata Steel International (France) SAS	EUR	67.88	1.36	19.94	32.62	11.32	0.15	10.96	3.65	7.31	-	France
250	Tata Steel International (Germany) GmbH	EUR	67.88	5.91	(5.65)	37.31	37.05	0.13	6.74	-	6.74	-	Germany
251	Tata Steel International Hellas SA	EUR	67.88	0.41	0.59	1.10	0.10	-	0.06	-	0.06	-	Greece
252	Tata Steel International (Italia) SRL	EUR	67.88	0.34	26.93	39.83	12.56	0.22	11.29	3.55	7.74	-	Italy
253	Tata Steel International (Middle East) FZE	AED	13.85	63.52	35.28	254.98	156.18	841.54	8.69	-	8.69	-	UAE
254	Tata Steel International (Nigeria) Ltd.	NGN	0.32	-	-	-	-	-	-	-	-	-	Nigeria
255	Tata Steel International (North America) Ltd.	USD	50.87	91.57	38.01	426.18	296.60	1,052.48	(0.53)	7.94	(8.47)	-	USA
256	Tata Steel International (Poland) sp. Z.o.o.	PLZ	16.35	14.39	(11.73)	15.95	13.29	-	0.35	3.37	(3.02)	-	Poland
257	Tata Steel International (Schweiz) AG	CHF	56.33	0.56	0.51	2.99	1.92	-	0.29	0.06	0.23	0.22	Switzerland
258	Tata Steel International (UK) Ltd.	GBP	81.46	13.50	59.63	232.86	159.73	1,841.68	(6.80)	0.01	(6.81)	-	UK
259	Tata Steel International (India) Limited	INR	1.00	27.82	12.18	49.50	9.50	4.54	(0.41)	1.05	(1.46)	-	India
260	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	50.87	58.64	(19.09)	158.62	119.07	328.47	(1.11)	0.16	(1.27)	-	Turkey
261	Tata Steel Nederland BV	EUR	67.88	2,989.62	6,190.65	19,836.31	10,656.04	684.49	296.78	(35.30)	332.08	-	Netherlands
262	Tata Steel Nederland Consulting & Technical Services BV	EUR	67.88	61.09	(45.35)	95.31	79.57	(3.25)	(4.19)	-	(4.19)	-	Netherlands

₹ crores

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263	Tata Steel Nederland Investment BV	EUR	67.88	6,850.73	7,901.63	6.47	-	11.94	11.94	2.98	8.96	-	Netherlands
264	Tata Steel Nederland Perfo BV	EUR	67.88	3.77	0.28	22.56	-	-	(0.45)	(0.11)	(0.34)	-	Netherlands
265	Tata Steel Nederland Services BV	EUR	67.88	2.89	446.31	166.81	-	2.26	4.63	(1.37)	(3.26)	-	Netherlands
266	Tata Steel Nederland Star-Frame BV	EUR	67.88	3.05	2.60	6.20	-	2.26	(2.49)	(0.62)	(1.87)	-	Netherlands
267	Tata Steel Nederland Technology BV	EUR	67.88	0.12	352.97	147.47	-	372.10	59.02	8.82	50.20	-	Netherlands
268	Tata Steel Nederland Tubes BV	EUR	67.88	325.83	722.67	691.69	11.98	1,502.02	(167.92)	(42.02)	(125.90)	-	Netherlands
269	Tata Steel Netherlands Holdings B.V.	EUR	67.88	34,510.88	960.77	70,331.27	34,859.82	-	139.32	(2,143.91)	(1,950.39)	-	Netherlands
270	Tata Steel UK Consulting Limited	GBP	81.46	14.13	18.40	21.87	-	16.03	0.88	(0.58)	1.46	-	UK
271	Tata Steel UK Holdings Limited	GBP	81.46	32,157.43	38,979.82	7,525.51	-	589.48	462.77	-	462.77	-	UK
272	Tata Steel UK Limited	GBP	81.46	18,681.75	(5,542.99)	38,500.15	25,361.39	11.68	44,284.24	(2,512.76)	(2,509.84)	-	UK
273	Tata Steel UK Rail Consultancy Limited	GBP	81.46	-	(30.17)	101.27	131.44	-	178.14	(4.12)	0.03	(4.15)	UK
274	The Newport And South Wales Tube Company Ltd.	GBP	81.46	4.34	0.12	4.45	(0.01)	0.12	0.12	-	0.12	-	UK
275	The Stanton Housing Company Ltd.	GBP	81.46	0.49	7.36	7.84	(0.01)	-	-	-	-	-	UK
276	The Steel Company Of Ireland Limited	EUR	67.88	101.93	(44.80)	109.20	52.07	113.12	(5.31)	2.24	(7.55)	-	Ireland
277	The Templeborough Rolling Mills Ltd.	GBP	81.46	24.44	104.87	129.30	(0.01)	-	-	-	-	-	UK
278	Thomas Processing Company	USD	50.87	-	105.72	106.66	0.94	21.19	1.50	-	1.50	-	USA
279	Thomas Steel Strip Corp.	USD	50.87	76.31	(297.48)	306.14	527.31	679.05	40.77	-	40.77	-	USA
280	Tinsley Trailers Limited	GBP	81.46	14.66	-	14.66	-	-	-	-	-	-	UK
281	Toronto Industrial Fabrications Ltd.	GBP	81.46	0.13	(4.17)	-	4.04	-	-	-	-	-	UK
282	Trierer Walzwerk GmbH	EUR	67.88	17.38	12.24	76.20	46.58	155.33	(3.06)	(0.92)	(2.14)	-	Germany
283	Tulip UK Holdings (No.2) Ltd.	GBP	81.46	28,539.30	2.89	28,542.32	0.33	-	-	-	-	-	UK
284	Tulip UK Holdings (No.3) Ltd.	GBP	81.46	28,542.32	(792.14)	35,755.90	8,005.72	192.12	(266.35)	0.48	(266.83)	-	UK
285	Tuscaloosa Steel Corporation	USD	50.87	3,056.30	(3,055.77)	0.57	0.04	-	(0.25)	0.13	(0.38)	-	USA
286	U.E.S. Bright Bar Limited	GBP	81.46	12.22	-	12.22	-	-	-	-	-	-	UK
287	UK Steel Enterprise Ltd.	GBP	81.46	81.46	60.18	241.50	99.86	29.46	(7.09)	-	(7.09)	-	UK
288	Ukse Fund Managers (General Partner) Limited	GBP	81.46	-	-	-	-	-	-	-	-	-	UK
289	Ukse Fund Managers Limited	GBP	81.46	0.29	0.59	0.21	-	0.03	-	-	-	-	UK
290	Unitol SAS	EUR	67.88	67.88	80.21	349.92	0.24	1,224.18	(118.27)	-	(118.27)	-	France
291	Vleijonge BV	EUR	67.88	51.93	1.05	119.30	66.32	246.36	(10.65)	(4.36)	(6.29)	-	Netherlands
292	Walker Manufacturing And Investments Ltd.	GBP	81.46	4.34	121.52	125.86	-	-	-	-	-	-	UK
293	Walkersteelstock Ireland Limited	EUR	67.88	66.25	38.99	116.22	10.98	-	-	-	-	-	Ireland
294	Walkersteelstock Ltd.	GBP	81.46	8.15	-	8.15	-	-	-	-	-	-	UK
295	Westwood Steel Services Ltd.	GBP	81.46	191.44	-	191.44	-	-	-	-	-	-	UK
296	Whitehead (Narrow Strip) Ltd.	GBP	81.46	73.32	20.11	93.43	-	-	-	-	-	-	UK
297	Tata Steel Global Minerals Holdings Pte Ltd.	USD	50.87	2,178.42	1,118.40	6,358.28	3,061.46	3,411.37	3,488.92	20.88	3,468.04	-	Singapore
298	Al Rimal Mining LLC	OMR	132.23	13.22	(6.14)	9.33	2.25	-	(0.39)	-	(0.39)	-	Oman
299	Black Ginger 461 (Proprietary) Ltd.	ZAR	6.64	39.15	(11.36)	217.40	189.61	6.89	(6.55)	-	(6.55)	-	South Africa
300	Kallimati Coal Company Pty. Ltd.	AUD	52.86	31.72	(3.70)	315.56	287.54	121.50	34.54	10.36	24.18	-	Australia

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301	Sedibeng Iron Ore Pty. Ltd.	ZAR	6.64	–	411.52	424.18	–	112.94	(18.90)	(4.80)	(14.10)	–	South Africa
302	Tata Steel Cote D' Ivoire S.A	FCFA	0.10	–	30.56	63.40	–	–	(16.05)	0.02	(16.07)	–	Ivory Coast
303	Tata Steel Minerals UK Limited	CAD	50.98	–	508.95	509.04	–	–	(0.08)	–	(0.08)	–	UK
304	Tata Steel Minerals Canada Limited	CAD	50.98	669.81	734.46	88.13	–	0.52	(22.51)	0.29	(22.80)	–	Canada
305	Tata Steel (Thailand) Public Company Ltd.	THB	1.65	1,410.10	3,536.77	914.98	–	181.29	135.65	2.82	132.83	–	Thailand
306	N.T.S. Steel Group Plc.	THB	1.65	545.90	2,206.83	2,132.39	0.26	4,983.96	(206.54)	34.52	(241.06)	–	Thailand
307	The Siam Construction Steel Co. Ltd.	THB	1.65	288.56	610.25	296.30	–	1,502.05	(2.82)	0.04	(2.86)	–	Thailand
308	The Siam Iron And Steel (2001) Co. Ltd.	THB	1.65	19.79	374.50	199.07	–	1,028.02	1.02	1.83	(0.81)	–	Thailand
309	Tata Steel Global Procurement Company Pte. Ltd.	USD	50.87	506.84	11,954.59	11,283.82	–	5,038.10	103.71	12.68	91.03	–	Singapore
310	ProCo Issuer Pte. Ltd.	GBP	81.46	–	7,702.78	6,927.55	–	1,030.42	703.39	118.25	585.14	–	Singapore
311	Tata Steel Processing And Distribution Limited	INR	1.00	68.25	566.28	204.79	62.98	1,867.46	81.08	25.82	55.26	–	India
312	TM International Logistics Limited	INR	1.00	18.00	229.89	120.35	43.77	127.78	16.14	4.47	11.67	2.93	India
313	International Shipping Logistics FZE	USD	50.87	1.39	144.60	60.54	10.17	584.75	22.47	–	22.47	–	UAE
314	TKM Global China Ltd.	CNY	8.08	5.52	5.36	2.37	–	39.43	0.14	–	0.14	–	China
315	TKM Global GmbH	EUR	67.88	0.35	120.93	43.63	–	100.26	20.45	6.57	13.88	–	Germany
316	TKM Global Logistics Limited	INR	1.00	1.00	36.23	17.96	–	143.32	5.45	1.89	3.56	–	India
317	TM Harbour Services Private Limited	INR	1.00	34.62	8.22	72.78	9.28	26.24	5.61	0.10	5.51	–	India
318	Indian Steel & Wire Products Ltd.	INR	1.00	5.99	99.50	85.42	–	180.88	28.72	9.32	19.40	–	India
319	The Tata Pigments Limited	INR	1.00	0.75	36.77	11.50	4.62	54.88	6.83	2.00	4.83	0.52	India
320	T M Mining Company Limited	INR	1.00	0.10	(0.08)	0.04	–	–	(0.06)	–	(0.06)	–	India
321	Jamshedpur Continuous Annealing & Processing Company Private Limited	INR	1.00	0.05	(2.03)	0.03	2.01	–	(2.03)	–	(2.03)	–	India
322	The Timplate Company of India Ltd.	INR	1.00	104.80	389.46	998.57	504.31	646.00	27.90	11.35	16.55	10.34	India

Additional information:

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rates as on 31.03.2012.

TATA STEEL

Tata Steel Limited

Regd. Office: Bombay House, 24, Homi Mody Street, Mumbai-400 001.

Attendance Slip

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the HUNDRED AND FIFTH ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, at 3.00 p.m. on Tuesday, the 14th August, 2012.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. /DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

.....
Full name of Proxy
(in block capitals)

.....
Signature

NOTE: Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TATA STEEL

Tata Steel Limited

Regd. Office: Bombay House, 24, Homi Mody Street, Mumbai-400 001.

Proxy

I/We

of in the district of being

a Member/Members of the above named Company, hereby appoint

..... of in the district of or failing him

..... of in the district of

..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the HUNDRED AND FIFTH ANNUAL GENERAL MEETING of the Company, to be held on Tuesday, the 14th August, 2012 and at any adjournment thereof.

Signed this day of 2012.

Folio No. /DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

Signature _____

Affix
Revenue
Stamp

No. of Shares

This form is to be used @ in favour of _____ the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.
@ against _____

@ Strike out whichever is not desired.

NOTES: (i) The proxy must be returned so as to reach the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Mumbai-400 001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.

(ii) Those members who have multiple folios with different jointholders may use copies of this Attendance Slip/Proxy.



Awards & Recognition



Corporate awards

- **India's Most Admired Company** – by FORTUNE and Hay Group.
- NDTV Profit Business Leadership Awards 2011 for **business leadership and entrepreneurial excellence**, contributing significantly towards India's economy growth.
- Tata Steel Conferred Best **Conscious Capitalist** Award by Forbes India.
- 3rd Annual Intellectual Property Awards.
- Thomson Reuters Innovation Award in the **"Hi-Tech Corporate"** category.
- Tata Steel's Mines Division, Noamundi awarded Confederation of Indian Industry's (CII) National Award for Excellence in Water Management 2011 for its **"Most Innovative Rainwater Harvesting Project"**.
- The Ministry of Labour and Employment, Government of India, conferred the prestigious Prime Minister's **Shram Awards** for the years 2008, 2009 and 2010, on 21 employees of Tata Steel.

Awards for excellence in social responsibility

- Tata Steel named among **World's Most Ethical Companies**.
- CNBC Asia's **Corporate Social Responsibility** Award for outstanding CSR Model.
- CII-ITC Sustainability Prize for 2011 for **Sustainable Development** for exemplary performance in economic, social and environmental dimensions of Indian business.
- 'Best Sports Advertisement' and 'Best Corporate Involvement in Sports' awards at the grand finale of NDTV's **'Marks for Sports'** campaign.
- 'Best in **Corporate Social Responsibility**' in India by Finance Asia.
- Winner in **'Corporate Social Responsibility'** at the Procurement Leaders Forum in London.
- World Steel **'Safety and Health Excellence** Recognition Award' for the second consecutive year.
- NatSteel has been awarded the **Work-Life Excellence Award** by the Singapore Ministry of Manpower.
- NatSteel also a recipient of the apex **Platinum HEALTH Award** by the Singapore Health Promotion Board.

TATA STEEL LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001
www.tatasteel.com



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