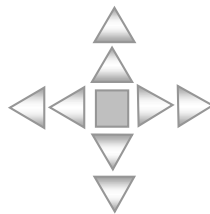




CORPORATE SUSTAINABILITY REPORT

(2004-2005)



CREATING VALUE

THE ARCHITECTURE FOR VISION 2007 IS SUCH, THAT IT PROPELS THE COMPANY TO TRANSFORM THE VISION INTO REALITY. THE BRANDING OF STEEL, PRODUCTION OF LOWEST COST STEEL, ECONOMIC VALUE CREATION AND EXPANSION HAVE ALL CONTRIBUTED TO TATA STEEL'S GROWTH. STEP-BY-STEP, THE COMPANY IS ACHIEVING ITS STRATEGIC GOALS AND CREATING HIGHER STAKEHOLDER VALUE. THIS VALUE SYMBOLISES CORPORATE SUSTAINABILITY, FINANCIAL STABILITY, BUSINESS EXCELLENCE AND SOCIAL RESPONSIBILITY. BY FOLLOWING VISION 2007, TATA STEEL IS POISED TO SEIZE THE OPPORTUNITIES OF TOMORROW AND IMPROVE THE QUALITY OF LIFE OF ALL ITS STAKEHOLDERS.



INDEPENDENCE ASSURANCE REPORT ON CORPORATE SUSTAINABILITY REPORT 2004-05

To,
The Board of Directors,
Tata Steel Limited
Bombay House, 24 Homi Mody Street,
Mumbai – 400 001
India.

Objective of Review

PricewaterhouseCoopers Private Limited (“PwC”) was engaged by Tata Steel Limited (“Tata Steel”) to review its Corporate Sustainability Report 2004-05 (“Report”).

The review was carried out in line with current and emerging expectations for sustainability reporting as outlined in GRI 2002 Guidelines (GRI) and embodied in the eleven Reporting Principles of Part B of GRI (“Reporting Principles”).

Responsibility during Review

The Management of Tata Steel is responsible for defining stakeholders and for the collection and presentation of the financial and non-financial information in the Report. Our responsibility, as agreed with the Management, is to express conclusions with limited assurance on select data and information contained in the Report in accordance with the International Standard on Assurance Engagements 3000 (“ISAE 3000”).

The Report of Tata Steel has been produced both electronically and in print. The Corporate Sustainability Report 2004-05 and its contents are the responsibility of the management of Tata Steel, whilst the Independent Assurance Report, based on our assurance work performed, is the responsibility of PwC.

Limitation of our review

Our review comprised limited assurance on data and information provided in Tata Steel's Report prepared following GRI guidelines. A review of Tata Steel's performance against the UN Global Compact Principles was not included in our scope of work.

Scope of Review

Our assessment involved providing limited assurance on select data, graphs and statements of Tata Steel contained in the Report for the period 1st April 2004 to 31st March 2005.

In keeping with the objective, we selected the following economic, environmental and social performance indicators for review by considering the key sustainability risks of Tata Steel as well as by identifying those sustainability indicators most material to management and stakeholder decision-making processes.

Total spent on non-core business infrastructure development (EC 12), Use and emissions of ozone depleting substances (EN 9), Air emissions by type (EN 10), Significant discharges to water by type (EN 12), Practice on recording and notification of occupational health and diseases (LA 5), Description of policies or programs (for the workplace and beyond) for HIV/AIDS (LA 8), Average hours of training per year per employee by category of employee (LA 9), Programs and Policies on skills management and life-long learning (LA 17), Description of jointly managed community grievance system (HR 13).

Basis of Opinion

We planned and performed our work in accordance with the ISAE 3000 to obtain limited assurance.

Based on an assessment of completeness, reliability, materiality and risk, relevant information was collected and triangulated to verify its completeness and reliability. Our assessment on materiality reflects concepts emerging from forums such as the Global Reporting Initiative and Account Ability. We considered an omission, error or misrepresentation information from the report to be material if it could influence the decisions or actions of the company's key stakeholders, or result in Tata Steel inappropriately reporting on progress against targets.

We sought all information and explanations that we considered necessary to provide sufficient evidence for us to ascertain that the above indicators were consistent with the activities in the plant areas for the financial period; and were documented and stated in accordance with the guidelines stated under their environmental and social policies.

Assurance Procedure

Based on an assessment of materiality and risk, our work included a review of management systems, reporting structures and boundaries as well as interviews and testing of registration and communication systems, data and underlying documentation. We tested whether data and the underlying components are accounted for in such a way as to fulfill the assertions of materiality, completeness and reliability made by Tata Steel.

Parties responsible for Assurance Engagement

Our engagement was carried out by a multi-disciplinary team of requisite skills and experience. The assurance engagement was led by Dr. P. Ram Babu, employed with PwC with over 25 years experience in Corporate Sustainability Management and Reporting Systems. The engagement was executed by Dr. Muna Ali and Mr. Ritwik Bhaumik, employed with PwC with 8-10 years of experience.

Opinion

- On the basis of the work undertaken, nothing has come to our attention that would cause us not to believe that:
- The information cited at indicators EC 12, EN 9, EN 10, EN 12, LA 5, LA 8, LA 9, LA 17 and HR 13 in the Report has been fairly stated.
- The Report includes information that is material to Tata Steel's Corporate stakeholders and that the reported targets and indicators in respect of sustainability in general are used in strategic and operational decision-making.
- Tata Steel has robust internal control and management systems, modeled on best practices and ISO/OHSAS based quality, environment and occupational health & safety management systems that provide basis for credible reporting of performance.
- The report presents a fair and balanced account of Tata Steel's material sustainability performance, risks and impacts.



(Dr. P. Ram Babu)

Place : Mumbai, India
Date : 22.10.2005

Financial Highlights 04-05

Production	:	4.07 million tonnes
Steel Sales	:	3.91 million tones (2003-04: 3.96 million tonnes)
Exports Turnover	:	increased by 46% to Rs.21.838 Billion (2003-04: Rs.14.965 Billion)
Turnover	:	A new record set at Rs.160.535 Billion
Profit After Tax	:	increased by 99% to Rs.34.742 Billion (2003-04: Rs.17.462 Billion)
Debt/Equity	:	0.40: (2003-04: 0.78)
Return on Equity	:	62%: (2003-04: 46%)
EVA spread	:	23.97% at Rs.23.290 Billion (2003-04: Rs.8.470 Billion)

