INDEPENDENT AUDITOR'S REPORT

To The Members of The Indian Steel & Wire Products Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **The Indian Steel & Wire Products Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 20 to the financial statement.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

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

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)

Signature
Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Place: Kolkata
Date: 24th April, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of The Indian Steel and Wire Products Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DELOITTE HASKINS & SELLS
Chartered Accountants

(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Place: Kolkata
Date: 24th April, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the management in accordance with a regular program 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) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of self-constructed buildings on leasehold land which are disclosed as fixed assets in the financial statements, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete..

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. We are informed that the Company intends to obtain exemption from operations of Employees' State Insurance Act and necessary steps have been taken by the Company. We are also informed that actions taken by the authorities to bring the employees of the Company under the Employees' State Insurance Scheme has been contested by the Company in the previous years and full payment has not been made of the contributions demanded.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable except for Jharkhand value added tax liability of Rs. 44 lakhs on account of provision for input tax credit surrender pursuant to notification issued by the state.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are as follows.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (Rs. in lakhs)	Amount unpaid (Rs. in lakhs)
Sales Tax Act	Sales Tax	Appellate Tribunal	2004-05	10.69	10.69
		Joint Commissioner	2006-07 to 2013-14	599.42	599.42
		Deputy Commissioner	2003-2004, 2007-08 to 2009-10	251.23	251.23
		Asst. Commissioner	1996-97 to 2000-01 2003-04 to 2012-13	117.42	117.42
Excise Duty	Central Excise	Commissioner Excise	2004-05, 2014-15	134.20	134.20
Wealth Tax	Wealth Tax	Additional Commissioner of Income Tax	1993-94 to 1997-98	390.35	390.35

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has not obtained the registration.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay
Partner
Membership No. 054785

KOLKATA, 24th April, 2017

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Balance Sheet as at 31st March , 2017

Amount in INR

				Note	March 31st, 2017	March 31st, 2016	April 1st, 2015
(I)	**ASSETS**						
(1)	**Non-current assets**						
	(a)	Fixed assets					
		(i)	Tangible assets	**05**	**388,598,528**	420,828,910	390,956,362
		(ii)	Capital work-in-progress	**05**	**9,692,890**	14,387,020	50,121,851
		(iii)	Intangible assets	**05**	**12,135,448**	9,620,413	9,680,370
	(b)	Investment properties		**06**	**16,772,762**	17,110,579	17,448,036
					427,199,628	461,946,922	468,206,619
	(c)	Financial assets					
		(i)	Other non-current investments	**07**	**6**	6	6
	(d)	Other non-financial assets		**08**	**2,743,422**	3,647,473	481,961
	(e)	Non current tax asset			**91,043,588**	117,046,733	124,235,311
	(f)	Deferred tax assets		**21**	**32,615,644**	27,246,587	16,678,481
					553,602,288	609,887,721	609,602,378
(2)	**Current assets**						
	(a)	Inventories		**09**	**512,898,720**	490,787,408	335,560,035
	(b)	Financial assets					
		(i)	Trade receivables	**10**	**262,232,523**	210,020,907	297,957,343
		(ii)	Cash and cash equivalents	**11**	**22,950,124**	11,367,425	17,056,794
		(iii)	Other financial assets	**12**	**31,750,888**	25,531,974	39,898,423
	(c)	Other non-financial assets		**08**	**119,935,791**	101,301,792	97,398,481
					949,768,046	839,009,506	787,871,076
TOTAL ASSETS					**1,503,370,334**	1,448,897,227	1,397,473,454
(II)	**EQUITY AND LIABILITIES**						
(1)	**Equity**						
	(a)	Equity share capital		**13**	**59,918,960**	59,918,960	59,918,960
	(b)	Other equity					
		(i)	Retained earnings	**14**	**519,685,740**	468,251,129	420,493,346
		(ii)	Other components of equity	**14**	**54,471,211**	54,471,211	54,471,211
					634,075,911	582,641,300	534,883,517
(2)	**Non-current liabilities**						
	(a)	Financial liabilities					
		(i)	Other financial liabilities	**15**	**140,000,000**	140,000,000	164,600,737
	(b)	Long-term provisions		**16**	**69,687,296**	58,704,196	57,195,464
	(c)	Retirement benefit obligations		**17**	**59,218,814**	46,740,503	66,232,300
					268,906,110	245,444,699	288,028,501
(3)	**Current liabilities**						
	(a)	Financial liabilities					
		(i)	Short-term borrowings	**18**	**186,416,443**	200,121,952	167,113,958
		(ii)	Trade payables	**19**	**356,426,265**	334,928,672	320,685,122
		(iii)	Other financial liabilities	**15**	**6,386,471**	7,272,951	8,176,520
	(b)	Short-term provisions		**16**	**14,003,224**	15,510,498	12,907,222
	(c)	Retirement benefit obligations		**17**	**2,234,771**	837,144	2,156,874
	(d)	Other non-financial liabilities		**20**	**29,775,170**	35,104,446	36,486,175
	(e)	Current tax liabilities			**5,145,969**	27,035,565	27,035,565
					600,388,313	620,811,228	574,561,436
TOTAL EQUITY AND LIABILITIES					**1,503,370,334**	1,448,897,227	1,397,473,454

See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner
Kolkata, April 24th, 2017

For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman

Neeraj Kant
Managing Director

U. Mishra
Chief Financial Officer

Rabi Narayan Kar
Company Secretary

Kolkata, April 24th, 2017

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Statement of Profit & Loss for the year ended 31st March, 2017

Amount in INR

			Notes	For the year ended 31.03.2017	For the year ended 31.03.2016
(1)	**Revenue from operations**		**22**	**2,578,067,283**	2,355,635,879
(2)	Other Income		**23**	**18,312,078**	54,589,251
(3)	**Total Revenue (1 + 2)**			**2,596,379,361**	2,410,225,130
(4)	**EXPENSES**				
	(a)	Raw materials consumed	**24 (A)**	**254,523,407**	283,128,060
	(b)	Changes in stock of finished goods, work-in-progress and stock-in-trade	**24 (B)**	**32,196,151**	(110,007,938)
	(c)	Employee benefit expense	**25**	**418,188,414**	417,210,118
	(d)	Finance costs	**26**	**26,082,718**	20,904,327
	(e)	Depreciation and amortisation expense		**66,022,641**	76,444,260
	(f)	Excise duty on sale of goods		**107,136,452**	96,113,536
	(g)	Other expenses	**27**	**1,597,077,350**	1,541,990,760
	Total Expenses			**2,501,227,133**	2,325,783,123
(5)	**Profit before tax (3 - 4)**			**95,152,228**	84,442,007
(6)	Tax Expense				
	(1)	Current tax for the year		**39,349,864**	41,480,608
	(2)	Tax provision for earlier years		**-**	4,867,168
	(3)	Deferred tax		**(5,369,057)**	(10,568,106)
	Total tax expense		**28 (i)**	**33,980,807**	35,779,670
(7)	**Profit/(loss) after tax from continuing operations (5-6)**			**61,171,421**	48,662,337
(8)	Other comprehensive income				
	(a)	Items that will not be reclassified to statement of profit or loss			
		(i) Remeasurement of the employees defined benefit plans		**(14,889,910)**	(1,383,321)
		(ii) tax impact on ablove	**28 (ii)**	**5,153,100**	478,767
	Total Other comprehensive income			**(9,736,810)**	(904,554)
(9)	**Total comprehensive income for the period (7+8)**			**51,434,611**	47,757,783
(10)	Earnings per equity share (for continuing operation):				
	(1)	Basic	**30**	**10.21**	8.12
	(2)	Diluted	**30**	**10.21**	8.12

See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner
Kolkata, April 24th, 2017

For and on behalf of the Board of Directors

Sunil Bhaskaran
Chairman

Neeraj Kant
Managing Director

U. Mishra
Chief Financial Officer

Rabi Narayan Kar
Company Secretary
Kolkata, April 24th, 2017

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Cash Flow Statement for the year ended 31st March'2017 — **Amount in INR**

	For the year ended 31.03.2017	For the year ended 31.03.2016
A. Cash Flow from Operating activities:		
Profit before taxes	80,262,318	83,058,686
Adjustments for:		
Depreciation and amortisation expense	66,022,641	76,444,260
Provision for bad & doubtful debts & Advances	13,729,666	14,497,544
Interest Income	(511,470)	(1,265,561)
Finance Cost	26,082,718	20,904,327
(P)/L on sale of capital assets (net of discarded assets written off)	715,911	(644,464)
Provision for warranty claims	1,100,544	5,353,547
Employee separation compensation (amortised, net of payments)	352,030	481,782
Liability no longer required written back	-	(24,600,737)
Operating profit before working capital changes	187,754,358	174,229,384
Adjustments for (increase)/decrease in operating assets		
Inventories	(22,111,312)	(139,730,221)
Trade receivables	(62,271,014)	73,438,892
Other financials assets	(15,318,365)	119,353
Other non financials assets	(19,731,325)	(7,282,261)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	21,497,593	14,243,550
Other financials liabilities	(306,084)	746,220
Other non financials liabilities	(5,329,276)	(1,381,731)
Retirement benefit assets/obligations	13,875,938	(20,811,527)
Short-term provision	(2,959,848)	(3,232,053)
Long-term provisions	10,983,100	1,508,732
Cash generated from operations	106,083,765	91,848,338
Direct taxes paid	(32,656,157)	(38,680,431)
Net cash from operating activities	73,427,608	53,167,907
B. Cash Flow from Investing activities:		
Purchase of property, plant and equipment	(32,061,928)	(71,622,273)
Sale of property, plant and equipment	394,325	645,825
Interest received	511,470	1,265,561
Net cash used in investing activities	(31,156,133)	(69,710,887)
C. Cash Flow from Financing activities:		
Proceeds from/ (Repayment against) working capital borrowings (net)	(13,705,509)	33,007,994
Finance Cost	(26,082,718)	(20,904,327)
Net cash used in financing activities	(39,788,227)	12,103,667
Net increase / (decrease) in cash and cash equivalents	2,483,248	(4,439,313)
Cash & cash equivalents as at 1st April *	598,106	5,037,419
Cash & cash equivalents as at 31st march *	3,081,354	598,106

See accompanying notes forming part of the financial statements

Notes:

(1) Cash & cash equivalents represents cash & cheques on hand and balances with banks (Refer note 11).

(2) Figures in brackets represent outflows.

(3) Previous year's figures have been recast/restated where necessary.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner
Kolkata, April 24th, 2017

For and on behalf of the Board of Directors

Sunil Bhaskaran -
Chairman

Neeraj Kant
Managing Director

U. Mishra
Chief Financial Officer

Rabi Narayan Kar
Company Secretary
Kolkata, April 24th, 2017

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)

Statement of Changes in Equity

A. Equity Share Capital

Particulars	Amount in INR
Balance as at 1 April 2015	59,918,960
Changes in equity share capital during the year ended March 31, 2016	-
Balance as at 31 March 2016	59,918,960
Changes in equity share capital during the year ended March 31, 2017	-
Balance as at 31 March 2017	59,918,960

B. Other Equity

Amount in INR

Statement of changes in Equity	Reserves and surplus					Items of Other comprehensive income	
	Amalgamation Reserve	Investment Allowance	Special Reserve	Capital Reserve	Retained Earnings	Equity investment through OCI	Total Equity
Balance at April 1,2015	27,660,000	26,729,960	73,251	8,000	420,493,346	-	474,964,557
Loss for the year	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-
Recognised in the statement of Profit & loss during the year	-	-	-	-	48,662,336	-	48,662,336
Other Comprehensive Income	-	-	-	-	(904,553)	-	(904,553)
Balance at March 31, 2016	27,660,000	26,729,960	73,251	8,000	468,251,129	-	522,722,340
Loss for the year	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-
Recognised in the statement of profit and loss	-	-	-	-	61,171,421	-	61,171,421
Other Comprehensive Income	-	-	-	-	(9,736,810)	-	(9,736,810)
Balance at March 31, 2017	**27,660,000**	**26,729,960**	**73,251**	**8,000**	**519,685,740**	**-**	**574,156,951**

See accompanying notes forming part of the financial statements.

For and on behalf of the Board of Directors

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner
Kolkata, April 24th, 2017

Sunil Bhaskaran
Chairman

Neeraj Kant
Managing Director

U. Mishra
Chief Financial Officer

Rabi Narayan Kar
Company Secretary
Kolkata, April 24th, 2017

01 - Accounting Policies

(1) **GENERAL CORPORATE INFORMATION**

The Indian Steel & Wire Product Limited ("The Company") is a subsidiary of Tata Steel Limited ("Tata Steel"). The Company has set up its manufacturing facilities at Jamshedpur and has its Registered Office in Kolkata, West Bengal, India.

The Company is one of the first wire drawing plants established in India in the year 1920. The Wire Unit comprises Wire Rod Mill and Wire Mill. The product portfolio of the Company includes various products like Welding electrodes, GI Wires, Mig Wire,Nails, Barbed Wire, Wire Rod and TMT. The Wire division of the company being an External Processing Agent receives conversion charges from Tata Steel.

Apart from Wire Unit it has another unit for Steel Roll Manufacturing named Jamshedpur Engineering & Machine Manufacturing Company (JEMCO), pioneer in Industrial Roll and Engineering Casting manufacturing. The Unit produces Iron & Steel Rolls for Integrated Steel Plants and Engineering Castings for Steel Plants, Automobile Industry and Power Plants etc.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the company.

(2) Application of new and revised Ind As

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April 2016, with a transition date of 1st April 2015. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the 'first Ind AS financial statements' for the year ended 31st March 2017, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained in note 4. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in retained earnings.

(3) Summary of significant accounting policies

3.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. Upto the financial year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP. which includes Standards notified under the Section 133 of the Companies Act, 2013. These are the Companies first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 4 for the details of first time adoption exemptions availed by the Company.

3.02 Basis of preparation and presentation

These financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are catergorised in to Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- Useful lives of Property, plant and equipment (Refer Note 3.08 and 3.09)
- Assets and obligations relating to employee benefits (Refer Note 31)
- Provisions and Contingencies (Refer Note 34.1 and 34.2)
- Valuation and measurement of income taxes and deferred taxes (Refer Note 28.1 and 28.2)

3.04 REVENUE RECOGNITION

(I) Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership not effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Company provides normal warranty for 1 to 5 years on Rolls & Casting products sold in line with industry practice. A liability is recognised at the time the product is sold.

(ii) Income from services

Revenues from conversion services are recognised when services are rendered and related costs are incurred and when physical possession of the material converted is passed on to the customers.

(iii) Dividend and Interest income

Dividend income is recognised when the company’s right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

(iv) Rental income

Rental income from investment properties is recognised on a straight line basis over the term of the relevant leases.

3.05 Foreign currencies

Transactions in currencies other than entity's functional currency (foreign currency) are recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies remaining unsettled at the end of the each reporting period are remeasured at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are accounted for at the rate prevailing on the transaction date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange difference on monetary items are recognised in the statement of profit and loss in the period in which they arise.

3.06 Employee Benefits

i). Short-term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

ii). Defined contribution retirement benefits

Payments to defined contribution retirement benefits are recognised as an expense when employees have rendered services entitling them to the contributions. Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis-s-vis interest rate declared by the Employees' Provident Fund Organisation. The liability as on the balance sheet is ascertained by an independent actuarial valuation.

iii). Defined benefit retirement benefits

The cost of providing defined benefit retirement benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. The Company provides gratuity to its employees and pension to retired whole-time directors. The post retirement medical benefit is provided to employees and retired whole-time directors. Gratuity liabilities are funded and managed through separate trust M/s Life Insurance Corporation of India (LIC) from January 1st, 2012 . The liabilities towards pension to retired whole-time directors are not funded.

Remeasurements, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to the statement of profit and loss but recognised directly in the retained earnings. Past service costs are recognised in the statement of profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognised in the statement of profit and loss are categorised as follows

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and

- net interest expense or income; and

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

iv). Other Long-term benefits

The Company provides annual leave which are accumulating and vesting to its employees. The annual leave benefit is not funded. The cost of providing annual leave benefits are determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. All actuarial gains or losses are recognised in the statement of profit and loss in the period in which they occur.

3.07 Taxation

i). Current tax

Current tax is payable based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

i). Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

iii). Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

3.08 Property, Plant and equipment

a) Buildings and Roads, Plant and Equipment, Furniture and Fixtures and Vehicles held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production or supply of goods or services or for administrative purposes are carried at cost, less any recognised impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

Estimated useful lives of the assets are as follows:

Buildings and Roads	:	3 to 60 years
Plant and Equipment	:	3 to 15 years
Furniture and Fixtures	:	10 years
Office Equipments	:	3 to 5 years
Computers	:	3 years
Motor Vehicles	:	5 to 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b) Capital work-in-progress

Capital Work-in-Progress includes, material, labour and other directly attributable costs incurred on assets, which are yet to be commissioned. Capital Inventory is included in Capital work-in-progress and comprises stock of capital items and construction materials at stores and with contractors.

3.09 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment (if any) losses. Amortisation is recognised at straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquire separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows:

Software	:	5 to 10 years

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of intangible assets is recognised in the statement of profit and loss.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.10 Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

3.11 Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "weighted average" basis.

3.12 Provisions, Contingent liabilities and Contingent assets

03.12.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recongnised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

03.12.02 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's warranty obligation.

03.12.03 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

3.13 Foreign exchange gain and losses

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

3.15 Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a transaction date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.15.01 Financial assets at fair value through profit and loss (FVTPL)

Investments in equity instruments are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'Other income' line item.

3.15.02 Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, Company follow a simplified approach where provision is made as per the ageing buckets which are designed based on historical facts and patterns.

3.15.03 Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

3.15.04 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.16 Financial liabilities and equity instruments

3.16.01 Financial liabilities

Financial liabilities are subsequently measured at amortised cost or at FVTPL

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

Trade and other payables

These amounts represent liabilities for goods and services received by the Company prior to the end of reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

3.17 Segment Reporting

The board of directors assesses performance of the Company as Chief Operating Decision Maker (CODM).

The Company has disclosed Business Segment as the primary segment.The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The Company’s operations predominantly relate to manufacture of Wire products, Direct business and Rolls.
'The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

3.18 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

3.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed in the period in which they are incurred.

3.20 Earnings per share

Basic earnings per share is computed by dividing the profit after tax before other comprehensive income by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti dilutive.

3.21 Recent accounting pronouncements- Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment', respectively. The amendments are applicable to the company from 1st April 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and noncash changes, suggesting inclusion of a reconcilliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

This amendment may have impact on the Company which is yet to be assessed.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that includes a net settlement feature in respect of withholding taxes to be treated as equity settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have share based payments hence there will be no impact on the financial statements.

04 First-time adoption - mandatory exceptions and optional exemptions

4.01 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

4.02 Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

4.03 Determining whether an arrangement contains lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

4.04 Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

4.05 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements
05 - Fixed assets

Amount in INR

	Buildings (Own use)	Plant and Equipment (Owned)	Furniture and fixtures (Owned)	Office Equipments (Owned)	Vehicles (Owned)	Total Tangible Assets	Computer Software (Acquired)	Total Intangible assets	Capital work in progress
Cost or deemed cost									
Balance at April 1, 2015	71,079,536	292,061,740	9,095,271	7,595,301	11,124,514	390,956,362	9,680,370	9,680,370	50,121,851
Re-classifications (Transfers in / out)	-	932,829	-	-	(3,824,086)	(2,891,257)	(353,934)	(353,934)	(1,066,389)
Deemed Cost at April 1, 2015 (Adjusted)	71,079,536	292,994,569	9,095,271	7,595,301	7,300,428	388,065,105	9,326,436	9,326,436	49,055,462
Additions	44,846,976	57,785,154	1,654,400	1,318,915	-	105,605,445	3,560,501	3,560,501	56,172,097
Disposals	-	(1,361)	-	-	-	(1,361)	-	-	(90,840,539)
Balance at March 31, 2016	115,926,512	350,778,362	10,749,671	8,914,216	7,300,428	493,669,189	12,886,937	12,886,937	14,387,020
Additions	4,926,775	24,353,724	684,876	910,705	750,000	31,626,080	5,453,633	5,453,633	25,879,841
Disposals	-	-	-	-	(1,356,915)	(1,356,915)	-	-	(30,573,971)
Balance at March 31, 2017	**120,853,287**	**375,132,086**	**11,434,547**	**9,824,921**	**6,693,513**	**523,938,354**	**18,340,570**	**18,340,570**	**9,692,890**
Accumulated depreciation									
Balance at April 1, 2015	-	-	-	-	-	-	-	-	-
Depreciation expense	7,029,920	59,919,252	1,528,676	2,813,224	1,549,207	72,840,279	3,266,524	3,266,524	-
Disposals	-	-	-	-	-	-	-	-	-
Balance at March 31, 2016	7,029,920	59,919,252	1,528,676	2,813,224	1,549,207	72,840,279	3,266,524	3,266,524	-
Depreciation expense	8,021,741	49,567,907	1,343,316	2,841,036	972,226	62,746,226	2,938,598	2,938,598	-
Disposals	-	-	-	-	(246,679)	(246,679)	-	-	-
Balance at March 31, 2017	**15,051,661**	**109,487,159**	**2,871,992**	**5,654,260**	**2,274,754**	**135,339,826**	**6,205,122**	**6,205,122**	**-**
Carrying amount									
Balance at April 1, 2015	71,079,536	292,061,740	9,095,271	7,595,301	11,124,514	390,956,362	9,680,370	9,680,370	50,121,851
Re-classifications (Transfers in / out)	-	932,829	-	-	(3,824,086)	(2,891,257)	(353,934)	(353,934)	(1,066,389)
Deemed Cost at April 1, 2015 (Adjusted)	71,079,536	292,994,569	9,095,271	7,595,301	7,300,428	388,065,105	9,326,436	9,326,436	49,055,462
Additions	44,846,976	57,785,154	1,654,400	1,318,915	-	105,605,445	3,560,501	3,560,501	56,172,097
Disposals	-	(1,361)	-	-	-	(1,361)	-	-	(90,840,539)
Depreciation	(7,029,920)	(59,919,252)	(1,528,676)	(2,813,224)	(1,549,207)	(72,840,279)	(3,266,524)	(3,266,524)	-
Balance at March 31, 2016	108,896,592	290,859,110	9,220,995	6,100,992	5,751,221	420,828,910	9,620,413	9,620,413	14,387,020
Additions	4,926,775	24,353,724	684,876	910,705	750,000	31,626,080	5,453,633	5,453,633	25,879,841
Disposals	-	-	-	-	(1,110,236)	(1,110,236)	-	-	(30,573,971)
Depreciation	(8,021,741)	(49,567,907)	(1,343,316)	(2,841,036)	(972,226)	(62,746,226)	(2,938,598)	(2,938,598)	-
Balance at March 31, 2017	**105,801,626**	**265,644,927**	**8,562,555**	**4,170,661**	**4,418,759**	**388,598,528**	**12,135,448**	**12,135,448**	**9,692,890**

Notes:
a. Cost at the beginning and the end of the year excludes assets transferred from Tata Steel (Wire Division)

b. Deemed cost : The deemed cost of the property, plant and equipment as at 1st April, 2015 repeesent carrying value of all of its property, plant and equipment recognised as of 1 April, 2015 (transition date) measured as per the previous GAAP. The carrying value (incliding intangible assets) as at 1 April, 2015 amounting to Rs 40,06,36,732/- represents gross cost of Rs 1,06,98,17,447/- net of accummulated depreciation of Rs 66,91,80,715/- as at 31st march 2016.

c. For details of carrying amount of assets pledged as security for secured borrowings refer note 18.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements
06 - Investment properties

	Amount in INR
	Freehold Buildings
Cost or deemed cost	
Balance at April 1, 2015	17,448,036
Additions	-
Disposals	-
Balance at March 31, 2016	17,448,036
Additions	-
Disposals	-
Balance at March 31, 2017	**17,448,036**
Accumulated depreciation	
Balance at April 1, 2015	
Depreciation expense	337,457
Disposals	-
Balance at March 31, 2016	337,457
Depreciation expense	337,817
Disposals	-
Balance at March 31, 2017	**675,274**
Carrying amount	
Balance at April 1, 2015	17,448,036
Additions	-
Disposals	-
Depreciation	(337,457)
Balance at March 31, 2016	17,110,579
Additions	-
Disposals	-
Depreciation	(337,817)
Balance at March 31, 2017	**16,772,762**

Information regarding income and expenditure of Investment property

	March 31st, 2017	March 31st, 2016
Rental income derived from investment properties	5,331,600.00	5,331,600.00
Direct operating expenses (including repairs and maintenance)	(367,841.00)	(355,888.00)
Profit arising from investment properties before depreciation	4,963,759.00	4,975,712.00
Less – Depreciation	(337,817.00)	(337,457.00)
Profit arising from investment properties	4,625,942.00	4,638,255.00

For investment property existing as on 1 April 2015, i.e., its date of transition to Ind AS, the company has used previous GAAP carrying value as deemed costs. (Refer note 04 of accounting policy)

The companys investment properties consist of a residential premises in India. As at 31 March 2017 and 31 March 2016, the fair values of the properties are INR 62,91,00,000/- and INR 65,88,00,000/- respectively. These valuations are based on valuations performed by Government paneled valuer & survetor R. M. ENGINEERS. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The Company had given residential premises in a building situated at Alipore Road , Kolkata 700 072 to Tata Steel Limited on operating lease from 1st May, 2008. As stipulated in the lease agreement, the Lessee has given an interest free security deposit of Rs 14,00,00,000/- which is refundable upon expiry of the agreement.

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Significant Observable Inputs
Building	Market Approach- Sales Comparison Method	Location & Locational advantages/Disadvantages
		Nature of holding i.e. Freehold/ Leasehold
		Area of land
		Year of acquisition
		Terms and conditions
		Developments made
		Present and future possible use
		Present demand in the market
		SWOT analysis

Information about the fair value hierarchy are as follows:

Particulars	**2017**	**2016**
	Level 3	**Level 3**
Investment property in India- at Kolkata city	629,100,000	658,800,000

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

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Notes forming part of the Financial Statements — **Amount in INR**

07 - Investments

Non current (At cost)	**As at 31.03.2017**	As at 31.03.2016	As at 01.04.2015
(A) Other Investments			
(1) Quoted			
(2) Unquoted			
(a) In fully paid Equity Shares			
1,40,280 shares of Rs. 10 each of INCAB Industies Ltd. (pledged with Punjab National Bank) (#)	**1**	1	1
250 shares of Rs. 100 each in Bihar State Financial Corporation (#)	**1**	1	1
14,94,900 equity shares of Rs. 10 each in Brahma Steyr Tractors Ltd.(#)	**1**	1	1
10,66,846 equity shares of Rs. 10 each in Metal Corporation of India Ltd. (#)	**1**	1	1
(b) In fully paid debentures			
1,400-4% debentures of Rs. 500 each in Assam Bengal Cement Co. Ltd. (in liquidation) (#)	**1**	1	1
(c) In fully paid preference shares			
2,852 - 5% tax free cumulative preference shares of Rs. 100 each in Metal Corporation of India Ltd. (#)	**1**	1	1
Total Investments	**6**	6	6

 # Book value of each Re. 1/-

Note- The above mentioned Share/debenture certificates are not physically available.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

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Notes forming part of the Financial Statements

08- Other non financial assets

Amount in INR

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Non current	Current	Total	Non current	Current	Total	Non current	Current	Total
(a) Capital advances	21,847,822	-	21,847,822	22,751,873	-	22,751,873	19,481,961		19,481,961
(b) Advance with public bodies	-	51,006,302	51,006,302	-	36,611,022	36,611,022	-	37,936,115	37,936,115
i) Service tax	-	7,323,138	7,323,138	-	7,268,304	7,268,304	-	10,984,422	10,984,422
ii) Excise	-	30,790,554	30,790,554	-	17,209,731	17,209,731	-	17,106,853	17,106,853
iii) Sales tax/Value added tax/Others	-	12,892,610	12,892,610	-	12,132,987	12,132,987	-	9,844,840	9,844,840
(c) Loans and advances to related parties	-	6,016,986	6,016,986	-	915,428	915,428	-	442,344	442,344
(d) Other loans and advances	-	85,985,009	85,985,009	-	83,177,580	83,177,580	-	75,714,899	75,714,899
i) Prepayments	-	1,510,254	1,510,254	-	4,991,052	4,991,052	-	7,140,948	7,140,948
ii) Advance to suppliers	-	57,882,453	57,882,453	-	49,805,716	49,805,716	-	43,746,394	43,746,394
iii) Others	-	26,592,302	26,592,302	-	28,380,812	28,380,812	-	24,827,557	24,827,557
Gross Loans and advances	21,847,822	143,008,297	164,856,119	22,751,873	120,704,030	143,455,903	19,481,961	114,093,358	133,575,319
Less: Provision for bad & doubtful loans & advances									
(a) Capital advances	19,104,400	-	19,104,400	19,104,400	-	19,104,400	19,000,000	-	19,000,000
(b) Other loans and advances	-	23,072,506	23,072,506	-	19,402,238	19,402,238	-	16,694,877	16,694,877
Total provision for bad & doubtful loans & advances	19,104,400	23,072,506	42,176,906	19,104,400	19,402,238	38,506,638	19,000,000	16,694,877	35,694,877
Total Loans and advances	2,743,422	119,935,791	122,679,213	3,647,473	101,301,792	104,949,265	481,961	97,398,481	97,880,442
Classification of loans and advances									
Secured, considered good	-	-	-	-	-	-	-	-	-
Unsecured, considered good	2,743,422	119,935,791	122,679,213	3,647,473	101,301,792	104,949,265	481,961	97,398,481	97,880,442
Doubtful	19,104,400	23,072,506	42,176,906	19,104,400	19,402,238	38,506,638	19,000,000	16,694,877	35,694,877
Gross Loans and advances	21,847,822	143,008,297	164,856,119	22,751,873	120,704,030	143,455,903	19,481,961	114,093,358	133,575,319

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
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Notes forming part of the Financial Statements
09 - Inventories

Amount in INR

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a)	Raw materials (At lower of Cost and Net Realisable Value(NRV))	**86,119,360**	55,345,862	33,083,443
(b)	Work-in-progress and semi-finished goods (At lower of Cost and NRV)	**123,170,560**	142,167,045	80,193,755
(c)	Finished goods (At lower of Cost and NRV and scrap at NRV) *	**86,300,456**	88,219,740	45,320,844
(d)	Scraps and Defectives (At Net Realisable Value)	**17,037,857**	28,318,238	23,182,487
(e)	Stores and spares (at cost less write off for obsolescence)	**200,270,487**	176,736,523	153,779,506
Total Inventories		**512,898,720**	490,787,408	335,560,035

*** Included above, goods-in-transit:**

Finished goods	Nil	Nil	Nil

i) The cost of inventories recognised as an expense during the year was Rs 25,45,23,407 /- (31.03.2016 : Rs 28,31,28,060).

ii) The cost of inventories recognised as an expense during the year in respect of writedowns of inventory to its net realisable value was Rs 1,62,99,010/- (31.03.2016 : Rs 3,37,94,085 lakhs).

iii) The mode of valuation of inventories has been stated in note 3.11.

iv) For details of carrying amount of inventories pledged as security for secured borrowings refer note 18.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements

Amount in INR

10 - Trade receivables

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
10 Trade receivables			
Current			
(1) Unsecured, considered good	262,232,523	210,020,907	297,957,343
(2) Unsecured, considered Doubtful	23,346,595	23,885,714	12,421,280
Total Trade Receivables	285,579,118	233,906,621	310,378,623
Less :Allowances for doubtful debts	(23,346,595)	(23,885,714)	(12,421,280)
Net Trade Receivables	262,232,523	**210,020,907**	**297,957,343**

a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(b) Ageing of receivables:

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Amounts not yet due	210,582,951	154,628,627	231,299,709
One month overdue	11,749,077	14,468,457	14,247,512
Two months overdue	11,608,601	976,680	11,916,328
Three months overdue	9,836,607	1,274,919	16,008,310
Between three to six months overdue	8,034,334	7,903,192	3,023,997
Greater than six months overdue	33,767,548	54,654,746	33,882,767

(c) The credit period given to customers range from 0 to 60 days.

The Company provides allowances in trade receivables based on historic credit loss experience, current economic conditions and events and future observable data and information. The expected credit loss allowances is computed based on the ageing of the receivables.

Age wise provisioning is as under-

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
0 - <1 year	2,024,937	1,852,095	-
1 - < 2 year	5,023,850	3,540,438	-
2 - < 3 year	6,619,283	1,800,221	19,586
> 3 year	9,678,525	16,692,960	12,401,694
TOTAL	23,346,595	23,885,714	12,421,280
	-	-	

Movement in provision for doubtful debts are as under-

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Balance at the beginning of the period	23,885,714	12,421,280	10,911,150
Allowances during the year	10,059,398	11,464,434	1,510,130
Written off during the year	(10,598,517)	-	-
Balance at the end of the year	23,346,595	23,885,714	12,421,280

(d) The concentration of credit risk is limited to the fact that the major customer is Tata Steel Limited which is the parent company and SAIL Group, which is a public sector undertaking.

(e) Of the trade receivable balance as at March 31,2017 of Rs. 26,22,32,523/- (as at March 31, 2016 of Rs. 21,00,20,907/-; as at April 01, 2015 of Rs 29,79,57,343/-) is due from company's major customers i. e. having more than 5% of total outstanding trade receivables. (Tata Group - 57% and SAIL Group -23%, the entities largest customers).

(f) Trade receivable are pledged on pari passu first charge against working capital demand loans from HDFC. (Refer note-18)

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

(A Subsidiary of Tata Steel Ltd.)

Notes forming part of the Financial Statements

11 - Cash and cash balances

Amount in INR

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a) Cash in hand	**131,525**	144,533	130,019
(b) Cheques, drafts on hand	**150,000**	-	4,833,746
(c) Unrestricted Balances with banks	**2,799,829**	453,573	73,654
(1) Unrestricted Balance with scheduled banks	2,799,829	453,573	73,654
(i) In Current Account	2,493,404	166,396	73,654
(ii) In Deposit Account	306,425	287,177	-
Total cash and cash equivalents	**3,081,354**	598,106	5,037,419
(d) Earmarked Balances with banks			
(1) Earmarked Balance with scheduled banks	**19,868,770**	10,769,319	12,019,375
(i) In Deposit Account	19,868,770	10,769,319	12,019,375
Escrow account with PNB	9,593,648	8,886,654	8,201,970
Margin Money Deposit	10,275,122	1,882,665	3,817,405
Total cash and cash balances	**22,950,124**	11,367,425	17,056,794

Notes:

a) Out of the above Rs. 30,81,354/- (31.03.2016: Rs. 5,98,106/-) has been shown as Cash & cash equivalent in Cash flow statement as per IND Accounting Standard 7 "Statement of cash flows".

b) Earmarked balances with banks in deposit accounts

i) Escrow account with PNB related to deposits for Erstwhile promoters payable as per Board for Industrial and Financial Reconstruction (BIFR)order dated 21st November 2003 .

Ii) Margin money deposit related to Fixed Deposit agiantst LC/FLC.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

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Amount in INR

Notes forming part of the Financial Statements

12 - Other financial assets- current

(Secured and considered good)

		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a)	Security deposits	**3,772,900**	217,500	217,500
(b)	Other financial assets	**27,977,988**	25,314,474	39,680,923
Other financial assets		**31,750,888**	25,531,974	39,898,423

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements **Amount in INR**
13 - Share Capital

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Authorised:			
Ordinary Shares of Rs. 10 each	70,000,000	70,000,000	70,000,000
(31.03.2017: 70,00,000 Ordinary Shares of Rs.10 each)			
	70,000,000	70,000,000	70,000,000
Issued:			
Ordinary Shares of Rs. 10 each	59,918,960	59,918,960	59,918,960
(31.03.2017: 59,91,896 Ordinary Shares of Rs. 10 each)			
Subscribed and Paid up:			
Ordinary Shares of Rs.10 each	59,918,960	59,918,960	59,918,960
(31.03.2017: 59,91,896 Ordinary Shares of Rs. 10 each)			
Total Share Capital	59,918,960	59,918,960	59,918,960

Reconciliation of number of shares and amount outstanding at the beginning & ending of reporting period.

	As at 31.03.2017		As at 31.03.2016	
	No. of shares	**Amount**	No. of shares	Amount
Equity shares:				
Issued,subscribed & fully paid up: At beginning and end of the year	7,000,000	70,000,000	7,000,000	70,000,000

Terms / rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held.

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

Details of shares held by shareholders holding more than 5 % of the aggregate shares in the company.

Shareholders holding more than 5% share capital:	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	**%**	No. of Shares	%
Tata Steel Limited (Holding company)	**5,692,651**	**95.01%**	5,692,651	**95.01%**

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements
14 - Consolidated statement of changes in equity

Amount in INR

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
1 Retained Earnings	**519,685,740**	468,251,129	420,493,346
a) Reconciliation of retained earnings:			
Balance at the beginning of the year	**468,251,129**	420,493,346	420,493,346
Profits attributable to the owners of the company	**61,171,421**	48,662,336	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	**(9,736,810)**	(904,553)	-
Balance at the end of the year	**519,685,740**	468,251,129	420,493,346
2 Other components of equity			
a) Capital reserve			
Opening and closing balance	**8,000**	8,000	8,000
b) Amalgamation reserve			
Opening and closing balance	**27,660,000**	27,660,000	27,660,000
c) Investment Allowance (Utilised) Reserve			
Opening and closing balance	**26,729,960**	26,729,960	26,729,960
d) Special Reserve (Machinery Replacement Reserve)			
Opening and closing balance	**73,251**	73,251	73,251
Total Other components of equity	**54,471,211**	54,471,211	54,471,211

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements
15 - Other financial liabilities

Amount in INR

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Non Current	**Current**	**Total**	Non Current	Current	Total	Non Current	Current	Total
(a) Creditors for other liabilities									
(i) Creditors for capital supplies/services	-	2,029,887	**2,029,887**	-	2,610,283	2,610,283	-	4,260,071	4,260,071
(ii) Other credit balances *	140,000,000	4,356,584	**144,356,584**	140,000,000	4,662,668	144,662,668	164,600,737	3,916,449	168,517,186
Total Other financial liabilities	**140,000,000**	**6,386,471**	**146,386,471**	140,000,000	7,272,951	147,272,951	164,600,737	8,176,520	172,777,257

* Security Deposit received from Tata Steel Ltd. for Flats given on lease Rs. 14,00,00,000 /- (31.03.2016: Rs. 14,00,00,000 /-).

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
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Notes forming part of the Financial Statements

Amount in INR

16 - Provisions

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Long Term	Short Term	Total	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits									
(1) Post-employment Defined Benefits									
(i) Compensated absence	66,627,195	5,007,248	71,634,443	55,102,737	5,489,673	60,592,410	52,866,240	3,605,760	56,472,000
(ii) Provision for employee separation compensation	3,060,101	903,961	3,964,062	3,601,459	1,203,947	4,805,406	4,329,224	1,501,152	5,830,376
(b) Provision For Warranty Claims	-	8,092,015	8,092,015	-	8,816,878	8,816,878	-	7,800,310	7,800,310
Total Provisions	69,687,296	14,003,224	83,690,520	58,704,196	15,510,498	74,214,694	57,195,464	12,907,222	70,102,686

Notes:

(a) The company extends warranty Rolls & castings manufactured and sold by it. The company provides for any anticipated warranty costs at the time of recognising the sale based on technical evaluation and estimated costs. The details of the movement of provision for warranty are given below :

	As at 31.03.2017	As at 31.03.2016
Balance at the beginning of the year	8,816,878	7,800,310
Provision made during the period	1,683,479	5,742,450
Claims accepted	(1,825,406)	(4,336,980)
Provision no longer required written back	(582,936)	(388,902)
Balance at the end of the year	8,092,015	8,816,878

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
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Notes forming part of the Financial Statements

Amount in INR

17 - Retirement benefit assets and liabilities

	As at 31.03.2017			As at 31.03.2016			As at 01.04.2015		
	Non current	**Current**	**Total**	Non current	Current	Total	Non current	Current	Total
(A) Retirement benefits liabilities									
(i) Pension Obligations	**8,070,014**	**679,866**	**8,749,880**	6,624,148	549,502	7,173,650	6,829,834	549,630	7,379,464
(ii) Retiring Gratuity (Net)	**22,227,015**	**-**	**22,227,015**	12,406,395	-	12,406,395	34,158,292	-	34,158,292
(iii) Post retirement medical benefits	**28,921,785**	**1,554,905**	**30,476,690**	27,709,960	287,642	27,997,602	25,244,174	1,607,244	26,851,418
Total Retirement benefit liabilities	**59,218,814**	**2,234,771**	**61,453,585**	46,740,503	837,144	47,577,647	66,232,300	2,156,874	68,389,174

18 - Short term borrowings

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
A. Secured			
From Banks			
(1) Working Capital Demand Loans			
Cash Credit	176,572,795	192,324,952	159,316,958
Total Secured Borrowings	**176,572,795**	192,324,952	159,316,958
B. Unsecured			
Other Loans			
(1) Deposit from Anvita Properties Pvt. Ltd. (Developer of erstwhile Promoters)	250,000	250,000	250,000
(2) Fixed Deposits of Erstwhile promoters	9,593,648	7,547,000	7,547,000
Total Unsecured Borrowings	**9,843,648**	7,797,000	7,797,000
Total Borrowings	**186,416,443**	200,121,952	167,113,958

a) Cash credit facility (working capital loan) is payble on demand and effective interest rate of cash credit facility is MCLR+ 35 BP's. Working capital demand loans from bank is secured by hypothecation of movable properties,finished Goods, semi Finished Goods, raw Material, stores and Spares, book Debts and other current assets.

b) As per clause 6.5 (b) of Board for Industrial and Financial Reconstruction order, principal amount calculated on takeover was to be repaid in four equal annual instalments, commencing from F.Y. 2006-07 to the erstwhile promoters. Interest had been waived as per the order. Accordingly demand drafts aggregating Rs. 76,24,000/- were sent by the company on August 18 2006, February 11 2008, November 19 2008 and January 15, 2010 in the instalment of Rs 19,06,000/-, Rs. 37,92,250/- , Rs. 56,79,500/- and Rs. 75,66,250/-respectively. Of these instalments sent, demand drafts amounting to Rs. 75,47,000/- were returned unacknowledged by the erstwhile promoters. The unacknowledged amounts were deposited in the escrow account with Punjab National Bank on February 23, 2010 and subsequently transferred to a fixed deposit amount (escrow A/c) with the same bank.

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)

Notes forming part of the Financial Statements

19 - Trade payables

Amount in INR

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Trade Payables (current)			
(a) Total outstanding dues of micro enterprises and small enterprises	1,258,714	23,399	-
(b) Others			
(i) Creditors for supplies and services	277,343,549	264,157,786	290,022,994
(ii) Creditors for accrued wages and salaries	77,824,002	70,747,487	30,662,128
Total Trade Payables	**356,426,265**	334,928,672	320,685,122

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

(A Subsidiary of Tata Steel Ltd.)

Notes forming part of the Financial Statements **Amount in INR**

20 - Other non-financial liabilities

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Other non-financial liabilities (Current)			
(a) Advances received from customers	13,589,010	12,295,654	17,508,505
(b) Creditors for other liabilities			
(i) Statutory Dues (Excise duty, service tax, sales tax, TDS etc)	15,349,881	18,212,092	11,645,529
(ii) Employee recoveries and employer contributions	27,279	1,083,622	3,176,982
(iii) Other credit balances	809,000	3,513,078	4,155,159
Total Other Current Liabilities	**29,775,170**	35,104,446	36,486,175

21- Deferred Tax (Liability) / Assets

Composition of Deferred Tax Assets and Liabilities is as follows:		As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
(a)	Deferred Tax Assets			
(i)	ESS Compensation	2,158,633	2,767,471	3,519,612
(ii)	Provision for Doubtful Debts & Advances	12,766,569	11,682,941	6,665,341
(iii)	Provision for Leave Salary	23,499,326	20,385,287	18,959,213
(iv)	Difference between book and tax depreciation	-	-	
(b)	Deferred Tax Liabilities			
	Difference between book and tax depreciation	5,808,884	7,589,112	12,465,685
Deferred Tax Assets (Net)		**32,615,644**	27,246,587	16,678,481

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements **Amount in INR**
22 - Revenue from operations

		For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Sale of products	**821,656,724**	751,271,696
(b)	Sale of Services	**1,560,959,249**	1,438,370,085
(c)	Sale of Scrap	**195,451,310**	165,994,098
Revenue from Operations (Gross)		**2,578,067,283**	2,355,635,879

Notes-
Revenue from major products and services

Sale of Products	For the year ended 31.03.2017 Amount	For the year ended 31.03.2016 Amount
Direct business	413,863,558	354,014,527
Rolls and casting	406,918,342	349,271,043
Others	874,824	47,986,126
Gross Sale of Products (Inc of Excise Duty)	**821,656,724**	**751,271,696**
Conversion Income	**1,560,959,249**	**1,438,370,085**
Scrap Sales	**195,451,310**	**165,994,098**
Revenue from Operations (Gross)	**2,578,067,283**	**2,355,635,879**

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

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Notes forming part of the Financial Statements — **Amount in INR**

23 - Other Income

		For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Interest Income		
	Interest received on deposits	**511,470**	1,265,561
(b)	Liabilities/ provisions no longer required written back	**6,706,661**	39,742,238
(b)	Net gain/(loss) on sale of fixed assets	**(715,911)**	644,464
(c)	Miscellaneous income	**11,809,858**	12,936,988
Total Other Income		**18,312,078**	54,589,251

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED

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Notes forming part of the Financial Statements **Amount in INR**

24 (A) - Raw material consumed

	For the year ended 31.03.2017	For the year ended 31.03.2016
Raw material consumed		
(a) Opening stock	55,345,862	33,083,443
(b) Add: Purchases	285,296,905	305,390,479
(c) Sub Total (a+b)	340,642,767	338,473,922
(d) Less: Closing stock	86,119,360	55,345,862
Total raw material consumed	254,523,407	283,128,060

24 (B) - Changes in inventories of finished products and work in progress

	For the year ended 31.03.2017	For the year ended 31.03.2016
Inventories at the beginning of the period		
(a) Finished products & Scraps	116,537,978	68,503,331
(b) Work-in-progress	142,167,045	80,193,755
	258,705,023	148,697,086
Inventories at the end of the period		
(a) Finished products & Scraps	103,338,313	116,537,978
(b) Work-in-progress	123,170,559	142,167,046
	226,508,872	258,705,024
Net (increase)/decrease	32,196,151	(110,007,938)

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
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Notes forming part of the Financial Statements
25 - Employee Benefit Expense

Amount in INR

		For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Salaries and wages, including bonus		
	(1) Salaries and wages including bonus	**355,439,589**	354,561,313
	(2) Employee separation compensation	**352,030**	481,782
(b)	Company's Contribution to provident and other funds	**41,492,119**	37,335,337
(c)	Workmen and Staff welfare expenses	**20,904,676**	24,831,686
Total Employee benefit expense		**418,188,414**	417,210,118

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
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Notes forming part of the Financial Statements
26 - Finance costs

Amount in INR

		For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Interest expense		
	Cash Credit A/c	20,532,618	18,631,271
	Others	525,773	4,141
(b)	Bank Charges	5,024,327	2,268,915
Total finance costs		26,082,718	20,904,327

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements
27 - Other Expenses

Amount in INR

					For the year ended 31.03.2017		For the year ended 31.03.2016
(a)	Consumption of stores, spare parts and loose tools				549,063,160		466,650,948
(b)	Consumption of Packing Material				23,991,465		25,126,234
(c)	Repairs to buildings				43,228,550		42,521,027
(d)	Repairs to plant and machinery				71,119,702		76,874,142
(e)	Repairs to others				1,532,917		2,460,062
(f)	Power and fuel				529,699,595		548,745,618
(g)	Water				16,963,280		15,290,748
(h)	Rent				1,778,995		2,471,083
(i)	Rates and taxes				25,651,349		31,193,727
(j)	Insurance charges				4,927,695		3,691,222
(k)	Freight and handling charges				28,466,989		27,615,270
(l)	Travelling, conveyance and car running expenses				7,680,525		8,181,113
(m)	Legal and other professional costs				4,126,292		2,548,411
(n)	Conversion charges				178,705,770		165,889,394
(o)	Sales Commission & Discount				3,114,745		5,214,686
(p)	Business promotion				1,309,477		2,017,688
(q)	Provision for doubtful debts and advances				13,729,666		14,497,544
(r)	Increase / (decrease) of excise duty on inventory				171,083		7,221,847
(s)	Provision for warranty expenses				1,100,544		5,353,547
(t)	Expenses towards Corporate Social Responsibility				3,014,496		3,729,236
(u)	Other expenses				87,701,055		84,697,213
	(1)	Director's fee		590,000		862,500	
	(2)	Telephone expenses		4,023,923		3,759,321	
	(3)	Auditors remuneration & out-of-pocket expenses					
		(i)	As Auditors - statutory audit	1,500,000		1,200,000	
		(ii)	For other services	-		380,000	
		(ii)	Auditors out-of-pocket expenses	33,873		35,390	
	(4)	Cost auditor's remuneration		160,000		160,000	
	(5)	Other General Expenses		81,393,259		78,300,002	
Total Other Expenses					1,597,077,350		1,541,990,760

28 (i) Income tax recognised in profit or loss-

	For the year ended 31.03.2017	For the year ended 31.03.2016
Current Tax		
- In respect of current year	39,349,864	41,480,608
- In respect of prior year	-	4,867,168
Deferred Tax in respect of current year	(5,369,057)	(10,568,106)
Total Income tax recognised in the current year	33,980,807	35,779,670

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	For the year ended 31.03.2017	For the year ended 31.03.2016
Profit before tax from continuing operations	95,152,228	84,442,007
Income tax expense calculated at 34.608%	32,930,283	29,225,379
Current tax related to previous year	-	4,867,168
Effect of expenses not allowed in income tax	1,050,524	1,687,123
	33,980,807	35,779,670

Income tax expenses recognised in profit or loss account

The tax rate used for 2016-17 and 2015-16 reconciliation above is the corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax laws.

28 (ii) Income tax recognised in other comprehensive income-

Arising on income and expenses recognised in other comprehensive income:

	For the year ended 31.03.2017	For the year ended 31.03.2016
Remeasurement of defined benefit obligations	(14,889,910)	(1,383,321)
Total income tax recognised in other comprehensive income	(5,153,100)	(478,767)

29- Segment Disclosures

(1) For management purposes, the entity is organised into business units based on its products and services and has three reportable segments under IND AS 108, as follows:

a) Wires Segment which includes rod & wire mill
b) Rolls Segment which includes JEMCO division
c) Direct business Segment which includes Mig products & Fasteners
The executive committee monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statement. Also, the Company's financing and income taxes are managed on a Company level and are not allocated to operating segment.

Transfer price between operating segment are on arm's length basis in a manner similar to transaction with third parties.
Information about Reportable segments:

Particulars	**Reportable segments**			**Unallocable**	**Total**
	Wire	**Rolls**	**Direct Business**		
Revenue:					
External Sales	**1,716,943,821**	**442,801,830**	**436,633,710**	**-**	**2,596,379,361**
	1,610,404,912	386,937,890	412,882,328	-	2,410,225,130
Add : Inter Segment Sales	**80,976,885**	**8,236,754**	**-**	**(89,213,639)**	**-**
	81,081,193	11,988,790	-	(93,069,983)	-
Total Revenue	**1,797,920,706**	**451,038,584**	**436,633,710**	**(89,213,639)**	**2,596,379,361**
	1,691,486,105	398,926,680	412,882,328	(93,069,983)	2,410,225,130
Segment result before Interest, exceptional/ extraordinary items, prior period items and tax	**257,873,176**	**(108,042,791)**	**(34,468,575)**	-	**115,361,810**
	150,442,136	(59,265,057)	(14,863,751)	-	76,313,328
OCI					**14,889,910**
					1,383,321
Less: Unallocable expenditure (net)					**(9,016,774)**
					27,649,685
Less : Interest					**(26,082,718)**
					(20,904,327)
Profit/(Loss) Before Taxes, Exceptional Items and Prior Period Items					**95,152,228**
					84,442,007
Extraordinary items					**-**
					-
Profit/(Loss) before Tax					**95,152,228**
					84,442,007
Current Tax					**39,349,864**
					41,480,608
Tax provision of earlier years					**-**
					4,867,168
Deferred Tax					**(5,369,057)**
					(10,568,106)
Profit/(Loss) after Tax					**61,171,421**
					48,662,337

Particulars	Business Segments			Unallocable	Total
	Wire	Rolls	Direct Business		
Segment Assets	**688,856,627**	**416,628,833**	**247,036,990**	**150,847,884**	**1,503,370,334**
	631,049,817	493,281,552	153,353,365	171,212,493	**1,448,897,227**
Segment Liabilities	**408,126,293**	**156,373,509**	**149,805,005**	**154,989,616**	**869,294,423**
	400,746,361	163,868,893	126,808,110	174,832,565	866,255,929
Total Cost Incurred during the period to acquire segment assets	**19,708,193**	**12,677,391**	**-**	**-**	**32,385,584**
	52,708,969	3,463,126	-	-	56,172,095
Segment Depreciation for the period	**44,974,726**	**18,861,991**	**1,748,411**	**437,513**	**66,022,641**
	47,588,197	27,020,295	1,378,203	457,565	76,444,260
Non-Cash Expenses other than depreciation	**1,188,841**	**20,221,349**	**-**	**-**	**21,410,190**
	1,410,828	18,922,045	-	-	20,332,873

(2) Notes:

(i) Segment profit represents the profit and loss before tax earned by each segment without allocation of corporate costs, share profit of joint ventures, other income, as well as interest costs. This is the measure reported to the executive management committee for the purposes of resource allocation and assessment of segment performance.

(ii) Adjustments and eliminations -

a) Segment Revenue, Segment Results, Segment Capital employed includes 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 reportable segment, are shown as unallocated corporate cost. Assets and liabilities that can not be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

b) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments are considered as unallocable.

(iii) Refer note 22 for details of revenue from major products and services.

(iv) In the Company's operations within India there is no significant difference in the economic conditions prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous year. Hence disclosures on geographical segment are not applicable.

(v) Figures not in bold pertain to the previous year.

30 Earnings Per Share (EPS)

	For the year ended 31.03.2017	For the year ended 31.03.2016
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:	**Rupees**	Rupees
Profit for the year attributable to owners of the Company	**61,171,421**	48,662,337
	No's.	No's.
Weighted average number of equity shares of Rs.10 each for basic and diluted EPS	**5,991,896**	5,991,896
Basic/diluted Earnings per equity Share. (Rs./ Share)	**10.21**	8.12

The Company is not having any potential ordinary shares which are dilutive in nature. Hence diluted earnings per share is not calculated seperately.

31 - Disclosure relating to Indian Accounting Standard IND AS- 19

31.01 Defined contribution plans

The Company provide Provident Fund facility to all employees. The Company provides superannuation benefits to selected employees. The assets of the plans are held separately from those of the Company in funds under the control of the trustees in case of trust or of the employees provident fund organisation. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Conditions for exemption stipulate that the Company shall make good deficiency, if any, in the interest rate declared by the trust vis-s-vis interest rate declared by the Employees' Provident Fund Organisation. The liability as on the balance sheet is ascertained by an independent actuarial valuation.

The company has recognized, in the profit and loss account for the current year, an amount of Rs. 2,20,53,804/- (2015-16 : Rs 1,9,901,016) as expenses under the following defined contribution plans.

Benefit (Contribution to)	For the year ended 31.03.2017 Rs.	For the year ended 31.03.2016 Rs.
Provident Fund	**11,410,997**	9,996,883
Superannuation Fund	**300,000**	200,000
Employees Pension Scheme	**10,342,837**	9,704,133
Total	**22,053,834**	19,901,016

31.02 The company operates post retirement defined benefit plans as follows:

a. Funded
Post Retirement Gratuity

b. Unfunded:
Post Retirement Medical benefits
Post Retirement pension for retired whole-time directors

The Company provides Gratuity benefit to all employees. The Company provides post retirement pension for retired whole-time directors. The company has decided to adopt the group gratuity scheme offered by M/s Life Insurance Corporation of India (LIC) from January 1st, 2012. The board of trustees of the gratuity fund composed of an equal number of representatives from both employees and employers. The board of the Fund is required by law and by the trust deed to act in the interest of the Fund and of all relevant stakeholders in the scheme. The board of trustee of the fund and management of life insurance company is responsible for the investment policy with regard to the assets of the Fund. Post retirement pension plan is not funded.

Under the gratuity plan, the employees with minimum five years of continous service are entitled to lumpsum payment at the time of separation calculated based on the last drawn salary and number of years of service rendered with the company. Under the post retirement pension, the Company pays monthly pension to retired whole-time directors as decided by the board of directors.

The major portions of the assets are invested in PSU bonds, Private Sector unit Bond and State / Central Govt. guaranteed 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.

The estimates of future salary increases take into account inflation, seniority, promotion and other relevant factor.

These plans expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk

Investment Risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has relatively balanced mix of investments in government securities and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan particpants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of defined benefit obligation were carried out as at March 31, 2017 by independent actuary, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

During the year ended March 31, 2017 and March 31,2016 there was no amendment, curtailments and settlements in the gratuity plan and post retirement pension plans.

31.03 (a) Details of the Post Retirement Gratuity plan are as follows:

Description		**For the year ended 31.03.2017 Rs.**	For the year ended 31.03.2016 Rs.
1. Reconciliation of opening and closing balances of obligation			
a. Obligation as at the beginning of the year		**180,450,800**	171,345,780
b. Current Service Cost		**10,062,610**	9,678,640
c. Interest Cost		**13,005,620**	12,654,930
d.Actuarial (gain)/loss		**16,533,590**	2,236,000
e. Amortization of Past Service Cost		**-**	
f. Acquisitions		**-**	2,741,710
g. Benefits paid		**(25,272,620)**	(18,206,260)
h. Obligation as at the end of the year		**194,780,000**	180,450,800
2. Change in Plan Assets (Reconciliation of opening & closing balances)			
a. Fair Value of plan assets as at the beginning of the year		**168,044,400**	137,419,060
b. Interest income on plan assets		**12,524,870**	11,331,780
c. Return on plan assets		**4,849,930**	831,390
d. Contributions		**12,406,400**	33,926,720
e. Acquisitions		-	2,741,710
f. Benefits paid		**(25,272,622)**	(18,206,260)
g. Fair Value of plan assets as at the end of the year		**172,552,978**	168,044,400
3. Reconciliation of fair value of assets and obligations			
a. Fair value of plan assets as at the end of the year		**172,552,978**	168,044,400
b. Present value of obligation as at the end of the year		**194,780,000**	180,450,800
c. Amount recognized in the balance sheet		**22,227,022**	12,406,400
4. Components of defined benefit costs recognised in profit and loss			
a. Current service cost		10,062,610	9,678,640
b. Net Interest cost		480,750	1,323,150
Defined benefit costs recorded in profit and loss		**10,543,360**	11,001,790
5. Components of defined benefit costs recognised in other comprehensive income			
a. The return on plan assets (excluding amounts included in net interest expense)		(4,849,930)	(831,390)
b. Actuarial (gains)/loss arising from changes in financial assumptions		11,716,500	677,420
c. Actuarial (gains)/loss arising from experience adjustments		4,817,090	1,558,580
Defined benefit costs recorded in Other comprehensive income		**11,683,660**	**1,404,610**
6. Total defined benefit cost recognised		**22,227,020**	**12,406,400**
7. Principal assumption used for the purpose of the actuarial valuation	**31.03.2017**	31.03.2016	01.04.2015
a. Discount rate (per annum)	7%	7.75%	7.80%
b. Estimated rate of return on plan assets (per annum)	9%	9.00%	9.00%
c. Rate of escalation in salary (per annum)	7.0% to 10%	7.0% to 10%	7.0% to 10%

The fair value of the above equity and securities issued by government are determined based on quoted market prices in active markets. The fair value of other debt instruments are also determined based on quoted price in active market. The fair value of balance in special depoist scheme is determined based on its carrying value. The fair value of balance with Life Insurance Corporation is determined based on the funds statement received from the company.

The actual return on plan assets was Rs. 48.49 lakhs (for the year ended March 31, 2016: Rs. 8.31 Lakhs)

8.Duration	**For the year ended No of years**	**For the year ended No of years**
Weighted average duration of the defined benefit obligation	9	10
9. Expected contribution by the company in the next financial year - FY'18		22,227,020

10. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis given below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 153 lakhs** (increase by **Rs.179 lakhs**) [as at March 31, 2016: decrease by Rs.131 lakhs (increase by Rs.141 lakhs)]

ii) If the expected salary increase growth increases (decreases) by 1%, the defined benefit obligation would increase by **Rs.176 lakhs** (decrease by **Rs. 153 lakhs**) [as at March 31, 2016: increase by Rs.140 lakhs (decrease by Rs. 132 lakhs)]

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is likely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

31 - Disclosure relating to Indian Accounting Standard IND AS 19 (Contd.)

31.03 (b) Details of unfunded post retirement defined benefit obligations are as follows:

Description	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Rs. Medical	Rs. Others	Rs. Medical	Rs. Others
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at the beginning of the year	**27,997,600**	**7,173,650**	26,851,419	7,379,042
b. Current/Employer Service Cost	**540,380**	**-**	524,080	-
c. Interest Cost	**2,101,440**	**530,060**	2,032,885	553,309
d. Actuarial (gain)/loss	**1,601,740**	**1,714,580**	166,749	(188,038)
e. Benefits paid	**(1,764,470)**	**(668,410)**	(1,577,530)	(570,662)
f. Obligation as at the end of the year	**30,476,690**	**8,749,880**	27,997,603	7,173,651
2. Expense recognized in the period				
a. Current /Employer service cost	**540,380**	**-**	524,080	-
b. Interest cost	**2,101,440**	**530,060**	2,032,885	553,309
c. Actuarial (gain)/loss	**1,601,740**	**1,714,580**	166,749	(188,038)
d. Expense recognized in the period	**4,243,560**	**2,244,640**	2,723,714	365,271
The net charge is disclosed under the line item – Misc. Expenses.				
3. Assumptions				
a. Discount rate (per annum) as at the beginning of the year	**7.75%**	**7.75%**	7.80%	7.80%
b. Discount rate (per annum) as at the end of the year	**7.00%**	**7.00%**	7.75%	7.75%
c. Medical costs inflation rate	**6.00%**	**-**	6.00%	-
d. Average medical cost (Rs/person) as at the beginning of the year	**2363**	**-**	2266	-
e. Average medical cost (Rs/person) as at the end of the year	**2359**	**-**	2363	-

4. Sensitivity analysis

a)Employees PRMB Sensitivity analysis

i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 37 lakhs** (increase by **Rs. 47 lakhs**) [as at March 31, 2016: decrease by Rs.34 lakhs (increase by Rs.37 lakhs)]

ii) If the Medical cost inflation rate increases (decreases) by 1%, the defined benefit obligation would increase by **Rs. 46 lakhs** (decrease by **Rs. 37 lakhs**) [as at March 31, 2016: increase by Rs.38 lakhs (decrease by Rs. 34 lakhs)]

b)Ex- MD PRMB Sensitivity analysis

i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 1 lakhs** (increase by **Rs.1 lakhs**) [as at March 31, 2016: decrease by Rs.1 lakhs (increase by Rs.1 lakhs)]

c) Pension Sensitivity analysis

i) If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by **Rs. 7 lakhs** (increase by **Rs.8 lakhs**) [as at March 31, 2016: decrease by Rs.6 lakhs (increase by Rs.6 lakhs)]

ii) If the Inflation rate increases (decreases) by 1%, the defined benefit obligation would increase by **Rs. 8 lakhs** (decrease by **Rs. 7 lakhs**) [as at March 31, 2016: increase by Rs.7 lakhs (decrease by Rs.6 lakhs)]

32 Financial Instruments

32.01 Capital Management

The company manages its capital to ensure that entities will be able to continue as going concerns while maximizing the return through the optimization of the debts and equity balance.

The capital structure of the company consists of net debt (borrowings as detailed in notes 18 offset by cash and bank balance) and total equity of the company.
The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Borrowings	176,822,795	192,574,952	159,566,958
Cash and bank balances	(13,356,476)	(2,480,771)	(8,854,824)
Net Debt	163,466,319	190,094,181	150,712,134
Total equity	634,075,911	582,641,300	534,883,517
Net debt to equity ratio	25.78%	32.63%	28.18%

32.02 Financial Risk management objectives

The entity monitors and manages the financial risks relating to the operations of the entity through internal MIS reports which analyse the exposure by degree and magnitude of risks. These risks includes market risk (Interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

32.03 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Interest rate sensitivity analysis:

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. The company does not have variable rate instruments as at the balance sheet date. This mitigates the company market risk.

Foreign currency risk

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period.

The carrying amounts of the Company's foreign currency denominated monetary assets at the end of the reporting period are as follows.:

Particulars	Currency	3/31/2017	3/31/2016
Trade Receivables	USD	INR 47,54,191 (Rate- INR 64.84/USD)	INR 63,82,065 (Rate- INR 66.33/USD)

Note: Above mentioned foreing currency exposures are not hedged

Foreign currency sensitivity analysis

The Company's currency exposures in respect of financial assets and financial liabilities as at 31 March 2017 & 31 March 2016 that result in net currency gains and losses in the income statement and equity arise principally from movement in US Dollar and EURO exchange rates. Following is the impact of a 10% movement in USD and EURO on profit before tax arising due to revaluation of foreign current financial assets and financial liabilities.

As at	3/31/2017	3/31/2016
Effect of 10% stregthening of USD against INR (Impact in PL)	INR 4,75,419	INR 6,38,207
Effect of 10% stregthening of USD against INR (Impact in equity)	INR 3,10,886	INR 4,17,336

Commodity price risk

The company doesn't have any derivative assets and liabilities. This mitigates the company from commodity price risk.

32.04 Credit risk management

Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of account receivables and where appropriate, provision has been considered in the books.

Concentration of credit risk elated to Tata steel Limited is approx. 57 % of the gross trade receivables. Concentration of credit risk of SAIL, companies second largest customer is approx 23 %. The concentration of credit risk is limited to the fact that the major customer is Tata Steel Limited which is the parent company and SAIL Group, which is a public sector undertaking. The remaining customer base is unrelated.

32.05 Liquidity risk management

The company monitors its risk of a shortage of funds using a liquidity planning tool.

The entity's objective is to maintain a balance between continuity of funding and flexibility through the use of bank cash credit. The entity manages the short term and medium term funds and liquidity requirements by maintaining adequate reserves and banking facilities, by continuously monitoring forcast and actual cash flows.

The following table details the entities remaining contractual maturity for its non derivative financial liability with agreed repayment periods. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the entity can be required to pay. The table includes both interest and principal cash flows. The contractual maturity is based on the earliest date on which the entity may be required to pay.

	Carrying amount	less than 1 year	between 1 - 5 years
March 31, 2017			
Non-derivative financial liabilities			
Borrowings	186,416,443	186,416,443	-
Trade payables	356,426,265	356,426,265	-
Other financial liabilities	146,386,471	6,386,471	140,000,000
	689,229,179	549,229,179	140,000,000
March 31, 2016			
Non-derivative financial liabilities			
Borrowings	200,121,952	200,121,952	-
Trade payables	334,928,672	334,928,672	-
Other financial liabilities	147,272,951	7,272,951	140,000,000
	682,323,575	542,323,575	140,000,000
April 01, 2015			
Non-derivative financial liabilities			
Borrowings	167,113,958	167,113,958	-
Trade payables	320,685,122	320,685,122	-
Other financial liabilities	172,777,257	32,777,257	140,000,000
	660,576,337	520,576,337	140,000,000

The following table details the entities expected maturity for its non derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of the information is necessary in order to understand the entities liquidity risk management as the liquidity is managed on a net asset and liability basis.

		As at 31.03.2017	
	Amortised Cost	**Total Carrying Value**	**Total Fair Value**
Financial Assets:			
Trade Receivables	262,232,523	262,232,523	262,232,523
Cash and bank balances	22,950,124	22,950,124	22,950,124
Other financial assets	31,750,888	31,750,888	31,750,888
Other non current investments	6	6	6
Total	**316,933,541**	**316,933,541**	**316,933,541**
Short Term borrowings	186,416,443	186,416,443	186,416,443
Trade payable	356,426,265	356,426,265	356,426,265
Other financial liabilities	146,386,471	146,386,471	146,386,471
Total	**689,229,179**	**689,229,179**	**689,229,179**

		As at 31.03.2016	
	Amortised Cost	**Total Carrying Value**	**Total Fair Value**
Financial Assets:			
Trade Receivables	210,020,907	210,020,907	210,020,907
Cash and bank balances	11,367,425	11,367,425	11,367,425
Other financial assets	25,531,974	25,531,974	25,531,974
Other non current investments	6	6	6
Total	**246,920,312**	**246,920,312**	**246,920,312**
Short Term borrowings	200,121,952	200,121,952	200,121,952
Trade payable	334,928,672	334,928,672	334,928,672
Other financial liabilities	147,272,951	147,272,951	147,272,951
Total	**682,323,575**	**682,323,575**	**682,323,575**

		As at 01.04.2015	
	Amortised Cost	**Total Carrying Value**	**Total Fair Value**
Financial Assets:			
Trade Receivables	297,957,343	297,957,343	297,957,343
Cash and bank balances	17,056,794	17,056,794	17,056,794
Other financial assets	39,898,423	39,898,423	39,898,423
Other non current investments	6	6	6
Total	**354,912,566**	**354,912,566**	**354,912,566**
Short Term borrowings	167,113,958	167,113,958	167,113,958
Trade payable	320,685,122	320,685,122	320,685,122
Other financial liabilities	172,777,257	172,777,257	172,777,257
Total	**660,576,337**	**660,576,337**	**660,576,337**

The entiry has access to financial facilities of which Rs. 12,34,27,205/- were unused at the end of the reporting period (as at March 31, 2016: Rs. 10,76,75,048/-, as at April 01, 2015: Rs. 14,06,83,042/-). The entity expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. Details of financial facilities is tabled below:

Financing facilities:	**As at 31.03.2017**	As at 31.03.2016	As at 01.04.2015
Secured working capital demand loan facility,			
- Amount used	176,572,795	192,324,952	159,316,958
- Amount unused	123,427,205	107,675,048	140,683,042
	300,000,000	300,000,000	300,000,000

THE INDIAN STEEL AND WIRE PRODUCTS LIMITED
(A Subsidiary of Tata Steel Ltd.)
Notes forming part of the Financial Statements

33 Related Party Disclosures

(a) List of Related Parties and Relationships :

A.

Party	Relationship
Tata Steel Limited	Holding Company
TM International Logistics Limited	Fellow Subsidiary
Jamshedpur Utilities and Services Company Limited	Fellow Subsidiary
Tayo Rolls Limited	Fellow Subsidiary
Tata Pigments Limited	Fellow Subsidiary
Tata Metaliks Limited	Fellow Subsidiary
Tata Sponge Iron Ltd	Fellow Subsidiary
The Tinplate Company Of India Limited	Fellow Subsidiary
Metal Juctiion	Joint venture
TRF Limited	Associates
Jamshedpur continuous annealing processing company	Joint venture

B. Key Management Personnel

Mr. Neeraj Kant	Managing Director

(b) Related Party Transactions during the period

Sl. No.	Transaction	Holding Company	Fellow subsidiary	Key Management Personnel
1	**Purchase of Goods:**			
(i)	Tata Steel Limited	**125,908,411**		
		154,409,003		
(ii)	Tayo Rolls Limited		**4,907,345**	
			-	
2	**Sale of Goods:**			
(i)	Tata Steel Limited	**58,606,361**		
		145,436,196		
(ii)	Jamshedpur Utilities and Services Company Limited		**169,052**	
			56,582	
(iii)	Tata Pigments Limited		**131,073**	
			381,406	
(iv)	Tata Sponge Iron Ltd		**548,865**	
			385,517	
(v)	Jamshedpur continuous annealing processing company		**59,983**	
			-	
(vi)	Metal Junction		**5,064,728**	
			2,314,407	
(vii)	TRF Limited		**10,372,334**	
			9,868,636	
(viii)	Tata Metaliks Limited		**-**	
			117,594	
3	**Lease rent for flats at Alipore**			
(i)	Tata Steel Limited	**5,331,600**		
		6,321,600		
4	**Rendering of services:**			
(i)	Tata Steel Limited	**1,396,861,869**		
		1,297,375,655		
(ii)	Jamshedpur Utilities and Services Company Limited		**38,892**	
			79,500	
(iii)	Tata Pigments Limited		**11,040**	
			12,312	
5	**Receiving of services:**			
(i)	Tata Steel Limited	**388,614,083**		
		415,876,442		
(ii)	TM International Logistics Limited		**3,050,183**	
			7,864,933	
(iii)	Jamshedpur Utilities and Services Company Limited		**10,747,281**	
			10,034,501	

(iv)	Tata Pigments Limited		**125,121** 330,192	
(v)	The Tinplate Company Of India Limited		- 73,778	
(vi)	Metal Juction		**1,944,827** 2,084,327	
6	**Outstanding receivables as on 31.03.2017:**			
(i)	Tata Steel Limited	**140,999,929** 90,329,585		
(ii)	Jamshedpur Utilities and Services Company Limited		**48,078** 4,851,294	
(iii)	Tayo Rolls Limited		**60,480** 3,952,349	
(iv)	Tata Pigments Limited		**71,281** 12,312	
(v)	Tata Sponge Iron Ltd		**105,669** -	
(vi)	Metal Juction		**1,012,990** 716,264	
(vii)	TRF Limited		**4,690,232** 2,536,430	
7	**Advance paid**			
(i)	Tata Steel Limited	**6,016,986** 1,420,474		
(ii)	TM International Logistics Limited		**8,654** 157,087	
(iii)	Tayo Rolls Limited		**2,484,524** 3,891,868	
8	**Payables outstanding as on 31.03.2017:**			
a.	**Materials & Services**			
(i)	Tata Steel Limited	**50,692,120** 56,299,277		
(ii)	Jamshedpur Utilities and Services Company Limited		**1,782,741** 1,977,271	
(iii)	Tata Pigments Limited		**-** 4,264	
(iv)	Tata Sponge Iron Ltd		**-** 4,098	
(v)	Metal Juction		**13,912** -	
b.	**Against Finance**			
c.	**Against lease (flat)**			
(i)	Tata Steel Limited	**140,000,000** 140,000,000		
d.	**Against bills (Conversion) charges**			
9	**Compensation of key management personnel**			
	Managing Director			**8,259,798** 7,012,001

Note : Figures not in bold pertain to the previous period.

34.1 Contingent liabilities and commitments

34.1(a) Claims against the Company not acknowledged as debt

(i) As per clause 6.12 (xiii) of Board for Industrial and Financial Reconstruction order dated 21st November, 2003 for 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 to accounts, have not been provided for or recognized in the accounts for financial years 2003-04 to 2016-17.

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Rs.	Rs.	Rs.
Show Cause Notices/Demand raised by Central Excise Authorities (Under Appeal) (a)	**2,962,013**	2,962,013	2,962,013
Employee State Insurance demand (Under Appeal)	**14,906,537**	14,906,537	14,906,537
Leave liability for ex employees	**3,293,000**	3,293,000	3,293,000
Labour court cases	**144,000**	144,000	144,000
Railways dues	**419,000**	419,000	419,000
Power dues	**62,097,193**	62,097,193	62,097,193
Liability for loan for Learjet Aircraft purchase	**14,878,000**	14,878,000	14,878,000
Wealth Tax	**39,034,521**	39,034,521	39,034,521

(a) The items of contingent liability indicated above are not exhaustive and any other liability which may come to the notice of the present management would also be the personal liability of the erstwhile promoters.

(ii) Contingent Liabilities not provided for pertaining to period after take over:

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	Rs.	Rs.	Rs.
Sales tax matters in dispute relating to issues of applicability and classification.	**97,875,162**	85,859,917	65,725,034
Excise duty matters in dispute relating to issues of applicability and classification.	**13,420,480**	8,484,978	15,458,978
Employee State Insurance demand (Under Appeal)	**17,306,282**	17,306,282	17,306,282

34.1(b) Commitments

Estimated amounts of contracts to be executed on capital account and not provided for as on 31st March'17: **Rs 2,14,74,766** (31st March'16: Rs. 2,32,95,744).

34.2 Claims lodged with the erstwhile management/promoters for recovery

(a) Retiring gratuity dues to the employees separated prior to takeover of the Company by Tata Steel (i.e., 23rd December, 2003) were not disclosed in the accounts for the year ended 31st March, 2002. This liability was not recognised by the present management but shown as a Contingent Liability in the Notes to Accounts. During the year 2008 - 09, management decided to settle the dues to separated employees. Accordingly, Rs. 55,53,803/- was provided in the accounts for the year ended 31st March, 2009 and was included in the line item Employee Cost.

(b) Income Tax dues for the period prior to takeover (i.e., 23rd December, 2003) were not disclosed in the accounts for the year ended 31st March 2002. This liability was not recognised by the present management but shown as a Contingent Liability in the Notes to Accounts. During the year 2010-11, the Company received the final order from the Income Tax Authorities for the assessment year 1998-99 for Rs. 2,70,35,565/- against the contingent liability of Rs. 3,05,00,693/-. Accordingly, this amount was charged to the statement of profit and loss for the year ended 31st March, 2011 as a provision for income tax for prior years.

35 Long Term liabilities include deposits of Rs. 14,00,00,000 received from Tata Steel (Previous year Rs. 14,00,00,000) towards security deposit against Alipore flats given on lease for 3 years renewable as per the terms.

36 As the Company has no management control over M/s. Metal Corporation of India Ltd., an associate of the Company, the Consolidated Financial Statements are not prepared for the year ended 31st March, 2017 and any previous periods.

37 Additional Information to the Financial Statements pursuant to Companies Act, 2013 requirements :

37.01 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

		As at 31.03.2017	As at 31.03.2016
		Rs	Rs
a).	Principal amount remaining unpaid to the suppliers as at the end of the accounting year	**732,941**	14,586
b).	Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	**23,556**	426
c).	interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	**-**	-
d).	Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	**502,217**	8,387
e).	The amount of interest accured during the year for the year remaining unpaid at the end of the accounting year.	**525,773**	8,813

The information above has been compiled to the best of knowledge and as per the information available with the management to the extent to which parties would be identified as Micro, Small and Medium Enterprises and relied upon by the auditors.

37.02 'Disclosure in terms of G.S.R.307(E) read with G.S.R.308(E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs, Government of India.

The details of the specified bank notes (SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016 are as follows:

	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	69,500	6,518	76,018
Add : Permitted receipts		358,312	358,312
Less : Permitted payments		(288,139)	(288,139)
Less : Amount deposited in Banks	(69,500)	-	(69,500)
Closing cash in hand as on 30th December, 2016	**-**	**76,691**	**76,691**

37.03 There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions in Companies Act 2013, and accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 made there under.

37.04 Details of CSR expenditure:

	As at 31.03.2017	As at 31.03.2016	
a) Gross amount required to be spent by the company during the year	2,875,850	38,96,209	
b) Amount spent during the year ending on	**In Cash**	**Yet to be paid in cash**	**Total**
31st March, 2017 -			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	2,423,381	591,115	3,014,496
31st March, 2016-			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	3,460,282	268,954	3,729,236

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

39. First-time Ind AS Adoption reconciliation

39.01 Reconciliation of total equity as at March 31, 2016 and April, 2015

	As at 31.03.2016 Rs	As at 01.04.2015 Rs
Total equity (shareholder's funds) under previous GAAP	587,715,274	534,883,517
Less, charge under Ind As due to MTT capitalization	(5,073,974)	-
Total equity (shareholder's funds) under Ind As	**582,641,300**	**534,883,517**

(a) Under previous GAAP, Moulds tools and tackles (MTT) were shown as inventories, Under Ind As, MTT are presented in the balance sheet within fixed assets. Under Ind as equity decreased due to depreciation impact of MTT capitalisation and change in provision for Income tax and Deferred tax.

39.02 Reconciliation of total comprehensive income for the year ended March 31, 2016

	As at 31.03.2016 Rs
Profit as per previous GAAP	52,831,757
Impact on depreciation on account of MTT capitalization (net of tax)	(5,073,974)
Re classification of actuarial gains / losses, arising in respect of employees post employment benefit schemes, to Other Comprehensive Income (OCI) (net of tax)	(904,554)
Total effect of transition to Ind AS	(5,978,528)
Profit for the year as per Ind AS	46,853,229
Other comprehensive income for the year (net of tax)	904,554
Total comprehensive income under Ind AS	**47,757,783**

Under the previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

(a)Under previous GAAP, Moulds tools and tackles (MTT) were shown as inventories and amortisation of MTT were shown in raw material consumption. Under Ind AS, MTT is presented in the balance sheet within fixed assets and depreciation thereon is charged accordingly. Impact on depreciation on account of MTT capitalization is charge of Rs 77,59,557 and the tax effect thereon Rs 26,85,583 .

(b) Under previous GAAP, actuarial gain and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the defined benefit liability /asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind As instead of Profit and loss. This change does not affect total equity.
The actuarial losses for the year ended 31st March, 2016 were Rs 13,83,321 and the tax effect thereon Rs 4,78,767.

39.03 Reconciliation of cash flow statement for the year ended March 31, 2016

	Previous GAAP	**Effect of transition to IND AS**	**IND AS**
Net Cash flows from operating activities	34,555,322	18,325,408	52,880,730
Net Cash flows from investing activities	(51,385,479)	(18,325,408)	(69,710,887)
Net Cash flows from financing activities	12,103,667	-	12,103,667
Net Increase/(Decrease) in cash and cash equivalents	(4,726,490)	-	(4,726,490)
Cash and cash equivalents at the beginning of the period	5,037,419	-	5,037,419
Cash and cash equivalents at the end of the period	**310,929**	**-**	**310,929**