


TATA STEEL



104th Annual Report
2010-2011

growth through
sustainability



A person wearing a bright green jacket and red pants is standing in a field of tall, golden-brown grass. The person is looking down, possibly at something on the ground. In the background, there is a body of water, likely a cooling pond, and a clear blue sky with some light clouds. The overall scene is a natural, outdoor setting.

Cover image: Jamshedpur Steel Works overlooking the cooling ponds.

Over the years, Tata Steel has taken several environmental initiatives for the conservation, preservation and restoration of biodiversity. The service water from the cooling ponds within the Jamshedpur Steel Works is processed and distributed to various consumers. The ponds provide shelter to several species of migratory birds and rare floral species.

The rarest aquatic avian fauna found in the cooling ponds include the Small Blue Kingfisher, the White-breasted Water Hen, the Indian Pond Heron, the Cattle Egret and the Little Cormorant. Moreover, there are around 14 floral species including *Hydrilla Kalmi*, *Ipomea aquatica*, *Aerua lanata* *Chalduha* and *Boerhaavia repens Sant* found in the cooling ponds. Butterfly species like *Danaus chrysippus*, *Euploea core*, *Catopsilia Pomona* and *Precia almanac* have found a place of existence around the ponds.



growth through sustainability

In line with the Tata Steel Group vision to be the global steel benchmark for both value creation and corporate citizenship, Tata Steel believes that respect for the environment is critical to the success of its business. The Tata Steel Group is committed to minimising the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvement in environmental performance. Responding to the challenges of our time, Tata Steel has adopted an approach of **value creation through sustainability**, for all its stakeholders.

Furthermore, Tata Steel aims to contribute positively to the communities around its operations. Apart from providing employment for thousands of people, the Company actively participates in community initiatives and encourages biodiversity and nature conservation. Tata Steel continues to place an emphasis on positive practices in **health, safety and corporate citizenship**.

<< *A new habitat created for a protected species of newt,
Scunthorpe Works, UK*

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Annual General Meeting will be held on Wednesday, 3rd August, 2011 at Birla Matushri Sabhagar at 3.00 p.m. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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CHAIRMAN'S STATEMENT

Dear Shareholder,

During the year, the world continued on a path to regain economic stability as it emerged from the global meltdown of 2008. While the US, the UK and Western Europe experienced modest recoveries, China, India and other Asian countries, as also certain countries in Latin America, continued to register high levels of growth and continued to be centres of significant economic activity. Inflation has, however, now emerged as the new global economic challenge, driven by a substantial rise in the prices of almost all commodities, mineral resources and energy, impacting almost all industrial sectors.

The global steel industry continued to face an unprecedented increase in the price of iron ore and coking coal, accentuated by short-term supply disruptions. These have created pressures on the viability of the steel industry and consequently the competitiveness of the user industries. China continued to be the largest national steel producer and largest domestic consumer of steel. The steel demand in Western Europe and the UK has remained more or less stagnant, with intense competition from steel producers in Eastern Europe utilising lower cost inputs. Asian countries, including India, on the other hand, continued to enjoy robust demand from several sectors resulting in increased volumes and a richer product mix.

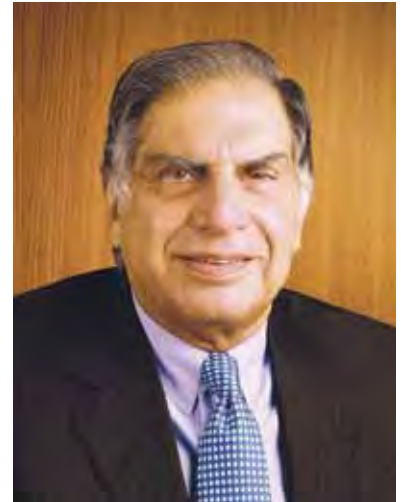
TATA STEEL

Europe

Tata Steel Europe's operations have had to compete in the high-cost marketplace where demand has been somewhat stagnant. The Company has restructured its operations in several areas in order to be more competitive. During the year it sold the unremunerative steel slab business as a going concern to an Asian steel maker. It has initiated steps to restructure and rationalise the UK long products manufacturing facilities with a view to make them profitable. The Company is also making long-overdue capital investments to upgrade and modernise some of the older, less efficient facilities as well as securing sources of coal and iron ore overseas, to achieve partial raw material security in the coming years.

India and South East Asia

Tata Steel's operations in India and Asia continued to be driven by the buoyancy in the markets in India and South East Asia where growth rates have continued to be high and demand for consumer products, automobiles and construction have been very promising. The expansion project at



TATA STEEL WILL CONTINUE TO BE COMMITTED TO BE AMONGST THE MOST COST-EFFICIENT STEEL COMPANIES IN THE WORLD, WHICH PARTICIPATES IN THE DEVELOPMENT OF THE COUNTRIES WHERE IT IS PRESENT, WHILE MEETING ITS SOCIAL RESPONSIBILITY TO ITS STAKEHOLDERS AND THE COMMUNITIES WHICH IT SERVES.

Jamshedpur, which will take the Steel Works capacity to 9.7 million tonnes, will contribute significantly to the volume and product mix of Tata Steel when these new facilities come on line in early 2012. Construction is also underway on the new 6 million tonnes capacity greenfield project in Kalinganagar, Odisha.

The Company has always given great importance to its control of the iron ore and coal which it consumes. It continues to actively explore opportunities for growth in India and other parts of Asia, which the Company believes will continue to be an area of economic growth.

BUSINESS OUTLOOK

During the year under review, the Indian economy has performed well with very attractive growth rates reflecting strong consumer demand for almost all goods and services. The years ahead could, however, be challenging as the government endeavors to curb inflationary growth. Energy costs, reflecting higher prices of crude oil and gas as well as the shortfall in the availability of gas and electrical power will in themselves have a devastating impact on the country's competitiveness and its ability to sustain the high growth rates it has enjoyed. Fiscal policies to control inflation will affect access to credit and could slow down investment levels as also consumer demand. The most significant impact will however be from the slowdown in major infrastructure projects in the areas of road construction, mass transit systems, power generation and investments in primary industries, where financial closure, right-of-way permissions and land acquisition could present major delays. These would have a major impact on job creation and the demand for goods and services, resulting in a substantially lower level of economic activity in the country compared to past years.

Further, state and private enterprises have been investing in establishing additional capacity to cope with the rising demand for goods and services. The anti-inflationary

induced slowdown of economic growth in India, coupled with the possible plateauing of growth in China, the enormous financial burden on the Japanese economy following the devastating natural disaster and its after effects, could possibly slow down the Asian "economic engine" which has become such an economic game changer over the past decade.

In Europe, the high debt and economic unsustainability of some of the southern European countries will most likely impose a significant strain on the financial structure of the European Union. Also, the increased political unrest in some of the countries in the Middle East, if escalated, will contribute to the political and economic instability in the region, (or the world), in the years ahead.

Good fiscal and economic management will therefore be needed to stimulate economic growth while at the same time curbing inflationary forces. There will need to be measures in place to control speculation and exploitation resulting in runaway prices of commodities and mineral resources which cascade through the entire value chain.

In the years ahead, steel will continue to be an essential building block of national development. Tata Steel will continue to be committed to be amongst the most cost-efficient steel companies in the world, which participates in the development of the countries where it is present while meeting its social responsibility to its stakeholders and the communities which it serves.



Chairman

Mumbai, 31st May, 2011

BOARD OF DIRECTORS



Mr. Ratan N. Tata, *Chairman*



Mr. B. Muthuraman, *Vice Chairman*



Mr. Nusli N. Wadia



Mr. Subodh Bhargava



Mr. Jacobus Schraven



Mr. Suresh Krishna

COMPANY SECRETARY

Mr. A. Anjeneyan

REGISTERED OFFICE

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E-mail : cosec@tatasteel.com, Website : www.tatasteel.com

SHARE REGISTRARS

TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.
Tel.: +91 22 6656 8484 Fax : +91 22 6656 8494 / 6656 8496
E-mail : csg-unit@tsrdarashaw.com
Website : http://www.tsrdarashaw.com



Mr. Andrew Robb



Mr. S. M. Palia



Mr. Ishaat Hussain



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



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

LEGAL ADVISORS

AZB & Partners, Amarchand & Mangaldas & Suresh. A. Shroff & Co., Mulla & Mulla and Craigie Blunt & Caroe, Herbert Smith LLP, Cleary Gottlieb Steen & Hamilton LLP, Linklaters LLP, Allen & Gladhill LLP

AUDITORS

Messrs Deloitte Haskins & Sells

SENIOR MANAGEMENT as of May 25, 2011



H. M. Nerurkar
*Managing Director
Tata Steel Limited*



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

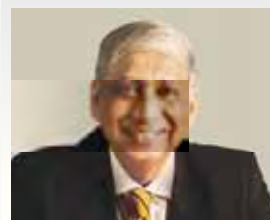
Group Corporate Functions



Koushik Chatterjee
Group Chief Financial Officer



Jean-Sébastien Jacques
*Group Director
(Strategy)*



Manzer Hussain
*Group Director
(Communications)*



Kees Gerretse
*Group Director
(Procurement)*



Dr. Debashish Bhattacharjee
*Director (Research, Development
and Technology)*



Andrew Page
*Director
(Health and Safety)*



Dr. Paul Brooks
*Director
(Environment)*



Shreekant Mokashi
*Chief
(Group Information Services)*

Senior Management



Uday Chaturvedi
Chief Technical Officer, TSE



Anand Sen
Vice President
(TQM and Shared Services) TSL



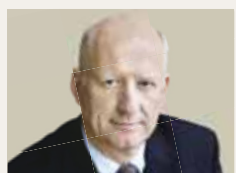
Dr. Henrik Adam
Chief Commercial Officer
TSE



Frank Royle
Director
(Finance) TSE



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



Theo Henrar
Director (Sales and Marketing)
TSE



Varun Jha
Vice President (Engineering
and Chhattisgarh Projects) TSL



Tor Farquhar
Director
(Human Resource) TSE



Adriaan Vollebergh
Director (Sales and Marketing)
TSE



Partha Sengupta
Vice President
(Raw Materials) TSL



Hridayeshwar Jha
Vice President
(Odisha Project) TSL



Alastair Aitken
Supply Chain Director, TSE



N. K. Misra
Group Head
(Mergers and Acquisitions) TSL



Dook van der Boer
Strip MLE Hub Director, TSE



Sanjeev Paul
Vice President
(Corporate Services) TSL



Jon Bolton
Long EU Hub Director, TSE



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



Rod Jones
Director
(Corus Consulting) TSE



Bimlendra Jha
Vice President
(Long Products) TSL



Jon Ferriman
Strip UK Hub Director, TSE



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



Laptawee Senavongse
President
Tata Steel Thailand



Vivek Kamra
President and CEO
NatSteel Holdings



Sandip Biswas
Group Head (Corporate Finance,
Treasury and Investor Relations) TSL



Lim Say Yan
Group Head (Corporate Assurance
and Risk Management)



A. Anjeneyan
Company Secretary and
Chief of Compliance, TSL



Helen Matheson
Director (Legal)
TSE

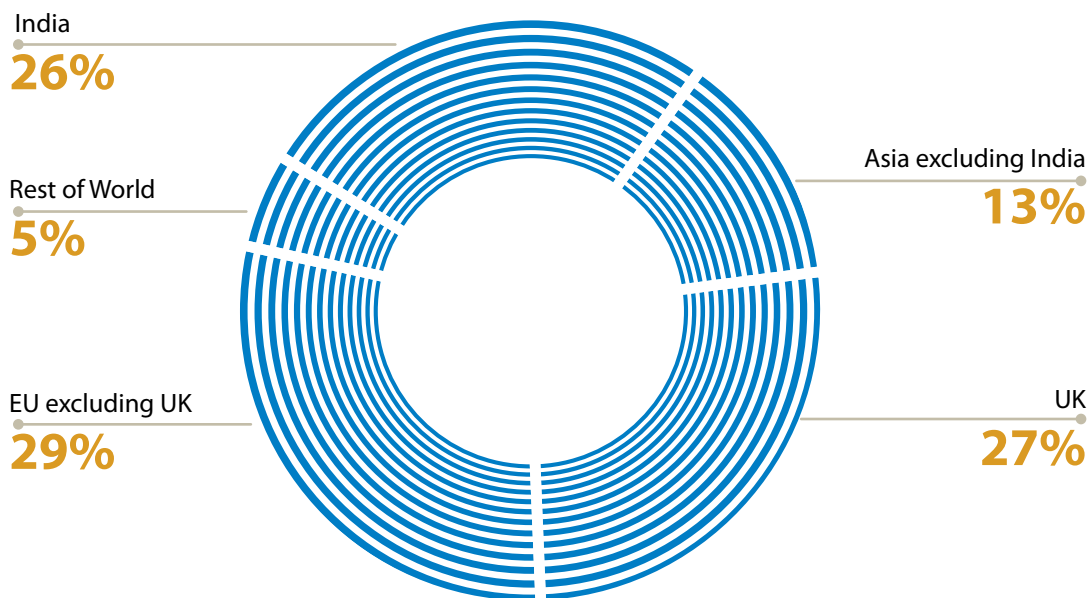


Arun Misra
Principal Executive Officer
TSL

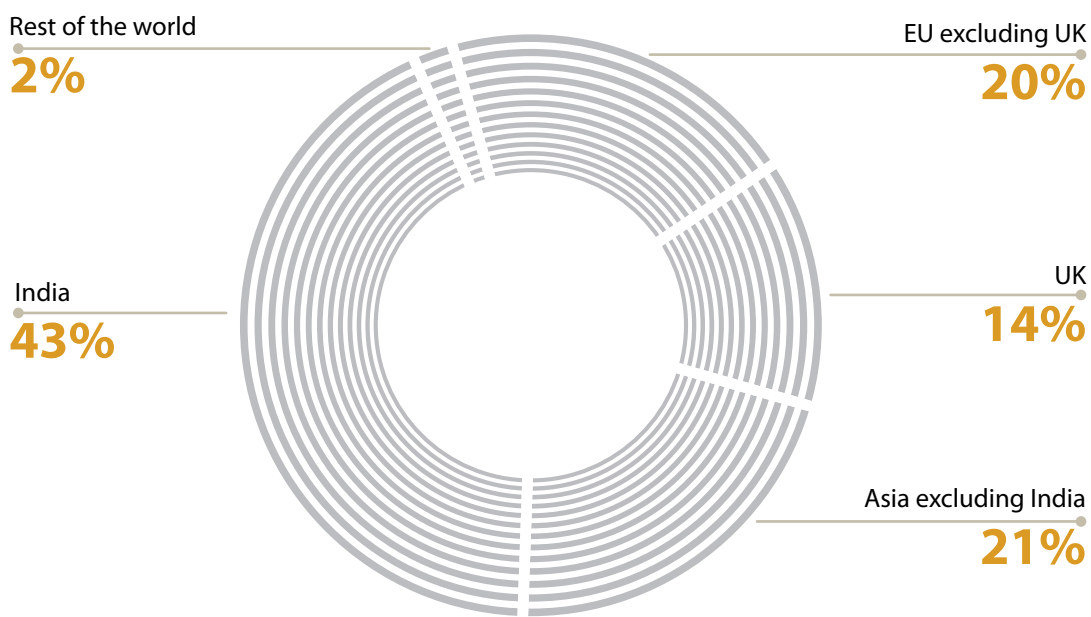


Dr. Shaun Doherty
Executive Officer to the CEO
TSE

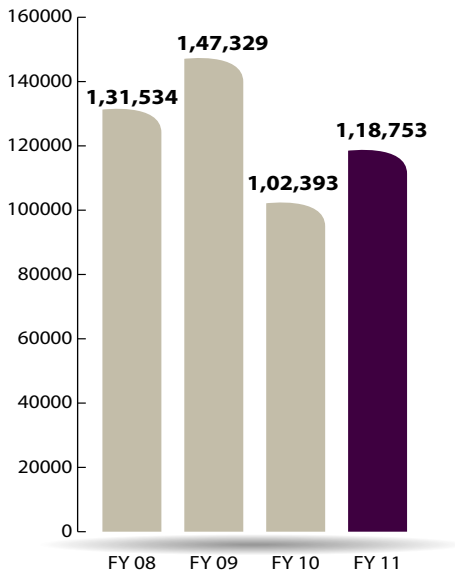
Geographical Distribution of Revenue



Capital Employed by Geographies

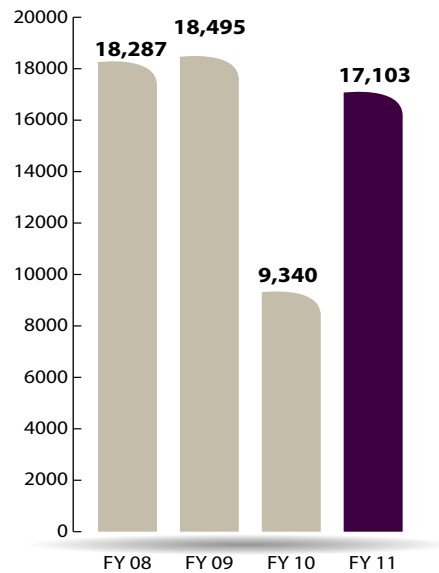


Turnover (₹ in crores)



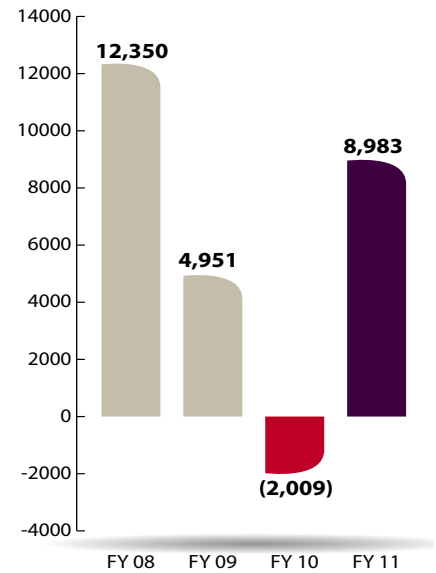
Turnover = Sales and other operating income (-) Excise Duty

EBITDA (₹ in crores)



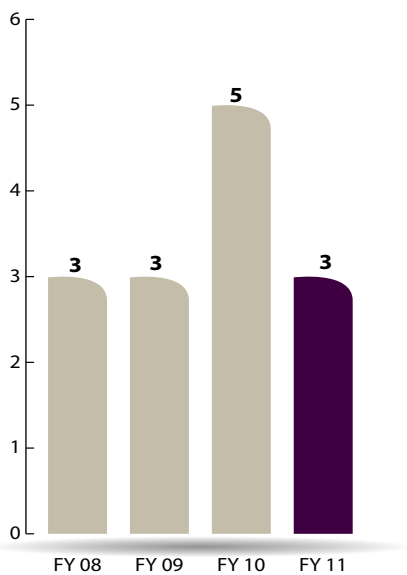
EBITDA = Profit before exceptional items and taxes (+) Net Finance Charges (+) Depreciation (-) Minority Interest (+) Share of Profit of Associates

Profit After Tax (₹ in crores)



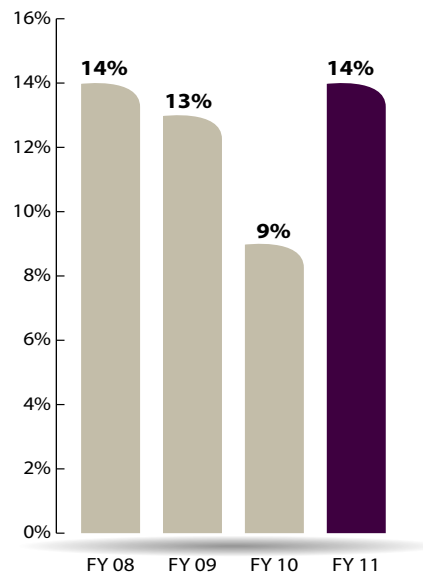
Profit after taxes, minority interest and share of profit of associates.

Net Debt / EBITDA



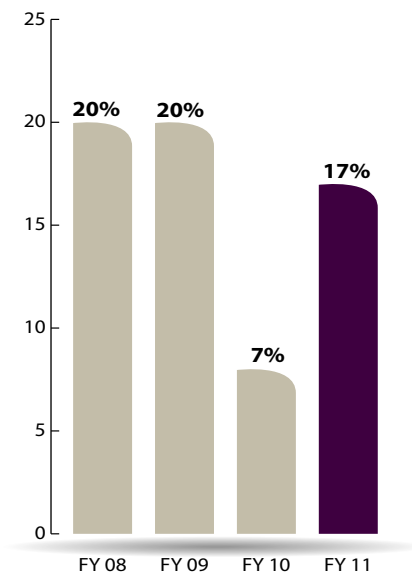
Net Debt/EBITDA (Annualised)

EBITDA Margin



EBITDA Margin = EBITDA/Turnover

Return on Invested Capital (Pre-tax)



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



DINNA DAM



value creation through sustainability

“We do not claim to be more unselfish, more generous or more philanthropic than other people. But we think we started on sound and straightforward business principles, considering the interests of the shareholders our own, and the health and welfare of the employees, the sure foundation of our success.”

— Jamsetji Nusserwanji Tata, *Founder*

<< *The Dimna Lake, Jamshedpur, is an artificial lake created by Tata Steel almost 67 years ago. Situated at the foothills of the scenic Dalma ranges, the lake is 13 kms away from city limits. The lake serves as the water reservoir for the Steel Plant and also the main source of drinking water for the city. It is also an ideal spot for boating and other water sports activities.*

MANAGEMENT SPEAK

With the downturn behind us, global steel markets are showing signs of recovery. In FY 2010-11, Tata Steel Group's operating and financial performance has also registered a substantial improvement over the previous year. As part of the ongoing dialogue with its key stakeholders, the senior management team of Tata Steel Group discusses its strategy, initiatives, challenges and the journey over the past year.

The following excerpts capture highlights of the conversations which **Mr. H. M. Nerurkar** (Managing Director, Tata Steel), **Dr. Karl-Ulrich Koehler** (Managing Director and Chief Executive Officer, Tata Steel Europe) and **Mr. Koushik Chatterjee** (Group Chief Financial Officer) have had with investors, media and other stakeholders.



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

Koushik Chatterjee
Group Chief Financial Officer

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

Q How do we see the financial results compared to the previous year?

The Tata Steel Group's financial results for the financial year 2010-11 demonstrated an overall improvement compared to the previous year with an 83% increase in the Group EBITDA from ₹ 9,340 crores (US\$ 2.09 billion) in 2009-10 to ₹ 17,103 crores (US \$3.84 billion) in 2010-11. This was possible due to the continued robustness of the Indian business and significant turnaround of the operating performance of the European business even though the market conditions remain challenging in

some sectors including construction. During the year, European apparent steel consumption rose by c.20% in contrast to the de-stocking in 2009. European steel prices rose with an increase in demand and were also aided by elevated raw material prices. Our European performance also had the benefit of restructuring exercises and cost rationalisation measures undertaken in the previous year. The mothballing and subsequent divestiture of Teesside Cast Products for a value of £434 million (US \$700 million) contributed favourably when compared to the heavy losses sustained by the facility in the previous year.

Continued steel usage growth in India ensured that Indian operations delivered more than their rated capacity of 6.8 million tonnes of crude steel. Tata Steel's journey on continuous improvement and enrichment of its product mix continues to deliver results. Sales to the Indian auto segment touched 1 million tonnes during the year, including best-ever Skin Panel and Galvanised Annealed product sales. On the construction side, the share of value-added products in rebar sales increased from 6.8% to 9.6%. We focused on branding and increased our market penetration by reaching smaller consumption centres which enabled us to realise a premium in the market over the secondary steel manufacturers. The Ferro Alloys and Minerals Division also registered an increased operating profit of ` 825 crores (US \$185 million) (FY 10: ` 345 crores; US \$77 million). During the year, a new cross-functional improvement initiative 'Kar Vijay Har Shikhar' was launched in India and we are already realising significant savings through this programme.

The South East Asian operations have faced challenges due to weak market conditions, political issues in Thailand, and start-up issues in the Mini Blast Furnace in Thailand due to high costs of iron ore and coke. The management is currently working on a longer term sustainable strategy covering improvement in all operating centres, enriching the product mix and strengthening market position in this region.

Q How do we see the macro environment globally and how does it affect the industry?

The global recovery that started in the second half of 2009-10 continued in most markets in 2010-11. However, the recovery was not uniform as the emerging markets grew faster than the developed markets, which still face headwinds due to fiscal imbalances in some geographies. The sustainability of the global recovery depends on how the developed markets manage their public debt, boost private economic activity and generate employment.



Building applications from Tata Steel.



Packaging solutions from Tata Steel.

MANAGEMENT SPEAK

The emerging economies face the risk of very high inflationary conditions due to high commodity prices and food inflation. This is prompting the central banks to tighten monetary policies which in turn may affect growth significantly. The emerging market countries including India, need to continue their economic reforms to attract capital investments, which in turn would facilitate growth and employment.

Although India registered c.9% GDP growth in FY 11, it is now faced with high-core inflation due to rising commodity prices and food inflation. This is forcing the Reserve Bank of India to tighten its monetary policy even at the cost of slower growth.

The growth data in the EU zone reveals significant differences at the country level. Recovery in Germany and most of the Northern European countries remains well on track, whereas growth in the peripheral countries has been hampered by several factors such as export competition and weak domestic demand, exacerbated by cuts in government spending. Euro-area growth is sustained by strong investment and is largely export led, which will remain its key driver, helped by exchange rates and specialised products. The UK, in contrast, remains a fragile market and lags behind some of its European peers. The construction activity remains below pre-crisis levels in Europe. While the forward indicators point to modest growth in the coming quarters, the outlook for this sector remains sober due to weak recovery in private construction and cuts in public expenditure.

Real steel consumption in the EU zone is expected to rise by 4% but will still be below the pre-crisis levels.

Steel inventories in Europe remain relatively low both in tonnage as well as months of consumption and the level of imports is currently below historic levels, as stock replenishments are done in small quantities while avoiding longer lead times.

While the global economy is certainly in a better shape than a year ago, the risk of sustaining the recovery is high and it really depends on the national governments to prudently steer the fiscal management and take policy decisions to facilitate growth and employment.

Q The company has raised a lot of funds through various routes during the year. Can you elaborate the thinking behind the same?

The Company's financial strategy is focused on managing the capital structure effectively and to undertake financing based on the Company's funding requirements for growth. In the past one year, the Company's financing strategy was focused on raising capital from portfolio divestments and external financing methods to re-balance the capital structure and finance the growth projects. Following the above approach, the Company undertook several initiatives to raise ` 10,822 crores (US \$2.4 billion) of capital, through divestments of about ` 3,121 crores (US \$700 million), equity of around ` 4,546 crores (US \$1.02 billion), India's first rupee hybrid securities of around ` 1,500 crores (US \$336 million) and debt for the Jamshedpur expansion and working capital requirement of around ` 1,655 crores (US \$371 million). All these financing initiatives coupled with substantially better internal generations enabled us to improve the financial metrics of Tata Steel Group significantly. The Net Debt/Equity improved from 1.77 times in 2009-10 to 1.55



Tata Steel is used in wind tower components.

times in 2010-11 and the Net Debt / EBITDA improved from 4.75 times in 2009-10 to 2.73 times in 2010-11. The improved cash flows from operations during the year enabled us to fund the Jamshedpur expansion programme through internal generations rather than drawing down the project debt that was tied up. This would significantly help in keeping the Group's capital structure within the desired levels.

As part of its strategy to de-risk the capital structure and provide more flexibility to the business, the Company refinanced the entire long term debt in Tata Steel Europe (TSE), deferring repayments by four years and allowing deployment of earnings for growth and improvement initiatives. The refinancing has also allowed greater flexibility in the financial covenants and provided

flexibility to the business to invest larger capital sums for the European operations. The Company continued to focus on working capital and liquidity management across all geographies in the current volatile market environment especially with very high raw material prices. As a result of all the financing initiatives and effective liquidity management, the Company had cash and cash equivalents in excess of ₹ 10,890 crores (US \$2.4 billion) at the end of the financial year 2010-11.

Q The Group has talked about enhancing the capital allocation towards capital expenditure. What are the capex priorities in the next few years?

The Tata Steel Group remains focused on executing its stated strategy of allocating capital to grow in India



An aerial view of the Jamshedpur Township.

through brownfield and greenfield projects and also increasing the capital allocation to the European and other businesses to enhance their profitability. In India, the brownfield expansion at Jamshedpur is expected to be commissioned in the financial year 2011-12 taking our flat products capacity to 6.4 million tonnes (total crude steel capacity to 9.7 million tonnes per annum). This will be accompanied by augmenting the capacity of mines to ensure that the expanded operations are fully integrated with respect to iron ore. The Odisha greenfield project is being developed in two phases of 3 million tonnes each. The project work has already commenced and we plan to commission the first phase of 3 million tonnes by the financial year 2013-14. The next phase will follow soon after. We continue to focus on downstream and value-added products, including automotive steel through cold annealed processing, packaging steel and others.

We are investing in productivity improvement projects in our UK and European operations which are essential and value accretive to the Company. The Company has

already announced rebuild of a blast furnace at Port Talbot with a capital cost of £185 million. This project will not only enhance the life of the Blast Furnace in Port Talbot but also increase the hot metal capacity by 0.4 million tonnes and reduce the cost of production. The other areas where we are looking at additional capital allocation are towards energy management, across all sites, to optimise usage and cost of energy and on capital projects that enhance productivity and improve our product portfolio.

Q The European business of Tata Steel has provided better results in the year. How would you compare and analyse the results compared to the previous year?

There are a few points here. Firstly, the market, though very volatile, was better compared to the previous year, especially in the first half of the year as markets recovered after falling sharply in 2009. Secondly, the improvement initiatives and the restructuring program initiated over the last 18 months (including the mothballing of the loss-making Teesside operations in



At work in the IJmuiden facility, the Netherlands.

early 2010) helped in improving the operating leverage of the business during the financial year. As a result of the above, our capacity utilisation in Europe was higher compared to the previous year. This obviously leads to better absorption of the fixed costs and improves the profitability. A lot of effort is currently on, across various operating areas to enhance the fundamental robustness of the business in the future.

Q Is there a strategy in place to improve Tata Steel Europe's profitability going forward?

Tata Steel in Europe is undertaking several initiatives to enhance its competitive position in a very challenging market environment.

During the year, we rebranded Corus as Tata Steel Europe to leverage the global presence of the wider Tata Group. In addition, Tata Steel Europe adopted a new 'One Company' operating model by setting up a single sales and marketing team, a consolidated supply chain organisation with three steelmaking hubs, speciality businesses and pan-European support functions.

The business is focusing on market differentiation with clear sector focus, technological innovation for new product development and operating excellence towards continuous improvement and reduction in conversion costs. We believe that through differentiated product strategy, customer focus and cost reduction programmes, our European operations will create sustainable value in the future.

Q Tata Steel has been investing in mining assets globally. What are the current priorities?

Gaining security over raw materials has been an important element of our strategy. While we are 100% self sufficient in iron ore and around 50% in coal, we procure all our raw materials in Europe from the seaborne market. Therefore we had identified few mining projects globally and have been early-stage strategic investors towards development of the underlying reserves in those projects. Our current priorities remain on the development of the Benga Project in Mozambique, the Direct Shipping Ore (DSO)



The Tata BlueScope Steel facility at Bara, Jamshedpur.

Project in Canada and the Sedibeng Project in South Africa. Tata Steel also has a 5% economic right and 20% off-take right in the Carborough Downs Venture in Australia, which produces 1.5 million tonnes of semi-hard coking coal. The project is currently expanding its capacity and is expected to increase production to 3 million tonnes per annum. We were recipients of our share for our Indian operations since September 2009. We are also undertaking a mineability study to assess the prospects and feasibility of developing the Margam coal mine in the UK, which can benefit our UK operations in the future.

Q Can you briefly describe the downstream and value-added focus in the Tata Steel Group, including in Europe?

While Tata Steel's Indian operations continues to be amongst the most competitive operations in the global steel industry, as a Group we are focused on enhancing the value-added component of our product portfolio across all geographies in the future. Currently we do have significant portfolio of downstream products in

the Group, including automotive products, packaging and special plating, electrical steels, tubular products, building solutions, structural steel, high-end wire rods, pre-cage steel and others. Our European business also supplies high integrity structural steels for aerospace programmes, high-gloss pre-painted perforated blanks for consumer goods, long rails for high speed lines, special rails for metro and tramways, and speciality pipes and plates for the energy and power sector. In Europe, we are working across technology and product platforms to continue with the product differentiation journey on further enriching our product mix. Going forward, our growth plans are oriented not only around upstream steel capacity expansion in India but also focused on adding downstream capacity and capability which will enhance the value-added mix in our product portfolio.

Q Will the slowdown in China adversely affect the global steel industry?

Since 2000, China has accounted for 90% of global steel production growth. It is likely that the pace of growth in China may decline but the overall



Employees at work in Port Talbot, UK.

consumption of steel will still be at very high absolute levels. China is gradually rebalancing from export-driven to domestic demand-driven economy. Removal of export rebates and consolidation of the steel industry are few of the policy indications given by the Chinese authorities which will discourage exports in the future. Given the structural shift in the urbanisation trends and investment in infrastructure in the inland provinces, steel intensity is expected to grow till 2015. While China certainly is showing signs of slowing down, the growth in steel demand should continue, albeit at a reduced pace.

Q How has change in raw material contracting dynamics affected the steel industry?

During 2010, there was a structural change in terms of the contract structure of the key raw materials for the primary steelmakers. During a period of slow economic recovery globally, this move has certainly added more volatility to the steel prices and hence on the margin of the steel makers.

The movement in spot prices of raw materials in the first three quarters of the financial year reflected the seasonal demand in different geographies and the impact of monetary measures taken by the various national governments to stimulate demand. In the last quarter of the financial year 2010-11, the coking coal and iron ore contract prices were settled at a record level due to supply disruptions in Australia and some stoppages of iron ore exports from India. China's continued production growth and upcoming new capacities are expected to culminate in a seaborne supply deficit situation and higher iron ore prices in the near future. Coking coal is a more supply constrained commodity and with rising coking coal imports into China and India it is expected that the coking coal prices will also remain at elevated levels in the near future. The above situation in iron ore and coal is likely to continue till 2014 when it is expected that global supply will be augmented with the commencement of production from the new mines that are currently being developed.





growth through sustainability

"To my father the acquisition of wealth was only a secondary object in life; it was always subordinate to the constant desire in his heart to improve the industrial and intellectual condition of the people of this country; and the various enterprises which he from time to time undertook in his lifetime had for their principal object the advancement of India in these important respects. Kind fate has however permitted me to help in bringing to completion his inestimable legacy of service to the country, and it is a matter of the greatest gratification to his sons to have been permitted to carry to fruition the sacred trust which he committed to their charge."

Sir Dorabji Tata *while laying the foundation stone of the Lonavala Dam, 8th February 1911*

<< *A leopard at the Tata Steel Zoological Park, Jamshedpur. Established by Tata Steel in 1994, the park is a major step towards wildlife conservation, propagation and awareness in the region.*



EXPANSION INITIATIVES: INDIA

One of the Tata Steel Group's value creation strategies is focused growth. With the aim of strengthening its position in emerging markets, the Group is increasing its crude steelmaking capacity through expansion projects at Jamshedpur and Kalinganagar.

THE BROWNFIELD EXPANSION PROJECT AT JAMSHEDPUR

Tata Steel is increasing its crude steelmaking capacity at the Jamshedpur Works from 6.8 mtpa to 9.7 mtpa via a 2.9 mtpa brownfield expansion project. The project comprises setting up:

- i) a 6 mtpa Pellet Plant,
- ii) two coke oven batteries, each with 0.7 mtpa capacity,
- iii) a 2.9 mtpa Blast Furnace and
- iv) an LD Shop and a Thin Slab Caster and Rolling Mill (TSCR) of 2.4 mtpa to produce hot rolled coil (HRC).

THE PROJECT ALSO ENTAILS:

- i) expanding the captive mines of Noamundi and Joda, and
- ii) expanding the ancillary support systems such as power, water, utilities, gas holders, raw materials handling, and plant rail and road logistics.

The additional capacity will be able to produce low and ultra-low carbon steels, electric steel, line pipe and API, dual phase and micro-alloyed grades of steel for sectors such as automotive.

The Company is taking several measures to ensure that the environmental standards prescribed by the Ministry of Environment and Forest and the Pollution Control Board are complied with. Some of the measures undertaken to this effect are:

- i) reduction of Respirable Suspended Particulate Matters level within prescribed norms,
- ii) zero water discharge from the Steel Works,
- iii) dry quenching of coke and waste heat recovery for the generation of steam and power,



The inner shell of the new I Blast Furnace at Jamshedpur.



Site of the 2.9 mtpa expansion at Jamshedpur.

- iv) 100% utilisation of solid waste generated inside the Steel Works, and
- v) decongestion of the Steel Works and the city of Jamshedpur.

The expansion project provides another opportunity for Tata Steel to continue its journey towards producing 'Green Steel'. After the 2.9 mtpa expansion, the Jamshedpur Works will have improved indices in terms of:

- i) using fewer natural resources per tonne of steel produced,
- ii) a reduction in 'Specific Energy Consumption', and
- iii) a reduction in 'Specific Water Consumption'.

The brownfield expansion project has been challenging, as it requires a large volume of construction work to be carried out with minimum disturbance to the existing operations.

With a view to assimilating learnings and ensuring effective training and a smooth start-up and production build-up, the Company has deployed senior operations personnel as project team members.

Progress at the major facilities is as follows:

- Major structural and civil work has been completed at the Pellet Plant and the Blast Furnace. Equipment

THE 2.9 MTPA BROWNFIELD EXPANSION IS THE LARGEST EVER UNDERTAKEN AT THE JAMSHEDPUR WORKS

- supply and installation are at an advanced stage;
- Civil and structural work on the second coke oven battery is in progress;
- Expansion of the iron ore mines at Noamundi and Joda is under way;
- Civil work and building structures have been completed on the LD Shop and TSCR.

The utmost care has been taken to ensure safety during the construction phase. The Company has also strived to ensure that the highest standards of quality are being observed in equipment supplies and construction work at site.

Work on all these fronts is in full swing. The major items of plant and equipment, such as the new Blast Furnace, Pellet Plant, LD Shop and TSCR, will be ready for commissioning during the 2012 financial year.

EXPANSION INITIATIVES: INDIA

THE GREENFIELD EXPANSION PROJECT AT KALINGANAGAR, ODISHA

The Kalinganagar Greenfield Integrated Steel Plant, Odisha will supplement the production capacities of the Jamshedpur Works, producing flat products in premium, value-added steel grades.

The 6 mtpa Greenfield Integrated Steel Plant at Kalinganagar, Odisha, will make hot and cold rolled flat products and will be built in two phases, each of 3 mtpa.

Demand for superior quality flat products in India is rising. The Kalinganagar project will complement Tata Steel's existing production facilities through the production of premium grades like API, Dual Phase, TRIP steel, Auto-AHSS (Advanced High Strength Steel), high-end galvanised coil and cold rolled coil for general engineering.

The project will comprise major facilities like the Sinter Plant, Pellet Plant, Coke Plant, Blast Furnace, Steel Melt Shop, Hot Strip Mill, Cold Rolling Mill and Raw Material Handling units. Site work is already well under way. So far, five construction power sub-stations have been commissioned. The boundary work around the plant site has been completed. Construction road and site grading work is under progress. Piling and other civil work in the Sinter Plant, Blast Furnace and Steel Melting Shop areas has also begun.

Having obtained the necessary statutory clearances from the relevant regulatory authorities to set up the plant, the Company is now focused on managing the logistics to do with its construction. The construction site at Kalinganagar is being connected via rail linkages to the nearest railway station and the Dhamra Port to enable efficient transfer of raw material and finished products once the plant is operational. The Steel Plant



Piling work in progress at the proposed Blast Furnace site at Kalinganagar.

will also be connected to the Daitari-Paradip Expressway and the State Highway. The power requirement for the project is to be met through two captive power plants to be installed by Industrial Energy Limited, a joint venture between Tata Steel Limited and Tata Power Limited. Additional power will also come from the installation of Top Gas Recovery turbines and the Coke Dry Quenching process as part of the Company's environment protection strategy.

The first phase of the project is expected to be commissioned by January 2014. This phase will have a 3 mtpa crude steel capacity feeding hot and cold rolling mills. The second phase, with an additional 3 mtpa crude steel capacity, is scheduled to be completed by March 2015.

RESETTLEMENT AND REHABILITATION

Inspired by the values laid down by its Founder, Jamsetji Nusserwanji Tata, Tata Steel views itself as having *adopted the families* displaced by the Kalinganagar project as part of its own 'family', the **Tata Steel Parivar**.

The Resettlement and Rehabilitation (R&R) scheme that Tata Steel Parivar is implementing at Kalinganagar has been designed to provide fair compensation to ensure that the displaced families are provided with practical and emotional support to enable them to adapt to their new surroundings. A committed Tata Steel Communication team, which includes members from the local Ho tribal community, is working to monitor and ensure the well-being of the members of Tata Steel Parivar.

The scheme has helped affected families improve their living standards. The income of the families who were the first to move to their new homes in 2006 has since then almost doubled, while their asset value has almost quadrupled.

Planned rehabilitation, the creation of alternative income-generating activities, the health and

THE R&R PROJECT AT KALINGANAGAR HAS HELPED AFFECTED FAMILIES IMPROVE THEIR LIVING STANDARDS



The Sinter Plant in its early stages of creation at the Kalinganagar site.

educational facilities provided by the Company – all of these have helped the relocated families attain the Millennium Development Goals (MDG) of the United Nations well before the 2015 deadline. The major MDGs achieved by Tata Steel Parivar include sustainable livelihoods, universal primary education, 100% institutional delivery, zero infant and maternal mortality, gender equality and women's empowerment, and environmental sustainability.

The Company has, furthermore, set up three modern and environment-friendly relocation settlements at Trijanga, Sansailo and Gobarghati.



PERFORMANCE IMPROVEMENT INITIATIVES

A snapshot of some Performance Improvement Team (PIT) projects that were implemented in various operational units across the Tata Steel Group.

Processed Reverts



PROJECT LOCATION: Aldwarke, IJmuiden, Jamshedpur, Port Talbot and Scunthorpe

PROJECT: The aim of this project was to reduce the costs of ironmaking and steelmaking by optimal recycling of iron-bearing waste. This had to be done without affecting the performance of the Blast Furnace, the Sinter Plant and the Steel plant.

EFFECTS: The group studied the problem by estimating the impact of revert on the Sinter, BF and BOS process. They also studied flowcharts that identified iron-bearing waste recycling streams for every ironmaking/steelmaking site of Tata Steel Group.

The efforts paid off with savings of 500 kilo tonnes per annum and estimated savings exceeding \$100 million per annum at current ore prices. The processes put in place by the team after identifying best practices on recycling, oily mill scale treatment, reclaiming iron-bearing wastes were implemented at various sites across the Tata Steel Group.

The team for this project was drawn from the departments of RD&T-Ironmaking, Ironmaking, Sinter Plant, Raw Materials, IMTG and Environment from different TSL sites where the project was implemented.

Reduction in Suspended Particulate Matter (SPM) from Coke Battery #3



PROJECT LOCATION: Jamshedpur, India

PROJECT: The aim of the project was to reduce chimney emissions to less than 50mg/Nm³. The team studied the problem thoroughly and came up with measures such as the replacement of carbon monoxide outlets, controlling draft and optimisation of gas flows, among others.

EFFECTS: The SPM level was brought down to the desired level. The project resulted in cost savings of \$16 million up to February 2011. It is expected that there will be additional savings of \$40 million by March 2012 through the production of 120,417 tonnes of additional coke. These measures to reduce the SPM level were taken without affecting normal operations on site.

As a follow-up, a daily management routine was implemented through which the team monitored chimney emission. The routine was implemented on under firing gas flow, average battery temperature and pushing regulation based on battery temperature. A systematic wall repair was carried out based on daily inspections.

The team for this project was drawn from the coke plant department of Jamshedpur, the refractory maintenance department in IJmuiden and the PIT chair in the UK.

Reducing Continuous Casting Machine (CCM) break-out and breakdown by restoring caster condition

PROJECT LOCATION: Tata Steel (Thailand)

PROJECT: CCM productivity plays a key role in steel manufacturing, not only helping a plant meet desired volumes, but also controlling overall costs. Caster break-out at the SISCO plant had been increasing over the last two years and there was a need to reduce the frequency of this occurrence.

The team collected data from the past two years on the performance of the machine and segregated the instances of a break-out before studying them. By doing this they were able to arrive at corrective actions, such as designing a new slag fishing rod for better pick-up, restoring and maintaining the CCM in prime condition with regular inspections on the CCM status.

The close casting practice in this plant is being benchmarked by the PIT.

EFFECTS: Thanks to these efforts break-out rates fell from 0.15% to less than 0.12%, while casting heats per tundish increased from 11.86 to 12.80.

The team for this project was drawn from the departments of the SISCO steel plant, Thailand.





STRENGTH OF DOWNSTREAM INTEGRATION IN INDIA

The Company's downstream operations continue to excel in their respective categories, meeting consumer demand for high-grade steel products. Here is an overview.

Tata BlueScope Steel Ltd

Tata BlueScope Steel (TBSL) is a 50:50 joint venture between Tata Steel and BlueScope Steel of Australia. TBSL's coated steel division has a manufacturing facility at Bara, Jamshedpur with a capacity to produce 250,000 tonnes per annum in Zinc-Aluminium (Zn-Al) coated coils.

TBSL's core focus is the manufacture of high-quality coated steel roofing solutions using Zn-Al alloy coated substrate. Its main product divisions are the Building Products and Distribution Division and the Building Solutions Division. A new state-of-the-art facility at Bara is expected to boost production and expand the Company's product range. The flagship brands of the Company are COLORBOND® and ZINCALUME®.

RESTELLO

Restello is a radical, steel apartment project in Kolkata, India, designed by UK architect Piercy

Conner, winner of the Living Steel International Architecture Competition in 2006. Steel is the main building material in the construction of 12 luxury apartments that have been designed using elements of Indian architecture and innovative sustainable practices. The steel used in the construction is manufactured by Tata BlueScope Steel and Tata Steel and meets high-quality international standards.



A representation of Restello.

Tata Steel Processing and Distribution Ltd



Tata Steel Processing and Distribution Limited (TSPDL) acts as the 'last mile connect' between Tata Steel and its customers by processing steel coil and rebar to meet customer needs on a Just-in-Time basis. It also works with Tata Steel to meet the processed steel requirements of major Auto OEMs by distributing processed steel to them. TSPDL acts as the value-adding outlet for 1.25 million tonnes of Tata Steel products.

The processing and distribution of hot and cold rolled steel coil and rebar, fabrication of plates and the manufacture of auto components form the Company's core business. It has a steel processing capacity of around 2 mtpa and processing centres at Jamshedpur, Pune, Faridabad, Tada and Pantnagar. TSPDL is the largest and most preferred steel service centre company in the country, serving about 1,200 customers.

The Tinsplate Company of India Ltd

The Tinsplate Company of India Limited (TCIL) is now a subsidiary of Tata Steel. TCIL's core activity is the manufacture of tin mill products – Electrolytic Tinsplate (ETP) and Tin Free Steel – value-added steel products, considered tailor-made for packaging processed edibles. Tinsplate is the most extensively and easily recycled form of packaging. TCIL's products are being increasingly used for packaging of processed foods and beverages.

TCIL and Tata Steel Packaging Europe (TSPE), who jointly enjoy almost a 10% share of the global tinsplate market, are working towards improving not only product and process capabilities through sharing of good operating practices but also increasing their market reach through a collaborative approach. The R&D and application engineering capabilities of TSPE is also expected to help TCIL in its market penetration efforts to market its growing volumes.

TCIL is currently working on more than doubling its capacity from 180,000 to 380,000 tonnes per annum. While a new 200,000 tonnes per annum capacity Electrolytic Tinning Line (ETL 2) has already been commissioned, a second Cold Rolling Mill to provide the feedstock for this line is in the final stages of erection and commissioning. TCIL expects to ramp up to its full enhanced capacity by 2012.





STRUCTURED TO DELIVER

During the year, Tata Steel introduced a new organisational model. The purpose of this reorganisation is to improve the performance of the European operations by embedding a 'One Company' mindset and a 'Customer First' outlook among employees.

The New Operating Model started to come into being from November 2010. A single sales and marketing function drives the activities of a single supply chain function, which is fed by three operational hubs.

The creation of the single sales and marketing function is designed to better enable us to make a difference to our customers. One of the function's early jobs has been an audit of our customers and how we serve them in order to better establish how to deliver them the right steels and how to solve their problems. The function has sectorised the markets the Company serves and is establishing a series of market sector teams to manage individual customer groupings. Customer-oriented sectors such as Automotive, Construction, Energy and Power and Lifting and Excavating have already started work and more will come into being during the course of 2011. In addition to the markets sectors, the sales and marketing function oversees certain market channels such as Distribution and Tata Steel International.

The single supply chain function simplifies management of the Company's routes to market.

The objective is to improve management of stock levels, from raw materials to finished products. This is especially important given today's high raw materials costs. The function's management will be able to strengthen its customer relationships by improving delivery performance. The function will guide where products need to be made and is responsible for ensuring deliveries are on time and in full.

The three hubs are Strip Products Mainland Europe based at IJmuiden, Strip Products UK based at Port Talbot, and Long Products Europe based at Scunthorpe. They include the Company's production, engineering and technical operations. The creation of the supply chain and sales and marketing functions has the benefit of allowing management of the three hubs to focus exclusively on improving production stability, efficiency and costs.

The new structure is completed by a group of other businesses, which operate mainly downstream of the hubs. Some of these, known collectively as Integrated Businesses, continue to manage both their operating

assets and their sales and marketing activities. These include Speciality Steels, one of whose main focuses is on special steels for aerospace, and Cogent Power, with its focus on grain oriented electrical steels. Other businesses' sales and marketing activities, such as those of Tata Steel Colors, Tubes and Building Systems, are handled by the market sectors and channels.

Finally, the New Operating Model comprises integrated support functions to support the business including finance, procurement and communications.

This new organisational structure will underpin the reinvigorated business strategy of the European business. With Customer First now the guiding principle for the European operations, the new strategy has been founded on the objective of strengthening customer relationships. Four building blocks have been established to support the new strategy. These are Market Differentiation, Technical Innovation, Cost Leadership and Operational Excellence.

THIS NEW ORGANISATIONAL STRUCTURE WILL UNDERPIN THE REINVIGORATED BUSINESS STRATEGY OF THE EUROPEAN BUSINESS.



A research and development unit at Port Talbot, UK



Employees at the IJmuiden plant, the Netherlands.



HEALTH AND SAFETY

As the Tata Steel Group strives to reach greater heights, the Company is focusing on continual improvement in the areas of health and safety across its operations.

Tata Steel is committed to ensuring zero harm to its employees, contractors and the communities in which it operates. This is integral to the Company's business process and is laid down in the Company's health and safety policies, standards and working procedures.

Health and safety is a key performance indicator and one of the prime drivers of the Company's corporate vision. One of the key goals of the Group is to achieve a Lost Time Injury Frequency (LTIF) rate target of 0.4, with zero fatalities by 2012.

Each of the Group's four regional sectors has a well-established and comprehensive health and safety policy with supporting principles, standards and procedures. In January 2011, a health and safety policy was implemented across the Tata Steel Group with clear objectives for process safety, occupational safety and health. As part of the policy, health and safety is reviewed at all Board meetings of the Company. A Health, Safety and Environment Committee, incorporating senior executives and non-executives from



A poster from the 2010 Zero Harm campaign. This campaign highlighted six hazards that presented the greatest safety risks in the workplace.

the Board has also been established to carry out more detailed reviews.

GROUP-WIDE INITIATIVES IN HEALTH AND SAFETY

India: Safety committees have been established involving employees at all levels. This has contributed significantly to the formulation and upgrading of policies, strategies and standards.

Europe: Tata Steel in Europe has a Health and Safety Management System (HSMS) consisting of a comprehensive array of tools, standards and procedures. This highly

structured system is based on industry best practices and was fully implemented in all European operations by the end of 2009.

South East Asia: In Thailand and China, a programme called Safety Excellence Journey was rolled out during the year at the Group's wire mills, as well as some of Tata Steel's associated companies. NatSteel embarked

on a two-year DuPont-guided safety excellence journey in 2009. Measures taken to date include the continuous active involvement of senior management, safety training, establishment of a safety council and formation of risk containment groups to identify and contain high-risk activities.

MINING

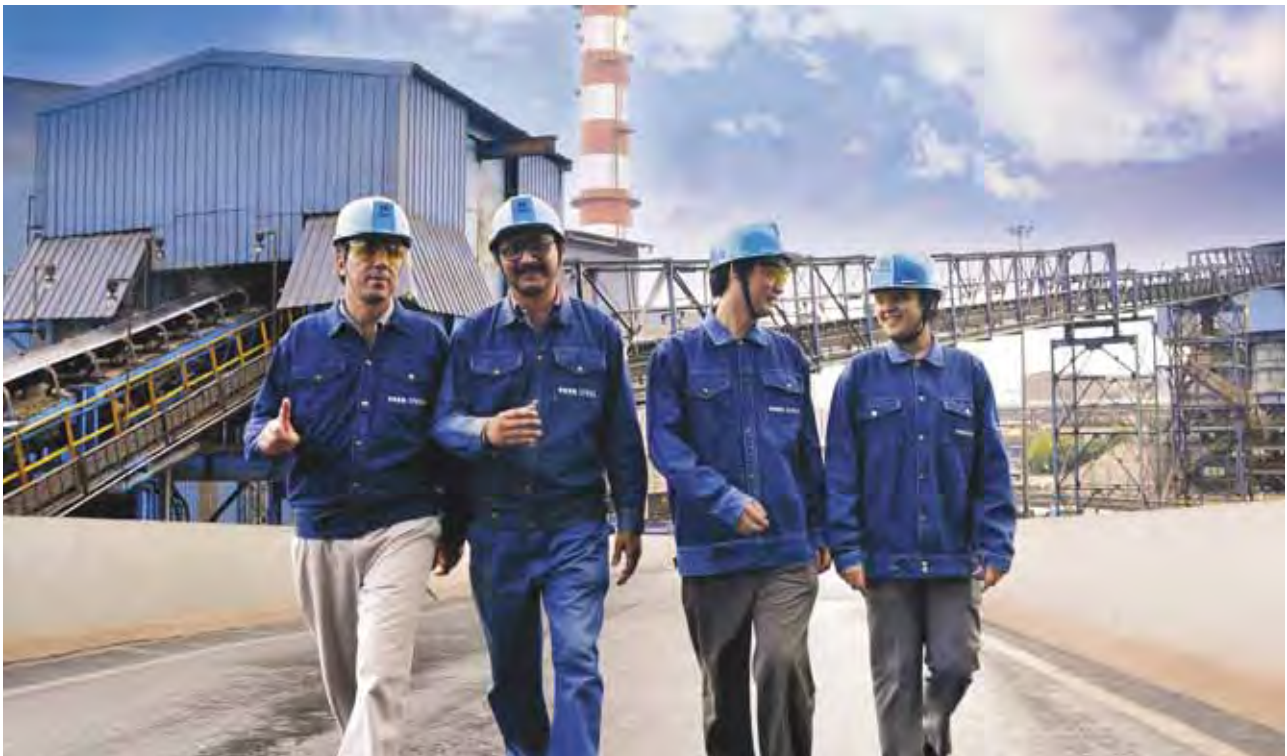
The Company constantly strives to improve systems for managing the significant safety risks associated with the extraction of raw materials. The Company has adopted the best mine rescue procedures at all mining units. The Tata Steel Safety Excellence Management and Review Process is used to proactively assess risks and hazards and control them through multi-level safety action plans. The process involves conducting detailed analyses of root causes of unsafe conditions and implementing corrective actions to make the workplace as safe and healthy as possible. Tata Steel also provides comprehensive health care services for employees and their families at its mines and collieries.

PROCESS SAFETY MANAGEMENT AND HIGH-HAZARD FACILITY ASSESSMENT

Process safety management relates to the operation and maintenance of installations and equipment to prevent major incidents, such as explosions, fire or the release of toxic gases and molten metal. The Company's focus, at all times, is to identify the hazards, determine the risks and ensure that effective controls are in place to minimise the potential of a major incident. The Company assesses sites for potential risks and creates and implements effective process safety management controls at each of these sites.

RECOGNITION

The World Steel Association recognised Tata Steel for demonstrating excellence in health and safety, particularly in relation to its contract workforce programme. The construction of the new blast furnace at Jamshedpur recorded 35 million accident-free hours.



Employees at the Jamshedpur Steel Works.



CARBON EMISSIONS AND CLIMATE CHANGE

With the aim of becoming the global steel benchmark for environmental performance, the Tata Steel Group is implementing measures to lower its rates of carbon emissions.

CLIMATE CHANGE STRATEGY

Climate change is one of the most important issues facing the world today and the Group's aim is to be a part of the solution. Five strategic priorities underpin this challenging objective. These are to:

- i) reduce emissions in the short to medium term, in line with current technology;
- ii) invest in the research and development of longer-term breakthrough technologies;
- iii) develop new products and services that reduce CO₂ emissions through the life cycle;
- iv) actively engage the workforce in this challenge; and
- v) lead by example within the global steel industry.

SHORT TO MEDIUM-TERM EMISSION REDUCTIONS

A number of large-scale energy efficiency and emissions reduction projects have recently been commissioned, while numerous other schemes are in progress. For example, the efficiency of the Group's Indian operations is already being improved through the ambitious capacity expansion projects at the Jamshedpur Steel Works. The expansion will see Jamshedpur's crude steel production capacity increase to 9.7 million tonnes by

early 2012 – almost a doubling of output in a four-year period. Efficiency savings are being gained by replacing multiple small blast furnaces with a smaller number of high-capacity furnaces. Advances in technology have been and will continue to be exploited to achieve further carbon savings, through higher rates of coal injection, blast furnace top gas turbines for electricity generation, the recovery of waste heat to minimise fuel usage and the establishment of thin slab casting and rolling to reduce the need for reheating. In Europe, in April 2010, the Group commissioned a £60 million energy efficiency scheme at its steelmaking facility in Port Talbot in the UK. This investment is reducing the site's CO₂ emissions through the re-use of gases generated at the BOS plant. The recovered BOS gas is being used to generate an extra 15MW of power – 10% of the facility's total electricity needs. Overall, the scheme will reduce CO₂ emissions by approximately 250,000 tonnes per year.

BREAKTHROUGH TECHNOLOGY DEVELOPMENT

The scope for achieving further significant CO₂ emission reductions from the conventional iron

and steelmaking process is limited by the laws of thermodynamics. Consequently, the production of hot metal, via the blast furnace route, must be placed on a completely new technological path if a step-change in emissions is to be achieved. For the long term the focus is on the collaborative ULCOS (Ultra Low CO₂ Steelmaking) project aimed at reducing CO₂ emissions from ore-based steelmaking by at least 50% per tonne produced by 2050. The ULCOS steering committee made a decision to build the Hlsarna™ pilot plant at the Group's site at IJmuiden, the Netherlands and construction was completed during the financial year. This technology aims at producing pig iron using raw materials in powder form, thus bypassing ore and coke agglomeration processes. The technology in principle offers a 20% energy (and CO₂) reduction opportunity, and technically could be combined with carbon capture and storage to further reduce emissions.

VOLUNTARY AGREEMENTS

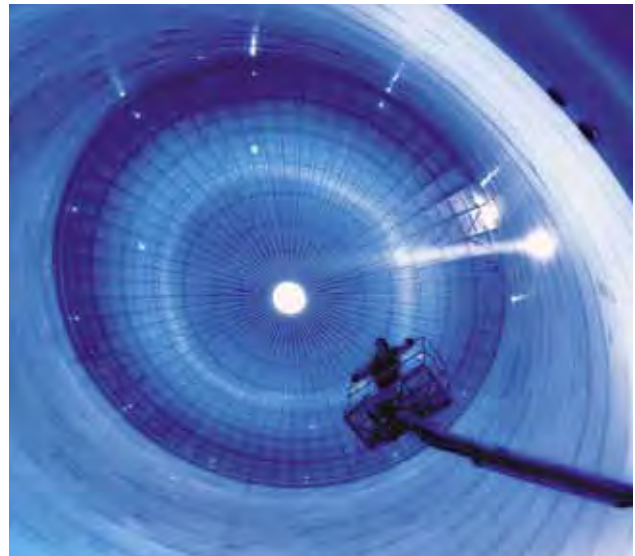
The Group currently participates in a voluntary agreement with the Dutch government regarding energy efficiency improvements over the period 2009 to 2012. The primary requirement of the agreement is an energy efficiency improvement of 2% per annum, covering both energy used within the manufacturing process and energy saved across the product life cycle. The total energy efficiency improvement in 2010 was 2.8%. In the UK, the revised target within the Climate Change Levy ('CCL') agreement (i.e. a reduction in absolute energy consumption of 15.8% compared to 1997 levels by the end of 2010) was achieved. This ensures that the Group will continue to benefit from reduced rates in relation to the CCL for 2011 and 2012 (relief having been set by the UK government at 65% for all sectors that achieve their CCL agreement targets, reduced from 80% previously).

EU EMISSIONS TRADING SYSTEM (EU ETS)

The EU ETS came into force on 1st January, 2005. The scheme currently focuses on CO₂ emissions and applies



The Hlsarna™ pilot plant at IJmuiden, the Netherlands



Inside the gas holder - part of the BOS gas recovery scheme at Port Talbot, UK

to various production processes, including those used in the production of steel. CO₂ emitting sites are allocated a certain number of emission rights and these sites have permission to emit CO₂ up to the limit of their rights allocation. Any surplus in emission rights can be sold and any deficit can be purchased on the emission rights market. Phase 1 of the EU ETS covered the years 2005 to 2007 and Phase 2 covers 2008 to 2012, with usage of rights being externally verified and reconciled annually. Phase 3 will run from 2013 to 2020 inclusive. The Group met its environmental obligations in Phase 1 of the EU ETS and expects to do the same in Phase 2.



CORPORATE CITIZENSHIP

Tata Steel's journey over the past century is a fascinating saga of pioneering initiatives in steelmaking, responsible industrialisation with minimal impact on the environment and the socio-economic empowerment of the community.

A LEGACY OF COMMUNITY SERVICE

As its operations have expanded to new geographies, the Tata Steel Group has retained a collective focus on various areas of corporate sustainability that impact people, the environment and society at large. Founded on the philosophy that society is not just another stakeholder, but the prime purpose of its business, the Company, across its various operations, is committed to making a positive contribution in a number of ways. The Company believes passionately that good corporate citizenship and good business performance go hand in hand and nurture each other through good times and bad.

LOOKING BACK WITH PRIDE

The policy of inclusive development is not just a policy on paper, but a value ingrained in the system through years of amalgamating social change with industrial progress. On 27th February, 1908, when the first stake was driven into the ground at Sakchi in Bihar, few would have guessed that just 20 years down the road this harsh, unrelenting land would become the site of one of India's most modern and ideal townships – Jamshedpur. A planned city, complete with wide roads, water, electricity and the best amenities in education, health care and

basic infrastructure, Jamshedpur is India's best example of a sustainable community created around an industry.

Before his death in 1904, the founder, Jamsetji Tata, already had a vision in his mind of what this town should look like. He told his son, Dorabji Tata:

Landmarks in community development

21 June, 1915 – The first school, known as the KMPM School, was opened to bring about upliftment through education.

1 November, 1921 – Tata Steel's Jamshedpur Technical Institute opened with 23 students on roll.

1 March, 1958 – Jubilee Park was dedicated to the Nation to mark the Company's 50th anniversary.

1958 – 'Shramdaan', a significant aspect of community development and social welfare, started in the bustees, around Jamshedpur.

1979 – Tata Steel Rural Development Society (TSRDS) was set up. The society began operation with an initial annual budget of ₹ 8.5 lakhs and a total of 32 villages in 1979. Today, the annual budget exceeding ₹ 5 crores caters to nearly 650 villages.

“Be sure to lay wide streets planted with shady trees, every other of a quick-growing variety. Be sure that there is plenty of space for lawns and gardens. Reserve large areas for football, hockey and parks. Earmark areas for Hindu temples, Mohammedan mosques and Christian churches.”

In many ways, Jamshedpur went on to become a living manifestation of Tata Steel's community work. In 1915, Mrs. Perin, the wife of the consulting engineer at the Steel Works, started a primary school for children in the area. In 1916, a social welfare scheme was initiated by the Group to assist people in the areas of education, vocational training, family welfare and self-employment. In 1936, a night school was established in nearby Golmuri to help people who worked in the Company's factories. Today the Jamshedpur Utilities and Services Company (JUSCO) runs nine schools and one college in the city.

The Company's social outreach programme covers 600 villages in and around its manufacturing and raw materials units, through initiatives in the areas of income generation, health and medical care, education, sports, among others. Tata Steel is a founder member of the United Nations Global Compact and Jamshedpur became the first city in South East Asia to be chosen for the United Nations Global Compact Pilot Programme.

LOOKING FORWARD WITH HOPE

The idea of inclusive development continues to drive the Company's Corporate Social Responsibility (CSR) activities. Just as it did at Jamshedpur, Tata Steel is developing model townships like Trijanga, Sansailo and Gobarghati, close to the Company's Greenfield Project at Kalinganagar in Odisha. Infrastructure development continues to grow in the states of Odisha, Chhattisgarh and Jharkhand, where many of the Group's operating units in India are based.

A CONTINUED FOCUS ON HEALTH CARE

With emphasis on improving the health and welfare of employees and local communities, the programmes conducted by the Group focus on

1915

THE YEAR THE FIRST SCHOOL WAS ESTABLISHED IN JAMSHEDPUR.



The KMPM school, Jamshedpur set up by Mrs. Perin in 1915.



The Health and Industrial Exhibition held in Jamshedpur in 1932.



'Shramdaan', an aspect of social welfare was introduced to the community in 1958.

CORPORATE CITIZENSHIP

adolescent health and HIV / AIDS awareness. In South East Asia, NatSteel has a comprehensive programme of health screening for employees and their families. This programme also creates awareness on lifestyle diseases among the community.



A mother and child after immunisation at the Joda unit, Odisha

Mother and child health

The concept of a healthy mother and a healthy baby is one of the cornerstones of Tata Steel's health care programmes. Through investments in maternal and neonatal programmes, the Group has helped improve the health of thousands of women and children each year.

The hospital on rails continues its journey

The Lifeline Express – the world's first hospital on rails – offers medical services such as on-the-spot diagnosis, medication and advanced surgical treatment for orthopaedic, ear, nose, throat and eye ailments. In a recently concluded camp, conducted at the Jajpur Road Railway in Odisha, the Lifeline Express gave services to 4,309 physically challenged people from the districts of Keonjhar, Bhadrak, Dhankanal, Jajpur and Cuttack in Odisha.

Strengthening the future

The most common threats to growing children often arise from lack of nutrition and hygiene. To control these problems, the Tata Steel Rural Development

Society has been conducting regular health checks in schools and providing children with necessary medicines free of cost.

Drug and alcohol abuse

In an effort to battle the high rate of drug and alcohol abuse in the towns of Port Talbot and Newport in South Wales, Tata Steel has joined forces with various organisations like the Gwent Alcohol Project, the West Glamorgan Council on Alcohol and Drug Abuse, the Community Union and key contractors. The Group has also raised funds for the development of community centres which could help young children stay away from drugs.

EDUCATION

Tata Steel believes that education is a basic human right that must be provided to all. This vision is the force behind the Group's involvement in a number of educational programmes around the world.

The promise of a bright future



Tata Steel has always endeavoured to promote higher education and vocational training. It was this intention that drove a tie-up between Tata Steel Cote

d'Ivoire (TSCI) and Yarani, a vocational training institute for girls in Abidjan where TSCI would provide scholarships for the education of students. This tie-up saw two bright students from the nearby town of Bongola being selected for a management programme in hospitality with a specialisation in baking and cooking.

In India, the Group provides financial support to students at the primary and secondary school level, as well as scholarships for higher education. Through scholarships such as the Jyoti Fellowship and the Moodie Endowment, Tata Steel supports the education and development of students in the states of Jharkhand and West Bengal as well as of children from the Scheduled Castes and Scheduled Tribes. The Group's Tribal Cultural Society also provides coaching to students to prepare for a variety of vocational examinations.

In South Africa the group has pledged R50,000 (US \$5,275) for a period of three years to Brackenham primary school to help parents who are unable to pay school tuition fees. In the poor rural area of Mandlazi, Tata Steel has sponsored the school fees for 50 orphans and provided administrative support to a primary school.

In Thailand, the Tata Steel initiative 'Grow Smart with Tata Steel' has continued to prosper. The initiative aims to promote self-learning and development in youngsters living in remote areas by nurturing their interest in reading, and expanding their knowledge and capabilities.

NatSteel, along with the NatSteel Employees Union, holds a joint merit awards presentation. Since the inception of this award in 1991, nearly 1,000 recipients have received more than S \$500,000 in awards that support education.

COMMUNITY DEVELOPMENT

Ensuring inclusive growth for all its stakeholders is one of the key cornerstones of Tata Steel's values. It is this vision that manifests itself in a focus on providing rural services in the hinterland around Jamshedpur and in Odisha where the Company's mines, collieries and greenfield projects are based. This intervention is undertaken by four organisations: The Tata Steel Rural Development Society (TSRDS), the Tribal Cultural Society (TCS), the Tata Steel Family Initiatives Foundation (TSFIF) and Urban Services.

Building the future



Chris O'Brien grew up in Port Talbot and often wondered about the impact of the steel plant on the environment. After gaining a degree in marine biology, O'Brien joined Tata Steel in 2007 as a graduate environment engineer and has since played an active role in spreading awareness about carbon emissions in the community. O'Brien runs workshops for local primary schools where he imparts environmental awareness.

In South East Asia, NatSteel is actively involved in community work and corporate philanthropy in the countries in which it operates. Its 'Building Beyond Borders' CSR programme focuses on supporting the underprivileged elderly as well as the education of disadvantaged youth. In Singapore, regular engagement with the Company's three adopted charities raised staff volunteering rates to over 30% last year, compared to 22% the year before. The charities that are supported work with elderly people, disadvantaged youth and physically challenged people. At the NatSteel subsidiaries in Australia, China and Vietnam, CSR activities include granting bursary awards, engagement with local schools as well as disaster relief work. Tata Steel Thailand also actively participated in disaster relief work last year, distributing supplies to people affected by the flooding near its SISCO plant.

CORPORATE CITIZENSHIP

Sustainable livelihood through wasteland development:

Another strand of the work Tata Steel does with rural communities focuses on strengthening agricultural capabilities. Aid is offered to farmers to increase productivity and to bring wastelands under cultivation. A large portion of India's land falls under the category of wasteland. To better utilise this land, Tata Steel has been partnering the National Horticultural Mission since 2005. By 2009-10, almost 9,000 acres of land had been brought under cashew and mango plantations, benefiting 3,700 households from 129 villages in the East Singhbhum district of Jharkhand. At the Joda East Iron Mine in Odisha, Tata Steel has also introduced a scientific rainwater harvesting system to check the depleting levels of ground water. A large storage-cum-percolation lake has been constructed at a favourable location to pool in the water from the vast catchment area around the lake. This project will help increase the ground water levels of surrounding settlements, including the Joda township.

Self-help groups for women:

Self-help groups (SHGs) formed by rural women have been effective agents of change in rural areas. Empowerment initiatives have raised the skill levels of rural women, enabling rural households to benefit from additional income sources. While the SHGs get financial assistance from government departments and banks, Tata Steel's support is both financial and technical. The Company often partners with professional groups to assist women in starting their own businesses.

Employability training:

Apart from a strong focus on primary and secondary education, the Tata Steel Group has actively supported employability or vocational training. The initiative aims at developing skills among communities, women and young people, supporting local artisans to provide them with better opportunities to compete in the job market. Job-oriented training programmes are regularly conducted in many centres in India, Africa and South East Asia.



Wasteland development – Maize cultivation at Seraikela-Kharsawan district, Jharkhand.

UK Steel Enterprise



A wholly-owned subsidiary of Tata Steel, UK Steel Enterprise Limited (UKSE) was established in 1975 with the purpose of improving the economies of those areas of the United Kingdom that are most affected by changes in the steel industry. It has fulfilled its aim, creating nearly 70,000 new jobs and supporting more than 4,500 small businesses. UKSE delivered a package of support measures in the wake of job losses at Teesside, including grant and loan funding for more than 100 new businesses in the region, and an expansion of the innovation centre at Hartlepool's Queens Meadow Business Park. Additional funding has been provided to a variety of businesses across all steel areas of the UK to help create new job opportunities in steel communities.

Advocates of Change

ONE STEP CLOSER TO A DREAM

A simple husking machine was all it took for the smiles to return to the faces of Sukanti Murmu and her husband, Shyamsundar. Sukanti, is a member of the Hirla Marang Buru Self-Help Group (SHG) in Tangiriapal, Keonjhar, Odisha. Sukanti purchased a husking machine with the help of her SHG. Her small venture, which started in a makeshift shed, is just one small success story. She works at the machine along with her husband and the two have managed to pay off their loan, and also ensured that they have a steady income stream every month.



Sukanti Murmu and her husband Shyamsundar work on their husking machine.

REARING A LIVELIHOOD

The idea of a self-help group in the small village of Badeparoda, Chhattisgarh initially met with a little hesitation. In 2010, however, a group of women, decided to create their own SHG, focused on goat-rearing, with support from the TSRDS. A year later, the group's activities have expanded. They now look after 10 animals and make revenues of ` 30,000. Their success is encouraging other women to come forward and form self-help groups in the region.



The poultry units of Kalinganagar are helping farmers gain an alternate source of income.

HOPE TAKING ROOT

Two women's SHGs in Bichakundi and Joda in Odisha are finding success the green way. The groups have been growing saplings for the last three years according to the requirements of the Tata Steel plantation in the area. Every year, the groups grow around 100,000 saplings. This profitable activity helped them earn ` 4.5 lakhs in profit. The groups are now looking to expand their initiatives into vermi-compost production.

POULTRY UNITS AT KALINGANAGAR

As part of its many activities aimed at generating alternative income for the people of Kalinganagar, the Company has helped enable the establishment of poultry units. Last year, 11 farmers undertook poultry farming after receiving advice and support in poultry farm management. In just one year, the group achieved a turnover of ` 14.7 lakhs with a net profit of ` 86,003.

SNAPSHOTS OF COMMUNITY ACTIVITIES

Promoting tourism in Chhattisgarh

Tata Steel participated in the Chitrakoot festival held in the Bastar district of Chhattisgarh. The festival, which promotes tourism in the state, also hosted a sports event. The Company supported the tournament as part of its policy to encourage local talent.

Lending a hand of support

Tata Steel Thailand supported several disaster relief projects during the year. The Company distributed a disaster relief package for flood victims in the vicinity of its SISCO plant. The Company also donated funds to the Embassy of Japan in Thailand in the wake of the tragic earthquake and tsunami in Japan.



Bonding over sport

The Sukinda Chromite Mine in Odisha organised a week-long, day-night cricket tournament. Teams from neighbouring areas such as Kankadapal, Ransol, Jajpur, Sansailo, OMC Kaliapani, Kuhika and Tata Mines participated in the tournament.

A mark of respect

As part of its initiative to promote local culture in Thailand, the Company donated the customary 'Khatin' offering to Buddhist monks. The donations comprised robes and essential materials. The Company also supports monasteries by donating construction materials to build temples and schools.



Celebrating tradition

The Ores, Mines and Quarries division of Tata Steel was a major part of the Jhankar Cultural Institution's celebrations this year. The acrobatic dance nuances of the Gotipua dancers – boys in the age group of 15-16 years – captivated the audience at this popular event.

Infrastructure development

The TSRDS undertook infrastructure development projects in the Kotpali and Nayagarh villages of Joda, Odisha. These included the reconstruction of a check dam and the development of a school.



Getting back on the road to learning

Respecting the basic rights to education and learning of every individual, Tata Steel's CSR activities at Noamundi include a unique education camp. This camp for girls is a bridge course that helps students who dropped out of school complete their education. The girls are tutored and then moved to mainstream education in the form of local schools. As many as 200 students have benefited from this camp.



A heart-warming celebration

As part of its CSR programme, 25 NatSteel volunteers celebrated the New Year with residents of the Saint Joseph's Home, one of the charities supported by the Company. The volunteers put up song and dance performances and the residents welcomed the New Year with goodie bags made specially for the occasion.

Support for indigenous cultures

Tata Steel organised a traditional folk dance competition in Sansailo, Odisha. Thirty-five groups from the villages of Danagadu, Sukinda and Bamnipal participated in this colourful event.

A strong partnership

NatSteel continues its strong support for the Society of the Physically Disabled (SPD) by awarding S \$90,000 to 129 students with physical disabilities or with physically-challenged parents. The SPD is also a part of NatSteel's 'Building Beyond Borders' initiative.

Apprenticeships at Scunthorpe

The Tata Steel site in Scunthorpe will offer 63 apprenticeships within the Company to a group of teenagers from schools and colleges in North Lincolnshire this summer. The apprentices will specialise in structural, mechanical and electrical engineering and chemistry and metallurgy. The apprenticeship programme, extending over three years, will train youngsters in every aspect of the industry.

Spreading the green word



Apart from working with communities to address environmental and social issues, Tata Steel also creates awareness through advertising campaigns. The Company has tied up with mass media to promote messages on occasions like the World Environment Day.

Going green

Environmental projects are also a key feature of the Company's CSR activities. Tata Steel Thailand has helped build temporary and permanent dams at the Ang Rue Nai Wildlife Sanctuary. The Company also donated steel for a coral cultivation project in conjunction with the Iron and Steel Institute of Thailand.



BUILDING A MODEL LIFE: KALINGANAGAR Trijanga township:

Apart from its CSR work in and around Jamshedpur, the Company's activities touch the lives of people in more than 800 villages in Jharkhand, Odisha and Chhattisgarh. From the early stages of a project's planning, the Tata Steel Parivar (Family) organisation engages with local communities to discuss their expectations and needs. The Trijanga township is a case in point.

All-weather roads, uninterrupted power supply, piped water and planned layouts are advantages that are lacking in most towns and cities in India. However, the Trijanga township in Jajpur, Odisha has all of these benefits. Established by the Tata Steel Parivar, the Trijanga, Sansailo and Gobarghati townships were built for families displaced by the Kalinganagar greenfield steel project. Each relocated family has been given a plot of land measuring 0.1 acres and funding for the construction of a house. They have also been given employment.

The children of these families are offered assistance in higher education through scholarships funded by Tata Steel Parivar. To date, 39 children have benefited from these scholarships.

Here are some of the initiatives that the TSRDS and the Company have undertaken in the vicinity of the Kalinganagar greenfield project:

1. HEALTH: Medicated mosquito nets were distributed to students of residential schools and to villagers under the Malaria Eradication Programme. Students of five tribal residential schools were also given free check-ups and medicines. The Company also distributed essential items like mattresses and pillows to tribal residential schools.

2. EMPOWERMENT: The Tejaswini Programme organised by the Company has contributed to the empowerment of more than 1,000 women belonging to 70 Self-Help Groups across 40 villages.

3. YOUTH ENGAGEMENT: Tata Steel has been organising the Pragati Inter-Village Football League for the last two years. This year, 64 teams from 50 local villages participated in the tournament. This is one of the many methods used to identify and nurture local sporting talent. Tata Steel's Sports Feeder Centre (SFC), set up in 2008, at Duburi, Jajpur, also promotes sports in the rural and urban areas of Odisha. More than 320 budding sporting talents in football and archery have been groomed at the Centre.



Roads, electricity and potable water are just some of the amenities that the residents of the Trijanga township enjoy.



The Tata Steel Chess Tournament 2011 at the Netherlands.



The Triathlon is one of the key sporting events supported by TSE.

THE SPORTING WAY

Tata Steel believes that sport is an ideal platform for engaging youth and one of the key factors in developing well-rounded leaders in the industry. It is with this viewpoint that the Company supports a wide range of cultural, social, educational and sporting activities that benefit the Group's communities and society at large.

The Company supports sport through its sponsorship of sporting events, the establishment of sporting academies, support for athletes and the creation of necessary infrastructure such as playgrounds and stadiums. Here are some of the Company's key initiatives in the sporting arena:

- The Tata Football Academy and the Tata Archery Academy provide state-of-the-art assistance to budding footballers and archers from across India. The Tata Football Academy has an outstanding record of producing quality players who have gone on to represent India.
- Encouraging indigenous sport has always been a part of the Company's CSR policy. In India, Tata Steel has organised and supported many

35 THE NUMBER OF GRANDMASTERS WHO PARTICIPATED IN THE TATA STEEL CHESS TOURNAMENT.

rural sport events, which have encouraged the emergence of local sporting talent. The Company also organises various sporting competitions within its operating units

- The annual Tata Steel Chess Tournament: Held in Wijk aan Zee in the Netherlands, this tournament is one of the world's leading chess tournaments, attracting players and fans from all over the world. Over 40 world-ranked players, including 35 grandmasters, participated in the tournament in January 2011.
- Tata Steel Europe has been supporting the British Paratriathlon Championships since its inception three years ago. The Company is also the corporate partner of the British Triathlon Federation and plays an important role in creating interest and awareness around the triathlon. The Company has also been encouraging the participation of young children in the sport.





Performance through sustainability

“The wealth gathered by Jamsetji Tata and his sons in half a century of industrial pioneering formed but a minute fraction of the amount by which they enriched the Nation. The whole of that wealth is held in trust for the people and used exclusively for their benefit. The cycle is thus complete; what came from the people has gone back to the people many times over.”

JRD Tata

<< *Jubilee Park, Jamshedpur was a gift by Tata Steel to the citizens of Jamshedpur in 1958 on the completion of the Company's 50 years. The sprawling 238 acre park has a rose garden with over a thousand varieties of roses, musical fountains with laser shows and a lake. It is a favourite with morning walkers, joggers, cyclists and anglers.*

REVIEW OF OPERATIONS INDIA

Tata Steel Group recorded a strong, all-round performance across all its sectors in the fiscal year 2010-11. The results confirmed the major turn around achieved over the previous financial year (FY 10), with a consolidated net profit of ` 8,983 crores, an improvement of ` 10,992 crores over the loss of ` 2,009 crores in FY 10. The Company's total income rose by 15.6% to ` 119,734 crores.

The Indian operations' profit after tax of ` 6,866 crores and EBITDA of ` 12,224 crores were the highest ever and were due to higher volumes, improved product mix and higher realisations. While turnover in FY 11 at ` 29,396 crores rose by 17% over FY 10, the Company recorded a 25% rise in EBITDA over the last financial year.

India is one of the fastest growing economies in the world, with scope for a large increase in per capita consumption. Tata Steel has adopted a growth strategy and is now focused on expanding its capacity. The Company's Indian revenues are set to grow in coming years because of the 2.9 mtpa expansion at Jamshedpur and the Kalinganagar Project in Odisha. These, coupled with an enriched product mix and operating improvements, will contribute significantly to future earnings.

A strong Continuous Improvement (CI) culture is embedded in Tata Steel's Indian operations. 'Kar Vijay Har Shikhar' (Conquer Every Peak), the flagship CI initiative, has been implemented across the Company and has resulted in savings of ` 312 crores. In terms of engineering processes, a cost reduction exercise carried out by the Engineering and Projects division resulted in savings of nearly ` 1,000 crores in project costs.

The key milestones achieved in FY 11 were as follows:

- Total crude steel production of 6.86 million tonnes at Tata Steel India exceeded the installed capacity of 6.8 mtpa.

- New annual production records were achieved for hot metal from the 'G' Blast Furnace and hot rolled coil from the Hot Strip Mill at Jamshedpur, for clean coal at West Bokaro and for iron ore from the OMQ Division.
- Tata Steel India exceeded 1 million tonnes in sales to the automotive sector in FY 11, with best ever Skin Panel and Galvanised Annealed product sales. Sales of branded products also exceeded 1 million tonnes in FY 11.
- In December 2010 and January 2011, Tata Steel drew a sum of ` 3,000 crores via issuance of 20 year Non-Convertible Debentures, where the Company will have no cash outgo on account of interest for the first three years.
- In March 2011, Tata Steel successfully completed India's first-ever offering of Corporate Hybrid Perpetual Securities through an issue of ` 1,500 crores. The unique features of the securities are that they are perpetual in nature, with no maturity or redemption, and are callable only at the option of the Company.



Cold rolls at the Jamshedpur Steel Works.

SAFETY – AN ONGOING FOCUS

A safe workplace is one of the key goals of Tata Steel. The company achieved a reduction of 20% in Lost Time Injury Frequency (LTIF) rate. The company extended its health and safety initiatives through a programme called 'Wellness@workplace'. This programme was aimed at increasing awareness of lifestyle diseases among the employees. A Health Index has been created to address the health issues of all the employees and to monitor and reduce health-related problems.

However, the eight fatalities in the workplace at Jamshedpur during the year were a cause of concern. The fatalities in the hazardous steelmaking processes area of the steel plant have been properly addressed through initiatives like the Process Safety and Risk Management (PSM) and Behavioural-Based Safety Management (BBSM). The Company has also created a corporate safety function to reinforce safety management in the Raw Materials divisions and other out locations. Corporate safety will

also be responsible for strengthening safety management systems at greenfield projects, stock yards, external processing agents, the TIS group of companies, as well as Tata Steel Thailand and NatSteel.

E-CAUP: Keeping in view the recent fatalities and implementing the learnings derived from them, the Apex Safety Council has decided to drive a campaign on the Elimination of Commonly Accepted Unsafe Practices at the Steel Works and all out locations, including Mines and Collieries. In this campaign each department will identify unsafe practices and plan to eliminate hazards through foolproof and fail-safe procedures.

Fatality Risk Control Programme: A comprehensive Fatality Risk Control Programme was launched in 2008 to eliminate fatality situations at Tata Steel. This process identifies unsafe conditions and eliminates them through engineering solutions. This process has now been extended to unsafe acts as well.



Employees overseeing production at the LD Shop, Jamshedpur.

25% RISE IN EBITDA OVER THE LAST FINANCIAL YEAR FOR THE INDIAN OPERATIONS

REVIEW OF OPERATIONS UK & EUROPE

As part of the Tata Steel Group of Companies, Tata Steel Europe (TSE) remains committed to the Group's vision of being a global benchmark in value creation and corporate citizenship, in spite of the challenges of a slow European recovery, high raw material costs and the pending introduction of the EU Emissions Trading Scheme ('EU ETS') Phase III.

In the year under review, the European market accounted for 84% of TSE turnover, of which the UK accounted for 27%. The TSE management has focused on restoring confidence in the Group and has achieved a number of milestones as follows:

- In September 2010 Corus was rebranded as TSE, embracing the benefits of operating within the wider Tata organisation and closer to Tata Steel Limited.
- As part of managing the TSE asset portfolio, TSE sold Teesside Cast Products to Sahaviriya Steel Industries Public Company Limited, Thailand's largest steel producer on 24th March, 2011, in a transaction valued at £290 million, plus the actual value of working capital transferred at completion. The assets covered by the sale include the Redcar Blast Furnace, the Redcar and South Bank Coke Ovens, TCP's power

generation facilities and Sinter Plant and the Lackenby steelmaking and casting facilities.

- Tata Steel UK Holdings Limited, a subsidiary of TSE, signed a Senior Facility Agreement in September 2010 with a syndicate of banks for a €3.4 billion term loan and £690 million revolving credit facility to replace the previous loan and revolving credit facilities.
- Implementation of a new operating model started in the latter half of the financial year. TSE is now being reorganised to operate a single sales and marketing team, a supply chain organisation, three steelmaking operational hubs, speciality businesses and pan-European support functions.

Tragically, there were two fatal accidents during the financial year and one in April 2011. The first occurred in April 2010 while an employee was undertaking crane maintenance in the slab yard at Scunthorpe, England. The second one took place in August 2010 when a contract haulier at the same site was crushed by his runaway vehicle in a trailer park. The third took place in April 2011 in the coke oven plant at IJmuiden, the Netherlands.



The operational facility at IJmuiden, the Netherlands.

PERFORMANCE

The preceding financial year of 2009-10 started with the depressed market conditions evident at the end of 2008-09 and, whilst some modest recovery was seen by the third quarter, sales volumes and prices remained well below those experienced in the first half of 2008-09. Excluding seasonal effects, sales volumes were reasonably flat for the first three quarters of 2010-11, before showing an improvement in the fourth quarter, leading to the highest level of quarterly sales since 2008-09. Selling prices improved steadily through the year reflecting the significant increases seen in raw material costs and ended the year 18% higher than twelve months previously. The turnover for the period was £10,747 million (2009-10: £8,743 million), 23% higher than the previous year. Average revenue per tonne increased by 13% and deliveries by 11%.

VALUE CREATION AND GROWTH

In line with the TSL Group vision, TSE's strategy is aimed at value creation. The pressing challenge in Europe is improving the quality of earnings and this challenge has been identified by the Group. The main priority in meeting this challenge is the Group's approach to dealing with its customers.

In order to improve customer service, TSE is implementing a major 'supply chain transformation' project aimed at reducing inventory levels whilst at the same time improving customer service levels. In addition to the customer focus, TSE continuously works towards higher levels of operational excellence through improving asset performance in respect of quality, reliability and cost. In support of this, the steelmaking operational hubs have embarked on a number of developments and initiatives such as:

- An investment of £185 million in the rebuilding of Blast Furnace 4 at Port Talbot, Wales, which will improve operating efficiency.
- The Group's site at IJmuiden, the Netherlands, has an objective and plans to operate its ironmaking and

23% THE PERCENTAGE OF TURNOVER GROWTH IN FY 2010-11.



The Blast Furnace site at Scunthorpe, England

hot strip processing at European benchmark levels.

- Launch of a fund of £100 million for short payback capital projects to improve operational efficiency across Europe.
- Announcement in May 2011 of a proposed restructuring of the Group's Long Products Europe hub to target high-value markets and to introduce greater flexibility into costs and operations.

In implementing its strategy, TSL aims to be a leader in corporate citizenship, providing a safe work place for employees, and caring for the environment and communities in which it operates. During the year, TSE commissioned a BOS gas-recycling scheme at Port Talbot, Wales that is saving approximately 250,000 tonnes of CO₂ emissions each year. TSE is also a leading player in the European Ultra Low CO₂ Steelmaking ('ULCOS') collaborative project and, under this project, has completed the construction of a new HIsarna™ pilot plant at IJmuiden. If successful, this could result in a 50% reduction in CO₂ emissions in steelmaking.

REVIEW OF OPERATIONS SOUTH EAST ASIA



NatSteel's operational facility in Singapore.

There was a mixed performance in South East Asia, with a stronger performance in Singapore, while operations in Thailand in the first half of the year were adversely affected by the political turbulence in the country. Profits were also adversely affected by the sharp rise in scrap prices, which could not be fully recovered through an increase in steel prices. Across the region, GDP growth averaged out at 6-7%, with Singapore posting the strongest growth of 14.5%.

Apparent steel consumption in South East Asia grew by 13% in 2010 and is forecast to increase by 15% in 2011. Demand will be fuelled by growth in construction, infrastructure development and industrial activities. Steel consumption in Australia should also grow because of the expansion of the mining industry and reconstruction efforts after natural disasters such as the Queensland floods.

NATSTEEL HOLDINGS

Sales in Singapore and Australia picked up substantially over the previous year by 14% and 28% respectively, whereas volumes in both China and Vietnam were a little slower. Demand in China was dampened by the typhoon during the year, as well as the government's attempts to cool the real estate market. Market conditions in Vietnam were also affected by the government's efforts to tackle high inflation.

Singapore saw higher exports during the year, pushing up sales and causing a two-fold increase in deliveries of bore-pile cages (fabricated re-inforcement columns for foundations). Downstream sales increased by 7.5% over FY 10 to end at 364,000 tonnes. The company aims to achieve a level of 0.5 million tonnes of value-added downstream products in FY 12. NatSteel is now one of the largest producers of bore-pile cages in the world

and one of the largest single-location downstream reinforcement suppliers.

DRIVING SUSTAINABLE GROWTH

From environmental sustainability and community involvement to workplace health and safety, sustainability lies at the heart of NatSteel's business and the Company continues to set the benchmark in the region for environmental sustainability – high quality steel is produced solely from converting scrap, while by-products are also recycled.

NatSteel's carbon footprint is also among the best in the global steel industry, as it operates one of the most energy-efficient electric arc furnaces. The Company has consistently capped its CO₂ emissions to less than 0.5 tonnes per tonne of liquid steel.

Achieving the prestigious Singapore Environmental Achievement Award (Merit) is a testament to NatSteel's success in minimising the environmental impact of its operations. NatSteel is also the only steel mill in the region to meet the eco-standards of the Green Label certification.



The Mini Blast Furnace at the NTS plant, Chonburi Province, Thailand



NatSteel Singapore has been awarded the Green Label certification.

Significant strides have been made in NatSteel's safety journey. NatSteel's workplace health programme continues to see success, attested by the achievement of the top Platinum HEALTH Award by the Singapore Health Promotion Board. NatSteel was conferred with the Work-Life Excellence Award by the Singapore Ministry of Manpower for the fourth consecutive time, in recognition of the company's achievements in work-life harmony.

TATA STEEL THAILAND

Political unrest, natural disasters and economic concerns in Thailand affected the performance of Tata Steel Thailand (TSTH). The Company's performance was also affected by the increasing raw materials prices and the lower-than-expected contribution and continuing ramp-up of the Mini Blast Furnace (MBF).

In spite of these challenges, the Company recorded a 7% growth in production and sales volumes over the previous year. TSTH also recorded a 35% increase in the sales of special products. Growth in the steel industry in Thailand during the year was caused by expansion in the automotive sector.

Other achievements included the implementation of the Safety Excellence Journey, 'SEJ', which was rolled out in August 2010 under the guidance of Tata Steel Limited. There are five Performance Improvement Teams (PITs) working at TSTH. The Billet Caster PIT was nominated for the Project Competition held at IJmuiden in May 2011.

7.5% THE PERCENTAGE INCREASE OF DOWNSTREAM SALES AT NATSTEEL SINGAPORE



A silhouette of the Jamshedpur Steel Works.

CORPORATE AWARDS

- The Businessworld Most Respected Company Award 2011 in the Metals category.
- Recognised as India's Most Admired Knowledge Enterprise (MAKE) Award Winner 2010 at the CII KM India Summit 2010.
- Awarded Asia MAKE (Most Admired Knowledge Enterprise) Award 2010. This is the seventh time that the Company was conferred with this honour.
- Tata Steel Europe awarded the Lifecycle Analysis Leadership Award 2010.
- Awarded Steel Industry Website of the Year 2010 by the World Steel Association.
- Tata Steel won the following awards at Asia's Best Employer Awards hosted by the Employer Branding Institute in Singapore in July 2010: the Award for Talent Management, the Award for Best HR Strategy in line with Business and the Award for Excellence in Training.
- Tata Steel Processing and Distribution Limited won the JIPM Award for 2009, awarded by the Japan Institute of Plant Management, for excellence in TPM in plant operations.
- FE-EVI Green Business Leadership Award 2009-2010.

AWARDS FOR EXCELLENCE IN CORPORATE SOCIAL RESPONSIBILITY

- Conferred with the Safety and Health Excellence Recognition Award 2010 by the World Steel Association.
- Awarded the Rashtriya Khel Protsahan Puruskar for the second consecutive year.
- Recognised in six of the seven categories at the annual awards function organised by the Joint Committee on Safety, Health and Environment in Steel Industry (JCSSI).
- Awarded the CSR Excellence Award 2010 by ASSOCHAM, National CSR Committee and CSR Organising Committee.
- Awarded the Businessworld-FICCI-SEDF Corporate Social Responsibility Award 2009.
- Awarded the Best Corporate Social Responsibility Practice at the 6th Social and Corporate Governance Awards 2010 by the Bombay Stock Exchange.
- NatSteel awarded the Platinum HEALTH Award 2010 by the Singapore Health Promotion Board.
- NatSteel conferred with the Work-Life Excellence Award 2010 by the Singapore Ministry of Manpower for the fourth consecutive time.

Notice

THE HUNDRED AND FOURTH ANNUAL GENERAL MEETING OF TATA STEEL LIMITED will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai - 400 020, on Wednesday, the 3rd August, 2011, at 3.00 p.m., to transact the following business :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare Dividend on Ordinary Shares.
3. To appoint a Director in the place of Mr. R. N. Tata, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in the place of Mr. Nusli N. Wadia, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in the place of Mr. Subodh Bhargava, who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in the place of Mr. Jacobus Schraven, who retires by rotation and is eligible for re-appointment.
7. To appoint auditors and fix their remuneration.
8. To appoint a Director in place of Dr. Karl-Ulrich Koehler, who was appointed an Additional Director of the Company by the Board of Directors with effect from 12th November, 2010, under Section 260 of the Companies Act, 1956, (the Act) and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 257 of the Act.
9. **Commission to Directors other than the Managing and Whole-time Directors**

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :

“RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year of the period of five years commencing from 1st April, 2011.”

NOTES:

- (a) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 8 & 9 above, are annexed hereto. The relevant details of directors seeking appointment/re-appointment under Item Nos. 3 to 6 and 8 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.
- (c) The Register of Members and Transfer Books of the Company will be closed from Wednesday, 6th July, 2011 to Tuesday, 12th July, 2011 (both days inclusive).
- (d) If dividend on Ordinary Shares as recommended by the Board of Directors is passed at the meeting, payment of such dividends will be made on and from 5th August, 2011 to those members whose names are on the Company's Register of Members on Wednesday, 6th July, 2011. In respect of Ordinary Shares held in electronic form, the dividend will be paid to the beneficial owners of shares as at the end of business hours on 5th July, 2011, as per details furnished by the Depositories for this purpose.
- (e) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- (f) As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrars of the Company.
- (g) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to

Office of Registrar of Companies

Central Government Office Bldg.,

'A' Wing, 2nd Floor, Next to Reserve Bank of India,

CBD, Belapur-400 614.

Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be

transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

Accordingly, the Company has transferred to IEPF all unclaimed/unpaid dividends in respect of the financial years 1995-96 to 2002-03. It may be noted that the unclaimed dividend in respect of the financial year 2003-04 is due for transfer to the IEPF on 22nd July, 2011.

Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2005 onwards, are requested to make their claims to the Company accordingly, without any delay.

By Order of the Board of Directors

A. ANJENEYAN

*Company Secretary &
Chief of Compliance*

Mumbai, 25th May, 2011.

Registered Office :

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

Annexure to Notice

As required by Section 173 of the Companies Act, 1956, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 8 & 9 of the accompanying Notice dated 25th May, 2011.

2. **Item No. 8:** Dr. Karl-Ulrich Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since 1st October, 2010. He was appointed Chief Operating Officer of Tata Steel Europe Limited in February 2010. Considering his vast experience of 30 years in the steel industry, the Board thought it prudent to appoint Dr. Karl-Ulrich Koehler as an Additional Non-Executive Non-Independent Director of the Company with effect from 12th November, 2010.
3. In terms of Section 260 of the Act and Article 121 of the Company's Articles of Association, Dr. Karl-Ulrich Koehler holds office as Director only till the date of the forthcoming Annual General Meeting, but is eligible for appointment. Notice has been received from a member as required by Section 257 of the Act, signifying its intention to propose the candidature of Dr. Koehler for the office of Director.
4. Dr. Karl-Ulrich Koehler, aged 55 years, studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a former member of the executive committee of the World Steel Association and Vice-Chairman of VDEh, the German Iron and Steel Institute. He has worked during his 30 year steel industry career at the companies that today comprise ThyssenKrupp Steel, where he was chairman of the executive board and a member of the executive board of the parent company, ThyssenKrupp AG.
5. The Board considers it desirable that the Company should continue to avail itself of the services of Dr. Koehler as a Director and accordingly commends the resolution at Item No. 8 for approval by the Members.
6. None of the Directors other than Dr. Karl-Ulrich Koehler is interested in the Resolution at Item No. 8.
7. **Item No. 9:** The Shareholders at their meeting held on 5th July, 2006 had approved under the provisions of Section 309 of the Act, the payment of a Commission to the non whole-time Directors of the Company not exceeding one per cent per annum of the net profits of the Company for a period of 5 years commencing 1st April, 2006. Taking into account the responsibilities of the Directors, it is proposed that in terms of Section 309(4) of the Act, the Directors [apart from the Managing Director (MD) and the Whole-time Directors (WTDs)] be paid for each of the five financial years of the Company commencing from 1st April, 2011, remuneration not exceeding one per cent per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.
8. All the Directors of the Company except the MD, are concerned or interested in the Resolution at Item No. 9 of the Notice to the extent of the remuneration that may be received by them.

By Order of the Board of Directors

A. ANJENEYAN
Company Secretary &
Chief of Compliance

Mumbai, 25th May, 2011.

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

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

(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. R. N. Tata	Mr. Nusli N. Wadia	Mr. Subodh Bhargava
Date of Birth	28.12.1937	15.02.1944	30.03.1942
Date of Appointment	17.08.1977	29.08.1979	29.05.2006
Expertise in specific functional areas	Eminent industrialist with wide business experience across a variety of industries	Industrialist with rich business experience in general	Wide experience across various industries
Qualifications	B.Sc. Architecture from Cornell University, USA, including 1 year at the Cornell Graduate School of Business Administration	Educated in UK	Mechanical Engineering from University of Roorkee
Directorship held in other public companies (excluding foreign companies)	Tata Sons Limited Tata Industries Limited Tata Motors Limited Tata Chemicals Limited The Indian Hotels Co. Limited The Tata Power Company Limited Tata Global Beverages Limited The Bombay Dyeing & Manufacturing Co. Limited Tata Consultancy Services Limited Tata Teleservices Limited	The Bombay Dyeing & Mfg. Co. Limited Gherzi Eastern Limited The Bombay Burmah Trading Corpn. Limited Tata Motors Limited Britannia Industries Limited Tata Chemicals Limited Go Airlines (India) Limited	Tata Communications Limited Samtel Colour Limited TRF Limited Carborundum Universal Limited GlaxoSmithKline Consumer Healthcare Limited Batliboi Limited SRF Limited Larsen & Toubro Limited Tata Motors Limited Viom Networks Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL	NIL	Audit Committee - Chairman Samtel Color Limited Carborundum Universal Limited Audit Committee-Member Tata Communications Limited TRF Limited SRF Limited Batliboi Limited GlaxoSmithKline Healthcare Limited
Shareholdings in the Company	Ordinary Shares – 25,141	NIL	Ordinary Shares – 1,012

Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting
(in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Jacobus Schraven	Dr. Karl-Ulrich Koehler
Date of Birth	08.02.1942	01.04.1956
Date of Appointment	17.05.2007	12.11.2010
Expertise in specific Functional areas	Lawyer	Wide experience in steel industry
Qualifications	Masters Degree in Law	Doctorate from Clausthal University of Technology, Germany.
Directorship held in other public companies (excluding foreign companies)	NIL	NIL
Membership/ Chairmanship Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL	NIL
Shareholdings in the Company	NIL	NIL

Directors' Report

To the Members,

The Board of Directors hereby presents the 104th annual report on the business and operations of your Company along with the standalone and consolidated summary financial statements for the year ended 31st March, 2011.

Figures in ₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2010-11	2009-10	2010-11	2009-10
Net Sales/Income from Operations	29,396.35	25,021.98	1,18,753.12	1,02,393.12
Total expenditure before depreciation (net of expenditure transferred to capital)	17,963.49	16,069.89	1,02,757.50	94,350.46
Operating Profit	11,432.86	8,952.09	15,995.62	8,042.66
Add: Dividend and other income	790.67	853.79	980.98	1,185.85
Profit before interest, depreciation, exceptional items and taxes	12,223.53	9,805.88	16,976.60	9,228.51
Less: Net finance charges	1,300.49	1,508.40	2,770.04	3,022.06
Profit before depreciation, exceptional items and taxes	10,923.04	8,297.48	14,206.56	6,206.45
Less: Depreciation	1,146.19	1,083.18	4,414.82	4,491.73
Profit before exceptional items and taxes	9,776.85	7,214.30	9,791.74	1,714.72
Add/(Less): Restructuring costs	-	-	2,310.21	(1,683.72)
Profit before taxes	9,776.85	7,214.30	12,101.95	31.00
Less: Provision for current taxation	2,857.00	1,998.00	2,910.34	2,162.53
Less: Provision for deferred taxation	54.16	169.50	335.56	(10.69)
Profit after taxes	6,865.69	5,046.80	8,856.05	(2,120.84)
Less: Minority Interest	-	-	(60.28)	15.24
Add: Share of profit of Associates	-	-	66.36	126.86
Profit after minority interest and share of profit of associates	-	-	8,982.69	(2,009.22)
Distribution on hybrid perpetual securities	6.79	-	6.79	-
Tax effect on distribution of hybrid perpetual securities	(2.25)	-	(2.25)	-
Profit after taxes and distribution on hybrid perpetual securities	6,861.15	5,046.80	8,978.15	(2,009.22)
Add: Balance brought forward from the previous year	12,772.65	9,496.70	7,010.48	10,961.96
Add: Balance brought forward - HMPCL on Amalgamation	-	12.28	-	-
Balance	19,633.80	14,555.78	15,988.63	8,952.74
Which the Directors have apportioned as under to:				
(i) Dividend on Preference Shares	-	45.88	-	45.88
(ii) Proposed dividend on Ordinary Shares	1,151.06	709.77	1,150.25	709.23
(iii) Tax on dividends	156.71	122.80	163.22	154.33
(iv) Special Reserve	-	-	5.32	48.55
(v) General Reserve	686.57	504.68	703.42	552.58
(vi) Debenture Redemption Reserve	1,000.00	400.00	1,007.26	400.00
(vii) Statutory Reserve	-	-	-	31.69
Total	2,994.34	1,783.13	3,029.47	1,942.26
Balance to be carried forward	16,639.46	12,772.65	12,959.16	7,010.48

DIVIDEND

The Board recommended dividend of ₹ 12 per Ordinary Share on 95,92,14,450 Ordinary Shares (2009-10: ₹ 8 per Ordinary Share on 88,72,14,196 Ordinary Shares of ₹ 10/- each) for the year ended 31st March, 2011.

The dividend on Ordinary Shares is subject to the approval of the shareholders at the Annual General Meeting. The total dividend payout works out to 19% (2009-10: 17%) for the standalone company.

INCREASE IN AUTHORISED SHARE CAPITAL

In order to facilitate the issue of Ordinary Shares with differential voting rights as to voting and/or dividend (hereinafter referred to as 'A' Ordinary Shares) in the future, the authorised share capital of the Company was increased from ₹ 8,000 crores to ₹ 8,350 crores by creation of a new class of Capital viz. 35,00,00,000 'A' Ordinary Shares of ₹ 10 each aggregating to ₹ 350 crores.

PREFERENTIAL ISSUE OF SHARES AND WARRANTS TO TATA SONS LIMITED

Pursuant to the shareholders' approval obtained through Postal Ballot, the following securities were allotted to Tata Sons Limited on 23rd July, 2010:

- i. 1,50,00,000 Ordinary Shares of ₹ 10/- each at a premium of ₹ 584/- per share aggregating to ₹ 891 crores and
- ii. 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 was received from Tata Sons Limited. The option to convert the Warrants into Ordinary Shares is exercisable by Tata Sons Limited before 23rd January, 2012.

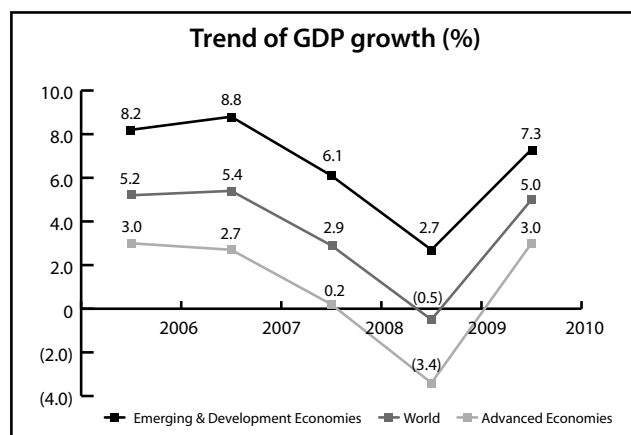
FOLLOW-ON PUBLIC ISSUE OF ORDINARY SHARES

The Company completed a follow-on public issue of 5,70,00,000 Ordinary Shares of ₹ 10/- each at a price of ₹ 610 per share (including premium of ₹ 600 per share) aggregating to ₹ 3,477 crores. The Ordinary Shares were allotted on 29th January, 2011 in accordance with the terms contained in the Prospectus dated 25th January, 2011.

GLOBAL ECONOMY

The world GDP, as reported by International Monetary Fund, was on an upturn, growing by 5% in 2010 as compared to a negative

growth of 0.5% in 2009. While the growth in the advanced economies was 3.0% in 2010, in contrast to -3.4% in 2009, the emerging and developing economies grew by 7.3% in 2010 when compared to the growth of 2.7% in 2009. The growth in the developing and emerging economies slowed down during the end of 2010 as stimulus measures were slowly removed and policies were tightened in response to rising inflation and overheating concerns. A trend of GDP growth (%) for the last five years in the world, split up into advanced economies and emerging and developing economies, is shown below:



The US: The US GDP increased by 2.8% in 2010 as compared to a negative growth of 2.6% in 2009, but the country still faces large fiscal deficit. In late 2009 and early 2010 there was a deceleration in growth in the US economy as the effect of one time stimulus factors faded. However, in the second half of the year, growth picked up with a decline in the rate of unemployment and consumer spending picking up at its fastest pace in the last five years with further major stimulus measures being introduced along with tax cuts and investment incentives. The housing market, non-residential construction and overall credit growth still remained weak with tight bank lending conditions starting to ease for not only large firms but also for small and medium-sized firms.

India: As reported in the Economic Survey of 2010-11, GDP is expected to grow by 8.6% in 2010-11 as compared to the growth of 8.0% in 2009-10. The agricultural output grew by 5.4% as compared to a nominal 0.4% growth in 2009-10 when the country was hit by a deficient monsoon. Manufacturing grew by 8.8% during the year being at par with the growth noticed in the last fiscal. Overall growth in industry was 8.1% during 2010-11 compared to 8.0% in the last year. Services witnessed a

decelerated growth of 9.6% as compared to a growth of 10.1% in 2009-10. Amongst the key macro-economic indicators, fiscal deficit was limited to 4.8% of GDP in 2010-11 as compared to 6.3% in 2009-10. Export and import grew positively by 29.5% and 19.0% in contrast to the negative growths experienced in the previous year. Clouds of high inflation and a temporary slowdown in the industrial growth are looming in the country as steps are being taken to mitigate such adversities.

Europe: GDP in the Eurozone increased by 1.9% in 2010-11 over 2009-10 with a high unemployment rate of around 10% and divergent performances by member countries. While Germany posted a growth of 4% driven by strong export demand and lower unemployment, the Spanish economy was adversely affected by fiscal tightening and a weak housing market with a rise in unemployment. Ireland, Portugal and Greece are seeking financial assistance from the EU and IMF after facing sharp increases in their borrowing costs and potential shortfall in funding. The UK GDP grew by 1.9% in 2010-11, continuing to recover but uneven growth, high unemployment and rising inflation has resulted in the UK household disposable income coming under pressure. There was a strong quarterly growth at the beginning of the year followed by a slowdown and winter-inflicted contraction in the December quarter. The fiscal austerity announced by the UK Government will see a 24% cut in public investment and 7% cut in real government consumption in the next five years.

TATA STEEL GROUP PERFORMANCE

Tata Steel Group steel deliveries at 23.5 million tonnes in the financial year under review were at par with the financial year 2009-10 (23.6 million tonnes). The gross steel deliveries (including the inter-group transfers) for the steel-producing entities were higher than the previous years with Tata Steel India, Tata Steel Europe, NatSteel Holdings and Tata Steel Thailand posting growth of 4%, 3%, 1% and 8% respectively. Your company's Indian operations recorded a growth of 4% in steel deliveries from 6.17 million tonnes in the financial year 2009-10 to 6.42 million tonnes in 2010-11.

Along with the increase in gross steel deliveries, the steel-producing entities witnessed increases in the average realisations in line with the steep increase in the raw material prices. The turnover for the Group in 2010-11 at ₹ 118,753 crores, was 16% higher than 2009-10 (₹ 102,393 crores). While the turnover in Tata Steel India witnessed a growth of 17%

from ₹ 25,022 crores in the financial year 2009-10 to ₹ 29,396 crores in the financial year 2010-11, Tata Steel Europe's turnover increased by 15% from ₹ 65,843 crores in the financial year 2009-10 to ₹ 75,991 crores in the financial year 2010-11.

The Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) of the Group increased significantly from ₹ 9,340 crores in the fiscal year 2009-10 to ₹ 17,103 crores in the financial year 2010-11 primarily driven by the increase in prices partly offset by the steep increase in input costs. Tata Steel India recorded an EBITDA of ₹ 12,224 crores in the financial year 2010-11 growing by 25% as compared to ₹ 9,806 crores in 2009-10.

Restructuring, impairment and disposals in the current year include ₹ 2,503 crores profit on disposal of Teesside Cast Products at Tata Steel Europe.

Consequently, the Group turned around with a Profit after Tax (after minority interest and share of profits of associates) for 2010-11 at ₹ 8,983 crores as compared to a loss of ₹ 2,009 crores in 2009-10.

Indian Operations: Crude steel production at 6.86 million tonnes in financial year 2010-11 was higher than the previous year (6.56 million tonnes) by 4%, thus exceeding the nameplate production capacity in the second year on enhanced capacity. There was an increase in the vessel life and heat size of the two steel melting shops enhancing their productivity to achieve the higher crude steel production of your company. Saleable steel also increased by 4% from 6.44 million tonnes recorded in financial year 2009-10 to 6.69 million tonnes in the financial year under review with higher hot metal being available from the bigger blast furnaces with higher productivity. The sales volume during the financial year 2010-11 at 6.42 million tonnes was 4% higher as compared to the previous year (6.17 million tonnes) indicating the robust growth in steel demand. Apart from the two steel melting shops, there were many units (including mines and collieries) which surpassed their respective best ever performances.

Ferro Alloys and Minerals division's saleable production at 1,405k tonnes in the financial year 2010-11 was higher than financial year 2009-10 (1,350k tonnes) by 4%. The sales (including transfers to other divisions of the Company), however, at 1,464k tonnes were lower than the previous year (1,508k tonnes) by 3%. Chrome alloys exports and manganese alloys sales of the division touched new heights during the financial year under review.

Improved demand in auto and infrastructure segments led to the increase in sales and production in the Tubes division. The division recorded production of 371k tonnes in FY 2010-11, higher by 6% over FY 2009-10 (351k tonnes), while the sales improved from 349k tonnes in FY2009-10 to 366k tonnes in 2010-11, an increase of 5%. Boosted by various improvement initiatives under 'Kar Vijay Har Shikhar' programme, the division continued to improve on its performance in various segments like 'Tata Pipes' (plumbing and irrigation), 'Tata Structura' (infrastructure) and Precision Tubes (Automotive, Process and Power sector).

Sales in the Bearings division in the financial year 2010-11 at 32.95 million numbers grew by 4% against the financial year 2009-10 (31.69 million numbers), while the production at 33.14 million numbers in FY 2010-11 increased by 12% over FY 2009-10 (29.61 million numbers). The increases were primarily driven by higher demand in the domestic auto segment.

European operations: Sales volumes of Tata Steel Europe (TSE), excluding seasonal effects, were reasonably flat for the first three quarters of the financial year 2010-11, before showing an improvement in the last quarter to the highest level of quarterly sales since financial year 2008-09. Deliveries in Tata Steel Europe during FY 2010-11 (14.9 million tonnes) increased by 3% over FY 2009-10 (14.4 million tonnes). Selling prices increased steadily through the year with the revenue per tonne increasing by around 17% over the previous year. The revenue per tonne increased relatively sharply in the first quarter of the financial year under review in anticipation of the equally sharp increase in price of raw materials, but became more modest in the second and third quarters before losing its upward momentum in the fourth quarter. Raw material prices, in contrast, peaked during the third quarter.

TSE has adopted the Tata Steel identity for trading purposes with effect from September 2010 and a progressive rebranding process is under way. The Company has also adopted a new operating model to replace the previous model of three main operating divisions (Strip Products, Long Products and Distribution & Building Systems). It is now organised into a number of business activities comprising steelmaking hubs (Strip Products Mainland Europe, Strip Products UK and Long Products Europe), speciality businesses (Colours, Building Systems, Packaging, Tubes, Kalzip, Plating, Cogent Power and Speciality Steel), and a distribution and sales network (Distribution UK & Ireland, Distribution Europe and International). TSE has adopted a single sales and marketing function with eight industry-focused marketing sectors, namely

automotive, construction, packaging, rail, lifting and excavating, energy and power, industry strip and industry long products. Europe, principally the EU, continues to be the most important market of the Company.

On 24th February, 2011, Tata Steel UK Limited (TSUK), a subsidiary of TSE, signed a definitive sale agreement to sell certain assets of TCP to Sahaviriya Steel Industries Public Company Limited in a deal valuing the business at £434 million. The assets covered by the sale include the Redcar blast furnace, the Redcar and South Bank coke ovens, TCP's power generation facilities and sinter plant, and the Lackenby steelmaking and casting facilities. The deal also includes TSUK and SSI entering into a joint venture to operate Redcar wharf, TCP's bulk terminal. The sale was completed on 24th March, 2011.

The 'Fit for the Future' programme initiated in response to the financial crisis continued to give results with notable reduction in the average number of employees. The deal with SSI resulted in 850 employees getting transferred to SSI and it is expected that further jobs will be created.

South-East Asian operations: NatSteel recorded an increase in steel sales by 1% in FY 2010-11 (1.80 million tonnes) over FY 2009-10 (1.78 million tonnes). The increases were most noticeable in NatSteel Singapore, the Australian units, Thailand and in trading business, while other business units in China and Vietnam witnessed decline in their respective volumes. NatSteel Singapore increased its sales volume by 106k tonnes from 738k tonnes in FY 2009-10 to 844k tonnes in FY 2010-11. Average revenue per tonne improved across all units (other than Australian units) thereby increasing the turnover of the Company. The Company sold its share in an associate company Southern Steel Berhard (SSB) during the financial year. The EBITDA of the Company, excluding the profit on sale of share of SSB in the financial year under review, reduced from the previous financial year primarily due to rise in the cost of input materials which more than offset the increase in prices and impact of higher sales volumes.

Sales volume of Tata Steel Thailand during FY 2010-11 at 1.29 million tonnes was higher than FY 2009-10 (1.20 million tonnes) by 8%, while production increased by 6% from 1.21 million tonnes in FY 2009-10 to 1.28 million tonnes in FY 2010-11. During the financial year under review, the Company had to mothball the Mini Blast Furnace in the third quarter due to high costs of operations and low capacity utilisation, before recommencing its operations in the fourth quarter. The company incurred losses during the year primarily due to high costs of operations, low

capacity utilisation and losses due to mothballing of the Mini Blast furnace partly compensated by increase in average revenue per tonne and higher sales volume.

EXPANSION PROJECTS

Brownfield Projects:

Tata Steel India is implementing an expansion project at Jamshedpur Works to increase its crude steel capacity from 6.8 million tonnes per annum to 9.7 million tonnes per annum. The facilities under this project are scheduled to be completed in FY 2011-12. Simultaneously, the Company is implementing a few other major capital schemes at Jamshedpur which include Coke Plant Battery No. 11, Coke Dry Quenching at Coke Ovens Batteries 5, 6 & 7 and a new mill for producing Full Hard Cold Rolled (FHCR) coils. Tata Steel India is also setting up a Continuous Annealing and Processing Line at Jamshedpur with a capacity of 0.6 mtpa under a joint venture company with Nippon Steel Corporation (NSC), Japan. The line will produce automotive cold rolled flat products and address the needs of Indian automotive customers for high-grade cold rolled steel sheets. NSC will transfer its technology for producing high-grade cold rolled steel sheets for automotive application including skin panel and high tensile steel. These projects, along with other sustenance and improvement projects, are being implemented with a view to support your Company's current operations and its growth aspirations.

Greenfield Projects:

Odisha Project:

Preliminary work on the 6 mtpa greenfield steel plant at Kalinganagar, Odisha is in progress. The boundary wall on 3 sides (8.5 km) along with trench cutting and barbed wire fencing has been completed, warehouse has been made operational and construction of Sinter plant has started. As of March 2011, a total of 910 families have moved from the plant site to the new rehabilitation colony area where plot allocation has been started. The rehabilitation colonies have been provided with good infrastructural facilities which include clean drinking water, street lighting, and a community centre set up by the Company. Key challenges for FY 2011-12 are to develop infrastructure and mobilise resources to accelerate the project work.

Other projects:

Chhattisgarh Project:

The Company has signed an MoU with the Government of Chhattisgarh for setting up of a 5 mtpa Greenfield integrated steel plant in Bastar. Land has been acquired by the

Government and the rights vest with Chhattisgarh State Industrial Development Corporation (CSIDC) for allotment to Tata Steel Limited for 99 years. The letter of intent from CSIDC has been issued. Your Company requested for demarcation free from all encumbrances, as per terms of MoU, before taking possession of the said land.

Further, Chhattisgarh Government has accorded approval for drawing water from the river Sabri and the Ministry of Railways, Government of India has granted an in-principle approval for the railway corridor. Public hearing for the Environment Clearance has been successfully conducted.

Prospecting License for iron ore has been granted in Bailadila-I deposits after obtaining necessary approvals from the Ministry of Environment and Forest and Ministry of Mines, Government of India. Prospecting License for Pyroxenite in the close proximity of iron ore area is in an advanced stage of grant by the State Government. In line with the Company's initiatives in the field of Corporate Social Responsibility, several activities in the field of health, youth and women empowerment, sports and skill development are being carried out for local residents as well as those from displaced families.

Ha Tinh Project at Vietnam:

Tata Steel signed an MoU with Vietnam Steel Corporation (VSC) on 29th May, 2008 to develop a steel complex with an estimated capacity of 4.5 million tonnes per year in Ha Tinh province at Vietnam. Another MoU was signed to set up a cold rolling mill in Ha Tinh province. On successful completion of study and financial closure, Tata Steel will have a stake of minimum 65% and VSC will have a stake of 35% in the steel complex.

Karnataka Project:

Tata Metaliks Limited (TML) and Tata Steel have entered into a MoU with the Government of Karnataka in June 2010 for setting up an integrated steel plant of 3 mtpa in Agadi and Boodagatti villages of Haveri District, Karnataka. State High Level Clearance Committee of the Government of Karnataka has approved 2,500 acres of land at Agadi, Boodagatti, Devagiri and Yellapura villages, and is in process of acquiring land.

RAW MATERIAL PROJECTS

Your Company continues to implement its long-term strategy to secure ownership of assets that will increase its raw materials security and share of value-added products. During the financial year 2010-11, the Company's primary focus was on expediting implementation of its existing ventures.

Coal Projects:

Benga Coal Project, Mozambique: The Tata-Riversdale Joint Venture in Mozambique conducted a formal 'Ground Breaking Ceremony' at the Benga Coal Project in the presence of the President of the Republic of Mozambique, His Excellency Armando Emilio Guebuza on 14th April, 2010. This official ceremony follows a series of milestones already achieved by the Company such as the signing of the Mining Contract, approval of Environmental Licences for the Benga Coal Project and the Benga Power Project, and the approval of Stage 1 of the Benga Coal Project following the completion of the Feasibility Study for production of 10.6 million ROM tonnes in two phases. Other key contracts and agreements include the CHP Plant Supply Contract, a Resettlement Action Plan and the Project Labour Agreement (PLA) which was signed with SINTICIM (the Mozambican National Construction and Mine workers Union).

Stage 1 entails initial production of 5.3 million ROM tonnes per year to produce approximately 1.7 mtpa of high quality hard coking coal and 0.3 mtpa of thermal coal by the second half of 2011. Tata Steel has 35% stake in the joint venture with 40% off-take right to the coking coal produced from these mines. The joint venture owns the Benga and Tete tenements which cover an area of 24,960 hectares. Benga has an inferred resource of approximately 4 billion tonnes. Your Company plans to supply the hard coking coal from this project to its facilities in Europe in the initial phase of the project development and also for the requirements of the Indian operations in the future. Tata Steel currently holds about a 27.1% equity stake in the parent company, Riversdale Mining Limited.

Coal Mining Project in Australia (CDJV): Tata Steel has a strategic interest of 5% in the coal mining project in Australia in partnership with Vale, Nippon Steel, JFE and POSCO with up to 20% off-take rights. The Joint Venture was formed for the development of a greenfield underground coal project in Bowen Basin, Queensland. The first raw coal production started in August 2006 and the mine is currently producing around 1.5 mtpa. The mine is being operated by Long Wall method and expected to produce around 3.0 million tonnes of Coking and PCI coal during FY 2011-12.

Iron Ore Projects:**Direct Shipping Ore Project in Canada (New Millennium Capital Corporation):**

In September 2008, Tata Steel had entered into a Heads of Agreement with New Millennium Capital Corporation, Canada

(NML), a Canadian listed mining company, to develop iron ore projects in northern Quebec and Newfoundland and Labrador and had acquired a 19.9% stake in NML. As per the agreement, Tata Steel had an exclusive option to acquire an 80% equity interest in NML's Direct Shipping Ore project (DSO Project) and an exclusive right to negotiate and settle a proposed transaction in respect of NML's LabMag and KéMag (Taconite) Projects. In September 2010, Tata Steel has made a positive investment decision by exercising its option to acquire 80% interest in the NML's Direct Shipping Ore ('DSO') Project.

As part of the Joint Venture agreement, Tata Steel will reimburse NML for 80% of NML's cost to date on the DSO Project; arrange funding for up to CAD\$ 300 million of capital costs for the Project to earn its 80% share of the JV and commit to take 100% of the DSO project's iron ore products of specified quality, at world market prices, for the life of the mining operation. The Feasibility Study estimates proven and probable mineral reserves of 64.1 million tonnes and the project is expected to produce 4 million dry tonnes per year of iron ore products commencing in the second half of 2012. The iron ore from this project will be supplied to Tata Steel Group's facilities located in Europe.

On 26th February, 2011, Tata Steel purchased 67,39,956 common shares of NML under its existing pre-emptive right at CAD\$ 3.50 per share for gross proceeds to NML of CAD\$ 23,589,846. This will maintain Tata Steel's interest in NML at approximately 27.2% of the total shares outstanding.

On 6th March, 2011 Tata Steel signed a binding heads of agreement with New Millennium Capital Corporation to develop the LabMag and KéMag iron ore deposits, known collectively as the Taconite Project. The Taconite Project consists of two world-class magnetite iron ore deposits on the emerging Millennium Iron Range, which stretches 210 kilometres from western Labrador through eastern Quebec. The LabMag deposit is located in the Labrador portion of the range and the KéMag deposit is located in the Quebec portion. Together, the two deposits hold over 9 billion tonnes of reserves and resources and are expected to produce more than 20 million tonnes per year of concentrate, with a potential mine life of over 100 years.

Ivory Coast Project: In view of the environmental issues encountered in the case of Mt. Nimba deposit, Tata Steel approached the Government of Ivory Coast to grant a Prospecting License for Mt. Gao for an early start of the project. The Government of Ivory Coast has granted an Exploration

License to Sodemi on 30th July, 2009 and an Addendum to the Joint Venture Agreement was signed on 29th September, 2009 to include Mt. Gao in the Joint Venture Agreement. Upon transferring the Exploration License for Mt. Gao to the JV company, a helicopter-borne geophysical survey covering 811 sq km has been completed. The team on the site has also done a detailed geological mapping over a 100 sq km area at 1:10000 scale. Currently exploration work on the ground has been put on hold due to rising security concern in Ivory Coast.

Limestone Project:

Limestone Project in Oman: The Environmental Impact Assessment has been completed and the mining license is awaited.

OTHER PROJECTS

Dhamra Port Company Limited (DPCL):

The Dhamra Port Company Limited, a 50:50 joint venture between Tata Steel Limited and Larsen & Toubro, is developing a deep-draught port under a concession agreement awarded by the Government of Odisha on Build, Own, Operate, Share and Transfer (BOOST) basis. The project will be located on the eastern coast of India approximately 225 km southwest of Kolkata and 205 km from Bhubaneswar.

Situated between Haldia and Paradip, Dhamra Port will be one of the deepest ports in India with a draft of 18 metres, capable of accommodating super capesize vessels up to 1,80,000 DWT.

Phase-I of the project is complete and the port has started commercial operations on 6th May, 2011. In Phase-I, two fully mechanised berths; one for handling import cargo and the other for export cargo with back-up facilities have been built, along with a rail corridor for hinterland connectivity. The construction of railway line on a route length 62 km from Bhadrak to Dhamra is completed except commissioning of the automated signaling system. The capacity is estimated to be 27 mtpa in Phase-I. Dhamra Port will be of strategic importance to Tata Steel in terms of its integrated logistics cost of raw materials and will also consolidate Tata Steel's supply chain network, contributing to its expansion aspirations.

S&T Mining Limited:

S&T Mining Limited is a joint venture between Tata Steel Limited and Steel Authority of India Limited to develop the raw material

security. The company was shortlisted by CIL to participate in the tender for reviving and developing abandoned mines. It has made progress on its proposal to set up a 2 mtpa coal washery in Jharkhand for which it is in an advanced stage of environmental clearance. It is also gearing up for participating in the Coal auction process of Ministry of Coal, Government of India.

HEALTH AND SAFETY

Health and Safety continues to be a key performance indicator and one of the prime drivers of the Corporate Vision of your Company. The Group Vision is to achieve a target of 0.4 LTIFR with zero fatalities by 2012. Tata Steel's safety and health responsibilities are driven by the belief within our policy which was launched for Tata Steel group from January 2011: *"The safety and health of all the people who work in and with the Tata Steel Group is our number one priority."* In pursuance of this belief, we are committed to continual efforts to improve health and safety in Tata Steel as we strive for excellence.

Health and Safety is reviewed at all Board meetings of your Company with a Health, Safety and Environment committee incorporating senior executives and non-executives from the Board also established to carry out more detailed reviews. The integrated and systemic Health and Safety Management System introduced in Tata Steel Europe in 2008 with a governance process for improvement actions and regular safety tours by the Board and executive members is being evaluated for Tata Steel Group-wide application.

During the financial year 2010-11, the Group recorded a LTIFR of 0.78 improving by 18% against 0.95 in FY2009-10. Tragically, during the financial year under review there were 10 fatalities across the Group which included 5 contractor employees. The Board expresses its sincere regret at these fatalities and is committed to learning from each of these incidents to prevent any recurrence and also in its implementation of measures to ensure that any fatality potential is identified and controlled in our operations.

The safeguarding and promotion of the physical, mental and social well-being of employees of the Group has been enhanced from a number of programmes across the Group. In India, the programme 'Wellness at Workplace' targets the major health risks such as heart disease, diabetes and includes proactive reviewing of individual medical condition and identifying improvements. In Europe, health promotion is also done on major risks such as cancer, heart disease with an additional focus on minimising

exposure to potential health hazards like noise, vibration and the need to use personal protective equipment.

ENVIRONMENT

Tata Steel Group puts emphasis on minimising the environmental impact of its operations and its products by adopting sustainable practices and continuous improvements in environmental performance. Manufacturing steel unavoidably produces carbon dioxide (CO₂). However, Tata Steel products are part of the solution to climate change as steel has inherent environmental advantages of being durable, adaptable, reusable and recyclable. CO₂ emissions in steel production are offset by reductions in emissions through the life cycle of steel products, achieved through effective product design and through recycling at end of life. Furthermore, your Company aims to contribute positively to the communities around or near its operations, actively participating in community initiatives, encouraging biodiversity and nature conservation.

One of the key corporate goals which your Company seeks to achieve is to reduce carbon dioxide (CO₂) emissions per tonne of crude steel produced. The current targets, which are provisional and are under review pending regulatory developments in both India and Europe, are to reduce emissions on a group-wide basis to less than 1.9 tonnes of CO₂ per tonne of crude steel by 2015 and to less than 1.7 tonnes of CO₂ per tonne of crude steel by 2020 (using the World Steel Association reporting scope and methodology). CO₂ emissions for the Tata Steel Group during FY 2010-11 were 2.15 tonnes per tonne of crude steel for Blast Furnace route steel (2.01 tonnes per tonne of crude steel including Electric Arc Furnace route steel).

CO₂ emission (direct + electricity) in the Indian operations during FY 2010-11 at 2.44 tonnes per tonne of crude steel was almost at the same level as the last year (2.41 tonne per tonne of crude steel), while the water pollutant discharge was 65 gallons per tonne of crude steel in FY 2010-11 improving 26% as compared to 88 gallons per tonne of crude steel in 2009-10. Solid waste utilisation also improved from 91.1% in 2009-10 to 94.4% in 2010-11. Environmental clearances for 2.9 million tonne expansion programme for Jamshedpur Steel Works and Chhattisgarh project were obtained along with the consent to establish the Cold Rolling Mill complex at Bara, Jamshedpur.

In the European operations, the CO₂ emissions were 2.0 tonnes per tonne of crude steel. More generally, compliance with

environmental permit conditions was at a very high level across the European operations during the financial year and there were no prosecutions or regulatory enforcement actions in relation to environmental matters. Furthermore, TSE met all of its environmental obligations as specified under Phase 1 (2005 till 2007) of the EU Emissions Trading Scheme (EU ETS) and expects to meet its obligations for Phase 2 (2008 till 2012). In the UK, the revised target within the Climate Change Levy ('CCL') Agreement to reduce absolute energy consumption by 15.8% compared to 1997 levels was achieved in 2010. This ensures that Tata Steel Europe will continue to benefit from reduced rates in relation to the CCL for 2011 and 2012. The UK government announced in the 2011 budget their intention to introduce a 'carbon price floor' with effect from FY 2013-14. This is an additional tax on electricity generation related to the carbon intensity of the generation fuel used, which would come into effect if the price of carbon in the EU ETS does not reach certain thresholds. TSE also currently participates in a voluntary agreement with the Dutch government to benchmark and maintain its energy efficiency in line with world's best standards. The primary requirement of the agreement is an energy efficiency improvement of 2% per annum. The total energy efficiency improvement in 2010 was 2.8%.

SUBSIDIARIES

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

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

DIRECTORS

Dr. Karl-Ulrich Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since 1st October, 2010. He was appointed Chief Operating Officer of Tata Steel Europe Limited in February 2010. Considering his vast experience of 30 years in the steel industry, the Board thought it prudent to appoint Dr. Koehler as an Additional Non-Executive Non-Independent Director of the Company with effect from 12th November, 2010.

Dr. Koehler will hold office till the date of the forthcoming Annual General Meeting and a notice has been received from a Member proposing the candidature of Dr. Koehler for being appointed as a Director of the Company.

Mr. Kirby Adams ceased to be a Director of the Company on 30th September, 2010. The Directors would like to place on record their appreciation of the contributions made by Mr. Kirby Adams during his tenure as Director of the Company.

Dr. J. J. Irani will step down as a Director of the Company on 2nd June, 2011 on reaching the age of 75 years, and hence will not be seeking re-appointment. The Directors would like to place on record their appreciation of the leadership and contributions made by Dr. Irani as the Managing Director of the Company from 1992 to 2001 and thereafter, as a non-executive Director of the Company. Therefore in accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Ratan N. Tata, Mr. Nusli N. Wadia, Mr. Subodh Bhargava and Mr. Jacobus Schraven retire by rotation and are eligible for re-appointment.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

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

PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules there under, in respect of the employees of the Company, is provided in the Annexure forming part of this Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by Members at the Registered Office

of the Company during business hours on working days upto the date of the ensuing AGM, and if any Member is interested in obtaining a copy thereof such Member may write to the Company Secretary, whereupon a copy would be sent.

CORPORATE GOVERNANCE

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

On behalf of the Board of Directors

RATAN N. TATA
Chairman

Mumbai, 25th May, 2011

Declaration Regarding Compliance by Board Members And Senior Management Personnel With The Code Of Conduct

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

I confirm that the Company has in respect of the financial year ended 31st March, 2011, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on 31st March, 2011.

Mumbai, 25th May, 2011

H. M. NERURKAR
Managing Director

Annexure 'A' to Directors' Report

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

Conservation of Energy

a. Energy Conservation measures taken:

- i. Waste heat recovery from Pressure Reducing & De-Superheating (PRDS) at Power House # 5 resulted in additional 3 MW power generations.
- ii. Use of regenerative burners for lean gas (i.e. Blast Furnace Gas) at 3rd reheating Furnace of Hot Strip Mill.
- iii. Modification in LD gas export system, which has resulted in higher LD Gas recovery.
- iv. Execution of interconnection of Praxair 1 & 2 Plants to reduce Oxygen delay at Steel Making stage.
- v. Efficient use of by-product gases for Power Generation.
- vi. Higher availability of Top recovery turbine for Power generation.

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

- i. Installation and commissioning of new LD Gas Holder (capacity: 100000 cum) and its export system.
- ii. Recovery of sensible heat of coke by installation of Coke Dry Quenching system in Batteries #10 & 11 at Coke Plant.
- iii. Installation and commissioning of Thin Slab casting & rolling (TSCR).
- iv. Installation and commissioning of 'I' Blast Furnace with Top Recovery Turbine.

c. Impact of the above measures:

Energy Conservation measures during 2010-2011 has resulted in achieving:

- i. Lowest ever Plant Specific Energy Consumption - 6.006 Gcal/tcs.
- ii. Lowest ever middling consumption - 14.16 kg/tss.
- iii. Highest ever LD Gas Recovery - 50,697 Nm³/hr
- iv. Lowest ever Plant Power Rate - 356 kWh/tss
- v. Highest ever combine boiler efficiency - 85.13%.
- vi. Lowest ever Fuel rate at Hot Strip Mill - 0.292 Gcal/t.
- vii. Higher Power generation through Top Recovery Turbine - 16.01 MW.

Form - A
Form for disclosure of particulars with respect to Conservation of Energy: 2010-11

Particulars		2010-11	2009-10	Difference	Reasons for variation
A.	POWER AND FUEL CONSUMPTION				
1.	ELECTRICITY				
(a)	Purchased				
	Units (M. KWH)	2,354.76	2,439.47	(84.71)	
	Total Amount (₹ Lakhs) #	70,459.98	68,626.30	1,833.68	
	Average Rate/Unit (₹/KWH)	2.99	2.81	0.18	
(b)	Own Generation				
(i)	Through Diesel Generator				
	Units (M. KWH)	15.45	12.86	2.59	
	Units per litre of Diesel Oil (KWH)	3.92	3.94	(0.02)	
	Average Cost/Unit (₹/KWH)	19.92	15.74	4.18	
(ii)	Through Steam Turbine/Generator				
	Units (M. KWH)	952.66	997.93	(45.27)	Lower in-house power generation due to planned shutdowns.
	Units per tonne of Coal (KWH)	9,103	6,367	2,736.88	
	Average Cost/Unit (₹/KWH)	2.17	2.08	0.09	
	(* This includes generation of PH4 in M. KWH which is operated on by-product gases upto 95%)	204.78	312.89		
(iii)	Through TRT				
	Units (M. KWH)	140.28	109.73		Higher in-house power generation by Top recovery turbine.
	Average Cost/Unit (₹/KWH)	2.00	2.00		
2.	COAL				
(i)	Coking Coal & Cookeries				
	Quantity (Million Tonnes)	5.17	4.91	0.27	Increase in coke production and increase in coal prices.
	Total cost (₹ Lakhs)	3,23,002.24	2,81,175.40	41,826.84	
	Average Rate (₹/Tonne)	6,244.20	5,731.88	512.32	
(ii)	Blast Furnace Injection Coal				
	Quantity (Million Tonnes)	0.84	0.84	(0.01)	Increase in imported coal price.
	Total cost (₹ Lakhs)	82,557.59	80,499.94	2,057.66	
	Average Rate (₹/Tonne)	9,862.08	9,546.96	315.12	
(iii)	Middling Coal and ROM				
	Quantity (Million Tonnes)	0.10	0.13	(0.03)	Higher Boiler efficiency resulted in lower middling consumption
	Total cost (₹ Lakhs)	1,066.19	1,398.91	(332.72)	
	Average Rate (₹/Tonne)	1,062.04	1,067.51	(5.47)	
3.	FURNACE OIL				
	Quantity (Kilo litres)	16,225.92	14,046.39	2,179.53	Increase in consumption is mainly at Wires Division due to increased production at Tarapur Plant
	Total Amount (₹ Lakhs)	4,306.58	3,251.10	1,055.48	
	Average Rate (₹/KL)	26,541.36	23,145.44	3,395.92	
4.	OTHERS				
	L.D.O.				
	Quantity (Kilo litres)	4,853.14	4,915.52	(62.38)	
	Total cost (₹ Lakhs)	2,262.67	1,706.34	556.33	Increase in Diesel price
	Average Rate (₹/KL)	46,622.93	34,713.39	11,909.54	
5.	OTHERS				
	L.P.G.				
	Quantity (Tonnes)	6,576.22	4,618.56	1,957.66	
	Total cost (₹ Lakhs)	2,720.59	1,586.49	1,134.10	
	Average Rate (₹/Tonnes)	41,370.11	34,350.32	7,019.79	
6.	OTHERS				
	NG				
	Quantity (Tonnes)	—	782.25	(782.25)	Borivali Wire Plant has been closed w.e.f. Aug' 99
	Total cost (₹ Lakhs)	—	93.49	(93.49)	
	Average Rate (₹/Tonnes)	—	11,951.42	(11,951.42)	
7.	OTHERS				
	HSD Oil				
	Quantity (Tonnes)	58.85	46.94	11.91	100% straightening is being done with HSD whereas in FY 10, a mix of RPO and HSD was used. Further, increase in also due to drawing of 30% more special grade steel than FY 10.
	Total cost (₹ Lakhs)	23.78	16.05	7.73	
	Average Rate (₹/Tonnes)	40,411.94	34,192.59	6,219.35	
#	Excludes electricity duty paid on purchases.				

Form for disclosure of particulars with respect to Conservation of Energy: 2009-10
B. CONSUMPTION PER UNIT OF PRODUCTION

Particulars	Steel (per tonne)	Tubes (per tonne)	Bearings (per no.)	F.A.M.D. (per tonne)	Growth Shop (per tonne)	CRC West (per tonne)	Wire Div. (per tonne)
Electricity (KWH)	356.00 389.98	113.00 117.00	0.41 0.61	3,614.14 3,653.06	570.74 485.12	113.00 124.27	222.14 223.83
Furnace Oil (Litres)				—	11.31 14.52	6.37 6.22	29.40 28.37
Coking Coal (Tonnes)	0.61 0.62						
Others:							
Light Diesel Oil (Litres)	0.63 0.58	—	—			—	2.84 5.24
High Speed Diesel Oil (Litres)		0.28 (0.17)					
L.P.G. (kg)						13.50 13.09	20.67 13.42
NG (kg)							— 19.06

Form - B

Form for disclosure of particulars with respect to Technology Absorption: 2010-11

Research and Development

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

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

2. Benefits derived:

A novel process is developed for production of sponge chrome and chrome nuggets. Sponge chrome will be used for production of ferrochrome in existing Submerged Arc Furnace (SAF) process. It will reduce the power and coke consumption by about 20% and increase the productivity of SAF. The chrome nuggets will be directly used as alloying element in stainless steel and alloy steel-making process. Both sponge chrome and chrome nuggets are value added marketable products for FA & MD. The novel process uses non-coking coal as a reducing agent and energy source and thereby reduces the need of low ash, low phosphorus (imported) coke.

R&D has innovatively developed new agglomerates "cold bonded chromite pellets" for submerged arc furnace to produce ferrochrome which will reduce 70% energy in chromite pelletizing. These pellets exhibit superior reduction characteristics as compared to sintered chromite pellets but consume only 30% of the energy. The objective of the investigation was to reduce energy consumption and CO₂ emissions during chromite pelletizing and ferrochrome production. Cold bonded chromite pellets, as compared to conventional heat hardened pellets are estimated to decrease specific energy consumption of chromite pelletizing by 70% and mitigate CO₂ emissions by around 10,000 tons per annum. Chromium recovery is expected to increase by 5-8% during ferrochrome production.

Tata Steel's R&D has taken initiative in the areas of clean environment by using steel industry by-product. Coke oven effluents are highly polluted & it is treated here in biological oxidation treatment plant (BOT) to decrease the load of the pollutants and to meet the standards norms as per pollution control board. But currently there is no sustainable colour removal technology followed to remove the colour of BOT final discharge. Concept of colour removal of BOT water by low cost adsorbent materials comes from the limitation of chemical processes. In a broad sense, absorption process is practically possible through physio-chemical absorption of colour matter present in the water body of BOT effluent. However, the colour of water can be removed by the development of good adsorbent. The three main criteria for development of good adsorbent are: 1) ability of removal of more than 99% colour from effluent. 2) cost of adsorbent, 3) regeneration or reuse of the adsorbent.

We explore that coke breeze is identified as such an adsorbent which fulfils all of our requirements. The coke breeze is able to remove colour more than 99% and also substantially reduce the chemical load by removing toxic organic refractory materials like cyanide, thiocyanate and phenolic compounds. The spent adsorbent can be well consumed by our sinter plant itself.

The final aim of this work is to develop a low cost absorber from steel industry by-product which can be reused by process of steel industry and to obtain colour-free eco-friendly discharge water. Two novel methods have been developed and demonstrated for complete removal of colour from BOT effluent water before hypochlorite treatment as well as final discharge. Moreover, substantial amount of cyanide and thiocyanate were also removed from the effluent water which would lead to lower consumption hypo-chlorite and sodium carbonate in the water treatment process. Finally, the water so produced will be recycled in the plant leading to zero discharge coke making process.

In FY 2010-11, the techno-economic feasibility of sponge chrome production process was undertaken by a cross functional team consisting of members from R&D, Ferro Alloys operations, marketing and business performance enhancement group. As a result, the sponge chrome production idea having ₹ 370 million EBITDA benefit potential (100 ktpa plant) was selected as one of the key 'Shikhar' project for Ferro Alloys and Minerals Division. The project will be under taken in two phases. In the first phase of the project, a 10 ktpa sponge chrome production pilot plant will be built and integrated with existing ferrochrome production process at FAP, Bamnival which will be up-scaled to full scale operation of 100 ktpa plant in second phase of the project. The pilot plant will help to generate data for up-scaling the process to full scale plant operation. For the 10 ktpa pilot plant, the team has already completed the site selection and prefeasibility activities with the help of Engineering Project Consultant. The prefeasibility activities included preparation of conceptual process flow-sheet, finalisation of technical specifications and key equipment designs in process flow-sheet, estimation of project costs and interactions with potential vendors for key equipments. The work is in progress to carry out basic and detailed engineering of the proposed 10 ktpa pilot plant with the help of Engineering Project Consultant. Presently, the team is focusing on environment impact assessment (EIA) of the 10 ktpa pilot plant.

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

4. Expenditure on R&D:

	(₹ crores)
(a) Capital	4.88
(b) Recurring	75.69
(c) Total	80.57
(d) Total R&D expenditure as a % of total turnover	0.27%

Technology absorption, adaptation and innovation:

Efforts made on the Process Front:

Raw Materials & Iron Making

Sinter

- Use of three component flux in sintering (pyroxenite, limestone, dolomite) - to fine tune sinter chemistry.
- Introduction of olivine sand as MgO flux in sinter - as preparation for eventual discontinuation of pyroxenite Supply from Sukinda.
- Successful lab and production trials to improve the Granular index of sinter mix (lime Slurry dosing).
- Lab trials to reduce the RDI of sinter (coating with Magnesium Chloride).
- Improvement in the use of nut coke (improving the CRI of coke by catalyst dosing).

Coke

- Establishing new coals - wider choice and cost optimisation.
- Empirical model for diagnosis of coke quality extended - also awarded ANQ Congress award for paper based on this.

Blast Furnace

- Lowered slag rate by 6 kg/thm despite working at higher coke ash and alumina input – through slag regime adjustment.
- Replaced more than 15,000 tonnes of imported PCI coal by blending Jhama from Jharia at 'G' Blast Furnace.

Beneficiation

- Introduction of spargers for enabling finer bubbles in floatation - separation efficiency improvement.
- Facilitation of testing flowsheet development for KBP coal project.
- Facilitation of testing flow sheet concept development for beneficiation at Joda, Noamundi and Khondbond.
- Successful lab development of one chemical which functions as frother and collector in floatation circuit of Jharia coal washery. It works well with the 9th Seam i.e. higher product yield. Commercial trials are in progress.

Flat Product

Product Development:

- Successful development of BH 220 grade for Tata Motors.
- Commercialisation for high tensile hot rolled HS 800 at Tata Motors.
- Successful commercialisation of C-Mn 440 and GA C Mn 440 grade at Nissan.

- Commercialisation for high tensile hot rolled HS 600 for Wheel manufacturers.
- Approval from Hyundai for GA 440.

Process Improvement:

- Improvement in prime yield of CRCA C Mn 440 grade (current yield about 82%).
- Debottlenecking of caster by moving grades out of peritectic range.
- Debottlenecking of the scarfing machine by removing L 1 slabs of EDD from scarfing.
- Reduction in variation of Tensile strength in E 46 high tensile hot rolled steel from 110 Mpa to 50 Mpa.
- Improvement in camber rejection in Ashok Leyland by correction of decambering process. Rework at the Customer end reduced by 6%.
- Reduction in defects such as Tiny RIS, Silicon scales, stickers etc.
- Establishing systems in line with TQM for activities such as Defect control, NPD, CCMPEtc.

Long Product & Global Wire

Product Development:

- Development & supply of welding grade wire rod (WR3M) that can draw at 50% higher speed (15-16 m/s against 10-12 m/s) to Lincoln, a welding electrode manufacturer of international repute.
- Development and supply of High Carbon Wire rod to Wire division that can draw at higher speeds (10 m/s against 6 m/s).
- Production and supply of high UTS/YS ratio rebars for nuclear application to BARC.

Process Improvement:

- Installation of Cut and Bend Optimisation tools at Faridabad and Bengaluru.
- Improvement in die life at Wire Division with new die design.
- Initiation of a new idea construction design service to retail customers.

Technology Upgradation and Absorption in Tubes Division – 2009-10

In Tubes division, the following efforts are made to improve operational efficiency.

ST Mills:

- Galvanising Bath #2 of ST Plant was modified to install inner diameter (ID) air wiping facility in place of existing conventional steam blowing system for reduction in overall zinc consumption.

Some Major New products Developed through new technology absorption:

- Development of thin organic coated (TOC) galvanised pipes .
- Development of 300x200 mm tubes for structural applications.

- Development and commercialisation of 14 new sizes of cold drawn tubes for US Export market.
- Development of 76X4 mm CEW Propeller shaft tubes for Tata Motors.
- Development of 48.60*4.60 mm ERW tubes for head pipe application for M/s Honda Motors Scooters India Ltd.
- Development of 42.70*3.50 mm soft drawn tubes for head pipe application for M/s Bajaj Auto Ltd
- Improvement in steel properties used for structural application

Efforts taken on Process Improvement at Bearings Division:

- Trials conducted and established for regular use of Super finishing stones (Super Ceram) for improved and consistent honing (Ra 0.03 microns) in Plant 2.
- Developed Bore grinding wheels (Tyrolit) for Bore Dia. 10,12 and 15 mm for better skip dress in Plant 1.
- Optimised Quill diameter in small Ball Bearing Bore grinding from 3.17 to 4.0 mm for improved rigidity and subsequently higher productivity and less rejection Armature Specifications (hardness, composition, etc.) & Shore hardness in rubber seals has been benchmarked & rationalised to resolve the quality issues of Rubber seals.

Particulars of technology imported during last five years:

Steel Division	Absorption	Status of Implementation
a) Supply of imported design and drawing for 4th Stove of 'G' Blast Furnace (Paul Wurth Italia, Italy)	2006	Commissioned
b) Supply of imported design and drawing for 'H' Blast Furnace (Paul Wurth Italia, Italy)	2006	Commissioned
c) Supply of imported design and drawing for Sinter Plant No. 4 (Outokumpu Technology, Germany)	2006	Commissioned
d) Supply of imported design and drawing for LD2 expansion project (SMS Demag, Germany)	2006	Commissioned
e) Supply of imported design and drawings for convertor gas cleaning plants in LD shop 1 & 2 (SMS Demag, Germany)	2006	Commissioned
f) Facility for quantitative estimation of minerals through Scanning Electron Microscope (Intellection Pty. Ltd., Australia)	2006	Commissioned
g) Polarising Microscope with Photometer and Imaging at R&D (Leica Mikrosysteme Vertrieb GmbH, Germany and PRESI S.A., France)	2006	Commissioned
h) Variable Frequency Drive for Descaling Pump Motor at Hot Strip Mill (ABB, India)	2007	Commissioned
i) Sinter Plant No. 4, having a bed area of 204 sq. mtr. with ESP having lesser emission of 50 mg/Nm ³	2007	Commissioned
j) Double Jaw Eye Vertical Tong For Batch Annealing Furnace at CRM	2007	Commissioned
k) SCADA System for Water Utilities	2007	Commissioned
l) Quantitative Estimation of Minerals by SEM (Scanning Electron Microscope)	2007	Commissioned
m) XRD (X-Ray Defraction) for quantitative phase and texture analysis	2007	Commissioned
n) Electric Blowers for 'H' Blast Furnace	2009	Commissioned
o) Top Gas Recovery Turbine for 'H' Blast Furnaces	2009	Commissioned
p) Flat Cast House Design for 'H' Blast Furnace	2009	Commissioned
q) Internal Stoves for 'H' Blast Furnace	2009	Commissioned
r) Use of mixed gas in place for CO gas, for firing in 7th Lime Kiln	2009	Commissioned
s) New Billet Caster having all the latest facilities and having 9 m casting radius installed in an existing building suitable for 6 m casting radius, by going underground and taking the pass line to (-) 3.3 m level.	2009	Commissioned
t) Use of hydraulic mould occilator and hydraulically operated turn over cooling bed at CC 3 at LD Shop 1	2009	Commissioned
u) Robotised Sample Testing Laboratory at LD Shop No. 1	2009	Commissioned
v) Top Gas Recovery Turbine for 'G' Blast Furnace	2010	Commissioned
w) 4th Stove for 'G' Blast Furnace to facilitate relining of other stoves, without hampering hot metal production	2010	Commissioned
x) Continuous Emission Monitoring stations at 4 locations inside Tata Steel Works	2010	Commissioned
y) Installation of Roll Coating & Drying System at Continuous Galvanising Line at Cold Rolling Mill.	2011	Commissioned
z) Use of Blast Furnace Gas at New Reheating Furnace using regenerative burners at Hot Strip Mill	2011	Commissioned
aa) Installation of Chiller system for maintaining temperature of cooling medium for 'H' Blast Furnace Blower Drives at Blower House No. 5	2011	Commissioned

Foreign Exchange earnings and outgo

a. Export performance:

1. Activities relating to exports:

Tata Steel sells its key products like HR, CR, Galvanised, Rebar, Wires, Ferro Alloys & Minerals (FAM) in international market of strategic importance viz., Middle East, South Africa, Japan, China, Korea, South East Asia, Europe and SAARC countries. The key focus is to serve a wide range of industries and to end customers with focus on high share of business. With the help of Tata Steel International, we are having the synergy at the group level and present a uniform face to the market through our global commercial network.

2. Initiatives taken to increase exports during FY 11:

In view of robust domestic demand during the year, the opportunity for exports has been limited for Flat and Long Products. However, there is a growth of 76% in Wires and 43% in FAM business over last year.

Specific initiatives were taken in the area of enhancing customer relationship, improved processes, new product, new market and channel development, infrastructure development, new operating model etc.

Increased sales to neighbouring markets have resulted in higher revenues.

FAM Division received the prestigious EEPC (Engineering Export Promotion Council) award for Star Performer in Large Enterprise category and also received the CAPEXIL (Chemical and Allied Export Promotion Council of India) award for excellence in Export performance.

FAM Division Celebrated 20 years of business relationship with JFE group and Hitachi Metals.

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

Flat Products: Developed High Strength Quality Galvanised Steels for customers in Europe and Middle East. Established

market for shipbuilding grade with customers in Bangladesh. Obtained new approval for supply of steel for skin panel and internal components from a leading automotive customer in South East Asia. Made trial shipment of 'Galvano', (GP brand) in South African market.

Long Products: Developed high End Wire Rod grade for Customers based in Nepal. Established new market of Rebars to Bhutan.

Wires: Expanded presence in EU market and entered new markets like Saudi Arabia and Nepal for Galvanised and Binding wires respectively. Re-entered Australia and New Zealand for Galvanised wires.

Ferroy Alloys and Minerals: Strengthened multimode, multi port delivery mechanism, introduced shipment through Inland Container Depot (ICD), Durgapur, introduced split CONCOR rake for multiple destinations, consistent container shipment from Paradip port.

4. Export plans:

Flat Products: Next year plan is to keep the volume at the similar level and seed some new markets to cater from the new Thin Slab Caster (TSCR) facilities.

Long Products: Near term plan is to maintain our presence with some key relationship customers. Increase in exports is expected as and when planned new capacities come-up for production in India.

Wires: Next year plan is to increase wires export by 50% over FY 11 by exploring new markets.

FAM Division: Will focus on enriched product mix and increase its volume in the higher realisations markets.

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

Management Discussion and Analysis 2010-11

INDUSTRY STRUCTURE:

Global Steel industry: Global crude steel production reached a new height during 2010 at 1,414 million metric tonnes, up by 15% over 2009. While China maintained the lead position in terms of volume of steel produced, with a growth of 9.3%, most of the negative growths seen in the steel producing nations hit by the economic downturn in 2009 reversed during 2010 and they recorded positive double digit growths during the year. The following table shows the crude steel production volume of the top ten steel producing nations:

Figures in million tonnes

Rank	Country	2010	2009	Change %
1	China	626.7	573.6	9.3%
2	Japan	109.6	87.5	25.2%
3	United States	80.6	58.2	38.5%
4	Russia	67.0	60.0	11.7%
5	India	66.8	62.8	6.4%
6	South Korea	58.5	48.6	20.3%
7	Germany	43.8	32.7	34.1%
8	Ukraine	33.6	29.9	12.4%
9	Brazil	32.8	26.5	23.8%
10	Turkey	29.0	25.3	14.6%

Source: World Steel Association

In Asia, the annual production at 897.9 million tonnes in 2010 was up by 11.6% from 2009. The EU registered a growth of 24.5% over 2009 producing 172.9 million tonnes of crude steel in 2010. However, production in the UK (2010: 9.7 million tonnes, 2009: 10.1 million tonnes) and Greece (2010: 1.8 million tonnes, 2009: 2.0 million tonnes) continued to decline over previous years. The CIS countries recorded increase of 11.2% with a production volume of 108.5 million tonnes of crude steel in 2010 with Russia and Ukraine as the major contributors.

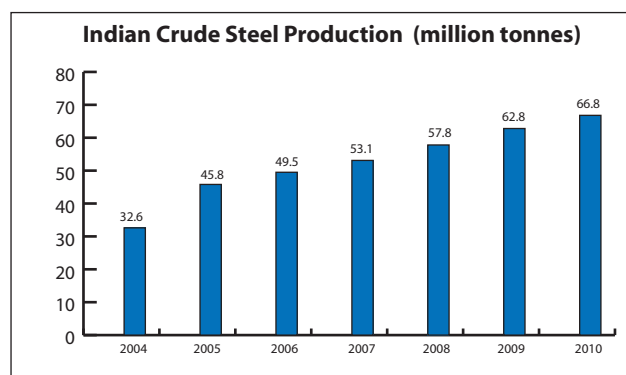
In 2010, Tata Steel ranks 11th among the top 12 steel makers of the world in terms of crude steel production. Most of the international steel companies witnessed a bounce back in their production level from the drops they experienced from the crisis of 2009. However, in many cases these companies could not reach their pre-crisis production levels. Chinese companies dominate the list with 7 of the top 12 being Chinese companies. The largest gainers in terms of percentage increase over 2009 production were ThyssenKrupp (52%), US Steel (46%), Nippon Steel, JFE, Nucor and Gerdau (all registering more than 30% increase).

Company	2010		2009		Change %
	Crude Steel Output	Rank	Crude Steel Output	Rank	
Arcelor Mittal	90.6	1	73.2	1	23.8%
Hebei Iron & Steel	52.9	2	49.7	2	6.4%
BaoSteel	44.5	3	38.9	3	14.4%
Angang Group	40.3	4	37.4	4	7.8%
Wuhan Iron & Steel	36.5	5	30.3	6	20.5%
Posco	35.4	6	31.1	5	13.8%
Nippon Steel	34.5	7	26.5	7	30.2%
JFE	31.1	8	23.8	9	30.7%
Jiangsu Shagang	30.1	9	26.4	8	14.0%
Shougang	25.8	10	19.5	12	32.3%
Tata Steel	23.5	11	21.9	10	7.3%
Shandong Iron & Steel	23.2	12	21.3	11	8.9%

Source: Steel Business Briefing

The Japanese crisis in March 2011 has caused some uncertainty over raw material prices and short-term end-user steel demand, although there is likely to be a medium-term increase in demand from reconstruction activity. In particular, the automotive and electronics industries may face shortages in supply where they are relying on Japan for manufacturing components.

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



Source: World Steel Association

Ranked 5th in terms of crude steel production in the steel producing countries, the country's production grew by around 6% in 2010 over 2009. There has been a diversification in the product mix of the steel industry in India to include sophisticated value-added steel used in the automotive sector, heavy machinery and physical infrastructure. However, the industry is suffering from high ash content of domestic coal and is dependent on supply of imported coal. The bottlenecks for green field expansion of the country are raw material security (getting iron ore mining lease), infrastructure (affecting logistics and transport), and uncertainties in land acquisition. The production of flat products and long products of major Indian companies is estimated to have grown by around 12% and 8% respectively during the financial year 2010-11 when compared with the previous financial year. Steel consumption for FY 2010-11 for the flat products and long products grew by 6.7% and 10.6% respectively with flat products exports growing by 1.8%, while there was a decline of 33.7% in the exports of long products. There was a reduction in the imports of flat products and long products by 3.8% and 23.6% respectively. The steel prices during the financial year 2010-11 have increased from the average prices prevailing in the previous financial year as well as the quarter ended March 2010 driven primarily by the increase in the prices of input raw materials during the same period.

UK and European Steel Industry: Consequent to the collapse in demand in 2009, the crude steel production in the European Union (27) increased by 24.5% from 138.8 million tonnes in 2009 to 172.9 million tonnes in 2010. Imports of steel by EU were higher by 27% from 22 million tonnes in 2009 to 27.9 million tonnes in 2010. Russia remained the largest supplier of steel (24%) to the EU at 6.8 million tonnes, while 20% of the imports were from Ukraine (5.6 million tonnes) and imports from China were 3.9 million tonnes (14%). The product mix in the imports changed with more of flat products as compared to long products. EU exports however increased by 8.4% to 34.3 million tonnes with Turkey being the largest market (4.5 million tonnes – 13%) followed by the USA (3.7 million tonnes – 11%) and Algeria (3 million tonnes – 8%).

South-East Asian Steel industry: As per the preliminary numbers obtained by South East Asia Iron & Steel Institute (SEASIS), the steel consumption in the Association of South-East Asian Nations (ASEAN) at 47.3 million tonnes in 2010 grew by 14% over 2009 and was higher by 1.3 million tonnes over the pre-crisis level of 2008. While production in the area at 26 million tonnes was higher than 2009 by 6%, imports grew significantly by 25% over 2009 to be at around 30 million tonnes. Exports volume at 8 million tonnes also witnessed an increase of 26% over 2009.

The apparent steel consumption (in million tonnes) in the ASEAN is shown below:

	2010	2009	Change %
Thailand	14.01	10.75	30.3%
Indonesia	9.44	7.42	27.2%
Philippines	3.79	3.52	7.7%
Malaysia	7.14	6.65	7.4%
Vietnam	10.28	10.47	(1.8%)
Singapore	2.64	2.80	(5.7%)
Total	47.30	41.61	13.7%

In **Thailand**, the increase in consumption was met by 60% higher imports (8 million tonnes) while the domestic steel output grew moderately by 8% to around 7.5 million tonnes with exports increasing by 0.4 million tonnes to 1.6 million tonnes. The Steel demand in **Indonesia** was met substantially by imports with domestic output at 5.1 million tonnes and exports rising by 22% to be at 1.3 million tonnes. **Philippines** demand growth was met mostly by imports (1.8 million tonnes) with stagnation in the domestic output and decline in exports. Similar situation was witnessed in **Malaysia** with an increase in imports (at 4 million tonnes) and decline in domestic production and exports. **Vietnam** steel demand declined by 1.8% in contrast to growth in the domestic output by 20% to 5.6 million tonnes to serve the export market. In **Singapore**, long product consumption declined by 4% from 1.83 million tonnes to 1.75 million tonnes mainly on account of completion of mega projects. In spite of a drop in the domestic long product output of the country, NatSteel managed a growth of 9% catering to exports market which grew from 0.29 million tonnes to 0.49 million tonnes. Flat product demand in Singapore fell by 6% to below 0.9 million tonnes.

TATA STEEL GROUP OPERATIONS:

Tata Steel Group deliveries in FY 11 at 23.5 million tonnes were almost at par with the previous year (23.6 million tonnes). The turnover for the Group at ₹118,753 crores during FY 11 was 16% higher than the turnover of FY 10 (₹102,393 crores) primarily due to higher prices across the Group. EBITDA for the Group in the financial year 2010-11 was ₹17,103 crores as compared to ₹9,340 crores of FY 10.

FY 11 EBITDA includes profit on sale of shares of Tata Power and Tata Motors by Tata Steel India, profit on sale of Southern Steel Berhard by NatSteel, partly offset by write-off of unamortised fees of old senior facility agreement at Tata Steel Europe which was repaid in October 2010 following refinancing of loans.

Similarly, in FY 10 EBITDA included profit on sale of shares by Tata Steel India and Kalimati Investments, profit on sale of Aluminium Smelter and other investments by Tata Steel Europe, partly offset by CARS restructuring expenses at Tata Steel India.

Excluding these items in both the years, the Group EBITDA doubled at ₹16,859 crores when compared to ₹8,447 crores in FY 10.

The Group turned around with a profit after taxes (after minority interest and share of profit of associates) of ₹8,983 crores during FY 11 after registering a loss of ₹ 2,009 crores in FY 10.

Tata Steel India:

Figures in ₹crores

	2010-11	2009-10
Turnover	29,396	25,022
Profit before tax (PBT)	9,777	7,214
Profit after tax (PAT)	6,866	5,047

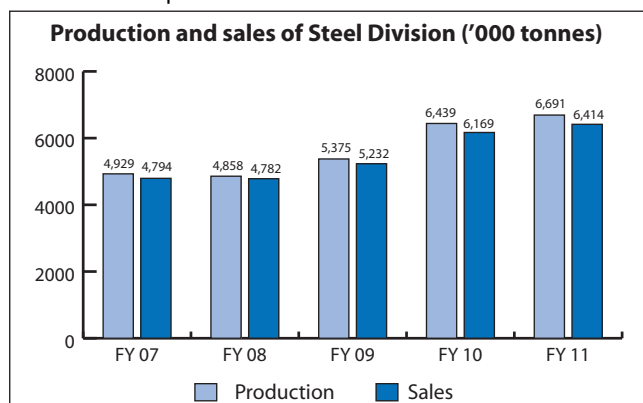
1. Steel division:

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

Figures in million tonnes

	FY 11	FY 10	Change %
Hot Metal	7.50	7.23	3.8%
Crude Steel	6.86	6.56	4.4%
Saleable Steel	6.69	6.44	3.9%
Sales	6.41	6.17	4.0%

A trend of steel production and sales is shown below:



The major production and sales highlights for the financial year 2010-11 are shown below:

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

Figures in million tonnes

	Best ever	FY'11	Previous best
'G' Blast Furnace	Hot metal production	2.11	2.09 – FY 10
LD shop #2 & Slab Caster	Slab production	3.80	3.70 – FY 10
LD shop #1	Billet production	3.05	2.86 – FY 10
Hot Strip Mill	Production	3.73	3.65 – FY 10
New Bar Mill	Production	0.72	0.67 – FY 10
Merchant Mill	Production	0.37	0.34 – FY 10
West Bokaro (clean coal)	Production	2.20	2.15 – FY 10
OMQ	Production	13.09	12.04 – FY 10

Production in the Blast Furnaces was maximised by producing from bigger blast furnaces with higher productivity while in the two steel melting shops there was an increase in the vessel life and heat size which enhanced productivity.

The crude steel production exceeded the name plate capacity of 6.8 mtpa project in the 2nd year after commissioning of the Project.

The special improvement initiative “Kar Vijay Har Shikhar” launched with a view to improve profitability, has yielded some quick results in the area of LD#1 reliability, and throughput improvement at West Bokaro besides improvements in Ferro Alloys & Minerals Division, iron ore mines etc.

Sales

- Overall sales at 6.42 million tonnes grew by 4% over last year (6.17 million tonnes in FY 10).
- Due date performance (which measures delivery compliance) improved significantly from 93% to 96% in flat products and from 87% to 91% in long products.

Flat Products

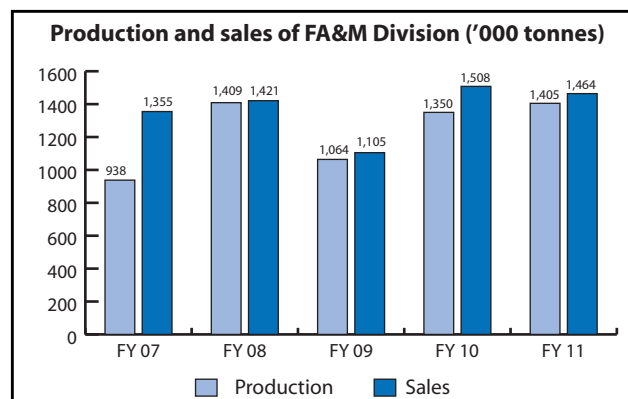
- The sales of flat products at 3.54 million tonnes increased by 2% in FY 11 (3.47 million tonnes in FY 10).
- The division crossed 1 million tonnes flat products sales to automotive segment (1.042 mt) and for the Branded Products (1.054 mt). The division also achieved the best ever sales performance in Skin Panel (0.49 mt) and Galvanised Annealed (0.83 mt).

Long Products

- Sales of Long products at 2.88 million tonnes increased by 7% in FY 11 (2.70 million tonnes in FY 10).
- The division achieved best ever TISCON sales of 1.82 mt in FY 11 against the previous best of 1.57 mt in FY 10 thus becoming the market leader in retail sector of rebar.

2. Ferro Alloys & Minerals division:

The trend of production and sales volume of Ferro Alloys & Minerals Division is shown below:



Total sales volume in FY 11 was 1464k tonnes against 1508k tonnes of FY 10. While ferro alloys sales including minerals

registered an increase of 8% during FY 11 (848 k tonnes) over FY 10 (788 k tonnes), flux sales declined by 15% in FY 11 over FY 10. (FY 11: 613k tonnes ; FY 10: 719k tonnes).

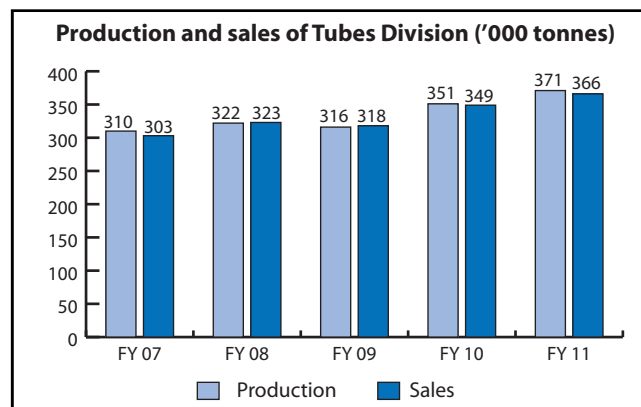
FY 11 saw a recovery, post the downturn in the FY 09 and the recession in the FY 10. Infrastructural investments in Asia (primarily in China, Korea, Taiwan, India & Japan) and increased automotive production in Asia & US resulted in improvement in the demand for steel and stainless steel. Global stainless steel production grew 25% in 2010 causing a rise in the demand for ferro alloys (Manganese Alloys: 14%, Chrome Alloys: 22%). Growth of Chrome Alloys is expected to slow down in FY 12 post tsunami in Japan (significant market for Ferro Chrome). Ferro alloys demand is likely to remain firm in other parts of the world and Asia (China, Korea, Taiwan).

In Manganese Alloys, the division achieved almost 100% share in supplies of Manganese alloys to the Group's Asian operations. However, the production of Ferro Manganese was lower due to power restrictions.

The division was honoured with the CAPEXIL (Chemical and Allied Export Promotion Council of India) and EEPC (Engineering Export Promotion Council) awards for its export performance in the recent years.

3. Tubes division:

The trend of production and sales volume of Tubes Division is shown below:



During FY 11, Tubes Division consolidated its position in the market place by registering a growth in production and sales by 6% and 5% respectively enabled by successful implementation of various improvement initiatives, under 'Kar Vijay Har Shikhar'.

The key performance highlights of the division are appended below:

- 'Tata Pipes' continues to be one of the leading players in India in the conveyance business for the plumbing and irrigation segments. During FY 11 it has also made forays in the HVAC (Heating, Ventilating and Air-conditioning) segment and provided value added services through its channel partners.
- 'Tata Structura' is supplied to the infrastructure segment. This sector grew by 15% in FY 11 achieving a landmark of

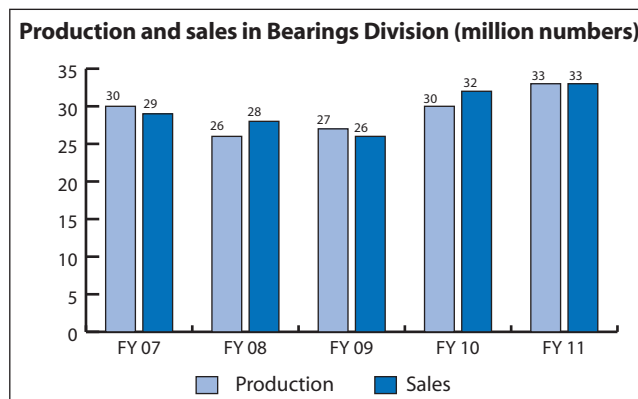
0.1 million tonnes with its presence in the upcoming airports of Chennai and Kolkata.

- Precision Tubes are supplied to the Automotive, Process and Power sector. During FY 11, the production and sales of Precision Tubes grew by 13% each over the previous year using future focussed practices like EVI (Early Vendor Involvement), NPD (New product Development) and PAG (Product Application Group).

The Tubes Division won the Coveted JRD QV Award in the year. Along with long products, the division also won the EPC World Award 2010.

4. Bearings division:

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



The division has posted a growth of 12% and 4% in production and sales in FY 11 over FY 10 respectively driven primarily by the demand in the domestic automotive segment.

The division adopted various improvement initiatives like TOC (Theory of Constraints) and took the next step in the TPM (Total Productivity Maintenance) activities. Cross-functional teams are working to challenge costs, increase throughput and productivity.

During FY 11, the division was bestowed with number of accolades from its customers like Bajaj Auto, Toyota Kirloskar Motors Ltd., Tata Motors etc.

Tata Steel Europe (TSE):

Figures in ₹ crores

	FY 11	FY 10
Turnover	75,991	65,843
Profit before tax (PBT)	1,751	(7,712)
Profit after tax (PAT)	1,666	(7,504)

Tata Steel Europe produces carbon steel by the basic oxygen steelmaking method at two integrated steelworks in the UK at Port Talbot and Scunthorpe, and at one in the Netherlands at IJmuiden. Engineering steels are produced in the UK at Rotherham using the electric arc furnace method. A number of rolling mills and process lines at TSE are on the same sites as the steelworks, but most of the operating sites do not have steelmaking facilities.

TSE has sales offices, stockholders, service centres and joint venture or associate arrangements in a number of markets for distribution and further processing of steel products supported by various agency agreements. There is an extensive network in the EU while outside the EU, the company has sales offices in over thirty countries, supported by a worldwide trading network.

Principal end markets for TSE's steel products are the construction, automotive, packaging, lifting and excavating, energy and power and rail sectors.

During the financial year under review, TSE adopted a new operating model consisting of:

Steelmaking operational hubs	Strip Products Mainland Europe
	Strip Products UK
	Long products Europe
Speciality Businesses	Colours
	Building Systems
	Packaging
	Tubes
	Kalzip
	Plating
	Cogent Power
	Speciality Steel
Distribution and Sales network	Distribution UK and Ireland
	Distribution Europe
	International

The earlier model of operations had three main operating divisions; Strip Products, Long Products and Distribution & Building Systems. TSE has adopted single sales and marketing function focussing on eight different industries as markets. The EU, is the most important market for the TSE Group, accounting for 84% of its total turnover in the financial year 2010-11. TSE has adopted the Tata Steel identity for trading purposes with effect from September 2010 and a progressive rebranding process is under way.

Teesside Cast Products unit was mothballed at the end of February 2010 and has since been disposed off in March 2011.

Crude steel production for TSE at 14.6 million tonnes in FY 2010-11 was almost at par with the previous year while the deliveries at 14.9 million tonnes in FY 2010-11 was higher by 3% over FY 2009-10. The production and sales performance of TSE are shown below:

Figures in million tonnes

	FY 11	FY 10	Change %
Crude steel production	14.6	14.4	1%
Deliveries	14.9	14.4	3%

In the financial year 2010-11, about 70% of TSE's crude steel production was rolled into hot rolled coils. The company also manufactured sections, plates, speciality steels and wire rods apart from selling semi-finished products. Approximately 20% of hot rolled coils manufactured were sold in the market without

further processing and approximately 60% was further processed in cold rolling mills and coating lines, apart from using them in tube mills for the manufacture of welded tubes.

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

Figures in million tonnes

	Production capacity	Actual production
Port Talbot steelworks, West Glamorgan, Wales	4.9	3.8
Scunthorpe steelworks, South Humberside, England	4.5	3.4
Rotherham steelworks, South Yorkshire, England	1.3	0.6
IJmuiden steelworks, the Netherlands	7.7	6.8
Total	18.4	14.6

Excluding seasonal effects, sales volumes of TSE were reasonably flat for the first three quarters of FY 2010-11, before showing an improvement in the fourth quarter to the highest level of quarterly sales since FY 2008-09. The deliveries of the various divisions of TSE are shown in the following table:

Figures in million tonnes

	FY 11	FY 10	Change %
Strip Products Mainland Europe	3.28	3.01	9%
Strip Products UK	1.19	1.15	3%
Long Products Europe	2.79	3.49	(20%)
Speciality Steel	3.68	3.29	12%
Distribution & Sales Network	3.93	3.48	13%
Total	14.87	14.42	3%

NatSteel Holdings:

Figures in ₹ crores

	FY 11	FY 10
Turnover	7,413	6,254
Profit before tax (PBT)	143	75
Profit after tax (PAT)	152	102

The key geographies of NatSteel's business are Singapore, China, Australia, Vietnam, Malaysia, Thailand and the Philippines. Most of the economies have done well coming out of the global financial crisis and the prognosis going forward is quite encouraging for the year. During the financial year under review production at 1.585 million tonnes was almost at par with the previous year (1.595 million tonnes). Sales volume increased from 1.78 million tonnes in FY 10 to 1.80 million tonnes in FY 11. The performance of the major business operations of the company are discussed below.

The Singapore operations are EAF (Electric Arc Furnace)-based steelmaking and rolling operations with a production capacity of about 750 k tonnes per annum. During the financial year 2009-10, sales of the Singapore operations at 844k tonnes were 14% higher than that of last year and contributed most to the increase in profits of the company.

NatSteel Xiamen, the Chinese subsidiary of NatSteel sold 495 k tonnes of rolled products during FY 2010-11, volumes being lower than last year by 37 k tonnes. However, there was improvement in margin as cost increases were contained within the increase in prices and resulted in higher overall margin against last year. Sales Volume in SIW Thailand, NatSteel Australia and Best Bar Australia during the financial year 2010-11 at 179 k tonnes, 57 k tonnes and 106k tonnes increased by 27 k tonnes, 15 k tonnes and 20 k tonnes respectively over the financial year 2009-10. Sales in Vina (Vietnam) and Wuxi (China) units at 125 k tonnes and 71 k tonnes during the financial year under review were lower than the previous year by 12 k tonnes each. Price increases in these units improved (other than the Australian units where prices deteriorated) but the cost increases more than offset the price increases and resulted in lower margins.

Tata Steel Thailand (TSTH):

Figures in ₹ crores

	FY 11	FY 10
Turnover	3,911	3,157
Profit/(loss) before tax	(151)	(9)
Profit/(loss) after tax	(139)	(11)

TSTH recorded billet production of 1.30 million tonnes during the financial year 2010-11 registering an increase of 10% over the financial year 2009-10 (1.18 million tonnes). Finished goods production at 1.28 million tonnes during the financial year 2010-11 increased by 6% over the financial year 2009-10 (1.20 million tonnes). Sales volume at 1.29 million tonnes during the financial year 2010-11 was higher by 8% as compared to financial year 2009-10 (1.19 million tonnes) with 7% and 13% growth in the company's domestic sales and exports volume. However, low capacity utilisation during the year, losses due to mothballing of Mini Blast Furnace during part of the year, steep increase in raw material prices leading to high metallic input costs, and resulted in an increased overall loss during FY 2010-11 for the company.

Tata Metaliks Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	1,347	1,068
Profit/(loss) before tax	(15)	17
Profit/(loss) after tax	1	29

Tata Metaliks Limited (TML) a subsidiary of Tata Steel Limited, is a leading producer of Foundry Grade Pig Iron in India with plants in Kharagpur (West Bengal) and Redi (Maharashtra) with a total

capacity of 6.5 lac tonnes per annum. Tata Metaliks Kubota Pipes Limited (TMKPL) engaged in the manufacturing of DI (Ductile Iron) Pipe, is a subsidiary of Tata Metaliks Limited with a total capacity of 1.10 lac tonnes per annum. The production and sales for the financial year 2010-11 and 2009-10 are shown below:

Production	2010-11 '000 tonnes	2009-10 '000 tonnes
Pig Iron	477	492
Ductile Iron Pipe	20	4

Sales	2010-11 '000 tonnes	2009-10 '000 tonnes
Pig Iron	473	484
Ductile Iron Pipe	19	3

During the financial year under review, lower production and unfavourable market resulted in lower sales volume. Although turnover improved driven by 25% increase in average realisations, higher raw material costs more than offset the increase in realisations lowering the margins. Profit made by the standalone entity was almost offset by losses incurred by the subsidiary TMKPL.

TML is striving to improve its operating margin by setting up Sinter Plant at Kharagpur, upgrading the Blast Furnace increasing the working volume. The capacity of the Kharagpur plant would be increased to 407 k tonnes. The company is also setting up Coke Oven plant in both locations at Kharagpur and Redi on BOOT (Built Operate Own & Transfer) basis.

TM International Logistics Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	978	612
Profit before tax (PBT)	72	45
Profit after tax (PAT)	57	37

TM International Logistics Limited (TMILL) and its subsidiaries offer logistic services pertaining to port and terminal handling, maritime shipping, ship agency, custom clearance and freight forwarding.

The company is involved in the activity of handling port operations at Haldia and Paradip on the east coast of India backed by fully dedicated customs clearance and shipping agency services at both the ports. It runs a clean cargo terminal at berth number 12 at Haldia, which is equipped with modern handling facilities including heavy equipments, shore cranes and vast open storage area as well as covered warehousing facilities.

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

The Freight Forwarding arm of TMILL is in the business of facilitating global trade by being an intermediary between cargo carriers and suppliers/buyers.

Going beyond its traditional domain, TMILL has now ventured into providing marine services and is acting as the operation and maintenance operator to the port of Dhamra.

During FY 11 there was a significant jump in the turnover and profit of the company due to increase in the volumes handled by the shipping business, increased tariff rate at Paradip Port, higher handling of cargo increasing the revenues of the CHA & Inland logistics, more TEUs (Twenty tonne equivalent units) handled by the freight forwarding business.

The key performance highlights of the company during the financial year 2010-11 are the following:

Division		FY 11	FY 10	Change %
Port operations	Million tonnes	7.8	8.0	(2.5%)
Shipping	Million tonnes	5.2	3.3	58%
CHA & Inland Logistics	CIF in ₹ crores	6,094	3,334	83%
Freight forwarding	Volume in TEUs	28,240	21,801	30%

Tayo Rolls Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	133	132
Profit before tax (PBT)	(30)	(12)
Profit after tax (PAT)	(30)	(12)

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

The rolls industry suffered due to poor offtake from the steel industry during the downturn in FY 10. The inventories are now reaching the reordering level and the deliveries are expected to pick up in FY 12. During the year under review the company has started to supply high-end Rolls in the form of Super Ni-Grain (SNG) rolls to its few customers. Other high end rolls like high-speed and semi high-speed rolls are on the anvil for supply to the customer.

The key highlights during the year is shown below:

Figures in k tonnes

	FY 11	FY 10	Change %
Rolls Production	7.2	6.4	13%
Rolls Sales	7.5	6.5	15%
Pig Iron Production	10.7	25.9	(59%)
Pig Iron Sales	8.1	19.6	(59%)
Ingot production	2.4	-	-
Ingot Sales	1.6	-	-

Rolls production and sales increased over the previous year due

to better demand and during FY 11 commercial production of ingots was started in November 2010. The pig iron production was suspended from August 2010 as it was not economically viable to produce pig iron from the Mini Blast Furnace owing to high cost of inputs and sluggish casting market affecting the pig iron off-take thereby increasing the losses during the year.

Tata Steel Processing & Distribution Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	1,592	1,261
Profit before tax (PBT)	63	52
Profit after tax (PAT)	43	32

Till Q1FY 10, TSPDL (erstwhile Tata Ryerson) was a Joint venture with Tata Steel's share being 50%. Accordingly only 50% of Q1FY 10's numbers were considered for financial consolidation.

Tata Steel Processing and Distribution Limited (TSPDL) is the leading steel service centre in India with a steel processing capacity of around 2 million tonnes and 5 steel processing centres across the country.

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

During the financial year 2010-11, the company recorded an all-time high tolling and distribution production volume of 1.458 million tonnes as compared to 1.346 million tonnes in the previous year. Higher volumes, increase in average revenue per tonne more than made good the increase in input costs and other increases in expenditure and helped the company post the highest profit before tax in its history of operations. Different units of the company received reputable accolades notable amongst which are:

- Pantnagar Unit won the Northern Region Tata Innovista Award.
- Tada Unit was re-certified for the prestigious SQEP certification by Caterpillar.
- The Pune Unit received certification of OHSAS 18001 and EMS 14001:2004.
- The Jamshedpur Unit got recertified for TS 16949 and OHSAS 18001.
- The Faridabad Unit facilitated Tata Steel to get 'Best Supplier Award' from Maruti.

Safety has remained a primary area of attention and by following Du Pont Safety initiatives, the company achieved a 77% reduction in injury and a 58% reduction in LTIFR compared to the financial year 2009-10.

Tinplate Company of India Limited: (An associate company of Tata Steel)

Figures in ₹ crores

	FY 11	FY 10
Turnover	810	792
Profit before tax (PBT)	51	102
Profit after tax (PAT)	36	67

The Tinplate Company of India Limited (TCIL) is a leading indigenous producer of tin coated and tin free steel sheets in India manufacturing various grades of electrolytic tinplates (ETP) and tin-free steel (TFS) sheets used for metal packaging. TCIL has also been "value-adding" its ETP/TFS products by way of a providing printing and lacquering facility to reach closer to food processors / fillers.

During the year FY11 the production of 241 k tonnes was 6% higher as compared to 227 k tonnes in FY10. The Company is presently in the midst of setting up a Cold Rolling Mill to produce the feedstock required for full utilisation of its tinning lines. Better demand supported by higher producing capacity augmented in ETL-2 line helped the company achieve higher sales and production volumes with an increase in capacity utilisation from 60% in FY 10 to 64% in FY 11. However the profits declined as compared to the previous year the primary factor being steep increase in input steel and tin prices which more than offset the increase in revenues.

With effect from 1st April, 2011, TCIL became a subsidiary of Tata Steel Limited consequent upon the automatic and compulsory conversion of the 3% Fully Convertible Debentures (which were issued in September 2009) into Equity Shares.

Tata NYK Shipping Pte Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	660	703
Profit before tax (PBT)	3	(6)
Profit after tax (PAT)	3	(6)

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

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

Since four years of its inception, the company has grown its fleet from only 2 ships in 2007 to a current fleet size of 14 ships (2 owned and 12 chartered).

The company has a diversified fleet ranging from Supramax (56,000 DWT), Panamax (75,000 DWT) & Capesize (180,000 DWT)

vessels. The vessels are deployed for the Tata Group and Indian dry bulk cargo based on the available port facilities and cargo requirements across geographies.

Cargo handled increased from 6.79 million tonnes in FY 10 to 7.85 million tonnes in FY 11 with increase in number of shipments from 110 to 119. However, due to expiry / deferment of certain cape contracts with higher per day charter base the turnover declined over the previous year. During the financial year addition of a second own vessel in the fleet significantly improved the operating margins and the profits of the business as compared to a loss in the previous year.

Tata Refractories Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	926	899
Profit before tax (PBT)	67	63
Profit after tax (PAT)	44	42

Tata Refractories Ltd. (TRL) is India's leading Refractories producer, producing a full range of refractories with a service backup for total refractory solutions. TRL China Limited, a subsidiary of the company has completed third phase of expansion during the current financial year, which has increased its capacity from 54,000 tonnes per annum to 90,000 tonnes per annum. With the wide range of refractory products TRL has been meeting the growing needs of various industries like Steel, Cement, Glass, Copper, Zinc, Aluminium, Petro-Chemical etc.

During FY 11, production was lower by 8% from 295k tonnes during FY 10 to 272 k tonnes during FY 11. Sales were lower by 3% from 351k tonnes during FY 10 to 342k tonnes in FY 11. Despite lower sales volume, revenue was higher mainly due to higher average realisations and better product mix. The profits increased slightly over FY 10 as the revenue increases were almost offset by cost increases on account of increase in input material and power costs and effect of lower volumes.

Tata Steel and Krosaki Harima Corporation (KHC), an associate of Nippon Steel Corporation of Japan have signed definitive agreements on 21st April, 2011 to induct KHC as a strategic partner in Tata Refractories Limited (TRL). Under this arrangement, KHC will acquire 51% equity stake out of Tata Steel's current 77.46% stake in TRL.

Tata Sponge Iron Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	683	534
Profit before tax (PBT)	150	126
Profit after tax (PAT)	101	85

Tata Sponge Iron Limited, a manufacturer of sponge iron and producer of power is located at Joda, Odisha. During the financial year 2010-11, the Company achieved record production of 383 k tonnes of Sponge Iron as compared to 359 k tonnes in the previous year, registering a growth of 7%.

The capacity utilisation during 2010-11 zoomed upto 98% as compared to 92% in the previous year. The Company also achieved record sales of 380 k tonnes as against 361 k tonnes in the previous year, thus growing by 5%.

In the power business, the Company achieved a generation of 191.39 million kwh of power in FY 2010-11 as compared to 181.39 million kwh in FY 2009-10. The sale of surplus power during the FY 2010-11 was 133.77 million kwh against with 125.01 million kwh sold in the previous year.

The increase in turnover during 2010-11 is mainly due to increase in prices of Sponge Iron along with increases in volumes. These increases were partly offset by increases in higher costs with imported coal mix being higher in order to improve the specific consumption of coal.

Tata Steel KZN Pte Limited:

Figures in ₹ crores

	FY 11	FY 10
Turnover	597	522
Profit before tax (PBT)	(55)	43
Profit after tax (PAT)	(55)	43

Tata Steel KZN, located at Richards Bay on the KwaZulu-Natal coast of South Africa, is in the business of making high carbon ferrochrome. During the financial year 2010-11, production volume at 107 k tonnes decreased by 9% as compared to 118 k tonnes registered during FY 2009-10 as the furnaces were shut for 1.5 months during the high cost electricity period. The sales were lower by 9% from 129 k tonnes in FY 2009-10 to 117 k tonnes in FY 2010-11. Prices improved over the previous year but high raw material costs, steep increase in electricity costs, lower volumes resulted in losses during FY 11 in contrast to the profits earned during FY 10.

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

- Improved furnace performance and efficiencies towards the latter part of the year due to the utilisation of better quality ore and pellets
- Improved furnace and gas plant availability due to preventative maintenance system implementation
- Elimination of the backlog untreated slag and satisfactory performance of the metal recovery plant
- Successful completion of the two major capital projects on time and below budget

- Very positive safety performance and major strides taken in anticipation of the first ISO audits to be conducted in the new financial year

STRATEGY:

Tata Steel Group remains committed to its vision of being a global benchmark in value creation and corporate citizenship despite the challenges of a slow European recovery, high raw material cost and the looming introduction of EU ETS (Phase III).

In line with the vision, the Group's strategy is focused on value creation with the pillars of quality of earnings and growth.

Quality of earnings:

Tata Steel in India continues to be one of the most profitable steel operations in the world. It has several continuous improvement initiatives in place. Cumulative cost savings of ₹1,061 crores was achieved during the last financial year with areas such as slag rate reduction, raw material optimisation and shared services being addressed.

'Kar Vijay Har Shikhar' ('conquer every peak') is a new initiative launched during the year, focused on Tata Steel's aspiration to improve its EBITDA. It is a multi-unit, multi-location, cross functional improvement programme that aims to excel across the entire steel value chain all the way from the raw materials mining to marketing and sales of finished steel.

'Kar Vijay Har Shikhar' Operations, the operational improvement programme will be rolled out in three phases:

- Phase-1 covers blast furnaces, Haldiya Met coke and FAMD.
- Phase-2 includes the coke plant, West Bokaro and the sinter plant.
- Phase-3 looks at the coal and coke value chain, cold rolling, hot metal and scrap, the Jharia clean coal throughput unit and hot metal logistics.

'Kar Vijay Har Shikhar' Marketing and Sales is pursuing value creation in the Small and Medium Enterprise market space and has been launched in flat products, long products, the wires and tubes divisions. This marketing and sales initiative aim to provide Tata Steel with an additional growth lever, improve the group's product offering and ability to achieve premium prices and enhance the service capability of the marketing and sales organisation in India.

As part of its efforts to enhance its product mix and market presence in India, the Group continues to look at ways to strengthen its downstream capability. In January 2011 Tata Steel and Nippon Steel have signed a joint venture (51:49) agreement to set up India's first Continuous Annealing and Processing Line (CAPL) for the production of 600,000 tonnes per annum of automotive cold rolled steel at Jamshedpur. The project is expected to come on stream in 2013 and will significantly improve our automotive offering in India.

In Europe, market conditions remain more challenging and improving quality of earnings remain an even more pressing

objective. In light of this, Tata Steel Europe's management has identified the following focus areas:

Firstly, to serve customers better, it has adopted a single sales and marketing function with eight industry-focused marketing sectors with sector focused commercial teams. The following programs have been put in place to better serve customer needs:

- £81 million Supply Chain Transformation project aimed to reduce inventory levels by 16%, with ongoing improvements in Customer Service levels.
- €35 million investment in the rail facility at Hayange in France to supply a six-year contract secured with SNCF, the French railway operator, is expected to be completed to budget for July 2011.
- Engineering work is underway at Redcar to develop a new £32 million facility to produce steel foundation structures – called monopiles – used to secure offshore wind turbines to the seabed.

Secondly, TSE is continuously working towards higher levels of operational excellence through improving asset performance in regards to quality, reliability and lower costs. An initiative of £100 million of short payback capital projects to improve operational efficiency across Europe was launched this year while the £185 million rebuild of the No. 4 furnace will improve operational efficiency at Port Talbot.

TSE's third priority is to achieve cost leadership. Since 2009 the group has been working on its 'Fit for the future' initiatives to reduce cost and will build on this to further reduce cost through productivity improvement, creating flexibility and potential upstream integration. The number of full time employees in Tata Steel Europe has reduced by 7,500 since September 2008 at the start of the crisis to 34,900 at end March 2011. 1,400 of the job losses related to the mothballing of Teesside and the remaining 6,100 relates to cost reduction initiatives.

Tata Steel Group manages its portfolio to improve returns on capital employed. It sold Teesside Cast Products to Sahaviriya Steel Industries, Thailand's largest steel producer, on 24th March, 2011 in a transaction valued at approximately £434 million (US\$700 million). The assets covered by the transaction include the Redcar and South Bank coke ovens, TCP's power generation facilities and sinter plant, the Redcar Blast Furnace and the Lackenby Steelmaking facilities.

The Group is thriving towards technological leadership by continuous research and development. We currently employ close to 800 researchers in five technological centres, four in Europe and one India. During the last financial year the Research and Development project portfolio has been tailored to meet customer needs and to align with our market sector needs.

Growth:

The second pillar of Tata Steel Group's value creation strategy is selective growth with an aim to strengthen its position in emerging

markets like India and increase the level of raw material integration and energy self-sufficiency across the Group.

- The Indian Steel market is growing rapidly and Tata Steel is expanding to continue to serve its customers. The 2.9 mtpa project to expand crude steel capacity at Jamshedpur from 6.8 mtpa to 9.7 mtpa is making good progress and is scheduled for completion in FY 2011-12. The project involves the installation of a 3 million tonne Blast Furnace, a 6 million tonne Pellet plant, two 700 k tonne stamp-charged coke oven batteries and a 2.4 million tonne thin slab casting and rolling facility. Total estimated project cost is projected at around US \$3.3 billion.
- Tata Steel Group continues to work on its project pipeline in India and South East Asia. The greenfield project at Kalinganagar, to be developed in two 3 million tonne phases, is the most advanced. The Company has executed a land lease deed for the location of the plant, obtained final environmental clearances and statutory clearances for rail transportation, power and water and has executed contracts for the construction of the iron and steel making facilities and the slab caster. The construction activities at the site are progressing satisfactorily.

The project also contemplates leasing iron ore and coal mines in India to meet the new plant's raw material requirements, as well as the development of townships for the employees of the plant. Any coal or iron requirements that are not met through the procurement from the captive mines will be sourced from third parties. The Company has also obtained an allocation of a coal block at Jharkhand and the associated approvals for environment clearance and the mine plan. The Company's application for an iron ore mine lease is still awaiting government approval.

Another growth area for the group is to leverage its current mining capability to invest in mining projects outside India to increase the group's level of self-sufficiency in raw materials, as raw materials prices remain at all time highs. Currently Tata Steel's most significant interests include:

- A joint venture with Riversdale Mining Limited for the development of the Benga and Tete coking coal tenements in Mozambique. The project is planned to be executed in three phases with planned production of 5.3 million tonne of run of mine coal in Phase I, 10.6 million tonne of run of mine coal per annum in Phase II and 20 million tonne of run of mine coal per annum in Phase III.
- A joint venture with New Millennium Capital Corporation, a listed entity in Canada, for development of Direct Shipping Ore Project in Canada was incorporated in October 2010. Tata Steel holds 80% stake in the JVC and has 100% off-take rights. It is expected that the JV will produce 4 million tonnes per year of iron ore products commencing in 2012.

- Tata Steel signed an additional heads of agreement with New Millennium Capital Corporation on 6th March, 2011 for the development of the LabMag and KéMag iron ore deposits, known collectively as the Taconite Project. Under the heads of agreement, Tata Steel shall participate in the development of a feasibility study of the Taconite Project and contribute towards 64% of the costs related thereto. The parties would enter into a binding joint venture agreement upon the successful completion of the Feasibility Study and Tata Steel electing to develop one or both of the deposits. After formation of the joint venture, New Millennium Capital Corporation is expected to hold a 36% equity interest in the Taconite Project, including a 20% free carry equity interest.
- 5% interest in the Carborough Downs Coal Project located in Queensland Australia with an off-take agreement.

INTEGRATION:

Performance Improvement Teams (PITs) contributed in the area of manufacturing during the financial year 2010-11 by implementing improvement projects in multiple locations of the Tata Steel Group.

As of April 2011, 21 Performance Improvement Teams (PIT) are operating effectively across the Group as against 17 in the financial year 2009-10. 14 PITs have dedicated work streams for focused problem solving, targeting areas of importance for the group. New PITs in Billet Casting and Tubes have been introduced during the year.

With most of Europe gradually coming out of recession, PITs have concentrated on improving manufacturing effectiveness and efficiency of operations.

Notable contributions of the PITs have been on:

- (a) Using higher percent low cost coals with reduced coking times in coke making,
- (b) Increased usage of reverts thus saving on cost of iron ore, cost of landfill while meeting the environmental regulations;
- (c) Improvements in steelmaking and casting by reducing process variations, improving yield, etc;
- (d) Improving quality and yield while reducing cost in rolling.

In the financial year 2011-12, efforts are being made to extend PITs to other functions like Supply Chain, Commercial, etc.

As an overall integrating tool, the Tata Business Excellence Model (TBEM), a business assessment model based on the Malcolm Baldrige Model of US, which has been adopted by most of the Tata Group Companies, is being rolled out across Tata Steel Europe. The TBEM methodology has been designed to help improve organisational performance practice, capabilities and results.

OUTLOOK:

As reported by the 'World Economic Outlook' (WEO) issued by the International Monetary Fund in April 2011, the world economy is expected to grow at 4.5% in the years 2011 as well as 2012. The advanced economies are projected to grow at 2.5% while the

emerging and developing economies will be growing at a higher level of 6.5%.

The recovery from the global economic downturn remains unbalanced. In the advanced economies, output is far below potential and the unemployment continues to be high, with a risk of having a lower growth in these economies fuelling the unemployment issue further. In the US, the fiscal consolidation is ongoing with the housing market remaining depressed. In Japan, the immediate focus is on reconstruction and there will be an effort to link the reconstruction spending to a fiscal strategy to bring down the public debt ratio over the medium term. In the EU, recovery is proceeding in a modest pace with the output still below potential and unemployment high. WEO reports that Germany and France are expected to grow at 2.5% and 1.5% respectively during 2012 while rapid growth is expected to continue in Asia with a growth projection of 6.7% in 2011 and 6.8% in 2012. China and India, as a part of the developing Asia are set to grow at 9.6% and 8.2% respectively during 2011 and 9.5% and 7.8% in 2012 with private demand growing in China while infrastructure remains a key contributor to growth in India.

The World Steel Association (WSA) in its short range outlook issued in April 2011 states that the world consumption of steel is expected to be 1.359 billion tonnes in 2011 registering a growth of 6% over 2010, following a growth of 13.2% growth in 2010. Steel demand is expected to grow further by 6% to 1.441 billion tonnes in 2012. The forecast of WSA suggests that the steel demand in China in 2011 is set to rise by 5% to 605 million tonnes while that in India it is expected to reach 68.7 million tonnes, registering a growth of 13.3%. In 2012, China is expected to maintain the growth of 5% while India is expected to accelerate by 14.3%. The recovery in the US estimated to lead the steel consumption to 13% growth to be at 90.5 million tonnes with the construction market remaining weak. The forecast of steel consumption in Japan is yet to be firmed up after the tragic earthquake and Tsunami. Apparent steel use in the EU is forecast to grow by 4.9% in 2011 to be at 151.8 million tonnes with Germany and France the leading economies which are expected to lead the steel use recovery particularly in the automotive and machine building sectors.

FINANCE:

In FY 11, the world emerged from the depths of the financial crisis as most economies moved out of technical recession or negative growth. Governments and monetary bodies, through large fiscal spending, zero interest rate policies and easy credit have averted the possibility of mass banking collapse and financial crisis. The developed world has now entered a period of slow and uncertain growth, which cannot be accelerated by relying on the same policies without creating a fresh crisis in the shape of sovereign defaults and an inflationary spiral. Emerging markets which have robust growth are importing inflation from the rest of the world and though they are raising interest rates, local monetary tightening has been of limited benefit so far.

During the financial crisis, the Company had focused on raising additional debt in order to maintain a liquidity buffer given the uncertain nature of the steel markets. However, given the lower level of earnings and increased debt, the leverage position of the Company had become sub-optimal. Therefore in FY 11, the Company continued on its journey of deleveraging. It repaid ₹ 4,258 crores of borrowings during the year.

At the same time, given the substantial improvement in liquidity in financing markets, the Company in FY 11 refinanced the entire acquisition debt in Tata Steel Europe. Tata Steel UK Holdings, on 29th September, 2010, signed a Senior Facility Agreement with a syndicate of 13 banks for a £3.53 billion term loan and revolving credit facility which replaced in full the term loan and revolving credit facilities entered into at the time of the acquisition of Corus Group plc in 2007. The new facilities have been designed to achieve certain key financing and business objectives for the company: the syndicate comprises a smaller, co-ordinated group of Banks with long-term relationships with Tata Steel; repayment obligations for the next 5 years have been minimised; there is flexibility to incur higher capital expenditure in Europe and to raise working capital depending on business needs; and the new financing arrangements carry lighter financial covenant obligations.

However, given the business environment and earnings profile of the Company, there was a need for a further rebalancing of the capital structure. This needed to be achieved by a combination of disposals of non-core assets, raising of equity and quasi equity funds. The Company is continuing to dispose of stake in other Tata Group Companies which are unrelated to its business. In addition, the Company completed the sale of the Teesside Cast Products unit of Tata Steel Europe in a deal valuing the business at around £434 million in March 2011 and 51% of its 77.46% stake in Tata Refractories Limited in a deal valuing the equity of TRL at ₹ 1,130 crores in April 2011. In January 2011, the Company completed a further public offer for ordinary shares in the domestic markets aggregating ₹ 3,477 crores. In December 2010 and January 2011, it drew ₹ 3,000 crores via issuance of 20 year Non-Convertible Debentures, where the Company will have no cash outgo on account of interest for the first 3 years. In March 2011, the Company also successfully completed India's first ever offering of Corporate Hybrid Securities with an issuance of ₹ 1,500 crores (US\$ 332 million). These securities rank senior only to share capital, are perpetual in nature with no maturity or redemption and are callable only at the option of the Company thereby incorporating equity characteristics.

As part of the financing of the imports for the 2.9 mtpa expansion in Jamshedpur, the Company also tied up long-term ECA backed buyer's credit of €72.85 million to be drawn over the next 18 months and repaid over the next ten years.

As on 31st March, 2011, the cash and cash equivalent in Tata Steel Limited, India was ₹ 4,142 crores and ₹ 10,893 crores for the Group.

FINANCIAL PERFORMANCE:

Tata Steel Standalone:

Profit after tax at ₹ 6,866 crores during the financial year 2010-11 was higher by 36% as compared to the financial year 2009-10 (₹ 5,047 crores). The diluted earnings per share was at ₹ 70.99 for FY 11 (FY 10: ₹ 57.31) while the basic earnings per share for FY 11 was at ₹ 75.63 (FY 10: ₹ 60.26).

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

a) Net sales and other operating income:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Sale of product	30,748	25,756	4,992	19%
Sale of power and water	796	657	139	21%
Income from town, medical and other services	36	40	(4)	(10%)
Other operating income	323	305	18	6%
Sales and other operating income	31,902	26,758	5,144	19%
Less: Excise Duty	2,506	1,736	770	44%
Net sales and other operating income	29,396	25,022	4,374	17%

Steel sales volume during FY 11 at 6.42 million tonnes recorded an increase of 4% over FY 10 (6.17 million tonnes). Higher prices across all divisions and higher volumes in Tubes, Wires and Bearings divisions also contributed to the increase in net sales. The division wise net sales are shown below:

Figures in ₹ crores

Net Sales	FY 11	FY 10	Change	Change %
Steel	25,568	21,928	3,639	17%
Tubes	1,616	1,387	229	16%
Ferro Alloys and Minerals	2,045	1,553	492	32%
Bearings	167	153	14	9%
Total	29,396	25,022	4,374	17%

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

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Purchase of finished, semi-finished steel and other products	180	169	11	7%

The purchase of finished and semi-finished products were almost at par with the previous year with higher purchases at Bearings division and Agrico units to support higher volumes. These increases were partly offset by lower purchases for captive consumption (repairs etc.) by the Steel Works.

c) Raw materials consumed:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Raw Materials consumed	6,244	5,495	749	14%

Increase in production, steep increase in cost of imported coal, use of purchased / imported coke during the year, higher cost and consumption of imported limestone, higher zinc cost, higher consumption and cost of ferro alloys were the primary factors increasing the 'Raw materials consumed' for the company. These increases were partly compensated by lower raw materials consumed at Ferro Alloys & Minerals Division and lower consumption of zinc and pyroxenite at the Steel Works.

d) Payments to and provisions for employees:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Payments to and provisions for employees	2,618	2,361	257	11%

The payments to and provisions for employees were higher by 11% over the previous year primarily on account of increase in dearness and other allowances, normal increments and increases in retirement gratuity and leave salary liability on actuarial valuation allowance. These increases were partially compensated by lower charge on account of Employee separation scheme in the current year as the amortisation of the expenses completed by March 2010.

e) Stores consumed:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Stores consumed	1,431	1,335	96	7%

Stores including industrial gases and spares consumed increased over FY 10 by 7% primarily on account of higher price and

consumption of operational refractories, industrial gases, and other stores & spares consumed to support higher production across different divisions, partly offset by lower consumption at Growth Shop.

f) Repairs to machinery:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Repairs to Machinery	1,066	979	87	9%

Repairs to machinery increased by 9% as compared to FY 10 mainly on account of increase in civil contract jobs, overhauling and other equipment maintenance, electrical and mechanical maintenance activities at mines and collieries, various steel-making and finishing mills in the Steel Works and Ferro Alloys & Minerals division.

g) Conversion charges:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Conversion charges	1,193	1,133	60	5%

There was an increase in the Conversion charges by 5% over FY 10 primarily due to increases in conversion activities in Long products, Tubes and Agrico divisions, higher rates in Long products, Tubes and Ferro Alloys & Minerals division partly compensated by lower conversion charges for the tin coated products.

h) Purchase of power:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Purchase of power	1,405	1,268	137	11%

While the purchase of power for own use was lower as compared to the previous year, higher purchases for sale to outside customers led to the increase in overall purchase of power for the company. There was also an increase in cost of power at the Ferro Alloys and Minerals division and Wires division.

i) Freight and handling charges:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Freight and handling charges	1,541	1,357	184	14%

Higher volumes of Steel, Tubes, Ferro Alloys and minerals despatches along with increase in rates and change in destination mix for steel products, higher handling charges and demurrage charges led to the 14% increase in Freight and handling charges.

j) Royalty:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Royalty	615	276	339	123%

Royalty charges more than doubled during the current year due to increase in royalty rates on iron ore and also due to full year impact of change in tariff and payment of royalty on processed coal instead of raw coal at our collieries.

k) Rates and Taxes:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Rates & Taxes	291	237	54	23%

Rates and taxes during FY 11 increased primarily on account of introduction clean energy cess on coal and increase in export duty for Ferro Alloys & Minerals division due to increase in volume of exports.

l) Other expenses:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Other expenses	1,270	1,285	(15)	(1%)

Other expenses in FY 11 remained almost at the level of FY 10 with increase in post retirement medical benefits in accordance with AS-15, higher expenditure on research and development and other operational expenses, almost offset by foreign exchange gain and lower bank charges due to partial conversion of CARS into FCCBs.

m) Net Finance charges:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Net Finance charges	1,300	1,508	(208)	(14%)

The decline in net finance charges represents lower interest on term loans due to repayments partly offset by interest on Non-convertible Debentures issued during the year.

n) Fixed Assets:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Gross Block	29,816	26,150	3,666	14%
Less: Impairment	126	106	20	19%
Less: Depreciation	10,915	10,038	877	9%
Net Block	18,774	16,006	2,768	17%

The increase in fixed assets represents primarily the 1.8 mtpa expansion and 2.9 mtpa expansion projects at Jamshedpur Works.

o) Investments:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Trade investments	1,889	1,781	108	6%
Investment in subsidiary companies	41,676	41,480	196	0%
Investment in mutual funds	3,000	1,719	1,281	75%
Total investments	46,565	44,980	1,585	4%

Investments increased by 4% over March 2010 primarily due to increase in current investments (in mutual funds). Increase in trade investments include investment in Dhamra Port, Tata Industries partly offset by sale of shares in Tata Power and Tata Motors. Increases in investments in subsidiary companies represent investment in Tata Steel Holdings Pte Ltd., TS Alloys Ltd. and TM Mining Ltd.

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

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Stores & Spares	716	624	92	15%
Stock-in-trade	3,238	2,454	784	32%
Total inventories	3,954	3,078	876	28%

The stock of stores and spares inventory was kept higher primarily due to requirements during planned shutdowns in various units in the Steel Works during the first quarter of FY 2011-12.

The raw materials stock increased due to increases in volume and value of imported coal, iron ore, limestone and ferro alloys. Increase in prices of raw materials led to the increase in value of finished and semi-finished products.

q) Sundry Debtors:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Gross Debtors	450	456	(6)	(1%)
Less: Provision for doubtful debts	22	21	1	3%
Net Debtors	428	435	(7)	(2%)

Debtors as on 31st March, 2011 declined marginally over the level as at end March 2010 due to stringent credit control measures and lower steel exports.

r) Loans and Advances:

Figures in ₹ crores

	FY 11	FY 10	Change	Change %
Loans and advances	15,689	5,504	10,185	185%

The increase primarily represents advance against equity and Shareholders' loans to Tata Steel Holdings and Centennial Steel, and amount receivable against forward covers.

s) Cash flow and Net debt:

Cash Flow:

Figures in ₹ crores

	FY 11	FY 10	Change
Net Cash flow from operating activities	8,543	8,369	174
Net Cash flow from investing activities	(13,288)	(5,255)	(8,033)
Net Cash flow from financing activities	5,653	(1,473)	7,126
Net increase / (decrease) in cash & cash equivalents	907	1,641	(734)

Net cash flow from operating activities: Net cash generated from operating activities was ₹ 8,543 crores during the year ended 31st March, 2011 as compared to ₹ 8,369 crores during April to March 2010. The cash operating profit before working capital changes and direct taxes during FY 11 was ₹ 11,229 crores, as compared to ₹ 9,049 crores during FY 10, as a result of higher profits during the current year. Increase in inventories and receivables in the current year were more than compensated by increase in creditors resulting in a decrease in working capital. The payment of income taxes (including the dividend distribution tax) during FY 11 was ₹ 2,870 crores as compared to ₹ 2,079 crores during the same period last year.

Net cash from investing activities: Net cash outflow from investing activities amounted to ₹ 13,288 crores in FY 11. The outflow broadly represents an incremental investment in subsidiaries (₹ 5,312 crores), inter-corporate deposits/shareholders' loan (₹ 3,707 crores) and capex (₹ 4,322 crores), sale of fixed assets (₹ 387 crores), interest and dividend income received (₹ 256 crores).

Net cash from financing activities: Net cash inflow from financing activities was ₹ 5,653 crores during FY 11 as compared to an outflow of ₹ 1,473 crores during FY 10. The inflow was primarily from issue of Perpetual securities (₹ 1,500 crores), issue of equity (₹ 4,546 crores) and fresh borrowings net of repayments (₹ 2,155 crores). The outflows during the current year were represented mainly by interest and dividend payments of ₹ 1,610 crores and ₹ 708 crores respectively.

Net debt:

Figures in ₹ crores

	FY 11	FY 10	Change
Secured loans	2,009	2,259	(250)
Unsecured loans	26,292	22,980	3,312
Total Debt	28,301	25,239	3,062
Less: Cash and Bank balances	4,142	3,234	907
Less: Current investments	3,000	1,719	1,281
Net Debt	21,160	20,286	874

During the current fiscal year, net debt increased by ₹ 874 crores as compared to the balances as on 31st March, 2010. The increase in Gross debts by ₹ 3,062 crores primarily includes NCDs of ₹ 3,073 crores, and exchange fluctuation of ₹ 833 crores partly offset by repayment of loans. Current investment and cash balance was higher by ₹ 1,281 crores and by ₹ 907 crores respectively as compared to 31st March, 2010.

Tata Steel Group:

Tata Steel Group turned around in FY 11 by posting a profit after tax (after minority interest and share of profit of associates) of ₹ 8,983 crores against a loss of ₹ 2,009 crores in the previous year, the primary highlights being higher gross deliveries and prices across the Group and profit on disposal of Teesside Cast Products at TSE, partly offset by increasing input cost.

Net sales and other operating income:

Figures in ₹ crores

	FY 11	FY 10	Inc./ (Dec.)
Tata Steel	29,396	25,022	4,374
TS Europe	75,991	65,843	10,148
NatSteel Holdings	7,413	6,254	1,159
TS Thailand	3,911	3,157	754
Others	14,105	9,944	4,161
Eliminations & adjustments	(12,063)	(7,827)	(4,236)
Group Total	1,18,753	1,02,393	16,360

Turnover for the Group improved by 16% during the current financial year as compared to FY 10 due to better prices and gross deliveries across the Group. Increase in the Group turnover was also contributed by higher turnovers registered by NatSteel Asia (minerals business), Tata Steel Processing & Distribution Limited (TSPDL), Tata Steel KZN Pte Ltd., Tata Metaliks Limited (TML), Jamshedpur Utilities and Services Company (JUSCO), TM International Logistics Limited (TMILL), Indian Steel and Wire Products Limited (ISWPL).

Purchase of finished, semi-finished and other products:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	180	169	11
TS Europe	9,472	7,946	1,526
NatSteel Holdings	5,613	4,281	1,332
TS Thailand	2,141	1,837	304
Others	1,808	1,304	504
Eliminations & adjustments	(3,324)	(2,426)	(898)
Group Total	15,890	13,111	2,779

The purchase of finished and semi-finished products increased by 21% over FY 10 mainly due to increases in TSE, NatSteel Holdings and TSTH representing higher volumes purchased to support increase in volume of operations / resale as well as higher prices. Included in 'others' is higher volumes purchased at TSPDL and Tata BlueScope (a Joint Venture) to support increased operations and also the accounting effect of treating TSPDL as a JV (50%) in last year's Q1 as opposed to a 100% subsidiary now.

Raw Materials consumed:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	6,244	5,495	749
TS Europe	29,624	23,700	5,924
NatSteel Holdings	105	101	4
TS Thailand	783	464	319
Others	8,429	5,802	2,627
Eliminations & adjustments	(7,141)	(4,558)	(2,583)
Group Total	38,044	31,004	7,040

Raw materials consumed for the Group increased by 23% over FY 10 primarily due to steep increases in the cost of raw materials in general. Apart from the increase in prices higher volumes also led to the increase in 'Raw materials consumed'. Increase in 'Others' reflect the increases primarily at NSA (minerals business) and Tata Metaliks Limited.

Payments to and Provisions for Employees:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	2,618	2,361	257
TS Europe	11,691	13,269	(1,578)
NatSteel Holdings	450	388	62
TS Thailand	95	88	7
Others	477	369	108
Eliminations & adjustments	(44)	-	(44)
Group Total	15,287	16,475	(1,188)

Staff cost for the Group in FY 11 was lower by 7% over FY 10. Reduction in TSE was mainly due to fall in head count arising from the 'Fit for the Future' initiative and lower pension costs at Netherlands. Staff cost increased in the Indian operations during the current year primarily on account of normal wage increases, change in actuarial assumptions and steep increase in dearness allowance partly offset by lower charges on ESS. Increase in NSH was due to normal wage increases and an increase in head count. 'Others' include the effect of arrear wages in JUSCO.

Purchase of Power:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	1,405	1,268	137
TS Europe	1,758	2,022	(264)
NatSteel Holdings	312	250	62
TS Thailand	325	291	34
Others	319	247	72
Eliminations & adjustments	(104)	(27)	(77)
Group Total	4,015	4,051	(36)

Purchase of Power for the Group in FY 11 was almost at par with power purchased in FY 10. Reduction in TSE was primarily due to ongoing energy saving initiatives. This was partly offset by increase in Tata Steel India (due to increase in power tariff and higher purchases for sale to other consumers, partly compensated by lower volumes purchased for own use), NSH (primarily higher power costs), TSTH (higher volumes) and 'Others' (increase in rates for TS Alloys and JUSCO).

Freight and handling charges:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	1,541	1,357	184
TS Europe	3,704	3,380	324
NatSteel Holdings	156	148	8
TS Thailand	31	26	5
Others	1,028	701	327
Eliminations & adjustments	(70)	(58)	(12)
Group Total	6,390	5,554	836

Freight and Handling charges were higher by 15% in FY 11 over FY 10 mainly on account of increase in deliveries by all entities and higher freight rates. "Others" include TMILL, a group logistics company, where the charges were higher than the last year mainly due to increase in volume of operations.

Other Expenditure:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	6,149	5,284	865
TS Europe	16,736	16,813	(77)
NatSteel Holdings	565	522	43
TS Thailand	509	438	71
Others	1,576	1,160	416
Eliminations & adjustments	(1,047)	(722)	(325)
Group Total	24,488	23,495	993

Other Expenditure represents the following expenses:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Stores and spares consumed	7,259	7,764	(505)
Fuel oil consumed	875	833	42
Repairs to buildings	415	358	57
Repairs to machinery	4,860	4,690	170
Relining Expenses	87	91	(4)
Conversion charges	1,125	1,083	42
Rent	2,833	2,544	289
Royalty	622	281	341
Rates and Taxes	728	682	46
Insurance charges	311	266	45
Commission, Rebates and Discounts	229	262	(33)
Loss on Discarded Assets	—	—	—
Provision for Wealth Tax	1	1	(0)
Short / Excess Provision in Previous years (Net)	(19)	(15)	(4)
Other Expenses	5,567	5,291	276
Provision for Doubtful Debts and Advances	189	104	85
Excise Duty	94	87	7
Less: Exp (other than interest) trfd to capital and other accounts	688	827	(139)
Other Expenditure	24,488	23,495	993

Other Expenditure in FY 11 was 4% higher than FY 10. Increase in production, higher repairs, higher post retirement medical benefits, increase in royalty rates on iron ore, introduction of clean energy cess on coal, higher conversion activities are the principal reasons for increase in other expenses in Tata Steel India. "Others" includes the effect of unfavourable exchange fluctuation on loans

at Tata Steel KZN, higher expenses at TSPDL and JUSCO due to higher volume of operations.

Net Finance Charges:

Figures in ₹ crores

	FY 11	FY 10	Inc./.(Dec.)
Tata Steel	1,300	1,508	(208)
TS Europe	1,910	1,626	284
NatSteel Holdings	34	40	(6)
TS Thailand	43	21	22
Others	(210)	(173)	(37)
Eliminations & Adjustments	(307)	0	(307)
Group Total	2,770	3,022	(252)

Net finance charges for FY 11 was lower than FY 10 with the reduction in Tata Steel India's Net finance charges representing primarily lower interest on term loans arising out of repayments, higher interest income on short-term deposits partly offset by lower capitalisation of interest. This reduction was partly offset by increase in TSE due to interest on NSFA (New Senior Facility Agreement) and increased drawdowns on the revolving credit facilities in the UK and Netherlands. "Others" include the impact of interest income at Tata Steel Global Holdings for loan provided to TSE.

Stores and Spares Stock:

Figures in ₹ crores

	FY 11	FY 10	Change
Tata Steel	716	624	92
TS Europe	715	688	27
NatSteel Holdings	71	66	5
TS Thailand	237	249	(12)
Others	105	89	16
Eliminations & adjustments	(2)	(1)	(1)
Group Total	1,842	1,715	127

Stores and Spares stock were in consistence with the consumption requirements of individual entities.

Stock-in-trade:

Figures in ₹ crores

	FY 11	FY 10	Change
Finished Goods	8,137	6,655	1,482
WIP	4,046	3,685	361
Raw Materials	10,031	6,632	3,399
Total Inventory	22,214	16,972	5,242

	FY 11	FY 10	Change
Tata Steel	3,238	2,454	784
TS Europe	16,804	12,471	4,333
NatSteel Holdings	748	737	11
TS Thailand	782	649	133
Others	675	665	10
Eliminations & adjustments	(33)	(4)	(29)
Group Total	22,214	16,972	5,242

Finished Goods inventory has gone up across the group mainly due to higher valuations of inventory driven by steep increases in raw material prices while the volumes have come down in all entities. Inventory of raw materials increased due to increase in volumes and prices of coal and iron ore.

Sundry Debtors:

Figures in ₹ crores

	FY 11	FY 10	Change
Tata Steel	428	435	(7)
TS Europe	10,862	10,030	832
NatSteel Holdings	484	543	(59)
TS Thailand	187	123	64
Others	8,489	1,283	7,206
Eliminations & adjustments	(5,634)	(902)	(4,732)
Group Total	14,816	11,512	3,304

Overall debtors balance for the Group at end March 2011 was higher by ₹ 3,304 crores than end March'10. Debtors in India were maintained almost at last year's level in spite of increase in turnover due to stricter credit control and better collections. Considering debtors of ₹ 4,405 crores of TSE securitised by ProCo, debtors of TSE have gone up by around ₹ 5,237 crores. ProCo debtors included in 'Others' are receivable from TSE on account of securitisation of debtors as mentioned above and coal supplies and advance against sale of coke.

Cash Flow and Net debt:
Cash Flow:

Net cash flow from operating activities: The Group generated ₹ 6,463 crores from operations during FY 11 as compared to ₹ 10,502 crores in FY 10. While the consolidated profit in the financial year 2010-11 at ₹ 8,983 crores was higher than FY 10, cash from operations was lower than the last year due to increase in working capital in FY 11, whereas during the last year there was reduction of working capital thus releasing cash into operations. In FY 11 working capital has gone up by ₹ 7,175 crores mainly due to increase in TSE's working capital (including

working capital infused during the year through Global ProCo), the increase being in inventories (due to increase in prices) and also in receivables.

Net cash from investing activities: A sum of ₹ 8,379 crores was applied in the current year towards investing activities including capex of ₹ 10,416 crores partly offset by sale proceeds of TCP.

Net cash from financing activities: Cash from financing activities (equity raised / loans availed net of repayments and interest payments) amounted to ₹ 5,993 crores in the current year as compared to ₹ 5,135 crores of cash applied during last year. Current year cash from financing include ₹ 1,500 crores from issue of perpetual securities and ₹ 5,309 crores raised from other loans (net of repayments).

Thus, the net increase in cash and cash equivalents was ₹ 4,077 crores in the year 2010-11 with a balance of ₹ 10,893 crores as on 31st March, 2011 against a balance of ₹ 6,815 crores as on 31st March, 2010.

Net Debt

Figures in ₹ crores

	FY 11	FY 10	Change
Secured Loans	28,604	28,059	545
Unsecured Loans	32,080	25,041	7,039
Total Debts	60,684	53,100	7,584
Less: Cash and Bank Balances	(10,893)	(6,815)	(4,078)
Less: Current Investments	(3,159)	(1,931)	(1,228)
Net Debt	46,632	44,354	2,278

Gross Debt at ₹ 60,684 crores at end March 2011 was higher than March 2010 by ₹ 7,584 crores mainly due to fresh loans (net of repayments) primarily at Tata Steel India, TSE, and Centennial Steel. The increase in gross debts was partly offset by higher cash balances and increase in liquid fund investments in Tata Steel India. The net debt at end March 2011 was ₹ 46,632 crores as compared to ₹ 44,354 crores at end March 2010.

RISKS, OPPORTUNITIES AND THREATS:

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

Growth Strategy:

Since FY 2004-05, the Group has added capacity of 25 million tonnes across South-East Asia, the United Kingdom and Europe through acquisitions. The crude steel capacity at its existing steel plant in Jamshedpur will have increased by almost 3 million tonnes to 9.7 million tonnes in the financial year 2011-12 (production in FY 2010-11: 6.855 million tonnes). There are substantial

market opportunities, in India particularly, those warrant further expansion of steel capacity.

The greenfield project in Odisha, India, is progressing and capacity is planned to increase by 6 million tonnes in two phases of 3 million tonnes each, the first phase to become operational by 2014. The opening of the Dhamra port, a 50%-50% joint venture with Larsen & Toubro, will improve the logistics for the Indian operations.

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

Industry Cyclicity:

The steel industry is subject to cyclical swings arising from factors such as excess capacity, regional demand & supply imbalances and volatile swings in market demand and prices, more recently exacerbated by quarterly pricing for iron ore and metallurgical coal.

Global demand surpassed the pre-crisis peak in the financial year 2010-11, driven by strong demand in the developing economies, notably China. Prices for iron ore and metallurgical coal spiked, exacerbated by supply disruptions due to flooding in Queensland, Australia. The Indian operations benefitted from strong domestic demand and achieved record output at 6.855 million tonnes. The South East Asian plants also benefitted from good demand and operated close to full capacity.

Steel demand has not recovered to pre-crisis levels in the developed countries. Tata Steel Europe continued to calibrate its production at levels consistent with market demand in the UK and Europe.

Raw Materials Security and Price Volatility:

During the financial year 2010-11, high raw material prices have only reinforced the validity of the strategic objective to achieve greater raw material security to insulate the Group from swings in prices. Further steps have been taken to achieve this.

The development of the Benga project in Mozambique, a 35%-65% joint venture with Riversdale, continues and first production is expected by the second half of 2011; after taking control of Riversdale, Rio Tinto has indicated to accelerate the development of this project. A decision to invest in the Direct Shipping Ore project in Labrador, Canada, through the joint venture with NML was taken during the financial year and first production is expected by the second quarter of 2012. In addition, a feasibility study will be undertaken with regard to the adjacent LabMag and KéMag projects; together, these contain an estimated 5.6 billion tonnes of iron ore reserves.

Quarterly contracts, for iron ore based on spot-pricing, have now become the norm and these have resulted in shorter procurement cycles and greater volatility in iron ore and metallurgical coal

prices. The Group, in particular Tata Steel Europe, is working with suppliers to achieve competitive prices and has agreed a range of pricing bases, whilst adjusting its commercial policy to maximise opportunities presented by moves to shorter-term pricing, and has long-term supply contracts sufficient to cover its requirements. Furthermore, programmes are in place to more flexibly operate the existing capacity.

Health, Safety & Environmental Risks:

The manufacture of steel involves steps that are potentially hazardous if not executed with due care. The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to health, safety and the environment in the countries in which it operates and these rules are becoming more stringent. In Europe, auction based proposals by the EU Commission for Phase 3 of the Emission Trading Scheme ('ETS') could, as they currently stand, have a significant negative financial impact post 2012.

Regarding Health & Safety, the Group's philosophy is that all injuries can be prevented. The Group aims to reduce the lost time injury frequency to 0.4 per million hours worked by 2012. Due to the nature of these operations, extra efforts are being taken to ensure workplace safety in the mines and collieries in India.

To meet environmental standards, dust and other emission levels are monitored to ensure they stay within permissible limits. The Group continues to invest to reduce CO₂ emissions in accordance with its goal to reduce CO₂ emissions to 1.9 tonne per tonne of liquid steel by 2012. The commissioning of the Hlsarna™ pilot plant is a further step to come to a commercially viable technology to significantly reduce CO₂ emissions from ore based steelmaking.

Technology Risks:

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

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

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

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

Financing:

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

The debt for the Corus acquisition in 2007 that resides in Tata Steel Europe's balance sheet is a specific risk to the Group in the light of a

set of covenants to be met. In September 2010, £3,670 m of senior secured facilities arranged for this purpose were refinanced with new senior secured facilities comprising €3,400 m of term loans and a £690 m revolving credit facility, to provide future working capital for Tata Steel Europe. These facilities have final maturities of between five and seven years, and minimise repayment obligations over the next five years.

Pensions:

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

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

Forex, Credit, Liquidity and Counterparty Risk:

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

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

Related to its pro-active funding strategies (see 'Financing'), cash and bank balances of the Group stood at ₹ 10,893 crores as at 31st March, 2011.

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

Regulatory & Compliance Risks:

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

To limit such exposures, the Group operates primarily in countries where investment flows are free and where well-established

political, business and legal frameworks are in place. For new investments into emerging economies, country risk assessments are conducted as part of the investment evaluation. Protecting the reputation of Tata Steel and the wider Tata Group is an integral part of this.

INTERNAL CONTROL SYSTEMS:

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

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

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

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

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

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

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

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

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

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

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

The company is on a growth path along with the domestic steel and mining industry and rise in competition. The human resources team has been continually focusing on the means to achieve the company's goals of meeting such growth targets through external recruitment & right skilling and by improving the capabilities of existing people through people development initiatives.

With the expansion plans of Tata Steel at Jamshedpur by another 2.9 mtpa by 2012, there was an increased need of highly skilled and qualified workforce to support construction & quick ramp up of the new technology plants. One of the key challenges, therefore, was to build the capability of its existing workforce to meet the higher level skill requirements. Tata Steel geared up to

meet the challenge of growth by recruiting technically qualified persons and maximising utilisation of the existing employees through instituting programs to right skill them and improve the overall skill mix of employees. A focused training & development approach was adopted to achieve this task.

As a result of such focused approach, there has been a significant increase in the percentage of skilled employees and also a simultaneous increase in the workforce. The employees' strength in Indian operations increased to 34,912 as on 31st March, 2011 as against 34,440 as on 31st March, 2010.

Major highlights of the people development process in Tata Steel India during the financial year under review were:

- 70:20:10 framework for Learning and Development was expanded to a much larger number of officers. This approach has greater focus on on-the-job and coaching and mentoring components of learning.
- In an effort towards building a culture of coaching & mentoring, over 600 officers were trained in several batches of workshops through internal & external faculty.
- Focus on wider coverage for class room training (Percentage of unique officers trained increased from 41% in FY 10 to 70% in FY 11) which included some unique offerings of programs for different customer segments like laterals, lady officers, etc.
- Train maximum possible people on TQM.
- Over and above the normal training for employees, close to about 1000 persons recruited for the 2.9 mtpa expansion have been provided induction training.
- On skill development front, focus has shifted towards more hands on training. Many of the programs were restructured keeping in view the needs of tomorrow.
- Introduction of "Value Education" for the young recruits. To create fun at work environment functions like Technical Exhibition for all cadre trainees, "Parichay" for fresh MTTs, "Varshikotsav" for fresh TAs and "FROLICA" to celebrate mentors day have been organised.

Two initiatives were undertaken principally to improve the HR practices of the company:

- Employee Connect Program (ECP): An Initiative to build employee connect, understand concerns and follow up action plans. Employees from across levels and Business areas have been met individually on a monthly basis to gauge engagement levels and to understand concerns.
- Job Rotation & Career Planning (JRCP): An Initiative to provide career opportunities for officers through planned movement across functions and also to build functional expertise in the organisation. In FY 2010-11 19% of all Lateral movements were through JRCP and this process is being further strengthened in FY 2011-12.

Tata Steel India reached the milestone of 82 years of industrial harmony and peace. During the financial year 2010-11 industrial relations remained normal at all locations. Market based new wage series (lower than the existing wage series but higher than the market median) was introduced after arriving at a settlement with the Union during FY 2010-11. All the new recruitment for the expansion units have been done in the new series of wages.

The European operations have not experienced any significant industrial relations problems during the year. The number of employees in TSE at the end of March 2010 was 34,200 as compared to 35,400 on 31st March 2010. The reduction mainly resulted from restructuring measures taken during the economic downturn.

Following the failure in 2009 of four international slab buyers to fulfil their obligations under a ten-year Offtake Framework Agreement, TCP's Redcar blast furnace and Lackenby steelmaking facilities were partially mothballed in March 2010 (with the loss of around 1,350 jobs), while TSE explored options for a long-term solution for the future of these facilities. In February 2011 an agreement was signed to sell certain assets of TCP to SSI. The assets covered by the sale included the Redcar blast furnace, the Redcar and South Bank coke ovens, TCP's power generation facilities and sinter plant, and the Lackenby steelmaking and casting facilities. The deal also included TSUK and SSI entering into a joint venture to operate Redcar wharf, TCP's bulk terminal. The sale was completed on 24th March, 2011. Approximately 850 employees transferred to SSI and it is expected that further jobs will be created. The Group also remains committed to the region, employing more than 1,800 people in operations at Hartlepool, Skinningrove, the Teesside beam mill and the Teesside Technology Centre.

UK Steel Enterprise Limited ('UKSE'), the Company's subsidiary that helps the economic regeneration of communities affected

by changes in the steel industry, delivered a package of support measures in the wake of the job losses at Teesside, including grant and loan funding for over one hundred new businesses in the region and an expansion of The Innovation Centre on Hartlepool's Queens Meadow Business Park. Additional funding has been provided to a variety of businesses across all steel areas of the UK to help them create new job opportunities for steel communities.

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

STATUTORY COMPLIANCE:

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

CAUTIONARY STATEMENT:

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

Corporate Governance Report for the year 2010-11

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

1. The Company's Corporate Governance Philosophy

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

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

2. Board of Directors

Profile –

Mr. Ratan N. Tata joined the Company as a director in 1977 and was appointed Chairman of the Board in April 1993. He is presently Chairman of Tata Sons Limited, the Promoter of the Company and also the chairman of other major Tata companies including Tata Motors Limited, Tata Power Limited and Tata Chemicals Limited. It is under his leadership that the Company has scaled new heights and established a presence as one of the leading steel conglomerates in the world. Mr. Ratan Tata has a Bachelor's degree in Science in the field of architecture. He specialised with structural engineering from Cornell University in 1962 and he completed the Advanced Management Programme at Harvard Business School in 1975. Mr. Ratan Tata is associated with various organisations in India and abroad. The Government of India honoured Mr. Ratan Tata with its second highest civilian award, the Padma Vibhushan, in 2008. Earlier, in 2000, he had been awarded the Padma Bhushan. He has also been conferred an honorary doctorate in business administration by the Ohio State University, an honorary doctorate in technology by the Asian Institute of Technology, Bangkok, an honorary doctorate in science by the University of Warwick, and an honorary fellowship by the London School of Economics. Mr. Ratan Tata is on the Board of a number of prestigious companies and Government bodies.

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

Mr. Nusli N. Wadia joined the Company on August 29, 1979 as a director. Mr. Wadia is a well-known Indian Industrialist. He is the Chairman of Wadia Group companies and also Director on the Board of several Indian companies. Mr. Wadia has

contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Mill Owners' Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and also of MOA. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is on the Managing Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

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

Mr. Suresh Krishna joined the Company as a Director in 1994. Mr. Krishna holds a Bachelor's Degree in Science from Madras Christian College and a Master of Arts (Literature) from the University of Wisconsin. He is the chairman and Managing Director of Sundram Fasteners Limited. He was the president of the Confederation of Engineering Industry from 1987 to 1988 and the president of the Automotive Component Manufacturers Association of India from 1982 to 1984. Mr. Krishna also served as a director on the central board of the Reserve Bank of India from 2000 to 2006. He served as director of Tata Communications Limited from May 2002 to March 2006 and has been involved in several other public bodies set up by the central and state governments. Mr. Krishna has won numerous awards and honours, including the Sir Jehangir Ghandy Medal for Industrial Peace from XLRI in 1991, Business India Magazine's Businessman of the Year award, 1995, the Qimpro Platinum Standard 1997 for being a role model for quality leadership; the Juran Quality Medal from the Indian Merchants Chamber, Mumbai, the national award for 2000 (for India) from the Asian Productivity Organisation, Japan, the JRD Tata Corporate Leadership Award 2000 from the All India Management Association and Ernst & Young's Entrepreneur of the Year award for manufacturing for 2001. Mr. Krishna has been conferred with the "Padma Shri" award by the Government of India in 2006.

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

Dr. Jamshed J. Irani joined the Company in 1968 and was made Director in 1981 and re-appointed in 1988. Dr. Irani holds degrees in Bachelor of Science (Geology) from Science College, Nagpur and a Master's of Science (Geology) from the Nagpur University. He also holds a Masters degree in Metallurgy and Ph.D. from the University of Sheffield. Dr. Irani was the Managing Director of the Company from 1992 to 2001. He is also a director of several Tata companies, including Tata Sons Limited and Tata Motors Limited. He was appointed chairman of the Expert Committee set up by the Ministry of Company Affairs, India in December 2004

to advise the Government of India on drafting the new Companies Act. He was conferred an honorary Knighthood by Queen Elizabeth II in 1997 and was awarded the Padma Bhushan in 2007.

Mr. Subodh Bhargava is a Mechanical Engineer from the University of Roorkee. He was the Group Chairman and Chief Executive Officer of Eicher Group of Companies and is now the Chairman Emeritus of the same group. He was the President of the Confederation of Indian Industries, the President of the Association of Indian Automobile Manufacturers and the Vice President of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees including as a member of the Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He has been closely associated with various IIMs, IITs and other Management and Technical Institutions as also with a number of NGOs. He is currently Chairman of Tata Communications Limited, VIOM Networks Limited and Director on the Boards of a number of companies including Tata Motors Limited, Larsen & Toubro Limited, etc. He is also the recipient of the first Distinguished Alumnus Award in 2005 by Indian Institute of Technology, Roorkee.

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

Mr. Andrew Robb is a Fellow of the Chartered Institute of Management Accountants and holds a Joint Diploma in Management Accounting. Mr. Robb has been a Non-executive Independent Director of the Company since November 22, 2007. He joined the board of Corus Group plc, and became chairman of the audit committee in August 2003. Following the takeover of Corus by Tata Steel in March 2007, Mr. Robb remained on the Board and in November 2007, he became a Non-Executive Independent Director of the Company. He is currently also the chairman of the board and the audit committee of Tata Steel Europe Limited. Mr. Robb was finance director of the Peninsular and Oriental Steam Navigation Co., between 1983 and 1989 and then became finance director of Pilkington Group PLC from 1989 to 2001. Mr. Robb remained a director of Pilkington until January 28, 2003. He has been chairman of the board of Tata Steel Europe Limited since March 2009 and its independent director since August 1, 2003. He is also a Non-Executive Director of Jaguar Land Rover Plc., Laird Plc. and Paypoint Plc.

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

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

Dr. Karl-Ulrich Koehler was appointed as an additional Director of the Company with effect from November 12, 2010. He studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. Dr. Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2010. He was appointed Chief Operating Officer of Tata Steel Europe Limited in February 2010. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a former member of the executive committee of the World Steel Association and vice-chairman of VDEh, the German Iron and Steel Institute. He has worked during his 30-year steel industry career at the companies that today comprise ThyssenKrupp Steel, where he was chairman of the executive board and a member of the executive board of the parent company, ThyssenKrupp AG. Until October 2009, he was president of Eurofer, the European steelmaking federation. He has knowledge and experience of steelmaking in Europe, as well as of the European steel supply chain and customer base. Dr. Koehler is based at IJmuiden in the Netherlands.

CORPORATE GOVERNANCE

The Company has a non-executive Chairman and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2011, the Company has 12 Directors on its Board, of which 6 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50% of the total number of Directors. The Company is in compliance with the Clause 49 of the listing Agreement pertaining to compositions of directors.

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

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

Name	Category	No. of Board Meetings attended during 2010-11	Whether attended AGM held on 13th August, 2010	No. of Directorships in other public companies* as on 31.03.2011		No. of Committee positions held in other public companies** as on 31.03.2011	
				Chairman	Member	Chairman	Member
Mr. R. N. Tata (Chairman)	Not Independent Non-Executive	4	Yes	9	1	–	–
Mr. B. Muthuraman (Vice-Chairman)	-do-	5	Yes	–	3	–	1
Mr. Nusli N. Wadia	Independent Non-Executive	3	Yes	4	3	–	–
Mr. S. M. Palia	-do-	5	Yes	–	6	2	3
Mr. Suresh Krishna	-do-	3	Yes	4	4	2	2
Mr. Ishaat Hussain	Not Independent Non-Executive	5	Yes	2	11	2	5
Dr. J. J. Irani	-do-	4	Yes	4	6	–	2

Name	Category	No. of Board Meetings attended during 2010-11	Whether attended AGM held on 13th August, 2010	No. of Directorships in other public companies* as on 31.03.2011		No. of Committee positions held in other public companies** as on 31.03.2011	
				Chairman	Member	Chairman	Member
Mr. Subodh Bhargava	Independent Non-Executive	5	Yes	2	8	2	5
Mr. Jacobus Schraven	-do-	5	Yes	-	-	-	-
Mr. Andrew Robb	-do-	5	Yes	-	-	-	-
Mr. Kirby Adams (Resigned w.e.f. 30.09.2010)	Not Independent Non-Executive	3	Yes	-	-	-	-
Mr. H. M. Nerurkar (Managing Director)	Not Independent Executive	5	Yes	1	1	-	-
Dr. Karl-Ulrich Koehler (Appointed w.e.f. 12.11.2010)	Not Independent Non-Executive	2	N.A.	-	-	-	-

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

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

Five Board Meetings were held during the year 2010-11 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows :

9th April, 2010, 26th May, 2010, 12th August, 2010, 12th November, 2010 and 15th February, 2011.

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

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

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

During 2010-11, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Dr. J. J. Irani and Mr. B. Muthuraman to whom the Company paid retiring benefits aggregating to ₹ 43.77 lakhs and ₹ 60.30 lakhs, respectively.

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

3. Audit Committee

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

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

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 13th August, 2010.

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

Names of Members	Category	No. of Meetings attended during the year 2010-11
Mr. Subodh Bhargava, Chairman	Independent, Non-Executive	5
Mr. S. M. Palia, Member	-do-	5
Mr. Ishaat Hussain Member, Chartered Accountant	Not Independent, Non-Executive	5
Mr. Andrew Robb, Member	Independent, Non-Executive	5

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

Five Audit Committee Meetings were held during 2010-11. The dates on which the said meetings were held were as follows :

9th April, 2010, 25th May, 2010, 11th August, 2010, 11th November, 2010 and 15th February, 2011.

The necessary quorum was present at the meetings.

Whistle Blower Policy

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

4. Remuneration Committee

The Company had constituted a Remuneration Committee in the year 1993. The broad terms of reference of the Remuneration Committee are as follows :

- Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- Finalise the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- Recommend to the Board, retirement benefits to be paid to the Managing Director and Whole-time Directors under the Retirement Benefit Guidelines adopted by the Board.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

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

Names of Members	Category	No. of Meetings attended during the year 2010-11
Mr. Suresh Krishna, Chairman	Independent, Non-Executive	-
Mr. R. N. Tata, Member	Not Independent, Non-Executive	1
Mr. S. M. Palia, Member	Independent, Non-Executive	1

One meeting of the Remuneration Committee was held during 2010-11 on 25th May, 2010.

The Chairman of the Remuneration Committee, Mr. Suresh Krishna was present at the Annual General Meeting held on 13th August, 2010

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

Remuneration Policy

The Company while deciding the remuneration package of the senior management members takes into consideration the following items :

- employment scenario
- remuneration package of the industry and
- remuneration package of the managerial talent of other industries.

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

The Non-Executive Directors (NEDs) are paid remuneration by way of Commission and Sitting Fees. In terms of the shareholders' approval obtained at the AGM held on 5th July, 2006, the Commission is paid at a rate not exceeding 1% per annum of the profits of the Company (computed in accordance with Section 309(5) of the Companies Act, 1956). The distribution of Commission amongst the NEDs is placed before the Board. The Commission is distributed on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent on operational matters other than at the meetings.

The Company pays sitting fees of ₹ 20,000 per meeting to the NEDs for attending the meetings of the Board, Executive Committee of the Board, Remuneration Committee, Audit Committee, Safety, Health and Environment Committee and Committees constituted by the Board from time to time. For other meetings, viz. Investors' Grievance Committee and Ethics and Compliance Committee, the Company pays to the NEDs sitting fees of ₹ 5,000 per meeting.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary is paid within the range approved by the Shareholders. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. Specific amount payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

Details of remuneration for 2010-11

Non-Wholetime Directors

(₹ lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. R. N. Tata	250.00	2.00
2. Mr. B. Muthuraman	@125.00	4.20
3. Mr. Nusli N. Wadia	50.00	1.60
4. Mr. S. M. Palia	80.00	5.00
5. Mr. Suresh Krishna	15.00	0.70
6. Mr. Ishaat Hussain	85.00	5.10
7. Dr. J. J. Irani	@@35.00	2.40
8. Mr. Subodh Bhargava	65.00	2.20
9. Mr. Jacobus Schraven	20.00	1.60
10. Mr. Andrew Robb	25.00	3.20
11. Mr. Kirby Adams	—	1.60
12. Dr. Karl-Ulrich Koehler	—	0.80
Total	750.00	30.40

* Payable in 2011-12

@ Excluding retirement benefits of ₹ 60.30 lakhs paid to Mr. B. Muthuraman.

@@ Excluding retirement benefits of ₹ 43.77 lakhs paid to Dr. J. J. Irani

Managing Director

Name	Salary ₹ lakhs	Perquisites & Allowances ₹ lakhs	Commission @ ₹ lakhs	Stock Options
Mr. H. M. Nerurkar	87.29	53.16	275.00	NIL

@ Payable in 2011-12

Shareholding of the Directors in the Company as on 31st March, 2011 in their personal capacity and either as sole or first or joint holder.

Director	No. of Ordinary Shares held	Director	No. of Ordinary Shares held
Mr. R. N. Tata (Chairman)	25,141	Dr. J. J. Irani	8,390
Mr. B. Muthuraman (Vice Chairman)	6,230	Mr. Subodh Bhargava	1,012
Mr. Nusli N. Wadia	NIL	Mr. Jacobus Schraven	NIL
Mr. S. M. Palia	3,208	Mr. Andrew Robb	NIL
Mr. Suresh Krishna	NIL	Mr. H. M. Nerurkar (Managing Director)	737
Mr. Ishaat Hussain	2,216	Dr. Karl-Ulrich Koehler	NIL

Total Shareholding of the Directors as on 31st March, 2011 – 46,934 Ordinary Shares.

Service Contracts, Severance Fees and Notice Period

Period of Contract of MD : From 01.10.2009 to 31.10.2013

The Contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

There is no separate provision for payment of severance fees.

5. Shareholders' Committee

An Investors' Grievance Committee was constituted on 23rd March, 2000 to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

One meeting of the Investors' Grievance Committee was held on 12th November, 2010.

The composition of the Investors' Grievance Committee is given below :

Names of Members	Category	No. of Meetings attended during 2010-11
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

Name, designation & address of Compliance Officer :

Mr. A. Anjeneyan
Company Secretary & Chief of Compliance
Bombay House,
24, Homi Mody Street,
Fort, Mumbai-400 001.

Phone : (022) 6665 7279

Fax : (022) 6665 7724/6665 7725

Email : cosec@tatasteel.com

Name, designation & address of Investor Relations Officer :

Mr. Praveen Sood
Head - Investor Relations
Bombay House,
24, Homi Mody Street,
Fort, Mumbai-400 001.

Phone : (022) 6665 7306

Fax : (022) 6665 8113

Email : p.sood@tatasteel.com

Shareholder/Investor Complaints :

Complaints pending as on 1st April, 2010	:	6
During the period 1st April, 2010 to 31st March, 2011, complaints identified and reported under Clause 41 of the Listing Agreements	:	755
Complaints disposed off during the year ended 31st March, 2011	:	757
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2011	:	4
No. of pending share transfers of Ordinary Shares as on 31st March, 2011	:	115*

* Transfers lodged in the last two weeks of March 2011 and hence pending as on 31st March, 2011.

Sr. No.	Description	Total Received	Total Replied	Total Pending
A	Complaints			
	Letters received from Statutory Bodies			
1.	SEBI	114	112	2
2.	DOCA	7	7	–
3.	STOCK EXCHANGES	38	38	–
4.	NSDL/CDSL	16	16	–
	Total Nos.	175	173	2
B	Legal Matters			
1.	Court/Consumer Forum Matters	0	0	0
	Total Nos.	0	0	0
C	Dividends			
1.	Non-receipt of Dividend warrants	280	280	–
2.	Fraudulent Encashment of redemption/dividend warrants	1	–	1
	Total Nos.	281	280	1
D	Letters in the nature of reminders/ complaints including rights issue/FPO related	299	298	1
	Total Correspondence Statistics	755	751	4

Note :

The correspondence identified as investor complaints are letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, (where the Company/Registrar is involved and is accused of deficiency in service) fraudulent encashment, non-receipt of dividend/fractional warrants (received after one month from the date of payment and where reconciliation of the payment was in progress) and non-receipt of refund orders/allotment of CCPS/Equity pertaining to Rights issue. The above figures are consolidated figures which includes complaints received by Link Intime India Pvt. Ltd. and TSR Darashaw Ltd.

Committees

In addition to the above Committees, the Board has constituted 5 more Committees, viz. Executive Committee of the Board, the Nomination Committee, Committee of Directors, the Ethics and Compliance Committee and Safety, Health and Environment Committee.

The terms of reference of the **Executive Committee of the Board** (ECOB) are to approve capital expenditure schemes and donations within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes, to consider new businesses, acquisitions, divestments, changes in organisational structure and also to periodically review the Company's business plans and future strategies.

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

Names of Members	Category	No. of Meetings attended during the year 2010-11
Mr. R. N. Tata, Chairman	Not Independent, Non-Executive	5
Mr. B. Muthuraman, Member	-do-	5
Mr. Nusli N. Wadia, Member	Independent, Non-Executive	4
Mr. S. M. Palia, Member	-do-	5
Mr. Ishaat Hussain, Member	Not Independent, Non-Executive	5
Dr. J. J. Irani, Member	-do-	4
Mr. Andrew Robb, Member	Independent, Non-Executive	5
Mr. Kirby Adams, Member*	Not Independent, Non-Executive	3
Mr. H. M. Nerurkar, Member	Not Independent, Executive	5
Dr. Karl-Ulrich Koehler, Member**	Not Independent, Non-Executive	1

* Resigned w.e.f. 30th September, 2010.

** Appointed w.e.f. 12th November, 2010.

Five ECOB Meetings were held during the year 2010-11. The dates on which the said meetings were held were as follows :
8th April, 2010, 25th May, 2010, 11th August, 2010, 11th November, 2010 and 14th February, 2011.

The **Nomination Committee** has been constituted on 18th May, 2006 with the objective of identifying Independent Directors to be inducted to the Board from time to time and to take steps to refresh the constitution of the Board from time to time.

The composition of the Nomination Committee is given below :

Names of Members	Category
Mr. Suresh Krishna, Chairman	Independent, Non-Executive
Mr. R. N. Tata, Member	Not Independent, Non-Executive
Mr. Nusli N. Wadia, Member	Independent, Non-Executive
Mr. S. M. Palia, Member	-do-

During the year under review, no meeting of the Nomination Committee was held.

The **Committee of Directors** has been re-constituted on 26th May, 2010 to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant Powers of Attorney to the Officers of the Company, to appoint representatives to attend general meetings or through postal ballot on behalf of the Company etc. The Members of this Committee are – Mr. R. N. Tata, (Chairman), Mr. B. Muthuraman (Vice-Chairman), Mr. Ishaat Hussain, Dr. J. J. Irani and Mr. H M Nerurkar. The business of the Committee is transacted by passing Circular Resolutions which are placed before the Board at its next meeting.

Ethics and Compliance Committee

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the revised Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other Employees. The Code is based on the principle that Directors, Officers and Employees of a Tata Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

In terms of the said Code, a Committee has been constituted on 30th May, 2002, called Ethics and Compliance Committee.

One meeting of the Ethics and Compliance Committee was held on 12th November, 2010.

The composition of the Ethics and Compliance Committee is given below :

Names of Members	Category	No. of meetings attended during 2010-11
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

The Board has also appointed the Group Chief Financial Officer as the Compliance Officer to ensure compliance and effective implementation of the Regulations and also the Code across the Company.

During the year under review, the Compliance Officer submitted Monthly Committee Report of the Tata Code of Conduct for Prevention of Insider Trading to the Board of Directors.

Safety, Health and Environment Committee

The Safety, Health and Environment Committee of the Board was constituted on 25th June, 2009 to oversee the policies and their implementation across Tata Steel Group. The main remit of the Committee would be to :

- Review operational performance, anticipate potential issues and provide support in setting direction for improvements;
- Reduce carbon emissions per tonne of steel produced by 50% by 2050; and
- Functional health, safety and environmental team would provide a coordinated and effective specialist advisory support to the said Committee.

Three meetings of the Safety, Health and Environment Committee were held during the year 2010-11. The dates on which the said meetings were held were as follows :

11th August, 2010, 11th November, 2010 and 14th February, 2011.

The composition of the Safety, Health and Environment Committee is given below :

Names of Members	Category	No. of Meetings attended during 2010-11
Mr. Jacobus Schraven, Chairman	Independent, Non-Executive	3
Mr. S. M. Palia, Member	-do-	2
Mr. B. Muthuraman	Not Independent, Non-Executive	2
Mr. Kirby Adams (Resigned w.e.f. 30.09.2010)	-do-	1
Mr. H. M. Nerurkar	Not Independent, Executive	2
Dr. Karl-Ulrich Koehler (Appointed w.e.f. 12.11.2010)	Not Independent, Non-Executive	1

Company Secretary acts as the Secretary of the Safety, Health and Environment Committee.

6. General Body Meetings

a) Location and time, where last three Annual General Meetings (AGMs) were held :

Financial Year	Details of Location	Date & Time
2009-10	Birla Matushri Sabhagar,	13th August, 2010 at 3.30 p.m.
2008-09	19, Sir Vithaldas Thackersey Marg,	27th August, 2009 at 3.30 p.m.
2007-08	Mumbai-400 020.	28th August, 2008 at 3.30 p.m.

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) There were two Postal Ballots conducted during the year. The Special Resolutions passed were as under,

- Postal Ballot Notice dated 27th May, 2010 containing resolution regarding raising of additional long term funds through Preferential issue of Ordinary Shares and Warrants to the Promoter, i.e. Tata Sons Limited.

- ii) Postal Ballot Notice dated 12th November, 2010 containing resolutions regarding
 - Increase in the Authorised Share Capital of the Company from ₹ 8,000 crores to ₹ 8,350 crores by creation of 35,00,00,000 'A' Ordinary Shares and the alteration of the Capital Clause in the Memorandum of Association of the Company.
 - Alteration of the Articles of Association of the Company to include provisions relating to 'A' Ordinary Shares.
 - Raising of additional long term resources not exceeding ₹ 7,000 crores.

None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

- d) Special Resolutions passed in previous three Annual General Meetings :
 1. At the last Annual General Meeting held on 13th August, 2010, no Special Resolutions were passed.
 2. At the Annual General Meeting held on 27th August, 2009, Special Resolution for Further issuance of Securities was passed unanimously.
 3. At the Annual General Meeting held on 28th August, 2008, no Special Resolutions were passed.

7. Disclosures

- i) The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
- ii) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 7 of the Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behaviour. No personnel has been denied access to the Ethics Counsellor/Chairman of the Audit Committee.
- iv) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges :
 - a) The Company has set up a Remuneration Committee. Please see para 4 for details.
 - b) The Company has moved towards a regime of unqualified financial statements.

Reconciliation of Share Capital

A qualified practicing Company Secretary carried out a Share Capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

8. Means of Communication

Quarterly/Half-yearly results –

The quarterly/half-yearly results of the Company are published in the newspapers and posted on the website of the Company. As a part of the Green initiative, since December 2010, the quarterly results are sent by email to Shareholders whose email *ids* are registered with the Depositories/Registrar and Share Transfer Agents of the Company.

Results –

The quarterly and annual results along with the Segmental Report are generally published in The Indian Express, Financial Express, Nav Shakti, Free Press Journal and also displayed on the website of the Company www.tatasteel.com shortly after its submission to the Stock Exchanges.

Presentation to Institutional Investors or to analysts –

Official news releases and presentations made to Institutional Investors and analysts are posted on the Company's website.

Management Discussion & Analysis Report –

The MD&A Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

Company's Corporate Website –

The Company's website is a comprehensive reference on Tata Steel's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investors' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Media' includes all major press reports and releases, awards, campaigns.

9. General Shareholder Information

AGM : Date, time & venue – 3.08.2011 at 3.00 p.m.
Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
Mumbai-400 020.

As required under Clause 49 IV(G)(i), particulars of Directors seeking appointment/reappointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 3rd August, 2011.

Financial Calendar –

Year ending	March 31
AGM	August
Dividend Payment	Generally in August

Date of Book Closure – Wednesday, 6th July, 2011 to Tuesday, 12th July, 2011
(both days inclusive)

Dividend Payment Date – The dividend warrants will be posted on and from 05.08.2011.

Unclaimed Dividend –

- All unclaimed/unpaid dividend amounts upto the financial year ended 31.03.1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to :

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

- All unclaimed/unpaid dividend amounts for the financial years 1995-96 to 2002-03 have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2003-04 is due for transfer to IEPF on 22nd July, 2011.

Listing on Stock Exchanges –

The Company's Ordinary shares are listed on the following 2 Stock Exchanges in India :

Bombay Stock Exchange Limited	National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Towers,	Exchange Plaza, Bandra-Kurla Complex,
Dalal Street, Mumbai-400 001.	Bandra East, Mumbai-400 051.

Global Depository Receipts (GDRs) issued by the Company in 1994 in the International Market have been listed on the Luxembourg Stock Exchange.

1% Convertible Alternative Reference Securities (CARS) issued by the Company in 2007 in the International Market have been listed on the Singapore Exchange.

Global Depository Receipts (GDRs) issued by the Company in 2009 in the International Market have been listed on the London Stock Exchange.

4.5% Replacement Foreign Currency Convertible Bonds (FCCBs) issued by the Company in 2009 in the International Market have been listed on the Singapore Exchange.

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2011-12.

Stock Codes/Symbols/International Securities Identification Number (ISIN) for Ordinary Shares –

Stock Exchange	Stock codes/Symbols	ISIN
Bombay Stock Exchange Limited	500470 (Demat form)	INE081A01012
National Stock Exchange of India Ltd.	TATASTEEL	INE081A01012

International Securities Identification Number (ISIN) for GDRs, CARS & FCCBs –

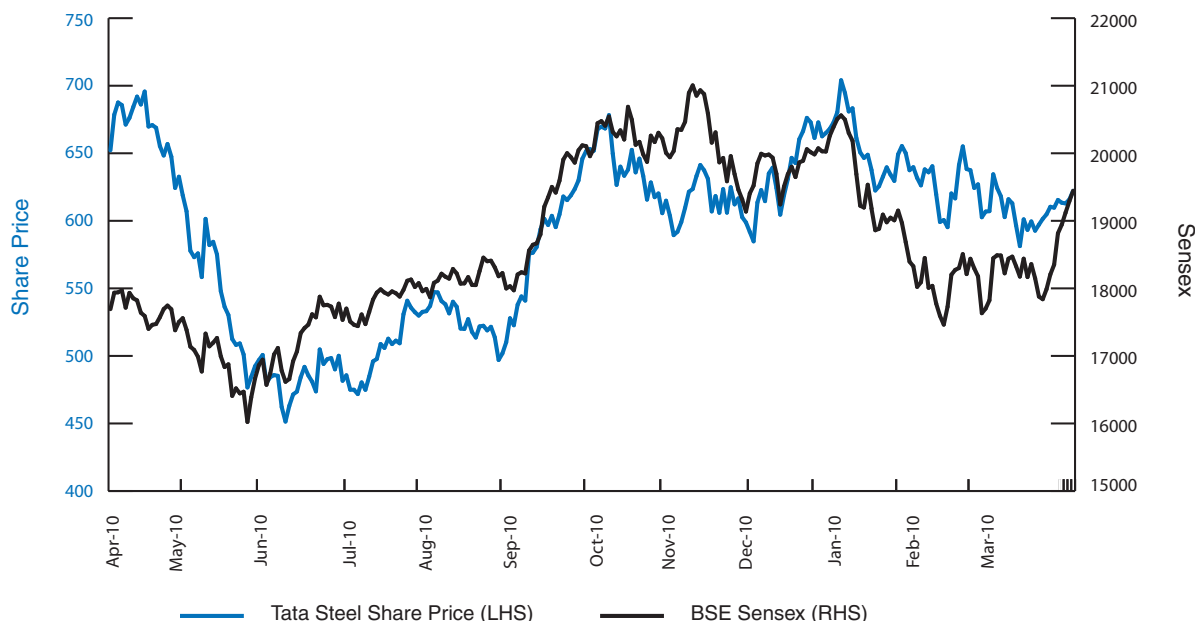
Stock Exchange	Security	ISIN
Luxembourg Stock Exchange	GDRs	US87656Y1091
London Stock Exchange	GDRs	US87656Y4061
Singapore Exchange	CARs	XS0315783026
Singapore Exchange	FCCBs	XS0466930780

Market Information

Market Price Data : High, Low (based on the closing prices) and volume during each month in last financial year

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of shares)
Apr-10	694.45	618.8	2,59,77,522	695.7	618.85	9,84,97,957
May-10	608.55	478.65	5,82,26,261	607.05	476.65	20,31,23,494
Jun-10	504.3	452.4	4,99,99,569	504.8	451.4	17,15,73,724
Jul-10	540.25	471.5	3,51,37,221	540.85	471.75	13,32,81,225
Aug-10	547.15	497.25	3,59,81,937	547.25	497	13,25,24,702
Sep-10	653.1	537.75	3,80,06,543	653.1	537.95	16,19,85,961
Oct-10	678.05	590	3,08,50,625	678.25	589.4	13,77,35,463
Nov-10	640	584.2	2,99,61,893	641.3	584.8	12,28,78,170
Dec-10	678.95	604.3	2,97,66,416	680.4	604.55	11,39,49,027
Jan-11	703.4	621.7	3,10,94,255	704.05	622.45	11,91,92,391
Feb-11	654.9	595.05	3,78,13,127	655.1	595.3	14,12,79,403
Mar-11	634.3	582	2,62,57,130	634.45	581.3	9,92,29,972

Performance of Tata Steel Share Price in comparison to BSE Sensex



Registrar and Transfer Agents :

TSR Darashaw Limited are the Registrar and Share Transfer Agents of the Company.

Address for correspondence is as below :

TSR Darashaw Limited
6-10 Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, (Near Famous Studio)
Mahalaxmi, Mumbai-400 011.

Tel. : (022) 6656 8484

Fax : (022) 6656 8494

E-mail : csg-unit@tsrdarashaw.com

website : www.tsrdarashaw.com

For the convenience of shareholders based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Limited :

Branches of TSR Darashaw Limited

- | | |
|--|---|
| <p>1. TSR Darashaw Limited
503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road,
Bangaluru-560 001.
Tel. : (080) 2532 0321
Fax : (080) 2558 0019
E-mail : tsrdlbbang@tsrdarashaw.com</p> | <p>2. TSR Darashaw Limited
Bungalow No.1, 'E' Road,
Northern Town, Bistupur,
Jamshedpur-831 001.
Tel. : (0657) 242 6616
Fax : (0657) 242 6937
E-mail : tsrdljsr@tsrdarashaw.com</p> |
| <p>3. TSR Darashaw Limited
Tata Centre, 1st Floor,
43, Jawaharlal Nehru Road,
Kolkata-700 071.
Tel. : (033) 2288 3087
Fax : (033) 2288 3062
E-mail : tsrdlcal@tsrdarashaw.com</p> | <p>4. TSR Darashaw Limited
Plot No. 2/42, Sant Vihar
Ansari Road, Darya Ganj
New Delhi-110 002.
Tel. : (011) 2327 1805
Fax : (011) 2327 1802
E-mail : tsrdldel@tsrdarashaw.com</p> |

Agent of TSR Darashaw Limited

Shah Consultancy Services Pvt. Limited

3, Sumatinath Complex,

Pritamnagar, Akhada Road

Ellisbridge

Ahmedabad-380 006

Telefax: 079 26576038

E-mail : shahconsultancy8154@gmail.com

Share Transfer System : Share Transfers in physical form can be lodged with TSR Darashaw Limited at the above mentioned addresses. The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

Distribution of Shareholding – Ordinary shares

Shareholding	Number of Shareholders	
	31-03-2011 %	31-03-2010 %
1 to 100	64.95	62.25
101 to 500	27.97	29.40
501 to 1000	3.71	4.37
1001 to 10000	3.14	3.72
10001 and above	0.23	0.26
Total	100.00	100.00

Categories of Shareholders – Ordinary Shares

Category	Number of Shareholders		Voting Strength %		Number of Ordinary Shares Held	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
Individuals	961,159	801,932	20.37	20.60	195,437,550	182,794,398
Unit Trust of India	1	1	0.00	0.00	35,363	39,711
Life Insurance Corporation of India	1	1	13.62	12.93	130,613,514	114,748,576
Govt. & Other Public Financial Institutions	15	15	3.65	3.99	35,034,535	35,396,209
Tata Group Companies	17	16	*30.60	*31.32	293,492,790	277,833,893
Companies	7,639	6,844	7.31	5.80	70,086,968	51,440,088
Nationalised Banks, Mutual Funds and Trusts	464	362	4.45	4.09	42,679,046	36,238,455
Foreign Institutional Investors	691	650	20.00	21.27	191,834,684	188,722,866
Total	969,987	809,821	100.00	100.00	959,214,450	887,214,196

* This includes 6,71,455 (As on 31st March, 2010: 6,71,455) shares allotted to Kalimati Investment Company Limited pursuant to the Bombay High Court Order dated 3rd April, 2003, approving the Scheme of Amalgamation of Tata SSL Limited with the Company. These shares do not carry any voting rights.

Top Ten Ordinary Shareholders of the Company as on 31st March, 2011

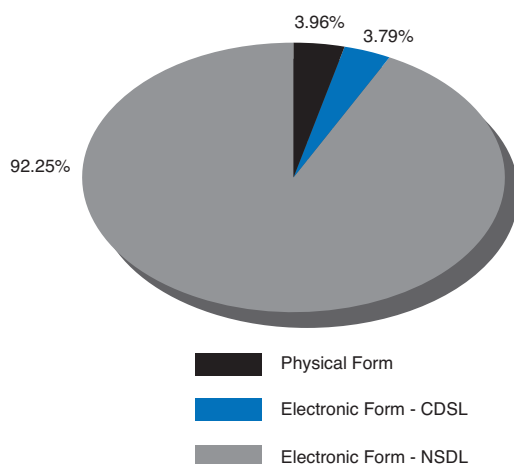
Sr. No.	Name of the Shareholder	No. of shares held	% of holding
1.	Tata Sons Limited	273,422,790	28.51
2.	Life Insurance Corporation of India	130,613,514	13.62
3.	Citibank N.A. New York, Nyadr Department	23,917,788	2.49
4.	ICICI Prudential Life Insurance Company Ltd.	16,775,084	1.75
5.	Government of Singapore	10,718,580	1.12
6.	The New India Assurance Company Limited	10,384,993	1.08
7.	National Insurance Company Ltd.	10,164,459	1.06
8.	SBI Life Insurance Co. Ltd.	7,327,725	0.76
9.	Bajaj Allianz Life Insurance Company Ltd.	6,696,723	0.70
10.	The Oriental Insurance Company Limited	5,958,681	0.62

Dematerialisation of shares as on 31st March, 2011 and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

921,233,961 Ordinary Shares of the Company representing 96.04% of the Company's share capital is dematerialised as on 31st March, 2011.

The Company's shares are regularly traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information.



As per Clause 5A of the Listing Agreements with the Stock Exchanges, the details of shares in the suspense accounts of Link Intime India Pvt. Ltd., Registrars to the Issues are given below :

(i) Rights Issue – 2007

Securities	As on 01-04-2010		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31-03-2011	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Ordinary Shares	129	3,165	03	147	126	3,018

(ii) Follow-on Public Issue – 2011

Securities	As on 29-01-2011 (Date of Allotment)		Shareholders who approached the Registrars and Shares transferred in their favour during the period 29-01-2011 to 31-03-2011		Balance as on 31-03-2011	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Ordinary Shares	48	3,680	26	2,450	22	1,230

The voting rights in respect of the balance shares in the suspense accounts will be frozen, in the event of a poll at the general meetings of the Company.

In compliance with the recent amendments to Clause 5A of Listing Agreement, with the Stock Exchanges, the Company has sent the first reminder letter to the shareholders to claim their shares in physical form which have been returned undelivered by the postal authorities to the Company's Registrars and Share Transfer Agents.

**Outstanding GDRs/ADRs/
Warrants or any Convertible
instruments, conversion date
and likely impact on equity**

- i. 3867 GDRs (each GDR representing 1 Ordinary share of the Company)
- ii. 23,913,921 GDRs (out of 65,410,589 GDRs issued during Financial Year 2010) with each GDR representing right to receive one Ordinary Share of the Company.
- iii. 12,000,000 warrants issued by the Company to its Promoter are outstanding. Each warrant would entitle the Promoter to subscribe to one Ordinary Share of the Company at the price of ₹ 594 per share. If the warrants are not converted before 23rd January, 2012, they would lapse.
- iv. Pursuant to the Exchange Offer of CARS aggregating to US \$875 million, made in accordance with Offering Circular dated 11th November, 2009, the Company exchanged CARS aggregating US \$493 million, leaving the residual CARS at US \$382 million, convertible into 21,015,711 Ordinary Shares at ₹ 731.6193 per share and issued 5,469.35 – 4.5% Replacement FCCBs of US \$1,00,000 each aggregating US \$546.935 million, convertible into 41,960,304 fully paid up Ordinary Shares of the Company at ₹ 604.2832 per share.

Address for Correspondence :

Tata Steel Limited
Bombay House,
24, Homi Mody Street, Fort,
Mumbai-400 001.
Phone : (022) 6665 8282
Fax : (022) 6665 7724/6665 7725
E-mail : cosec@tatasteel.com
Website : www.tatasteel.com

Major Plant Locations

Tata Steel, India	:	Company's Steel Works and Tubes Division	..	Jamshedpur (Jharkhand)
		Bearings Division	..	Kharagpur (West Bengal)
		Ferro Manganese Plant	..	Joda (Odisha)
		Charge Chrome Plant	..	Bamnipal (Odisha)
		Cold Rolling Complex	..	Tarapur (Maharashtra)
		Mines, Collieries & Quarries	..	States of Jharkhand, Odisha and Karnataka
		Wire Division	..	Tarapur (Maharashtra) Bengaluru (Karnataka)
		Agrico Plant	..	Indore (Madhya Pradesh)
Tata Steel Europe	:	Steel	..	Port Talbot, UK Scunthorpe, UK Teesside, UK* Rotherham, UK Ijmuiden, Netherlands

* Part of the year.

10. Other information to the shareholders
Dividend History for the Last 10 years

Financial Year	Dividend Date	Rate
2009-10	14.08.10	80%
2008-09	28.08.09	160%
2007-08	29.08.08	160%
2006-07	30.08.07	155%
2005-06	06.07.06	130%
2004-05	28.07.05	130%
2003-04	23.07.04	100%
2002-03	24.07.03	80%
2001-02	12.06.02	40%
2000-01	20.07.01	50%

Bank Details

Shareholders holding in the physical form are requested to notify/send the following to TSR Darashaw Limited to facilitate better servicing :-

- any change in their address/mandate/bank details, and
- particulars of the bank account in which they wish their dividend to be credited, in case have not been furnished earlier.

Shareholders are advised that respective bank details and address as furnished by them or by NSDL/CDSL to the Company, for shares held in the physical form and in the dematerialised form respectively, will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

Nomination Facility

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 109A of the Companies Act, 1956, may submit to TSR Darashaw Limited the prescribed Form 2B.

The Nomination Form can be downloaded from the Company's website www.tatasteel.com under the section 'Investors'.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that :

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to their Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

National - Electronic Clearing Service (NECS) Facility

As per RBI notification, with effect from 1st October, 2009, the remittance of dividend through Electronic Credit Service (ECS) is replaced by National Electronic Clearing Service (NECS). Shareholders were requested by the Company vide Circular dated 5th March, 2010, to intimate their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions (CBS) and the 9 digit MICR Code Number.

Shareholders who have already intimated the above information to the Depository Participants (DPs)/Registrars of the Company ("Registrars") pursuant to the above Circular need not take any further action in this regard.

Shareholders who have not intimated the DPs/Registrars are once again requested to intimate the above information in respect of shares held in electronic form to the DPs and in respect of shares held in physical form, to the Registrars at their address.

Those Shareholders who do not wish to avail of the NECS facility, are requested to furnish to the DPs/Registrars, the Name and Branch of the Bank and the Bank Account Number allotted by their banks after implementation of Core Banking Solutions, which will be printed on the warrants.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report, Quarterly, Half Yearly results etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with TSR Darashaw Limited, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

Depository Services

Shareholders may write to the respective Depository or to TSR Darashaw Limited for guidance on depository services. Address for correspondence with Depositories are as follows :-

National Securities Depository Limited

Trade World, A Wing, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel,
Mumbai-400 013.
Telephone : (022) 2499 4200
Facsimile : (022) 2497 6351
E-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers,
17th Floor,
Dalal Street,
Mumbai-400 001.
Telephone : (022) 2272 3333
Facsimile : (022) 2272 3199
E-mail : investors@cDSLindia.com
Website : www.cDSLindia.com

Certificate

To the Members of**TATA STEEL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Tata Steel Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS*Chartered Accountants**Registration No. 117366W***P. R. RAMESH**

Partner

Membership No : 70928

Mumbai, 25th May, 2011

Highlights

Figures in ₹ crores

	Tata Steel Standalone		Tata Steel Group	
	2010-11	2009-10	2010-11	2009-10
Gross revenue	32,692.81	27,611.59	1,22,326.73	1,05,415.68
Profit/(Loss) before taxes	9,776.85	7,214.30	12,101.95	31.00
Profit/(Loss) after taxes	6,865.69	5,046.80	8,856.05	(2,120.84)
Profit/(Loss) after taxes, minority interest and share of profit of associates			8,982.69	(2,009.22)
Dividends	1,151.06	755.65	1,150.25	755.11
Retained earnings	6,699.57	5,251.53	12,079.50	1,573.07
Capital employed	78,555.91	64,232.78	1,01,722.16	79,789.33
Net worth	48,444.63	37,168.75	37,063.91	23,020.84
Borrowings	28,301.14	25,239.20	60,684.34	53,100.35
	Ratio	<i>Ratio</i>	Ratio	<i>Ratio</i>
Net Debt : Equity	0.49	0.61	1.55	1.77
	₹	₹	₹	₹
Net worth per Share as at year end	533.97	448.60	409.02	278.28
Earnings per Share :				
<i>Basic</i>	75.63	60.26	99.03	(24.92)
<i>Diluted</i>	70.99	57.31	92.86	(24.92)
Dividend per Share	120%	80%	120%	80%
Employees (Numbers)	34,912	34,101	81,251	81,269
Shareholders (Numbers)	9,69,987	8,09,821		

Sources and Utilisation of Funds

(₹ crores)

	2010-11	2009-10	2008-09	2007-08	2006-07	Total for 2006-07 to 2010-11
SOURCES OF FUNDS :						
1. FUND GENERATED FROM OPERATIONS						
(a) PROFIT AFTER TAXES	6,865.69	5,046.80	5,201.74	4,687.03	4,222.15	26,023.41
(b) DEPRECIATION	1,146.19	1,083.18	973.40	834.61	819.29	4,856.67
(c) OTHER INCOME AND ADJUSTMENTS	118.82	414.37	(636.20)	208.67	853.79	959.45
(d) TOTAL	8,130.70	6,544.35	5,538.94	5,730.31	5,895.23	31,839.53
2. SHARE CAPITAL (INCLUDING SHARE PREMIUM)	4,429.12	2,603.84	(278.85)	9,666.03	174.06	16,594.20
3. HYBRID PERPETUAL SECURITIES....	1,500.00	–	–	–	–	1,500.00
4. NET INCREASE / (DECREASE) IN BORROWINGS.....	3,061.94	(1,706.98)	8,924.49	8,376.36	7,129.18	25,784.99
	17,121.76	7,441.21	14,184.58	23,772.70	13,198.47	75,718.72
UTILISATION OF FUNDS :						
5. CAPITAL EXPENDITURE	3,968.54	2,726.07	2,846.79	2,448.35	2,007.68	13,997.43
6. INVESTMENTS (NET)	1,585.27	2,607.89	38,268.59	(2,002.99)	2,036.22	42,494.98
7. DIVIDENDS#	1,307.77	878.45	1,492.50	1,393.55	1,104.33	6,176.60
8. NET INCREASE / (DECREASE) IN WORKING CAPITAL*	9,969.41	1,936.04	(28,882.62)	21,945.43	7,819.35	12,787.61
9. MISC. EXPENDITURE**	290.77	(707.24)	459.32	(11.64)	230.89	262.10
	17,121.76	7,441.21	14,184.58	23,772.70	13,198.47	75,718.72

Including tax on dividend ₹ 156.71 crores (2009-10 : ₹ 122.80 crores, 2008-09 : ₹ 214.10 crores, 2007-08 : ₹ 202.43 crores, 2006-07 : ₹ 160.42 crores).

* Stocks and stores, book debts, advances and cash balances less trade creditors, provisions etc.

** Includes Expenses of Employee Separation Compensation not amortised (Net of Provision) and Foreign Currency Monetary Item Translation Difference Account.

Production Statistics

('000 Tonnes)

Year	Iron Ore	Coal	Iron	Crude Steel	Rolled/ Forged Bars & Structurals	Plates	Sheets	Hot Rolled Coils/ Strips	Cold Rolled Coils	Railway Materials	Semi- Finished for Sale	Total Saleable Steel
1956-57	1,999	1,528	1,169	1,088	220	64	161	35	—	106	226	812
1957-58	2,074	1,488	1,109	1,122	210	72	161	71	—	103	182	799
1958-59	2,198	1,590	1,149	1,166	212	71	134	103	—	77	302	899
1959-60	2,551	1,705	1,591	1,555	298	89	134	164	—	98	454	1,237
1960-61	2,275	1,714	1,586	1,622	369	85	132	161	—	112	404	1,263
1961-62	2,104	1,700	1,645	1,643	449	77	134	173	—	114	371	1,318
1962-63	2,616	2,047	1,764	1,799	472	90	149	178	—	131	393	1,413
1963-64	2,953	2,173	1,809	1,892	534	96	154	162	—	127	434	1,507
1964-65	3,125	2,264	1,885	1,956	548	101	164	197	—	133	425	1,568
1965-66	3,232	2,175	1,917	1,979	555	98	166	181	—	128	440	1,568
1966-67	3,009	2,088	1,926	2,001	556	104	152	177	—	114	465	1,568
1967-68	2,728	1,974	1,798	1,933	518	111	155	138	—	118	494	1,534
1968-69	2,821	2,108	1,715	1,816	510	110	163	186	—	125	371	1,465
1969-70	2,564	2,172	1,624	1,708	479	104	159	179	—	120	399	1,440
1970-71	2,402	1,959	1,664	1,716	512	101	164	180	—	78	340	1,375
1971-72	2,844	1,940	1,631	1,709	497	106	184	185	—	85	330	1,387
1972-73	3,231	1,997	1,681	1,690	530	99	175	187	—	55	412	1,458
1973-74	2,922	2,134	1,435	1,514	482	93	131	169	—	22	303	1,200
1974-75	2,940	2,209	1,668	1,722	562	103	166	179	—	38	413	1,461
1975-76	2,965	2,181	1,652	1,787	547	111	164	173	—	46	445	1,486
1976-77	3,138	2,135	1,754	1,908	522	112	146	178	—	48	544	1,550
1977-78	2,972	2,239	1,762	1,968	510	107	129	165	—	56	634	1,601
1978-79	2,808	2,134	1,672	1,866	493	103	132	180	—	53	555	1,516
1979-80	2,549	2,065	1,516	1,781	409	73	122	154	—	34	656	1,448
1980-81	2,698	2,196	1,648	1,875	381	82	121	148	—	28	777	1,537
1981-82	2,991	2,327	1,774	1,962	525	99	151	149	—	22	660	1,606
1982-83	3,224	2,671	1,793	1,957	501	103	137	119	—	11	750	1,621
1983-84	3,137	3,335	1,746	1,973	488	107	129	138	—	20	744	1,626
1984-85	3,454	3,582	1,804	2,049	512	122	139	168	—	19	754	1,714
1985-86	3,184	3,739	1,752	2,094	484	108	134	169	—	18	859	1,702
1986-87	3,305	3,796	1,940	2,250	436	93	122	152	—	13	1,091	1,861
1987-88	3,237	3,793	2,018	2,275	591	99	127	155	—	13	929	1,862
1988-89	3,569	3,793	2,238	2,313	637	93	131	166	—	13	904	1,900
1989-90	3,726	3,754	2,268	2,323	553	91	117	155	—	17	1,033	1,913
1990-91	3,509	3,725	2,320	2,294	558	88	118	153	—	14	1,013	1,901
1991-92	3,996	3,848	2,400	2,415	599	92	123	170	—	9	1,045	1,978
1992-93	4,126	3,739	2,435	2,477	575	78	122	163	—	7	1,179	2,084
1993-94	4,201	3,922	2,598	2,487	561	—	124	281	—	6	1,182	2,117
1994-95	4,796	4,156	2,925	2,788	620	—	137	613	—	2	1,074	2,391
1995-96	5,181	4,897	3,241	3,019	629	—	133	1,070	—	—	869	2,660
1996-97	5,766	5,294	3,440	3,106	666	—	114	1,228	—	—	811	2,783
1997-98	5,984	5,226	3,513	3,226	634	—	60	1,210	—	—	1,105	2,971
1998-99	6,056	5,137	3,626	3,264	622	—	—	1,653	—	—	835	3,051
1999-2000	6,456	5,155	3,888	3,434	615	—	—	2,057	—	—	615	3,262
2000-01	6,989	5,282	3,929	3,566	569	—	—	1,858	356	—	647	3,413
2001-02	7,335	5,636	4,041	3,749	680	—	—	1,656	734	—	566	3,596
2002-03	7,985	5,915	4,437	4,098	705	—	—	1,563	1,110	—	563	3,975
2003-04	8,445	5,842	4,466	4,224	694	—	—	1,578	1,262	—	555	4,076
2004-05	9,803	6,375	4,347	4,104	706	—	—	1,354	1,445	—	604	4,074
2005-06	10,834	6,521	5,177	4,731	821	—	—	1,556	1,495	—	679	4,551
2006-07	9,776	7,041	5,552	5,046	1,230	—	—	1,670	1,523	—	506	4,929
2007-08	10,022	7,209	5,507	5,014	1,241	—	—	1,697	1,534	—	386	4,858
2008-09	10,417	7,282	6,254	5,646	1,350	—	—	1,745	1,447	—	833	5,375
2009-10	12,044	7,210	7,231	6,564	1,432	—	—	2,023	1,563	—	1,421	6,439
2010-11	13,087	7,024	7,503	6,855	1,486	—	—	2,127	1,544	—	1,534	6,691

Notes :

Figures of total saleable steel are adjusted for :

(a) From 1985-86 and onwards - steel transferred to and produced at the Company's Tubes Division.

(b) Total saleable steel for 2003-04 includes production of the erstwhile Tata SSL Ltd., pursuant to its merger with the Company.

Financial Statistics

(₹ Crores)

Year	CAPITAL ACCOUNTS						REVENUE ACCOUNTS							
	Capital	Reserves and Surplus	Borrowings	Gross Block *	Net Block	Investments	Gross Revenue	Expenditure ☆	Depreciation	Profit before Taxes	Taxes	Profit after Taxes	Net Transfer to Reserves	Dividends
1956-57	25.94	20.20	21.53	93.45	54.79	5.38	44.14	32.69	2.47	8.98	3.42	5.56	3.70	1.93
1957-58	30.66	24.50	60.19	147.06	105.04	5.41	48.26	38.47	3.91	5.88	0.90	4.98	2.92	2.41
1958-59	30.72	26.15	83.78	171.79	124.78	5.94	56.12	47.72	5.53	2.87	0.17	2.70	0.57	2.47
1959-60	38.97	27.09	77.07	177.92	122.95	8.84	76.46	62.31	8.47	5.68	—	5.68	1.92	3.76
1960-61	38.97	27.67	69.04	185.52	116.76	8.85	87.08	68.07	13.92	5.09	—	5.09	0.52	4.65
1961-62	38.97	27.97	64.08	190.23	109.06	8.87	92.48	73.24	13.15	6.09	—	6.09	1.44	4.65
1962-63	38.97	40.27*	54.62	195.88	103.32	8.85	103.44	81.22	11.66	10.56	0.80	9.76	4.86	4.89
1963-64	38.97	47.41*	47.27	200.38	100.15	9.86	115.20	90.76	7.97	16.47	4.75	11.72	6.45	5.25
1964-65	38.97	50.94*	43.74	204.45	94.52	10.62	126.91	102.06	10.14	14.71	6.15	8.56	3.30	5.25
1965-66	38.97	56.35*	34.87	211.87	92.27	11.66	134.00	106.86	10.40	16.74	7.10	9.64	4.40	5.25
1966-67	50.00	48.44*	51.47	238.03	107.36	11.26	130.78	107.32	11.49	11.97	4.40	7.57	2.32	5.27
1967-68	50.00	50.23*	50.23	251.56	109.07	11.29	137.67	117.21	12.12	8.34	2.45	5.89	0.62	5.27
1968-69	50.00	51.82*	44.05	258.08	103.62	12.28	142.87	120.11	12.94	9.82	3.60	6.22	0.95	5.27
1969-70	50.00	52.71*	37.73	268.31	101.51	12.22	151.21	126.69	13.19	11.33	5.20	6.13	0.86	5.27
1970-71	50.00	55.58*	36.10	287.86	106.02	12.21	158.51	128.29	16.10	14.12	6.70	7.42	2.15	5.27
1971-72	50.00	56.92*	43.80	305.78	109.98	12.22	171.95	143.91	16.07	11.97	5.80	6.17	0.90	5.27
1972-73	50.00	58.46*	48.03	329.74	118.36	12.24	210.22	187.19	17.51	5.52	—	5.52	0.25	5.27
1973-74	50.00	63.16*	49.49	346.18	121.31	12.17	197.95	167.10	16.63	14.32	4.45	9.77	6.48	3.29**
1974-75	50.00	75.55*	63.45	366.57	127.30	11.01	279.72	236.63	15.11	27.98	12.80	15.18	10.07	5.11**
1975-76	50.00	77.97	88.30	395.84	142.34	11.09	287.63	258.76	16.20	12.67	3.25	9.42	4.59	4.83
1976-77	62.86	71.17	94.36	417.99	149.57	11.14	332.84	297.51	17.28	18.05	6.00	12.05	6.06	5.99
1977-78	62.86	73.60	87.68	438.51	156.02	11.17	361.30	335.18	18.25	7.87	0.10	7.77	1.27	6.50
1978-79	62.86	80.26	77.74	464.30	165.11	11.45	380.85	335.83	20.12	24.90	7.35	17.55	10.53	7.02
1979-80	62.86	88.11	84.82	499.70	184.51	12.05	454.94	407.04	22.97	24.93	9.00	15.93	8.14	7.79
1980-81	62.86	106.01	104.65	550.48	216.76	14.01	520.86	445.10	23.70	52.06	25.60	26.46	17.90	8.56
1981-82	83.44	120.60	233.74	650.14	304.05	14.04	704.69	599.83	27.21	77.65	30.00	47.65	34.56	13.09†
1982-83	83.44	152.80	310.34	789.76	420.31	20.04	798.16	729.52	23.77	44.87	—	44.87	31.78	13.09
1983-84	72.02*	160.61	380.62	843.64	453.46	20.22	889.54	826.39	43.14	20.01	—	20.01	7.77	12.24
1984-85	72.02	230.24	398.52	911.55	451.55	103.12	1,105.02	938.33	69.95®	96.74	12.00	84.74	69.62	15.12
1985-86	82.74	334.19	447.43	1,115.76	577.41	144.54	1,285.51	1,078.55	49.28	157.68	50.00	107.68	90.88	20.60
1986-87	82.63	401.05	517.83	1,299.84	708.09	130.12	1,416.39	1,259.27	57.60	99.52	12.00	87.52	66.86	20.66
1987-88	136.01	476.33	576.65	1,525.46	861.88	163.52	1,526.78	1,340.65	73.98	112.15	20.00	92.15	62.81	29.34
1988-89	156.09	645.53	611.64	1,753.13	998.71	234.44	1,861.77	1,587.74	93.69	180.34	26.00	154.34	108.17	46.17
1989-90	229.43	1,103.11	954.11	2,062.76	1,200.09	795.32	2,135.57	1,840.95	118.79	175.83	27.30	148.53	97.94	50.59
1990-91	229.89	1,194.22	1,183.75	2,703.29	1,713.79	571.86	2,330.83	1,955.67	137.03	238.13	78.00	160.13	88.79	71.34
1991-92	230.12	1,315.36	2,051.30	4,026.16	2,878.19	248.77	2,869.70	2,426.65	164.89	278.16	64.00	214.16	133.61	80.55
1992-93	278.45	1,707.94	3,039.55	5,463.13	4,107.64	170.06	3,423.33	3,094.84	215.37	127.12	—	127.12	62.30	64.82
1993-94	335.21	2,189.53	3,428.59	6,439.94	4,924.39	261.62	3,822.64	3,464.10	177.70	180.84	—	180.84	84.29	96.55
1994-95	336.87	2,351.17	3,561.24	6,962.89	5,213.48	220.65	4,649.06	4,120.01	247.93	281.12	—	281.12	162.88	118.24
1995-96	367.23	3,375.17	3,842.14	7,408.46	5,393.56	410.94	5,879.96	5,016.56	297.61	565.79	—	565.79	408.82	156.97
1996-97	367.38	3,606.64	4,082.65	7,850.82	5,526.40	664.90	6,409.43	5,540.39	326.83	542.21	73.00	469.21	286.98	182.23#
1997-98	367.56	3,697.32	4,579.14	8,948.52	6,300.04	623.45	6,516.58	5,810.02	343.23	363.33	41.25	322.08	160.10	161.98#
1998-99	367.97	3,796.45	4,938.93	10,032.17	7,058.58	585.44	6,335.60	5,638.19	382.18	315.23	33.00	282.23	118.94	163.29#
1999-2000	517.97	4,040.43	4,907.23	10,668.33	7,426.38	803.10	6,943.33	6,040.20	426.54	476.59	54.00	422.59	250.69	171.90#
2000-01	507.97	4,380.46	4,672.22	11,258.17	7,538.09	846.92	7,810.05	6,715.36	492.25	602.44	49.00	553.44	335.83	217.61#
2001-02	367.97	3,077.99	4,705.48	11,742.44	7,543.70	912.74	7,682.70	6,906.95	524.75	251.00	46.10	204.90	55.51	149.39#
2002-03	369.18	2,816.84	4,225.61	12,393.79	7,543.80	1,194.55	9,843.66	8,025.68	555.48	1,262.50	250.19	1,012.31	679.30	333.01#
2003-04	369.18	4,146.68	3,882.21	13,269.47	7,857.85	2,194.12	12,069.62	8,778.55	625.11	2,665.96	919.74	1,746.22	1,329.97	416.25#
2004-05	553.67	6,506.25	2,739.70	14,957.73	9,112.24	2,432.65	16,053.48	10,137.42	618.78	5,297.28	1,823.12	3,474.16	2,652.79	821.37#
2005-06	553.67	9,201.63	2,516.15	16,470.71	9,865.05	4,069.96	17,398.98	11,383.92	775.10	5,239.96	1,733.58	3,506.38	2,685.95	820.43#
2006-07	727.73	13,368.42	9,645.33	18,426.52	11,040.56	6,106.18	20,196.24	13,115.30	819.29	6,261.65	2,039.50	4,222.15	3,117.82	1,104.33#
2007-08	6,203.30	21,097.43	18,021.69	20,746.57	12,623.56	4,103.19	22,526.80	14,625.83	834.61	7,066.36	2,379.33	4,687.03	3,293.48	1,393.55#
2008-09	6,203.45	23,972.81	26,946.18	23,444.22	14,482.22	42,371.78	27,152.00	18,862.99	973.40	7,315.61	2,113.87	5,201.74	3,709.24	1,492.50#
2009-10	887.41	36,074.39	25,239.20	26,043.59	16,006.03	44,979.67	27,611.59	19,314.11	1,083.18	7,214.30	2,167.50	5,046.80	4,168.35	878.45#
2010-11	2,637.61	45,807.02	28,301.14	29,689.34	18,774.48	46,564.94	32,692.81	21,769.77	1,146.19	9,776.85	2,911.16	6,865.69	5,553.38	1,307.77#

* Inclusive of Dividends subsequently paid from Reserves and Surplus.

** Payable as per the Companies (Temporary Restrictions on Dividends) Act, 1974.

† Including an additional Jubilee Dividend of ₹ 2 per share.

+ Excluding Preference Shares which have been cancelled with effect from 1-4-1983 and Non-Convertible Bonds issued in lieu thereof.

@ Including ₹ 15.05 crores additional depreciation for 1983-84.

Including tax on dividends.

* Gross Block is net of impairment, if any.

☆ Expenditure includes excise duty recovered on sales.

Dividend Statistics

Year	First Preference (₹ 150) ^a		Second Preference (₹ 100) ^a		Ordinary (₹ 75 upto 1975-76 ₹ 100 from 1976-77 ^b and ₹ 10 from 1989-90) ^h		Deferred (₹ 30) ^c		Total ₹ lakhs
	Rate ₹ a.p.	Amount ₹ lakhs	Rate ₹ a.p.	Amount ₹ lakhs	Rate ₹ a.p.	Amount ₹ lakhs	Rate ₹ a.p.	Amount ₹ lakhs	
	1960-61	9.00	4.50	7.50	79.89	10.36	380.65	—	
1961-62	9.00	4.50	7.50	79.89	10.36	380.66	—	—	465.05
1962-63	9.00	4.50	7.50	79.89	11.00	404.17	—	—	488.56
1963-64	9.00	4.50	7.50	79.89	12.00	440.92	—	—	525.31
1964-65	9.00	4.50	7.50	79.89	12.00	440.92	—	—	525.31
1965-66	9.00	4.50	7.50	79.89	12.00	440.92	—	—	525.31
1966-67	9.00	4.50	7.50	79.89	8.60 ^d	442.39	—	—	526.78
1967-68	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1968-69	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1969-70	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1970-71	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1971-72	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1972-73	9.00	4.50	7.50	79.89	8.60	442.39	—	—	526.78
1973-74	9.00	4.50	7.50	79.89	4.75	244.34	—	—	328.73
1974-75	9.00	4.50	7.50	79.89	8.30	426.95	—	—	511.34
1975-76	9.00	4.50	7.50	79.89	7.75	398.66	—	—	483.05
1976-77	9.00	4.50	7.50	79.89	10.00	514.40	—	—	598.79
1977-78	9.00	4.50	7.50	79.89	11.00	565.84	—	—	650.23
1978-79	9.00	4.50	7.50	79.89	12.00	617.28	—	—	701.67
1979-80	9.00	4.50	7.50	79.89	13.50	694.44	—	—	778.83
1980-81	9.00	4.50	7.50	79.89	15.00	771.60	—	—	855.99
1981-82	9.00	4.50	7.50	79.89	17.00 ^f	1224.28	—	—	1308.67
1982-83	9.00	4.50	7.50	79.89	17.00	1224.28	—	—	1308.67
1983-84	—	—	—	—	17.00	1224.28	—	—	1224.28
1984-85	—	—	—	—	21.00	1512.34	—	—	1512.34
1985-86	—	—	—	—	25.00	2059.43	—	—	2059.43
1986-87	—	—	—	—	25.00	2065.72	—	—	2065.72
1987-88	—	—	—	—	25.00 ^g	2934.29	—	—	2934.29
1988-89	—	—	—	—	30.00 ^d	4616.74	—	—	4616.74
1989-90	—	—	—	—	3.00 ^h	5059.30	—	—	5059.30
1990-91	—	—	—	—	3.10	7134.23	—	—	7134.23
1991-92	—	—	—	—	3.50	8054.78	—	—	8054.78
1992-93	—	—	—	—	2.50 ⁱ	6482.21	—	—	6482.21
1993-94	—	—	—	—	3.00 ^j	9655.44	—	—	9655.44
1994-95	—	—	—	—	3.50 ^k	11823.94	—	—	11823.94
1995-96	—	—	—	—	4.50 ^l	15697.11	—	—	15697.11
1996-97	—	—	—	—	4.50	18222.25 ⁿ	—	—	18222.25 ⁿ
1997-98	—	—	—	—	4.00	16198.05 ^o	—	—	16198.05 ^o
1998-99	—	—	—	—	4.00	16329.05 ^p	—	—	16329.05 ^p
1999-2000	—	—	—	—	4.00	17189.87 ^{q,r}	—	—	17189.87 ^{q,r}
2000-01	—	—	—	—	5.00	21760.67 ^{s,t,u}	—	—	21760.67 ^{s,t,u}
2001-02	—	—	—	—	4.00	14939.21 ^v	—	—	14939.21 ^v
2002-03	—	—	—	—	8.00	33299.88 ^w	—	—	33299.88 ^w
2003-04	—	—	—	—	10.00	41625.77 ^x	—	—	41625.77 ^x
2004-05	—	—	—	—	13.00	82137.22 ^y	—	—	82137.22 ^y
2005-06	—	—	—	—	13.00	82042.66 ^z	—	—	82042.66 ^z
2006-07	—	—	—	—	15.50	110432.51 [*]	—	—	110432.51 [*]
2007-08	—	—	0.41	2596.11 #	16.00	136759.54 @	—	—	139355.65
2008-09	—	—	2.00	12805.48 †	16.00	136443.72 †	—	—	149249.20
2009-10	—	—	2.00	5367.78 †	8.00	82477.15 *	—	—	87844.93
2010-11	—	—	—	—	12.00	130777.35 †	—	—	130777.35

- ^a Subject to deduction of Company's Income-tax from Preference Dividends upto 1958-59.
- ^b Free of tax upto 1958-59 and gross (i.e. inclusive of tax deducted at source) from 1959-60.
- ^c Out of 48,750 Deferred Shares, 26,250 Deferred Shares were issued in 1917 at a premium of ₹ 370 per share.
- ^d On increased number of Ordinary Shares from 1953-54 onwards after conversion of Deferred Shares into Ordinary Shares and issue of Bonus Shares.
- ^e Including on Bonus Shares issued during the year.
- ^f Including an additional Jubilee Dividend of ₹ 2 per share.
- ^g On the Capital as increased by Rights Issue of Ordinary Shares during 1987-88.
- ^h The Ordinary Shares of ₹ 100 each have been sub-divided into Ordinary Shares of ₹ 10 each during 1989-90 and the rate of Dividend is per Ordinary Share of ₹ 10 each.
- ⁱ On the Capital as increased by shares allotted on Conversion of Convertible Debentures.
- ^j On the Capital as increased by Rights Issue of Ordinary Shares during 1992-93.
- ^k On the Capital as increased by Ordinary Shares issued during 1993-94 against Detachable Warrants.
- ^l On the Capital as increased by Ordinary Shares issued during 1994-95 against Detachable Warrants and Foreign Currency Convertible Bonds.
- ^m On the Capital as increased by Ordinary Shares issued during 1995-96 against Detachable Warrants, Foreign Currency Convertible Bonds and Naked Warrants.
- ⁿ Includes 10% tax of ₹ 1656.57 lakhs on dividend.
- ^o Includes 10% tax of ₹ 1472.55 lakhs on dividend.
- ^p Includes 11% tax of ₹ 1618.19 lakhs on dividend.
- ^q Includes 11% tax of ₹ 1703.50 lakhs on dividend.
- ^r Includes Dividend of ₹ 775.50 lakhs on 9.25% Cumulative Redeemable Preference Shares.
- ^s Includes tax of ₹ 2151.38 lakhs on dividends.
- ^t Includes Dividend of ₹ 22.30 lakhs on 9.25% Cumulative Redeemable Preference Shares for the period 1st April, 2000 to 27th June, 2000.
- ^u Includes Dividend of ₹ 1198.40 lakhs on 8.42% Cumulative Redeemable Preference Shares for the period 1st June, 2000 to 31st March, 2001.
- ^v Includes Dividend of ₹ 207.20 lakhs on 8.42% Cumulative Redeemable Preference Shares and tax of ₹ 21.13 lakhs on Preference Dividends.
- ^w Includes tax of ₹ 3781.33 lakhs on Dividend.
- ^x Includes tax of ₹ 4727.58 lakhs on Dividend.
- ^y Includes tax of ₹ 10185.74 lakhs on Dividend.
- ^z Includes tax of ₹ 10092.00 lakhs on Dividend.
- ^{*} Includes tax of ₹ 16041.72 lakhs on Dividend.
- [#] Dividend paid for 74 days on Cumulative Convertible Preference Share. Includes tax ₹ 377.12 lakhs on Dividend.
- [@] Includes tax of ₹ 19866.05 lakhs on Dividends on Ordinary Shares.
- [†] Includes tax of ₹ 1860.16 lakhs on Dividend on Cumulative Convertible Preference Share.
- [†] Includes tax of ₹ 19549.31 lakhs on Dividends on Ordinary Shares.
- [†] Includes tax of ₹ 779.74 lakhs on Dividend on Cumulative Convertible Preference Share.
- ^{*} Includes tax of ₹ 11500.02 lakhs on Dividends on Ordinary Shares.
- [†] Includes tax of ₹ 15671.62 lakhs on Dividends on Ordinary Shares.

Financial Ratios

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
1 EBITDA/Turnover	41.58%	39.19%	38.83%	41.93%	41.34%	40.35%	41.89%	31.82%	24.34%	16.87%
2 PBT/Turnover	33.26%	28.83%	30.09%	33.70%	35.68%	34.44%	36.34%	24.83%	14.48%	3.51%
3 Return on Avg. Capital Employed	15.52%	14.25%	16.12%	20.53%	32.37%	40.81%	49.43%	28.02%	16.29%	6.35%
4 Return on Avg. Net Worth	16.04%	15.12%	18.33%	22.84%	36.09%	42.90%	62.01%	46.28%	35.88%	6.38%
5 Asset Turnover	79.88%	94.83%	99.17%	105.36%	76.54%	108.13%	110.13%	100.41%	77.97%	63.07%
6 Inventory Turnover (in days)	42.00	46.00	43.00	42.00	43.00	45.00	37.00	39.00	43.00	50.00
7 Debtors Turnover (in days)	5.00	8.00	9.00	11.00	12.00	13.00	16.00	27.00	43.00	64.00
8 Gross Block to Net Block	1.59	1.63	1.63	1.65	1.68	1.68	1.65	1.69	1.64	1.56
9 Net Debt to Equity	0.49	0.61	0.78	0.81	(0.15)	0.02	0.18	0.42	1.15	1.34
10 Current Ratio	1.64	1.15	1.12	0.90	2.18	1.10	1.10	1.03	1.35	1.53
11 Interest Cover ratio	8.52	5.78	7.35	9.44	37.01	43.08	29.21	22.76	5.14	1.64
12 Networth per share (post CCPS conversion)	533.97	448.60	360.18	376.28	214.80	171.68	123.68	78.77	86.35	66.81
13 Earnings per share (Basic)	75.63	60.26	69.45	66.80	65.28	63.35	62.77	31.55	27.44	5.51
14 Dividend Payout	19.00%	17.00%	29.00%	30.00%	26.00%	23.00%	24.00%	24.00%	33.00%	73.00%
15 P/E Ratio	8.2	10.50	2.97	10.38	6.89	8.47	6.39	12.16	4.87	17.72

1. EBITDA/Turnover : Earnings Before Interest Depreciation Tax and Exceptional Items/Turnover.
(EBITDA : Profit before Taxes +/- Exceptional Items + Net Finance Charges + Depreciation).
(Turnover : Sales & Other Operating Income less Excise Duty).
2. PBT/Turnover : Profit Before Tax/Turnover.
(Profit before Taxes +/- Exceptional Items).
3. Return on Average Capital Employed : EBIT/Average Capital Employed.
(Capital Employed : Total Funds Employed – Miscellaneous Expenses to the extent not written off or adjusted – Foreign Currency Monetary Item Translation Difference Account)).
(EBIT : Profit before Taxes +/- Exceptional Items + Net Finance Charges).
4. Return on Average Net Worth : Profit after Taxes/Average Net Worth.
(Net Worth : Equity Share Capital + Preference Share Capital + Reserves & Surplus + Hybrid Perpetual Securities – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Item Translation Difference Account).
5. Asset Turnover : Net Sales/(Total Assets - Investments – Misc Expenses to the extent not written off or adjusted – Foreign Currency Monetary Item Translation Difference Account – Advance Against Equity + Current Liabilities & Provisions).
6. Inventory Turnover : Average Inventory/Sale of Products in days.
7. Debtors Turnover : Average Debtors/Turnover in days.
8. Gross Block to Net Block : Gross Block/Net Block.
9. Net Debt to Equity : Net Debt/Average Net Worth.
(Net Debt : Secured Loans + Unsecured loans – Cash & Bank – Current Investments).
10. Current Ratio : Current Assets (excluding advance against equity)/Current Liabilities.
11. Interest Cover Ratio : Earnings Before Interest and Tax/Net Finance Charges.
12. Net Worth per share : Net Worth/Average Number of Equity Shares (post CCPS conversion).
13. Earnings per share(Basic) : Profit attributable to Ordinary Shareholders/Weighted average number of ordinary shares.
14. Dividend Payout : Dividend/Profit after Taxes.
15. P/E Ratio : Market Price/Earnings per share (Basic).

Auditors' Report

TO THE MEMBERS OF
TATA STEEL LIMITED

1. We have audited the attached Balance Sheet of TATA STEEL LIMITED ("the Company") as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (v) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

For DELOITTE HASKINS & SELLS
Chartered Accountants,
(Registration No.117366W)

P. R. RAMESH
Partner.
(Membership No. : 70928)
Mumbai, 25th May, 2011

Annexure to the Auditors' Report

[Referred to in paragraph (3) of our report of even date]

- (i) Having regard to the nature of the Company's business/activities/result, clauses (x), (xii), (xiii), and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished and semi-finished goods and raw materials at Works, Mines and Collieries were physically verified during the year by the Management. In respect to stores and spare parts and stocks at stockyards and with Consignment/Conversion Agents, the Company has a programme of verification of stocks over a three-year period. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable. In case of materials lying with third parties, certificates confirming stocks have been received for stocks held.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company has granted loan aggregating ₹ 7,561.09 crores to one party during the year. The year-end and the maximum balance due amounts to ₹ 3,708.07 crores.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.
 - (c) The receipts of principal amounts and interest have generally been regular per stipulations.
 - (d) Overdue interest as at the year-end amounts to Rs 1.63 crores, which has been subsequently collected.

The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (iii) (e) to (iii) (g) of paragraph 4 of CARO is not applicable.

- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 in respect of manufacture of bearings, steel tubes and pipes, steel, chrome ore and alloys and electricity, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Company intends to obtain exemption from operation of Employees' State Insurance Act at all locations and necessary steps have been taken by the Company. We are also informed that actions taken by the authorities at some locations to bring the employees of the Company under the Employees' State Insurance Scheme has been contested by the Company and accordingly full payment has not been made of the contributions demanded.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable, except for collection of sales tax which we are informed are refundable to customers because they have been collected in excess or which have been collected pending receipt of necessary certificates from the customers.

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Name of the Statute (Nature of Dues)	Financial Year to which the matter pertains	Forum where matter is pending	Amount ₹ Crores
Customs Act	1990-91,1993-94	Supreme Court	9.67
	2002-03	High Court	0.03
	1993-94	Commissioner	3.92
Central Excise Act	2004-05	Supreme Court	235.48
	1988-90, 2000-01,2003-07, 2007-09	High Court	14.54
	1990-91, 1992-93, 1994-97, 1998-2010	Tribunal	272.75
	1988-90, 1992-2010	Commissioner	24.80
	1985-87, 1998-99	Deputy Commissioner	0.18
	1982-84 to 2005-06	Assistant Commissioner	0.85
Sales Tax	2006-09	Supreme Court	23.50
	1973-74,1991-93, 1994-96, 1999-04, 2009-2010	High Court	23.54
	1977-79, 1980-81, 1984-85, 1989-90, 1991-2002, 2003-04, 2005-08	Tribunal	15.16
	1985-87, 1988-89, 1998-2008	Commissioner	83.09
	1975-76, 1977-79,1983-87, 1988-89 to 2008-09	Deputy Commissioner	312.55
	1973-74,1980-81,1983-84 to 1997-98, 2000-01 to 2009-11	Assistant Commissioner	69.32
Cess on royalty, education, welfare etc.	1956-94, 1999-2002, 2003-06, 2007-2011	High Court	7.66

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued unsecured debentures, which did not require creation of any charge or security.
- (xvii) The Management has disclosed the end use of money raised by public issues in Note 9 of Schedule M of the financial statement, which has been verified by us.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants,
(Registration No.117366W)

P. R. RAMESH
Partner.
(Membership No.: 70928)

Mumbai, 25th May, 2011

Balance Sheet as at 31st March, 2011

Schedule	Page		₹ crores	₹ crores	As at 31-03-2010 ₹ crores
		FUNDS EMPLOYED :			
A	141	1. a. SHARE CAPITAL	959.41		887.41
		b. SHARE WARRANTS (See Note 9(b), Page 160)	178.20		—
				1,137.61	887.41
B	142	2. RESERVES AND SURPLUS		45,807.02	36,074.39
		3. TOTAL SHAREHOLDERS' FUNDS		46,944.63	36,961.80
		4. HYBRID PERPETUAL SECURITIES (See Note 9(c), Page 160)....		1,500.00	—
		5. LOANS			
C	143	a. Secured	2,009.20		2,259.32
D	144	b. Unsecured	26,291.94		22,979.88
		c. Total Loans.....		28,301.14	25,239.20
		6. DEFERRED TAX LIABILITY (NET) (See Note 15, Page 175)		936.80	867.67
		7. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (See Note 8(c), Page 159).....		—	206.95
		8. PROVISION FOR EMPLOYEE SEPARATION COMPENSATION (See Note 8(a), Page 159).....		873.34	957.16
		9. TOTAL FUNDS EMPLOYED		78,555.91	64,232.78
		APPLICATION OF FUNDS :			
E	145	10. FIXED ASSETS			
		a. Gross Block.....	29,815.64		26,149.66
		b. Less — Impairment	126.30		106.07
		c. Less — Depreciation.....	10,914.86		10,037.56
		d. Net Block		18,774.48	16,006.03
F	147	11. INVESTMENTS		46,564.94	44,979.67
		12. A. CURRENT ASSETS			
		a. Stores and spare parts	716.18		623.76
G	152	b. Stock-in-trade	3,237.58		2,453.99
H	152	c. Sundry debtors	428.03		434.83
I	153	d. Cash and Bank balances	4,141.54		3,234.14
			8,523.33		6,746.72
J	153	B. LOANS AND ADVANCES	15,688.97		5,503.89
			24,212.30		12,250.61
		13. Less : CURRENT LIABILITIES AND PROVISIONS			
K	154	A. Current Liabilities	7,447.83		6,657.01
L	155	B. Provisions	3,547.98		2,346.52
			10,995.81		9,003.53
		14. NET CURRENT ASSETS		13,216.49	3,247.08
		15. TOTAL ASSETS (Net)		78,555.91	64,232.78
		Contingent Liabilities (See Note 2, Page 157)			
M	156	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA

Chairman

B MUTHURAMAN

Vice Chairman

NUSLI N WADIA

JAMSHED J IRANI

S M PALIA

ISHAAT HUSSAIN

SUBODH BHARGAVA

JACOBUS SCHRAVEN

ANDREW ROBB

KARL-ULRICH KOEHLER

Directors

H M NERURKAR

Managing Director

Profit and Loss Account for the year ended 31st March, 2011

Schedule	Page		₹ crores	₹ crores	Previous Year ₹ crores
		INCOME :			
1	138	1. SALES AND OTHER OPERATING INCOME		31,902.14	26,757.80
		Less — Excise Duty		<u>2,505.79</u>	<u>1,735.82</u>
				29,396.35	25,021.98
2	138	2. OTHER INCOME		<u>790.67</u>	<u>853.79</u>
				30,187.02	25,875.77
		EXPENDITURE :			
4	139	3. MANUFACTURING AND OTHER EXPENSES	18,162.27		16,396.00
		4. DEPRECIATION	<u>1,146.19</u>		<u>1,083.18</u>
			19,308.46		17,479.18
		5. Less — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS	<u>198.78</u>		<u>326.11</u>
			19,109.68		17,153.07
3	138	6. NET FINANCE CHARGES	<u>1,300.49</u>		<u>1,508.40</u>
		7. TOTAL EXPENDITURE		20,410.17	18,661.47
		PROFIT BEFORE TAXES		9,776.85	7,214.30
		8. TAXES			
		a. CURRENT TAX	2,857.00		1,998.00
		b. DEFERRED TAX (See Note 15, Page 175)	<u>54.16</u>		<u>169.50</u>
				2,911.16	2,167.50
		PROFIT AFTER TAXES		6,865.69	5,046.80
		9. DISTRIBUTION ON HYBRID PERPETUAL SECURITIES [net of tax of ₹ 2.25 crores (2009-10: Nil)]		<u>4.54</u>	—
				6,861.15	5,046.80
		10. BALANCE BROUGHT FORWARD FROM LAST YEAR		12,772.65	9,496.70
		BALANCE BROUGHT FORWARD – Hooghly Met Coke and Power Company Ltd. on amalgamation		—	<u>12.28</u>
		AMOUNT AVAILABLE FOR APPROPRIATIONS		19,633.80	14,555.78
		11. APPROPRIATIONS :			
		a. PROPOSED DIVIDENDS	1,151.06		709.77
		(Details as per Directors' Report, Page 64)			
		b. DIVIDEND ON CUMULATIVE CONVERTIBLE PREFERENCE SHARES	—		45.88
		c. TAX ON DIVIDENDS	<u>156.71</u>		<u>122.80</u>
			1,307.77		878.45
		d. GENERAL RESERVE	686.57		504.68
		e. DEBENTURE REDEMPTION RESERVE	<u>1,000.00</u>		<u>400.00</u>
				2,994.34	1,783.13
		BALANCE CARRIED TO BALANCE SHEET		16,639.46	12,772.65
		Basic Earnings per Share ₹ (See Note 14, Page 174)		75.63	60.26
		Diluted Earnings per Share ₹ (See Note 14, Page 174)		70.99	57.31
M	156	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	}
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	Directors
KARL-ULRICH KOEHLER	
H M NERURKAR	Managing Director

Cash Flow Statement for the year ended 31st March, 2011

	Year Ended 31-03-2011 ₹ crores	Year Ended 31-03-2010 ₹ crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	9,776.85	7,214.30
Adjustments for :		
Depreciation	1,146.19	1,083.18
(Profit)/Loss on sale of Assets/Discarded Assets written off	0.62	(7.75)
(Profit)/Loss on sale of other investments	(648.09)	(628.39)
Impairment of Assets	20.23	5.60
(Gain)/Loss on cancellation of forward covers/ swaps/options	(50.54)	31.03
Interest and income from current investments	(385.78)	(339.79)
Income from other investments	(92.66)	(248.68)
Interest charged to Profit and Loss Account	1,686.27	1,848.19
Provision for Wealth Tax	1.28	1.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	(275.05)	11.13
Amortisation of long term loan expenses	49.43	79.52
	<u>1,451.90</u>	<u>1,835.04</u>
Operating Profit before Working Capital Changes	11,228.75	9,049.34
Adjustments for :		
Trade and Other Receivables	(103.01)	434.30
Inventories	(876.01)	413.42
Trade Payables and Other Liabilities	1,163.27	551.65
	<u>184.25</u>	<u>1,399.37</u>
Cash Generated from Operations	11,413.00	10,448.71
Direct Taxes paid	(2,870.28)	(2,079.49)
Net Cash from Operating Activities	<u>8,542.72</u>	<u>8,369.22</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(4,321.85)	(2,102.04)
Sale of fixed assets	387.42	78.34
Purchase of investments	(97,469.30)	(1,89,929.81)
Purchase of investments in Subsidiaries	(5,312.05)	(5,811.84)
Sale of investments	96,878.80	1,92,326.96
Inter-corporate deposits/Shareholder Loan (net)	(3,707.39)	(121.68)
Interest and income from current investments received	163.58	56.55
Dividend received	92.66	248.68
Net Cash used in Investing Activities	<u>(13,288.13)</u>	<u>(5,254.84)</u>

Cash Flow Statement for the year ended 31st March, 2011

	Year Ended 31-03-2011 ₹ crores	Year Ended 31-03-2010 ₹ crores
C. Cash Flow from Financing Activities :		
Issue of Equity Capital	4,368.01	2,421.50
Issue of Share Warrants	178.20	-
Capital contribution received	0.33	1.76
Proceeds from Hybrid Perpetual Securities	1,500.00	-
Proceeds from borrowings	6,412.04	6,457.36
Repayment of borrowings	(4,257.64)	(7,047.78)
Amount received/(paid) on cancellation of forward covers/swaps/options	34.61	(30.82)
Long term loan expenses	(264.84)	(278.79)
Interest paid	(1,609.95)	(1,678.44)
Dividend paid	(707.95)	(1,317.92)
Net Cash from Financing Activities	5,652.81	(1,473.13)
Net increase/(decrease) in Cash or Cash equivalents (A+B+C)	907.40	1,641.25
Opening Cash and Cash equivalents [See Schedule I, Page 153]	3,234.14	1,592.89
Closing Cash and Cash equivalents [See Schedule I, Page 153]	(iv) 4,141.54	(iv) 3,234.14

- Notes :**
- (i) Figures in brackets represent outflows.
 - (ii) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 81.77 crores (31.03.2010 : ₹ 127.71 crores).
 - (iii) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments ₹ 5,307.34 crores (31.03.2010 : ₹ 1,423.93 crores). The application money during the current period includes ₹ 161.18 crores (31.03.2010 : ₹ 1,193.35 crores) by way of transfer of assets under construction to a subsidiary.
 - (iv) Includes ₹ 0.61 crores (31.03.2010 : ₹ 0.14 crores) refund orders issued on account of over subscription of Rights Issue of Equity Shares not encashed as on 31st March, 2011 and ₹ 41.26 crores (31.03.2010 : ₹ 39.44 crores) in pre-funded dividend accounts.
 - (v) Previous year figures have been recast/restated wherever necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	} Directors
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	
KARL-ULRICH KOEHLER	
H M NERURKAR	Managing Director

Schedules forming part of the profit and loss account

SCHEDULE 1 : SALES AND OTHER OPERATING INCOME :—

(Item No. 1, Page 135)

	₹ crores	₹ crores	Previous Year ₹ crores
(a) Sale of products		30,747.57	25,755.52
(b) Sale of power and water.....		795.90	656.80
(c) Income from town, medical and other services.....		35.82	40.32
(d) Other operating income..... [Including lease rentals of ₹ 0.20 crore (2009-10 : ₹ 0.20 crore) on Wagons leased to Railways under Own Your Wagon Scheme]		322.85	305.16
		31,902.14	26,757.80

SCHEDULE 2 : OTHER INCOME :—

(Item No. 2, Page 135)

	₹ crores	₹ crores	Previous Year ₹ crores
(a) Income from Investments			
(i) Trade investments	82.98		57.58
(ii) Investments in subsidiary companies	<u>9.68</u>		<u>191.10</u>
		92.66	248.68
(b) Profit on sale/redemption of other investments		648.09	628.39
(c) Profit on sale of capital assets (net of loss on assets sold/scrapped/written off).....		(0.62)	7.75
(d) Gain/(loss) from cancellation of forward covers/swaps/options		50.54	(31.03)
		790.67	853.79

SCHEDULE 3 : NET FINANCE CHARGES:—

(Item No. 6, Page 135)

	₹ crores	₹ crores	Previous Year ₹ crores
1. Interest on			
(i) Debentures and Fixed Loans	1,712.20		1,946.98
(ii) Others	<u>55.84</u>		<u>28.92</u>
		1,768.04	1,975.90
Less - Interest capitalised		81.77	127.71
		1,686.27	1,848.19
2. Less - (i) Interest received on sundry advances, deposits, customers' balances etc. [Gross, inclusive of tax deducted at source ₹ 18.09 crores (2009-10 : ₹ 9.80 crores)].....		234.97	82.18
(ii) Income from current investments		0.08	0.53
(iii) Profit/(loss) on sale of current investments.....		150.73	257.08
		1,300.49	1,508.40

Schedules forming part of the profit and loss account

SCHEDULE 4 : MANUFACTURING AND OTHER EXPENSES :— (Item No. 3, Page 135)

	₹ crores	₹ crores	Previous Year ₹ crores
1. PURCHASE OF FINISHED, SEMI-FINISHED STEEL AND OTHER PRODUCTS		180.20	169.08
2. RAW MATERIALS CONSUMED		6,244.01	5,494.74
3. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES :			
(a) Wages and salaries, including bonus.....	2,126.33		2,074.25
(b) Company's contributions to provident and other funds	491.94		287.23
		2,618.27	2,361.48
4. OPERATION AND OTHER EXPENSES :			
(a) Stores and spares consumed	1,430.88		1,335.36
(b) Fuel oil consumed	153.63		115.16
(c) Repairs to buildings	39.84		29.84
(d) Repairs to machinery	1,066.37		978.93
(e) Relining expenses	30.89		32.45
(f) Conversion charges	1,192.89		1,132.79
(g) Purchase of power	1,404.86		1,268.28
(h) Rent	16.76		15.54
(i) Royalty	615.01		275.72
(j) Rates and taxes	290.73		236.91
(k) Insurance charges	33.09		24.63
(l) Commission, discounts and rebates	109.36		82.17
(m) Provision for wealth tax	1.28		1.00
(n) Other expenses	1,270.00		1,284.55
		7,655.59	6,813.33
5. FREIGHT AND HANDLING CHARGES		1,540.82	1,357.27
6. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES		8.23	(16.00)
7. EXCISE DUTY		88.80	81.13
		18,335.92	16,261.03
8. ACCRETION/(REDUCTION) IN STOCKS OF FINISHED AND SEMI-FINISHED PRODUCTS AND WORK-IN-PROGRESS (DEDUCTED)/ADDED:			
(a) Opening Stock.....	1,300.05		1,435.02
(b) Less – Closing Stock.....	1,473.70		1,300.05
		(173.65)	134.97
		18,162.27	16,396.00

Notes to Schedule 4 (Page 139)

	₹ crores	Previous Year ₹ crores
Item 2		
Raw materials consumed excludes amounts charged to wages & salaries and other revenue accounts	1,421.14	1,108.73
Item 4 (a)		
Stores and spares consumed (including write-off of obsolete spares, if any) exclude cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts	172.75	135.30
Item 4 (c)		
Repairs to buildings exclude amounts charged to wages & salaries and other revenue accounts	7.17	6.02
Item 4 (d)		
Repairs to machinery exclude amounts charged to wages & salaries and other revenue accounts	335.93	288.80
Item 4 (l)		
Commission, discounts and rebates include —		
(1) Commission paid to selling agents	16.59	15.27
(2) Consignment agency handling charges	83.52	61.43
(3) Discounts	9.24	5.47
Item 4 (n)		
Other expenses include —		
(1) Provision for diminution in value of investments	—	—
(2) Exchange (Gain)/Loss (net)	(259.15)	(47.30)
(3) Donation to Electoral Trust	—	3.50
(4) Fees and out-of-pocket expenses paid/payable to Auditors :	₹	₹
(i) For services as Auditors	3,05,00,000	2,41,00,000
(ii) For other services (excluding ₹ 1,25,00,000 being expenses related to the public issue adjusted against the Securities Premium Account)	84,92,231	92,19,400
(iii) Reimbursement of travelling and out-of-pocket expenses	1,12,601	1,10,371
(iv) For Branch Audit	3,11,909	2,98,980
(5) Cost Audit Fees [including expenses ₹ 41,248 (2009-10 : ₹ 55,897)]	1,21,548	1,35,797
Managerial Remuneration		
Managerial Remuneration for Managing Director, other Whole-time Directors and Non Whole-time Directors	₹ crores	₹ crores
(a) Salaries (including Company's contribution to Provident and Superannuation fund)	0.99	1.59
(b) Commission	10.25	5.00
(c) Perquisites	0.42	0.43
(d) Sitting Fees	0.30	0.38
	11.96	7.40
<i>Note :</i>		
In addition, the Managing Director is entitled to free supply of water and use of medical facilities at the Company's hospital at Jamshedpur. The above figures do not include contribution to Gratuity Fund, as separate figure is not available for the Managing Director and other Whole time Directors. The above figures do not include the retirement benefits and other remunerations of ₹ 2.19 crores (2009-10 : ₹ 4.61 crores) relating to the former Managing Director and Whole-time Directors and ₹ Nil (2009-10 : ₹ 1.15 crores) paid to a Whole-time Director relating to the period prior to his becoming a Director.		
COMPUTATION OF NET PROFIT IN ACCORDANCE WITH SECTION 309(5) OF THE COMPANIES ACT, 1956.		
	₹ crores	₹ crores
Profit before taxes	9,776.85	7,214.30
Add —		
(a) Managerial remuneration	11.96	7.40
(b) Provision for bad & doubtful debts and advances	8.23	(16.00)
(c) Provision for wealth tax	1.28	1.00
	9,798.32	7,206.70
Deduct —		
(a) Bad debts written off (net of recoveries)	9.33	14.34
(b) Profit on sale/redemption of Investments	798.82	885.47
(c) Capital profit on sale of fixed assets	10.41	—
(d) Distribution on Hybrid Perpetual Securities (pre-tax)	6.79	—
	825.35	899.81
Net profit as per Section 309(5)	8,972.97	6,306.89
Commission :	₹	₹
(a) Whole-time Directors	2,75,00,000	5,00,00,000
(b) Non Whole-time Directors — 1% of the net profits : ₹ 89.73 crores (2009-10 : ₹ 63.07 crores) restricted to	7,50,00,000	—
	10,25,00,000	5,00,00,000

Schedules forming part of the balance sheet

SCHEDULE A : SHARE CAPITAL :— (Item No. 1(a), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
Authorised :		
1,75,00,00,000 Ordinary Shares of ₹ 10 each (31.03.2010: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)	1,750.00	1,750.00
35,00,00,000 "A" Ordinary Shares of ₹ 10 each (31.03.2010 : Nil)	350.00	—
2,50,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each (31.03.2010 : 2,50,00,000 Shares of ₹ 100 each)	250.00	250.00
60,00,00,000 Cumulative Convertible Preference Shares of ₹ 100 each (31.03.2010: 60,00,00,000 Shares of ₹ 100 each)	6,000.00	6,000.00
	8,350.00	8,000.00
Issued :		
96,01,26,020 Ordinary Shares of ₹ 10 each (31.03.2010 : 88,81,26,020 Ordinary Shares of ₹ 10 each)	960.13	888.13
Subscribed:		
95,92,14,450 Ordinary Shares of ₹ 10 each fully paid up (31.03.2010 : 88,72,14,196 Ordinary Shares of ₹ 10 each)	959.21	887.21
<i>Add — Amount paid up on 3,89,516 Ordinary Shares forfeited (31.03.2010 : 3,89,516 Shares of ₹ 10 each).....</i>	0.20	0.20
	959.41	887.41

1. Of the 95,92,14,450 Ordinary Shares :

- (a) 95,63,300 shares represent after sub-division 9,56,330 shares (including 9,35,000 shares issued pursuant to the Scheme of Arrangement for the conversion of Deferred Shares into Ordinary Shares and the issue of additional fully paid shares) of the face value of ₹ 75 per share which were issued as fully paid up pursuant to contracts for consideration other than cash. The nominal value of these 9,56,330 shares was increased from ₹ 75 to ₹ 100 each with effect from 1.01.1977.
- (b) 1,98,12,460 shares represent after sub-division 19,81,246 shares of the face value of ₹ 75 per share which were issued as fully paid bonus shares by utilisation of ₹ 3,81,44,470 from Share Premium Account and ₹ 11,04,48,980 from General Reserve. The nominal value of these 19,81,246 shares was increased from ₹ 75 to ₹ 100 each with effect from 1.01.1977.
- (c) 5,14,40,270 shares represent after sub-division 51,44,027 Ordinary Shares whose face value was increased during the year 1976-77 from ₹ 75 to ₹ 100 per share by utilisation of ₹ 49,760 from Share Premium Account and ₹ 12,85,50,915 from General Reserve.
- (d) 2,05,76,110 shares represent after sub-division 20,57,611 shares of the face value of ₹ 100 per share which were issued as fully paid bonus shares by utilisation of ₹ 20,57,61,100 from General Reserve.
- (e) 7,21,530 shares represent after sub-division 72,153 shares of the face value of ₹ 100 per share which were issued as fully paid up to the shareholders of the erstwhile Indian Tube Company Limited on its amalgamation with the Company, for consideration other than cash.
- (f) 3,30,51,470 shares represent after sub-division 33,05,147 shares of the face value of ₹ 100 per share which were issued as fully paid bonus shares by utilisation of ₹ 33,05,14,700 from General Reserve.
- (g) 12,10,003 shares of the face value of ₹ 10 per share were issued as fully paid up to the shareholders of the erstwhile Tata SSL Ltd. on its amalgamation with the Company, for consideration other than cash.
- (h) 18,44,90,952 shares of face value of ₹ 10 per share were issued as fully paid bonus shares by utilisation of ₹ 1,84,49,09,520 from Securities Premium Account during the year 2004-05.
- (i) 2,70,00,000 shares of face value of ₹ 10 per share issued to Tata Sons Limited on a preferential basis during the year 2006-07.
- (j) 2,85,00,000 shares of face value of ₹ 10 per share allotted to Tata Sons Limited on a preferential basis during the year 2007-08.
- (k) 12,16,11,464 shares of face value of ₹ 10 per share allotted at a premium of ₹ 290 per share to the shareholders on Rights basis during the year 2007-08.
- (l) 8,151 shares of face value of ₹ 10 per share allotted on Rights basis at a premium of ₹ 290 per share during 2008-09 to the shareholders whose shares were kept in abeyance in the Rights issue made in 2007, leaving a balance of 1,74,956 shares being kept in abeyance.
- (m) 9,12,11,001 shares of face value of ₹ 10 per share allotted at a premium of ₹ 590 per share to holders of CCPS in the ratio of 6:1 on 1st September, 2009, on conversion.
- (n) 135 shares of face value of ₹ 10 per share allotted on rights basis at a premium of ₹ 290 per share during 2009-10 to shareholders whose shares were kept in abeyance in the Rights issue made in 2007. Post the conversion of CCPS, total 3,08,063 shares are kept in abeyance.
- (o) 6,54,10,589 shares of face value of ₹ 10 per share represent the shares underlying GDRs. Each GDR represents one underlying ordinary share.
- (p) 1,50,00,000 Ordinary Shares of face value of ₹ 10 per share issued to Tata Sons Limited on Preferential basis during the year 2010-11.
- (q) 5,70,00,000 Ordinary Shares of face value of ₹ 10 per share allotted on 29th January, 2011 at a premium of ₹ 600 per share in the Follow-on Public Offer vide Prospectus dated 25th January, 2011.
- (r) 1) 146 Ordinary Shares of face value of ₹ 10 per share allotted on rights basis at a premium of ₹ 290 per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.
- 2) 108 Ordinary Shares of face value of ₹ 10 per share allotted at a premium of ₹ 590 per share to holders of CCPS in the ratio of 6:1 on conversion whose shares were kept in abeyance in the Rights issue made in 2007. The balance Ordinary shares kept in abeyance are 3,07,807.

Schedules forming part of the balance sheet
SCHEDULE B : RESERVES AND SURPLUS :—

(Item No. 2, Page 134)

	₹ crores	₹ crores	As at 31-03-2010 ₹ crores
(a) SECURITIES PREMIUM ACCOUNT :			
Balance as per last account	14,032.80		6,112.92
Add — Amount received on conversion of CCPS	0.01		5,381.45
Add — Amount received on issue of GDR's	—		2,356.08
Add — Amount received on Public Issue of equity shares.....	3,420.00		—
Add — Amount received on Preferential Issue of equity shares.....	876.00		—
Add /(Less) — Expenses related to CARS/NCD/GDR/Hybrid Securities/ Preferential and Public Issue of equity shares.....	(115.02)		12.98
Add /(Less)— Premium on CARS	(2.07)		169.37
		18,211.72	14,032.80
(b) AMALGAMATION RESERVE :			
Balance as per last account	0.43		1.12
Less — Adjustment on account of amalgamation of Hooghly Met Coke and Power Company Ltd.	—		(0.69)
		0.43	0.43
(c) DEBENTURE REDEMPTION RESERVE :			
Balance as per last account	1,046.00		646.00
Add — Amount transferred from Profit and Loss Account	1,000.00		400.00
		2,046.00	1,046.00
(d) CAPITAL REDEMPTION RESERVE :			
Balance as per last account		0.83	0.83
(e) CAPITAL RESERVE :			
Balance as per last account		1.49	1.49
(f) GENERAL RESERVE :			
Balance as per last account	8,060.49		7,555.81
Add — Amount transferred from Profit and Loss Account	686.57		504.68
		8,747.06	8,060.49
(g) EXPORT PROFITS RESERVE :			
Balance as per last account		1.25	1.25
(h) FOREIGN EXCHANGE FLUCTUATION RESERVE :			
Balance as per last account		14.00	14.00
(i) CONTRIBUTIONS FOR CAPITAL EXPENDITURE :			
Balance as per last account	44.41		42.65
Add — Received during the year	0.33		1.76
		44.74	44.41
(j) CONTINGENCY RESERVE :			
Balance as per last account		100.00	100.00
(k) DEBENTURE FORFEITURE RESERVE :			
Balance as per last account		0.04	0.04
(l) PROFIT AND LOSS ACCOUNT :			
Balance carried forward		16,639.46	12,772.65
		45,807.02	36,074.39

Schedules forming part of the balance sheet

SCHEDULE C : SECURED LOANS :— (Item No. 5(a), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Joint Plant Committee-Steel Development Fund [including funded interest ₹ 280.06 crores (31.03.2010 : ₹ 251.11 crores)].....	1,860.05	1,805.54
(b) Term Loan from State Bank of India	—	453.76
(c) Cash Credit/Packing Credit from Banks		
(i) State Bank of India.....	—	—
(ii) Others	149.13	—
Borrowing from State Bank of India and Other Banks under items c(i) & c(ii) above are secured by hypothecation of stocks, stores and book debts, ranking in priority to the floating charge under items (a) to (b) hereof.		
(d) Government of India		
(i) for constructing a hostel for trainees at Jamshedpur.....	0.01	0.01
(ii) for setting up a dispensary and a clinic at Collieries	0.01	0.01
Secured respectively by a first mortgage on the lands together with the buildings for hostel and dispensary and clinic constructed thereon.		
	<u>2,009.20</u>	<u>2,259.32</u>

Loan from the Joint Plant Committee-Steel Development Fund [Item (a) above] is secured by mortgages, ranking *pari passu inter se*, on all present and future fixed assets, excluding land and buildings mortgaged in favour of Government of India under item (d) hereof, land and buildings, plant and machinery and movables of the Tubes Division and the Bearings Division mortgaged in favour of the financial institutions and banks, assets of the Ferro Alloys Plant at Barnipal mortgaged in favour of State Bank of India and assets of Cold Rolling Complex (West) at Tarapur and a floating charge on other properties and assets (excluding investments) of the Company, subject to the prior floating charge in favour of State Bank of India and other banks under items c(i) and c(ii) hereof.

Loan from the Joint Plant Committee-Steel Development Fund included in item (a) above is not secured by charge on movable assets of the Company and includes ₹ 1,317.49 crores (31.03.2010: ₹ 1,202.54 crores) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction.

Schedules forming part of the balance sheet
SCHEDULE D : UNSECURED LOANS :—

(Item No. 5(b), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Fixed Deposits	0.23	0.94
(b) Housing Development Finance Corporation Ltd.	0.22	1.20
(c) Privately Placed Non-convertible Debentures	8,474.62	5,400.90
(d) JPY Syndicated ECB Loan – US \$ 495 million equivalent*	2,527.60	2,820.15
(e) JPY Syndicated Standard Chartered Bank Loan – US \$ 750 million equivalent*	4,819.44	4,301.79
(f) Standard Chartered Bank Loan – GBP 100 million*	717.02	204.67
(g) Standard Chartered Bank Loan – USD 335 million*	1,493.93	–
(h) Credit Agricole CIB & BNP Paribas - Euro 10 million*	67.08	–
(i) Canara Bank, London ECB Loan US \$ 5 million equivalent*	17.84	22.46
(j) Euro Hermes Loan from Deutsche Bank, Frankfurt*	43.02	44.44
(k) Euro Sace Loan from Deutsche Bank, Frankfurt*	237.92	256.45
(l) 1% Convertible Alternative Reference Securities*	2,101.16	2,116.83
(m) 4.50% Foreign Currency Convertible Bonds (2014)*	2,439.06	2,457.24
(n) Term loan from SBI	2,500.00	3,500.00
(o) Term loan from Axis Bank.....	–	1,000.00
(p) Term loan from HDFC	650.00	650.00
(q) Term loan from IDFC	199.00	199.00
(r) Interest free loans under Sales Tax Deferral Scheme	3.80	3.81
	26,291.94	22,979.88

Note : Amounts repayable within one year ₹ 3,652.95 crores (31.03.2010 : ₹ 1,604.20 crores).

* Repayable in foreign currency.

Schedules forming part of the balance sheet

SCHEDULE E : FIXED ASSETS :— (Item No. 10, Page 134)

₹ crores

Fixed Assets	Land and Roads	Buildings (3)	Lease-hold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property	Vehicles	Intangibles	Total
Gross Block as at 1.04.2010	345.07	1,168.03	191.14	169.70	19,725.07	121.59	370.58	135.84	79.05	22,306.07
	281.08	1,064.11	117.91	158.26	17,701.77	113.31	361.64	185.98	72.95	20,057.01
Additions on amalgamation	—	—	—	—	—	—	—	—	—	—
	—	15.45	69.17	6.13	782.27	1.02	—	0.39	—	874.43
Additions during the year ^{(1) & (4)}	94.95	8.01	1.70	20.64	469.39	13.32	170.28	63.22	1.24	842.75
	63.99	90.31	7.48	5.31	1,279.70	8.73	8.94	25.17	6.10	1,495.73
Deductions during the year ⁽²⁾	—	0.93	—	—	293.77	2.06	—	5.60	0.20	302.56
	—	1.84	3.42	—	38.67	1.47	—	75.70	—	121.10
	440.02	1,175.11	192.84	190.34	19,900.69	132.85	540.86	193.46	80.09	22,846.26
	345.07	1,168.03	191.14	169.70	19,725.07	121.59	370.58	135.84	79.05	22,306.07
Capital Work-in-progress [including advances for capital expenditure ₹ 1,284.12 crores (31.03.2010 : ₹ 1,043.33 crores)]										6,969.38
										<u>3,843.59</u>
Gross Block as at 31.03.2011										29,815.64
										<u>26,149.66</u>
Impaired Assets as at 1.04.2010	104.82	1.25	—	—	—	—	—	—	—	106.07
	99.22	1.25	—	—	—	—	—	—	—	100.47
Impairment during the year	20.23	—	—	—	—	—	—	—	—	20.23
	5.60	—	—	—	—	—	—	—	—	5.60
Impairment reversed during the year	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Impaired Assets as at 31.03.2011	125.05	1.25	—	—	—	—	—	—	—	126.30
	104.82	1.25	—	—	—	—	—	—	—	106.07
Accumulated Depreciation upto 1.04.2010	21.21	347.77	9.78	78.21	9,113.98	95.06	233.94	80.26	57.35	10,037.56
	17.30	319.13	5.66	70.46	8,118.61	82.49	206.31	91.76	50.28	8,962.00
Additions on amalgamation	—	—	—	—	—	—	—	—	—	—
	—	0.34	1.99	0.27	39.98	0.26	—	0.05	—	42.89
Depreciation during the year	4.26	32.58	2.28	7.95	1,010.09	19.68	50.03	12.01	7.31	1,146.19
	3.91	28.66	2.24	7.48	979.89	13.69	27.63	12.61	7.07	1,083.18
Depreciation on assets written off during the year (including adjustments for transfers)	—	0.47	—	—	261.25	2.03	—	4.94	0.20	268.89
	—	0.36	0.11	—	24.50	1.38	—	24.16	—	50.51
Accumulated Depreciation upto 31.03.2011	25.47	379.88	12.06	86.16	9,862.82	112.71	283.97	87.33	64.46	10,914.86
	21.21	347.77	9.78	78.21	9,113.98	95.06	233.94	80.26	57.35	10,037.56
Total Accumulated Depreciation & Impairment upto 31.03.2011	150.52	381.13	12.06	86.16	9,862.82	112.71	283.97	87.33	64.46	11,041.16
	126.03	349.02	9.78	78.21	9,113.98	95.06	233.94	80.26	57.35	10,143.63
	289.50	793.98	180.78	104.18	10,037.87	20.14	256.89	106.13	15.63	11,805.10
	219.04	819.01	181.36	91.49	10,611.09	26.53	136.64	55.58	21.70	12,162.44
Capital Work-in-progress [including advances for capital expenditure ₹ 1,284.12 crores (31.03.2010 : ₹ 1,043.33 crores)]										6,969.38
										<u>3,843.59</u>
Net Block as at 31.03.2011										18,774.48
										<u>16,006.03</u>

(1) Additions include adjustments for inter se transfers.

(2) Deductions includes cost of assets scrapped/surrendered during the year.

(3) Buildings include ₹ 2.32 crores (31.03.2010 : ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies & Limited Companies.

(4) Rupee Liability has increased by a net amount of ₹ 1.06 crores (2009-10: net decrease by ₹ 36.05 crores) arising out of realignment of the value of foreign currency loans for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current period has increased by ₹ 0.06 crores (2009-10 : decrease ₹ 2.00 crores) arising on account of this adjustment.

(5) Centennial Steel Company Ltd. (CSCL), a wholly-owned subsidiary of the company, was formed for the purpose of constructing and owning a part of the facilities coming under 3 million tonnes expansion programme at Jamshedpur. During the period, the company has transferred capital work-in-progress of ₹ 447.87 crores (2009-10: ₹ 1,640.82 crores) which includes ₹ 161.18 crores towards equity contribution in CSCL and ₹ 286.69 crores as other advances. The balance shown under capital work-in-progress as at 31st March, 2011 is net of the above transfer of CSCL.

Schedules forming part of the balance sheet
SCHEDULE E : FIXED ASSETS :— continued
 (Item No. 10, Page 134)

₹ crores

6. Fixed Assets Schedule includes the capital cost of in-house research recognised facility as under:-

Fixed Assets	Land and Roads	Buildings	Lease-hold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property	Vehicles	Intangibles	Total
Gross Block as on 01.04.2010	—	0.02	—	—	38.10	1.68	—	0.03	—	39.83
	—	<i>0.02</i>	—	—	<i>36.52</i>	<i>1.49</i>	—	<i>0.03</i>	—	<i>38.06</i>
Additions during the year	—	—	—	—	0.22	0.16	—	—	—	0.38
Previous year	—	—	—	—	<i>1.69</i>	<i>0.26</i>	—	—	—	<i>1.95</i>
Deductions during the year	—	—	—	—	0.03	0.01	—	—	—	0.04
Previous year	—	—	—	—	<i>0.11</i>	<i>0.07</i>	—	—	—	<i>0.18</i>
Capital work-in-progress [including advances for capital expenditure ₹ 1.61 crores (31.03.2010: ₹ 0.47 crores)]	—	—	—	—	—	—	—	—	—	7.25
	—	—	—	—	—	—	—	—	—	<i>1.67</i>
Gross Block as at 31.03.2011	—	0.02	—	—	38.29	1.83	—	0.03	—	47.42
	—	<i>0.02</i>	—	—	<i>38.10</i>	<i>1.68</i>	—	<i>0.03</i>	—	<i>41.50</i>

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— (Item No. 11, Page 134)

	No. of equity shares of Face Value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	₹ crores	As at 31-03-2010	
				₹ crores	₹ crores
A. LONG TERM INVESTMENTS (At Cost less provision for diminution in value)					
Trade Investments :					
SHARES AND DEBENTURES (Quoted) —					
1. Tata Motors Ltd.	2,95,62,139	261.43		302.68	
(46,64,000 shares sold during the year)					
2. The Tinplate Company of India Ltd.	3,08,61,099	128.61		128.61	
3. The Tinplate Company of India Ltd. -	1,72,46,968	172.48		172.48	
Fully Convertible Debentures					
4. TRF Ltd.	35,85,428	4.38		4.67	
(2,41,200 shares sold during the year)					
5. Kumardhubi Fireclay and Silica Works Ltd.	1,50,001	—		—	
(Book Value : ₹ 1)					
6. Tata Construction and Projects Ltd. (Book Value : ₹ 1).....	5,61,335	—		—	
7. Indian Steel Rolling Mills Ltd. (Book Value : ₹ 1)	3,30,315	—		—	
8. Wellman Incandescent India Ltd. (Book Value : ₹ 1).....	8,99,100	—		—	
9. Sanderson Industries Ltd. (Book Value : ₹ 1).....	2,27,642	—		—	
10. Tata Sponge Iron Ltd.	61,19,960	7.20		7.20	
11. Tata Construction & Projects Ltd. - 10% Convertible Debentures	43,000	—		—	
of ₹ 100 each (Non-Convertible Portion) (Book Value: ₹ 1)					
12. Standard Chrome Ltd. (Book Value : ₹ 1)	5,58,000	—		—	
13. The Tata Power Company Ltd.	17,31,818	30.48		60.40	
(17,00,000 shares sold during the year)					
14. Housing Development Finance Corporation Ltd.	7,900	0.01		0.01	
(Sub-division of face value from ₹ 10 to ₹ 2; Received 5 shares of ₹ 2 for every 1 share of ₹ 10)					
15. Others ₹ 40,272 (31.03.2010: ₹ 40,272)		0.01		0.01	
(See Note 3, Page 149)					
			604.60	676.06	
SHARES AND DEBENTURES (Unquoted)					
16. Kumardhubi Metal Casting and Engineering Ltd.					
(Book Value : ₹ 1).....	10,70,000	—		—	
17. Tata Industries Ltd. (Face value of ₹ 100 each).....	84,42,582	149.62		72.23	
(28,14,194 shares subscribed during the year)					
18. Tata Services Ltd. (Face value of ₹ 1,000 each).....	1,621	0.16		0.16	
19. Tata International Ltd. (Face value of ₹ 1,000 each).....	3,740	0.49		0.49	
20. Tata Projects Ltd. (Face value of ₹ 100 each).....	90,000	0.18		0.18	
21. IFCI Venture Capital Funds Ltd.	1,00,000	0.10		0.10	
22. Kalinga Aquatics Ltd. (Book Value : ₹ 1).....	10,49,920	—		—	
23. Jamipol Ltd.	31,75,000	3.18		3.18	
24. mjunction Services Ltd.	40,00,000	4.00		4.00	
25. Tata Teleservices Ltd.	6,31,53,638	134.06		134.06	
26. The Tinplate Company of India Ltd. – 8.5% Optionally Convertible Redeemable Non-Cumulative.....	1,09,90,000	108.17*		108.17*	
Preference Shares (Face value of ₹ 100 each)					
27. Nicco Jubilee Park Ltd. (Book Value : ₹ 1).....	3,40,000	—		—	
28. The Dhamra Port Company Ltd.	32,40,00,000	324.00		246.50	
(7,75,00,000 shares subscribed during the year; 3,95,25,000 shares pledged during the year)					
29. Tata BlueScope Steel Ltd.	32,80,00,000	328.00		328.00	
Carried forward.....		1,051.96	604.60	897.07	676.06

* Includes ₹ 0.03 crore incurred towards stamp duty.

Schedules forming part of the balance sheet
SCHEDULE F : INVESTMENTS :— continued
 (Item No. 11, Page 134)

	No. of equity shares of Face Value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	₹ crores	As at 31-03-2010	
				₹ crores	₹ crores
Trade Investments :					
Brought forward		1,051.96	604.60	897.07	676.06
SHARES AND DEBENTURES (Unquoted) –					
30. Panatone Finvest Ltd.	45,000	0.05		0.05	
31. Tarapur Environment Protection Society	15,726	0.16		0.16	
32. Industrial Energy Ltd.	8,65,80,000	86.58		86.58	
33. Tata NYK Shipping Pte Ltd. (Face value of USD 1 each)	2,70,00,000	119.56		119.56	
34. Steelscape Consultancy Pvt. Ltd.	50,000	0.05		0.05	
35. Bhubneshwar Power Pvt. Ltd.	56,90,800	5.69		0.14	
(55,48,530 shares subscribed during the year)					
36. Strategic Energy Technology Systems Private Ltd.	1,69,57,000	16.96		0.03	
(1,69,32,000 shares subscribed during the year)					
37. S&T Mining Company Pvt. Ltd.	31,25,000	3.13		0.93	
(22,00,000 shares subscribed during the year)					
38. Himalaya Steel Mills Services Pvt. Ltd.	3,514	–		–	
(3,514 shares subscribed during the year)					
39. Others ₹ 32,495 (31.03.2010: ₹ 32,495)		–		–	
(See Note 4, Page 143)					
			1,284.14		1,104.57
Investments in Subsidiary Companies :					
SHARES (Quoted) –					
40. Tata Metaliks Ltd.	1,17,99,992	11.80		11.80	
41. The Indian Steel & Wire Products Ltd. (Book Value : ₹ 1)	54,74,030	–		–	
42. Tayo Rolls Ltd.	55,87,372	48.57		48.57	
			60.37		60.37
SHARES (Unquoted) –					
43. Kalimati Investment Company Ltd.	1,63,87,469	86.68		86.68	
44. Tata Refractories Ltd.	1,48,98,360	90.97		90.97	
45. The Tata Pigments Ltd. (Face value of ₹ 100 each)	75,000	0.70		0.70	
46. Tata Korf Engineering Services Ltd. (Book Value : ₹ 1)	2,40,386	–		–	
47. Tata Incorporated (Face value of USD 1,000 each)	1,500	1.64		1.64	
48. TM International Logistics Ltd.	91,80,000	9.18		9.18	
49. Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	1.16		1.16	
50. Jamshedpur Utilities & Services Company Ltd.	2,03,50,000	20.35		20.35	
51. NatSteel Asia Pte. Ltd. (Face value of S\$ 1 each)	28,00,00,000	768.41		768.41	
52. Sila Eastern Ltd. (Face value of THB 100 each)	9,800	0.10		0.10	
53. Tata Steel (KZN) (Proprietary) Ltd. (Face value of ZAR 1 each) ..	12,96,00,000	84.70		84.70	
54. Tata Steel Holdings Pte. Ltd. (Face value of GBP 1 each)	4,91,16,32,598	40,205.94		40,014.08	
(2,58,64,112 shares subscribed during the year)					
55. Adityapur Toll Bridge Company Ltd.	1,50,00,000	14.44		14.44	
56. TS Alloys Ltd. (Formerly Rawmet Ferrous Industries Pvt. Ltd.) ..	4,33,09,271	56.24		51.53	
(47,09,200 shares subscribed during the year)					
57. Gopalpur SEZ Ltd.	10,00,000	1.00		1.00	
58. Centennial Steel Company Limited	50,000	0.05		0.05	
59. Tata Steel Processing and Distribution Ltd.	6,82,50,000	274.45		274.45	
60. T M Mining Company Ltd.	37,000	0.03		–	
(37,000 shares subscribed during the year)					
			41,616.04		41,419.44
Carried forward			43,565.15		43,260.44

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 11, Page 134)

	No. of equity shares of Face Value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	₹ crores	As at 31-03-2010	
				₹ crores	₹ crores
Brought forward.....			43,565.15		43,260.44
B. CURRENT INVESTMENTS (at lower of cost and fair values)					
Other Investments (Unquoted) :					
Investment in Mutual Funds/Bonds (See Note 5, Page 150)				85.00	
Fixed Maturity Funds		—		1,634.23	
Liquid Funds		2,999.79			
			<u>2,999.79</u>		<u>1,719.23</u>
			<u>46,564.94</u>		<u>44,979.67</u>

	No. of equity shares of Face Value of ₹ 10 each fully paid-up unless otherwise specified	₹ crores	As at 31-03-2010	
			₹ crores	₹ crores
Notes :				
(1) Aggregate amount of Quoted Investments.....			664.97	736.43
Market value as at 31.03.2011 : ₹ 4,914.95 crores (31.03.2010 : ₹ 4,397.79 crores)				
(2) Aggregate amount of Unquoted Investments			<u>45,899.97</u>	<u>44,243.24</u>
			<u>46,564.94</u>	<u>44,979.67</u>
(3) Shares and Debentures (Quoted) — Others include :			₹	₹
(a) Reliance Firebrick and Pottery Co. Ltd. (partly paid up) (Book Value : ₹ 1)	16,800		1	1
(b) Reliance Firebrick and Pottery Co. Ltd. (Book Value : ₹ 1)	2,400		1	1
(c) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144		40,260	40,260
(d) Timken India Ltd.	1		10	10
			<u>40,272</u>	<u>40,272</u>
(4) Shares and Debentures (Unquoted) — Others include :				
(a) Bokaro and Ramgarh Ltd.....	100		16,225	16,225
(b) Jamshedpur Educational and Cultural Co-operative Society Ltd. (Face value of ₹ 100 each)	50		5,000	5,000
(c) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face value of ₹ 25 each)	200		5,000	5,000
(d) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face value of ₹ 25 each)	100		2,500	2,500
(e) Ferro-Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face value of ₹ 25 each)	100		2,500	2,500
(f) Jamshedpur Co-operative House Building Society Ltd.	10		1,000	1,000
(g) Jamshedpur Co-operative Stores Ltd. (Face value of ₹ 5 each)	50		250	250
(h) Malusha Travels Pvt. Ltd.	2		20	20
			<u>32,495</u>	<u>32,495</u>

Schedules forming part of the balance sheet
SCHEDULE F : INVESTMENTS :- continued
 (Item No. 11, Page 134)

(5) INVESTMENT IN MUTUAL FUNDS

Name of Mutual Fund	Balance As at 1.04.2010		Purchased during the year		Sold during the year		Balance As at 31.03.2011	
	No. of Units	₹ crores	No. of Units	₹ crores	No. of Units	₹ crores	No. of Units	₹ crores
FIXED MATURITY FUNDS								
Kotak Quarterly Interval Plan - Series VI - Growth	4,36,24,307.46	50.00	-	-	4,36,24,307.46	50.00	-	-
HDFC Quarterly Interval Fund - Plan C - WP - Growth	3,50,00,000.00	35.00	-	-	3,50,00,000.00	35.00	-	-
TOTAL FIXED MATURITY FUNDS		85.00		-		85.00		
LIQUID FUNDS								
Axis Liquid Fund - IP - Growth	-	-	1,66,68,486.95	1,799.83	1,45,64,593.27	1,571.33	21,03,893.68	228.50
Birla Sun Life Cash Manager - I P - Daily Dividend	1,07,244.29	0.11	1,205.43	-	1,08,449.72	0.11	-	-
Birla Sun Life Cash Manager - I P - Growth	-	-	35,78,53,123.66	570.11	35,78,53,123.66	570.11	-	-
Birla Sun Life Cash Plus - Institutional Premium Plan - Growth	-	-	2,82,32,02,344.05	4,268.39	2,82,32,02,344.05	4,268.39	-	-
Birla Sun Life Savings Fund - IP - Growth	15,36,65,534.85	268.55	40,78,44,429.14	718.60	56,15,09,963.99	987.15	-	-
Birla Sun Life Ultra Short Term Fund - IP - Growth	-	-	18,37,80,066.66	204.36	18,37,80,066.66	204.36	-	-
Canara Robeco Liquid - Super IP - Growth	-	-	49,07,68,788.11	551.50	49,07,68,788.11	551.50	-	-
Canara Robeco Treasury Advantage Fund - Super IP - Growth	9,32,08,454.33	129.52	39,48,41,171.65	551.57	48,80,49,625.98	681.09	-	-
DWS Insta Cash Plus Fund - Super IP - Growth	-	-	2,21,79,83,304.62	4,655.20	2,21,79,83,304.62	4,655.20	-	-
DWS Ultra Short-Term Fund - IP - Growth	-	-	75,06,63,059.56	825.31	75,06,63,059.56	825.31	-	-
HDFC Cash Mgmt Fund - Savings Plan - Daily Dividend	30,65,367.39	3.26	20,906.11	0.02	30,86,273.50	3.28	-	-
HDFC Cash Mgmt Fund - Savings Plan - Growth	2,07,84,727.38	40.00	1,10,43,39,214.42	2,150.98	1,12,51,23,941.80	2,190.98	-	-
HDFC Cash Mgmt Fund - Treasury Advantage - WP - Growth	-	-	92,19,72,785.99	1,892.77	92,19,72,785.99	1,892.77	-	-
HDFC Liquid Fund - Premium Plus Plan - Growth	-	-	1,67,53,60,967.23	3,198.00	1,67,53,60,967.23	3,198.00	-	-
ICICI Prudential Flexible Income Plan - Premium - Growth	33,29,328.26	57.01	6,60,30,707.07	1,152.64	6,93,60,035.33	1,209.65	-	-
ICICI Prudential FRF - Plan D - Growth	-	-	1,43,41,422.03	201.01	1,43,41,422.03	201.01	-	-
ICICI Prudential Liquid - Super IP - Growth	-	-	43,62,45,103.23	6,112.09	43,62,45,103.23	6,112.09	-	-
IDFC Cash Fund - Plan C - Super I P - Growth	-	-	1,27,92,34,657.86	1,472.00	1,27,92,34,657.86	1,472.00	-	-
IDFC Money Manager - Treasury Plan - Plan C - Growth	12,64,45,683.25	138.04	60,56,95,802.25	671.10	73,21,41,485.50	809.14	-	-
JM High Liquidity - Super I P - Growth	-	-	1,27,46,30,439.81	1,890.00	1,27,46,30,439.81	1,890.00	-	-
JM Money Manager Fund - Super Plus Plan - Growth	9,70,71,045.27	126.03	56,18,97,490.32	734.09	65,89,68,535.59	860.12	-	-
JPMorgan India Liquid Fund - Super IP - Daily Dividend	20,23,004.76	2.03	15,430.44	0.02	20,38,435.20	2.05	-	-
JPMorgan India Treasury Fund - Super IP - Daily Dividend	35,03,495.02	3.50	26,395.56	0.03	35,29,890.58	3.53	-	-
Kotak Floater - LT - Growth	4,65,52,331.90	68.01	40,28,61,505.44	594.08	44,94,13,837.34	662.09	-	-
Kotak Liquid - Inst Premium Plan - Growth	-	-	1,48,49,68,748.14	2,880.50	1,48,49,68,748.14	2,880.50	-	-
L&T F I - S T F - I P - Growth	-	-	37,77,22,032.46	564.56	37,77,22,032.46	564.56	-	-
L&T Liquid Fund - Super IP - Growth	-	-	46,72,09,191.21	594.50	46,72,09,191.21	594.50	-	-
LIC MF Income Plus Fund - Growth	14,52,44,488.60	179.55	38,09,47,395.64	474.06	52,61,91,884.24	653.61	-	-
LIC MF Liquid Fund - Growth	-	-	1,22,88,62,812.02	2,111.26	1,22,88,62,812.02	2,111.26	-	-
LIC MF Savings Plus Fund - Growth	-	-	11,22,40,589.98	167.00	11,22,40,589.98	167.00	-	-
Reliance Liquid Fund - TP - IP - Growth	-	-	14,39,40,263.73	338.50	14,39,40,263.73	338.50	-	-
Reliance Liquidity Fund - Growth	-	-	4,33,99,74,390.08	6,230.50	4,33,99,74,390.08	6,230.50	-	-
Reliance Money Manager Fund - IP - Growth	-	-	87,58,224.49	1,133.22	87,58,224.49	1,133.22	-	-
Religare Liquid Fund - Super IP - Growth	-	-	13,531,86,652.20	3,132.96	13,51,403,934.45	2,892.96	17,82,717.75	240.00
Religare Ultra Short Term Fund - IP - Growth	-	-	2,395,88,626.83	304.54	2,39,588,626.83	304.54	-	-

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 11, Page 134)

Name of Mutual Fund	Balance As at 1.04.2010		Purchased during the year		Sold during the year		Balance As at 31.03.2011	
	No. of Units	₹ crores	No. of Units	₹ crores	No. of Units	₹ crores	No. of Units	₹ crores
SBI Magnum Insta Cash - Cash Plan	—	—	1,36,97,02,696.42	2,913.50	1,36,97,02,696.42	2,913.50	—	—
SBI Premier Liquid Fund - Super IP - Growth	—	—	3,60,05,65,590.81	5,367.86	3,60,05,65,590.81	5,367.86	—	—
SBI SHDF - Ultra Short Term - IP - Growth	4,16,89,746.11	50.00	1,41,03,85,483.67	1,723.10	1,45,20,75,229.78	1,773.10	—	—
Tata Floater Fund - Growth	28,69,98,623.40	394.08	2,26,52,70,378.48	3,163.69	2,55,22,69,001.88	3,557.77	—	—
Tata Liquid Fund - SHIP - Daily Dividend	13,593.64	1.52	95.73	0.01	13,689.37	1.53	—	—
Tata Liquid Fund - SHIP - Growth	—	—	4,59,79,190.26	8,014.55	4,43,21,751.20	7,714.55	16,57,439.06	300.00
Templeton India TMA - Super IP - Growth	—	—	24,47,194.95	350.00	24,47,194.95	350.00	—	—
UTI Liquid Fund - Cash Plan - IP - Growth	—	—	1,76,80,935.42	2,736.77	1,76,80,935.42	2,736.77	—	—
UTI Money Market - IP - Growth	7,03,030.71	72.50	1,59,71,967.99	1,653.50	1,66,74,998.70	1,726.00	—	—
UTI Treasury Advantage Fund - IP - Growth	8,12,883.72	100.52	1,00,96,809.96	1,271.66	1,09,09,693.68	1,372.18	—	—
Birla Sun Life Cash Plus - Institutional Premium Plan - Growth	—	—	1,49,59,59,931.85	2,328.50	1,34,90,24,851.02	2,098.00	14,69,35,080.83	230.50
Templeton India TMA - Super IP - Growth	—	—	93,13,147.03	1,351.00	93,13,147.03	1,351.00	—	—
Tata Liquid Fund - SHIP - Growth	—	—	99,30,791.94	1,788.53	80,42,073.69	1,446.77	18,88,718.25	341.76
SBI Premier Liquid Fund - Super IP - Growth	—	—	66,95,43,325.53	1,030.00	42,62,09,062.12	655.00	24,33,34,263.41	375.00
SBI Magnum Insta Cash - Cash Plan	—	—	12,94,06,762.43	280.00	12,94,06,762.43	280.00	—	—
Reliance Liquidity Fund - Growth	—	—	96,55,54,871.78	1,422.50	69,72,49,464.35	1,026.47	26,83,05,407.43	396.03
Reliance Liquid Fund - TP - IP - Growth	—	—	14,32,96,281.52	337.50	14,32,96,281.52	337.50	—	—
Reliance Liquid Fund - Cash Plan - Growth	—	—	1,10,57,69,212.39	1,742.50	1,10,57,69,212.39	1,742.50	—	—
Kotak Floater - ST - Growth	—	—	69,70,09,715.44	1,114.50	55,07,42,492.40	880.00	14,62,67,223.04	234.50
HDFC Cash Mgmt Fund - Savings Plan - Growth	—	—	10,41,28,535.67	210.50	10,41,28,535.67	210.50	—	—
HDFC Liquid Fund - Premium Plus Plan - Growth	—	—	99,12,69,378.52	1,941.00	99,12,69,378.52	1,941.00	—	—
ICICI Prudential Liquid - Super IP - Growth	—	—	20,29,95,484.61	2,916.00	17,84,35,708.42	2,560.00	2,45,59,776.19	356.00
IDFC Cash Fund - Plan C - Super I P - Growth	—	—	1,25,30,16,368.67	1,486.53	1,00,34,46,300.30	1,189.03	24,95,70,068.37	297.50
TOTAL LIQUID FUNDS	1,634.23	—	97,289.00	—	95,923.44	—	2,999.79	—
TOTAL MUTUAL FUND INVESTMENTS	1,719.23	—	97,289.00	—	96,008.44	—	2,999.79	—

Schedules forming part of the balance sheet

SCHEDULE G : STOCK-IN-TRADE :-
(Item No. 12A(b), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Finished and semi-finished products produced and purchased by the Company, at lower of cost and net realisable value (including purchased goods-in-transit).....	1,392.51	1,141.40
(b) Work-in-progress (at lower of cost and net realisable value).....	81.19	158.65
	1,473.70	1,300.05
(c) Coal, iron ore and other raw materials produced and purchased by the Company, at lower of cost and net realisable value (including purchased raw materials-in-transit)	1,763.88	1,153.94
	3,237.58	2,453.99

SCHEDULE H : SUNDRY DEBTORS :-
(Item No. 12A(c), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Over six months old.....	65.26	57.27
(b) Others.....	377.32	398.49
	442.58	455.76
Less — Provision for doubtful debts	14.55	20.93
	428.03	434.83

	₹ crores	As at 31-03-2010 ₹ crores
Sundry debts, unsecured and considered good.....	428.03	434.83
Sundry debts, considered doubtful	14.55	20.93
	442.58	455.76

Schedules forming part of the balance sheet

SCHEDULE I : CASH AND BANK BALANCES :— (Item No. 12A(d), Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Cash in hand [including cheques : ₹ 107.91 crores (31.03.2010 : ₹ 38.70 crores)]	108.31	39.87
(b) Remittance in transit	50.65	11.43
(c) Current accounts with Scheduled Banks	353.80	448.82
(d) Current account with CitiBank, Singapore.....	—*	0.18*
(e) Current account with Standard Chartered Bank, London	—*	—*
(f) Deposit accounts with Scheduled Banks	3,628.78	2,733.84
	4,141.54	3,234.14

* Maximum balances in current account with.

	2010-11 ₹ crores	2009-10 ₹ crores
1. CitiBank Singapore	0.24	0.29
2. Standard Chartered Bank, London	912.32	2,363.14

SCHEDULE J : LOANS AND ADVANCES :— (Item No. 12B, Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Advances with public bodies ¹	560.85	372.88
(b) Other advances ²	3,907.19	2,730.20
(c) Advance against equity ³	6,187.58	1,871.40
(d) Loans and Advances to subsidiary companies ⁴	4,856.17	501.79
(e) Advance payment against taxes	228.98	74.14
	15,740.77	5,550.41
Less — Provision for doubtful advances	51.80	46.52
	15,688.97	5,503.89

	₹ crores	As at 31-03-2010 ₹ crores
Loans and Advances, unsecured and considered good.....	15,688.97	5,503.89
Loans and Advances, considered doubtful.....	51.80	46.52
	15,740.77	5,550.41

- Notes :
- Advances with public bodies include balances with Customs, Port Trust, etc. ₹ 564.37 crores (31.03.2010 : ₹ 365.39 crores).
 - Other advances include :
 - Loan due by an Officer of the Company ₹ 1,26,250 (31.03.2010 : ₹ 1,41,250). Maximum balance during the year ₹ 1,41,250 (2009-10 : ₹ 1,43,750).
 - Intercorporate deposits of ₹ 2.00 crores (31.03.2010 : ₹ 2.00 crores).
 - Includes advance against equity for purchase of shares in subsidiary companies.
 - Loans and Advances to subsidiary companies include Loans and Advances in the nature of Loans given to subsidiaries ₹ 4,214.58 crores (31.03.2010 : ₹ 456.77 crores) - [See Note 9(f), Page 160].

Schedules forming part of the balance sheet
SCHEDULE K : CURRENT LIABILITIES :-

(Item No. 13A, Page 134)

	₹ crores	₹ crores	As at 31-03-2010 ₹ crores
(a) Sundry creditors :			
(i) For supplies/services			
(1) Dues to micro enterprises and small enterprises (See Note 9(d), Page 160)	0.86		1.40
(2) Others	<u>3,138.65</u>		<u>2,571.54</u>
		3,139.51	<u>2,572.94</u>
(ii) For accrued wages and salaries.....		544.60	700.46
(iii) For other liabilities			
(1) Dues to micro enterprises and small enterprises (See Note 9(d), Page 160)	0.16		0.12
(2) Others	<u>1,036.80</u>		<u>772.73</u>
		1,036.96	<u>772.85</u>
		4,721.07	<u>4,046.25</u>
(b) Subsidiary companies		1,711.07	1,558.62
(c) Interest accrued but not due.....		679.31	676.66
(d) Advances received from customers.....		293.84	334.99
(e) Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956			
Due as on			
(i) Unpaid Dividends.....		-	-
(ii) Application Money Pending Refund.....		-	-
(iii) Unpaid Matured Deposits *		-	-
(iv) Unpaid Matured Debentures.....		-	-
(v) Interest Accrued on (i) to (iv) above **		-	-
Not due as on			
(i) Unpaid Dividends.....		41.26	39.44
(ii) Application Money Pending Refund.....		0.61	0.14
(iii) Unpaid Matured Deposits		0.54	0.73
(iv) Unpaid Matured Debentures ***		-	-
(v) Interest Accrued on (i) to (iv) above.....		0.13	0.18
		7,447.83	<u>6,657.01</u>

* ₹ 16,000 (31.03.2010: ₹ 11,000)

** ₹ 703 (31.03.2010: ₹ 914)

*** ₹ 15,220 (31.03.2010: ₹ 15,220)

Note : Sundry creditors for other liabilities include:

Liability for Employees Family Benefit Scheme

₹ crores

64.62

 As at
31-03-2010
₹ crores

58.06

Schedules forming part of the balance sheet

SCHEDULE L : PROVISIONS :- (Item No. 13B, Page 134)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Provision for employee benefits [including provision for leave salaries ₹ 464.72 crores (31.03.2010: ₹ 346.05 crores)]	1,601.75	1,127.50
(b) Provision for taxation	791.29	507.13
(c) Provision for fringe benefit tax	3.88	2.12
(d) Proposed dividends	1,151.06	709.77
	<u>3,547.98</u>	<u>2,346.52</u>

Signatures to Schedules 1 to 4 and
A to L and Notes on pages 156 to 181

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	} Directors
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	} Managing Director
KARL-ULRICH KOEHLER	
H M NERURKAR	

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

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.

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

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.

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

- (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.

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

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	Object of the issue	Actual
Part finance the capital expenditure for expansion of the Company's existing works at Jamshedpur	1,875.00	–
Payment of redemption amounts on maturity of certain redeemable non-convertible debentures issued by the Company on a private placement basis	1,090.00	–
General corporate purposes	390.30	–
Issue Related Expenses	121.70	57.12
Total	3,477.00	57.12
Unutilised Amount represented by :		
Investments in Mutual Funds		1,014.27
Deposits with Banks		2,400.00
Bank Balance		5.61
Total		3,477.00

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

- 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:

Sl. No.	Description	₹ crores	
		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	1.40
2.	The interest due thereon remaining unpaid to supplier as at the end of accounting year	*	0.02
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	0.10
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	0.12

* ₹ 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 0.82	0.84 0.82	–
The Indian Steel and Wire Products Ltd.	Subsidiary	11.50 14.91	15.27 20.37	–
Tata Steel (KZN) (Pty.) Ltd.	Subsidiary	448.17 441.04	459.47 468.32	–
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	–	15.07	–
The Tinplate Company of India Ltd.	Associate	–	180.00	–

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

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

	% invested 31.03.2011	% invested 31.03.2010
5. Investment details		
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	Decrease	Increase	Decrease
	(6% p.a.)	(4% p.a.)	(6% p.a.)	(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	<i>2009-10</i>	<i>2008-09</i>	<i>2007-08</i>	<i>2006-07</i>
	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 ₹ crores	Eliminations ₹ crores	Total ₹ crores
	Steel	Ferro Alloys and Minerals	Others			
	₹ 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	<i>As at</i>
	31.03.2011	<i>31.03.2010</i>
	₹ crores	<i>₹ crores</i>
Investments.....	46,564.94	<i>44,979.67</i>
Advance against Equity	6,187.58	<i>1,871.40</i>
	<u>52,752.52</u>	<i><u>46,851.07</u></i>
Total Unallocable Liabilities exclude :		
Secured Loans	2,009.20	<i>2,259.32</i>
Unsecured Loans	26,291.94	<i>22,979.88</i>
Hybrid perpetual securities	1,500.00	<i>–</i>
Foreign Currency Monetary Item Translation Difference Account	–	<i>206.95</i>
Provision for Employee Separation Compensation.....	873.34	<i>957.16</i>
Deferred Tax Liability (Net).....	936.80	<i>867.67</i>
	<u>31,611.28</u>	<i><u>27,270.98</u></i>

- (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 Guanzhou 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 (Italia) 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 Profil 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	vi)	Tata Steel Holdings Pte. Ltd.	
1.	Al Rimal Mining LLC	Oman	a)	Tata Steel Global Holdings Pte Ltd.	
2.	Black Ginger 461 Proprietary Ltd	South Africa	i.	Tata Steel International (Singapore) Holdings Pte. Ltd.	
3.	Kalimati Coal Company Pty. Ltd.	Australia		1. European Profiles Malaysia (M) Sdn.Bhd.	Malaysia
4.	Sedibeng Iron Ore Pty. Ltd.*	South Africa	ii.	NatSteel Holdings Pte. Ltd.	
5.	Tata Steel Cote D' Ivoire S.A	Ivory Coast		1. Southern Steel, Berhard *	Malaysia
6.	Tata Steel Minerals UK Limited *	UK	iii.	Tata Steel Europe Ltd.	
7.	Tata Steel Minerals Canada Limited *	Canada		1. Ab Norskstal AS	Norway
VI.	Tata Steel (Thailand) Public Company Ltd.	Thailand		2. Albi Profils SRL	France
1.	N.T.S Steel Group Plc.	Thailand		3. Appleby Frodingham Cottage Trust Limited	UK
2.	The Siam Construction Steel Co. Ltd.	Thailand		4. Combulex B.V.	Netherlands
3.	The Siam Iron And Steel (2001) Co. Ltd.	Thailand		5. Cv Gasexpansie Ijmond	Netherlands
VII.	Tata Steel Global Procurement Company Pte. Ltd. *	Singapore		6. Danieli Corus Canada Inc.	Canada
1.	ProCo Issuer Pte. Ltd. *	Singapore		7. Danieli Corus Asia B.V.	Netherlands
xvii)	Tata Steel Processing And Distribution Limited	India		8. Danieli Corus B.V.	Netherlands
xviii)	TM International Logistics Ltd.	India		9. Danieli Corus Braseq Ltda.	Brazil
1.	International Shipping Logistics FZE	UAE		10. Danieli Corus Construction Services B.V.	Netherlands
2.	TKM Global China Ltd	China		11. Danieli Corus Construction Services USA Inc.	USA
3.	TKM Global GmbH	Germany		12. Danieli Corus Do Brasil Ltda.	Brazil
4.	TKM Global Logistics Ltd.	India		13. Danieli Corus Inc.	USA
5.	TM Harbour Services Private Ltd.	India		14. Danieli Corus Services USA Inc.	USA
xix)	The Indian Steel and Wire Products Ltd.	India		15. Danieli India (Pvt.) Ltd.	India
xx)	The Tata Pigments Ltd.	India		16. European Profiles (Marketing) Sdn.Bhd.	Malaysia
xxi)	T M Mining Company Limited *	India		17. Galvpro LP.	USA
xxii)	Jamshedpur Continuous Annealing and Processing Company Private Limited *	India		18. Gietwalsonderhoudcombinatie B.V.	Netherlands
				19. Hoogovens Court Roll Service Technologies Vof:	Netherlands
				20. Hoogovens Gan Multimedia S.A. De C.V.	Mexico
B.	Associates through			21. Isolation Du Sud SA	France
i)	Kalimati Investment Company Ltd.			22. Issb Limited	UK
1.	Rujuvalika Investments Ltd.	India		23. MDC Sublance Probe Technology	Shanghai
ii)	NatSteel Asia Pte. Ltd.			24. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V.	Netherlands
1.	Steel Asia Development and Management Corp.	Singapore		25. Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
2.	Steel Asia Industries Inc.	Singapore		26. Rsp Holding B.V.	Netherlands
3.	Steel Asia Manufacturing Corporation	Singapore		27. Schreiner Fleischer AS	Norway
iii)	Tata Incorporated			28. Shanghai Bao Yi Beverage Can Making Co. Ltd.	China
1.	TKM Overseas Ltd.	UK			

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	—	—	—	—	3,874.07
	2,639.27	—	—	—	—	2,639.27
Others	160.22	112.30	—	—	—	272.52
	196.56	107.28	—	—	—	303.84
	4,034.29	112.30	—	—	—	4,146.59
	2,835.83	107.28	—	—	—	2,943.11
Sale of Goods						
TS Asia (Hong Kong) Pte.	696.20	—	—	—	—	696.20
	553.11	—	—	—	—	553.11
Tata Steel Processing And Distribution Ltd.	1,196.48	—	—	—	—	1,196.48
	684.43	141.37	—	—	—	825.80
Others	583.63	459.10	—	—	—	1,042.73
	384.58	436.46	—	—	—	821.04
	2,476.31	459.10	—	—	—	2,935.41
	1,622.12	577.83	—	—	—	2,199.95
Receiving of Services						
Jamshedpur Utilities & Services Co. Ltd.	241.12	—	—	—	—	241.12
	206.27	—	—	—	—	206.27
T M International Logistics Ltd.	133.29	—	—	—	—	133.29
	161.77	—	—	—	—	161.77
The Tinplate Company of India Ltd.	—	321.51	—	—	—	321.51
	—	370.03	—	—	—	370.03
TS Alloys Ltd.	122.65	—	—	—	—	122.65
	101.75	—	—	—	—	101.75
Others	276.10	21.93	—	—	2.21	300.24
	164.47	49.47	—	—	1.36	215.30
	773.16	343.44	—	—	2.21	1,118.81
	634.26	419.50	—	—	1.36	1,055.12
Rendering of Services						
Jamshedpur Utilities & Services Co. Ltd.	68.92	—	—	—	—	68.92
	37.04	—	—	—	—	37.04
The Tinplate Company of India Ltd.	—	43.31	—	—	—	43.31
	—	42.10	—	—	—	42.10
Others	40.79	13.54	—	—	0.19	54.52
	45.72	10.52	—	—	0.24	56.48
	109.71	56.85	—	—	0.19	166.75
	82.76	52.62	—	—	0.24	135.62
Purchase of Fixed Assets						
TRF Ltd.	—	54.00	—	—	—	54.00
	—	3.17	—	—	—	3.17
Others	—	—	—	—	—	—
	—	0.31	—	—	—	0.31
	—	54.00	—	—	—	54.00
	—	3.48	—	—	—	3.48
Sale of Fixed Assets						
Jamipol Ltd.	—	—	—	—	—	—
	—	0.07	—	—	—	0.07
Lanka Special Steels Ltd.	0.04	—	—	—	—	0.04
	0.18	—	—	—	—	0.18
	0.04	—	—	—	—	0.04
	0.18	0.07	—	—	—	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, Corus International Trading Ltd.	-	-	-	-	-	-
	139.28	-	-	-	-	139.28
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 Industrial Steels Limited, Corus International Trading Ltd.	138.24	-	-	-	-	138.24
	139.28	-	-	-	-	139.28
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 :

₹ crores

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	2009-10
	₹ crores	₹ 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)	<i>Deferred Tax (Asset)/Liability as at 1.04.2010 ₹ crores</i>	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 :	Installed capacity ⁽¹⁾	Production ⁽²⁾
Class of Products	Tonnes	Tonnes
(i) Crude Steel (Jamshedpur, Jharkhand)	68,00,000 <i>68,00,000</i>	68,55,424 ⁽³⁾ <i>65,63,690</i>
(ii) Wire Rods (Tarapur, Maharashtra)	3,00,000 <i>2,65,000</i>	2,96,566 <i>2,73,909</i>
Wires (Borivali, Tarapur; Maharashtra), (Indore, Madhya Pradesh) & (Bengaluru, Karnataka)	2,13,900 <i>2,02,650</i>	1,91,128 <i>1,70,997</i>
(iii) Ferro Manganese & Silico Manganese (Joda, Odisha)	50,000 <i>30,500</i>	49,500 <i>50,240</i>
(iv) Charge Chrome (Bamnipal, Odisha)	50,000 <i>50,000</i>	45,054 <i>50,576</i>
(v) Welded Steel Tubes (Jamshedpur, Jharkhand)	2,88,000 <i>2,88,000</i>	2,81,623 ⁽⁴⁾ <i>2,68,557</i>
(vi) Metallurgical Machinery (Jamshedpur, Jharkhand)	— ⁽⁵⁾ —	13,515 <i>9,054</i>
	Numbers	Numbers
(vii) Bearings (Kharagpur, West Bengal)	2,50,00,000 <i>2,50,00,000</i>	3,30,85,368 <i>2,93,27,053</i>

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
			180.20 169.08
(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 6,603.47
			7,665.15 6,603.47
<i>Note : @ The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.</i>			
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.

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	260	State Code	11
Balance Sheet Date	31	03	2011
	Date	Month	Year

II. Capital raised during the year (Amount in ₹ Thousands)

Public Issue	Rights Issue
3,47,70,000	Nil
Bonus Issue	Private Placement
Nil	2,39,10,000

III. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)

	Total Liabilities	Total Assets
	78,55,59,120	78,55,59,120
Sources of Funds	Paid-up Capital	Reserves & Surplus
	2,63,76,091	45,80,70,202
	Secured Loans	Unsecured Loans
	2,00,91,979	26,29,19,444
	Other Liabilities	
	1,81,01,404	
Application of Funds	Net Fixed Assets	Investments
	18,77,44,792	46,56,49,411
	Net Current Assets	Misc. Expenditure
	13,21,64,917	Nil

IV. Performance of the Company (Amount in ₹ Thousands)

Turnover	Total Expenditure
30,18,70,211	20,41,01,764
Exceptional Items	Profit/(Loss) Before Tax
Nil	9,77,68,447
Profit/(Loss) After Tax	Earnings per Share in ₹ (Weighted Average - Basic)
6,86,56,885	75.63
Dividend rate %	
120	

V. Generic Names of Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)	72082600
Product Description	Flat Rolled Products of Non Alloy Steel of a width of 600 mm and more hot rolled coils of thickness 1.66 mm to 12 mm
Item Code No. (ITC Code)	73045901
Product Description	Tubes/Pipes etc. of circular section with outer diameter upto 114.3 mm, not cold rolled
Item Code No. (ITC Code)	72091600/72091700
Product Description	Flat Rolled Products of Iron or Non Alloy Steel, of a width of 600 mm or more, cold rolled (cold-reduced), not clad, plated or coated of a thickness of 0.5 mm or more but less than 3 mm

Consolidated Financial Statements

Consolidated Financial Ratios

	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
1. EBITDA/Turnover	14.40%	9.12%	12.55%	13.90%	30.73%	32.23%	39.35%	31.19%	23.79%
2. PBT/Turnover	8.35%	1.78%	7.43%	7.65%	25.09%	27.20%	34.08%	24.27%	14.10%
3. Return on Avg. Capital Employed	13.98%	5.69%	15.57%	21.13%	23.31%	39.47%	48.31%	27.71%	16.12%
4. Return on Avg. Net Worth	29.88%	¹⁶ (8.01)%	16.19%	51.00%	34.19%	43.57%	62.02%	45.96%	35.60%
5. Asset Turnover	93.04%	98.12%	128.56%	108.27%	76.65%	120.89%	107.44%	100.15%	79.18%
6. Inventory Turnover (in days)	66.00	72.00	55.00	37.00	46.00	45.00	42.00	40.00	45.00
7. Debtors Turnover (in days)	40.00	44.00	39.00	28.00	21.00	23.00	24.00	30.00	47.00
8. Gross Block to Net Block	2.18	2.33	2.39	2.51	1.65	1.67	1.65	1.70	1.65
9. Net Debt to Equity	1.55	1.77	1.65	1.99	0.84	0.06	0.22	0.42	1.14
10. Current Ratio	1.77	1.46	1.78	1.87	2.45	1.35	1.11	1.07	1.39
11. Interest Cover ratio	4.58	1.60	4.32	3.46	16.38	35.21	28.52	21.89	5.09
12. Networth per share (post CCPS conversion)	409.02	278.28	330.49	472.03	223.08	181.53	128.95	81.52	89.23
13. Earnings per share	99.03	¹⁶ (24.92)	66.07	176.81	64.66	67.62	65.27	32.40	28.00
14. Dividend Payout	15.00%	¹⁶ (45.00)%	30.00%	11.00%	26.00%	22.00%	23.00%	23.00%	32.00%
15. P/E Ratio	6.27	¹⁶ (25.36)	3.12	3.92	6.95	7.93	6.14	11.84	4.78

- EBITDA/Turnover : Earnings Before Interest Depreciation Tax and Exceptional Items/Turnover.
(EBITDA : PAT after minority & share of associates + Taxes +(-) Exceptional Items + Net Finance Charges + Depreciation).
(Turnover : Sales & Other Operating Income less Excise Duty).
- PBT/Turnover : Profit Before Tax/Turnover.
(PAT after minority & share of associates + Taxes +(-) Exceptional Items).
- Return on Average Capital Employed : EBIT/Average Capital Employed.
(Capital Employed : Total Funds Employed – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Item Translation Difference Account)).
(EBIT : PAT after minority & share of associates + Taxes +(-) Exceptional Items + Net Finance Charges).
- Return on Average Net Worth : PAT after minority & share of associates/Average Net Worth.
(Net Worth : Equity Share Capital + Preference Share Capital + Reserves & Surplus + Hybrid Perpetual Securities – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Item Translation Difference Account).
- Asset Turnover : Net Sales/(Total Assets - Investments - Misc Expenses to the extent not written off or adjusted - Foreign Currency Monetary Item Translation Difference Account - Advance Against Equity + Current Liabilities & Provisions).
- Inventory Turnover : Average Inventory/Sale of Products in days.
- Debtors Turnover : Average Debtors/Turnover in days.
- Gross Block to Net Block : Gross Block/Net Block.
- Net Debt to Equity : Net Debt/Avg. Net Worth.
(Net Debt :Secured Loan+Unsecured loan -Cash & Bank - Current Investments).
- Current Ratio : Current Assets (excluding advance against equity)/Current Liabilities.
- Interest Cover Ratio : Earnings Before Interest and Tax/Net Finance Charges.
- Net Worth per share : Net Worth/Average Number of Equity Shares (post CCPS conversion).
- Earnings per share(Basic) : Profit attributable to Ordinary Shareholders/Weighted average number of ordinary shares.
- Dividend Payout : Dividend/PAT after minority & share of associates.
- P/E Ratio : Market Price/Earnings per share (Basic).
- The consolidated result being net loss, the ratios are negative.

Auditors' Report on Consolidated Financial Statements

TO THE BOARD OF DIRECTORS OF TATA STEEL LIMITED

1. We have audited the attached Consolidated Balance Sheet of TATA STEEL LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. (a) Attention is invited to the Note 9(d) of Schedule M to the financial statements regarding accounting policy for recognition of actuarial valuation change of ₹ 402.81 Crores (net of taxes) [Gross: ₹ 524.47 Crores] in the pension and other post retirement benefit plans of Tata Steel Europe Limited, a subsidiary, for reasons specified therein. Had the company followed the practice of recognizing actuarial valuation changes in the profit and loss account, the deferred tax expenses would have been lower by ₹ 121.66 Crores and the profit after taxes, minority interest and share of profits of associates would have been lower by ₹ 402.81 Crores.
 - (b) i) The financial statements of overseas subsidiaries and of a jointly controlled entity whose financial statements reflect total assets (net) of ₹ 63,805.41 Crores as at 31st March, 2011, total revenue of ₹ 95,339.44 Crores and net cash flows amounting to ₹ 2,932.30 Crores for the year ended on that date have been audited by auditors in the respective countries.
 - ii) The financial statements of certain subsidiaries and of a jointly controlled entity in India, whose financial statements reflect total assets (net) of ₹ 511.83 Crores as at 31st March, 2011, total revenue of ₹ 926.92 Crores and net cash flows amounting to ₹ 1.87 Crores for the year ended on that date and in case of an associate in India having a carrying value of ₹ 150.19 Crores as at 31st March, 2011 after accounting for the Company's share of profit after tax of ₹ 10.48 Crores for the year ended on that date, have been audited by other auditors.

The reports of those auditors have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of those auditors.
- (c) As stated in Note 12 of Schedule M, in the case of certain other subsidiaries and of a joint controlled entity, having total assets (net) of ₹ 9.19 Crores as at 31st March, 2011 and total revenue of ₹ 77.21 Crores and net cash flows amounting to ₹ 12.09 Crores for the year ended on that date and

in case of certain associates having a carrying value of ₹ 2.47 Crores as at 31st March, 2011 after accounting for the Company's share of profit after tax of ₹ 9.91 Crores for the year ended on that date, the figures used for the consolidation are based on the management's estimates and are not audited by their auditors.

- (d) As stated in Note 1 of Schedule M, in case of two associates, having a carrying value of ₹ 2,427.56 Crores after accounting for the Company's share of loss after tax of ₹ 18.77 Crores, the financial statements as on 31st March, 2011 are not available and the figures used for consolidation are based on the management's estimates up to 31st December, 2010 and not audited by their auditors. Further, in respect of investments in certain associates valued at ₹ 1 each in the Financial Statements of the Company no adjustment have been made in the Consolidated Financial Statements as at 31st March, 2011 as the financial statements from these associates were not available.

4. Subject to the matters referred to in paragraph 3(c) and (d) and read with our comments in paragraph 3(a) above

- (a) We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
- (b) Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and the aforesaid subsidiaries, joint ventures and associates and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
- (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For DELOITTE HASKINS & SELLS
Chartered Accountants,
(Registration No. 117366W)

P. R. RAMESH
Partner.
Membership No.: 70928

Mumbai, 25th May, 2011

Consolidated Balance Sheet as at 31st March, 2011

Schedule	Page		₹ crores	₹ crores	As at 31-03-2010 ₹ crores
		FUNDS EMPLOYED :			
A	192	1. a. SHARE CAPITAL.....	958.74		886.74
		b. SHARE WARRANTS (See Note 10(b), Page 215).....	<u>178.20</u>		<u>—</u>
				1,136.94	886.74
B	192	2. RESERVES AND SURPLUS.....		34,426.97	<u>21,927.15</u>
		3. TOTAL SHAREHOLDERS' FUNDS.....		35,563.91	22,813.89
		4. HYBRID PERPETUAL SECURITIES (See Note 10(c), Page 215).....		1,500.00	—
		5. WARRANTS ISSUED BY A SUBSIDIARY COMPANY.....		17.46	17.46
		6. MINORITY INTEREST.....		888.90	884.07
		7. LOANS			
C	193	a. Secured.....	28,604.40		28,059.33
D	193	b. Unsecured.....	<u>32,079.94</u>		<u>25,041.02</u>
		c. Total Loans.....		60,684.34	53,100.35
		8. DEFERRED TAX LIABILITY (See Note 19, Page 227).....		2,188.18	1,802.94
		9. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE (See Note 9(c), Page 214).....		—	206.95
		10. PROVISION FOR EMPLOYEE SEPARATION COMPENSATION (See Note 9(a), Page 214).....		879.37	963.67
		11. TOTAL FUNDS EMPLOYED.....		1,01,722.16	<u>79,789.33</u>
		APPLICATION OF FUNDS :			
E	194	12. FIXED ASSETS			
		a. Gross Block.....	1,13,985.55		1,06,608.43
		b. Less — Impairment.....	3,180.31		2,909.75
		c. Less — Depreciation.....	<u>58,411.84</u>		<u>57,902.85</u>
		d. Net Block.....		52,393.40	45,795.83
F	195	13. INVESTMENTS.....		7,847.34	5,417.79
		14. GOODWILL ON CONSOLIDATION.....		15,298.20	14,541.82
		15. DEFERRED TAX ASSET (See Note 19, Page 227).....		175.56	148.83
		16. A. CURRENT ASSETS			
		a. Stores and spare parts.....	1,841.58		1,715.11
G	195	b. Stock-in-trade.....	22,213.66		16,971.53
H	196	c. Sundry debtors.....	14,816.28		11,512.44
		d. Interest accrued on investments.....	9.83		7.63
I	196	e. Cash and Bank balances.....	<u>10,892.60</u>		<u>6,815.11</u>
			49,773.95		37,021.82
J	196	B. LOANS AND ADVANCES.....	<u>9,994.69</u>		<u>6,849.89</u>
			59,768.64		43,871.71
		17. Less : CURRENT LIABILITIES AND PROVISIONS			
K	197	A. Current Liabilities.....	26,671.06		23,392.49
L	197	B. Provisions.....	<u>7,089.92</u>		<u>6,594.16</u>
			33,760.98		29,986.65
		18. NET CURRENT ASSETS.....		26,007.66	13,885.06
		19. TOTAL ASSETS (Net).....		1,01,722.16	<u>79,789.33</u>
		Contingent Liabilities (See Note 3, Page 210)			
M	198	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT.....			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA
B MUTHURAMAN
NUSLI N WADIA
JAMSHED J IRANI
S M PALIA
ISHAAT HUSSAIN
SUBODH BHARGAVA
JACOBUS SCHRAVEN
ANDREW ROBB
KARL-ULRICH KOEHLER
H M NERURKAR

Chairman
Vice Chairman
Directors
Managing Director

Consolidated Profit and Loss Account for the year ended 31st March, 2011

Schedule	Page		₹ crores	₹ crores	Previous Year ₹ crores
		INCOME :			
1	190	1. SALES AND OTHER OPERATING INCOME	1,21,345.75		1,04,229.83
		<i>Less</i> — EXCISE DUTY	<u>2,592.63</u>		<u>1,836.71</u>
			1,18,753.12		1,02,393.12
2	190	2. OTHER INCOME	<u>980.98</u>	1,19,734.10	<u>1,185.85</u> 1,03,578.97
		EXPENDITURE :			
4	191	3. MANUFACTURING AND OTHER EXPENSES	1,03,445.86		95,177.56
		4. DEPRECIATION	<u>4,414.82</u>		<u>4,491.73</u>
			1,07,860.68		99,669.29
		5. <i>Less</i> — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS.....	<u>688.36</u>		<u>827.10</u>
			1,07,172.32		98,842.19
3	190	6. NET FINANCE CHARGES	<u>2,770.04</u>		<u>3,022.06</u>
		7. TOTAL EXPENDITURE.....		1,09,942.36	<u>1,01,864.25</u>
		PROFIT/(LOSS) BEFORE TAXES AND EXCEPTIONAL ITEMS		9,791.74	1,714.72
		8. a. RESTRUCTURING, IMPAIRMENT AND DISPOSALS..... (See Note 9(e), Page 214)		<u>2,310.21</u>	<u>(1,683.72)</u>
		PROFIT/(LOSS) BEFORE TAXES		12,101.95	31.00
		9. TAXES			
		a. CURRENT TAX	2,910.34		2,162.53
		b. DEFERRED TAX	<u>335.56</u>		<u>(10.69)</u>
				3,245.90	<u>2,151.84</u>
		PROFIT/(LOSS) AFTER TAXES		8,856.05	<u>(2,120.84)</u>
		10. MINORITY INTEREST.....	60.28		(15.24)
		11. SHARE OF PROFITS OF ASSOCIATES	<u>66.36</u>		<u>126.86</u>
				126.64	<u>111.62</u>
		PROFIT/(LOSS) AFTER TAXES, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES		8,982.69	<u>(2,009.22)</u>
		12. DISTRIBUTION ON HYBRID PERPETUAL SECURITIES [net of tax of ₹ 2.25 crores (2009-10 : Nil)]		<u>4.54</u>	—
				8,978.15	<u>(2,009.22)</u>
		13. BALANCE BROUGHT FORWARD FROM LAST YEAR		7,010.48	<u>10,961.96</u>
		AMOUNT AVAILABLE FOR APPROPRIATIONS		15,988.63	<u>8,952.74</u>
		14. APPROPRIATIONS :			
		a. PROPOSED DIVIDENDS.....	1,150.25		709.23
		b. DIVIDEND ON CUMULATIVE CONVERTIBLE PREFERENCE SHARES ...	—		45.88
		c. TAX ON DIVIDENDS	163.22		154.33
		d. SPECIAL RESERVE.....	5.32		48.55
		e. STATUTORY RESERVE	—		31.69
		f. GENERAL RESERVE.....	703.42		552.58
		g. DEBENTURE REDEMPTION RESERVE.....	<u>1,007.26</u>		<u>400.00</u>
				3,029.47	<u>1,942.26</u>
		BALANCE CARRIED TO BALANCE SHEET		12,959.16	<u>7,010.48</u>
		Basic Earnings per Share (₹) (See Note 18, Page 227)		99.03	<u>(24.92)</u>
		Diluted Earnings per Share (₹) (See Note 18, Page 227)		92.86	<u>(24.92)</u>
M	198	NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT			

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

A ANJENEYAN
Company Secretary

Mumbai, 25th May, 2011

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	}
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	} Directors
KARL-ULRICH KOEHLER	
H M NERURKAR	Managing Director

Consolidated Cash Flow Statement for the year ended 31st March, 2011

	Year Ended 31-03-2011 ₹ crores	Year Ended 31-03-2010 ₹ crores
A. Cash Flow from Operating Activities :		
Profit before Taxes, Minority Interest & Share of Profit of Associates	12,101.95	31.00
Adjustments for :		
Depreciation	4,414.82	4,491.73
Income from other investments	(87.30)	(69.98)
(Profit)/Loss on sale of other investments	(738.75)	(1,036.07)
(Profit)/Loss on sale of assets/discarded assets written off	(100.38)	(109.00)
Restructuring, Impairment & Disposals	(2,310.21)	1,683.72
Interest and income from current investments	(437.00)	(472.24)
Interest charged to profit and loss account	3,207.04	3,494.30
(Gain)/Loss on cancellation of forward covers/ swaps/options	(54.55)	29.20
Exchange (Gain)/Loss on revaluation of foreign currency loans	(288.79)	(94.13)
Unrealised Foreign exchange on consolidation net (gain)/loss	388.20	(258.53)
Preliminary expenditure written off	-	2.73
Provision for wealth tax	1.36	1.62
Other amortisation and non-cash expenditure	776.49	369.21
	<u>4,770.93</u>	<u>8,032.56</u>
Operating Profit before Working Capital Changes	16,872.88	8,063.56
Adjustments for :		
Trade and other receivables	(4,718.97)	2,118.96
Inventories	(4,888.51)	1,884.24
Trade payables and other liabilities	2,432.58	898.53
	<u>(7,174.90)</u>	<u>4,901.73</u>
Cash Generated from Operations	9,697.98	12,965.29
Direct taxes paid	(3,235.07)	(2,463.10)
	<u>(3,235.07)</u>	<u>(2,463.10)</u>
Net Cash from Operating Activities	<u>6,462.91</u>	<u>10,502.19</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(10,416.04)	(7,149.51)
Sale of fixed assets	252.43	202.36
Pre-operative expenses	-	(2.63)
Purchase of investments	(1,02,862.73)	(1,91,578.34)
Acquisition of subsidiaries/joint ventures/undertakings (net of disposals)	2,813.33	(353.80)
Sale of investments	1,01,482.75	1,93,685.09
Inter corporate deposit (net)	-	195.07
Interest and income from current investments received	245.56	212.43
Dividend received	106.20	89.05
	<u>(8,378.50)</u>	<u>(4,700.28)</u>
Net Cash from Investing Activities	<u>(8,378.50)</u>	<u>(4,700.28)</u>

Consolidated Cash Flow Statement for the year ended 31st March, 2011

	Year Ended 31-03-2011 ₹ crores	Year Ended 31-03-2010 ₹ crores
C. Cash Flow from Financing Activities :		
Issue of Equity Capital	4,368.01	2,421.50
Issue of Share Warrants	178.20	-
Capital contribution received	10.60	24.97
Proceeds from Hybrid Perpetual Securities	1,500.00	-
Proceeds from borrowings	39,429.75	10,038.38
Repayment of borrowings	(34,120.55)	(12,725.01)
Amount received/(paid) on cancellation of forward covers/swaps/options	38.62	(28.99)
Long term loan expenses	(1,560.43)	(278.79)
Interest paid	(3,136.62)	(3,266.15)
Dividend paid	(714.59)	(1,320.91)
Net Cash from Financing Activities	5,992.99	(5,135.00)
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	4,077.40	666.91
Opening Cash and Cash equivalents (as per Schedule I, Page No. 196)	(iii) 6,815.20	6,148.20
Closing Cash and Cash equivalents (as per Schedule I, Page No. 196)	(iv) 10,892.60	(iv) 6,815.11

- Notes :** (i) Figures in brackets represent outflows.
- (ii) Interest paid is exclusive of, and purchase of fixed assets is inclusive of, interest capitalised ₹ 219.63 crores (2009-10 : ₹ 165.47 crores).
- (iii) Includes ₹ 0.09 crores of opening cash and cash equivalents in the books of Himalaya Steel Mills Services Private Ltd. which became a joint venture during the year.
- (iv) Cash and cash equivalents include :
- (a) Unrealised gain of ₹ 142.92 crores (31.03.2010: unrealised loss of ₹ 257.58 crores) on account of translation of foreign currency cash and bank balances.
- (b) ₹ 0.61 crore (31.03.2010: ₹ 0.14 crore) refund orders issued on account of over subscription of rights issue of equity shares not encashed as on 31st March, 2011.
- (c) ₹ 41.26 crores (31.03.2010: ₹ 39.44 crores) in pre-funded dividend accounts.
- (v) Previous year figures have been recast/restated where necessary.

In terms of our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants,

P R RAMESH
Partner.

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	}
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SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	} Directors
KARL-ULRICH KOEHLER	
H M NERURKAR	Managing Director

Schedules forming part of the Consolidated profit and loss account
SCHEDULE 1 : SALES AND OTHER OPERATING INCOME :—
 (Item No. 1, Page 187)

	₹ crores	Previous Year ₹ crores
(a) Sale of products	1,17,737.48	1,02,136.75
(b) Sale of power and water.....	900.03	719.54
(c) Income from town, medical and other services	1,104.90	738.19
(d) Other operating income.....	1,603.34	635.35
	<u>1,21,345.75</u>	<u>1,04,229.83</u>

SCHEDULE 2 : OTHER INCOME :—
 (Item No. 2, Page 187)

	₹ crores	Previous Year ₹ crores
(a) Income from other investments	87.30	69.98
(b) Profit on sale/redemption of other investments.....	738.75	1,036.07
(c) Profit on sale of capital assets (net of loss on assets sold/scrapped/written off).....	100.38	109.00
(d) Gain/(Loss) from cancellation of forward covers/swaps/options.....	54.55	(29.20)
	<u>980.98</u>	<u>1,185.85</u>

SCHEDULE 3 : NET FINANCE CHARGES :—
 (Item No. 6, Page 187)

	₹ crores	₹ crores	Previous Year ₹ crores
1. Interest on			
(i) Debentures and Fixed loans	3,248.86		3,519.52
(ii) Others	177.81		140.25
		<u>3,426.67</u>	<u>3,659.77</u>
Less — Interest capitalised		219.63	165.47
		<u>3,207.04</u>	<u>3,494.30</u>
2. Less :			
(i) Interest received on sundry advances, deposits, customers' balances etc....	274.20		208.40
(ii) Income from current investments.....	4.65		5.16
(iii) Profit/(loss) on sale of current investments	158.15		258.68
		<u>437.00</u>	<u>472.24</u>
		<u>2,770.04</u>	<u>3,022.06</u>

Schedules forming part of the Consolidated profit and loss account

SCHEDULE 4 : MANUFACTURING AND OTHER EXPENSES :— (Item No. 3, Page 187)

	₹ crores	₹ crores	Previous Year ₹ crores
1. PURCHASE OF FINISHED, SEMI-FINISHED STEEL AND OTHER PRODUCTS.....		15,890.40	13,110.61
2. RAW MATERIALS CONSUMED		38,044.12	31,004.49
3. PAYMENTS TO AND PROVISION FOR EMPLOYEES :			
(a) Wages and salaries, including bonus.....	13,045.88		13,581.57
(b) Company's contributions to provident and other funds	<u>2,241.04</u>		<u>2,893.55</u>
		15,286.92	16,475.12
4. OPERATION AND OTHER EXPENSES :			
(a) Stores and spares consumed	7,259.19		7,763.95
(b) Fuel oil consumed	874.42		833.52
(c) Repairs to buildings.....	415.36		357.85
(d) Repairs to machinery	4,860.12		4,689.55
(e) Relining expenses	87.25		90.71
(f) Conversion charges	1,124.43		1,082.53
(g) Purchase of power	4,014.76		4,051.26
(h) Rent.....	2,833.30		2,543.80
(i) Royalty	621.52		281.26
(j) Rates and taxes	727.38		682.37
(k) Insurance charges.....	311.25		265.63
(l) Commission, discounts and rebates	229.09		262.41
(m) Provision for wealth tax	1.36		1.62
(n) Adjustments relating to previous years (net)	(18.50)		(14.72)
(o) Other expenses	<u>5,566.88</u>		<u>5,290.73*</u>
		28,907.81	28,182.47
5. FREIGHT AND HANDLING CHARGES.....		6,389.61	5,553.65
6. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES.....		189.18	103.89
7. EXCISE DUTY		93.80	87.29
		1,04,801.84	94,517.52
8. (ACCRETION)/REDUCTION IN STOCKS OF FINISHED AND SEMI-FINISHED PRODUCTS AND WORK-IN-PROGRESS (DEDUCTED)/ADDED:			
(a) Opening Stock.....	10,339.81		11,473.21#
(b) Foreign exchange movement.....	487.00		(473.36)
(c) Less – Closing Stock.....	<u>12,182.79</u>		<u>10,339.81</u>
		(1,355.98)	660.04
		1,03,445.86	95,177.56

Includes ₹ 31.16 crores for Tata Steel Processing and Distribution Ltd., which became a subsidiary during the year.

* Includes goodwill written off ₹ 36.24 crores.

Schedules forming part of the Consolidated balance sheet
SCHEDULE A : SHARE CAPITAL :—
 (Item No. 1, Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
Authorised :		
1,75,00,00,000 Ordinary Shares of ₹ 10 each	1,750.00	1,750.00
<i>(31.03.2010 : 1,75,00,00,000 Shares of ₹ 10 each)</i>		
35,00,00,000 "A" Ordinary Shares of ₹ 10 each	350.00	—
<i>(31.03.2010 : Nil)</i>		
2,50,00,000 Cumulative Redeemable Preference Shares of ₹ 100 each	250.00	250.00
<i>(31.03.2010 : 2,50,00,000 Shares of ₹ 100 each)</i>		
60,00,00,000 Cumulative Convertible Preference Shares of ₹ 100 each.....	6,000.00	6,000.00
<i>(31.03.2010 : 60,00,00,000 Shares of ₹ 100 each)</i>		
	8,350.00	8,000.00
Issued :		
95,94,54,565@ Ordinary Shares of ₹ 10 each	959.46	887.45
<i>(31.03.2010 : 88,74,54,565@ Shares of ₹ 10 each)</i>		
Subscribed :		
95,85,42,995@ Ordinary Shares of ₹ 10 each fully paid up	958.54	886.54
<i>(31.03.2010 : 88,65,42,741@ Shares of ₹ 10 each)</i>		
<i>Add — Amount paid up on 3,89,516 Shares forfeited</i>	0.20	0.20
<i>(31.03.2010 : 3,89,516 Shares of ₹ 10 each)</i>		
	958.74	886.74
	958.74	886.74

@ Excludes **6,71,455** (31.03.2010 : 6,71,455 shares) Ordinary Shares held by a Subsidiary.

SCHEDULE B : RESERVES AND SURPLUS :—
 (Item No. 2, Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Securities premium account	18,210.43	14,031.50
(b) Amalgamation reserve.....	0.43	0.43
(c) Debenture redemption reserve	2,053.26	1,046.00
(d) Capital redemption reserve.....	20.78	20.78
(e) Capital reserve.....	22.31	21.61
(f) Capital reserve (arising on consolidation)	19.29	20.23
(g) General reserve	9,095.36	8,391.94
(h) Investment allowance (utilised) reserve	0.23	0.23
(i) Export profits reserve	1.25	1.25
(j) Foreign exchange fluctuation reserve	14.00	14.00
(k) Foreign currency translation reserve	(4,658.80)	(5,996.99)
(l) Contributions for capital expenditure	80.00	72.88
(m) Contingency reserve	100.00	100.00
(n) Debenture forfeiture reserve	0.04	0.04
(o) Special reserve	88.02	82.69
(p) Statutory reserve	179.52	179.52
(q) Actuarial gain/(loss) reserve	(3,533.78)	(3,130.97)
(r) Cash flow hedge reserve	(224.53)	61.53
(s) Profit and loss account	12,959.16	7,010.48
	34,426.97	21,927.15

Schedules forming part of the Consolidated balance sheet

SCHEDULE C : SECURED LOANS :— (Item No. 7(a), Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Joint plant committee-steel development fund [including funded interest ₹ 280.06 crores (31.03.2010 : ₹ 251.11 crores)].....	1,860.05	1,805.54
(b) Privately placed non-convertible debentures.....	295.00	45.00
(c) Banks and financial institutions.....	25,699.35	25,672.92
(d) Working capital demand loan from banks	55.00	90.00
(e) Cash credits/packing credits from banks	377.67	114.63
(f) Government of India	0.02	0.02
(g) Assets under lease	317.31	331.22
	<u>28,604.40</u>	<u>28,059.33</u>

SCHEDULE D : UNSECURED LOANS :— (Item No. 7(b), Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Fixed deposits.....	8.14	6.40
(b) Housing Development Finance Corporation Ltd.....	0.22	1.20
(c) Privately placed non-convertible debentures	8,474.62	5,400.90
(d) Banks and financial institutions.....	18,240.03	14,546.21
(e) 1% Convertible Alternative Reference Securities.....	2,101.16	2,116.83
(f) 4.50% Foreign Currency Convertible Bonds (2014)	2,439.06	2,457.24
(g) Assets under lease	626.83	449.62
(h) Interest free loans under Sales Tax Deferral Scheme.....	3.80	3.81
(i) Others	186.08	58.81
	<u>32,079.94</u>	<u>25,041.02</u>

Schedules forming part of the Consolidated balance sheet
SCHEDULE E : FIXED ASSETS :—
 (Item No. 12, Page 186)

₹ crores

Fixed Assets	Land and Roads	Buildings (4)	Lease-hold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property (5)	Live-stock & Vehicles	Intangibles	Total
Gross Block as at 1.04.2010	1,340.70	8,893.51	2,035.84	696.01	80,771.51	1,192.86	393.64	197.44	1,767.49	97,289.00
	1,369.79	8,953.97	2,198.15	709.85	82,623.29	1,289.42	380.99	254.65	1,678.56	99,458.67
Assets of New Companies (1)	7.34	17.93	—	—	14.97	0.27	10.32	0.05	231.95	282.83
	0.83	37.28	1.86	—	79.73	4.46	—	0.53	0.17	124.86
Additions during the year (6)	104.89	127.66	244.91	37.29	2,955.22	43.11	195.01	71.80	363.10	4,142.99
	107.86	650.05	20.59	5.31	5,411.76	43.19	13.61	29.94	270.13	6,552.44
Exchange Movement on translation	47.30	358.57	93.34	23.34	2,917.58	44.18	(0.02)	2.21	66.39	3,552.89
	(74.27)	(591.35)	(125.50)	(47.36)	(4,290.00)	(103.38)	(0.96)	(3.36)	(122.51)	(5,358.69)
Deductions during the year (3)	9.87	640.66	78.23	104.96	6,294.56	14.88	—	10.71	12.46	7,166.33
	30.92	477.69	79.83	—	2,726.40	32.38	—	82.20	58.86	3,488.28
Transfer and Other Movements (2)	—	—	—	—	—	—	—	—	—	—
	(32.59)	321.25	20.57	28.21	(326.87)	(8.45)	—	(2.12)	—	—
Gross Block as at 31.03.2011	1,490.36	8,757.01	2,295.86	651.68	80,364.72	1,265.54	598.95	260.79	2,416.47	98,101.38
	1,340.70	8,893.51	2,035.84	696.01	80,771.51	1,192.86	393.64	197.44	1,767.49	97,289.00
Capital work-in-progress [including advances for capital expenditure ₹ 2,204.67 crores (31.03.2010 : ₹ 1,465.32 crores)]										15,884.17
										9,319.43
										1,13,985.55
										1,06,608.43
Impaired Assets as at 1.04.2010	171.58	89.69	90.21	13.00	2,475.17	—	—	—	21.31	2,860.96
	173.78	134.82	93.25	13.82	2,744.32	0.40	—	—	22.65	3,183.04
Impairment during the year	20.23	—	—	—	641.44	—	—	—	—	661.67
	5.60	—	2.74	—	9.11	0.20	—	—	—	17.65
Impairment reversed during the year	—	—	—	—	254.56	—	—	—	—	254.56
	—	39.96	—	—	—	—	—	—	—	39.96
Impairment on assets written off	—	33.32	4.06	13.48	236.77	0.11	—	—	0.04	287.78
	0.92	—	—	—	120.06	0.29	—	—	—	121.27
Exchange Movement on translation	3.04	4.01	4.54	0.48	128.36	0.11	—	—	1.08	141.62
	(6.88)	(5.17)	(5.78)	(0.82)	(158.20)	(0.31)	—	—	(1.34)	(178.50)
Impaired assets as at 31.03.2011	194.85	60.38	90.69	—	2,753.64	—	—	—	22.35	3,121.91
	171.58	89.69	90.21	13.00	2,475.17	—	—	—	21.31	2,860.96
Accumulated Depreciation upto 1.04.2010	211.64	5,318.79	1,081.75	523.88	48,635.15	1,033.18	234.69	118.06	745.71	57,902.85
	285.87	5,744.24	1,129.88	519.30	50,049.51	1,115.87	206.51	131.64	675.27	59,858.09
Depreciation of New Companies (1)	6.78	9.55	—	—	11.54	0.22	—	—	—	28.09
	—	5.23	0.35	—	37.69	2.67	—	0.22	0.04	46.20
Depreciation during the year	13.26	276.71	124.17	15.17	3,710.54	58.55	50.64	19.69	184.47	4,453.20
	9.91	267.92	137.97	14.74	3,812.00	50.51	28.18	20.49	189.62	4,531.34
Depreciation on assets written off during the year	5.68	558.31	83.80	91.48	5,542.58	18.84	—	8.54	9.32	6,318.55
	32.16	342.29	128.49	—	2,486.50	35.35	—	29.98	58.79	3,113.56
Exchange Movement on translation	10.59	245.26	54.87	19.54	1,939.83	38.94	—	1.53	35.69	2,346.25
	(10.82)	(373.06)	(78.54)	(40.79)	(2,757.14)	(96.21)	—	(2.23)	(60.43)	(3,419.22)
Transfer and Other Movements (2)	—	—	—	—	—	—	—	—	—	—
	(41.16)	16.75	20.58	30.63	(20.41)	(4.31)	—	(2.08)	—	—
Accumulated Depreciation upto 31.03.2011	236.59	5,292.00	1,176.99	467.11	48,754.48	1,112.05	285.33	130.74	956.55	58,411.84
	211.64	5,318.79	1,081.75	523.88	48,635.15	1,033.18	234.69	118.06	745.71	57,902.85
Total Accumulated Depreciation & Impairment upto 31.03.2011	431.44	5,352.38	1,267.68	467.11	51,508.12	1,112.05	285.33	130.74	978.90	61,533.75
	383.22	5,408.48	1,171.96	536.88	51,110.32	1,033.18	234.69	118.06	767.02	60,763.81
Net Block as at 31.03.2011	1,058.92	3,404.63	1,028.18	184.57	28,856.60	153.49	313.62	130.05	1,437.57	36,567.63
	957.48	3,485.03	863.88	159.13	29,661.19	159.68	158.95	79.38	1,000.47	36,525.19
Impairment on Capital work-in-progress										58.40
										48.79
Capital work-in-progress [including advances for capital expenditure ₹ 2,204.67 crores (31.03.2010 : ₹ 1,465.32 crores)]										15,825.77
										9,270.64
										52,393.40
										45,795.83

- (1) Represents assets and accumulated depreciation of Sedibeng Iron Ore Pty. Ltd. and Stuwadoorsbedrijf Velskerom B.V. which became subsidiaries during the year.
- (2) Represents adjustments for inter se transfers.
- (3) Deductions include cost of assets scrapped/sold/surrendered during the year.
- (4) Buildings include ₹ 2.32 crores (31.03.2010 : ₹ 2.32 crores) being cost of shares in Co-operative Housing Societies & Limited Companies.
- (5) Development of property represents expenditure incurred on development of mines/collieries.
- (6) Rupee Liability has increased by a net amount of ₹ 1.11 crores (2009-10 : decreased by ₹ 51.46 crores) arising out of realignment of the value of foreign currency loans for procurement of fixed assets. The increase has been adjusted to the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year is higher by ₹ 0.06 crores (2009-10 : lower by ₹ 2.30 crores) arising on account of this adjustment.
- (7) Depreciation charge in the profit and loss account is net of ₹ 38.38 crores (2009-2010 : ₹ 39.61 crores) on account of assets against which specific grants have been received.

Schedules forming part of the Consolidated balance sheet

SCHEDULE F : INVESTMENTS :— (Item No. 13, Page 186)

	₹ crores	₹ crores	As at 31-03-2010 ₹ crores
A. LONG TERM INVESTMENTS (At Cost less provision for diminution in value)			
1. In Associates (See Note 1, Page 206)			
Cost of investment	2,830.86		1,566.37
(including ₹ 1,331.06 crores (31.03.2010 : ₹ 671.16 crores) of Goodwill net of Capital Reserve arising on consolidation)			
Add – Share of post acquisition profit (net of losses)	286.20		316.84
		3,117.06	1,883.21
2. Others			
(a) Shares (Quoted)		614.73	678.61
(b) Shares (Unquoted)		847.77	823.23
B. INVESTMENT PROPERTIES		108.50	101.50
C. CURRENT INVESTMENTS (at lower of cost and fair value)			
(Quoted)			
1. Others		2.69	2.49
(Unquoted)			
2. Investment in Mutual Funds		3,156.59	1,928.75
		7,847.34	5,417.79

SCHEDULE G : STOCK-IN-TRADE :— (Item No. 16A(b), Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Finished and semi-finished products produced and purchased by the Company, at lower of cost and net realisable value (including purchased goods-in-transit)	8,137.26	6,654.69
(b) Work-in-progress (at lower of cost and net realisable value)	4,045.53	3,685.12
	12,182.79	10,339.81
(c) Coal, iron ore and other raw materials produced and purchased by the Company, at lower of cost and net realisable value (including purchased raw materials-in-transit)	10,030.87	6,631.72
	22,213.66	16,971.53

Schedules forming part of the Consolidated balance sheet

SCHEDULE H : SUNDRY DEBTORS :—
(Item No. 16A(c), Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Over six months old.....	777.01	781.90
(b) Others	14,654.92	11,246.69
	15,431.93	12,028.59
Less — Provision for doubtful debts	615.65	516.15
	14,816.28	11,512.44

	₹ crores	As at 31-03-2010 ₹ crores
Sundry debts, secured and considered good.....	—	2,537.35
Sundry debts, unsecured and considered good.....	14,816.28	8,975.09
Sundry debts, considered doubtful.....	615.65	516.15
	15,431.93	12,028.59

SCHEDULE I : CASH AND BANK BALANCES :—
(Item No. 16A(e), Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Cash in hand [including cheques in hand]	116.42	114.01
(b) Remittance in transit	51.14	13.33
(c) Balance in current and deposit accounts		
(i) With scheduled banks	4,141.49	3,307.71
(ii) With other banks	6,583.55	3,380.06
	10,892.60	6,815.11

SCHEDULE J : LOANS AND ADVANCES :—
(Item No. 16B, Page 186)

	₹ crores	As at 31-03-2010 ₹ crores
(a) Advances with public bodies.....	1,095.26	689.12
(b) Other advances	8,725.71	6,099.64
(c) Advance payment against taxes.....	359.16	231.02
	10,180.13	7,019.78
Less — Provision for doubtful advances	185.44	169.89
	9,994.69	6,849.89

	₹ crores	As at 31-03-2010 ₹ crores
Loans and Advances, unsecured and considered good.....	9,994.69	6,849.89
Loans and Advances, considered doubtful.....	185.44	169.89
	10,180.13	7,019.78

Schedules forming part of the Consolidated balance sheet

SCHEDULE K : CURRENT LIABILITIES :— (Item No. 17A, Page 186)

	₹ crores	₹ crores	As at 31-03-2010 ₹ crores
(a) Sundry creditors :			
(i) For supplies/services.....	18,021.80		15,628.81
(ii) For accrued wages and salaries.....	2,419.27		2,419.06
(iii) For other liabilities.....	4,874.60		3,976.01
		25,315.67	22,023.88
(b) Interest accrued but not due.....		772.28	771.20
(c) Advances received from customers.....		528.19	545.29
(d) Unpaid Dividend.....		54.92	52.12
		26,671.06	23,392.49

SCHEDULE L : PROVISIONS :— (Item No. 17B, Page 186)

	₹ crores	₹ crores	As at 31-03-2010 ₹ crores
(a) Provision for employee benefits.....		2,930.13	2,466.84
(b) Provision for taxation.....		1,145.81	1,185.32
(c) Provision for fringe benefits tax.....		3.93	2.17
(d) Proposed dividends.....		1,150.25	709.23
(e) Others.....		1,859.80	2,230.60
		7,089.92	6,594.16

Signatures to Schedules 1 to 4 and
A to L and Notes on pages 198 to 227

For and on behalf of the Board

RATAN N TATA	Chairman
B MUTHURAMAN	Vice Chairman
NUSLI N WADIA	} Directors
JAMSHED J IRANI	
S M PALIA	
ISHAAT HUSSAIN	
SUBODH BHARGAVA	
JACOBUS SCHRAVEN	
ANDREW ROBB	
KARL-ULRICH KOEHLER	
H M NERURKAR	Managing Director

Mumbai, 25th May, 2011

A ANJENEYAN
Company Secretary

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11
1. Principles of Consolidation :

The Consolidated Financial Statements relate to Tata Steel Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis :

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign currency translation reserve.
- The difference between the cost of investment in the subsidiaries and joint ventures, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the company's shareholders.
Minority interest in the net assets of consolidated subsidiaries consists of :
 - a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- Investment in associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- The company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the company and its associates to the extent of its share, through its profit and loss account, to the extent such change is attributable to the associates' profit and loss account and through its reserves for the balance based on available information.
- The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.
- The financial statements of the subsidiaries, associates and joint ventures used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2011, except for certain associates (indicated as # below) for which financial statements as on reporting date are not available. These have been consolidated based on last available financial statements.

The list of subsidiary companies and joint ventures which are included in the consolidation and the Company's holdings therein are as under :

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
A.	Subsidiaries			
i)	Adityapur Toll Bridge Company Ltd.	73.63	<i>86.34</i>	India
ii)	Centennial Steel Company Ltd.	100.00	<i>100.00</i>	India
iii)	Gopalpur Special Economic Zone Ltd.	100.00	<i>100.00</i>	India
iv)	Jamshedpur Utilities & Services Company Ltd.	100.00	<i>100.00</i>	India
	1. Haldia Water Management Limited	60.00	<i>60.00</i>	India
	2. Naba Diganta Water Management Ltd.	74.00	<i>74.00</i>	India
	3. SEZ Adityapur Ltd.	51.00	<i>51.00</i>	India
v)	Kalimati Investment Company Ltd.	100.00	<i>100.00</i>	India
	1. Bangla Steel & Mining Co. Ltd.	100.00	<i>100.00</i>	Bangladesh
vi)	Lanka Special Steels Ltd.	100.00	<i>100.00</i>	Sri Lanka
vii)	NatSteel Asia Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	1. NatSteel Iranian Private Joint Stock Company *	100.00	<i>100.00</i>	Iran
	2. NatSteel Middle East FZE *	100.00	<i>100.00</i>	UAE
	3. Tata Steel Asia (Hong Kong) Ltd.	100.00	<i>100.00</i>	Hong Kong
	4. Tata Steel Resources Australia Pty. Ltd.	100.00	<i>100.00</i>	Australia
viii)	T S Alloys Limited	100.00	<i>100.00</i>	India
ix)	Sila Eastern Ltd.	49.00	<i>49.00</i>	Thailand
x)	Tata Incorporated	100.00	<i>100.00</i>	USA
xi)	Tata Korf Engineering Services Ltd.	100.00	<i>100.00</i>	India

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
xii)	Tata Metaliks Ltd.	50.04	<i>50.04</i>	India
	1. Tata Metaliks Kubota Pipes Ltd.	25.52	<i>25.52</i>	India
xiii)	Tata Refractories Ltd.	77.46	<i>77.46</i>	India
	1. TRL Asia Private Ltd.	68.16	<i>68.16</i>	Singapore
	2. TRL China Ltd.	77.46	<i>77.46</i>	China
xiv)	Tayo Rolls Ltd.	54.45	<i>54.45</i>	India
xv)	Tata Steel (KZN) (Pty) Ltd.	90.00	<i>90.00</i>	South Africa
xvi)	Tata Steel Holdings Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	1. NSA Holdings Pte Ltd. *	100.00	<i>100.00</i>	Singapore
	2. Tata Steel Global Holdings Pte Ltd.	100.00	<i>100.00</i>	Singapore
	I. Tata Steel International (Singapore) Holdings Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	1. TSIA Holdings (Thailand) Limited	49.55	<i>49.55</i>	Thailand
	2. Tata Steel International (Guangzhou) Ltd.	100.00	<i>100.00</i>	China
	3. Tata Steel International (Shanghai) Ltd.	100.00	<i>100.00</i>	China
	4. Tata Steel International (Malaysia) Sdn. Bhd.	100.00	<i>100.00</i>	Malaysia
	5. Tata Steel International (Thailand) Limited	74.00	<i>74.00</i>	Thailand
	6. Tata Steel International (Singapore) Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	7. Tata Steel international (Asia) Limited	100.00	<i>100.00</i>	Hong Kong
	8. Tata Steel International (Hong Kong) Limited	100.00	<i>100.00</i>	Hong Kong
	II. NatSteel Holdings Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	1. Best Bar Pty. Ltd.	71.00	<i>71.00</i>	Australia
	2. Bestbar (Vic) Pte. Ltd.	71.00	<i>71.00</i>	Australia
	3. Burwill Trading Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	4. Easteel Construction Services Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	5. Easteel Services (M) Sdn. Bhd.	100.00	<i>100.00</i>	Malaysia
	6. Eastern Steel Fabricators Philippines, Inc.	67.00	<i>67.00</i>	Philippines
	7. Eastern Steel Services Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	8. Eastern Wire Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	9. Materials Recycling Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	10. NatSteel (Xiamen) Ltd.	100.00	<i>100.00</i>	China
	11. NatSteel Asia (S) Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	12. NatSteel Australia Pty. Ltd.	100.00	<i>100.00</i>	Australia
	13. NatSteel Equity IV Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	14. Natsteel Recycling Pte Ltd.	100.00	<i>100.00</i>	Singapore
	15. NatSteel Trade International (Shanghai) Company Ltd.	100.00	<i>100.00</i>	China
	16. NatSteel Trade International Pte. Ltd.	100.00	<i>100.00</i>	Singapore
	17. NatSteel Vina Co. Ltd.	56.50	<i>56.50</i>	Vietnam
	18. PT Materials Recycling Indonesia	100.00	<i>100.00</i>	Indonesia
	19. The Siam Industrial Wire Company Ltd.	100.00	<i>100.00</i>	Thailand
	20. Wuxi Jinyang Metal Products Co. Ltd.	95.00	<i>95.00</i>	China
III.	Orchid Netherlands (No.1) B.V.	100.00	<i>100.00</i>	Netherlands
IV.	Tata Steel Europe Ltd.	100.00	<i>100.00</i>	UK
	1. Almana Steel Dubai (Jersey) Limited	100.00	<i>100.00</i>	Jersey
	2. Apollo Metals Ltd.	100.00	<i>100.00</i>	USA
	3. Ashorne Hill Management College	100.00	<i>100.00</i>	UK
	4. Augusta Grundstucks GmbH	100.00	<i>100.00</i>	Germany
	5. Automotive Laser Technologies Limited	100.00	<i>100.00</i>	UK
	6. B S Pension Fund Trustee Ltd.	100.00	<i>100.00</i>	UK
	7. Bailey Steels Limited	100.00	<i>100.00</i>	UK
	8. Beheermaatschappij Industriële Producten B.V.	100.00	<i>100.00</i>	Netherlands
	9. Belfin Beheermaatschappij B.V.	100.00	<i>100.00</i>	Netherlands
	10. Bell & Harwood Limited	100.00	<i>100.00</i>	UK
	11. Blastmega Limited	100.00	<i>100.00</i>	UK
	12. Blume Stahlservice GmbH	100.00	<i>100.00</i>	Germany
	13. Blume Stahlservice Polska Sp.Z.O.O	100.00	<i>100.00</i>	Poland
	14. Bore Samson Group Ltd.	100.00	<i>100.00</i>	UK

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
15.	Bore Steel Ltd.	100.00	100.00	UK
16.	British Guide Rails Ltd.	100.00	100.00	UK
17.	British Steel Benelux B.V.*	100.00	100.00	Netherlands
18.	British Steel Corporation Ltd.	100.00	100.00	UK
19.	British Steel De Mexico S.A. de C.V.	100.00	100.00	Mexico
20.	British Steel Directors (Nominees) Limited	100.00	100.00	UK
21.	British Steel Employee Share Ownership Trustees Ltd.	100.00	100.00	UK
22.	British Steel Engineering Steels (Exports) Limited	100.00	100.00	UK
23.	British Steel Holdings B.V.	100.00	100.00	Netherlands
24.	British Steel International B.V.	100.00	100.00	Netherlands
25.	British Steel Nederland International B.V.	100.00	100.00	Netherlands
26.	British Steel Samson Limited	100.00	100.00	UK
27.	British Steel Service Centres Ltd.	100.00	100.00	UK
28.	British Steel Tubes Exports Ltd.	100.00	100.00	UK
29.	British Transformer Cores Ltd.	100.00	100.00	UK
30.	British Tubes Stockholding Ltd.	100.00	100.00	UK
31.	Bs Quest Trustee Limited	100.00	100.00	UK
32.	Bskh Corporate Services (UK) Limited	100.00	100.00	UK
33.	Burgdorfer Grundstuecks GmbH	100.00	100.00	Germany
34.	C V Benine	76.92	76.92	Netherlands
35.	C Walker & Sons Ltd.	100.00	100.00	UK
36.	Catnic GmbH	100.00	100.00	Germany
37.	Catnic Limited	100.00	100.00	UK
38.	Cbs Investissements SAS	100.00	100.00	France
39.	Cladding & Decking (UK) Limited	100.00	100.00	UK
40.	Cogent Power Inc.	100.00	100.00	Canada
41.	Cogent Power Inc.	100.00	100.00	Mexico
42.	Cogent Power Inc.	100.00	100.00	USA
43.	Cogent Power Limited	100.00	100.00	UK
44.	Cold Drawn Tubes Ltd.	100.00	100.00	UK
45.	Color Steels Limited	100.00	100.00	UK
46.	Corbeil Les Rives SCI	67.30	67.30	France
47.	Corby (Northants) & District Water Co.	100.00	100.00	UK
48.	Cordor (C& B) Limited	100.00	100.00	UK
49.	Corus - Sistemas Constructivos E Revestimentos Metalicos,Lda *	100.00	100.00	Portugal
50.	Corus Aerospace Service Centre Suzhou Co Ltd.	100.00	100.00	China
51.	Corus Aluminium Limited	100.00	100.00	UK
52.	Corus Aluminium Verwaltungsgesellschaft Mbh	100.00	100.00	Germany
53.	Corus Batiment Et Systemes SAS	100.00	100.00	France
54.	Corus Belgium Bvba*	100.00	100.00	Belgium
55.	Corus Beteiligungs GmbH	100.00	100.00	Germany
56.	Corus Brokers Limited	100.00	100.00	UK
57.	Corus Building Systems Bulgaria AD	100.00	100.00	Bulgaria
58.	Corus Building Systems N.V.	100.00	100.00	Belgium
59.	Corus Building Systems SAS	100.00	100.00	France
60.	Corus Byggesystemer A/S	100.00	100.00	Denmark
61.	Corus Byggsystem AB	100.00	100.00	Sweden
62.	Corus Byggsystemer A/S	100.00	100.00	Norway
63.	Corus Central Europe S.R.O.	100.00	100.00	Czech Republic
64.	Corus Cic Holdings Inc.	100.00	100.00	Canada
65.	Corus Cic Inc.*	100.00	100.00	Canada
66.	Corus CNBV Investments	100.00	100.00	UK
67.	Corus Coatings Usa Inc.	100.00	100.00	USA
68.	Corus Cold Drawn Tubes Limited	100.00	100.00	UK
69.	Corus Consulting B.V.	100.00	100.00	Netherlands
70.	Corus Electrical Limited	100.00	100.00	UK
71.	Corus Engineering Limited	100.00	100.00	UK

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
72.	Corus Engineering Steels (UK) Limited	100.00	100.00	UK
73.	Corus Engineering Steels Holdings Limited	100.00	100.00	UK
74.	Corus Engineering Steels Limited	100.00	100.00	UK
75.	Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
76.	Corus Finance Limited	100.00	100.00	UK
77.	Corus Group Limited	100.00	100.00	UK
78.	Corus Holdings Ltd.	100.00	100.00	UK
79.	Corus Holdings SA	100.00	100.00	France
80.	Corus India Ltd.	100.00	100.00	India
81.	Corus International (Overseas Holdings) Limited	100.00	100.00	UK
82.	Corus International Bulgaria Limited	100.00	100.00	Bulgaria
83.	Corus International Limited	100.00	100.00	UK
84.	Corus International Representacoes Do Brasil Ltda.	100.00	100.00	Brazil
85.	Corus International Romania SRL.	100.00	100.00	Romania
86.	Corus Investments Ltd.	100.00	100.00	UK
87.	Corus Ireland Ltd.	100.00	100.00	Ireland
88.	Corus Large Diameter Pipes Limited	100.00	100.00	UK
89.	Corus Liaison Services (India) Limited	100.00	100.00	UK
90.	Corus Management Limited	100.00	100.00	UK
91.	Corus Metal Iberica S.A	100.00	100.00	Spain
92.	Corus Metals Limited	100.00	100.00	UK
93.	Corus Multi-Metals Limited	100.00	100.00	UK
94.	Corus Norge A/S	100.00	100.00	Norway
95.	Corus Packaging Plus Norway AS	100.00	100.00	Norway
96.	Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
97.	Corus Properties (Germany) Limited	100.00	100.00	UK
98.	Corus Property	100.00	100.00	UK
99.	Corus Quest Trustee Limited	100.00	100.00	UK
100.	Corus Rail Limited	100.00	100.00	UK
101.	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
102.	Corus Service Center Milano Spa	100.00	100.00	Italy
103.	Corus Service Centre Limited	100.00	100.00	N Ireland
104.	Corus Service Centre Maastricht B.V.	100.00	100.00	Netherlands
105.	Corus Sheet & Tube Inc.	100.00	100.00	USA
106.	Corus Stainless Limited	100.00	100.00	UK
107.	Corus Stainless NI B.V.	100.00	100.00	Netherlands
108.	Corus Stainless UK Ltd.	100.00	100.00	UK
109.	Corus Steel Limited	100.00	100.00	UK
110.	Corus Steel Service STP LLC *	100.00	-	Russia
111.	Corus Steel Usa Inc.	100.00	100.00	USA
112.	Corus Sverige AB	100.00	100.00	Sweden
113.	Corus Trico Holdings Inc.	100.00	100.00	USA
114.	Corus UK Healthcare Trustee Limited	100.00	100.00	UK
115.	Corus Ukraine LLC	100.00	100.00	Ukraine
116.	Cpn (85) Limited	100.00	100.00	UK
117.	Crucible Insurance Company Ltd.	100.00	100.00	I of Man
118.	Degels GmbH	100.00	100.00	Germany
119.	Demka B.V.	100.00	100.00	Netherlands
120.	Dsrn Group Plc.	100.00	100.00	UK
121.	Ees Group Services Limited	100.00	100.00	UK
122.	Ees Nederland B.V.	100.00	100.00	Netherlands
123.	Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden
124.	Esmil B.V.	100.00	100.00	Netherlands
125.	Euro-Laminations Limited	100.00	100.00	UK
126.	European Electrical Steels Limited	100.00	100.00	UK
127.	Europressings Limited	100.00	100.00	UK
128.	Firsteel Group Limited	100.00	100.00	UK

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
129.	Firsteel Holdings Limited	100.00	100.00	UK
130.	Firsteel Strip Mill Products Limited	100.00	100.00	UK
131.	Fischer Profielen NV	100.00	100.00	Belgium
132.	Fischer Profil GmbH	100.00	100.00	Germany
133.	Gamble Simms Metals Ltd.	100.00	100.00	Ireland
134.	Grant Lyon Eagre Ltd.	100.00	100.00	UK
135.	H E Samson Ltd.	100.00	100.00	UK
136.	Hadfields Holdings Ltd.	62.50	62.50	UK
137.	Hammermega Limited	100.00	100.00	UK
138.	Harrowmills Properties Ltd.	100.00	100.00	UK
139.	Hille & Muller GmbH	100.00	100.00	Germany
140.	Hille & Muller Usa Inc.	100.00	100.00	USA
141.	Holorib GmbH	100.00	100.00	Germany
142.	Hoogovens (UK) Limited	100.00	100.00	UK
143.	Hoogovens Aluminium UK Limited	100.00	100.00	UK
144.	Hoogovens Finance B.V.	100.00	100.00	Netherlands
145.	Hoogovens Technical Services Coahuila B.V.*	100.00	100.00	Netherlands
146.	Hoogovens Technical Services Mexico De S. De R.L. De C.V.	100.00	100.00	Mexico
147.	Hoogovens Technical Services Monclova B.V.*	100.00	100.00	Netherlands
148.	Hoogovens Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
149.	Hoogovens Usa Inc.	100.00	100.00	USA
150.	Huizenbezit "Breesaap" B.V.	100.00	100.00	Netherlands
151.	Ickles Cottage Trust	100.00	100.00	UK
152.	Immobilliere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
153.	Industrial Steels Limited	100.00	100.00	UK
154.	Inter Metal Distribution SAS	100.00	100.00	France
155.	K&S Management Service Limited*	100.00	100.00	UK
156.	Kalzip Asia Pte	100.00	100.00	Singapore
157.	Kalzip GmbH	100.00	100.00	Germany
158.	Kalzip GmbH	100.00	100.00	Austria
159.	Kalzip Guanzhou Limited	100.00	100.00	China
160.	Kalzip Inc	100.00	100.00	USA
161.	Kalzip Italy SRL *	100.00	-	Italy
162.	Kalzip Limited	100.00	100.00	UK
163.	Kalzip Spain S.L.U.	100.00	100.00	Spain
164.	Layde Steel S.L.	100.00	100.00	Spain
165.	Lister Tubes Ltd.	100.00	100.00	Ireland
166.	London Works Steel Company Ltd.	100.00	100.00	UK
167.	Midland Steel Supplies Ltd.	100.00	100.00	UK
168.	Mistbury Investments Limited	100.00	100.00	UK
169.	Montana Bausysteme AG	100.00	100.00	Switzerland
170.	Myriad Deutschland GmbH	100.00	100.00	Germany
171.	Myriad Espana Sl	100.00	100.00	Spain
172.	Myriad Nederland B.V.	100.00	100.00	Netherlands
173.	Myriad SA	100.00	100.00	France
174.	Myriad United Kingdom Limited	100.00	100.00	UK
175.	Namascor B.V.	100.00	100.00	Netherlands
176.	Nationwide Steelstock Limited	100.00	100.00	UK
177.	Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	100.00	100.00	Netherlands
178.	Oostflank B.V.	100.00	100.00	Netherlands
179.	Orb Electrical Steels Limited	100.00	100.00	UK
180.	Ore Carriers Ltd.	100.00	100.00	UK
181.	Oremco Inc.	100.00	100.00	USA
182.	Plated Strip International Limited	100.00	100.00	UK
183.	Precoat International Limited	100.00	100.00	UK
184.	Precoat Limited	100.00	100.00	UK
185.	Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
186.	Richard Thomas And Baldwins (Australia) Pty Ltd.	100.00	100.00	Australia
187.	Richard Thomas And Baldwins 1978. Limited	100.00	100.00	New Zealand
188.	Round Oak Steelworks Ltd.	100.00	100.00	UK
189.	Runblast Limited	100.00	100.00	UK
190.	Runmega Limited	100.00	100.00	UK
191.	S A B Profiel B.V.	100.00	100.00	Netherlands
192.	S A B Profil GmbH	100.00	100.00	Germany
193.	SA Intertubes*	100.00	100.00	Belgium
194.	Sacra-Nord SAS	100.00	100.00	France
195.	Scrap Processing Holding B.V.	100.00	100.00	Netherlands
196.	Seamless Tubes Ltd.	100.00	100.00	UK
197.	Service Center Gelsenkirchen GmbH	100.00	100.00	Germany
198.	SIA Corus Building Systems	100.00	100.00	Latvia
199.	Simiop Investments Ltd.	100.00	100.00	UK
200.	Simiop Ltd.	100.00	100.00	UK
201.	Skruv Erik AB	100.00	100.00	Sweden
202.	Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium
203.	Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
204.	Steel Company (N.I.) Ltd.*	100.00	100.00	UK
205.	Steel Stockholdings Ltd.	100.00	100.00	UK
206.	Steelstock Ltd.	100.00	100.00	UK
207.	Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
208.	Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
209.	Stocksbridge Cottage Trust	100.00	100.00	UK
210.	Stuwadoorsbedrijf Velsekom B.V. *	100.00	–	Netherlands
211.	Surahammar Bruks AB	100.00	100.00	Sweden
212.	Swinden Housing Association	100.00	100.00	UK
213.	Tata Steel Belgium Packing Steels N.V.	100.00	100.00	Belgium
214.	Tata Steel Belgium Services N.V.	100.00	100.00	Belgium
215.	Tata Steel Europe Distribution BV	100.00	100.00	Netherlands
216.	Tata Steel Europe Metals Trading BV	100.00	100.00	Netherlands
217.	Tata Steel France Rail SA	100.00	100.00	France
218.	Tata Steel Germany GmbH	100.00	100.00	Germany
219.	Tata Steel Hungary LLC	100.00	100.00	Hungary
220.	Tata Steel Ijmuiden BV	100.00	100.00	Netherlands
221.	Tata Steel International (Americas) Holdings Inc	100.00	100.00	USA
222.	Tata Steel International (Americas) Inc	100.00	100.00	USA
223.	Tata Steel International (Australasia) Limited	100.00	100.00	New Zealand
224.	Tata Steel International (Benelux) BV	100.00	100.00	Netherlands
225.	Tata Steel International (Denmark) A/S	100.00	100.00	Denmark
226.	Tata Steel International (Finland) OY	100.00	100.00	Finland
227.	Tata Steel International (France) SAS	100.00	100.00	France
228.	Tata Steel International (Germany) GmbH	100.00	100.00	Germany
229.	Tata Steel International Hellas SA	100.00	100.00	Greece
230.	Tata Steel International (Italia) SRL	100.00	100.00	Italy
231.	Tata Steel International (Middle East) FZE	100.00	100.00	UAE
232.	Tata Steel International (Nigeria) Ltd.	100.00	100.00	Nigeria
233.	Tata Steel International (North America) Ltd.	100.00	100.00	USA
234.	Tata Steel International (Poland) sp Zoo	100.00	100.00	Poland
235.	Tata Steel International (Schweiz) AG	100.00	100.00	Switzerland
236.	Tata Steel International (UK) Ltd.	100.00	100.00	UK
237.	Tata Steel International (India) Pvt. Ltd.	100.00	100.00	India
238.	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	88.00	88.00	Turkey
239.	Tata Steel Nederland BV	100.00	100.00	Netherlands
240.	Tata Steel Nederland Consulting & Technical Services BV	100.00	100.00	Netherlands
241.	Tata Steel Nederland Investment BV	100.00	100.00	Netherlands
242.	Tata Steel Nederland Perfo BV	100.00	100.00	Netherlands

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
243.	Tata Steel Nederland Services BV	100.00	100.00	Netherlands
244.	Tata Steel Nederland Star-Frame BV	100.00	100.00	Netherlands
245.	Tata Steel Nederland Technology BV	100.00	100.00	Netherlands
246.	Tata Steel Nederland Tubes BV	100.00	100.00	Netherlands
247.	Tata Steel Netherlands Holdings B.V.	100.00	100.00	Netherlands
248.	Tata Steel UK Consulting Limited	100.00	100.00	UK
249.	Tata Steel UK Holdings Limited	100.00	100.00	UK
250.	Tata Steel UK Limited	100.00	100.00	UK
251.	Tata Steel UK Rail Consultancy Limited	100.00	100.00	UK
252.	Telmag (Holdings) Limited*	100.00	100.00	UK
253.	Telmag Magnetic Components Limited*	100.00	100.00	UK
254.	The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
255.	The Stanton Housing Company Ltd.	100.00	100.00	UK
256.	The Steel Company Of Ireland Limited	100.00	100.00	Ireland
257.	The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
258.	Thomas Processing Company	100.00	100.00	USA
259.	Thomas Steel Strip Corp.	100.00	100.00	USA
260.	Tinsley Trailers Limited	100.00	100.00	UK
261.	Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
262.	Trierer Walzwerk GmbH	100.00	100.00	Germany
263.	Tulip Netherlands (No.1) B.V.	100.00	100.00	Netherlands
264.	Tulip Netherlands (No.2) B.V.	100.00	100.00	Netherlands
265.	Tulip UK Holdings (No.2) Ltd.	100.00	100.00	UK
266.	Tulip UK Holdings (No.3) Ltd.	100.00	100.00	UK
267.	Tuscaloosa Steel Corporation	100.00	100.00	USA
268.	U.E.S. Bright Bar Limited	100.00	100.00	UK
269.	UK Steel Enterprise Ltd.	100.00	100.00	UK
270.	Ukse Fund Managers (General Partner) Limited	100.00	100.00	UK
271.	Ukse Fund Managers Limited	100.00	100.00	UK
272.	Unitol SAS	100.00	100.00	France
273.	Vlietjonge BV	100.00	100.00	Netherlands
274.	Walker Manufacturing And Investments Ltd.	100.00	100.00	UK
275.	Walkersteelstock Ireland Limited	100.00	100.00	Ireland
276.	Walkersteelstock Ltd.	100.00	100.00	UK
277.	Westwood Steel Services Ltd.	100.00	100.00	UK
278.	Whitehead (Narrow Strip) Ltd.	100.00	100.00	UK
V.	Tata Steel Global Minerals Holdings Pte Ltd.	100.00	100.00	Singapore
	1. Al Rimal Mining LLC	70.00	70.00	Oman
	2. Black Ginger 461 Proprietary Ltd	100.00	100.00	South Africa
	3. Kalimati Coal Company Pty. Ltd.	100.00	100.00	Australia
	4. Sedibeng Iron Ore Pty. Ltd.*	64.00	–	South Africa
	5. Tata Steel Cote D' Ivoire S.A	85.00	85.00	Ivory Coast
	6. Tata Steel Minerals UK Limited *	100.00	–	UK
	7. Tata Steel Minerals Canada Limited *	80.00	–	Canada
VI.	Tata Steel (Thailand) Public Company Ltd.	67.90	67.90	Thailand
	1. N.T.S Steel Group Plc.	67.67	67.67	Thailand
	2. The Siam Construction Steel Co. Ltd.	67.89	67.89	Thailand
	3. The Siam Iron And Steel (2001) Co. Ltd.	67.89	67.89	Thailand
VII.	Tata Steel Global Procurement Company Pte. Ltd. *	100.00	–	Singapore
	1. ProCo Issuer Pte. Ltd. *	100.00	–	Singapore
xvii)	Tata Steel Processing And Distribution Limited	100.00	100.00	India
xviii)	TM International Logistics Ltd.	51.00	51.00	India
	1. International Shipping Logistics FZE	51.00	51.00	UAE
	2. TKM Global China Ltd	51.00	51.00	China
	3. TKM Global GmbH	51.00	51.00	Germany
	4. TKM Global Logistics Ltd.	51.00	51.00	India
	5. TM Harbour Services Private Ltd.	51.00	51.00	India

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2010-11	2009-10	
xix)	The Indian Steel and Wire Products Ltd.	91.36	<i>91.36</i>	India
xx)	The Tata Pigments Ltd.	100.00	<i>100.00</i>	India
xxi)	T M Mining Company Limited *	74.00	–	India
xxii)	Jamshedpur Continuous Annealing and Processing Company Private Limited *	100.00	–	India
B.	Joint Venture of			
i)	Tata Steel Ltd.			
	1. Bhubaneswar Power Pvt. Ltd.	26.00	<i>26.00</i>	India
	2. mjunction services ltd.	50.00	<i>50.00</i>	India
	3. S & T Mining Co. Pvt. Ltd.	50.00	<i>50.00</i>	India
	4. Tata Bluescope Steel Ltd.	50.00	<i>50.00</i>	India
	5. Tata NYK Shipping Pte Ltd.	50.00	<i>50.00</i>	Singapore
	6. The Dhamra Port Company Ltd.	50.00	<i>50.00</i>	India
	7. Himalaya Steel Mills Services Pvt. Ltd.*	26.00	–	India
ii)	Tata Steel Holdings Pte. Ltd.			
a)	Tata Steel Global Holdings Pte Ltd.			
	I. Tata Steel Europe Ltd.			
	1. Afon Tinplate Company Limited	64.00	<i>64.00</i>	UK
	2. Air Products Llanwern Limited	50.00	<i>50.00</i>	UK
	3. B V Ijzerleew	50.00	<i>50.00</i>	Netherlands
	4. Bsr Pipeline Services Limited	50.00	<i>50.00</i>	UK
	5. Caparo Merchant Bar Plc	25.00	<i>25.00</i>	UK
	6. Cindu Chemicals B.V.	50.00	<i>50.00</i>	Netherlands
	7. Corus Celik Ticaret AS	50.00	<i>50.00</i>	Turkey
	8. Corus Cogifer Switches And Crossings Limited	50.00	<i>50.00</i>	UK
	9. Corus Kalpinis Simos Rom SRL.	50.00	<i>50.00</i>	Romania
	10. Danieli Corus Technical Services B.V.	50.00	<i>50.00</i>	Netherlands
	11. Hks Scrap Metals B.V.	50.00	<i>50.00</i>	Netherlands
	12. Ijzerhandel Geertsema Staal B.V.	50.00	<i>50.00</i>	Netherlands
	13. Industrial Rail Services Ijmond B.V.	50.00	<i>50.00</i>	Netherlands
	14. Laura Metaal Holding B.V.	49.00	<i>49.00</i>	Netherlands
	15. Norsk Stal AS	50.00	<i>50.00</i>	Norway
	16. Norsk Stal Tynnplater AS	50.00	<i>50.00</i>	Norway
	17. Ravensraig Limited	100.00	<i>100.00</i>	UK
	18. Tata Elastron SA	50.00	<i>50.00</i>	Greece
	19. Tata Elastron SA Steel Service Center	50.00	<i>50.00</i>	Greece
	20. Texturing Technology Limited	50.00	<i>50.00</i>	UK
	21. Redcar Bulk Terminal Limited *	50.00	–	UK
	II. Tata Steel Global Minerals Holdings Pte. Ltd.			
	1. Riversdale Energy (Mauritius) Ltd	35.00	<i>35.00</i>	Mauritius

* Part of the Year

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

The Associates of the Company and the ownership interest are as follows :

Name of the Company	% Share held	Original Cost of Investment ₹ crores	Goodwill/ (Capital Reserve) ₹ crores	Accumulated Profit/(Loss) as at 31.03.2011** ₹ crores	Carrying amount of Investments as at 31.03.2011** ₹ crores
Ab Norskstal AS	50.00 50.00	- -	- -	- -	- -
Albi Profils SRL	30.00 30.00	- -	- -	- -	- -
Almora Magnesite Limited	39.00 39.00	0.78 0.78	- -	0.36 0.21	1.14 0.99
Appleby Frodingham Cottage Trust Limited	33.30 33.30	- -	- -	- -	- -
Combulex B.V.	50.00 50.00	10.97 10.97	- -	0.46 (1.62)	11.43 9.35
Cv Gasexpansie Ijmond	50.00 50.00	0.26 0.26	- -	0.03 0.02	0.29 0.28
Danieli Corus Canada Inc.	50.00 50.00	- -	- -	- -	- -
Danieli Corus Asia B.V.	50.00 50.00	- -	- -	- -	- -
Danieli Corus Braseq Ltda	50.00 50.00	- -	- -	- -	- -
Danieli Corus B.V.	50.00 50.00	- -	- -	- -	- -
Danieli Corus Construction Services B.V	50.00 50.00	- -	- -	- -	- -
Danieli Corus Construction Services USA Inc.	50.00 50.00	- -	- -	- -	- -
Danieli Corus Do Brasil Ltda	50.00 50.00	- -	- -	- -	- -
Danieli Corus Inc.	50.00 50.00	- -	- -	- -	- -
Danieli Corus Services USA Inc.	50.00 50.00	- -	- -	- -	- -
Danieli India (Pvt.) Ltd.	50.00 50.00	- -	- -	- -	- -
European Profiles (Marketing) Sdn. Bhd.	10.20 10.20	- -	- -	- -	- -
European Profiles Malaysia (M) Sdn. Bhd.	20.00 20.00	6.35 6.35	- -	(0.62) (1.94)	5.73 4.41
Galvpro LP	45.50 45.50	- -	- -	- -	- -
Gietwalsonderhoudcombinatie B.V.	50.00 50.00	9.66 9.66	- -	3.89 3.46	13.55 13.12
Hoogovens Court Roll Service Technologies Vof	50.00 50.00	9.86 9.86	- -	4.00 4.84	13.86 14.70
Hoogovens Gan Multimedia S A de CV	50.00 50.00	- -	- -	- -	- -
Indian Steel Rolling Mills Limited (Re.1-)(a)	20.56 20.56	- -	- -	- -	- -
Industrial Energy Limited	26.00 26.00	86.58 86.58	- -	8.93 2.72	95.51 89.30
Isolation Du Sud Sa	0.33 0.33	- -	- -	- -	- -
Issb Limited	50.00 50.00	- -	- -	- -	- -

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

Name of the Company	% Share held	Original Cost of Investment ₹ crores	Goodwill/ (Capital Reserve) ₹ crores	Accumulated Profit/(Loss) as at 31.03.2011** ₹ crores	Carrying amount of Investments as at 31.03.2011** ₹ crores
Jamipol Limited	31.78 31.78	4.38 4.38	0.01 0.01	15.60 16.71	19.98 21.09
Kalinga Aquatics Limited (Re.1/-)(a)#	30.00 30.00	- -	- -	- -	- -
Kumardhubi Fireclay & Silica Works Limited (Re.1/-)(a)#	27.78 27.78	- -	- -	- -	- -
Kumardhubi Metal Casting & Engineering Limited (Re.1/-)(a)#	49.31 49.31	- -	- -	- -	- -
Metal Corporation of India Limited (Re.1/-)(a)#	42.05 42.05	- -	- -	- -	- -
MDC Sublance Probe Technology	50.00 50.00	- -	- -	- -	- -
Nicco Jubilee Park Limited (Re.1/-)(a)#	23.46 23.46	0.38 0.38	- -	(0.38) (0.38)	- -
New Millenium Capital Corporation (b)#	27.10 -	296.46 -	99.90 -	(6.61) -	289.85 -
Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied NV	6.67 6.67	0.92 0.92	- -	(0.92) 0.04	- 0.96
Richard Lees Steel Decking Asia Snd. Bhd.	10.00 10.00	- -	- -	- -	- -
Riversdale Mining Ltd. #	27.14 21.44	2,159.41 1,102.13	1,215.73 655.64	(21.70) (59.51)	2,137.71 1,042.62
Rsp Holding B.V.	13.19 13.19	- -	- -	- -	- -
Rujuvalika Investments Limited	24.12 24.12	0.60 0.60	(0.29) (0.29)	5.30 4.85	5.90 5.45
Schreiner Fleischer AS	50.00 50.00	- -	- -	- -	- -
Shanghai Bao Yi Beverage Can Making Co. Ltd.	12.50 12.50	- -	- -	- -	- -
SMS Mevac UK Limited	45.00 45.00	3.70 3.70	- -	(3.17) (3.19)	0.53 0.51
Southern Steel, Berhad (b)\$	- 27.03	- 100.13	- -	- 108.01	- 208.14
Steel Asia Development and Management Corporation (Re.1/-)(a)	40.00 40.00	- -	- -	- -	- -
Steel Asia Industries, Inc. (Re.1/-)(a)	50.00 50.00	- -	- -	- -	- -
Steel Asia Manufacturing Corporation (Re.1/-)(a)	40.00 40.00	- -	- -	- -	- -
Strategic Energy Technology Systems Pvt. Ltd.	25.00 25.00	18.21 1.28	- -	(16.88) (1.28)	1.33 -
Stuwadoorsbedrijf Velserkom B.V.*	- 50.00	- 5.76	- -	- (2.95)	- 2.81
Tata Construction & Projects Limited (Re.1/-)(a)#	29.66 29.66	- -	- -	- -	- -

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

Name of the Company	% Share held	Original Cost of Investment ₹ crores	Goodwill/ (Capital Reserve) ₹ crores	Accumulated Profit/(Loss) as at 31.03.2011** ₹ crores	Carrying amount of Investments as at 31.03.2011** ₹ crores
Tata Sponge Iron Limited	43.24 43.24	20.74 20.74	11.42 11.42	214.42 176.76	235.16 197.50
The Tinplate Company of India Limited	44.40 44.40	132.13 132.13	2.86 2.86	18.06 12.37	150.19 144.50
Thoresen & Thorvaldsen AS	50.00 50.00	- -	- -	- -	- -
TKM Overseas Limited	49.00 49.00	1.13 1.13	- -	(1.13) (1.13)	- -
TRF Limited	34.30 36.48	5.82 6.11	1.43 1.52	45.85 53.47	51.67 59.58
Trico Llc	25.00 25.00	- -	- -	- -	- -
Weirton/hoogovens Gp	50.00 50.00	- -	- -	- -	- -
Workington Cottage Trust	33.00 33.00	- -	- -	- -	- -
Wupperman Staal Nederland B.V.	30.00 30.00	62.52 62.52	- -	20.71 5.38	83.23 67.90
Total		2,830.86 1,566.37	1,331.06 671.16	286.20 316.84	3,117.06 1,883.21

* Earlier an associate, became a subsidiary during the year. Carrying value of investment on the date of becoming a subsidiary ₹ 2.52 crores.

** Includes exchange fluctuation and other adjustments to carrying value routed through reserves.

(a) Investment in these associates have been reported at Nil value as the Company's share of losses exceeds the carrying amount of investment.

(b) Part of the year.

§ Disposed off during the year.

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

2. Accounting Policies

(a) Basis for Accounting

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

(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.
- (iii) In one of the subsidiaries, income from services are recognised upon completion of the relevant shipping activities and related services. Income and expenses relating to incomplete voyages are carried forward as voyages-in-progress. Despatch earnings are accounted for on receipt basis.

(c) Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the 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. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iii) Other long-term employee benefits are recognised as an expense in the 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, as the discounting rate. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.
- (iv) Actuarial gains and losses in respect of post employment and other long-term benefits are recognised in the Profit and Loss Account. However in one of the subsidiary (Tata Steel Europe Limited) because of potential volatility caused by periodic changes in the assumptions underlying the computation of the pension and other post retirement benefit liabilities, it is not considered practicable to adopt a common accounting policy for accounting for these liabilities of the company and Tata Steel Europe Limited. The actuarial gains and losses for these liabilities of Tata Steel Europe Limited have been accounted in Reserves and Surplus.
- (v) In respect of the Employee Separation Scheme (ESS), the increase in the net present value of the future liability for pension payable to employees, who have opted for retirement under the Employee Separation Scheme of the Company, is charged to the Profit and Loss Account.

(d) Fixed Assets

All fixed assets are valued at cost less depreciation. Pre-operating expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of 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 based on estimated useful life whichever is higher. The details of estimated life for each category of assets 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.

In some of the subsidiaries, joint ventures and associates depreciation is calculated on written down value basis and intangible assets are amortised over the period for which the rights are obtained. The depreciation charge in respect of these entities is not significant in the context of the consolidated financial statements.

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued**(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 and some of its Indian subsidiaries and joint ventures have 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.

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.

In the absence of any operative Indian Accounting Standard on the subject, changes in fair value of outstanding derivative instruments designated as cash flow hedges against firm commitments and highly probable forecast transactions are accounted in "Reserves & Surplus".

(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. Stock in trade in case of one of the subsidiaries, being an investment company, has been valued at cost or at market quotation whichever is lower scripwise.

(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.

(l) Taxes on Income**i) Indian Companies :**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.

ii) Foreign Companies :

Foreign Companies recognise tax liabilities and assets in accordance with the applicable local laws.

3. Contingent Liabilities**(a) Guarantees**

The Company has given guarantees aggregating ₹ 675.44 crores (31.03.2010 : ₹ 622.37 crores) to banks and financial institutions on behalf of others. As at 31st March, 2011 the contingent liabilities under these guarantees amounted to ₹ 675.44 crores (31.03.2010 : ₹ 622.37 crores).

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**
(b) Claims not acknowledged by the Company :

	As at 31.03.2011 ₹ crores	As at 31.03.2010 ₹ crores
(i) Excise	439.44	465.06
(ii) Customs	13.68	13.88
(iii) Sales Tax and VAT	513.61	605.66
(iv) State Levies	202.18	186.24
(v) Suppliers and Service Contract	72.21	71.16
(vi) Labour Related	39.77	37.85
(vii) Income Tax	125.00	154.73
(viii) Others	631.65	623.19

(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 Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. The department has filed an appeal against CESTAT order with 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 materializes, 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 (31.03.2010: ₹ 189.52 crores) based on the final sale price of the material.

(f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha, challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved 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 ₹ 286.00 crores (31.03.2010 : ₹ 332.03 crores).

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

4. The Indian Steel and Wire Products Limited (ISWPL), a subsidiary, was declared a sick industrial company within the meaning of Section 3(i)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as 'SICA'). The Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme vide its Order dated 22nd October, 2003, 21st November, 2003 and 18th December, 2003 for rehabilitation of the ISWPL by takeover of its management by Tata Steel Limited.

The significant notes appearing in the accounts of The Indian Steel and Wire Products Limited are given below :

As per clause 6.12 (xiii) of BIFR order dated 21st November, 2003, all liabilities not disclosed in the audited balance sheet for the year ended 31st March, 2002 including notes on accounts as then would be the personal responsibility of the erstwhile promoters to discharge. In view of the above, the following liabilities, which were not disclosed in the said balance sheet including the notes on accounts, have not been provided for or recognised in the accounts for financial year 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 as well as accounts for financial year 2010-11.

Particulars	₹ crores
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)	0.29
The Sales Tax Assessment is pending from the year 1998-99 onwards.	
Additional liability, if any, for pending assessments has not been ascertained (Under Appeal)	4.73
Employee State Insurance demand (Under Appeal)	1.49
Leave liability for ex-employees	0.33
Labour court cases	0.01
Income tax demand (Under Appeal)	-
Railway dues	0.04
Power dues	6.21
Liability for loan for Learjet Aircraft purchase	1.49
Wealth tax	3.90
Liability for Security Services	0.32

During the year, the Company has received the final order from the Income Tax Authorities for the assessment year 1998-99 for ₹ 2.70 crores against the contingent liability of ₹ 3.05 crores. Accordingly, this amount has been charged to the profit and loss account for the year ended 31st March, 2011 as provision for income tax for prior years. The claim has already been lodged with the erstwhile management for recovery.

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

5. 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) (i) IL&FS Trust Company Ltd., not to transfer, dispose off, assign, charge or lien or in any way encumber its holding in Taj Air Ltd., without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

The Company has furnished a Security Bond in respect of its immovable property to the extent of ₹ 20 crores in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Limited (TBSL) (i.e. BlueScope Steel Limited, Australia and Tata Steel Ltd.) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to dispose of the management control in TBSL.

The Promoters' (i.e. L & T Infrastructure Development Projects Ltd. and Tata Steel Ltd.) combined investments in The Dhamra Port Company Ltd., (DPCL) representing 51% of DPCL's paid-up equity share capital are pledged with IDBI Trusteeship Services Ltd.

The Promoters' (i.e. The Tata Power Company Limited. and Tata Steel Ltd.) combined investments in Industrial Energy Limited., (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Corporation Limited (IDFC).

Tata Steel Global Minerals Holdings Pte Ltd (TSGMH), a subsidiary and Riversdale Mining Limited (RML) an associate of the Company have executed a deed of cross charge in favour of each other to secure the performance of obligation under Joint Venture agreement and funding requirements of the Joint Venture Riversdale Energy (Mauritius) Limited (REML) upto a maximum amount of US\$ 100 mn on the Shares of REML and all of its present and future benefits and rights under the Joint Venture agreement.

6. 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

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

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.

7. The notes to accounts of Tata Korf Engineering Services Limited (TKES), a subsidiary, state that : The accumulated losses of the Company as at 31st March, 2011 exceed its paid up Share Capital. The Company has practically closed its operations. Pending the preparation of a scheme, the financial statements have been prepared on a "going concern" basis. The report of the auditors to the members of TKES contains an audit qualification on this account.

Tata Korf Engineering Services Ltd. has a negative net worth as on 31.03.2011 of ₹ 8.77 crores (31.03.2010 : ₹ 8.62 crores).

8. Fixed Assets

- a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for : ₹ 16,186.96 crores (31.03.2010 : ₹ 16,834.15 crores).
- b) 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 :

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
Later than one year but not later than five years	—	—	—	—
Later than five years	—	—	—	—
Total	—	—	0.26	0.25

₹ crores

The break-up of total minimum lease payments for operating lease due as on 31st March, 2011, entered into by the company, its subsidiaries and joint ventures are as follows:

Period	As at 31.03.2011	As at 31.03.2010
	Minimum Lease Payments	Minimum Lease Payments
Not later than one year	1,345.01	1,167.40
Later than one year but not later than five years	3,373.16	3,053.45
Later than five years	2,317.81	2,127.23
Total	7,035.98	6,348.08

₹ crores

The total charge to the Profit and Loss Account for the year on account of operating lease is ₹ 1,005.65 crores (2009-10: ₹ 976.75 crores).

The company, its subsidiaries and joint venture have taken certain leaseholds on finance lease, having an aggregate cost of ₹ 1,507.08 crores (31.03.2010 : 1,434.84 crores). The break up of total minimum lease payments for finance lease due as on 31st March, 2011 and their corresponding present values, are as follows :

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	159.87	101.74	129.51
Later than one year but not later than five years	521.33	338.50	456.42	306.46
Later than five years	685.41	503.90	517.07	379.03
Total	1,366.61	944.14	1,103.00	780.84

₹ crores

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued
9. Profit and Loss Account

- a) i) Provision for employee separation compensation has been calculated on the basis of net present value of the future monthly payments of pension and lump sum benefits under the scheme including ₹ 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 ₹ 176.86 crores (31.03.2010 : ₹ 195.39 crores).
- b) The manufacturing and other expenses shown in the profit and loss account include ₹ 639.19 crores (2009-10 : ₹ 702.80 crores) 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 lower by ₹ 0.14 crore (2009-10 : Higher by ₹ 0.44 crores) and the Profit after taxes, minority interest and share of profit of associates for the year ended 31st March, 2011 is higher by ₹ 209.66 crores (2009-10 : Loss after taxes, minority interest and share of profit of associates is higher by ₹ 577.04 crores).
- d) The consolidated Profit and Loss Account includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 62% of the consolidated total income. The pension and other post retirement defined benefit liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS). IFRS permits the impact of changes in the assets and liabilities, inter alia, due to assumption of variables like bond yield rates, inflation and demographic assumptions to be accounted for in "Reserves and Surplus". This practice is consistently followed by Tata Steel Europe Limited. The Indian Accounting Standard (AS-15) is different from the above and requires such changes to be accounted for in the Profit and Loss Account. Given the large share of Tata Steel Europe Limited in the consolidated Profit and Loss Account of the company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the liabilities, it is not considered practicable to adopt a common accounting policy for accounting for the actuarial gains/losses in respect of the pension and other post retirement defined benefit liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of ₹ 402.81 crores (31.03.2010 : ₹ 3,541.23 crores) (Net of tax) recognised in Tata Steel Europe Limited has been accounted in Reserves and Surplus in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – Consolidated Financial Statements. Had the Company followed the practice of recognising changes in actuarial valuations in respect of the pension and other post retirement benefit plans of Tata Steel Europe Limited, in the Profit and Loss Account, the profit after taxes, minority interest and share of profit of associates would have been lower by ₹ 402.81 crores (31.03.2010 : Loss after taxes, minority interest and share of profit of associates would have been higher by ₹ 3,541.23 crores).
- e) Restructuring, impairment and disposals included in exceptional items relate to restructuring, impairment, profit on disposals of fixed assets and undertakings and includes profit of ₹ 2,503.19 crores on disposal of Teesside Cast Products to Sahaviriya Steel Industries, Thailand on 24th March, 2011.
10. 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	Object of the issue	Actual
Part finance the capital expenditure for expansion of the Company's existing works at Jamshedpur	1,875.00	-
Payment of redemption amounts on maturity of certain redeemable non-convertible debentures issued by the Company on a private placement basis	1,090.00	-
General corporate purposes	390.30	-
Issue Related Expenses	121.70	57.12
Total	3,477.00	57.12
Unutilised Amount represented by :		
Investments in Mutual Funds		1,014.27
Deposits with Banks		2,400.00
Bank Balance		5.61
Total		3,477.00

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

- 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).
- i) 1,50,00,000 Ordinary Shares of ₹ 10 each at a price of ₹ 594 per share aggregating to ₹ 891 crores.
 - ii) 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'.
11. The effect of acquisition of subsidiaries on the financial position and results as included in the consolidated financial statements for the year ended 31st March, 2011 are given below :

₹ crores

	Acquisition
FUNDS EMPLOYED	
Share Capital *	-
Reserves and Surplus	3.67
Secured Loans	0.58
Unsecured Loans	192.84
Deferred Tax Liability	67.89
Current Liabilities	9.52
APPLICATION OF FUNDS	
Net Block (including CWIP)	263.49
Deferred Tax Asset	1.59
Current Assets	9.16
Loans and Advances	0.26
INCOME	
Sales and other Operating Income	9.06
EXPENDITURE	
Manufacturing and other Expenses	7.74
Depreciation	1.41
Net Finance Charges	0.29
PROFIT/(LOSS) FOR THE YEAR	(0.38)

* Less than ₹ 50,000.

12. For the following companies unaudited Financial Statements have been considered for consolidation: Bangla Steel & Mining Co Limited, Orchid Netherlands (No.1) B.V., TRL Asia Private Limited and Tata Steel Cote D'Ivoire S.A. being subsidiaries.
- Himalaya Steel Mills Services Private Limited being joint venture.
- Almora Magnesite Limited, New Millenium Capital Corporation, Riversdale Mining Limited, Southern Steel, Berhad, Strategic Energy Technology Systems Limited being associates.

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

13. In one of the subsidiaries, in terms of the Licence Agreement dated 29.01.2002 with Board of Trustees for the Port of Kolkata, the subsidiary is required to invest in equipment and infrastructure as follows :

Sl. No.	Purpose of Investment	Phasing of Investment (₹ crores)			
		Within 18 months	Within 24 months	Within 36 months	Total
1.	For Procurement of Equipment for ship to shore handling & vice versa and horizontal transfer of cargo	23.06	2.85	–	25.91
2.	Storage of cargo	–	1.74	1.20	2.94
3.	Office building, workshop etc.	–	0.75	0.25	1.00
4.	Utility Services	–	0.22	–	0.22
	Total	23.06	5.56	1.45	30.07

As at 31st March, 2011 the subsidiary's investments in equipments and infrastructure aggregate to ₹ 25.80 crores (31.03.2010 : ₹ 25.80 crores). The management of the subsidiary company has requested the Port Trust Authorities for suitable modification to the investment obligation in view of the changes in the business and economic scenario. The Port Trust Authorities have, subject to sanction of Central Government approved the changes proposed by the subsidiary in the specifications of the equipments and other required infrastructure.

14. In respect of joint ventures the contingent liabilities and capital commitment are as follows :

Name of the Joint Venture Company	Country of Incorporation	Percentage of Holding	Contingent Liabilities ₹ crores	Capital Commitment ₹ crores
mjunction services ltd.	India	50%	– 0.72	– –
The Dhamra Port Company Limited	India	50%	–	76.17 215.58
Tata BlueScope Steel Limited	India	50%	20.26 11.66	59.14 114.32
Tata NYK Shipping Pte. Ltd.	Singapore	50%	–	171.95
Bhubaneswar Power Private Ltd.	India	26%	– 0.73 1.30	– 70.60
S & T Mining Company Private Ltd.	India	50%	–	–
Himalaya Steel Mills Services Private Ltd.	India	26%	–	–

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued
15. Employee Benefits

- a) The Company has recognised, in the profit and loss account for the current year, an amount of ₹ 299.15 crores (2009-10: ₹ 270.70 crores) as expenses under the following defined contribution plans :

	₹ crores	
Benefit Contribution to	2010-11	2009-10
Provident Fund	169.71	148.10
Employees Pension Scheme/Coal Mines Pension Scheme	70.29	65.32
TISCO Employees Pension Scheme	13.37	14.98
Superannuation Fund	45.30	41.70
Employees State Insurance	0.48	0.60
Total	299.15	270.70

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

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

- 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	1,258.50	1,132.96
b. Current service cost	62.17	56.17
c. Interest cost	95.67	83.07
d. Plan Amendments	0.49	-
e. Obligation of new companies	-	0.97
f. Actuarial (gain)/loss	325.22	79.37
g. Exchange rate variation	1.97	(0.88)
h. Benefits paid	(101.28)	(93.16)
i. Obligation as at the end of the year	1,642.74	1,258.50
The defined benefit obligation as at 31.03.2011 is funded except in the case of Tata BlueScope Steel Ltd., NatSteel Asia Pte. Ltd., S & T Mining Co. Pvt. Ltd., NatSteel Holding Pte. Ltd., Tata Steel (Thailand) Public Company Ltd. and Lanka Special Steel Ltd.		
2. Change in Plan Assets (Reconciliation of opening & closing balances)		
a. Fair value of plan assets as at beginning of the year	1,092.87	845.12
b. Expected return on plan assets	89.35	74.52
c. Assets of new companies	-	0.95
d. Actuarial gain/(loss)	6.90	5.35
e. Employers' contributions	137.94	256.96
f. Benefits paid	(98.11)	(90.03)
g. Fair value of plan assets as at end of the year	1,228.95	1,092.87
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at end of the year	1,228.95	1,092.87
b. Present value of obligation as at end of the year	1,642.74	1,258.50
c. Unrecognised past service cost	0.13	-
d. Amount recognised in the balance sheet :	413.66	165.63
- Provisions	413.82	166.10
- Loans and advances	(0.16)	(0.47)
4. Expense recognised in the period		
a. Current service cost	62.17	56.17
b. Interest cost	95.67	83.07
c. Expected return on plan assets	(89.35)	(74.52)
d. Actuarial (gain)/loss	318.32	74.02
e. Past service cost	0.28	-
f. Expense recognised during the year	387.09	138.74

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

₹ crores		
Description	31.03.2011	31.03.2010
	% invested	% invested
5. Investment Details		
a. GOI securities	10	12
b. Public sector unit bonds	28	27
c. State/Central Government guaranteed securities	5	13
d. Private sector unit bonds	7	8
e. Others (including bank balances)	50	40
	100	100
6. Assumptions		
a. Discount rate (per annum)	4.25-8.50%	1.65-8.5%
b. Estimated rate of return on plan assets (per annum)	4.25-9.25%	8-9.5%
c. Rate of escalation in salary (per annum)	4.00-10%	3.6-10%
7. Other Disclosures		
a. Experience adjustment on plan liabilities – gain / (loss)	(194.77)	(104.84)
b. Experience adjustment on plan assets – gain / (loss)	6.72	5.35

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows:

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

d) Details of Post Retirement Pension plans are as follows:

₹ crores		
Description	2010-11	2009-10
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	1,07,476.89	94,721.99
b. Current service cost	1,223.72	969.27
c. Interest cost	5,614.71	5,979.71
d. Obligation of new companies	–	–
e. Actuarial (gain)/loss	225.29	21,129.92
f. Exchange rate variation	5,184.75	(8,876.46)
g. Settlements and curtailments	(310.52)	(90.37)
h. Benefits paid	(6,098.14)	(6,884.43)
i. Employee contribution	445.52	527.26
j. Past service cost	–	–
k. Obligation as at end of the year	1,13,762.22	1,07,476.89
2. Change in plan assets (reconciliation of opening & closing balances)		
a. Fair value of plan assets as at beginning of the year	1,09,009.37	99,702.40
b. Expected return on plan assets	6,385.90	5,747.77
c. Actuarial gain/(loss)	(331.77)	17,553.65
d. Assets of new companies	–	–
e. Contributions employee	445.52	527.26
f. Contributions employer	1,372.12	1,273.20
g. Settlements and curtailments	–	(60.25)
h. Refund of scheme assets	(12.53)	–
i. Benefits paid	(6,112.28)	(6,914.55)
j. Exchange rate variation	5,292.45	(8,820.11)
k. Net fair value of plan assets as at end of the year	1,16,048.78	1,09,009.37
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at end of the year	1,16,048.78	1,09,009.37
b. Present value of obligation as at end of the year	1,13,762.22	1,07,476.89
c. Amount recognised in the balance sheet – assets	2,286.56	1,532.48
– Provisions	(222.22)	(259.17)
– Loans and advances	2,508.78	1,791.65

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

	₹ crores	
Description	2010-11	2009-10
4. Expense recognised in the period		
a. Current service cost	1,223.72	969.27
b. Interest cost	5,614.71	5,979.71
c. Expected return on plan assets	(6,385.90)	(5,747.77)
d. Actuarial (gain)/loss	557.06*	3,576.27*
e. Settlements and curtailment	(310.52)	(30.12)
f. Expense recognised during the year	699.07	4,747.36
	31.03.2011	31.03.2010
5. Investment details	% invested	% invested
a. Equities	29	27
b. Bonds	60	62
c. Property	7	6
d. Others (including bank balances)	4	5
	100	100
6. Assumptions		
a. Discount rate (per annum)	3-5.90%	2.5-6%
b. Estimated rate of return on plan assets (per annum)	2-9.60%	2.5-8.7%
c. Rate of escalation in salary (per annum)	1-4.6%	1-4.6%
7. Other disclosures		
a. Experience adjustment on plan liabilities – gain/(loss)	(106.07)	(986.54)
b. Experience adjustment on plan assets – gain/(loss)	332.34	17,546.79

e) Details of unfunded Post Retirement defined benefit obligations are as follows:

	₹ crores			
Description	2010-11		2009-10	
	Medical	Others	Medical	Others
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at beginning of the year	612.61	595.71	553.45	564.14
b. Current/Employer service cost	6.84	8.84	6.26	16.61
c. Interest cost	47.05	25.48	41.39	33.61
d. Obligation of new companies	–	–	0.05	0.33
e. Actuarial (gain)/loss	114.35	(32.95)*	51.14	53.88*
f. Past service cost	–	–	0.17	3.72
g. Exchange rate variation	–	20.01	–	(43.41)
h. Benefits paid	(49.23)	(17.55)	(39.85)	(33.17)
i. Obligation as at end of the year	731.62	599.54	612.61	595.71
2. Expense recognised in the period				
a. Current/Employer service cost	6.84	8.84	6.26	16.61
b. Interest cost	47.05	25.48	41.39	33.61
c. Past service cost	–	–	0.17	3.72
d. Exchange rate variation	–	–	–	–
e. Actuarial (gain)/loss	114.35	(32.95)	51.14	53.88
f. Expense recognised during the year	168.24	1.37	98.96	107.82
3. Assumptions				
a. Discount rate (per annum) on beginning of the year	7-8.40%	3.90-8.00%	8.00%	4.40-8.00%
b. Discount rate (per annum) on end of the year	8-8.40%	3.30-8.00%	7-8.40%	3.90-8.00%
c. Medical costs inflation rate	5.00%	–	5.00%	–
d. Effect of a 1% change in (health care cost)	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)
4. Other Disclosures				
a. Experience adjustment on plan liabilities – gain/(loss)	(114.35)	(2.41)	(70.00)	(10.57)
b. Experience adjustment on plan assets – gain/(loss)	–	–	–	–

* An amount of ₹ 524.47 crores (2009-10: ₹ 3,626.76 crores) (gross of tax) has been accounted in Reserves and Surplus.

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**
16. Information about Primary Business Segments

Particulars	Business Segments		Unallocable ₹ crores	Eliminations ₹ crores	Total ₹ crores
	Steel ₹ crores	Others ₹ crores			
Revenue :					
Total External Sales	1,08,477.69	9,879.76	395.67	–	1,18,753.12
	93,706.15	8,297.15	389.82	–	1,02,393.12
Inter segment sales	4,557.14	3,195.12	1,074.82	(8,827.08)	–
	3,682.80	2,579.98	1,039.25	(7,302.03)	–
Total Revenue	1,13,034.83	13,074.88	1,470.49	(8,827.08)	1,18,753.12
	97,388.95	10,877.13	1,429.07	(7,302.03)	1,02,393.12
Segment Result before net finance charges, Exceptional Items and Tax	12,304.81	1,041.82	(371.59)	(413.26)	12,561.78
	4,082.36	1,031.34	(14.30)	(362.62)	4,736.78
Less : Net Finance Charges (See Schedule 3, Page 190)					2,770.04
					3,022.06
Profit/(Loss) before taxes and exceptional items					9,791.74
					1,714.72
Restructuring, Impairment and Disposals (See Note 9(e), Page 214)					2,310.21
					(1,683.72)
Profit/(Loss) before Taxes					12,101.95
					31.00
Taxes					3,245.90
					2,151.84
Profit/(Loss) after Taxes					8,856.05
					(2,120.84)
Segment Assets	1,09,435.61	8,487.49	25,124.25	(30,555.27)	1,12,492.08
	81,743.64	6,651.05	15,501.83	(13,920.19)	89,976.33
Segment Liabilities	49,194.71	3,319.99	11,738.41	(30,492.13)	33,760.98
	33,569.34	2,509.30	7,784.25	(13,876.24)	29,986.65
Total Cost incurred during the year to acquire segment assets	9,317.00	998.40	110.79	(10.15)	10,416.04
	5,867.62	1,006.94	284.21	(9.26)	7,149.51
Segment Depreciation	4,064.24	216.23	134.35	–	4,414.82
	4,136.28	212.36	143.09	–	4,491.73
Non-Cash Expenses other than depreciation	951.46	3.46	657.20	–	1,612.12
	184.56	1.29	305.18	–	491.03

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

Information about Secondary Segments : Geographical	2010-11	2009-10
	₹ crores	₹ crores
Revenue by Geographical Market		
India	30,815.20	<i>26,848.68</i>
Outside India.....	87,937.92	<i>75,544.44</i>
	1,18,753.12	<i>1,02,393.12</i>
Additions to Fixed Assets and Intangible Assets		
India	7,695.72	<i>4,408.13</i>
Outside India.....	2,720.32	<i>2,741.38</i>
	10,416.04	<i>7,149.51</i>
	As at	<i>As at</i>
	31.03.2011	<i>31.03.2010</i>
	₹ crores	<i>₹ crores</i>
Carrying Amount of Segment Assets		
India	42,374.94	<i>32,474.84</i>
Outside India.....	70,117.14	<i>57,501.49</i>
	1,12,492.08	<i>89,976.33</i>

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. Other business segments comprises of Tubes, Bearings, Refractories, Pigments, Port operations, town services and Investment activities.
- (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	<i>As at</i>
	31.03.2011	<i>31.03.2010</i>
	₹ crores	<i>₹ crores</i>
Investments.....	7,517.30	<i>5,109.00</i>
Goodwill on consolidation	15,298.20	<i>14,541.82</i>
Deferred Tax Asset.....	175.56	<i>148.83</i>
	22,991.06	<i>19,799.65</i>
Total Unallocable Liabilities exclude :		
Hybrid Perpetual Securities	1,500.00	<i>–</i>
Secured Loans.....	28,604.40	<i>28,059.33</i>
Unsecured Loans.....	32,079.94	<i>25,041.02</i>
Provision for Employee Separation Compensation.....	879.37	<i>963.67</i>
Foreign Currency Monetary item Translation Difference Account	–	<i>206.95</i>
Deferred Tax Liability	2,188.18	<i>1,802.94</i>
Share Warrants issued by a subsidiary company	17.46	<i>17.46</i>
Minority Interest	888.90	<i>884.07</i>
	66,158.25	<i>56,975.44</i>

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

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued
17. Related Party Disclosures
(a) List of Related Parties and Relationships

Party	Relationship
A. i) Kalimati Investment Company Ltd. 1. Rujualika Investments Ltd.	Associate – Where the Company exercises significant influence
ii) NatSteel Asia Pte. Ltd. 1. Steel Asia Development and Management Corp. 2. Steel Asia Industries Inc. 3. Steel Asia Manufacturing Corporation	
iii) Tata Incorporated 1. TKM Overseas Ltd.	
iv) Tata Refractories Ltd. 1. Almora Magnesite Ltd.	
v) Tata Steel Ltd. 1. Indian Steel Rolling Mills Ltd. 2. Industrial Energy Ltd. 3. Jamipol Ltd. 4. Kalinga Aquatics Ltd. 5. Kumardhubi Fireclay & Silica Works Ltd. 6. Kumardhubi Metal Casting & Engineering Ltd. 7. Nicco Jubilee Park Ltd. 8. Strategic Energy Technology Systems Limited 9. Tata Construction & Projects Ltd. 10. Tata Sponge Iron Ltd. 11. The Tinplate Company of India Ltd. 12. TRF Ltd.	
vi) Tata Steel Holdings Pte. Ltd.	
a) Tata Steel Global Holdings Pte Ltd.	
I. Tata Steel International (Singapore) Holdings Pte. Ltd. 1. European Profiles Malaysia (M) Sdn.Bhd.	
II. NatSteel Holdings Pte. Ltd. 1. Southern Steel, Berhard *	
III. Tata Steel Europe Ltd. 1. Ab Norskstal AS 2. Albi Profils SRL 3. Appleby Frodingham Cottage Trust Limited 4. Combulex B.V. 5. Cv Gasexpansie Ijmond 6. Danieli Corus Canada Inc. 7. Danieli Corus Asia B.V. 8. Danieli Corus B.V. 9. Danieli Corus Braseq Ltda. 10. Danieli Corus Construction Services B.V. 11. Danieli Corus Construction Services USA Inc. 12. Danieli Corus Do Brasil Ltda. 13. Danieli Corus Inc. 14. Danieli Corus Services USA Inc. 15. Danieli India (Pvt.) Ltd. 16. European Profiles (Marketing) Sdn.Bhd. 17. Galvpro LP. 18. Gietwalsonderhoudcombinatie B.V. 19. Hoogovens Court Roll Service Technologies Vof: 20. Hoogovens Gan Multimedia S.A. De C.V. 21. Isolation Du Sud SA 22. Issb Limited 23. MDC Sublance Probe Technology 24. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. 25. Richard Lees Steel Decking Asia Snd. Bhd. 26. Rsp Holding B.V. 27. Schreiner Fleischer AS 28. Shanghai Bao Yi Beverage Can Making Co. Ltd. 29. Sms Mevac UK Limited	

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**

Party	Relationship
30. Stuwadoorsbedrijf Velserkom B.V. * 31. Thoresen & Thorvaldsen AS 32. Trico LLC 33. Weirton/Hoogovens GP 34. Workington Cottage Trust 35. Wupperman Staal Nederland B.V. IV. Tata Steel Global Minerals Holdings Pte Ltd. 1. Riversdale Mining Ltd. 2. New Millennium Capital Corporation * vii) The Indian Steel and Wire Products Ltd. 1. Metal Corporation of India Ltd.	
B. i) Tata Steel Ltd. 1. Bhubaneswar Power Pvt. Ltd. 2. mjunction services ltd. 3. Himalaya Steel Mills Services Pvt. Ltd. 4. S & T Mining Co. Pvt. Ltd. 5. Tata Bluescope Steel Ltd. 6. Tata NYK Shipping Pte Ltd. 7. The Dhamra Port Company Ltd. 8. Himalaya Steel Mills Services Private Ltd* ii) Tata Steel Holdings Pte. Ltd. a) Tata Steel Global Holdings Pte. Ltd. I. Tata Steel Europe Ltd. 1. Afon Tinplate Company Limited 2. Air Products Llanwern Limited 3. B V Ijzerleew 4. Bsr Pipeline Services Limited 5. Caparo Merchant Bar Plc 6. Cindu Chemicals B.V. 7. Corus Celik Ticaret AS 8. Corus Cogifer Switches And Crossings Limited 9. Corus Kalpinis Simos Rom SRL. 10. Danieli Corus Technical Services B.V. 11. Hks Scrap Metals B.V. 12. Ijzerhandel Geertsema Staal B.V. 13. Industrial Rail Services Ijmond B.V. 14. Laura Metaal Holding B.V. 15. Norsk Stal AS 16. Norsk Stal Tynnplater AS 17. Ravenscraig Limited (Formerly Stamek Limited) 18. Tata Elastron SA 19. Tata Elastron SA Steel Service Center 20. Texturing Technology Limited 21. Redcar Bulk Terminal Limited * II. Tata Steel Global Minerals Holdings Pte. Ltd. 1) Riversdale Energy (Mauritius) Ltd.	Joint Venture
C. Tata Sons Ltd.	Promoters' holding together with its Subsidiaries is more than 20%
D. Key Management Personnel Mr. H. M. Nerurkar	Whole Time Directors

* Part of the year.

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued
17. (b) Related Party Transactions

					₹ crores
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Purchase of Goods					
Wupperman Staal Nederland B.V.	128.31	-	-	-	128.31
	<i>12.82</i>	-	-	-	<i>12.82</i>
Gietwalsonderhoudcombinatie B.V.	94.23	-	-	-	94.23
	<i>99.63</i>	-	-	-	<i>99.63</i>
Caparo Merchant Bar Plc	87.78	-	-	-	87.78
	<i>63.84</i>	-	-	-	<i>63.84</i>
Jamipol	72.99	-	-	-	72.99
	<i>84.00</i>	-	-	-	<i>84.00</i>
Others	206.51	-	-	-	206.51
	<i>186.33</i>	-	-	-	<i>186.33</i>
	589.82	-	-	-	589.82
	<i>446.62</i>	-	-	-	<i>446.62</i>
Sale of Goods					
Wupperman Staal Nederland B.V.	417.05	-	-	-	417.05
	<i>468.40</i>	-	-	-	<i>468.40</i>
Southern Steel, Berhard	270.46	-	-	-	270.46
	<i>735.22</i>	-	-	-	<i>735.22</i>
The Tinplate Company of India Ltd.	212.33	-	-	-	212.33
	<i>245.61</i>	-	-	-	<i>245.61</i>
Tata Sponge Iron Ltd.	203.28	-	-	-	203.28
	<i>147.64</i>	-	-	-	<i>147.64</i>
Others	211.37	-	-	-	211.37
	<i>346.52</i>	-	-	-	<i>346.52</i>
	1,314.49	-	-	-	1,314.49
	<i>1,943.39</i>	-	-	-	<i>1,943.39</i>
Receiving of Services					
Tata NYK Shipping Pte Ltd.	305.33	-	-	-	305.33
	<i>310.74</i>	-	-	-	<i>310.74</i>
The Tinplate Company of India Ltd.	321.51	-	-	-	321.51
	<i>370.03</i>	-	-	-	<i>370.03</i>
Others	22.31	-	-	3.40	25.71
	<i>45.21</i>	-	-	<i>1.36</i>	<i>46.57</i>
	649.15	-	-	3.40	652.55
	<i>725.98</i>	-	-	<i>1.36</i>	<i>727.34</i>
Rendering of Services					
The Tinplate Company of India Ltd.	43.40	-	-	-	43.40
	<i>42.30</i>	-	-	-	<i>42.30</i>
The Dharma Port Company Ltd.	22.63	-	-	-	22.63
	-	-	-	-	-
Tata Blue Scope Steel Ltd.	19.56	-	-	-	19.56
	<i>26.55</i>	-	-	-	<i>26.55</i>
Others	9.54	-	-	0.19	9.73
	<i>8.85</i>	-	-	<i>0.24</i>	<i>9.09</i>
	95.13	-	-	0.19	95.32
	<i>77.70</i>	-	-	<i>0.24</i>	<i>77.94</i>
Purchase of Fixed Assets					
TRF Ltd.	54.00	-	-	-	54.00
	<i>3.17</i>	-	-	-	<i>3.17</i>
Others	-	-	-	-	-
	<i>0.31</i>	-	-	-	<i>0.31</i>
	54.00	-	-	-	54.00
	<i>3.48</i>	-	-	-	<i>3.48</i>

**SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2010-11 :- continued**
17. (b) Related Party Transactions

₹ crores					
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Sale of Fixed Assets					
Jamipol	—	—	—	—	—
	0.07	—	—	—	0.07
	—	—	—	—	—
	<i>0.07</i>	—	—	—	<i>0.07</i>
Dividend Expense					
Tata Sons Ltd.	—	—	—	206.74	206.74
	—	—	—	<i>408.42</i>	<i>408.42</i>
Others	0.93	*	—	—	0.93
	<i>1.86</i>	<i>0.01</i>	***	—	<i>1.87</i>
	0.93	**	—	206.74	207.67
	<i>1.86</i>	<i>0.01</i>	****	<i>408.42</i>	<i>410.29</i>
Dividend Income					
Norsk Stal AS	47.48	—	—	—	47.48
	<i>18.52</i>	—	—	—	<i>18.52</i>
The Tinplate Company of India Ltd.	13.97	—	—	—	13.97
	<i>13.94</i>	—	—	—	<i>13.94</i>
Others	41.66	—	—	—	41.66
	<i>33.56</i>	—	—	—	<i>33.56</i>
	103.11	—	—	—	103.11
	<i>66.02</i>	—	—	—	<i>66.02</i>
Interest Income					
The Tinplate Company of India Ltd.	5.17	—	—	—	5.17
	<i>15.20</i>	—	—	—	<i>15.20</i>
Others	—	—	—	—	—
	<i>1.26</i>	—	—	—	<i>1.26</i>
	5.17	—	—	—	5.17
	<i>16.46</i>	—	—	—	<i>16.46</i>
Management contracts including deputation of employees					
Tata Sons Ltd.	—	—	—	50.00	50.00
	—	—	—	<i>50.00</i>	<i>50.00</i>
	—	—	—	50.00	50.00
	—	—	—	<i>50.00</i>	<i>50.00</i>
Finance Provided					
The Dharma Port Company Ltd.	77.50	—	—	—	77.50
	<i>87.94</i>	—	—	—	<i>87.94</i>
Tata Blue Scope Steel Ltd.	60.00	—	—	—	60.00
	—	—	—	—	—
Strategic Energy Technology Systems Limited	16.93	—	—	—	16.93
	—	—	—	—	—
Others	7.75	—	—	—	7.75
	<i>283.15</i>	—	—	—	<i>283.15</i>
	162.18	—	—	—	162.18
	<i>371.09</i>	—	—	—	<i>371.09</i>
Remuneration Paid					
Mr. H. M. Nerurkar	—	—	—	—	—
	—	<i>3.01</i>	—	—	<i>3.01</i>
	—	—	—	—	—
	—	<i>3.01</i>	—	—	<i>3.01</i>
Guarantees and collaterals given					
Tata NYK Shipping Pte Ltd.	—	—	—	—	—
	<i>134.78</i>	—	—	—	<i>134.78</i>
	—	—	—	—	—
	<i>134.78</i>	—	—	—	<i>134.78</i>

SCHEDULE M : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued

17. (b) Related Party Transactions

					₹ crores
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Guarantees outstanding					
Tata NYK Shipping Pte Ltd.	133.79 134.78	—	—	—	133.79 134.78
	133.79 134.78	—	—	—	133.79 134.78
Outstanding Receivables					
Caparo Merchant Bar Plc	109.40 86.00	—	—	—	109.40 86.00
Wupperman Staal Nederland B.V.	44.08 25.75	—	—	—	44.08 25.75
Others	49.27 265.20	—	—	4.01 4.01	53.28 269.21
	202.75 376.95	—	—	4.01 4.01	206.76 380.96
Outstanding Payables					
Tata Sons Ltd.	—	—	—	50.76	50.76
	—	—	—	56.10	56.10
TRF Ltd.	41.39 9.82	—	—	—	41.39 9.82
The Tinplate Company of India Ltd.	29.85 22.47	—	—	—	29.85 22.47
Bsr Pipeline Services Limited	26.92 8.80	—	—	—	26.92 8.80
Others	72.19 58.76	—	—	—	72.19 58.76
	170.35 99.85	—	—	50.76 56.10	221.11 155.95

* ₹ 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 TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2010-11 :- continued
18. Earnings per Share (EPS)

	2010-11 ₹ crores	2009-10 ₹ crores
(i) Profit/(Loss) after Taxes, Minority Interest and Share of Profit of Associates.....	8,982.69	(2,009.22)
Less: Preference dividend including tax thereon.....	–	53.68
Distribution on Hybrid Perpetual Securities (net of tax).....	4.54	–
Profit attributable to ordinary shareholders	8,978.15	(2,062.90)
Profit attributable to ordinary shareholders – for Diluted EPS.....	9,007.01	(2,062.90)
	Nos.	Nos.
(ii) Weighted Average No. of Ordinary Shares for Basic EPS	90,65,81,117	82,78,79,356
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	–
Adjustment for Options relating to 1,20,00,000 (2009-10 : Nil) Detachable Warrants.....	3,53,829	–
Weighted Average No. of Ordinary Shares for Diluted EPS	<u>96,99,10,961</u>	<u>82,78,79,356</u>
(iii) Nominal Value of Ordinary Shares	₹ 10.00	₹ 10.00
(iv) Basic Earnings per Ordinary Share	₹ 99.03	₹ (24.92)
(v) Diluted Earnings per Ordinary Share	₹ 92.86	₹ (24.92)

19. Deferred Tax Liability (Net)

	Deferred Tax (Asset)/Liability as at 31-03-2011 ₹ crores	31-03-2010 ₹ crores
Deferred Tax Liabilities		
(i) Difference between book and tax depreciation.....	3,399.55	3,029.58
(ii) Prepaid expenses	106.08	73.46
(iii) Actuarial Gain / (Loss)	595.36	360.40
(iv) Others.....	1,176.93	1,034.01
(A)	<u>5,277.92</u>	<u>4,497.45</u>
Deferred Tax Assets		
(i) Employee Separation Compensation	(442.40)	(491.84)
(ii) Wage Provision	(126.22)	(128.63)
(iii) Provision for doubtful debts and advances.....	(46.41)	(38.24)
(iv) Disallowance under Section 43B	(164.47)	(168.29)
(v) Provision for Leave Salary.....	(151.13)	(148.95)
(vi) Provision for Employee Benefits.....	(77.52)	(78.83)
(vii) Differences in written down value of development of property	(2.34)	(3.20)
(viii) Other Provisions	(272.44)	(194.10)
(ix) Unadjusted losses	(1,853.36)	(1,458.68)
(x) Redemption premium on CARS	(129.01)	(132.58)
(B)	<u>(3,265.30)</u>	<u>(2,843.34)</u>
Deferred Tax Liability (Net)	(A+B)	
	<u>2,012.62</u>	<u>1,654.11</u>

20. Figures pertaining to the subsidiary companies and joint ventures have been reclassified where necessary to bring them in line with the Company's financial statements.

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

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

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
1	Adityapur Toll Bridge Company Ltd.	INR	1.00	20.38	43.10	14.00	-	-	-	-	-	-	India
2	Centennial Steel Company Ltd.	INR	1.00	2,185.52	3,625.02	1,438.22	-	4.32	3.82	-	3.82	-	India
3	Gopalpur Special Economic Zone Ltd.	INR	1.00	10.07	10.11	-	-	-	-	-	-	-	India
4	Jamshedpur Utilities & Services Company Ltd.	INR	1.00	20.35	189.80	52.65	3.00	539.73	(3.44)	(4.12)	0.68	-	India
5	Haldia Water Management Limited	INR	1.00	24.93	-	51.54	-	43.20	(9.25)	1.61	(10.86)	-	India
6	Naba Diganta Water Management Ltd.	INR	1.00	18.45	-	18.65	-	1.40	(0.75)	-	(0.75)	-	India
7	SEZ Adityapur Ltd.	INR	1.00	0.05	-	0.05	-	-	(0.01)	-	(0.01)	-	India
8	Kalimati Investment Company Ltd.	INR	1.00	16.39	308.91	325.30	328.59	21.42	21.28	(0.10)	21.38	4.76	India
9	Bangla Steel & Mining Co. Ltd.	BDT	0.61	0.06	(0.04)	0.02	-	-	-	-	-	-	Bangladesh
10	Lanka Special Steels Ltd.	LKR	0.40	1.01	9.65	11.82	1.16	49.02	5.72	1.41	4.31	-	Sri Lanka
11	NatSteel Asia Pte. Ltd.	SGD	35.36	990.05	215.51	1,381.91	176.35	-	41.28	(3.17)	44.45	-	Singapore
12	Tata Steel Asia (Hong Kong) Ltd.	SGD	35.36	-	53.36	148.33	94.97	1,958.36	17.04	3.69	13.35	-	Hong Kong
13	Tata Steel Resources Australia Pty. Ltd.	SGD	35.36	-	8.10	8.10	-	4,141.84	0.27	(0.39)	0.60	-	Australia
14	T S Alloys Limited	INR	1.00	43.31	32.02	95.51	20.18	156.67	25.67	10.72	14.95	-	India
15	Sila Eastern Ltd.	THB	1.47	0.29	5.92	6.21	-	12.43	(1.46)	-	(1.46)	-	Thailand
16	Tata Incorporated	USD	44.59	6.69	40.89	47.58	-	1.32	0.53	0.23	0.30	-	USA
17	Tata Korf Engineering Services Ltd.	INR	1.00	0.40	(9.17)	(5.50)	3.27	-	(0.15)	-	(0.15)	-	India
18	Tata Metaliks Ltd.	INR	1.00	25.29	86.90	460.75	348.56	0.02	28.68	5.73	22.95	-	India
19	Tata Metaliks Kubota Pipes Ltd.	INR	1.00	143.25	(80.09)	265.25	202.09	86.67	(43.88)	-	(43.88)	-	India
20	Tata Refractories Ltd.	INR	1.00	20.90	231.55	383.99	131.54	1.01	872.95	23.65	42.68	-	India
21	TRL Asia Private Ltd.	CNY	6.86	45.18	(0.37)	44.86	0.05	-	(0.04)	-	(0.04)	-	Singapore
22	TRL China Ltd.	CNY	6.86	44.57	1.34	98.20	52.29	132.66	(1.42)	-	(1.42)	-	China
23	Tayo Rolls Ltd.	INR	1.00	10.26	37.62	216.16	168.28	133.74	(30.44)	-	(30.44)	-	India
24	Tata Steel (Kzn) (Pty) Ltd.	ZAR	6.56	94.49	(288.08)	674.73	869.32	617.98	(57.13)	-	(57.13)	-	South Africa
25	Tata Steel Holdings Pte. Ltd.	GBP	71.68	39,229.64	(451.76)	42,480.18	3,702.30	-	(6.26)	-	(6.26)	-	Singapore
26	Tata Steel Global Holdings Pte Ltd.	GBP	71.68	38,775.40	197.27	42,787.07	3,814.40	59.02	242.19	76.34	165.85	-	Singapore
27	Tata Steel International (Singapore) Holdings Pte. Ltd.	SGD	35.36	253.55	-	253.55	-	0.89	0.40	-	0.40	-	Singapore
28	TSIA Holdings (Thailand) Limited	THB	1.47	0.02	(0.21)	(0.21)	-	-	(0.05)	-	(0.05)	-	Thailand
29	Tata Steel International (Guangzhou) Ltd.	CNY	6.86	3.31	(0.17)	3.14	-	1.08	(0.03)	(0.02)	(0.01)	-	China
30	Tata Steel International (Shangai) Ltd	CNY	6.86	3.32	1.31	4.63	-	7.92	0.36	0.01	0.35	-	China
31	Tata Steel International (Malaysia) Sdn Bhd	MYR	14.74	-	3.24	3.28	0.04	4.77	0.66	0.35	0.31	-	Malaysia
32	Tata Steel International (Thailand) Ltd	THB	1.47	0.30	8.80	9.10	-	0.71	(0.28)	-	(0.28)	-	Thailand
33	Tata Steel International (Singapore) Pte. Ltd.	SGD	35.36	6.02	37.81	43.83	6.37	164.24	7.35	0.07	7.28	-	Singapore
34	Tata Steel International (Asia) Limited	HKD	5.73	-	171.62	171.62	-	632.96	3.83	(1.51)	5.34	-	Hong Kong
35	Tata Steel International (Hongkong) Limited	HKD	5.73	0.01	174.80	174.81	-	1,492.77	14.89	2.35	12.54	-	Hong Kong
36	NatSteel Holdings Pte. Ltd.	SGD	35.36	707.26	99.98	1,350.97	543.73	2,803.56	103.40	3.28	100.12	-	Singapore
37	Best Bar Pty. Ltd.	SGD	35.36	-	26.88	26.88	-	348.20	(6.80)	(2.04)	(4.76)	-	Australia

₹ crores

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Profit Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
38	Besibar (Vic) Pte. Ltd.	SGD	35.36	11.77	116.99	103.70	-	294.95	(33.89)	(10.17)	(23.72)	-	Australia
39	Burwill Trading Pte. Ltd.	SGD	35.36	38.54	31.85	-	-	-	-	-	-	-	Singapore
40	Easteel Construction Services Pte. Ltd.	SGD	35.36	3.54	12.03	-	-	-	(0.01)	-	(0.01)	-	Singapore
41	Easteel Services (M) Sdn. Bhd.	SGD	35.36	-	1.44	-	-	2.43	0.45	0.11	0.34	-	Malaysia
42	Eastern Steel Fabricators Philippines, Inc.	SGD	35.36	15.36	(30.43)	-	-	-	-	-	-	-	Philippines
43	Eastern Steel Services Pte. Ltd.	SGD	35.36	35.36	42.23	-	-	-	0.42	-	0.42	-	Singapore
44	Eastern Wire Pte. Ltd.	SGD	35.36	29.53	68.85	4.03	29.17	-	3.14	0.69	2.45	-	Singapore
45	Materials Recycling Pte. Ltd.	SGD	35.36	0.88	-	-	-	-	-	-	-	-	Singapore
46	NatSteel (Xiamen) Ltd.	SGD	35.36	130.51	254.38	65.10	-	1,337.85	35.53	7.92	27.61	-	China
47	NatSteel Asia (S) Pte. Ltd.	SGD	35.36	7.07	8.17	-	-	-	(0.03)	0.31	(0.34)	-	Singapore
48	NatSteel Australia Pty. Ltd.	SGD	35.36	34.98	72.00	82.93	-	286.89	6.21	0.96	5.25	-	Australia
49	NatSteel Equity IV Pte. Ltd.	SGD	35.36	-	106.05	-	-	-	-	-	-	-	Singapore
50	NatSteel Recycling Pte Ltd.	SGD	35.36	35.36	130.47	0.13	-	1,757.98	3.64	0.78	2.86	-	Singapore
51	NatSteel Trade International (Shanghai) Company Ltd.	SGD	35.36	1.20	0.26	-	-	-	(0.09)	-	(0.09)	-	China
52	NatSteel Trade International Pte. Ltd.	SGD	35.36	10.40	49.45	-	0.04	1,847.47	10.86	1.68	9.18	-	Singapore
53	NatSteel Vina Co. Ltd.	SGD	35.36	70.41	74.51	15.14	-	401.69	6.89	0.37	6.52	-	Vietnam
54	PT Materials Recycling Indonesia	SGD	35.36	0.94	(0.07)	-	-	-	-	-	-	-	Indonesia
55	The Siam Industrial Wire Company Ltd.	SGD	35.36	38.61	379.22	0.90	-	748.30	48.20	11.03	37.17	-	Thailand
56	Wuxi Jinyang Metal Products Co. Ltd.	SGD	35.36	79.33	166.50	43.50	-	273.00	(9.77)	(2.11)	(7.66)	-	China
57	Orchid Netherlands (No. 1) B.V.	EUR	63.34	0.11	1.34	-	-	80.95	84.99	21.50	63.49	-	Netherlands
58	Tata Steel Europe Ltd.	GBP	71.68	25,194.28	(383.60)	24,810.68	-	-	(102.82)	23.82	(126.64)	-	UK
59	Almana Steel Dubai (Jersey) Limited	AED	12.14	0.07	40.59	40.66	-	21.55	3.98	-	3.98	-	Jersey
60	Apollo Metals Ltd.	USD	44.59	28.00	(67.65)	98.08	-	149.28	16.27	-	16.27	-	USA
61	Ashorne Hill Management College	GBP	71.68	58.89	-	58.89	-	31.57	3.66	-	3.66	-	UK
62	Augusta Grundstucks GmbH	EUR	63.34	-	0.23	(0.32)	-	-	(2.18)	-	(2.18)	-	Germany
63	Automotive Laser Technologies Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
64	B S Pension Fund Trustee Ltd.	GBP	71.68	15.38	0.49	15.87	-	-	-	-	-	-	UK
65	Bailey Steels Limited	GBP	71.68	0.14	3.06	3.20	-	-	-	(0.04)	0.04	-	UK
66	Behereemaatschappij Industriële Producten B.V.	EUR	63.34	0.11	(41.59)	73.39	-	-	(0.97)	(0.25)	(0.72)	-	Netherlands
67	Belfin Beheermaatschappij B.V.	EUR	63.34	84.96	(84.53)	0.43	-	-	-	-	-	-	Netherlands
68	Bell & Harwood Limited	GBP	71.68	-	(9.05)	9.05	-	-	-	-	-	-	UK
69	Blastmega Limited	GBP	71.68	-	666.69	666.69	-	-	-	-	-	-	UK
70	Blume Stahlservice GmbH	EUR	63.34	32.43	29.79	171.45	109.23	1,105.38	34.11	(0.14)	34.25	40.46	Germany
71	Blume Stahlservice Polska Sp. Z.O.O	PLZ	15.68	0.08	(11.02)	8.01	18.95	13.93	(0.56)	-	(0.56)	-	Poland
72	Bore Samson Group Ltd.	GBP	71.68	150.53	(42.95)	161.44	-	-	-	-	-	-	UK
73	Bore Steel Ltd.	GBP	71.68	114.69	7.52	122.21	-	-	-	-	-	-	UK
74	British Guide Rails Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
75	British Steel Holdings B.V.	EUR	63.34	0.12	334.69	466.11	53.29	-	(13.45)	1.24	(14.69)	17.15	Netherlands
76	British Steel Nederland International B.V.	EUR	63.34	0.12	439.57	439.69	30.94	53.76	82.57	(0.05)	82.62	18.37	Netherlands
77	British Steel Corporation Ltd.	GBP	71.68	129.57	89.08	218.65	-	-	-	-	-	-	UK
78	British Steel De Mexico S.A. de C.V.	USD	44.59	-	-	-	-	-	-	-	-	-	Mexico

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79	British Steel Directors (Nominees) Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
80	British Steel Employee Share Ownership Trustees Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
81	British Steel Engineering Steels (Exports) Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
82	British Steel International B.V.	EUR	63.34	0.15	245.66	245.81	-	-	(17.05)	0.12	(17.17)	87.59	Netherlands
83	British Steel Samson Limited	GBP	71.68	0.72	6.45	7.17	-	-	-	-	-	-	UK
84	British Steel Service Centres Ltd.	GBP	71.68	143.36	239.94	561.59	178.29	-	-	-	-	-	UK
85	British Steel Tubes Exports Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
86	British Transformer Cores Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
87	British Tubes Stockholding Ltd.	GBP	71.68	71.68	3.81	75.49	-	-	-	-	-	-	UK
88	Bs Quest Trustee Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
89	Bskh Corporate Services (UK) Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
90	Burgdorfer Grundstuecks GmbH	EUR	63.34	14.62	0.45	14.89	(0.18)	-	(0.51)	0.04	(0.55)	-	Germany
91	C V Benine	EUR	63.34	-	28.73	132.55	103.82	-	(0.02)	-	(0.02)	-	Netherlands
92	C Walker & Sons Ltd.	GBP	71.68	25.09	91.38	499.23	382.76	-	-	-	-	-	UK
93	Catnic GmbH	EUR	63.34	0.16	14.88	15.04	-	58.22	4.75	2.46	2.29	-	Germany
94	Catnic Limited	GBP	71.68	1.61	102.57	104.18	-	-	-	-	-	-	UK
95	Cbs Investissements SAS	EUR	63.34	0.51	0.36	2.49	1.62	-	0.42	-	0.42	-	France
96	Gladding & Decking (UK) Limited	GBP	71.68	32.26	(19.28)	12.98	-	-	(0.17)	-	(0.17)	-	UK
97	Cogent Power Inc.	CAD	45.94	1.38	114.83	118.44	2.23	467.58	20.17	7.02	13.15	-	Canada
98	Cogent Power Inc.	USD	44.59	0.04	(4.88)	(4.84)	-	-	-	-	-	-	Mexico
99	Cogent Power Inc.	USD	44.59	1.34	17.89	19.23	-	-	-	-	-	-	USA
100	Cogent Power Limited	GBP	71.68	305.83	(204.52)	316.35	215.04	-	0.33	5.33	(5.00)	-	UK
101	Cold Drawn Tubes Ltd.	GBP	71.68	164.86	(126.46)	38.40	-	-	-	-	-	-	UK
102	Color Steels Limited	GBP	71.68	0.32	32.17	89.92	57.43	-	-	-	-	-	UK
103	Corbeil Les Rives SCI	EUR	63.34	4.28	3.51	7.79	-	-	-	-	-	-	France
104	Corby (Northants) & District Water Co.	GBP	71.68	1.86	2.36	4.25	0.03	3.59	0.17	-	0.17	-	UK
105	Cordor (C & B) Limited	GBP	71.68	2.33	-	2.33	-	-	-	-	-	-	UK
106	Corus Aerospace Service Centre Suzhou Co. Ltd.	USD	44.59	2.45	(2.32)	(0.94)	(1.07)	9.02	(1.02)	-	(1.02)	-	China
107	Corus Aluminium Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
108	Corus Aluminium Verwaltungsgesellschaft MbH	EUR	63.34	0.06	(15.16)	26.52	41.62	-	(0.59)	-	(0.59)	-	Germany
109	Corus Batiment Et Systemes SAS	EUR	63.34	25.34	(34.96)	104.71	114.33	373.95	(60.40)	-	(60.40)	-	France
110	Corus Beteiligungs GmbH	EUR	63.34	0.01	18.71	18.72	-	-	(0.14)	0.04	(0.18)	-	Germany
111	Corus Brokers Limited*	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
112	Corus Building Systems Bulgaria AD	LEV	32.38	3.79	(9.24)	36.13	41.58	10.73	(3.31)	-	(3.31)	-	Bulgaria
113	Corus Building Systems N.V.	EUR	63.34	0.86	5.82	6.68	-	-	0.13	-	0.13	-	Belgium
114	Corus Building Systems SAS	EUR	63.34	19.00	(12.42)	6.58	0.17	6.58	2.37	-	2.37	-	France
115	Corus Byggesystemer A/S	DKK	8.49	0.42	28.25	31.95	3.28	98.10	(5.82)	(1.29)	(4.53)	-	Denmark
116	Corus Byggsystem AB	SEK	7.09	0.71	37.38	40.17	2.08	97.01	2.15	0.57	1.58	-	Sweden
117	Corus Byggsystemer A/S	NOK	8.08	0.99	16.47	26.67	9.21	154.27	5.23	2.46	2.77	-	Norway
118	Corus Central Europe S.R.O.	CZK	2.57	0.31	1.68	1.99	-	-	1.47	0.30	1.17	-	Czech Republic

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119	Corus Cic Holdings Inc.	CAD	45.94	0.05	72.73	72.78	-	-	2.23	0.59	1.64	-	Canada
120	Corus CNBV Investments	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
121	Corus Coatings Usa Inc.	USD	44.59	-	3.25	-	-	-	(0.08)	-	(0.08)	-	USA
122	Corus Cold Drawn Tubes Limited	GBP	71.68	35.84	(48.19)	-	12.35	-	-	-	-	-	UK
123	Corus Consulting B.V.	EUR	63.34	0.30	4.12	4.42	0.01	(0.01)	0.03	(0.03)	0.06	-	Netherlands
124	Corus Electrical Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
125	Corus Engineering Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
126	Corus Engineering Steels (UK) Limited	GBP	71.68	71.68	256.66	328.34	-	-	-	-	-	-	UK
127	Corus Engineering Steels Holdings Limited	GBP	71.68	2,981.02	231.22	3,669.41	457.17	-	-	-	-	-	UK
128	Corus Engineering Steels Limited	GBP	71.68	3,312.24	96.49	3,408.73	-	-	-	-	-	-	UK
129	Corus Engineering Steels Overseas Holdings Limited	GBP	71.68	2.87	4.26	7.13	-	-	-	-	-	-	UK
130	Corus Finance Limited	GBP	71.68	0.36	(0.17)	0.19	-	-	-	-	-	-	UK
131	Corus Group Limited	GBP	71.68	12,541.24	7,285.07	24,455.99	4,629.68	-	(151.02)	-	(151.02)	-	UK
132	Corus Holdings Ltd.	GBP	71.68	1.79	0.71	2.50	-	-	(0.10)	-	(0.10)	52.33	UK
133	Corus Holdings SA	EUR	63.34	256.60	(23.04)	775.25	145.79	-	(2.71)	(0.92)	(1.79)	-	France
134	Corus India Ltd.	INR	1.00	5.46	(0.31)	5.15	-	24.27	1.02	-	1.02	-	India
135	Corus International (Overseas Holdings) Limited	GBP	71.68	1,012.15	2,160.81	3,172.96	-	-	19.07	(0.02)	19.09	-	UK
136	Corus International Bulgaria Limited	LEV	32.38	0.02	0.11	0.13	-	-	(0.03)	0.01	(0.04)	-	Bulgaria
137	Corus International Limited	GBP	71.68	3,514.88	(1,421.42)	2,254.17	160.71	-	2.53	(0.70)	3.23	-	UK
138	Corus International Representacoes Do Brasil Ltda.	USD	44.59	1.26	(2.70)	(1.44)	-	-	0.23	0.20	0.03	-	Brazil
139	Corus International Romania SRL.	RON	15.31	0.01	0.44	0.45	-	-	0.16	0.03	0.13	-	Romania
140	Corus Investments Ltd.	GBP	71.68	157.69	4.88	162.57	-	-	-	-	-	-	UK
141	Corus Ireland Ltd.	EUR	63.34	-	4.40	4.40	-	-	(0.83)	0.01	(0.84)	-	Ireland
142	Corus Large Diameter Pipes Limited	GBP	71.68	211.86	309.55	521.41	-	-	-	-	-	-	UK
143	Corus Liaison Services (India) Limited	GBP	71.68	7.17	(24.26)	(17.09)	-	-	-	-	-	-	UK
144	Corus Management Limited	GBP	71.68	-	(325.01)	1,418.57	1,743.58	-	-	-	-	-	UK
145	Corus Metal Iberica S.A	EUR	63.34	0.95	3.30	4.25	-	-	1.02	0.02	1.00	-	Spain
146	Corus Metals Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
147	Corus Middle East FZE	AED	12.14	54.73	24.41	119.37	40.23	610.44	(22.56)	-	(22.56)	-	UAE
148	Corus Multi-Metals Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
149	Corus Norge A/S	NOK	8.08	0.16	0.10	0.26	-	-	0.04	(0.01)	0.05	-	Norway
150	Corus Packaging Plus Norway AS	NOK	8.08	0.09	(192.52)	5.29	197.72	-	(11.47)	-	(11.47)	-	Norway
151	Corus Primary Aluminium B.V.	EUR	63.34	10.62	(103.33)	244.58	337.29	1.70	(3.98)	(45.61)	41.63	-	Netherlands
152	Corus Properties (Germany) Limited	GBP	71.68	-	(0.26)	-	0.26	-	-	-	-	-	UK
153	Corus Property	GBP	71.68	-	-	0.01	0.01	-	-	-	-	-	UK
154	Corus Quest Trustee Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
155	Corus Rail Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
156	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	EUR	63.34	-	-	-	-	-	-	-	-	-	Ireland
157	Corus Service Center Milano Spa	EUR	63.34	9.99	(43.83)	(2.17)	31.67	3.31	(1.43)	-	(1.43)	-	Italy

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158	Corus Service Centre Limited	GBP	71.68	24.94	114.40	-	-	-	-	-	-	-	N Ireland
159	Corus Service Centre Maastricht B.V.	EUR	63.34	0.34	155.95	13.43	-	557.61	20.74	5.03	15.71	18.37	Netherlands
160	Corus Sheet & Tube Inc.	GBP	71.68	-	-	-	-	-	-	-	-	-	USA
161	Corus Stainless Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
162	Corus Stainless NI B.V.	EUR	63.34	0.11	1.15	0.42	-	-	-	-	-	-	Netherlands
163	Corus Stainless UK Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
164	Corus Steel Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
165	Corus Steel Service STP LLC	RUB	1.57	0.18	4.79	4.88	-	65.10	0.81	0.13	0.68	-	Russia
166	Corus Steel Usa Inc.	USD	44.59	102.94	153.18	(0.72)	-	-	1.69	0.61	1.08	-	USA
167	Corus Sverige AB	SEK	7.09	0.07	1.33	-	-	1.65	0.71	0.26	0.45	0.59	Sweden
168	Corus Trico Holdings Inc.	USD	44.59	-	-	-	-	-	-	-	-	-	USA
169	Corus Tuscaloosa Corp.	USD	44.59	2,557.20	0.81	-	-	-	(0.12)	-	(0.12)	-	USA
170	Corus UK Healthcare Trustee Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
171	Corus Ukarine LLC	GBP	71.68	0.02	0.10	-	-	-	(0.36)	-	(0.36)	-	Ukraine
172	Ogn (65) Limited	GBP	71.68	-	-	0.61	-	-	-	-	-	-	UK
173	Crucible Insurance Company Ltd.	GBP	71.68	3.58	306.87	-	326.64	-	(1.81)	-	(1.81)	-	I of Man
174	Degels GmbH	EUR	63.34	0.19	122.60	123.15	-	1,173.04	42.57	0.36	42.21	42.90	Germany
175	Demka B.V.	EUR	63.34	38.97	15.71	54.68	-	-	0.18	0.05	0.13	-	Netherlands
176	Dsrn Group Plc.	GBP	71.68	35.84	142.24	-	-	-	-	-	-	-	UK
177	Ees Group Services Limited	GBP	71.68	430.15	-	-	-	-	-	-	-	-	UK
178	Ees Nederland B.V.	EUR	63.34	0.12	0.35	-	-	-	-	-	-	-	Netherlands
179	Eric Olsson & Soner Forvaltnings AB	SEK	7.09	0.07	3.23	-	-	-	-	-	-	-	Sweden
180	Esmil B.V.	EUR	63.34	91.96	16.18	-	-	-	0.17	0.04	0.13	-	Netherlands
181	Euro-Laminations Limited	GBP	71.68	0.01	(0.01)	-	-	-	-	-	-	-	UK
182	European Electrical Steels Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
183	Europressings Limited	GBP	71.68	4.30	4.58	-	-	-	-	-	-	-	UK
184	Firsteel Group Limited	GBP	71.68	45.16	253.27	124.76	-	-	-	-	-	-	UK
185	Firsteel Holdings Limited	GBP	71.68	0.05	124.22	68.74	124.22	-	-	-	-	-	UK
186	Firsteel Strip Mill Products Limited	GBP	71.68	62.36	73.28	-	-	-	-	-	-	-	UK
187	Fischer Profielen NV	EUR	63.34	-	-	-	-	-	-	-	-	-	Belgium
188	Fischer Profil GmbH	EUR	63.34	68.09	58.80	(4.20)	-	624.43	(1.90)	(1.01)	(0.89)	3.57	Germany
189	Gamble Simms Metals Ltd.	EUR	63.34	4.02	91.83	1.78	-	-	-	-	-	-	Ireland
190	Grant Lyon Eagre Ltd.	GBP	71.68	2.69	42.22	-	-	-	-	-	-	-	UK
191	H E Samson Ltd.	GBP	71.68	26.88	37.44	-	-	-	-	-	-	-	UK
192	Hadfields Holdings Ltd.	GBP	71.68	0.72	(58.31)	61.39	-	-	-	-	-	-	UK
193	Hammermega Limited	GBP	71.68	16.13	3.80	-	-	-	-	-	-	-	UK
194	Harrowmills Properties Ltd.	GBP	71.68	0.01	136.51	-	-	-	-	-	-	-	UK
195	Hille & Muller GmbH	EUR	63.34	32.42	201.14	13.07	0.08	522.67	22.83	1.86	20.97	-	Germany
196	Hille & Muller Usa Inc.	USD	44.59	-	66.38	-	-	23.61	4.77	-	4.77	-	USA
197	Holorib GmbH*	EUR	63.34	-	-	-	-	-	-	-	-	-	Germany
198	Hoogovens (UK) Limited	GBP	71.68	143.36	16.35	12.98	-	-	-	-	-	-	UK
199	Hoogovens Aluminium UK Limited	GBP	71.68	10.64	1.70	-	0.07	-	0.53	-	0.53	-	UK
200	Hoogovens Finance B.V.	EUR	63.34	855.42	1,261.07	-	-	-	8.54	2.17	6.37	-	Netherlands

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201	Hoogovens Technical Services Mexico De S. De R.L. De C.V.	USD	44.59	— (12.19)	(12.19)	—	—	—	0.57	—	0.57	—	Mexico
202	Hoogovens Tubes Poland Spolka Z.O.O	EUR	63.34	0.09	(0.13)	(0.41)	—	—	—	—	—	—	Poland
203	Hoogovens Usa Inc.	USD	44.59	271.28	320.57	—	—	—	0.57	(0.19)	0.76	—	USA
204	Huizenbezit "Breesaap" B.V.	EUR	63.34	0.31	(3.62)	3.05	—	0.10	(0.31)	(0.08)	(0.23)	—	Netherlands
205	Ickles Cottage Trust	GBP	71.68	—	0.68	0.38	—	0.68	0.12	—	0.12	—	UK
206	Immobilierie De Construction De Maubeuge Et Louvroil SAS	EUR	63.34	0.65	0.71	—	—	1.25	0.51	0.17	0.34	0.81	France
207	Industrial Steels Limited	GBP	71.68	—	—	—	—	—	—	—	—	—	UK
208	Inter Metal Distribution SAS	EUR	63.34	0.48	20.15	—	—	262.92	7.40	2.65	4.75	—	France
209	Kalzip Asia Pte	SGD	35.36	11.57	(11.41)	58.71	—	137.64	(41.44)	(5.40)	(36.06)	—	Singapore
210	Kalzip GmbH	EUR	63.34	40.50	(4.47)	53.57	—	420.71	4.21	0.18	4.03	—	Germany
211	Kalzip GmbH	EUR	63.34	0.22	0.51	0.73	—	2.23	0.13	0.04	0.09	—	Austria
212	Kalzip Guanzhou Limited	CNY	6.86	16.79	21.50	—	—	94.02	4.92	3.25	1.67	—	China
213	Kalzip Inc	USD	44.59	0.26	(7.64)	—	—	25.32	(5.49)	(0.75)	(4.74)	—	USA
214	Kalzip Italy SRL	EUR	63.34	0.06	(0.05)	(0.02)	—	1.90	0.07	0.13	(0.06)	—	Italy
215	Kalzip Limited	GBP	71.68	26.52	(3.25)	23.27	—	195.90	(7.97)	(2.17)	(5.80)	—	UK
216	Kalzip Spain S.L.U.	EUR	63.34	5.70	8.30	—	—	6.27	0.42	0.10	0.32	—	Spain
217	Layde Steel S.L.	EUR	63.34	178.30	(176.39)	268.16	0.04	613.20	(25.74)	0.16	(25.90)	—	Spain
218	Lister Tubes Ltd.	EUR	63.34	—	10.25	—	—	—	—	—	—	—	Ireland
219	London Works Steel Company Ltd.	GBP	71.68	—	(73.87)	40.14	—	—	—	—	—	—	UK
220	Midland Steel Supplies Ltd.	GBP	71.68	—	—	—	—	—	—	—	—	—	UK
221	Misbury Investments Limited	GBP	71.68	14.69	(18.18)	23.07	—	—	—	—	—	—	UK
222	Montana Bausysteme AG	CHF	48.67	52.50	99.47	7.41	—	358.38	26.24	4.50	21.74	21.81	Switzerland
223	Myriad Deutschland GmbH	EUR	63.34	0.63	1.29	1.92	—	6.09	(0.53)	(0.08)	(0.45)	—	Germany
224	Myriad Espana SI	EUR	63.34	0.02	0.30	0.32	—	0.76	0.16	—	0.16	—	Spain
225	Myriad Nederland B.V.	EUR	63.34	0.31	0.08	0.39	—	1.23	(0.23)	—	(0.23)	—	Netherlands
226	Myriad SA	EUR	63.34	137.40	85.26	97.43	5.26	1,938.02	29.23	2.82	26.41	—	France
227	Myriad United Kingdom Limited	GBP	71.68	0.07	0.15	0.22	—	—	0.01	(0.14)	0.15	—	UK
228	Namasoor B.V.	EUR	63.34	40.79	63.12	93.00	—	695.97	6.93	1.82	5.11	—	Netherlands
229	Nationwide Steelstock Limited	GBP	71.68	0.01	(8.14)	—	—	—	—	—	—	—	UK
230	Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	EUR	63.34	0.15	(0.01)	0.14	—	—	—	—	—	—	Netherlands
231	Oosiflank B.V.	EUR	63.34	0.12	35.47	35.59	—	—	(4.35)	(1.11)	(3.24)	—	Netherlands
232	Orb Electrical Steels Limited	GBP	71.68	—	—	—	—	—	—	—	—	—	UK
233	Ore Carriers Ltd.	GBP	71.68	14.57	5.85	20.42	—	—	—	—	—	—	UK
234	Oremco Inc.	USD	44.59	0.45	0.10	3.86	—	0.62	(0.03)	(0.03)	0.65	—	USA
235	Plated Strip International Limited	GBP	71.68	16.14	(3.40)	12.74	—	—	—	—	—	—	UK
236	Precoat International Limited	GBP	71.68	5.91	49.66	15.88	61.97	—	(8.32)	—	(8.32)	—	UK
237	Precoat Limited	GBP	71.68	7.89	(23.09)	8.92	—	—	(13.41)	—	(13.41)	—	UK
238	Rafferty-Brown Steel Co Inc Of Conn.	USD	44.59	—	85.21	(1.69)	—	1.44	—	—	1.44	—	USA
239	Richard Thomas And Baldwins (1978) Limited	NZD	33.95	—	—	—	—	—	—	—	—	—	New Zealand

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
240	Richard Thomas And Baldwins (Australia) Pty Ltd.	AUD	46.10	0.26	0.26	-	-	-	-	-	-	-	Australia
241	Round Oak Steelworks Ltd.	GBP	71.68	21.50 (364.94)	0.86	344.30	-	-	-	-	-	-	UK
242	Runblast Limited	GBP	71.68	61.40 311.59	372.99	-	-	-	-	-	-	-	UK
243	Runmega Limited	GBP	71.68	3.12	3.12	-	-	-	-	-	-	-	UK
244	S A B Profil B.V.	EUR	63.34	0.91 387.57	389.57	1.09	-	531.67	0.69	0.26	0.43	-	Netherlands
245	S A B Profil GmbH	EUR	63.34	0.20 79.10	79.30	-	-	229.53	19.77	4.94	14.83	-	Germany
246	Sacra-Nord SAS	EUR	63.34	388.72 (83.44)	511.15	205.87	-	-	23.43	(4.27)	27.70	-	France
247	Scrap Processing Holding B.V.	EUR	63.34	0.73 33.14	34.44	0.57	-	-	0.39	0.10	0.29	-	Netherlands
248	Seamless Tubes Ltd.	GBP	71.68	143.36 (10.26)	133.10	-	-	-	-	-	-	-	UK
249	Service Center Gelsenkirchen GmbH	EUR	63.34	0.02 453.00	452.52	(0.50)	-	0.75	-	3.02	(3.02)	-	Germany
250	Sia Corus Building Systems	LAT	90.12	0.54 (2.68)	(0.72)	1.42	-	4.79	(0.49)	-	(0.49)	-	Latvia
251	Simiop Investments Ltd.	GBP	71.68	-	27.19	-	-	-	-	-	-	-	UK
252	Simiop Ltd.	GBP	71.68	-	-	-	-	-	-	-	-	-	UK
253	Skruv Erik AB	SEK	7.09	0.07 1.74	1.81	-	-	-	-	-	-	-	Sweden
254	Societe Europeenne De Galvanisation (Segal) Sa	EUR	63.34	79.18 44.81	128.01	4.02	-	348.27	11.77	4.38	7.39	-	Belgium
255	Staalverwerking En Handel B.V.	EUR	63.34	285.04 381.36	1,453.15	786.75	-	-	(16.91)	(4.29)	(12.62)	-	Netherlands
256	Steel Stockholdings Ltd.	GBP	71.68	27.24 5.60	33.03	0.19	-	-	-	-	-	-	UK
257	Steelstock Ltd.	GBP	71.68	0.14	55.08	54.94	-	-	-	-	-	-	UK
258	Stewarts & Lloyds Of Ireland Ltd.	EUR	63.34	0.60 (2.07)	-	1.47	-	-	-	-	-	-	Ireland
259	Stewarts And Lloyds (Overseas) Ltd.	GBP	71.68	146.66 0.04	146.70	-	-	-	-	-	-	-	UK
260	Stocksbridge Cottage Trust	GBP	71.68	-	0.46	-	-	0.41	-	-	-	-	UK
261	Stuwadoorsbedrijf Veijserkom B.V.	EUR	63.34	-	2.25 12.33	10.08	-	9.19	(0.25)	0.14	(0.39)	-	Netherlands
262	Surahamar Bruks AB	SEK	7.09	42.55 138.31	187.48	6.62	-	508.98	0.42	(1.01)	1.43	-	Sweden
263	Swinden Housing Association	GBP	71.68	-	3.52	-	-	0.31	(0.18)	0.02	(0.20)	-	UK
264	Tata Steel Belgium Packaging Plus N.V.	EUR	63.34	169.35 30.96	220.42	20.11	-	294.88	20.82	-	20.82	-	Belgium
265	Tata Steel Belgium Services N.V.	EUR	63.34	4,306.68 1,786.55	7,908.52	1,815.29	-	-	338.59	34.96	303.63	-	Belgium
266	Tata Steel Europe Distribution BV	EUR	63.34	-	(28.55) (7.65)	20.90	-	-	(7.65)	(1.94)	(5.71)	-	Netherlands
267	Tata Steel Europe Metals Trading BV	EUR	63.34	253.37 (44.12)	333.25	124.00	-	419.65	28.72	7.50	21.22	-	Netherlands
268	Tata Steel France Rail SA	EUR	63.34	367.19 (8.09)	504.90	145.80	-	1,492.49	(13.30)	20.59	(33.89)	-	France
269	Tata Steel Germany GmbH	EUR	63.34	0.01 1,071.12	1,775.63	704.50	-	-	92.90	21.35	71.55	-	Germany
270	Tata Steel Hungary LLC	HUF	0.24	0.07 0.18	0.25	-	-	-	0.03	0.02	0.01	-	Hungary
271	Tata Steel Ijmuiden BV	EUR	63.34	712.61 11,921.95	16,465.72	3,881.16	87.85	25,600.03	1,037.62	233.90	803.72	-	Netherlands
272	Tata Steel International (Italia) SRL	EUR	63.34	0.32 17.91	18.21	-	-	-	11.66	3.54	8.12	-	Italy
273	Tata Steel International (Americas) Holdings Inc	USD	44.59	2,908.63 (2,569.74)	565.07	226.18	-	-	(0.88)	(9.84)	8.96	-	USA
274	Tata Steel International (Americas) Inc	USD	44.59	39.69 625.34	665.03	-	-	836.03	8.55	1.09	7.46	-	USA
275	Tata Steel International (Australasia) Limited	NZD	33.95	51.77 127.87	178.24	(1.40)	-	332.00	5.67	3.29	2.38	10.15	New Zealand
276	Tata Steel International (Benelux) BV	EUR	63.34	0.11 6.81	6.92	-	-	-	0.51	0.12	0.39	-	Netherlands
277	Tata Steel International (Denmark) A/S	DKK	8.49	0.77 0.79	1.56	-	-	-	0.50	0.13	0.37	-	Denmark
278	Tata Steel International (Finland) OY	EUR	63.34	0.80 0.48	1.28	-	-	-	0.20	0.06	0.14	-	Finland
279	Tata Steel International (France) SAS	EUR	63.34	1.27 11.79	13.06	-	-	-	4.65	1.72	2.93	42.87	France

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
280	Tata Steel International (Germany) GmbH	EUR	63.34	0.01	2.78	-	-	-	3.28	-	3.28	3.83	Germany
281	Tata Steel International (Nigeria) Ltd	NGN	0.29	-	-	-	-	-	-	-	-	-	Nigeria
282	Tata Steel International (North America) Ltd.	USD	44.59	-	120.99	-	-	807.07	(15.14)	(6.60)	(8.54)	-	USA
283	Tata Steel International (Poland) sp Zoo	PLZ	15.68	13.91	2.17	(3.32)	-	24.17	(19.16)	(3.05)	(16.11)	-	Poland
284	Tata Steel International (Schweiz) AG	CHF	48.67	0.49	0.93	-	-	-	0.23	0.06	0.17	0.14	Switzerland
285	Tata Steel International (UK) Ltd	GBP	71.68	11.88	11.68	-	-	-	(0.27)	(0.07)	(0.20)	-	UK
286	Tata Steel International Hellas SA	GBP	71.68	0.38	1.37	-	-	-	0.83	-	0.83	-	Greece
287	Tata Steel International India (Pvt.) Ltd	INR	1.00	3.17	16.58	(0.09)	-	-	2.07	-	2.07	-	India
288	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	USD	44.59	51.40	75.03	39.25	-	290.68	0.06	-	0.06	-	Turkey
289	Tata Steel Nederland BV	EUR	63.34	2,455.23	16,855.54	8,851.01	2,789.78	0.22	(323.91)	(168.49)	(155.42)	-	Netherlands
290	Tata Steel Nederland Consulting & Technical Services BV	EUR	63.34	59.93	138.12	73.40	106.93	23.08	29.15	0.98	28.17	-	Netherlands
291	Tata Steel Nederland Investment BV	EUR	63.34	6,382.79	7,359.05	-	-	-	5.47	1.39	4.08	-	Netherlands
292	Tata Steel Nederland Perfo BV	EUR	63.34	3.73	0.15	20.63	-	-	(0.27)	(0.07)	(0.20)	-	Netherlands
293	Tata Steel Nederland Services BV	EUR	63.34	2.69	263.85	-	13.29	-	(29.84)	(97.62)	67.78	-	Netherlands
294	Tata Steel Nederland Star-Frame BV	EUR	63.34	2.85	1.56	3.17	-	8.20	(0.99)	(0.33)	(0.66)	-	Netherlands
295	Tata Steel Nederland Technology BV	EUR	63.34	0.14	289.14	6.98	-	413.79	36.23	(0.38)	36.61	-	Netherlands
296	Tata Steel Nederland Tubes BV	EUR	63.34	221.70	434.75	370.74	11.43	1,329.51	(94.58)	(24.71)	(69.87)	-	Netherlands
297	Tata Steel Netherlands B.V.	EUR	63.34	32,203.96	65,426.71	30,130.37	796.63	-	(1,841.47)	(139.74)	(1,701.73)	-	Netherlands
298	Tata Steel UK Consulting Limited	GBP	71.68	12.44	(4.33)	-	-	15.61	1.58	2.04	(0.46)	-	UK
299	Tata Steel UK Holdings Limited	GBP	71.68	25,069.69	2,199.71	30,040.20	-	(13.40)	261.94	-	261.94	-	UK
300	Tata Steel UK Limited	GBP	71.68	16,065.48	(121.06)	25,580.74	9,636.32	40,063.06	2,531.02	5.79	2,525.23	-	UK
301	Tata Steel UK Rail Consultancy Limited	GBP	71.68	-	(11.90)	(1.72)	-	113.00	(7.93)	(1.22)	(6.71)	-	UK
302	The Newport And South Wales Tube Company Ltd.	GBP	71.68	3.81	0.10	3.91	-	0.10	0.10	-	0.10	-	UK
303	The Stanton Housing Company Ltd.	GBP	71.68	0.43	6.90	-	-	-	-	-	-	-	UK
304	The Steel Company Of Ireland Limited	EUR	63.34	95.12	63.92	(1.26)	62.72	61.87	(4.14)	(0.81)	(3.33)	-	Ireland
305	The Templeborough Rolling Mills Ltd.	GBP	71.68	21.50	113.77	-	-	-	-	-	-	-	UK
306	Thomas Processing Company	USD	44.59	-	91.34	-	-	19.49	(0.93)	-	(0.93)	-	USA
307	Thomas Steel Strip Corp.	USD	44.59	35.03	(42.80)	93.21	0.45	562.79	39.49	-	39.49	-	USA
308	Tinsley Trailers Limited	GBP	71.68	12.90	-	-	-	-	-	-	-	-	UK
309	Toronto Industrial Fabrications Ltd.	GBP	71.68	0.11	(3.67)	-	-	-	-	-	-	-	UK
310	Trierer Walzwerk GmbH	EUR	63.34	30.81	26.51	1.85	-	134.97	(1.26)	1.56	(2.82)	-	Germany
311	Tulip Netherlands (No. 1) B.V.	EUR	63.34	32,203.96	8.03	32,211.99	-	-	(0.05)	(0.01)	(0.04)	-	Netherlands
312	Tulip Netherlands (No. 2) B.V.	EUR	63.34	32,203.96	(389.91)	481.55	-	-	(0.27)	(0.10)	(0.17)	-	Netherlands
313	Tulip UK Holdings (No. 2) Ltd.	GBP	71.68	25,111.67	2.37	25,114.04	-	-	-	-	-	-	UK
314	Tulip UK Holdings (No. 3) Ltd.	GBP	71.68	25,114.33	(462.22)	6,202.14	-	(213.00)	(41.44)	(171.56)	-	-	UK
315	U.E.S. Bright Bar Limited	GBP	71.68	10.75	(10.75)	-	-	-	-	-	-	-	UK
316	UK Steel Enterprise Ltd.	GBP	71.68	71.68	59.19	202.55	3.43	25.54	(0.59)	-	(0.59)	-	UK
317	Ukse Fund Managers Limited	GBP	71.68	0.25	0.08	0.19	-	0.04	-	-	-	-	UK
318	Ukse Fund Managers (General Partner) Limited	GBP	71.68	-	-	-	-	-	-	-	-	-	UK

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
319	Unitol SAS	EUR	63.34	0.78	302.65	275.80	0.28	1,370.41	(50.74)	-	(50.74)	-	France
320	Vieljeonge BV	EUR	63.34	48.46	72.47	17.17	14.22	223.17	(1.42)	2.25	(3.67)	-	Netherlands
321	Walker Manufacturing And Investments Ltd.	GBP	71.68	3.82	110.75	-	-	-	-	-	-	-	UK
322	Walkersteelstock Ireland Limited	EUR	63.34	61.82	108.46	10.26	-	-	-	-	-	-	Ireland
323	Walkersteelstock Ltd.	GBP	71.68	7.17	7.17	-	-	-	-	-	-	-	UK
324	Westwood Steel Services Ltd.	GBP	71.68	168.45	168.45	-	-	-	-	-	-	-	UK
325	Whitehead (Narrow Strip) Ltd.	GBP	71.68	64.51	82.21	-	-	-	-	-	-	-	UK
326	Tata Steel Global Minerals Holdings Pte Ltd.	USD	44.59	3,448.14	3,500.58	25.20	3,109.50	-	19.18	-	19.18	-	Singapore
327	Al Rimal Mining LLC	OMR	115.66	11.64	8.29	1.74	-	-	(1.53)	-	(1.53)	-	Oman
328	Black Ginger 461 Proprietary Ltd	ZAR	6.56	46.56	71.38	29.60	-	8.46	1.29	-	1.29	-	South Africa
329	Kalimati Coal Company Pty. Ltd.	AUD	46.10	40.99	249.11	227.84	-	64.94	5.66	1.87	3.79	-	Australia
330	Sedibeng Iron Ore Pty Ltd.	ZAR	6.56	-	251.06	249.64	-	-	(0.01)	-	(0.01)	-	South Africa
331	Tata Steel Cote D'Ivoire S.A	FCFA	0.10	20.36	5.14	-	-	-	(10.96)	0.02	(10.98)	-	Ivory Coast
332	Tata Steel Minerals UK Limited	CAD	45.94	27.02	27.44	-	-	-	-	-	-	-	UK
333	Tata Steel Minerals Canada Limited	CAD	45.94	27.12	26.93	-	-	-	(0.83)	(0.25)	(0.58)	-	Canada
334	Tata Steel (Thailand) Public Company Ltd.	THB	1.47	1,740.14	2,906.13	682.07	-	100.71	6.87	1.66	5.21	-	Thailand
335	N.T.S Steel Group Pte.	THB	1.47	487.79	1,143.15	861.24	-	4,055.49	(214.56)	(32.89)	(181.73)	-	Thailand
336	The Siam Construction Steel Co. Ltd.	THB	1.47	257.85	402.56	3.43	-	1,432.11	23.50	6.02	17.48	-	Thailand
337	The Siam Iron And Steel (2001) Co. Ltd.	THB	1.47	17.68	163.70	6.22	-	1,002.30	44.52	13.11	31.41	-	Thailand
338	Tata Steel Global Procurement Company Pte. Ltd.	USD	44.59	444.22	7,339.58	6,831.46	-	917.53	76.87	12.98	63.89	-	Singapore
339	ProCo Issuer Pte. Ltd.	GBP	71.68	-	3,072.72	2,968.68	-	143.52	135.03	15.39	119.64	15.60	Singapore
340	Tata Steel Processing And Distribution Limited	INR	1.00	68.25	394.45	88.22	27.57	1,592.20	62.59	20.05	42.54	-	India
341	TM International Logistics Ltd.	INR	1.00	18.00	105.25	4.45	37.97	177.56	28.00	7.93	20.07	2.52	India
342	International Shipping Logistics FZE	AED	12.14	1.24	109.43	-	-	573.88	16.25	-	16.25	-	UAE
343	TKM Global China Ltd	CNY	6.86	4.39	2.40	-	-	27.65	(0.39)	-	(0.39)	-	China
344	TKM Global GmbH	EUR	63.34	0.27	59.62	0.06	-	93.49	20.89	6.78	14.11	-	Germany
345	TKM Global Logistics Ltd.	INR	1.00	1.00	24.13	7.42	-	109.16	2.17	0.82	1.35	-	India
346	TM Harbour Services Private Ltd.	INR	1.00	34.62	117.67	80.34	6.22	21.92	5.45	0.05	5.40	-	India
347	The Indian Steel and Wire Products Ltd.	INR	1.00	5.99	20.06	25.39	-	146.82	19.02	4.27	14.75	-	India
348	The Tata Pigments Ltd.	INR	1.00	0.75	21.00	0.04	8.74	45.88	5.85	1.76	4.09	0.52	India
349	T M Mining Company Limited	INR	1.00	0.05	0.03	-	-	-	(0.02)	-	(0.02)	-	India
350	Jamshedpur Continuous Annealing and Processing Company Private Limited	INR	1.00	-	-	-	-	-	-	-	-	-	India

NOTES:

The Indian rupee equivalents of the figures given in the foreign currencies in the accounts of the subsidiary companies, have been given based on the exchange rate as on 31.03.2011.

* Company under liquidation.

TATA STEEL

Tata Steel Limited

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

Attendance Slip

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the HUNDRED AND FOURTH ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020, at 3.00 p.m. on Wednesday, the 3rd August, 2011.

.....
Full name of the Shareholder
(in block capitals)

.....
Signature

Folio No. /DP ID No.* & Client ID No.*
* Applicable for members holding shares in electronic form.

.....
Full name of Proxy
(in block capitals)

.....
Signature

NOTE : Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TATA STEEL

Tata Steel Limited

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

Proxy

I/We
of in the district of being
a Member/Members of the above named Company, hereby appoint
..... of in the district of or failing him
..... of in the district of
..... as my/our Proxy to attend and vote for me/us and on my/our
behalf at the HUNDRED AND FOURTH ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, the 3rd August, 2011 and
at any adjournment thereof.

Signed this day of 2011.

Folio No. /DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

Signature _____

Affix
Revenue
Stamp

No. of Shares _____

This form is to be used @ in favour of _____ the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.
@ against _____

@ Strike out whichever is not desired.

NOTES : (i) The proxy must be returned so as to reach the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Mumbai-400 001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.

(ii) Those members who have multiple folios with different jointholders may use copies of this Attendance Slip/Proxy.



TATA STEEL

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

25th May, 2011

Dear Shareholder,

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report, Quarterly, Half-yearly results etc. to shareholders at their e-mail addresses previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents.

Accordingly, we have sent e-mails in May, 2011 to such members whose e-mail addresses were available in the records of the DPs/Company/TSR Darashaw Limited (TSRDL), informing them about the 'Green Initiative' and the Company's proposal to send the documents including Annual Report (from 2010-11 onwards) in electronic form at their e-mail addresses. We have requested shareholders to inform any changes in their e-mail addresses. At the same time, an option has been given to the shareholders, to continue to receive physical copies of the relevant documents/Annual Report, provided a specific request/response is received from them to that effect.

Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Members holding shares in demat form can register their e-mail addresses with their concerned DPs. Members who hold shares in physical form are requested to register their e-mail addresses with TSRDL, by sending a letter, duly signed by the first/sole holder to the following address, quoting details of Folio No.;

TSR Darashaw Limited
Unit: Tata Steel Limited
6-10, Haji Moosa Patrawala Industrial Estate,
Near Famous Studio,
20, Dr. E Moses Road, Mahalaxmi,
Mumbai-400 011.

You can also send your request letter to the Company at its Registered Office or e-mail your request on tatasteelreply@tsrdarashaw.com.

The Annual Report and other communication sent electronically will be displayed on the Company's website www.tatasteel.com and will also be available for inspection at the Registered Office of the Company during the office hours.

We request you to support this 'Green Initiative' and opt for electronic mode of communication by advising your e-mail id, if you have not already done so. Your pro-active step in this direction will go a long way in saving trees and also result in substantial cost savings to the Company.

Thanking you.

Yours faithfully,
Tata Steel Limited


(A Anjeneyan)

Company Secretary & Chief of Compliance

TATA STEEL LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001
www.tatasteel.com



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