

**THE NEWPORT AND SOUTH WALES
TUBE COMPANY LIMITED**

REPORT AND ACCOUNTS

FOR THE FINANCIAL YEAR

ENDED 31 MARCH 2015

Registered No: 00313746

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

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The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Directors and advisors

Directors

CL Harvey
SV Gidwani

Secretary

T Robinson (resigned 20 October 2014)
L Rupani (appointed 20 October 2014)

Company Number

00313746

Registered office

30 Millbank
London
SW1P 4WY

Auditor

Deloitte LLP
Bristol

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Directors' report for the year ended 31 March 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

Principal activity, review of the business and future developments

The Company is a wholly owned subsidiary of Tata Steel UK Limited ('TSUK') which is a wholly owned subsidiary within the Tata Steel Europe Limited ('TSE') Group. The company is exempt from the obligation to prepare and deliver group accounts under s400 of the Companies Act 2006.

The principal activity of the Company is to act as the holding Company for certain investments of TSUK. Further details of the investments are shown in note 5 to the accounts.

There have been no significant changes to the principal activities in the year under review. The directors are not aware, at the date of this report, of any likely changes in the Company's activities in the next year.

The Company's directors do not believe that key performance indicators (or discussion thereof) are appropriate for an understanding of the development, performance or position of the Company. The performance of TSE, which includes the Company, is discussed in its Annual Report & Accounts, which does not form part of this report.

Going Concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in their exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted by them as officers or employees of the Company.

Principal risks and uncertainties

Group risks are discussed in the TSE Annual Report & Accounts, which does not form part of this report.

Results and dividends

The loss for the period after taxation amounted to £1 (2014: £1).

No dividend was paid during the year and the Directors do not recommend the payment of a final dividend (2014: £nil).

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Directors' report for the year ended 31 March 2015 (continued)

Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Company's activities. The Company operates in accordance with TSE Group policies. Activities designed to minimise the Company's impact on the environment include improving its energy use efficiency and reducing the production of waste (both hazardous and non-hazardous).

Employees

The Company has no employees, as shown in Note 3 of this report on page 11.

Directors

The directors of the Company for the year and to the date of this report are listed on page 2.

Statement on disclosure of information to the Company's auditor

Each director in office at the date of this Directors' report confirms that:

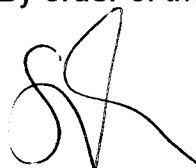
- So far as the director is aware, there is no relevant audit information of which the Company's auditor are unaware; and
- the director has taken all the relevant steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

By order of the Board



SV Gidwani
Director

30 June 2015

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Independent auditor's report to the members of The Newport and South Wales Tube Company Ltd

We have audited the financial statements of The Newport and South Wales Tube Company Limited for the year ended 31 March 2015 which comprise the Profit and loss account, the Balance sheet and accounting policies and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

The Newport and South Wales Tube Company Limited Report and Accounts for the year ended 31 March 2015

Independent auditor's report to the members of The Newport and South Wales Tube Company Ltd (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the company is not permitted to take the small companies exemption from preparing the Strategic Report

Andrew Wright

Andrew Wright (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

30 June 2015

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Profit and loss account

For the financial year ended 31 March

		2015 £	2014 £
Loss on disposal of fixed asset investments	Notes	(1)	(1)
Loss on ordinary activities before taxation	2	(1)	(1)
Taxation	4	-	-
Loss for the period		<u>(1)</u>	<u>(1)</u>

The Company has no gains or losses other than as above and therefore no separate statement of total recognised gains and losses has been presented.

The result on operating activities derives entirely from continuing activities.

All references to 2015 in the Financial Statements, presentation of accounts and accounting policies and the related Notes 1 to 11 refer to the financial year ended 31 March 2015 or as at 31st March 2015 as appropriate (2014: the financial year ended 31 March 2014 or as at 31 March 2014).

The notes on pages 10 to 13 form part of the financial statements

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Balance sheet

As at 31 March

		2015 £	2014 £
	Notes		
Fixed Assets			
Investments	5	6	7
Debtors: amounts falling due after one year	6	<u>546,736</u>	<u>546,736</u>
Total Assets		546,742	546,743
Creditors: amounts falling due after more than one year			
	7	<u>(530,985)</u>	<u>(530,985)</u>
Total assets less current liabilities		<u>15,757</u>	<u>15,758</u>
Capital and Reserves			
Called up share capital	8	1,167	1,167
Profit and loss account	9	14,590	14,591
Shareholders' funds	10	<u>15,757</u>	<u>15,758</u>

The accounts on pages 8 to 13 were approved by the Board on 30 June 2015 and were signed on its behalf by:-



SV Gidwani
 Director
 The Newport and South Wales Tube Company Limited
 Registered No: 00313746

The notes on pages 10 to 13 form part of the financial statements

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Notes to the financial statements

1. Presentation of accounts and principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom (UK GAAP). A summary of the key accounting policies is set out below. These have been applied consistently in the current and prior period.

(i) Basis of preparation

The Newport and South Wales Tube Company Ltd is a private limited company incorporated in the United Kingdom under the Companies Act 2006. The functional and presentational currency of the Company is sterling. The accounts have been prepared under the historical cost convention in accordance with the Companies Act 2006.

Group accounts have not been prepared as the Company is a wholly owned indirect subsidiary of TSE, which has prepared consolidated accounts for the 12 month period to 31 March 2015.

As set out in the Directors Report: Going Concern, the Board of directors has assessed the ability of the Company to continue as a going concern and these financial statements have been prepared on a going concern basis.

(ii) Fixed assets investments

Fixed asset investments are stated at cost. Provisions are made if events or circumstances indicate that the carrying amount may not be recoverable. Income from fixed asset investments comprises dividends declared up to the balance sheet date and, where relevant, is shown before deduction of overseas withholding taxes.

(iii) Cash flow statement

The cash flows of the Company are included in the consolidated cash flow statement of TSE. Consequently the Company is exempt under the terms of Financial Reporting Standard No.1 (Revised) from publishing a cash flow statement.

(iv) Taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The Company has chosen not to discount deferred tax assets and liabilities.

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Notes to the financial statements (continued)

1. Presentation of accounts and principal accounting policies (continued)

(iv) Taxation (continued)

Both current and deferred tax items are calculated using the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. This means using tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised within equity.

(v) Related party disclosures

The Company has taken advantage of the exemptions available to it under FRS 8 'Related Party Disclosures' paragraphs 3(a) and (c) to not disclose related party transactions with other TSE group undertakings.

2. Loss on ordinary activities before taxation

The auditor's remuneration for the audit of the Company's accounts was £2,000 (2014: £2,000). All costs associated with the Company were borne by its parent Company TSUK in both the current and prior year. There were no non audit fees in the current or prior year.

3. Employees and directors' emoluments

The Company has no employees other than the directors (2014: nil).

No director received any remuneration during the year in respect of their services to the Company (2014: £nil).

4. Taxation

	2015	2014
	£000	£000
Current tax charge	-	-

	2015	2014
	£	£
The current tax charge/(credit) reconciles with the standard rate of corporation tax as follows:		
Loss on ordinary activities before tax	(1)	(1)
Tax on profit at standard rate 21% (2014: 23%)	-	-
Permanent differences	31,928	-
Group relief received free of charge	(31,928)	-
	-	-

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Notes to the financial statements (continued)

5. Investments

Shares in subsidiary undertakings

	2015 £	2014 £
Cost		
At beginning of period	54	56
Disposals	(1)	(2)
At end of period	53	54
Provisions		
At beginning of period	(47)	(48)
Disposals	-	1
At end of period	(47)	(47)
Net book value	6	7

6. Debtors: amount falling due after more than one year

	2015 £	2014 £
Amount owed by parent Company	532,135	532,135
Amount due from group Company	14,601	14,601
	546,736	546,736

The amounts above are interest free and no dates have been fixed for repayment.

7. Creditors: amount falling due after more than one year

	2015 £	2014 £
455,000 2.8% Cumulative preference shares of £1.167 each	530,985	530,985

8. Share capital

	2015 £	2014 £
Allotted and fully paid:		
1,000 ordinary shares of £1.167 each	1,167	1,167

TSUK has waived its entitlement to all dividends payable in respect of its holding of preference shares in the Company, up to 31 March 2015, including those relating to prior periods.

The redeemable preference shares are presented as a liability (see note 7) and accordingly are excluded from called up share capital in the balance sheet.

The Newport and South Wales Tube Company Limited

Report and Accounts for the year ended 31 March 2015

Notes to the financial statements (continued)

9. Reserves	Profit and loss account
	£
At beginning of year	14,591
Result for the year	<u>(1)</u>
At end of year	<u>14,590</u>

10. Reconciliation of movements in share capital and reserves

	2015 £	2014 £
Opening Shareholders' funds	15,758	15,759
Loss for the year	<u>(1)</u>	<u>(1)</u>
Closing Shareholders' funds	<u>15,757</u>	<u>15,758</u>

11. Ultimate and immediate parent company

The Company is a wholly owned subsidiary of TSUK, a Company registered in England and Wales. TSE and Tata Steel UK Holdings Limited ('TSUKH') are intermediate holding companies, registered in England and Wales, with TSUKH the smallest group to consolidate these financial statements.

Copies of the Report & Accounts for TSUKH may be obtained from the Secretary, 30 Millbank, London, SW1P 4WY.

Tata Steel Limited ('TSL'), a Company incorporated in India, is the ultimate parent Company and controlling party and the largest group to consolidate these financial statements. Copies of the Report & Accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400 001.