

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT
1. Accounting Policies
(a) Basis for Accounting

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) Revenue Recognition

- (i) Sales comprises sale of goods and services, net of trade discounts.
- (ii) Export incentive under the Duty Entitlement Pass Book Scheme has been recognised on the basis of credits afforded in the pass book.

(c) Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- (ii) Post employment benefits are recognised as an expense in the Profit and Loss Account for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable towards contributions. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate.
- (iii) Other long-term employee benefits are recognised as an expense in the Profit and Loss Account for the period in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the current value, using the market yield on government bonds, as on the date of balance sheet.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss Account.
- (v) In respect of the Employee Separation Scheme (ESS), the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Profit and Loss Account.

(d) Fixed Assets

All fixed assets are valued at cost less depreciation. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible fixed assets. Blast Furnace relining is capitalised. The written down value of the asset consisting of lining/relining expenditure embedded in the cost of the furnace is written off in the year of fresh relining.

(e) Depreciation

- (I) Capital assets whose ownership does not vest in the Company is depreciated over their estimated useful life or five years, whichever is less.
- (II) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. However, asset value upto ₹ 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset is as under :
 - (i) Buildings — 30 to 62 years
 - (ii) Plant and Machinery — 4 to 21 years
 - (iii) Railway Sidings — 21 years
 - (iv) Vehicles and Aircraft — 5 to 18 years
 - (v) Furniture, Fixtures and Office Equipment — 4 to 5 years
 - (vi) Intangibles (Computer Software) — 5 to 10 years
 - (vii) Development of property for development of mines and collieries are depreciated over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years
 - (viii) Blast Furnace relining is depreciated over a period of 10 years (average expected life).
 - (ix) Freehold land is not depreciated.
 - (x) Leasehold land is amortised over the life of the lease.
 - (xi) Roads — 30 to 62 years

(f) Foreign Currency Transactions

Foreign Currency Transactions (FCT) and forward exchange contracts used to hedge FCT are initially recognised at the spot rate on the date of the transaction/contract. Monetary assets and liabilities relating to foreign currency transactions and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates.

The company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Items Translation Difference Account" to be amortised over the balance period of the long-term monetary items or period upto 31st March, 2011 whichever is earlier.

The differences in translation of FCT and forward exchange contracts used to hedge FCT (excluding the long term foreign currency monetary items accounted in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 notified by Government of India on 31st March, 2009) and realised gains and losses, other than those relating to fixed assets are recognised in the Profit and Loss Account. The outstanding derivative contracts at the balance sheet date other than forward exchange contracts used to hedge FCT are valued by marking them to market and losses, if any, are recognised in the Profit and Loss Account.

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Exchange difference relating to monetary items that are in substance forming part of the Company's net investment in non integral foreign operations are accumulated in Foreign Exchange Fluctuation Reserve Account.

(g) Investments

Long term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

(h) Inventories

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realisable value. Work-in-progress is carried at lower of cost and net realisable value.

Coal, iron ore and other raw materials produced and purchased by the Company are carried at lower of cost and net realisable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of inventories is generally ascertained on the 'weighted average' basis. Work-in-progress and finished and semi-finished products are valued on full absorption cost basis.

(i) Relining Expenses

Relining expenses other than expenses on Blast Furnace relining are charged as an expense in the year in which they are incurred.

(j) Research and Development

Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.

(k) Deferred Tax

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.

2. Contingent Liabilities

(a) Guarantees

The Company has given guarantees aggregating ₹ 991.11 crores (31.03.2010 : ₹ 355.28 crores) to banks and financial institutions on behalf of others. As at 31st March, 2011, the contingent liabilities under these guarantees amounted to ₹ 991.11 crores (31.03.2010 : ₹ 355.28 crores).

(b) Claims not acknowledged by the Company

	As at 31.03.2011 ₹ crores	As at 31.03.2010 ₹ crores
(i) Excise	313.26	296.59
(ii) Customs	13.68	13.68
(iii) Sales Tax and VAT	494.54	587.97
(iv) State Levies	187.28	173.62
(v) Suppliers and Service Contract	72.21	71.02
(vi) Labour Related	38.84	36.92
(vii) Income Tax	119.79	143.44

(c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2010 : ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2010 : ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2010 : ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.

(e) TMT bars and rods in coil form are sent to external processing agents (EPA) for decoiling and cutting into specified lengths before the products are despatched for sale. Excise department demanded duty from the EPA, holding the activity as manufacture and ignoring the payment of duty made by Tata Steel. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi, which is still pending for hearing. Subsequent demands in this regard have not been adjudicated. The liability till 31st March 2011, if materialises, will be to the tune of ₹ 298.87 crores (31.03.2010 : ₹ 291.22 crores). However, the company has already paid duty amounting to ₹ 196.48 crores (2009-10: ₹ 189.52 crores) till date based on the final sale price of the material.

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- (f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha, challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved the Supreme Court against the order of Odisha High Court and the case is pending with Supreme Court. The liability, if it materialises, as at 31.03.2011 would be ₹ 1,562.72 crores (31.03.2010 : ₹ 1,277.74 crores).
- (g) In terms of the agreements entered into between Tata Teleservices Ltd. (TTSL), Tata Sons Ltd. (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company was given by Tata Sons an option to sell 52,46,590 equity shares in TTSL to the SP, as part of a secondary sale of 25,31,63,941 equity shares effected along with a primary issue of 84,38,79,801 shares by TTSL to the SP. Accordingly, the company realised ₹ 60.91 crores on sale of these shares resulting in a profit of ₹ 49.77 crores during the year ended March 31, 2009.
- Pursuant to the Rights Issue made in 2010-11, SP's shareholding in TTSL has increased from 1,09,70,43,742 equity shares of ₹10 each to 1,17,26,17,866 equity shares of ₹ 10 each as on March 31, 2011. The shareholding of SP represents 26.27% of the paid up equity share capital of TTSL on a fully diluted basis as against 26.01% prior to the issuance and allotment of Rights Shares to them.
- If certain performance parameters and other conditions are not met, should the SP decide to divest its entire shareholding in TTSL, acquired under the primary issue and the secondary sale, and should TSL be unable to find a buyer for such shares, the Company is obligated to acquire the shareholding of the SP, at the higher of fair value or 50 percent of the subscription purchase price, in proportion of the number of shares sold by the company to the aggregate of the secondary shares sold to the SP, or if the SP divests the shares at a lower price pay a compensation representing the difference between such lower sale price and the price referred to above.
- Further, in the event of breach of the representations and warranties (other than title and tax) and covenants not capable of specific performance, the Company is liable to reimburse TSL, on a pro rata basis, upto a maximum sum of ₹ 78.75 crores. The exercise of the option by SP being contingent on several variables the liability, if any, is remote and indeterminable.
- (h) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23.07.2002 passed by the Jharkhand High Court. However, the State Government demanded royalty on processed coal at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental royalty, paid under protest, during November 2008 to March 2011 of ₹ 54.22 crores has been charged off to Profit and Loss Account. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 355.95 crores (31.03.2010 : ₹ 344.19 crores) and has been considered as a contingent liability.
- (i) Uncalled liability on partly paid shares and debentures ₹ 0.01 crore (31.03.2010 : ₹ 0.01 crore).
- (j) Bills discounted ₹ 212.38 crores (31.03.2010 : ₹ 274.55 crores).
3. The Company has given undertakings to: (a) ICICI Bank Ltd. (formerly ICICI), IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation. (b) IDBI not to dispose of its investment in Wellman Incandescent India Ltd. (c) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd. (d) Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd. (e) Mizuho Corporate Bank Limited, not to dispose of its investments in Tata NYK Shipping Pte. Limited, (minimal stake required to be able to provide a corporate guarantee towards long term debt). (f) Bank of America, NA and the Royal Bank of Scotland, NV not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Co. Pte Ltd. (g) State Bank and others not to dispose of its investment in Centennial Steel Company Ltd. (CSCL) below 51% of CSCL's paid up equity share capital. (h) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Ltd. and Tata Steel Netherlands Holding B V and other companies (the borrower group), without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.
- The Company has furnished a Security Bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.
- The Promoters of Tata BlueScope Limited (TBSL) (i.e. BlueScope Steel Limited, Australia and Tata Steel Ltd.) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to dispose of the management control in TBSL.
- The Promoters' (i.e. L & T Infrastructure Development Projects Ltd. and Tata Steel Ltd.) combined investments in The Dhamra Port Company Ltd., (DPCL) representing 51% of DPCL's paid-up equity share capital are pledged with IDBI Trusteeship Services Ltd.
- The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Ltd.) combined investments in Industrial Energy Limited, (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Corporation Limited (IDFC).
- The Company has agreed, if requested by Tata Steel UK Holdings Ltd. (TSUKH), an indirect wholly owned subsidiary, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level.
4. The Company had, on 20th August, 2005, signed an agreement with the Government of Jharkhand to participate in a special health insurance scheme to be formulated by the Government of Jharkhand for the purpose of providing medical facilities to the families of the people below poverty line. The state government would develop a suitable scheme and the Company has agreed to contribute to such scheme, when operational, a sum of ₹ 25 crores annually for a period of 30 years or upto the year of operation of the scheme whichever is less. The scheme is yet to be formed and no contribution has been made till 31st March, 2011.
5. The Board of Industrial and Financial Reconstruction (BIFR) sanctioned a scheme for rehabilitation of The Indian Steel and Wire Products Limited (ISWP), a sick company in FY 2003-04. In terms of the scheme, the Company –
- (a) took management control of ISWP; (b) acquired 4,74,130 Equity Shares from the existing promoters at ₹ 1/- per share; (c) converted ₹ 5.00 crores of dues into 50,00,000 fully paid Equity Shares at ₹ 10 each and ₹ 10.88 crores into unsecured loan to be repaid by ISWP in 8 annual installments starting from FY 2004-05; (d) has an advance of ₹ 11.50 crores as at 31.03.2011 (31.03.2010 : ₹ 14.91 crores) with ISWP towards one time settlement with financial institutions for capital expenditure and margin for working capital.

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6. Estimated amount of contracts remaining to be executed on Capital Account and not provided for : ₹ 9,605.46 crores (31.03.2010 : ₹ 10,698.54 crores).
7. The Company has taken on lease Plant and Machinery, having an aggregate cost of ₹ 3.79 crores (31.03.2010 : ₹ 3.79 crores). The element of the lease rental applicable to the cost of the assets has been charged to the Profit and Loss Account over the estimated life of the asset and financing cost has been allocated over the life of the lease on an appropriate basis. The total charge to the Profit and Loss Account for the year is ₹ 0.26 crore (2009-10 : ₹ 0.62 crore). The break up of total minimal lease payments due as at 31st March, 2011 and their corresponding present value are as follows :

₹ crores

Period	As at 31.03.2011		As at 31.03.2010	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	—	—	0.26	0.25
Later than one year but not later than five years	—	—	—	—
Later than five years	—	—	—	—
Total	—	—	0.26	0.25

8. Profit and Loss Account

- a) i) Provision for employee separation compensation (ESS) has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 27.53 crores (31.03.2010 : ₹ 46.34 crores) in respect of schemes introduced during the year.
- ii) The amounts payable within one year under the ESS aggregates to ₹ 175.27 crores (31.03.2010 : ₹ 192.85 crores).
- b) The manufacturing and other expenses and depreciation shown in the Profit and Loss Account include ₹ 72.90 crores (2009-10 : ₹ 39.49 crores) and ₹ 2.79 crores (2009-10 : ₹ 1.94 crores) respectively in respect of Research and Development activities undertaken during the year.
- c) The company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 which allows foreign exchange difference on long-term monetary items to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the period of the monetary asset/liability or the period up to 31st March, 2011, whichever is earlier.
As on 31st March, 2011, ₹ Nil (31.03.2010 : Credit of ₹ 206.95 crores) remains to be amortised in the “Foreign Currency Monetary Items Translation Difference Account” after taking a credit of ₹ 261.44 crores (2009-10 : Charge of ₹ 85.67 crores) in the Profit & Loss Account and ₹ 2.07 crores (net of deferred tax ₹ 3.57 crores) [2009-10 : ₹ 47.35 crores (net of deferred tax ₹ 24.38 crores)] adjusted against Securities Premium Account during the current financial year on account of amortisation. The Depreciation for the year ended 31st March, 2011 is higher by ₹ 0.48 crore (2009-10 : ₹ 0.41 crore) and the Profit before taxes for the year ended 31st March, 2011 is higher by ₹ 208.99 crores (2009-10 : Lower by ₹ 561.60 crores).

9. Other Significant Disclosures

- a) The Company completed a further public issue of equity shares of face value ₹10 each for cash at a price of ₹ 610 per equity share, including premium of ₹ 600 per equity share, aggregating to ₹ 3,477 crores. The Company completed allotment of 5,70,00,000 equity shares on 29th January, 2011.

The proceeds of the issue have been utilised as under :

₹ Crores

Gross Proceeds of the Issue

3,477.00

Utilisation of funds upto 31st March, 2011

Part finance the capital expenditure for expansion of the Company's existing works at Jamshedpur

Payment of redemption amounts on maturity of certain redeemable non-convertible debentures issued by the Company on a private placement basis

General corporate purposes

Issue Related Expenses

Object of the issue

1,875.00

1,090.00

390.30

121.70

Actual

—

—

—

57.12

Total

3,477.00

57.12

Unutilised Amount represented by :

Investments in Mutual Funds

Deposits with Banks

Bank Balance

1,014.27

2,400.00

5.61

Total

3,477.00

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- b) The Company has, on a preferential basis, issued the following securities to Tata Sons Limited, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations 2009).
- 1,50,00,000 Ordinary Shares of ₹ 10 each at a price of ₹ 594 per share aggregating to **₹ 891** crores.
 - 1,20,00,000 Warrants, where each Warrant would entitle Tata Sons Limited to subscribe to one Ordinary Share of the Company at a price of ₹ 594 per share. As per the SEBI ICDR Regulations 2009, an amount equivalent to 25% of the price i.e. ₹ 148.50 per Warrant aggregating to **₹ 178.20** crores has been received from Tata Sons Limited on allotment of the Warrants.
- c) The Company has raised **₹ 1,500** crores through the issue of Hybrid Perpetual Securities in March 2011. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The Distribution on the securities, which may be deferred at the option of the Company under certain circumstances, is set at 11.80% p.a., with a step up provision if the securities are not called after 10 years. As these securities are perpetual in nature and ranked senior only to share capital of the Company, these are not classified as 'debt' and the distribution on such securities amounting to ₹ 4.54 crores (net of tax) not considered in 'Net Finance Charges'.
- d) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2011 are as under:

		₹ crores	
Sl. No.	Description	2010-11	2009-10
1.	The principal amount remaining unpaid to supplier as at the end of accounting year [included in Item (a)(i)(1) to Schedule K – Page 154]	0.86	<i>1.40</i>
2.	The interest due thereon remaining unpaid to supplier as at the end of accounting year	*	<i>0.02</i>
3.	The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2009-10	—	—
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	0.15	<i>0.10</i>
5.	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year [included in Item (a)(iii)(1) to Schedule K – Page 154]	0.16	<i>0.12</i>

* ₹ 70,261.84

- e) No amount is paid/payable by the Company under Section 441A of the Companies Act, 1956 (cess on turnover) since the rules specifying the manner in which the cess shall be paid has not been notified yet by the Central Government.
- f) Disclosure as per clause 32 of the Listing Agreement.

Loans and Advances in the nature of Loans given to Subsidiaries, Associates and Others :

Name of the Company	Relationship	Amount outstanding as at 31.03.2011 ₹ crores	Maximum balance outstanding during the year ₹ crores	Investment by the loanee in the shares of parent company No. of Shares
Tata Korf Engineering Services Ltd.	Subsidiary	0.84 <i>0.82</i>	0.84 <i>0.82</i>	—
The Indian Steel and Wire Products Ltd.	Subsidiary	11.50 <i>14.91</i>	15.27 <i>20.37</i>	—
Tata Steel (KZN) (Pty.) Ltd.	Subsidiary	448.17 <i>441.04</i>	459.47 <i>468.32</i>	—
Tata Metaliks Ltd.	Subsidiary	22.00 —	22.00 —	—
Adityapur Toll Bridge Company Ltd.	Subsidiary	14.00 —	14.00 —	—
Tata Steel Holdings Pte. Ltd.	Subsidiary	3,708.07 —	3,708.07 —	—
Tayo Rolls Ltd.	Subsidiary	10.00 —	10.00 —	—
Industrial Energy Ltd.	Associate	— —	— <i>15.07</i>	—
The Tinplate Company of India Ltd.	Associate	— —	— <i>180.00</i>	—

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10. Employee Benefits

- a) The Company has recognised, in the Profit and Loss Account for the year ended 31st March, 2011, an amount of ₹ 185.54 crores (2009-10 : ₹ 162.32 crores) expenses under defined contribution plans.

	₹ crores	
Benefit (Contribution to)	2010-11	2009-10
Provident Fund	125.57	108.12
Superannuation Fund	28.89	26.20
Employees Pension Scheme/Coal Mines Pension Scheme	18.50	17.02
TISCO Employees Pension Scheme	12.58	10.98
Total	185.54	162.32

The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, in the interest rate declared by Trust over statutory limit. Having regard to the assets of the Fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

- b) The Company operates post retirement defined benefit plans as follows:

- a. Funded
 - i. Post Retirement Gratuity
- b. Unfunded
 - i. Post Retirement Medical Benefits
 - ii. Pensions to Directors
 - iii. Farewell Gifts
 - iv. Packing and Transportation Costs on Retirement

- c) Details of the post retirement gratuity plan are as follows:

	₹ crores	
Description	2010-11	2009-10
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	1,173.34	1,053.62
b. Current service cost	54.71	49.82
c. Interest cost	90.20	78.44
d. Acquisition	—	0.64*
e. Actuarial (gain)/loss	310.10	74.81
f. Benefits paid	(91.66)	(83.99)
g. Obligation as at the end of the year	1,536.69	1,173.34
* On amalgamation of Hooghly Met Coke and Power Company Ltd. w.e.f. 01.04.2009.		
2. Change in plan assets (reconciliation of opening & closing balances)		
a. Fair value of plan assets as at beginning of the year	1,044.59	809.93
b. Expected return on plan assets	85.06	71.12
c. Actuarial gain/(loss)	6.94	5.61
d. Contributions	128.93	241.92
e. Benefits paid	(91.66)	(83.99)
f. Fair value of plan assets as at the end of the year	1,173.86	1,044.59
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at the end of the year	1,173.86	1,044.59
b. Present value of obligation as at the end of the year	1,536.69	1,173.34
c. Net obligation/(assets) recognised in the balance sheet	362.83	128.75
4. Expense recognised in the period		
a. Current service cost	54.71	49.82
b. Interest cost	90.20	78.44
c. Expected return on plan assets	(85.06)	(71.12)
d. Actuarial (gain)/loss	303.16*	69.20
e. Expense recognised during the year	363.01	126.34

The expense is disclosed in the line item – Payments to and Provisions for Employees.

- * Includes impact on account of wage settlement, provision for which was earlier included under wages and salaries, including bonus.

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5. Investment details		% invested 31.03.2011	% invested 31.03.2010
a.	GOI securities	9.67	11.78
b.	Public Sector Unit bonds	27.89	27.18
c.	State/Central Guaranteed securities	5.30	12.71
d.	Private sector bonds	7.03	8.56
e.	Deposit with LIC	47.93	39.61
f.	Others (including bank balances)	2.18	0.16
		100.00	100.00
6. Assumptions		31.03.2011	31.03.2010
a.	Discount rate (per annum)	8.00%	8.00%
b.	Estimated rate of return on plan assets (per annum)	8.00%	8.00%
c.	Rate of escalation in salary (per annum)	7.5 to 10%	6 to 10%

The long term estimate of the expected rate of return on the fund assets have been arrived at based on the asset allocation and prevailing yield rates on such assets. The major portions of the assets are invested in PSU bonds and LIC. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

d) Details of unfunded post retirement defined benefit obligations are as follows:

Description	₹ crores				
	2010-11		2009-10		
	Medical	Others	Medical	Others	
1. Reconciliation of opening and closing balances of obligation					
a.	Obligation as at the beginning of the year	600.72	45.02	541.68	37.02
b.	Current service cost	6.44	1.15	5.81	1.08
c.	Interest cost	46.11	3.49	40.47	2.77
d.	Acquisitions	—	—	0.18*	—
e.	Actuarial (gain)/loss	113.68	2.67	52.00	6.61
f.	Benefits paid	(48.69)	(2.80)	(39.42)	(2.46)
g.	Obligation as at the end of the year	718.26	49.53	600.72	45.02
* On amalgamation of Hooghly Met Coke and Power Company Ltd. w.e.f. 01.04.2009.					
2. Expense recognised in the period					
a.	Current service cost	6.44	1.15	5.81	1.08
b.	Interest cost	46.11	3.49	40.47	2.77
c.	Actuarial (gain)/loss	113.68	2.67	52.00	6.61
d.	Expense recognised during the year	166.23	7.31	98.28	10.46

The expense in relation to (a) Medical – ₹ 166.23 crores (2009-10: ₹ 98.28 crores), and (b) Others – ₹ 7.31 crores (2009-10: ₹ 10.46 crores) is included in item 4 (n) – Other Expenses in Schedule 4 of the Profit and Loss Account.

3. Assumptions					
a.	Discount rate (per annum) as at the beginning of the year	8.00%	8.00%	7.75%	7.75%
b.	Discount rate (per annum) as at the end of the year	8.00%	8.00%	8.00%	8.00%
c.	Medical costs inflation rate	5.00%		5.00%	
d.	Effect of a 1% change in health care cost, on	Increase (6% p.a.)	Decrease (4% p.a.)	Increase (6% p.a.)	Decrease (4% p.a.)
	– aggregate current service and interest cost	7.54	(6.24)	6.81	(6.26)
	– closing balance of obligation	87.48	(75.42)	100.28	(50.94)

e) The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :– continued

f) Other disclosures:

	₹ crores				
Benefit	2010-11	2009-10	2008-09	2007-08	2006-07
	Retiring Gratuity				
Defined benefit obligation	1,536.69	<i>1,173.34</i>	<i>1,053.62</i>	<i>761.17</i>	<i>694.99</i>
Plan assets	1,173.86	<i>1,044.59</i>	<i>809.93</i>	<i>709.14</i>	<i>645.68</i>
Surplus/(deficit)	(362.83)	<i>(128.75)</i>	<i>(243.69)</i>	<i>(52.03)</i>	<i>(49.31)</i>
Experience adjustments on plan liabilities – loss/(gain)	183.67	<i>98.15</i>	<i>192.98</i>	<i>27.15</i>	<i>14.48</i>
Experience adjustments on plan assets – gain/(loss)	6.94	<i>5.61</i>	<i>33.35</i>	<i>(6.02)</i>	<i>(18.29)</i>
Expected adjustments (best estimate) to funded plans in subsequent finance year	362.83	<i>128.75</i>	<i>243.69</i>	<i>52.03</i>	<i>49.31</i>
	Medical				
Defined benefit obligation	718.26	<i>600.72</i>	<i>541.68</i>	<i>507.42</i>	<i>457.10</i>
Plan assets	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Surplus/(deficit)	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Experience adjustments on plan liabilities – loss/(gain)	113.68	<i>70.27</i>	<i>6.78</i>	<i>26.47</i>	<i>20.63</i>
Experience adjustments on plan assets	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
	Others				
Defined benefit obligation	49.53	<i>45.02</i>	<i>37.02</i>	<i>37.73</i>	<i>33.21</i>
Plan assets	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Surplus/(deficit)	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Experience adjustments on plan liabilities – loss/(gain)	2.67	<i>7.70</i>	<i>3.70</i>	<i>1.13</i>	<i>0.41</i>
Experience adjustments on plan assets	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued
11. Information about Primary Business Segments

Particulars	Business Segments			Unallocable	Eliminations	Total
	Steel	Ferro Alloys and Minerals	Others			
	₹ crores	₹ crores	₹ crores	₹ crores	₹ crores	₹ crores
Revenue :						
Total External Sales	25,567.64	2,045.29	1,783.42			29,396.35
	21,928.19	1,553.01	1,540.78			25,021.98
Inter segment sales	1,293.53	386.41	56.32		(1,736.26)	—
	1,034.36	301.66	32.51		(1,368.53)	—
Total Revenue	26,861.17	2,431.70	1,839.74		(1,736.26)	29,396.35
	22,962.55	1,854.67	1,573.29		(1,368.53)	25,021.98
Segment result before interest, exceptional items and tax	9,459.43	822.18	79.09	716.64		11,077.34
	7,941.92	340.44	113.69	326.65		8,772.70
Less : Net finance charges (See Schedule 3, Page 138)						1,300.49
						1,508.40
Profit before Taxes						9,776.85
						7,214.30
Taxes						2,911.16
						2,167.50
Profit after Taxes						6,865.69
						5,046.80
Segment Assets	23,333.94	593.89	387.07	12,484.30		36,799.20
	19,592.23	421.44	386.22	5,985.35		26,385.24
Segment Liabilities	7,336.26	260.02	187.79	3,211.74		10,995.81
	6,492.72	233.35	162.43	2,115.03		9,003.53
Total cost incurred during the year to acquire segment assets	4,201.31	121.09	(0.55)			4,321.85
	2,089.82	7.78	4.44			2,102.04
Segment Depreciation	1,097.45	25.12	23.62			1,146.19
	1,040.22	20.23	22.73			1,083.18
Non-Cash Expenses other than depreciation	62.08	(0.65)	0.70	26.62		88.75
	42.12	0.67	(0.04)	37.71		80.46

Information about Secondary Segments : Geographical

	2010-11 ₹ crores	2009-10 ₹ crores
Revenue by Geographical Market		
India	27,135.71	22,954.43
Outside India	2,260.64	2,067.55
	29,396.35	25,021.98
Additions to Fixed Assets and Intangible Assets		
India	4,321.85	2,102.04
Outside India	—	—
	4,321.85	2,102.04
As at	As at	
31.03.2011	31.03.2010	
₹ crores	₹ crores	
Carrying Amount of Segment Assets		
India	36,799.20	26,180.38
Outside India	—	204.86
	36,799.20	26,385.24

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

Notes :

- (i) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacture of Steel and Ferro Alloys and Minerals business. Other business segments comprise Tubes and Bearings.
- (ii) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.
- (iii) Total Unallocable Assets exclude :

	As at	As at
	31.03.2011	31.03.2010
	₹ crores	₹ crores
Investments.....	46,564.94	44,979.67
Advance against Equity	6,187.58	1,871.40
	<u>52,752.52</u>	<u>46,851.07</u>
Total Unallocable Liabilities exclude :		
Secured Loans	2,009.20	2,259.32
Unsecured Loans	26,291.94	22,979.88
Hybrid perpetual securities	1,500.00	—
Foreign Currency Monetary Item Translation Difference Account	—	206.95
Provision for Employee Separation Compensation.....	873.34	957.16
Deferred Tax Liability (Net).....	936.80	867.67
	<u>31,611.28</u>	<u>27,270.98</u>

- (iv) Transactions between segments are primarily for materials which are transferred at market determined prices and common costs are apportioned on a reasonable basis.

12. Related Party Disclosures

(a) List of Related Parties and Relationships

Name of the Party	Country	Name of the Party	Country
A. Subsidiaries		xiii) Tata Refractories Ltd.	India
i) Adityapur Toll Bridge Company Ltd.	India	1. TRL Asia Private Ltd.	Singapore
ii) Centennial Steel Company Ltd.	India	2. TRL China Ltd.	China
iii) Gopalpur Special Economic Zone Ltd.	India	xiv) Tayo Rolls Ltd. India	
iv) Jamshedpur Utilities & Services Company Ltd.	India	xv) Tata Steel (KZN) (Pty) Ltd.	South Africa
1. Haldia Water Management Limited	India	xvi) Tata Steel Holdings Pte. Ltd.	Singapore
2. Naba Diganta Water Management Ltd.	India	1. NSA Holdings Pte Ltd. *	Singapore
3. SEZ Adityapur Ltd.	India	2. Tata Steel Global Holdings Pte Ltd.	Singapore
v) Kalimati Investment Company Ltd.	India	I. Tata Steel International (Singapore) Holdings Pte. Ltd.	Singapore
1. Bangla Steel & Mining Co. Ltd.	Bangladesh	1. TSIA Holdings (Thailand) Limited	Thailand
vi) Lanka Special Steels Ltd.	Sri Lanka	2. Tata Steel International (Guangzhou) Ltd.	China
vii) NatSteel Asia Pte. Ltd.	Singapore	3. Tata Steel International (Shanghai) Ltd.	China
1. NatSteel Iranian Private Joint Stock Company *	Iran	4. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia
2. NatSteel Middle East FZE *	UAE	5. Tata Steel International (Thailand) Limited	Thailand
3. Tata Steel Asia (Hong Kong) Ltd.	Hong Kong	6. Tata Steel International (Singapore) Pte. Ltd.	Singapore
4. Tata Steel Resources Australia Pty. Ltd.	Australia	7. Tata Steel international (Asia) Limited	Hong Kong
viii) T S Alloys Limited	India	8. Tata Steel International (Hong Kong) Limited	Hong Kong
ix) Sila Eastern Ltd.	Thailand		
x) Tata Incorporated	USA		
xi) Tata Korf Engineering Services Ltd.	India		
xii) Tata Metaliks Ltd.	India		
1. Tata Metaliks Kubota Pipes Ltd.	India		

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

Name of the Party		Country	Name of the Party		Country
II.	NatSteel Holdings Pte. Ltd.	Singapore	26.	British Steel Samson Limited	UK
1.	Best Bar Pty. Ltd.	Australia	27.	British Steel Service Centres Ltd.	UK
2.	Bestbar (Vic) Pte. Ltd.	Australia	28.	British Steel Tubes Exports Ltd.	UK
3.	Burwill Trading Pte. Ltd.	Singapore	29.	British Transformer Cores Ltd.	UK
4.	Easteel Construction Services Pte. Ltd.	Singapore	30.	British Tubes Stockholding Ltd.	UK
5.	Easteel Services (M) Sdn. Bhd.	Malaysia	31.	Bs Quest Trustee Limited	UK
6.	Eastern Steel Fabricators Philippines, Inc.	Philippines	32.	Bskh Corporate Services (UK) Limited	UK
7.	Eastern Steel Services Pte. Ltd.	Singapore	33.	Burgdorfer Grundstuecks GmbH	Germany
8.	Eastern Wire Pte. Ltd.	Singapore	34.	C V Benine	Netherlands
9.	Materials Recycling Pte. Ltd.	Singapore	35.	C Walker & Sons Ltd.	UK
10.	NatSteel (Xiamen) Ltd.	China	36.	Catnic GmbH	Germany
11.	NatSteel Asia (S) Pte. Ltd.	Singapore	37.	Catnic Limited	UK
12.	NatSteel Australia Pty. Ltd.	Australia	38.	Cbs Investissements SAS	France
13.	NatSteel Equity IV Pte. Ltd.	Singapore	39.	Cladding & Decking (UK) Limited	UK
14.	Natsteel Recycling Pte Ltd.	Singapore	40.	Cogent Power Inc.	Canada
15.	NatSteel Trade International (Shanghai) Company Ltd.	China	41.	Cogent Power Inc.	Mexico
16.	NatSteel Trade International Pte. Ltd.	Singapore	42.	Cogent Power Inc.	USA
17.	NatSteel Vina Co. Ltd.	Vietnam	43.	Cogent Power Limited	UK
18.	PT Materials Recycling Indonesia	Indonesia	44.	Cold Drawn Tubes Ltd.	UK
19.	The Siam Industrial Wire Company Ltd.	Thailand	45.	Color Steels Limited	UK
20.	Wuxi Jinyang Metal Products Co. Ltd.	China	46.	Corbeil Les Rives SCI	France
III.	Orchid Netherlands (No.1) B.V.	Netherlands	47.	Corby (Northants) & District Water Co.	UK
IV.	Tata Steel Europe Ltd.	UK	48.	Cordor (C& B) Limited	UK
1.	Almana Steel Dubai (Jersey) Limited	Jersey	49.	Corus - Sistemas Constructivos E Revestimentos Metalicos, Lda *	Portugal
2.	Apollo Metals Ltd.	USA	50.	Corus Aerospace Service Centre Suzhou Co Ltd.	China
3.	Ashorne Hill Management College	UK	51.	Corus Aluminium Limited	UK
4.	Augusta Grundstucks GmbH	Germany	52.	Corus Aluminium Verwaltungsgesellschaft Mbh	Germany
5.	Automotive Laser Technologies Limited	UK	53.	Corus Batiment Et Systemes SAS	France
6.	B S Pension Fund Trustee Ltd.	UK	54.	Corus Belgium Bvba*	Belgium
7.	Bailey Steels Limited	UK	55.	Corus Beteiligungs GmbH	Germany
8.	Beheermaatschappij Industriële Produkten B.V.	Netherlands	56.	Corus Brokers Limited	UK
9.	Belfin Beheermaatschappij B.V.	Netherlands	57.	Corus Building Systems Bulgaria AD	Bulgaria
10.	Bell & Harwood Limited	UK	58.	Corus Building Systems N.V.	Belgium
11.	Blastmega Limited	UK	59.	Corus Building Systems SAS	France
12.	Blume Stahlservice GmbH	Germany	60.	Corus Byggesystemer A/S	Denmark
13.	Blume Stahlservice Polska Sp.Z.O.O	Poland	61.	Corus Byggsystem AB	Sweden
14.	Bore Samson Group Ltd	UK	62.	Corus Byggsystemer A/S	Norway
15.	Bore Steel Ltd.	UK	63.	Corus Central Europe S.R.O.	Czech Republic
16.	British Guide Rails Ltd.	UK	64.	Corus Cic Holdings Inc.	Canada
17.	British Steel Benelux B.V.*	Netherlands	65.	Corus Cic Inc.*	Canada
18.	British Steel Corporation Ltd	UK	66.	Corus CNBV Investments	UK
19.	British Steel De Mexico S.A. de C.V.	Mexico	67.	Corus Coatings Usa Inc.	USA
20.	British Steel Directors (Nominees) Limited	UK	68.	Corus Cold Drawn Tubes Limited	UK
21.	British Steel Employee Share Ownership Trustees Ltd.	UK	69.	Corus Consulting B.V.	Netherlands
22.	British Steel Engineering Steels (Exports) Limited	UK	70.	Corus Electrical Limited	UK
23.	British Steel Holdings B.V.	Netherlands	71.	Corus Engineering Limited	UK
24.	British Steel International B.V.	Netherlands	72.	Corus Engineering Steels (UK) Limited	UK
25.	British Steel Nederland International B.V.	Netherlands	73.	Corus Engineering Steels Holdings Limited	UK

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued

Name of the Party	Country	Name of the Party	Country
74. Corus Engineering Steels Limited	UK	123. Eric Olsson & Soner Forvaltnings AB	Sweden
75. Corus Engineering Steels Overseas Holdings Limited	UK	124. Esmil B.V.	Netherlands
76. Corus Finance Limited	UK	125. Euro-Laminations Limited	UK
77. Corus Group Limited	UK	126. European Electrical Steels Limited	UK
78. Corus Holdings Ltd.	UK	127. Europressings Limited	UK
79. Corus Holdings SA	France	128. Firsteel Group Limited	UK
80. Corus India Ltd.	India	129. Firsteel Holdings Limited	UK
81. Corus International (Overseas Holdings) Limited	UK	130. Firsteel Strip Mill Products Limited	UK
82. Corus International Bulgaria Limited	Bulgaria	131. Fischer Profielen NV	Belgium
83. Corus International Limited	UK	132. Fischer Profil GmbH	Germany
84. Corus International Representacoes Do Brasil Ltda.	Brazil	133. Gamble Simms Metals Ltd.	Ireland
85. Corus International Romania SRL.	Romania	134. Grant Lyon Eagre Ltd.	UK
86. Corus Investments Ltd.	UK	135. H E Samson Ltd.	UK
87. Corus Ireland Ltd.	Ireland	136. Hadfields Holdings Ltd.	UK
88. Corus Large Diameter Pipes Limited	UK	137. Hammermega Limited	UK
89. Corus Liaison Services (India) Limited	UK	138. Harrowmills Properties Ltd.	UK
90. Corus Management Limited	UK	139. Hille & Muller GmbH	Germany
91. Corus Metal Iberica S.A	Spain	140. Hille & Muller Usa Inc.	USA
92. Corus Metals Limited	UK	141. Holorib GmbH	Germany
93. Corus Multi-Metals Limited	UK	142. Hoogovens (UK) Limited	UK
94. Corus Norge A/S	Norway	143. Hoogovens Aluminium UK Limited	UK
95. Corus Packaging Plus Norway AS	Norway	144. Hoogovens Finance B.V.	Netherlands
96. Corus Primary Aluminium B.V.	Netherlands	145. Hoogovens Technical Services Coahuila B.V.*	Netherlands
97. Corus Properties (Germany) Limited	UK	146. Hoogovens Technical Services Mexico De S. De R.L. De C.V.	Mexico
98. Corus Property	UK	147. Hoogovens Technical Services Monclova B.V.*	Netherlands
99. Corus Quest Trustee Limited	UK	148. Hoogovens Tubes Poland Spolka Z.O.O	Poland
100. Corus Rail Limited	UK	149. Hoogovens Usa Inc.	USA
101. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland	150. Huizenbezit "Breesaap" B.V.	Netherlands
102. Corus Service Center Milano Spa	Italy	151. Ickles Cottage Trust	UK
103. Corus Service Centre Limited	N Ireland	152. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France
104. Corus Service Centre Maastricht B.V.	Netherlands	153. Industrial Steels Limited	UK
105. Corus Sheet & Tube Inc.	USA	154. Inter Metal Distribution SAS	France
106. Corus Stainless Limited	UK	155. K&S Management Service Limited*	UK
107. Corus Stainless NI B.V.	Netherlands	156. Kalzip Asia Pte	Singapore
108. Corus Stainless UK Ltd.	UK	157. Kalzip GmbH	Germany
109. Corus Steel Limited	UK	158. Kalzip GmbH	Austria
110. Corus Steel Service STP LLC *	Russia	159. Kalzip Guanhzhou Limited	China
111. Corus Steel Usa Inc.	USA	160. Kalzip Inc	USA
112. Corus Sverige AB	Sweden	161. Kalzip Italy SRL *	Italy
113. Corus Trico Holdings Inc.	USA	162. Kalzip Limited	UK
114. Corus UK Healthcare Trustee Limited	UK	163. Kalzip Spain S.L.U.	Spain
115. Corus Ukraine LLC	Ukraine	164. Layde Steel S.L.	Spain
116. Cpn (85) Limited	UK	165. Lister Tubes Ltd.	Ireland
117. Crucible Insurance Company Ltd.	I of Man	166. London Works Steel Company Ltd.	UK
118. Degels GmbH	Germany	167. Midland Steel Supplies Ltd.	UK
119. Demka B.V.	Netherlands	168. Mistbury Investments Limited	UK
120. Dsrn Group Plc.	UK	169. Montana Bausysteme AG	Switzerland
121. Ees Group Services Limited	UK	170. Myriad Deutschland GmbH	Germany
122. Ees Nederland B.V.	Netherlands	171. Myriad Espana SI	Spain

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

Name of the Party	Country	Name of the Party	Country
172. Myriad Nederland B.V.	Netherlands	220. Tata Steel Ijmuiden BV	Netherlands
173. Myriad SA	France	221. Tata Steel International (Americas) Holdings Inc	USA
174. Myriad United Kingdom Limited	UK	222. Tata Steel International (Americas) Inc	USA
175. Namascor B.V.	Netherlands	223. Tata Steel International (Australasia) Limited	New Zealand
176. Nationwide Steelstock Limited	UK	224. Tata Steel International (Benelux) BV	Netherlands
177. Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	Netherlands	225. Tata Steel International (Denmark) A/S	Denmark
178. Oostflank B.V.	Netherlands	226. Tata Steel International (Finland) OY	Finland
179. Orb Electrical Steels Limited	UK	227. Tata Steel International (France) SAS	France
180. Ore Carriers Ltd.	UK	228. Tata Steel International (Germany) GmbH	Germany
181. Oremco Inc.	USA	229. Tata Steel International Hellas SA	Greece
182. Plated Strip International Limited	UK	230. Tata Steel International (Italy) SRL	Italy
183. Precoat International Limited	UK	231. Tata Steel International (Middle East) FZE	UAE
184. Precoat Limited	UK	232. Tata Steel International (Nigeria) Ltd.	Nigeria
185. Rafferty-Brown Steel Co Inc Of Conn.	USA	233. Tata Steel International (North America) Ltd.	USA
186. Richard Thomas And Baldwins (Australia) Pty Ltd.	Australia	234. Tata Steel International (Poland) sp Zoo	Poland
187. Richard Thomas And Baldwins 1978. Limited	New Zealand	235. Tata Steel International (Schweiz) AG	Switzerland
188. Round Oak Steelworks Ltd.	UK	236. Tata Steel International (UK) Ltd.	UK
189. Runblast Limited	UK	237. Tata Steel International (India) Pvt. Ltd.	India
190. Runmega Limited	UK	238. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
191. S A B Profiel B.V.	Netherlands	239. Tata Steel Nederland BV	Netherlands
192. S A B Profiel GmbH	Germany	240. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
193. SA Intertubes*	Belgium	241. Tata Steel Nederland Investment BV	Netherlands
194. Sacra-Nord SAS	France	242. Tata Steel Nederland Perfo BV	Netherlands
195. Scrap Processing Holding B.V.	Netherlands	243. Tata Steel Nederland Services BV	Netherlands
196. Seamless Tubes Ltd.	UK	244. Tata Steel Nederland Star-Frame BV	Netherlands
197. Service Center Gelsenkirchen GmbH	Germany	245. Tata Steel Nederland Technology BV	Netherlands
198. SIA Corus Building Systems	Latvia	246. Tata Steel Nederland Tubes BV	Netherlands
199. Simiop Investments Ltd.	UK	247. Tata Steel Netherlands Holdings B.V.	Netherlands
200. Simiop Ltd.	UK	248. Tata Steel UK Consulting Limited	UK
201. Skruv Erik AB	Sweden	249. Tata Steel UK Holdings Limited	UK
202. Societe Europeenne De Galvanisation (Segal) Sa	Belgium	250. Tata Steel UK Limited	UK
203. Staalverwerking En Handel B.V.	Netherlands	251. Tata Steel UK Rail Consultancy Limited	UK
204. Steel Company (N.I.) Ltd.*	UK	252. Telmag (Holdings) Limited*	UK
205. Steel Stockholdings Ltd.	UK	253. Telmag Magnetic Components Limited*	UK
206. Steelstock Ltd.	UK	254. The Newport And South Wales Tube Company Ltd.	UK
207. Stewarts & Lloyds Of Ireland Ltd.	Ireland	255. The Stanton Housing Company Ltd.	UK
208. Stewarts And Lloyds (Overseas) Ltd.	UK	256. The Steel Company Of Ireland Limited	Ireland
209. Stocksbridge Cottage Trust	UK	257. The Templeborough Rolling Mills Ltd.	UK
210. Stuwadoorsbedrijf Velserkom B.V.*	Netherlands	258. Thomas Processing Company	USA
211. Surahammar Bruks AB	Sweden	259. Thomas Steel Strip Corp.	USA
212. Swinden Housing Association	UK	260. Tinsley Trailers Limited	UK
213. Tata Steel Belgium Packing Steels N.V.	Belgium	261. Toronto Industrial Fabrications Ltd.	UK
214. Tata Steel Belgium Services N.V.	Belgium	262. Trierer Walzwerk GmbH	Germany
215. Tata Steel Europe Distribution BV	Netherlands	263. Tulip Netherlands (No.1) B.V.	Netherlands
216. Tata Steel Europe Metals Trading BV	Netherlands	264. Tulip Netherlands (No.2) B.V.	Netherlands
217. Tata Steel France Rail SA	France	265. Tulip UK Holdings (No.2) Ltd.	UK
218. Tata Steel Germany GmbH	Germany		
219. Tata Steel Hungary LLC	Hungary		

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

Name of the Party	Country	Name of the Party	Country
266. Tulip UK Holdings (No.3) Ltd.	UK	iv) Tata Refractories Ltd.	
267. Tuscaloosa Steel Corporation	USA	1. Almora Magnesite Ltd.	India
268. U.E.S. Bright Bar Limited	UK	v) Tata Steel Ltd.	
269. UK Steel Enterprise Ltd.	UK	1. Indian Steel Rolling Mills Ltd.	India
270. Ukse Fund Managers (General Partner) Limited	UK	2. Industrial Energy Ltd.	India
271. Ukse Fund Managers Limited	UK	3. Jamipol Ltd.	India
272. Unitol SAS	France	4. Kalinga Aquatics Ltd.	India
273. Vlietjonge BV	Netherlands	5. Kumardhubi Fireclay & Silica Works Ltd.	India
274. Walker Manufacturing And Investments Ltd.	UK	6. Kumardhubi Metal Casting & Engineering Ltd.	India
275. Walkersteelstock Ireland Limited	Ireland	7. Nicco Jubilee Park Ltd.	India
276. Walkersteelstock Ltd.	UK	8. Strategic Energy Technology Systems Limited	India
277. Westwood Steel Services Ltd.	UK	9. Tata Construction & Projects Ltd.	India
278. Whitehead (Narrow Strip) Ltd.	UK	10. Tata Sponge Iron Ltd.	India
V. Tata Steel Global Minerals Holdings Pte Ltd.	Singapore	11. The Tinplate Company of India Ltd.	India
1. Al Rimal Mining LLC	Oman	12. TRF Ltd.	India
2. Black Ginger 461 Proprietary Ltd	South Africa	vi) Tata Steel Holdings Pte. Ltd.	
3. Kalimati Coal Company Pty. Ltd.	Australia	a) Tata Steel Global Holdings Pte Ltd.	
4. Sedibeng Iron Ore Pty. Ltd.*	South Africa	I. Tata Steel International (Singapore) Holdings Pte. Ltd.	
5. Tata Steel Cote D' Ivoire S.A	Ivory Coast	1. European Profiles Malaysia (M) Sdn.Bhd.	Malaysia
6. Tata Steel Minerals UK Limited *	UK	II. NatSteel Holdings Pte. Ltd.	
7. Tata Steel Minerals Canada Limited *	Canada	1. Southern Steel, Berhard *	Malaysia
VI. Tata Steel (Thailand) Public Company Ltd.	Thailand	III. Tata Steel Europe Ltd.	
1. N.T.S Steel Group Plc.	Thailand	1. Ab Norskstal AS	Norway
2. The Siam Construction Steel Co. Ltd.	Thailand	2. Albi Profils SRL	France
3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand	3. Appleby Frodingham Cottage Trust Limited	UK
VII. Tata Steel Global Procurement Company Pte. Ltd. *	Singapore	4. Combulex B.V.	Netherlands
1. ProCo Issuer Pte. Ltd. *	Singapore	5. Cv Gasexpansie Ijmond	Netherlands
xvii) Tata Steel Processing And Distribution Limited	India	6. Danieli Corus Canada Inc.	Canada
xviii) TM International Logistics Ltd.	India	7. Danieli Corus Asia B.V.	Netherlands
1. International Shipping Logistics FZE	UAE	8. Danieli Corus B.V.	Netherlands
2. TKM Global China Ltd	China	9. Danieli Corus Braseq Ltda.	Brazil
3. TKM Global GmbH	Germany	10. Danieli Corus Construction Services B.V.	Netherlands
4. TKM Global Logistics Ltd.	India	11. Danieli Corus Construction Services USA Inc.	USA
5. TM Harbour Services Private Ltd.	India	12. Danieli Corus Do Brasil Ltda.	Brazil
xix) The Indian Steel and Wire Products Ltd.	India	13. Danieli Corus Inc.	USA
xx) The Tata Pigments Ltd.	India	14. Danieli Corus Services USA Inc.	USA
xxi) T M Mining Company Limited *	India	15. Danieli India (Pvt.) Ltd.	India
xxii) Jamshedpur Continuous Annealing and Processing Company Private Limited *	India	16. European Profiles (Marketing) Sdn.Bhd.	Malaysia
B. Associates through		17. Galvpro LP.	USA
i) Kalimati Investment Company Ltd.		18. Gietwalsonderhoudcombinatie B.V.	Netherlands
1. Rujuvalika Investments Ltd.	India	19. Hoogovens Court Roll Service Technologies Vof:	Netherlands
ii) NatSteel Asia Pte. Ltd.		20. Hoogovens Gan Multimedia S.A. De C.V.	Mexico
1. Steel Asia Development and Management Corp.	Singapore	21. Isolation Du Sud SA	France
2. Steel Asia Industries Inc.	Singapore	22. Issb Limited	UK
3. Steel Asia Manufacturing Corporation	Singapore	23. MDC Sublance Probe Technology	Shanghai
iii) Tata Incorporated		24. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V.	Netherlands
1. TKM Overseas Ltd.	UK	25. Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
		26. Rsp Holding B.V.	Netherlands
		27. Schreiner Fleischer AS	Norway
		28. Shanghai Bao Yi Beverage Can Making Co. Ltd.	China

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

Name of the Party	Country	Name of the Party	Country
29. Sms Mevac UK Limited	UK	3. B V Ijzerleew	Netherlands
30. Stuwadoorsbedrijf Velserkom B.V. *	Netherlands	4. Bsr Pipeline Services Limited	UK
31. Thoresen & Thorvaldsen AS	Norway	5. Caparo Merchant Bar Plc	UK
32. Trico LLC	USA	6. Cindu Chemicals B.V.	Netherlands
33. Weirton/Hoogovens GP	USA	7. Corus Celik Ticaret AS	Turkey
34. Workington Cottage Trust	UK	8. Corus Cogifer Switches And Crossings Limited	UK
35. Wupperman Staal Nederland B.V.	Netherlands	9. Corus Kalpinis Simos Rom SRL.	Romania
IV. Tata Steel Global Minerals Holdings Pte Ltd.		10. Danieli Corus Technical Services B.V.	Netherlands
1. Riversdale Mining Ltd.	Australia	11. Hks Scrap Metals B.V.	Netherlands
2. New Millennium Capital Corporation *	Canada	12. Ijzerhandel Geertsema Staal B.V.	Netherlands
vii) The Indian Steel and Wire Products Ltd.		13. Industrial Rail Services Ijmond B.V.	Netherlands
1. Metal Corporation of India Ltd.	India	14. Laura Metaal Holding B.V.	Netherlands
C. Joint Venture of		15. Norsk Stal AS	Norway
i) Tata Steel Ltd.		16. Norsk Stal Tynnplater AS	Norway
1. Bhubaneswar Power Pvt. Ltd.	India	17. Ravenscraig Limited	UK
2. mjunction services ltd.	India	18. Tata Elastron SA	Greece
3. S & T Mining Co. Pvt. Ltd.	India	19. Tata Elastron SA Steel Service Center	Greece
4. Tata Bluescope Steel Ltd.	India	20. Texturing Technology Limited	UK
5. Tata NYK Shipping Pte Ltd.	Singapore	21. Redcar Bulk Terminal Limited *	UK
6. The Dhamra Port Company Ltd.	India	II. Tata Steel Global Minerals Holdings Pte. Ltd.	
7. Himalaya Steel Mills Services Pvt. Ltd.*	India	1. Riversdale Energy (Mauritius) Ltd	Mauritius
ii) Tata Steel Holdings Pte. Ltd.		D. Promoters holding together with its subsidiary is more than 20% Tata Sons Ltd.	
a) Tata Steel Global Holdings Pte Ltd.		E. Key Management Personnel – Whole time Directors	
I. Tata Steel Europe Ltd.		Mr. H. M. Nerurkar	
1. Afon Tinplate Company Limited	UK		
2. Air Products Llanwern Limited	UK		

* Part of the Year

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued

12. (b) Related Party Transactions

₹ crores

Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of Goods						
TS Resources Australia Pte Ltd.	3,874.07 2,639.27	— —	— —	— —	— —	3,874.07 2,639.27
Others	160.22 196.56	112.30 107.28	— —	— —	— —	272.52 303.84
	4,034.29 2,835.83	112.30 107.28	— —	— —	— —	4,146.59 2,943.11
Sale of Goods						
TS Asia (Hong Kong) Pte.	696.20 553.11	— —	— —	— —	— —	696.20 553.11
Tata Steel Processing And Distribution Ltd.	1,196.48 684.43	— 141.37	— —	— —	— —	1,196.48 825.80
Others	583.63 384.58	459.10 436.46	— —	— —	— —	1,042.73 821.04
	2,476.31 1,622.12	459.10 577.83	— —	— —	— —	2,935.41 2,199.95
Receiving of Services						
Jamshedpur Utilities & Services Co. Ltd.	241.12 206.27	— —	— —	— —	— —	241.12 206.27
T M International Logistics Ltd.	133.29 161.77	— —	— —	— —	— —	133.29 161.77
The Tinplate Company of India Ltd.	— —	321.51 370.03	— —	— —	— —	321.51 370.03
TS Alloys Ltd.	122.65 101.75	— —	— —	— —	— —	122.65 101.75
Others	276.10 164.47	21.93 49.47	— —	— —	2.21 1.36	300.24 215.30
	773.16 634.26	343.44 419.50	— —	— —	2.21 1.36	1,118.81 1,055.12
Rendering of Services						
Jamshedpur Utilities & Services Co. Ltd.	68.92 37.04	— —	— —	— —	— —	68.92 37.04
The Tinplate Company of India Ltd.	— —	43.31 42.10	— —	— —	— —	43.31 42.10
Others	40.79 45.72	13.54 10.52	— —	— —	0.19 0.24	54.52 56.48
	109.71 82.76	56.85 52.62	— —	— —	0.19 0.24	166.75 135.62
Purchase of Fixed Assets						
TRF Ltd.	— —	54.00 3.17	— —	— —	— —	54.00 3.17
Others	— —	— 0.31	— —	— —	— —	— 0.31
	— —	54.00 3.48	— —	— —	— —	54.00 3.48
Sale of Fixed Assets						
Jamipol Ltd.	— —	— 0.07	— —	— —	— —	— 0.07
Lanka Special Steels Ltd.	0.04 0.18	— —	— —	— —	— —	0.04 0.18
	0.04 0.18	— 0.07	— —	— —	— —	0.04 0.25

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued
12. (b) Related Party Transactions

₹ crores						
Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Dividend Expense						
Tata Sons Ltd.	—	—	—	—	206.74	206.74
	—	—	—	—	408.42	408.42
Others	0.54	0.93	*	—	—	1.47
	1.08	1.86	0.01	***	—	2.95
	0.54	0.93	**	—	206.74	208.21
	1.08	1.86	0.01	****	408.42	411.37
Dividend Income						
Jamipol Ltd.	—	5.24	—	—	—	5.24
	—	2.38	—	—	—	2.38
Tata Refractories Ltd.	8.19	—	—	—	—	8.19
	7.45	—	—	—	—	7.45
The Tinplate Company of India Ltd.	—	13.97	—	—	—	13.97
	—	13.94	—	—	—	13.94
Tata Sponge Iron Ltd.	—	4.90	—	—	—	4.90
	—	4.90	—	—	—	4.90
Others	1.49	2.69	—	—	—	4.18
	183.65	2.30	—	—	—	185.95
	9.68	26.80	—	—	—	36.48
	191.10	23.52	—	—	—	214.62
Interest Income						
Tata Steel Holdings Pte. Ltd.	35.56	—	—	—	—	35.56
	—	—	—	—	—	—
Tata Steel KZN Pty. Ltd.	20.91	—	—	—	—	20.91
	19.15	—	—	—	—	19.15
Others	4.23	5.17	—	—	—	9.40
	1.73	16.46	—	—	—	18.19
	60.70	5.17	—	—	—	65.87
	20.88	16.46	—	—	—	37.34
Management contracts including deputation of employees						
Tata Sons Ltd.	—	—	—	—	50.00	50.00
	—	—	—	—	50.00	50.00
	—	—	—	—	50.00	50.00
	—	—	—	—	50.00	50.00
Finance Provided						
Tata Steel Holdings Pte. Ltd.	11,547.95	—	—	—	—	11,547.95
	4,334.94	—	—	—	—	4,334.94
Centennial Steel Company Ltd.	1,453.29	—	—	—	—	1,453.29
	1,644.87	—	—	—	—	1,644.87
Others	58.16	162.18	—	—	—	220.34
	329.13	371.09	—	—	—	700.22
	13,059.40	162.18	—	—	—	13,221.58
	6,308.94	371.09	—	—	—	6,680.03
Unsecured advances / Deposits given						
Jamshedpur Utilities & Services Co. Ltd.	7.21	—	—	—	—	7.21
	2.91	—	—	—	—	2.91
Others	0.02	—	—	—	—	0.02
	0.02	—	—	—	—	0.02
	7.23	—	—	—	—	7.23
	2.93	—	—	—	—	2.93

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued
12. (b) Related Party Transactions

₹ crores

Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Remuneration Paid						
Mr. H. M. Nerurkar	—	—	4.16	—	—	4.16
	—	—	3.01	—	—	3.01
Mr. B. Muthuraman (upto 30.09.2009)	—	—	—	—	—	—
	—	—	4.01	—	—	4.01
	—	—	4.16	—	—	4.16
	—	—	7.02	—	—	7.02
Guarantees and collaterals given						
Corus UK LTD, Corus Rail Consultancy	—	—	—	—	—	—
Industrial Steels Limited,	139.28	—	—	—	—	139.28
Corus International Trading Ltd.						
Centennial Steel Company Limited	637.86	—	—	—	—	637.86
	—	—	—	—	—	—
Tata NYK Shipping Pte Ltd.	—	—	—	—	—	—
	—	134.78	—	—	—	134.78
	637.86	—	—	—	—	637.86
	139.28	134.78	—	—	—	274.06
Guarantees outstanding						
Corus UK LTD, Corus Rail Consultancy	138.24	—	—	—	—	138.24
Industrial Steels Limited,	139.28	—	—	—	—	139.28
Corus International Trading Ltd.						
Centennial Steel Company Limited	637.86	—	—	—	—	637.86
	—	—	—	—	—	—
Tata NYK Shipping Pte Ltd.	—	133.79	—	—	—	133.79
	—	134.78	—	—	—	134.78
	776.10	133.79	—	—	—	909.89
	139.28	134.78	—	—	—	274.06
Outstanding Receivables						
Tata Steel Holdings Pte. Ltd.	7,713.05	—	—	—	—	7,713.05
	191.85	—	—	—	—	191.85
Centennial Steel Company Ltd.	2,783.81	—	—	—	—	2,783.81
	1,671.86	—	—	—	—	1,671.86
Others	743.54	11.35	—	—	4.01	758.90
	632.06	20.97	—	—	4.01	657.04
	11,240.40	11.35	—	—	4.01	11,255.76
	2,495.77	20.97	—	—	4.01	2,520.75
Outstanding Payables						
TS Resources Australia Pte Ltd.	1,537.91	—	—	—	—	1,537.91
	1,379.26	—	—	—	—	1,379.26
Others	173.14	83.66	—	—	50.76	307.56
	135.04	42.31	—	—	56.10	233.45
	1,711.05	83.66	—	—	50.76	1,845.47
	1,514.30	42.31	—	—	56.10	1,612.71
Bad Debts Recovered						
The Indian Steel & Wire Products Ltd.	3.07	—	—	—	—	3.07
	3.07	—	—	—	—	3.07
	3.07	—	—	—	—	3.07
	3.07	—	—	—	—	3.07

* ₹ 5,096.00

** ₹ 5,096.00

*** ₹ 23,891.15

**** ₹ 23,891.15

Transactions with Joint Ventures have been disclosed at full value.

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued

13. The Company has the following Joint Ventures as on 31st March, 2011 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Venture Companies is given below :

Name of the Joint Venture Company	Country of Incorporation	Percentage of Holding	As at 31st March, 2011				For the year ended 31st March, 2011	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services ltd.	India	50%	104.34	40.54	—	—	50.59	32.06
			71.93	26.66	0.72	—	38.76	23.54
The Dhamra Port Company Ltd.	India	50%	1,761.16	1,438.75	—	76.17	0.02	0.52
			1,449.28	1,203.87	—	215.58	0.02	0.45
Tata BlueScope Steel Ltd.	India	50%	745.86	493.41	20.26	59.14	257.72	266.88
			576.70	315.10	11.66	114.32	213.75	222.98
Tata NYK Shipping Pte. Ltd.	Singapore	50%	363.04	238.35	—	171.95	329.72	328.39
			277.15	151.97	—	252.98	353.36	356.49
Bhubaneshwar Power Pvt. Ltd.	India	14%	5.73	0.08	0.40	38.64	—	—
			1.10	1.00	0.71	—	—	0.05
S & T Mining Company Pvt. Ltd.	India	50%	1.81	0.52	—	—	—	1.17
			0.57	0.31	—	—	—	0.49
Himalaya Steel Mills Services Pvt. Ltd.	India	26%	2.33	0.01	—	—	—	0.02
			—	—	—	—	—	—

14. **Earnings Per Share (EPS)**

	2010-11 ₹ crores	2009-10 ₹ crores
(i) Profit after tax.....	6,865.69	5,046.80
Less : Preference Dividend including tax thereon	—	53.68
Less : Distribution on Hybrid Perpetual Securities (net of tax)	4.54	—
Profit attributable to ordinary shareholders.....	6,861.15	4,993.12
Profit attributable to ordinary shareholders – for Diluted EPS	6,890.01	5,054.70
	Nos.	Nos.
(ii) Weighted average No. of Ordinary Shares for Basic EPS	90,72,52,572	82,85,50,811
Add : Adjustment for 3,820 (2009-10 : Nil) Convertible Alternative Reference Securities	2,10,15,711	—
Adjustment for 5,469.35 (2009-10: 5,469.35) 4.5% Foreign Currency Convertible Bonds	4,19,60,304	1,51,43,378
Adjustment for Options relating to 1,20,00,000 (2009-10 : Nil) Detachable Warrants	3,53,829	—
Adjustment for Nil (2009-10 : 54,72,66,011) Cumulative Convertible Preference Shares	—	3,82,33,652
Weighted average no. of Ordinary Shares for Diluted EPS	97,05,82,416	88,19,27,841
(iii) Nominal value of Ordinary Shares.....	₹ 10.00	₹ 10.00
(iv) Basic Earnings per Ordinary Share.....	₹ 75.63	₹ 60.26
(v) Diluted Earnings per Ordinary Share	₹ 70.99	₹ 57.31

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued

15. Deferred Tax Liability (Net) (Item No. 6, Page 134)

	Deferred Tax (Asset)/Liability as at 1.04.2010 ₹ crores	Current year charge/(credit) ₹ crores	Deferred Tax (Asset)/Liability as at 31.03.2011 ₹ crores
Deferred Tax Liabilities			
(i) Difference between book and tax depreciation	1,973.23	(17.52)	1,955.71
(ii) Prepaid Expenses	73.02	33.14	106.16
	<u>2,046.25</u>	<u>15.62</u>	<u>2,061.87</u>
Deferred Tax Assets			
(i) Employee Separation Compensation	(491.79)	49.97	(441.82)
(ii) Wage Provision	(127.55)	2.96	(124.59)
(iii) Provision for doubtful debts & advances	(29.83)	(1.97)	(31.80)
(iv) Disallowance under Section 43B.....	(165.11)	3.84	(161.27)
(v) Provision for Leave Salary	(140.10)	3.26	(136.84)
(vi) Provision for Employee Benefits	(68.92)	1.61	(67.31)
(vii) Other Deferred Tax Assets/Liabilities	(22.70)	(9.73)	(32.43)
	<u>(1,046.00)</u>	<u>49.94</u>	<u>(996.06)</u>
	<u>1,000.25</u>	<u>65.56</u>	<u>1,065.81</u>
(viii) Impact of change in tax rates in the current year on deferred tax asset created on unamortised ESS earlier adjusted against Securities Premium Account in 2002-03		(11.40)	
Net amount charged to Profit and Loss Account (Item 8(b), Page 135)		<u>54.16</u>	
Deferred tax asset on the redemption premium on CARS adjusted against Securities Premium Account on issue of CARS in 2007-08	(132.58)	3.57	(129.01)
Deferred Tax Liabilities (Net)	<u>867.67</u>		<u>936.80</u>

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued
16. Installed capacities and production :

Class of Products	Installed capacity ⁽¹⁾	Production ⁽²⁾
	Tonnes	Tonnes
(i) Crude Steel (Jamshedpur, Jharkhand)	68,00,000 68,00,000	68,55,424 ⁽³⁾ 65,63,690
(ii) Wire Rods (Tarapur, Maharashtra)	3,00,000 2,65,000	2,96,566 2,73,909
Wires (Borivali, Tarapur; Maharashtra), (Indore, Madhya Pradesh) & (Bengaluru, Karnataka)	2,13,900 2,02,650	1,91,128 1,70,997
(iii) Ferro Manganese & Silico Manganese (Joda, Odisha)	50,000 30,500	49,500 50,240
(iv) Charge Chrome (Bamnipal, Odisha)	50,000 50,000	45,054 50,576
(v) Welded Steel Tubes (Jamshedpur, Jharkhand)	2,88,000 2,88,000	2,81,623 ⁽⁴⁾ 2,68,557
(vi) Metallurgical Machinery (Jamshedpur, Jharkhand)	— ⁽⁵⁾ —	13,515 9,054
	Numbers	Numbers
(vii) Bearings (Kharagpur, West Bengal)	2,50,00,000 2,50,00,000	3,30,85,368 2,93,27,053

Notes :

(1) As certified by the Managing Director and accepted by the Auditors.

(2) Including production for works use and for conversion by the third parties into finished goods for sale.

(3) The actual production of Saleable Steel during the year is **66,90,996 tonnes** (2009-10 : 64,39,286 tonnes) including semi-finished steel produced **15,33,806 tonnes** (2009-10 : 14,20,963 tonnes) and steel transferred for manufacture into Tubes/C.R. Strips at the Company's Tubes Division **3,90,690 tonnes** (2009-10 : 3,72,110 tonnes)/steel transferred for manufacture of Cold Rolled Coils at the Company's Cold Rolling Mill Division (West) **2,29,701 tonnes** (2009-10 : 2,05,227 tonnes) and steel transferred for manufacture of Wire Rods **2,91,234 tonnes** (2009-10 : 2,68,635 tonnes) and wires **2,70,163 tonnes** (2009-10 : 2,42,894 tonnes) at the Company's Wire Rod Mill (West) division.

(4) Including Tubes used in manufacture of Tubular Steel Structures and Scaffoldings.

(5) There is no separate installed capacity.

(6) Previous years figures have been recast wherever necessary.

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :- continued

17. Turnover, Closing and Opening Stocks

Class of Products	Turnover		Closing Stock		Opening Stock	
	Tonnes	₹ crores	Tonnes	₹ crores	Tonnes	₹ crores
(i) Saleable Steel (Finished) ⁽¹⁾	57,72,081	23,042.97	3,56,201	829.40	3,58,246	658.08
	55,18,047	19,333.49	3,58,246	658.08	3,25,699	671.38
Agrico Products.....		159.66		11.55		6.87
		126.86		6.87		6.33
		23,202.63		840.95		664.95
		19,460.35		664.95		677.71
(ii) Semi-finished Steel and Scrap.....	6,28,288	1,531.12	2,87,726	345.68	2,54,344	291.05
	7,68,127	1,554.88	2,54,344	291.05	5,10,653	488.25
(iii) Welded Steel Tubes ⁽²⁾	2,54,849	1,281.97	24,401	77.33	20,657	51.47
	2,53,802	1,110.28	20,657	51.47	18,680	51.67
(iv) By-products, etc.....		251.41		2.16		1.76
		237.44		1.76		1.51
(v) Raw Materials :						
(a) Ferro Manganese	27,083	155.46	—	—	—	—
	38,976	183.47	—	—	—	—
(b) Charge Chrome/Ferro Chrome ⁽³⁾ ...	1,38,175	898.06	—	—	—	—
	1,45,899	733.21	—	—	—	—
(c) Other Raw Materials.....	—	2,499.04	—	—	—	—
	—	1,802.44	—	—	—	—
(vi) Other Products ⁽⁴⁾		489.58		110.69		116.57
		382.58		116.57		119.59
(vii) Alloy Steel Ball Bearing Rings	Numbers		Numbers		Numbers	
	—	—	—	—	—	—
	—	—	—	—	—	—
(viii) Bearings.....	3,28,76,531	183.84	21,43,989	15.23	19,50,087	15.44
	3,13,38,852	166.15	19,50,087	15.44	39,68,430	22.97
(ix) Metallurgical Machinery	Tonnes		Tonnes		Tonnes	
	13,515	249.39	—	—	—	—
	9,054	116.95	—	—	—	—
(x) Sale of Purchased Materials						
(a) Saleable Steel (finished/converted)	6	0.02	48	0.47	27	0.16
	715	2.98	27	0.16	21	0.15
(b) Raw Materials/Scrap/Other Materials	—	5.05	—	—	—	—
	—	4.79	—	—	—	—
		30,747.57		1,392.51		1,141.40
		25,755.52		1,141.40		1,361.85

Notes :

- (1) Including steel material converted by re-rollers : **14,36,368 tonnes** (2009-10 : 12,90,621 tonnes).
- (2) Includes Welded Steel Tubes converted under conversion arrangement **43,407 tonnes** (2009-10 : 39,570 tonnes).
- (3) Turnover includes Ferro Chrome converted under conversion arrangement **98,247 tonnes** (2009-10 : 96,435 tonnes).
- (4) Includes tubular steel structures **₹ 429.13 crores** (2009-10 : ₹ 331.71 crores).
- (5) Previous years figures have been regrouped and recast wherever necessary.

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

18. Purchase of Finished, Semi-Finished Steel and Other Products :		₹ crores
A. For Resale :		
(i) Finished/Semi-Finished Steel Materials		3.39 4.60
	Numbers	
(ii) Finished/Semi-Finished Steel Materials – Agrico	40,01,576 20,48,366	18.83 7.77
	Tonnes	
B. For Own Consumption :		
(i) Finished/Semi-Finished Steel Materials ⁽¹⁾	19,025 21,528	150.70 148.47
(ii) Others.....		7.28 8.24
		180.20 <u>169.08</u>

(1) Includes components for manufacture of metallurgical machinery
₹ 56.71 crores (2009-10 : ₹ 55.83 crores)

19. Raw materials consumed : @		Tonnes	₹ crores
(i) Iron ore		1,17,37,116 1,11,81,574	896.84 662.08
(ii) Coal [excluding 51,72,834 tonnes (2009-10 : 49,05,467 tonnes) valued at ₹ 3,230.02 crores (2009-10 : ₹ 2,811.75 crores) used for manufacturing coke]		11,99,247 11,19,944	1,134.07 1,108.07
(iii) Coke		35,65,464 34,22,334	3,553.89 3,120.28
(iv) Limestone and Dolomite.....		23,92,355 22,25,440	495.67 412.99
(v) Ferro Manganese		23,836 21,799	103.82 70.49
(vi) Zinc and Zinc Alloys		21,231 22,842	234.31 210.55
(vii) Spelter, sulphur and other materials		11,15,813 11,72,425	1,246.55 1,019.01
			7,665.15 <u>6,603.47</u>

Note : @ The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.

20. Value of direct imports (C.I.F. Value)

	₹ crores
(i) Raw materials.....	4,369.54 3,102.57
(ii) Semi-finished products	23.55 5.38
(iii) Components, stores and spare parts	353.48 261.88
(iv) Capital goods	712.45 672.71

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

21. The value of consumption of directly imported and indigenously obtained raw materials, stores and spare parts and the percentage of each to the total consumption:

	Raw materials		Components, stores and spare parts	
	₹ crores	%	₹ crores	%
(a) Directly imported	4,672.63	60.96	492.92	17.17
	3,941.88	59.69	521.94	20.23
(b) Indigenously obtained	2,992.52	39.04	2,377.91	82.83
	2,661.59	40.31	2,057.92	79.77
	7,665.15	100.00	2,870.83	100.00
	6,603.47	100.00	2,579.86	100.00
Less : Consumption charged to other revenue accounts.....			1,113.57	
			994.04	
			1,757.26	
			1,585.82	

- Notes : (i) The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.
- (ii) In respect of items which are purchased both from indigenous and imported sources, the identity of individual items consumed cannot be established but segregation of consumption between imported and indigenous sources has been made on a reasonable approximation determined from the Company's records.

22. Expenditure in foreign currency

	Current Year ₹ crores	Previous Year ₹ crores
(i) Technical Know-how and Technical Consultants' Fees (net of taxes) including ₹ 106.05 crores (2009-10 : ₹ 212.17 crores) on capital account	111.71	212.79
(ii) Interest, commitment and bank charges payable in foreign currencies	633.04	727.12
(iii) Commission	28.48	16.47
(iv) Payable on other accounts [including ₹ 0.53 crore (2009-10 : ₹ 102.14 crores) on capital account]	182.87	253.20

23. Remittance in foreign currencies for dividends

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. The particulars of dividends payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the year, are as under :

	Current Year	Previous Year
(i) Number of non-resident shareholders	10,644	8,713
(ii) Number of Ordinary shares held by them	15,70,60,911	11,47,06,926
(iii) Gross amount of dividends	₹ 125.64 crores	₹ 183.53 crores

24. Earnings in Foreign Exchange

- (i) Export of steel and other materials (at F.O.B. value) ₹ 2,252.37 crores (2009-10 : ₹ 2,034.81 crores) [including value of exports through export houses].
- (ii) Interest received ₹ 57.90 crores (2009-10 : ₹ 20.60 crores).
- (iii) Others ₹ 63.70 crores (2009-10 : ₹ 44.07 crores).

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued
25. Derivative Instruments

I) The Company has entered into the following derivative instruments :

- a) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Outstanding Short Term Forward Exchange Contracts entered into by the Company on account of payables :

As at	No. of Contracts	US Dollar Equivalent (million)	INR Equivalent (₹ crores)
31.03.2011	57	297.23	1,325.52
31.03.2010	42	267.91	1,203.65

Outstanding Short Term Forward Exchange Contracts entered into by the Company on account of receivables :

As at	No. of Contracts	US Dollar Equivalent (million)	INR Equivalent (₹ crores)
31.03.2011	22	830.93	3,704.70
31.03.2010	—	—	—

(Forward exchange contracts outstanding as on 31st March 2011 include Forward Purchase of United States Dollars against Indian National Rupees for contracted imports).

Outstanding Long Term Forward Exchange Contracts entered into by the Company :

As at	No. of Contracts	US Dollar Equivalent (million)	INR Equivalent (₹ crores)
31.03.2011	31	1,746.48	7,788.45
31.03.2010	31	1,639.61	7,364.74

(Long Term Forward Exchange Contracts outstanding as on 31st March, 2011 have been used to hedge the Foreign Currency Risk on repayment of External Commercial Borrowings and Export Credit Agency Borrowings of the Company).

- b) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on its capital account. Such transactions are governed by the strategy approved by the Board of Directors which provide principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Outstanding Interest Rate Swaps to hedge against fluctuations in interest rate changes :

As at	No. of Contracts	US Dollar Equivalent (million)	INR Equivalent (₹ crores)
31.03.2011	4	244.48	1,090.00
31.03.2010	4	242.67	1,090.00

All the above swaps and forward contracts are accounted for as per Accounting Policies stated in Notes on Balance Sheet and Profit and Loss Account, Schedule M 1(f).

SCHEDULE M : NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :— continued

II) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

	As at 31.03.2011		<i>As at 31.03.2010</i>	
	US Dollar Equivalent (million)	INR Equivalent (₹ crores)	<i>US Dollar Equivalent (million)</i>	<i>INR Equivalent (₹ crores)</i>
A. Amounts receivable in foreign currency on account of the following :				
Loans Receivable	101.28	451.54	<i>98.19</i>	<i>441.04</i>
Deposits	—	—	<i>45.55</i>	<i>204.62</i>
Interest receivable	20.63	91.99	<i>11.07</i>	<i>49.74</i>
Bill Discounted and Debtors Outstanding	31.02	138.30	<i>45.84</i>	<i>205.92</i>
B. Amounts payable in foreign currency on account of the following :				
Import of goods and services	67.64	301.62	<i>43.90</i>	<i>197.24</i>
Capital imports	35.92	160.20	<i>20.40</i>	<i>91.67</i>
Interest and commitment charges payable	20.04	89.35	<i>17.30</i>	<i>77.74</i>
Loans payable	1,593.75	7,107.33	<i>1,135.96</i>	<i>5,103.59</i>

26. Previous year's figures have been recast/restated where necessary.

27. Figures in italics are in respect of the previous year.