



TATA STEEL

A Global Player



A Product Pioneer



A Corporate Citizen



103rd Annual Report

2009-2010





A Global Player >> A Product Pioneer >> A Corporate Citizen

“ It was the best of times, it was the worst of times... ”

Never before has this famous line meant more. The roller coaster ride that the last two years took the global economy through, proved one fact – that a successful enterprise needs to have the resilience to withstand the highs and lows of a future that often comes unheralded.

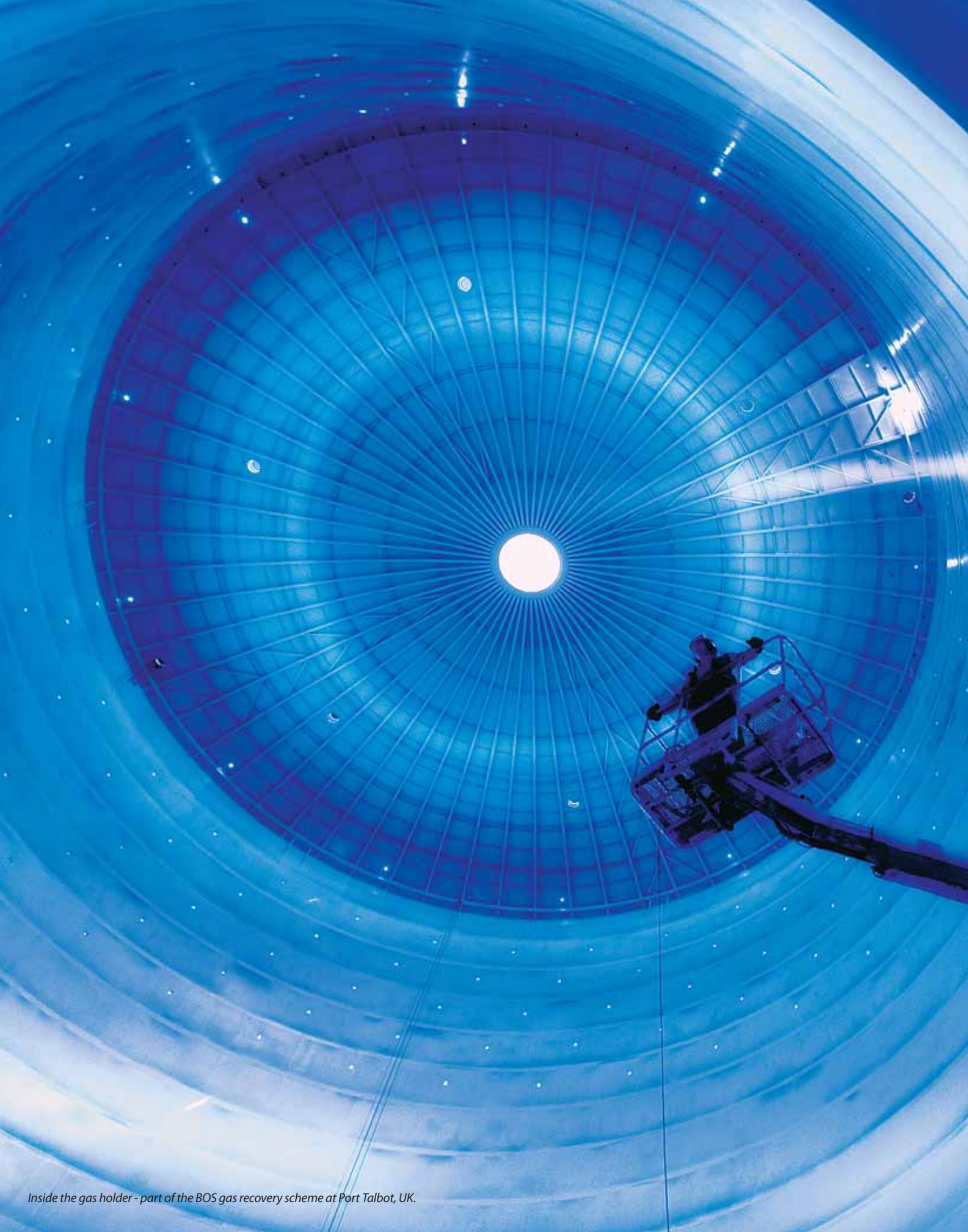
As a **global enterprise**, Tata Steel was not unaffected by the challenges of the last two years. Yet, the Company demonstrated resilience by taking several proactive initiatives across all geographies. A tough start to the year was balanced by a rebound in the second half, when these initiatives began to pay off.

Undeterred by the economic turbulence, the Company continued to place emphasis on working practices in **health, safety and corporate citizenship**, with specific initiatives taken in all these areas.

In addition, a continued focus on engineering solutions for customers, is helping it maintain its position of a **product pioneer**.

Tata Steel believes in staying alert to future opportunities while never letting go of its core values. This is the philosophy that has underpinned its growth over the years and one that remains its key driving force.





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

Contents

Theme Note	01	Annexure to the Auditors' Report	124
Chairman's Statement	04	Balance Sheet	128
Board of Directors	06	Profit and Loss Account	129
Tata Steel Group Senior Management	08	Cash Flow Statement	130
Consolidated Financial Highlights 2009-10	10	Schedules forming part of the Profit and Loss Account	132
Management Speak	14	Notes to Schedule 4	134
Sustaining Growth	20	Schedules forming part of the Balance Sheet	135
Improvement Initiatives across the Tata Steel Group	22	Notes on Balance Sheet & Profit and Loss Account	150
Product Portfolio	26	Balance Sheet Abstract and Company's General Business Profile	176
Research & Development	32	Summary of Financial Information of Subsidiary Companies	177
Corporate Citizenship	34	Consolidated Financial Statements	
Review of Operations	42	Auditors' Report	186
Awards, Recognitions and Certifications	48	Consolidated Balance Sheet	188
Notice	49	Consolidated Profit and Loss Account	189
Directors' Report	57	Consolidated Cash Flow Statement	190
Management Discussion and Analysis	73	Schedules forming part of the Consolidated Profit and Loss Account	192
Corporate Governance Report	95	Schedules forming part of the Consolidated Balance Sheet	194
Highlights 2009-10	117	Notes to the Consolidated Financial Statements	200
Sources and Utilisation of Funds	118	Consolidated Financial Ratios	230
Production Statistics	119	Proxy/Attendance Slip	231
Financial Statistics	120		
Dividend Statistics	121		
Financial Ratios	122		
Auditors' Report	123		

The Annual General Meeting will be held on Friday, 13th August, 2010 at Birla Matushri Sabhagar at 3.30 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.

Visit us at : www.tatasteel.com | E-mail : cosec@tatasteel.com | Tel.: +91 22 66658282

Chairman's Statement

Dear Shareholder,

Following two years of the worst global economic downturn in most peoples' living memory, the world seems to be regaining some economic stability but with some dramatic shifts in concentration of economic strength. The growth rates in the economies of the developed world are still extremely moderate, while countries in the developing world have registered high levels of economic growth and some have become new centres of global capacity, demand and control over natural resources.

In the developed world, there are definite signs of a recovery in the United States. Continental Europe is seeing a much more modest level of economic revival with some concerns about its sustainability. In the United Kingdom, a recovery is yet to take place.

By contrast, in the developing world, China, India, Brazil and certain Asian countries are registering very strong and sustainable economic growth with robust domestic markets. In 2025, it is forecast that the BRIC countries will have 42% of the global population, will consume 60% of the global production and will have 70% of the global GDP.

The steel industry has also been impacted by these global shifts. The requirement of steel is growing in Asia, where downstream user industries are experiencing high demand, whereas the markets for steel in the United Kingdom and Continental Europe have remained depressed. Major iron ore and coking coal resources have continued to be controlled by three companies which continue to opportunistically elevate prices that can never be passed on to the customer in these depressed times. One hopes that better sense prevails and a more responsible perspective is adopted by these mining companies, so as to enable

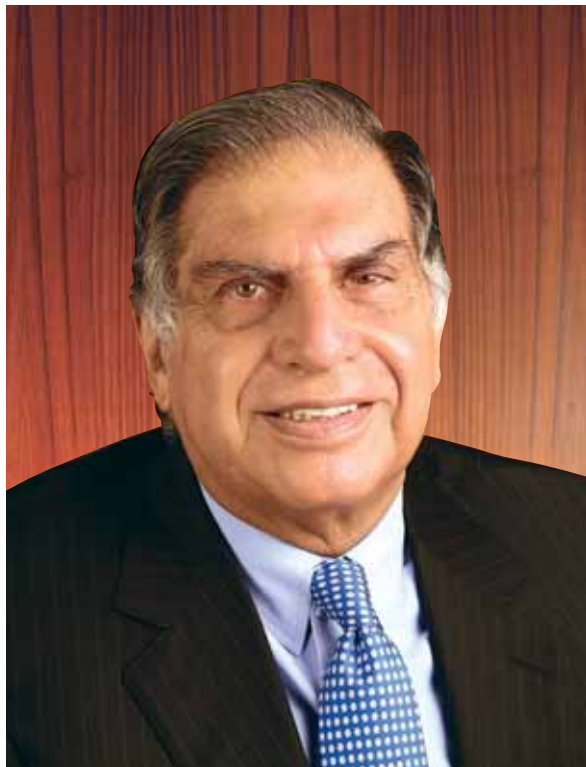
an economic recovery to take place at this crucial time rather than drive the world into another collapse due to the spiraling cost of basic materials.

Through these difficult times, Tata Steel has struggled to adhere to its long-term strategies, both in India and overseas. There has nevertheless been need to re-schedule and re-prioritise investment strategies in consonance with market conditions during this period.

In India, the Company has given top priority to the 2.9 million tonne expansion programme at its Jamshedpur Works and its major greenfield 6 million tonne integrated steel plant in Orissa. Tata Steel Asia has steelmaking and finishing facilities in various Asian countries (including India) aggregating 10.5 million tonnes. Equal importance has been given to raw material security through the acquisition of iron ore and coal resources overseas to feed its UK and European plants, while rationalising capacities to make them viable in this period of slack demand.

Some of the decisions have been hard and some of the actions have been painful. Nevertheless, these were necessitated in order for the overall enterprise in the UK and Europe to survive. While Tata Steel's Indian operations have remained profitable, albeit at a lower level than the previous year, Tata Steel's European operations remained underutilised and hence unprofitable. However, with the rationalisation, the European operations have become EBITDA positive for the last two quarters. The benefits of the rationalisation will of course be more evident in the coming year.

As the economies of several nations return to normalcy, the demand for steel-based goods will undoubtedly grow. This is already starting to be evident in



Steel has been and will be, the basic foundation material for national growth and the industry will continue to be an important ingredient in a global economic recovery.

Ratan N. Tata, Chairman

automotive products, building construction and large infrastructure projects. Steel has been and will be, the basic foundation material for national growth and the industry will continue to be an important ingredient in a global economic recovery. The concentration of economic growth rates, manufacturing capacities, market size and control over natural resources will shift markedly towards Asia, Latin America and the CIS countries. China, India and Brazil will become important centres of economic growth in the coming decade.

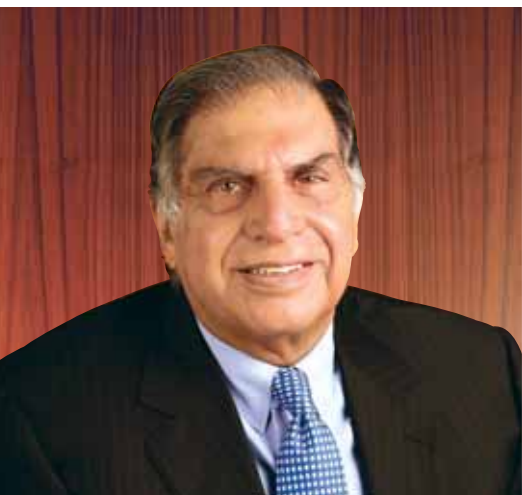
In the coming years, Tata Steel expects to emerge as a global steel producer with a total annual

output of between 40-50 million tonnes, with major manufacturing plants in India, several countries in Asia, the UK and Continental Europe, supported by integrated mining operations in several geographies. Tata Steel has managed to weather the storm and the Company looks forward to the opportunity of fulfilling its objective of being a viable and innovative international steel producer in the years ahead.

Chairman

Mumbai, 31st May, 2010

Board of Directors as on 25th June, 2010



Mr. Ratan N. Tata, Chairman



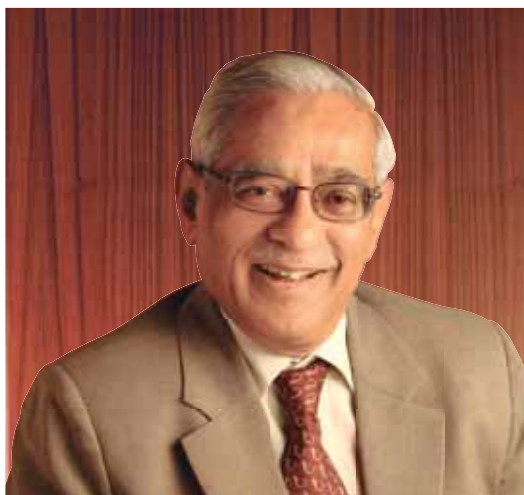
Mr. B. Muthuraman, Vice Chairman



Mr. Nusli N. Wadia



Mr. Ishaat Hussain



Mr. Subodh Bhargava



Mr. Jacobus Schraven

COMPANY SECRETARY Mr. A. Anjeneyan

REGISTERED OFFICE

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Website : http://www.tsrdarashaw.com



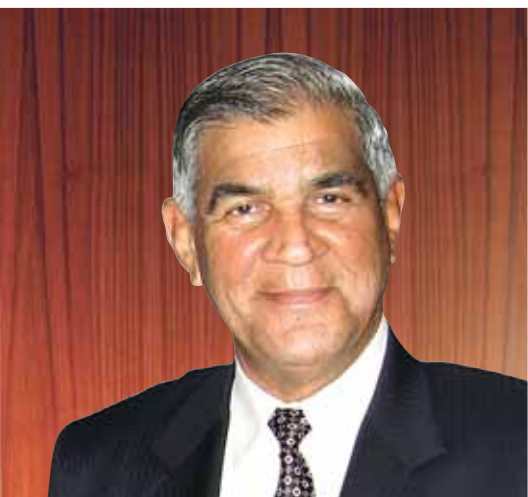
Dr. Jamshed J. Irani



Mr. Andrew Robb



Mr. S. M. Palia



Mr. Suresh Krishna



**Mr. Kirby Adams, Managing Director & CEO,
Tata Steel Europe**



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

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

Tata Steel Group Senior Management



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



Kirby Adams
*Managing Director and
Chief Executive Officer
Tata Steel Europe*



Dr. Karl-Ulrich Köhler
*Chief Operating 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)*



Avneesh Gupta
*Group Director
(Total Quality Management)*



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 Managing Director Corus Strip Products UK, TSE	Anand Sen Vice President (TQM and Shared Services) TSL	Frank Royle Director (Finance) TSE	Abanindra M. Misra Vice President (Coke, Sinter and Iron, and IR) TSL	Theo Henrar Managing Director Corus Strip Products IJmuiden, TSE
				
Varun Jha Vice President (Engineering and Chhattisgarh Project) TSL	Tor Farquhar Director (Human Resource) TSE	Radhakrishnan Nair Chief Human Resource Officer TSL	Adriaan Vollebergh Managing Director Tata Steel International, TSE	Partha Sengupta Vice President (Raw Materials) TSL
				
Hridayeshwar Jha Vice President (Orissa Project) TSL	Alastair Aitken Managing Director, Distribution UK and Ireland, TSE	N.K. Misra Group Head (Mergers and Acquisitions) TSL	Dook van den Boer Manufacturing Director Corus Strip Products IJmuiden, TSE	Sanjeev Paul Vice President (Corporate Services) TSL
				
Jon Bolton Manufacturing Director Corus Long Products, TSE	T.V. Narendran Vice President (Safety and Flat Products) TSL	Rod Jones Director (Corus Consulting) TSE	Bimlendra Jha Vice President (Long Products) TSL	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	Dr. Shaun Doherty Executive Officer to the CEO TSE	Arun Misra Principal Executive Officer TSL	

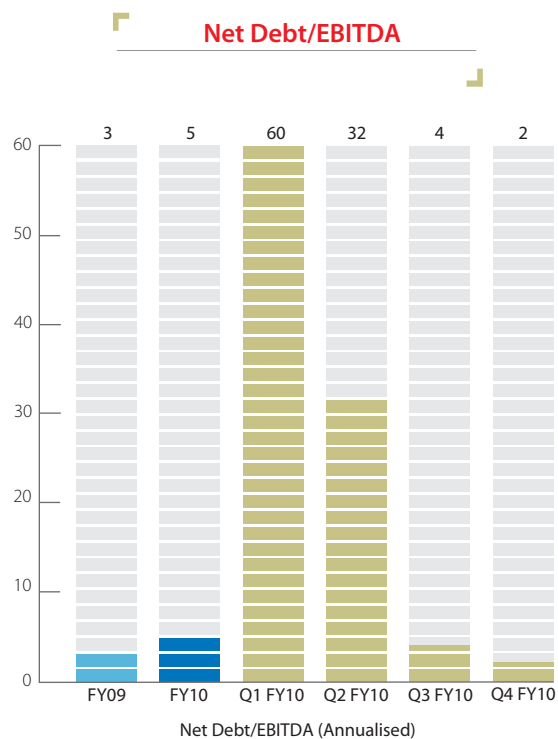
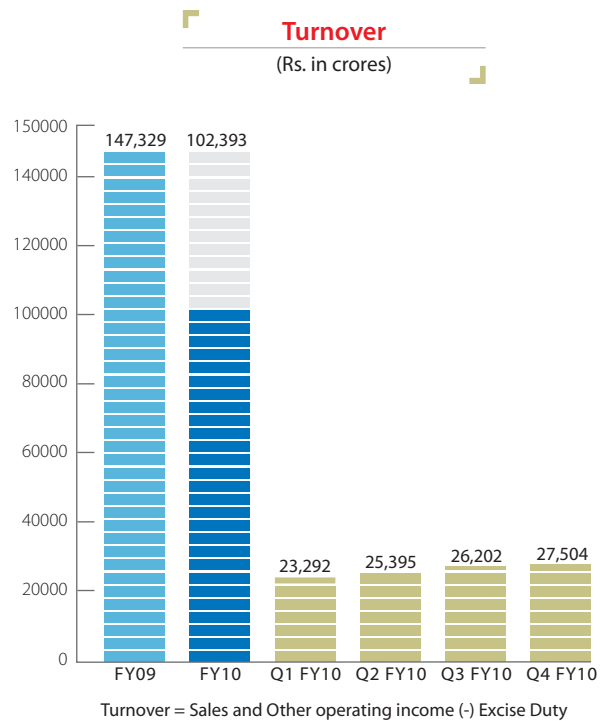
TSL - Tata Steel Limited
TSE - Tata Steel Europe

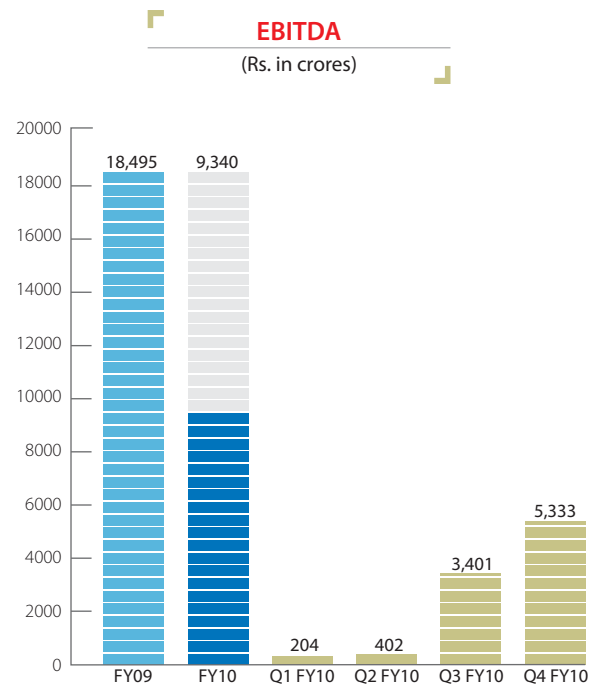


Bridge spanning the Guadalquivir River at Seville, Spain.
Corus supplied the wire.

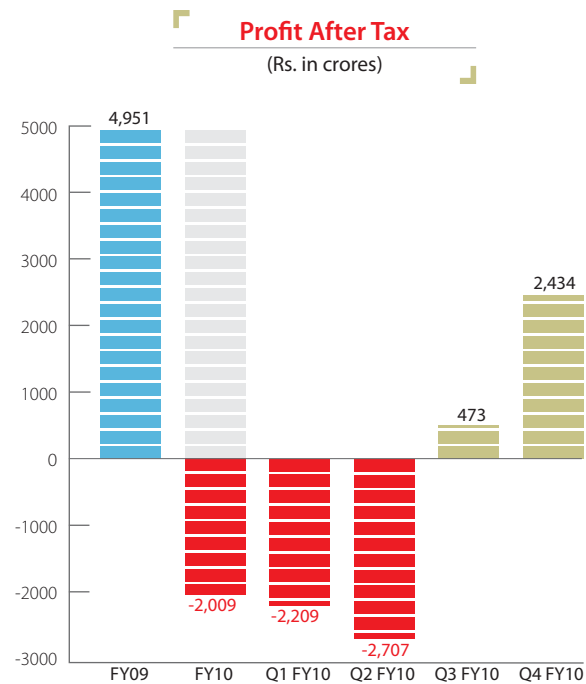
> A GLOBAL PLAYER > A PRODUCT PIONEER > A CORPORATE CITIZEN

Consolidated Financial Highlights 2009-2010

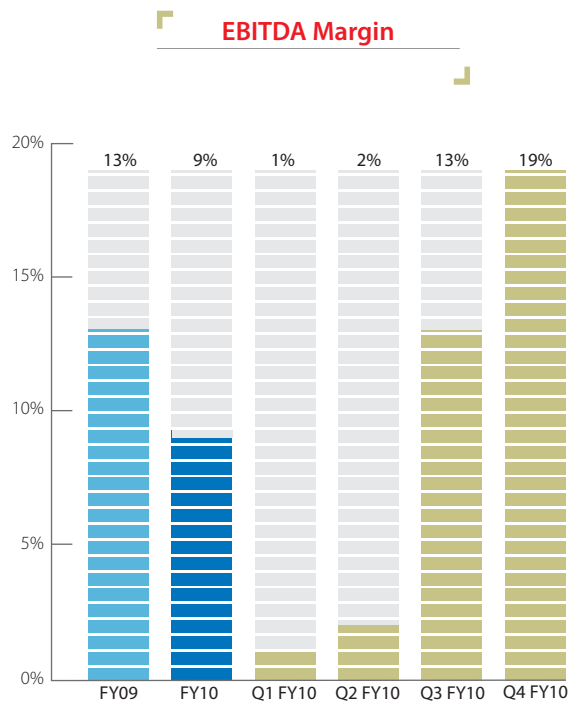




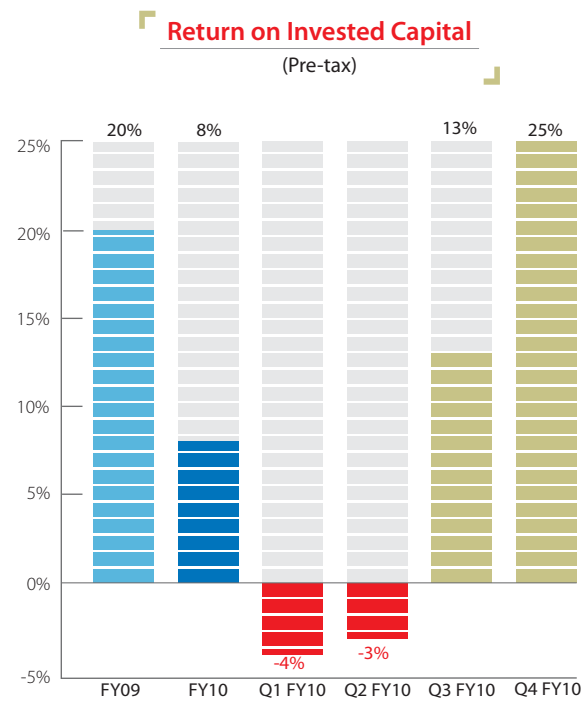
EBITDA = Profit before exceptional items and taxes (+) Net Finance Charges
(+) Depreciation (-) Minority Interest (+) Share of Profit of Associates



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



EBITDA Margin = EBITDA/Turnover



Net Operating Profit before tax and exceptional items /
(Net Fixed Assets (excluding WIP) + Goodwill + Investments
+ Adjusted Net Current Assets)



The world's
10th largest
steel company
and the world's
2nd most
geographically
diversified
steel producer.



The Museu de la Ciències (Science Museum) in Valencia, Spain has used Tata Steel's Kalzip® roofing.

A balanced global presence
in over **50 markets** and
manufacturing operations in
26 countries.

> A GLOBAL PLAYER

As a truly global player, events across the globe have a direct impact on the Company. In keeping with its spirit of positive action, it has converted many of the global challenges of the last year into opportunities for growth.

One of the world's
lowest cost
producers of steel.

An employee
strength over
81,000 across
5 continents.

A shareholder
base of over
800,000
people.



Team members Sean Dicks (standing) and Nigel Pearce checking the repair on a compressed air leak prior to re-commissioning at Orb Electrical Steels, Tata Steel Europe.

H. M. Nerurkar



Kirby Adams



Dr. Karl-Ulrich Köhler



> A GLOBAL PLAYER > A PRODUCT PIONEER > A CORPORATE CITIZEN

I Management Speak

As part of its continuing endeavour to communicate with various stakeholders on matters relating to the Company performance, the market conditions, financial performance and future plans, the senior management team of the Tata Steel Group has had several interactions during the year with equity investors and analysts, credit rating agencies, financial institutions including lending banks, unions, the Government and other stakeholders.

The following excerpts capture highlights of the conversations that the senior management team comprising Mr. H. M. Nerurkar (*Managing Director, Tata Steel*), Mr. Kirby Adams (*Managing Director and Chief Executive Officer, Tata Steel Europe*), Dr. Karl-Ulrich Köhler (*Chief Operating Officer, Tata Steel Europe*), Mr. Koushik Chatterjee (*Group Chief Financial Officer*) and Mr. Jean-Sébastien Jacques (*Group Director, Strategy*) have had with the stakeholders.

Q *How has the global economic crisis affected the Steel Industry in the last 12 months?*

This has been the worst global crisis in living memory. The global financial landscape has changed significantly since September 2008 and this has had a severe impact on the global economy in the last 18 months. The lack of capital had resulted in a significant decline in demand across most sectors globally and in steel too we saw demand contracting in many end-user segments in the first half of 2009-10. The Eurozone economy contracted by 2.7%, with the UK falling by 3.7% in the 12 months ended December 2009.



Jean-Sébastien Jacques



The collapse in private business investment and decline in consumption levels due to high unemployment rates led to low capacity utilisation in the steel industry in the first half of the year. Europe and the US were the most affected regions, being in the eye of the storm, but there were cascading effects across other geographies as well, including emerging economies like India.

The immediate impact on the steel industry was the sharp decline in volume due to the lack of credit among customers. As a consequence steel prices across the world declined significantly. In order to match the reduced demand, steel companies, especially in the US and Europe, reduced their capacity utilisation by temporarily taking capacity off stream. However in emerging economies like India, the credit shortage was not as acute as in the western world and so demand conditions continued to be relatively stable, even though prices dropped significantly in line with the global pricing scenario. The South East Asian economies too witnessed a demand contraction in 2009, partly due to domestic issues, as in Thailand, or due to lower economic activity, especially in the construction sector, resulting from risk aversion and credit concerns.

Q *Tata Steel Europe recorded a turnaround in the second half of the year. How was this achieved?*

2009-10 was really a year of two halves for Tata Steel Europe (TSE). During the first half of the year the European operations were significantly affected by market conditions, which led us to temporarily shut down one Blast Furnace in each of our sites at IJmuiden, Port Talbot and Scunthorpe. This led to capacity utilisation rates falling to as low as 53% in the first quarter of the financial year. In addition the Company faced serious challenges at its Teesside facility due to the sudden and unilateral termination of a 10-year Offtake Agreement by 4 international customers of the slab produced in Teesside. The Company was consequently left exposed to the highly volatile international slab market, as Teesside slab cannot be used internally beyond the volumes agreed under the Offtake agreement. These unforeseeable developments affected the

> In emerging economies like India, the credit shortage was not as acute as in the western world and so demand conditions continued to be relatively stable, even though prices dropped significantly in line with the global pricing scenario.

Management Speak (cont'd)

Company severely and resulted in significant losses in the first half of the year. A detailed financial analysis shows the majority of the full year EBITDA losses at TSE resulted from the action of the Offtakers.

Despite these adversities, the Company's employees exhibited remarkable tenacity in weathering the downturn during this challenging period. The Company continued on its path towards delivering the savings identified under the 'Weathering the Storm' programme, which totalled almost £ 866 million during the year, as well as implementing the 'Fit for the Future' restructuring programme. While top-line revenues at the European operations declined by almost 35% due to lower volumes and prices, very significant measures to bring about operating cost savings were undertaken to offset some of the resulting losses. Cost reduction is a continuing activity across our businesses in Europe, as is productivity improvement and working capital management. These enormous achievements have been realised despite very serious challenges in the market.

In the second half of the financial year market conditions started to improve gradually and the Company began to bring back on stream some of capacity it had idled, although pricing pressures continued throughout virtually the whole year. The Company launched several initiatives aimed at serving the market and customers better through the 'Customer First' programme and also started investments to improve the supply chain process across the Company. Increased capacity utilisation rates, a better cost base and an improved pricing scenario helped the Company post a turnaround in the European operations from the December 2009 quarter onwards. However, having run the Teesside operations for almost 10 months after the Offtakers walked out of the Agreement and having incurred severe losses, the Company had regrettably to take the decision to partially mothball the iron and steel making facilities in

Teesside, while continuing to seek long-term solutions for the site.

On a year-end analysis, Tata Steel Europe registered a significant turnaround in the second half of the year with an EBITDA of around £ 297 million compared to an EBITDA loss of £ 476 million in the first half of the year. The recently launched initiatives on 'Customer First' and supply chain management are expected to help the Company's performance further in the future.



How did the Indian and South East Asian operations perform during this year?

Operating performance in India was very good, with increased production from the new furnaces and improvements in operating parameters such as reductions in fuel and lime consumption, improvement in the mill yields and increased production at the coke ovens in Jamshedpur and Haldia. On the sales side, despite the challenging market conditions, we have produced and sold more than previous year. Downstream businesses, such as Tubes and Wires, also performed well, especially in the second half of the year. The Company's marketshare in key customer segments like automotive also increased, largely due to increased volumes and enhanced delivery compliance during the year.

The operating performance of the South East Asian business was generally stable, though the impact of high scrap prices in the last quarter depressed margins. A great deal of effort in these operations was put into tight working capital management, with significant results. The outlook for the region, especially in Singapore, is likely to be robust in 2010 and we expect the situation in Thailand to stabilise soon.



What are the likely impacts of the slowdown in China on the global steel industry?

Chinese policymakers have resorted to specific monetary tightening measures to curb speculative

demand and rebalance the economy in a bid to counter potential asset bubbles and overcapacity. Gross Fixed Capital Formation, which accounts for 48% of GDP in China, is expected to slow, but real steel demand is expected to grow by 8% as end-user demand in the auto, appliance and machinery sectors continues to show strong growth momentum. The threat of increased exports from China, due to the slowdown in its construction sector, has risen but there is a view that the Chinese authorities will continue to consolidate the steel industry as 25% of the country's producers are price sensitive and have a high cost base. The Chinese government faces the prospect of an appreciating currency amid weakening global demand and the country's steelmakers can therefore be expected to produce steel primarily to meet domestic requirements rather than subsidise other countries by exporting steel below production cost. In this scenario, pricing of raw materials will decline, easing tightness in the seaborne supply of raw materials. Adverse steel pricing developments in China can restrict international steel prices but are not expected to lead to any sustained spurts in export volumes.

Q *What are your views on the steel market in India?*

The intensity of metals consumption in India remains low, by both developed as well as emerging market standards. However, we believe that India is moving towards a period of materials-intensive growth, driven by key growth enablers like infrastructure spending, urbanisation and investment in manufacturing sectors such as automotive. India is in a unique position as a steelmaking nation, given the attractions of rising domestic demand, a rich minerals endowment and competitive production factors. On the other hand the problems that steel companies are facing to initiate greenfield capacity expansions, due to land acquisition constraints and delayed mining approvals, will lead to a widening supply deficit. In order to enhance the



Tata Steel Europe (Corus) has a vital role to play in the renewable energy sector.

Management Speak (cont'd)

> Near-term economic indicators for 2010 suggest strong growth in core industries, with very buoyant – indeed record – industrial production expected in the second half of the year.

country's economic competitiveness, it is essential to set up large new steelmaking capacities that will not only have supply-side benefits, but will also have very material and positive implications for economic activity in the regions where they are located. These issues need the urgent attention of the government, whose intervention is required to facilitate the setting up of new Indian steel capacity.

Near-term economic indicators for 2010 suggest strong growth in core industries, with very buoyant – indeed record – industrial production expected in the second half of the year. Discretionary spending has risen on the back of reduced unemployment prospects and higher spending power among the rural masses. This has resulted in strong growth in the auto and consumer durables sectors. India's steel consumption growth rate is expected to rise to around 12% year-on-year in the near future.

How has the Tata Steel Group's debt position moved compared to the previous year?

Gross debt in the Tata Steel Group of US\$ 13.3 billion in March 2009 fell to US\$ 11.8 billion by the end of March 2010 (applying uniform exchange rates). The decrease came about because repayments exceeded new loans committed during the financial year and because currency rates moved in the Company's favour. The Company repaid around US\$ 2.2 billion of debt (including some pre-payments) in Tata Steel

India and around US\$ 844 million in TSE during the year. The Company also raised new loans amounting to US\$ 2 billion in Tata Steel India to fund its long-term investments in raw material projects and the expansion of the Jamshedpur Steel Works. During the year the Company took steps to restructure its debt portfolio by exchanging US\$ 493 million of its existing Convertible Bonds (CARS) with US\$ 546.94 million-worth of new Foreign Currency Convertible bonds, which benefit from having a lower yield to maturity, longer tenure and more equity-like features.

Net consolidated debt as at March 31 2010 stood at US\$ 9.8 billion, taking into consideration liquid cash and cash equivalents on the books as at March 31 2010 of US\$ 1.9 billion. This was 12.5% down from the consolidated net debt as at March 31 2009 of US\$ 11.2 billion.

What is the Eurozone steel market outlook?

European (EU) steel demand declined by 24% in 2009-10 due to weak demand in steel using sectors in the last 18 months. Some sectors were supported by government stimulus packages, such as automotive (aided by scrappage schemes) and rail, which received investment in certain countries. In the second half of the year real steel demand started to stabilise and the rate of destocking started to moderate. The EU steel market opened on a relatively positive note in early 2010, with the manufacturing PMI rising sharply in March, reaching its strongest level since January 2007. This is a reflection of the combined effect of the sustained upswing on global trade, an increasingly positive outlook for EU exports and low stock levels. The rebound is expected to raise apparent consumption by 15% year-on-year, but underlying demand is still fragile and consumption levels are not expected to reach pre-crisis levels before 2012. Exports will continue to be the key driver for economic growth, as the depreciation of the Euro is likely to increase the competitiveness of EU industries. Structural headwinds

in the form of a slowdown in domestic demand caused by sovereign debt issues in countries like Greece and mounting fiscal deficits in several countries remain a concern and could slow impending recovery.

Q *Could you elaborate on the strategic priorities for Tata Steel India?*

Tata Steel India is one of the most competitive operations in the global steel industry. The key feature of our operations is the culture of performance improvement and of continuously looking at new means to break the barriers of performance through aspirational target setting. Right now the Company's key priority is to execute the 3 million tonne expansion project at Jamshedpur. When completed in the third quarter of the financial year 2011-12, this project will enhance the capacity of the Indian operations to 10 mtpa. In addition, the Company is focusing on several downstream facilities that are being set up in coated and packaging products, which are consistent with the Company's long-term strategy to increase the ratio of value-added products in its output. The Company continues to pursue its long-term strategy to build greenfield capacity in India, including in Orissa.

Q *What are the broad contours of the Tata Steel Group's financial strategy?*

Over the last 18 months the Company has had a clear priority of focusing its efforts on maintaining liquidity, not only to finance the existing business but also to continue funding its new growth projects in India and its investments in raw material projects overseas. The Company consistently carried well in excess of US\$ 1 billion in liquidity through the year for these purposes. It reduced its gross debt by more than US\$ 1 billion in the second half of the financial year by pre-paying debt. The Company also raised equity capital of around US\$ 500 million during the year through a listing of Global Depository Receipts on the London Stock Exchange.

The Company's financial strategy is focused on optimising the cost of capital in its marginal financing, improving its credit rating and the efficient allocation of resources. This is designed to enable the Company to continue focusing on rebalancing its capital structure while funding value-accretive projects for the long-term benefit of shareholders.

Q *How have the raw material projects progressed during the year?*

The coal project in Mozambique and the iron ore project in Canada are the key projects in the strategy to enhance the Group's raw materials integration. Significant progress has been made by the management of the Joint Venture company with Riversdale Mining in Mozambique towards the development of the Benga reserves, as is shown by the the Benga Coal and Benga Power projects receiving environmental clearance. A feasibility study into the production of 10.6 million run-of-mine tonnes in 2 phases has been completed, which envisages initial production of 5.3 mtpa by end-2011. The Benga coal reserves have been upgraded by 84% to 502 million tonnes and the measured coal resource by 126% to 710 million tonnes, firmly establishing Benga as one of the most significant coal deposits outside Australia. The Company is also one of the largest shareholders in Riversdale Mining Limited, which is listed in Australia.

New Millennium Ltd (NML), a company listed in Canada in which Tata Steel is currently a 27.4% shareholder, recently approved the findings of a feasibility study to develop its 100%-owned Direct Shipping Ore (DSO) iron ore properties in Quebec and Labrador. The Project has proven and probable mineral reserves of 64.1 million tonnes and the mine is expected to produce around 4 mtpa of sinter fines from 2011. Tata Steel has an 80% stake in the DSO project together with 100% offtake rights.



The expansion will allow the Company to utilise its existing resources more efficiently, whether they be manpower, utilities or the Company's captive mines.



Top: LD #3 plant under construction, Jamshedpur. **Middle:** 'I' Blast Furnace under construction, Jamshedpur. **Bottom:** Construction in progress at Dhamra Port.

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I Sustaining Growth

Recognising the need for growth as the world recovers from the financial crisis, the Tata Steel Group has put into action initiatives that will ensure its growth is sustainable. These initiatives span the entire supply chain, from raw materials to logistics and value-added manufacturing.

2.9 MTPA EXPANSION PROJECT AT JAMSHEDPUR

The Indian operations of Tata Steel are among the most cost competitive in the world, so expanding the capacity of the Jamshedpur plant in Jharkhand is naturally one of the Group's key strategies. Tata Steel proposes to expand the Jamshedpur works' capacity to 9.7 million tonnes per annum (mtpa) of crude steel by 2011-12. Tata Steel and Centennial Steel Company Ltd., a 100% subsidiary of Tata Steel, are jointly implementing the 2.9 mtpa expansion. This additional capacity will allow the Company to use its existing resources more efficiently, whether they be manpower, utilities or the Company's captive mines. The project will also require less time to complete than building a greenfield steel plant.

The expansion project will involve setting up the following new facilities: a 3.05 mtpa capacity blast furnace, 2 coke oven batteries each with a capacity of 0.7 mtpa, a 6 mtpa pellet plant, a 2.4 mtpa Thin Slab Casting & Rolling (TSCR) facility, a Linz-Donawitz (LD) Basic Oxygen Converter and a lime calcining plant. The configuration and capacity of these new facilities have been chosen with a strategic rationale.

Pellet Plant: The 6 mtpa pellet plant at Jamshedpur will enable Tata Steel to use extra-fine iron ore as a blast furnace feed after beneficiation rather than scarcer forms of ore, increasing the percentage of agglomerate in the blast furnace burden to 85%.

Coke Oven Batteries: Prices for raw materials, including coke, have been rising fast and becoming increasingly

volatile, so the Company has found it necessary to shield itself against these trends by augmenting its in-house coke making capacity. There is a welcome additional benefit, in that the process gas produced from the new coke batteries will be able to meet the gas requirements of the pellet plant and TSCR.

'I' Blast Furnace: The 'I' Blast Furnace, with a capacity of 3.05 mtpa, will be the largest blast furnace at Jamshedpur. The furnace will achieve a new scale of efficiency, contributing significantly to the Company's efforts to minimise the environmental impact of the additional capacity. The furnace's construction schedule is tight, but the Company can draw upon the expertise gained through the construction of the 'H' Blast Furnace, which was commissioned in 2008.

Power Supply: The increase in the Jamshedpur plant's power requirement caused by the expansion will be partly met by Industrial Energy Limited, a 24:76 joint

venture (JV) between Tata Steel and Tata Power that ensures the expanded facilities will have a reliable, low-cost supply of power. The balance of the requirement will be met by additional purchases from the grid. Jamshedpur's power distribution system is also being suitably upgraded.

Utilities & Other Facilities: Tata Steel has also embarked on a programme of upgrades to the existing facilities at Jamshedpur in order to increase the efficiency. This programme will entail work on the LD facility, the raw materials handling systems and the utility & water management systems at both Jamshedpur and the iron ore mines.

Pollution Control: Some of the older production units at Jamshedpur will be retrofitted with high-efficiency dust extraction units, while others, such as the No. 3 Coke Oven Battery and Blast Furnaces 'A', 'B', 'D' & 'E', will either be phased out or retired.

Riversdale Mining Limited – Coal Project

On 14th April 2010, a formal groundbreaking ceremony was held at the Benga Coal Project in the presence of the President of the Republic of Mozambique, His Excellency Armando Emílio Guebuza. The ceremony followed a series of milestones already achieved by the Company. Tata Steel has enhanced its holding in Riversdale Mining Limited (RML) to 21.2% and has a 35% equity holding with 40% offtake rights in Riversdale Mozambique.

New Millennium Capital Corporation (NML) – Iron Ore Project

On 25th February 2010, New Millennium Capital Corporation (NML) approved the outcome of a feasibility study to develop its 100%-owned Direct Shipping Ore properties. The project has proven and

probable mineral reserves of 64.1 million tonnes and a production of 4 mtpa of sinter fines is expected to commence from Q3 2011. In May 2010 Tata Steel entered into a letter of intent to subscribe to 14.285 million shares in the company at C\$ 1.40/share for an aggregate price of C\$ 20 million. If the offering is completed, Tata Steel's stake would increase to 27.4% from its current holding of 19.65%.

Dhamra Port Company Limited

Dhamra Port Company Limited, a 50:50 JV between Tata Steel Limited and Larsen & Toubro, is developing a deep-draught port under a concession agreement on a Build, Own, Operate, Share and Transfer basis. The port will provide Tata Steel with cost benefits by integrating its raw materials logistics. It will start commercial operations by August 2010.

I Improvement Initiatives across the Tata Steel Group

During the last fiscal year, the Tata Steel Group (TSG) undertook targeted improvement initiatives that helped it to deal with the impact of the economic turbulence strategically and effectively.

> CURRENT INITIATIVES TAKEN AND THEIR IMPACT

CUSTOMER FIRST PROGRAMME AT TATA STEEL EUROPE

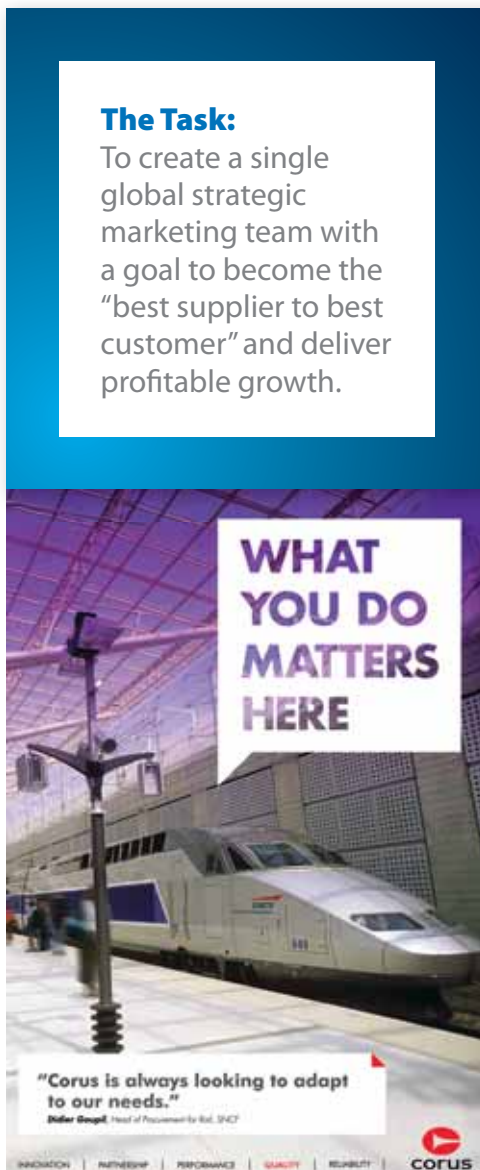
The Task:

To create a single global strategic marketing team with a goal to become the “best supplier to best customer” and deliver profitable growth.

Action: 11 industry-focused sectors were identified namely aerospace, automotive, construction, consumer goods, energy and power, materials handling, packaging, rail, security and defence, shipbuilding and engineering. The activities included:

- Categorising customers to ensure the right level of focus and developing account plans for the highest opportunity customers.
- Creating group-wide key performance indicators for marketing & sales, implementing a cross-Tata Steel Europe (TSE) customer satisfaction programme and developing a single products and services catalogue.

Result: Around 100 people across TSE’s sales & marketing team worked on the first phase which was completed in February 2010. Subsequent phases are now in progress, which include developing 3 to 5 year plans for each sector, identifying initiatives for executing these plans, identifying quick wins and developing a customer satisfaction tool. Product catalogues have been developed and high-level metrics have been defined.



FINANCING INITIATIVE AT TATA STEEL INDIA

The Task:

Making available financing for implementation of the value-accretive brownfield expansion project of the Company at Jamshedpur amidst the global economic crisis.

Action: In early 2008, Tata Steel Limited had embarked on its expansion plan to raise the steelmaking capacity of its Jamshedpur Works from 6.8 mtpa to 9.7 mtpa to fulfil the growing demand of the Company's customers. In the midst of its expansion plans, the global steel industry was adversely affected by the global economic crisis. The Company acted swiftly to counter the credit squeeze by engaging with its relationship bankers in India and exploring opportunities in the international capital markets to finance this project.

Result: There was tremendous support from the Company's relationship banks who along with a few other large banks completed the Rupee Term Loan syndication for the Project which was oversubscribed by almost 2 times. The syndication process for the financial closure of the 2.9 mtpa expansion project was completed in March 2010 through a Rupee financing of US\$ 2.1 billion on a project finance basis and long tenor external commercial borrowings from export credit agencies of € 335 million. The Company also raised equity of US\$ 500 million through Global Depository Receipts listed on the London Stock Exchange which helped in capitalising the Balance Sheet and to enable deployment of funds in the ongoing expansion at Jamshedpur. The financing risk of the project is now entirely mitigated and progress of the project is on track for completion in 2011-12.

SOURCING EXCELLENCE THROUGH STRATEGIC INITIATIVES AT TATA STEEL INDIA

The Task:

To keep in check price rises, limit price volatility and eventually control costs.

Action: In the face of high raw materials price volatility and an overall trend of rapidly increasing prices, the Procurement Division of Tata Steel India focused its efforts on keeping these trends in check by leveraging long-term contracts and relationships, and on minimising risk by hedging and through various other strategic sourcing tools, including innovations and improvement initiatives using Total Quality Management precepts.

Result: As a result of these focused strategies, the Division achieved a savings of Rs. 725 crores in FY 10, comprising Rs. 275 crores through strategic initiatives and Rs. 450 crores in price reductions, which were primarily captured in H1 FY 10.

Improvement Initiatives across the Tata Steel Group (cont'd)

Considerable progress has been made in strengthening the work of the Performance Improvement Teams (PITs) charged with improving manufacturing processes. At the moment, 17 of these teams are operating across the Tata Steel Group and initial estimates indicate the value of PIT-facilitated projects being undertaken in FY 11 to be more than £ 110 million. Here are some of the key PIT improvement initiatives that have been launched across the Group.

> CURRENT INITIATIVES TAKEN AND THEIR IMPACT

IRONMAKING GROUP

- Usage of cheaper coals (LCCS) in the coke making blend increased to an all-time high of 41%, 33.6% and 29% this year at IJmuiden, Port Talbot and Scunthorpe, compared to earlier rates of 13%, 20% and 8% respectively.
- 2 blast furnaces at IJmuiden and Port Talbot were salamander tapped as part of temporary blow-down due to the contraction in market demand. This process is useful in reducing the risk of hearth failures while still allowing quick restarts.
- The usage of iron-rich steelmaking waste reached record levels of 164 kg/tcs and 143 kg/tcs during the year at Port Talbot and Scunthorpe respectively, compared with baseline usage of 128 kg/tcs and 72 kg/tcs.
- As a result of shared best practice from Corus' Scunthorpe and Teesside plants, the number of coke ovens in Batteries 5, 6 and 7 at Jamshedpur that were subject to down-time during the year fell to zero from 48 in 2008.
- The slag volumes at the Port Talbot blast furnaces were reduced from the initial baseline of 245 kg/thm to 221 kg/thm in FY 10.

Team: Ashok Kumar, Chief (IMTG), Tata Steel India; Luc Bol, Works Manager, Corus Strip IJ; Harry Pronk, Works Manager, Corus Strip IJ; David Wilcox, Works Manager, Corus South Bank Coke Ovens & Shapfell; David Collins, Works Manager, Corus Scunthorpe Works.

STEELMAKING GROUP

- Increasing the number of tuyeres at both IJmuiden and Port Talbot from 4 to 6 is improving the yield from the BOS vessels. The changing of the tuyere design at the BOS converters at IJmuiden to bottom stirring is bringing benefits through improved converter life and yield.
- Improved fleet management systems and the introduction of ladle coordinators helped increase the life of steel ladles from 110 heats in 2008 to 120 heats in February 2010 at Port Talbot.
- LD #1 in Jamshedpur achieved its highest ever vessel life of 5,202 heats in November 2009, thus saving on the cost of relining the vessel; LD #2, at Jamshedpur achieved an increased average casting speed of 1.19 m/min from 1.17 m/min year-on-year after implementing a shop tracking system learnt from IJmuiden.
- Learnings achieved through the PIT process enabled Vessel 1 at Scunthorpe to achieve its highest ever vessel life of 6,153 heats in January 2010, thus saving the cost of relining the vessel. The number of tuyeres at Scunthorpe was increased from 3 to 4, improving the yield from the BOS vessels.

Team: Pieter Broersen, Works Manager, Corus Strip IJ; Ian Philips, Works Manager, Corus Strip Port Talbot; Kim Southward, Works Manager, Corus Scunthorpe Works; Debashish Das, Chief LD #1, Tata Steel Jamshedpur.

FLAT ROLLING GROUP

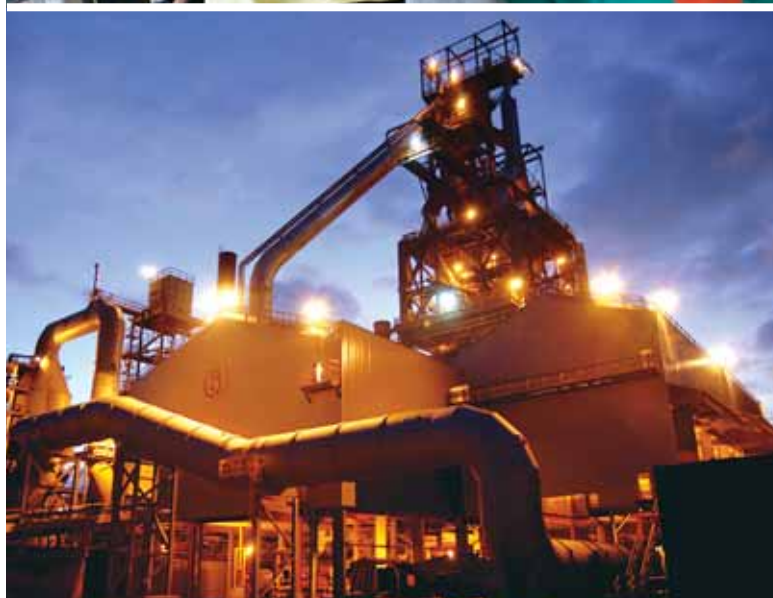
- Based on learnings from Jamshedpur and facilitated through the PIT, the Hot Strip Mills at IJmuiden and Port Talbot have been able to increase their coil weights from 20.2t to 21.7t and from 19.0t to 20.6t over the period April 2008 to March 2010, achieving significant fixed cost reductions.
- The Hot Strip Mill at Jamshedpur successfully implemented a planned maintenance schedule that was followed at IJmuiden. This initiative, coupled with back-up roll changes, resulted in a higher number of net operating hours.
- The Cold Rolling Mill at Jamshedpur achieved zero roll failures after implementing mill and roll shop practices learnt from Corus plants.
- Port Talbot reduced the electricity consumption of its HSM from baseline 92 kwh/t to 88.5 kwh/t in FY 10.

Team: Ernst Hoogenes, Director Manufacturing, Corus Packaging Plus; Govert Kocleloren, Works Manager, Corus Strip IJ; Stephen J George, Works Manager, Corus Strip Port Talbot; Pieter van Tongeen, Works Manager, Corus Strip IJ; Stuart Wilkie, Works Manager, Corus Packaging Plus Trostre.

LONG ROLLING GROUP

- An energy saving campaign was rolled out and various initiatives taken across the Sections Mills in TSE resulted in 12% year-on-year savings across all section mills.
- The Hayange Rail Mill in France is developing the capability to produce 108-metre rails through sharing experience with Scunthorpe's Medium Section Mill.
- There was an increase in yield at the Teesside Beam Mill and improvement in yield across plate mills of Scunthorpe and Dalzell.

Team: Sean Lyons, Director Manufacturing, Corus Scunthorpe Works; Simon Beaumont, Manager, Teesside Beam Mill; Richard Sims, Manager, Plate Mill Scunthorpe; Mohan Lal, Chief Long Products, Tata Steel Jamshedpur.



Top: The Training Centre, IJmuiden, the Netherlands. **Middle:** Steel Works in Port Talbot, UK. **Bottom:** Cold Rolled Steel produced at the Jamshedpur Steel Works.



Corus's Continuous Annealing Process Line.

TATA Steelium
is the world's
first branded
Cold Rolled Steel.

Tata Steel Europe has been
manufacturing **highway
barrier systems** for the
UK's major road networks
for over 40 years.

> A P R O D U C T P I O N E E R

The Company has always placed great emphasis on understanding the nuances of customer needs at individual, corporate and industry levels. This continued focus on developing engineering solutions helps maintain its position as a product pioneer.



TATA Wiron was supplied for
the Delhi Metro, India.

Tata Steel
Europe's
steel plate was
used to build the
world's first
wave farm
in Portugal.



TATA Wiron was used in Suvarnabhumi Airport, Bangkok, Thailand.

Tata Steel Europe was the
**first company in
Europe** to manufacture
rail for high speed lines.

Product Portfolio

Over the years, the Tata Steel Group has placed a continuous emphasis on improving processes, with a view to consistently increasing efficiencies, enhancing quality and thereby achieving better performance benchmarks in all areas. The Group's brand building endeavours have always been directed at building assurance, reliability and value creation for products in every segment.

> MEETING CUSTOMER NEEDS ACROSS SEGMENTS



CONSTRUCTION

From helping to build the world's most impressive buildings to providing the metal and expertise for infrastructure projects, Tata Steel has the products and services to meet the needs and standards of the global construction sector.

End use: Designing solutions to serve all sectors including residential, non-residential and infrastructure, including applications such as structural steelwork and building envelopes (cladding and roofing).


Brands: Advance® Structural sections, Celsius® 355, Hybox® 355, Bi-Steel, ComFlor®, Slimdek®, Corus Solutions, Catnic, Kalzip, Bor Lor Sor, Tata Shaktee, Tata Tiscon, Tata Tubes, Tata Structura and Tata Wiron.



AUTOMOTIVE

The Tata Steel Group supplies all major global vehicle manufacturers. In addition to supplying a wide range of products, it also delivers services including involvement at the pre-design phase in order to optimise production performance at its customers' factories.

End use: Body-in-white, closures, chassis and suspension, seating and interior, power train wheels and tyre bead wire.

Brands: HyperForm® - advanced Dual Phase steels, Magizinc Auto®, ZnX Boron®, Vegter Model®, Vegter Lite®, Tata Wiron, Tata Bearings and  Galvano™ Value Redefined



AEROSPACE

Tata Steel Europe supplies high integrity steels to major global commercial and defence aerospace programmes. These range from high strength, high integrity structural steels to high temperature alloy and stainless steels. The Company is involved throughout the supply chain, from materials selection and processing to the provision of expertise during development of engineering processes.

End use: Landing gear, engine and rotor shafts, engine fan casings and blades, structural pylons, slat and flap tracks. High integrity gear steels for planes, helicopters and motor sport applications.


Brands: Jethete M152 and Jethete M160.



CONSUMER GOODS

Tata Steel manufactures and processes steel for a wide range of customers across the consumer goods sector worldwide. Its product and service solutions range from hot rolled coil through to high-gloss pre-painted perforated blanks.

End use: Domestic appliances, lighting, furniture and office equipment, racking and shelving, battery cases, bake-ware, enamel-coated applications, decorative pre-finished metals plus many others.

Brands: Motiva®, Advantica®, Colorcoat®, Ymvit®, Ymagine®, Tenform®, HILUMIN®, HILAN®, HIBRITE®, NICOR®, Tata Steelium and  Galvano®
Value Redefined



MATERIALS HANDLING

Tata Steel delivers a multi-product solution to the global materials handling sector. It manages the complexity of products and services it supplies via multiple supply chains, through an extensive global network.

End use: Construction and earth-moving, forklift trucks, mining (e.g. roof supports, drills, crushers, screeners and conveyors), cranes, trailers, forestry equipment and agricultural equipment.

Brands: Tenform XK, Tenform XF, Ympress, Ympress Laser, Abrazo, Actis, Durbar and RQT.

> MEETING CUSTOMER NEEDS ACROSS SEGMENTS



ENERGY AND POWER

The Tata Steel Group supplies a broad portfolio of products and services to the energy and power sector leveraging its long-standing technical expertise. It also plays a leading role in the emerging renewable energy market, which is critical to building a greener planet.

End use: Submerged arc-welded pipe for the global oil and gas industry, plate for use in wind turbines, structural systems for the solar power industry, plus a range of structural, electrical and speciality engineering steels used in power generation and transmission.

Brands: Durehete, Esshete, Jethete, Inject and Tata Wiron.



RAIL

Tata Steel provides a wide range of products and infrastructure services to the international railway industry. The wide spectrum of track and traffic conditions in the modern railway environment is matched by Tata Steel's comprehensive range of rail section sizes, steel sleeper products and other specialised track components.

End use: Rails for high-speed lines, conventional and heavy loaded tracks, special rails for metro and tramways, as well as for switches and crossings. Steel sleepers and track accessories, modular platforms and tuned dampers for noise reduction.

Brands: HPrail™, Railcote™, Silent Track™, Sogenox™, Sogeplex™ and Tata Wiron.



ENGINEERING

General Engineering

Tata Steel manufactures a range of steel products, encompassing hot rolled and cold rolled sheets, wire rod and wire, sections, plate, bearings and tubes, which serve a multitude of small engineering companies in Europe, South Asia and South East Asia.

Brands: Tata Steelium, Tata Wiron and Tata Bearings.

Agricultural Tools & Implements

Tata Steel manufactures a range of high quality agricultural implements making it the first choice in India's rural markets. Its wire products find their way into farming, poultry and fencing applications.

Brands: Tata Agrico and Tata Wiron.

Engineering Services, Plant & Equipment

A multi-disciplinary engineering approach for the design, manufacture and supply of high precision equipment is offered to various industry sectors. Services range from routine testing, erection and commissioning to full business consulting.



SHIPBUILDING

Tata Steel Europe offers a comprehensive range of products and services to the shipbuilding industry. Its exemplary quality systems ensure it has the approval to supply all major classification specifications.

End use: Wide range of vessels including cruise liners, offshore support vessels, ferries, container ships and aircraft carriers.

Brands: INSTALL+ and INFIRE.



PACKAGING

Tata Steel supplies a range of products in both the consumer and industrial packaging sectors. In the consumer packaging sector, it provides high quality steels for the worldwide can making industry including tinplate, ECCS and Protact® polymer-coated steel.

End use: Consumer: Light metal packaging for food and beverages cans as well as for paint and aerosols. Industrial: Steel for drums, industrial bulk containers and gas bottles.

Brand: Protact®.



SECURITY AND DEFENCE

In a world where protecting people, assets and infrastructure is increasingly difficult, improved measures are required to safeguard society. Tata Steel Europe supplies a number of specialist solutions to address this challenge ranging from products that provide robust physical security measures and protect against bomb attacks to radiation detection systems.

End use: Blast protection structures, blast containment structures, physical perimeter security applications, redeployable vehicle barriers, bollards, walls and security solution designs.

Brand: Bi-Steel.

| Research & Development

Research & Development (R&D) activity within the Tata Steel Group takes place in 5 major centres namely, the IJmuiden Technology Centre (the Netherlands), the Swinden Technology Centre (United Kingdom), the Teesside Technology Centre (United Kingdom), the Automotive Engineering Group (United Kingdom) and the Jamshedpur R&D Centre (India). These centres hold just over 1,000 employees globally.

> IMPROVING PROCESSES TO ENHANCE EFFICIENCIES

IJMUIDEN TECHNOLOGY CENTRE, THE NETHERLANDS

The IJmuiden Technology Centre (IJTC) is located on the site of the Corus steel works in IJmuiden and focuses predominantly on process and product research for strip products and its application in the automotive and packaging sectors. In addition, the Ceramics Research Centre contributes to the availability of high temperature installations by developing “value in use” refractory solutions.

SWINDEN TECHNOLOGY CENTRE, UNITED KINGDOM

The Swinden Technology Centre (STC) in Rotherham mainly focuses on product research and applications research for the transport, building and construction sectors. Process research is undertaken for the mills operations primarily concentrating on environmental research.

TEESSIDE TECHNOLOGY CENTRE, UNITED KINGDOM

The Teesside Technology Centre (TTC) in Grangetown, Cleveland operates as a satellite focusing on process and long product research. A significant capability of this centre is the 8 tonnes heavy pilot plant facility with an arc melting furnace and steel casting capability.

AUTOMOTIVE ENGINEERING GROUP, UNITED KINGDOM

The Automotive Engineering Group (AEG) was

established in 1996 to build a technical bridge between Corus and its automotive sector customers. Its key focus is on cost-effective light weighting, to keep steel positioned as the automotive material of choice in the transition to a low carbon economy. It employs automotive specialists using CAD design, structural and formability CAE, manufacturing feasibility, cost estimation and knowledge-based engineering techniques to service the automotive, construction, materials handling and defence market sectors.

JAMSHEDPUR R&D CENTRE, INDIA

The Jamshedpur R&D centre in India was established in 1937 and is one of the oldest industrial R&D centres in the country. Since its inception, it has played a pivotal role in the development of steel products and process routes that have given the Company a competitive advantage in local and global markets. Currently the centre employs 145 officers. The innovative nature and high quality of their work is reflected in 42 filed and 36 granted patents during the past year, as well as the publication of 56 papers in top international peer-reviewed journals.

KEY RESEARCH THEMES

Raw Materials

Raw material costs play a key role in the competitiveness of the steel industry. Various R&D programmes are underway to address the issue of escalating raw material prices. Our research seeks to maximise the use

of raw materials from captive sources. These projects include new technology to produce low ash clean coal, beneficiation of low grade iron ore and plant rejects to produce concentrates and a new coal agglomeration technology to increase the use of low-cost non-coking coal for coke production.

Cost and Productivity

R&D's commitment towards continuous improvement and its development of cutting edge technology has supported our Company to become one of the lowest cost steel producers worldwide. The many activities in this field include research on agglomerates chemistry, blast furnace burden distribution, integrated through-process modelling, reduction in zinc consumption during tube galvanising and many more.

Market and New Products

4 research groups in India and more than 10 departments in Europe are actively engaged in developing new products. For example, their research output to cater to the needs of the Automotive sector include the development of advanced high strength steels, new forming techniques, new and improved joining techniques, innovative coatings, improved fatigue life of components, etc.

Energy and Environment

Tata Steel's R&D centres conduct many programmes to improve the life cycle and sustainability of the Company's products. These include projects to reduce energy consumption, CO₂ and other emissions. One current example is the construction of a pilot plant to trial the new Hlsarna iron making process at Corus' IJmuiden in the Netherlands. This new process, which was developed jointly with partners in the ULCOS consortium (www.ulcos.org), is expected to drastically reduce the energy consumption and CO₂ emissions associated with the production of iron from iron ore.



Top: Saroj K. Jha, Scientific Assistant of R&D, India doing a maceral analysis of coal. **Middle:** Dr. Tapan Kumar Rout and Marjon Zonneveld, R&D colleagues, IJmuiden, the Netherlands. **Bottom:** Ferro Chrome at Bamnival Plant of Ferro Alloys & Minerals Division, India.



Tata Steel Europe's
'Silent Track' solution
is helping to cut **noise
pollution** on railway
tracks in Europe.

The Vitality Centre, IJmuiden, the Netherlands.



NatSteel Holdings
was one of the **regional
pioneers** in radiation
detection for **steel scrap
operations**.

> A CORPORATE CITIZEN

Undeterred by the economic crisis, the best working practices in health, safety and corporate citizenship continue to be of the utmost importance to us. We have maintained our focus and introduced specific initiatives in all these areas.

Over 18 million tonnes
of residual materials were
internally reused
through Tata Steel's
processes, **successfully
replacing** primary raw
materials and reducing the
overall **CO₂ emissions**.



'Save our Earth' programme at Tata Steel Thailand.

NatSteel Holdings ensures
that it **recycles 90%**
of its steel.



TOWARDS A CLEANER, GREENER ENVIRONMENT

Corporate Citizenship

Corporate Sustainability at Tata Steel has always meant focusing on the environment, people and society. The Company carries out its business activities in ways that seek to enhance the Earth's resources rather than deplete them, thereby helping create a sustainable world for future generations to inherit. This is achieved by focusing on a number of initiatives and principles that are consistently applied across the Group. In this section we highlight some of these initiatives in order to illustrate our approach.

ENVIRONMENTAL SUSTAINABILITY

Environmental sustainability has become an increasingly important item on the Tata Steel Group agenda. The Group's various operations across the globe have all undertaken numerous initiatives to realise improvements in this area.

At Port Talbot in the UK, Tata Steel Europe (TSE) has inaugurated its BOS Gas Recovery Project, which has various emissions reduction and energy efficiency objectives. The new plant will reduce the site's carbon dioxide (CO₂) emissions by some 2,40,000 tonnes per year and its dust (PM10s) emissions by 40 tonnes. The project has brought Port Talbot closer to realising its ambition of self-sufficiency in energy by reducing the plant's demand for natural gas from the national grid. This investment has been the largest in the UK steel industry since the Tatas acquired Corus in 2007.

Tata Steel Thailand (TSTH) is highly dependent on the use of natural resources and has consequently incorporated energy management into its Total Productive Maintenance (TPM) activities. Through various technical innovations the company has managed to save 1.8 million Baht per year on its electricity costs. Waste water treatment and the

Spread the Green, Save the Planet

“Greenfection” is the resolve to “infect” the whole of India with the will to change towards a greener future. Tata Steel has tied up with the World Wildlife Federation, Star News, MTV, National Geographic and Radio Mirchi 98.3 FM to work on several programmes under this initiative.



The Company is using social media and blog sites to attract participation from young people and films on the environment will also be screened. The “Plant a Sapling” and “Click a Sapling” programmes have been launched.

elimination of dust during the production process are also areas of focus.

TSTH is also focusing on Greenhouse Effect Management, with a defined goal of restricting its CO₂ emissions to 1.0 tonne per tonne of liquid steel produced by 2012. Other projects include ‘The Big Cleaning Day’ project; ‘The Local Forest Rehabilitation’ project and ‘The Steel Products for Environmental Preservation’ project. The ‘Save Our Earth’ programme is an effort to campaign against global warming.

HEALTH – A CRITICAL FOCUS

Mother and Child Health – Several maternal and neonatal health, immunisation and family planning programmes have touched over 27,000 lives in India.

Adolescent Reproductive and Sexual Health (ARSH) –

More than 53,000 adolescents in India have been covered through the various adolescent health programmes that are aimed at giving accurate information, building skills and seeking counselling during crises etc.

HIV/AIDS Initiatives – Over 60,000 people have been made aware of the AIDS scourge through 1,178 awareness programmes in 2010. And over

250,000 people have been covered in the last 5 years in India alone. The objective is the rehabilitation of HIV/AIDS infected people and providing nutritional and educational support to children from HIV+ families.

Lifeline Express – The Lifeline Express, the world’s first hospital on rails, offers on-the-spot diagnostic, medical and advanced surgical treatment for preventive and curative interventions across rural India. Over 4,000 patients have been treated and 702 surgeries have been successfully conducted in 2009-10.

Comprehensive Health Screening of Employees

and Families – This NatSteel initiative made available intervention programmes such as weight management, hypertension and high cholesterol, and smoking cessation workshops to help employees lead a healthier life.

WATER AND SANITATION

Drinking Water – The problem of access to uncontaminated drinking water in Indian villages was addressed by providing potable water to communities through tankers or piped water distribution systems and hand pumps, or via the construction/repair of wells to create self-sufficiency for over 50,000 people. To address this issue of 100% coverage of families with drinking

Corporate Citizenship (cont'd)

water, the Tata Steel Rural Development Society (TSRDS) proposes to take up the drinking water project with a goal to ensure portable drinking water supply to every household in the Company's operational areas.

Civic Amenities – In an arrangement that is unique in India, the Jamshedpur Utilities and Services Company (JUSCO) provides comprehensive urban infrastructure services and caters to 0.7 million people. Jamshedpur has been selected by the United Nations to participate in its 'Global Compact Cities' programme.

HUMAN CAPITAL

Building Entrepreneurs – Functioning as a wholly-owned subsidiary of Corus, the aim of UK Steel Enterprise (UKSE) is to improve the economies of those areas of the UK most affected by changes in the steel industry. It offers business information and planning advice, as well as loans and investment for start-ups and expanding businesses. To counter the mothballing of the steelworks at Teesside, UKSE offered a combination of grants and loans for various start-ups.

'Building Beyond Borders' – This TSTH programme reaches out to the underprivileged elderly and to less fortunate children and youth in the area of education.

'Grow Smart with Tata Steel' – This project is aimed at encouraging learning and self-development in students from remote areas of India. It also focuses on spreading knowledge through vocational training for adults.

Employee Volunteerism – One of the primary focus areas of Tata Steel, India is to involve employees and encourage them to volunteer their services for Community Development Programmes. A total of 136 employees rendered their voluntary services in 2010 in various projects.

EDUCATION AND SCHOLARSHIPS

In keeping with its stated policy, education is an area

of special emphasis and Tata Steel India has made available several scholarships and programmes to encourage quality education. Among these are the Jyoti Fellowship for financial assistance; the Sakshar Samaj programme for functional literacy in adults; the Moodie Endowment for financial assistance to students pursuing professional courses; Coaching Programmes; Early Child Education (ECE) Centres and Camp Centres to accelerate education.

Changing lives



“TSRDS has helped improve my income. I am now a proud owner of a cashew orchard.”

– Nityanand Mahato

Nityanand Mahato, a farmer in Jharkhand, would only grow paddy for 1 season a year. The yield he achieved was not enough to meet his needs. But his life took a sharp turn for the better after an intervention from India's National Horticulture Mission. He is now getting help not only from the Tata Steel Rural Development Society (TSRDS), but also from collaborating NGOs to generate new forms of income. In 2006-07 he decided to start planting cashews with the help of the National Horticulture Mission. He planted about 408 cashew plants and tended them with the help of techniques and modern methods learnt from the TSRDS. With a yield of 2 kg per plant, he earned a profit of Rs. 48,000. This return has not only motivated him to take care of his cashew orchard but made him an example for others to follow.

Continuing the same theme, NatSteel has awarded scholarships to 150 underprivileged students, enabling them to acquire education in good schools.

AGRICULTURE PROGRAMMES

Several agricultural programmes in the states of Jharkhand and Orissa in India are working towards improving agricultural productivity and helping sustain the livelihoods of poor farmers and their families. Among the encouraging results have been an increase in income, food security for 12 months in every household, lower migration, additional income for education and a visible improvement in health.

WASTELAND DEVELOPMENT

A large proportion of land (around 9%) in the state of Jharkhand in India, is considered to be wasteland. To bring this land into productive use, the TSRDS, in collaboration with the National Horticulture Mission, has launched a 5-year Horticulture Project in the East Singhbhum district of Jharkhand. During 2009-10 an additional area of 2,075 acres were covered under Horticulture Crops (mango and cashew) and 373 acres of wasteland was developed in various locations.

CULTURE AND HERITAGE

The Preservation and promotion of tribal culture and heritage is the main focus of Tata Steel India's Tribal Cultural Society (TCS). TCS promotes various initiatives, such as the Kati tournament (Kati is a traditional game played in tribal villages of Jharkhand and Orissa); the Tribal Culture Centre (TCC) that illustrates the ethnic identities of major tribal communities of Jharkhand; the Gram Shree Mela – an event that provides an opportunity for rural producers to sell their products directly in major markets; the Artisans's Hub – a project designed to support tribal artisans' families and provide them with a stable monthly income.



Providing safe drinking water in Patamda Block, Jharkhand, India.



Providing healthcare for both mother and child in Bankati village, India.

Changing lives



“Thanks to Tata Steel I can pursue my education.”

– Mahesh Murmu

Mahesh Murmu of Jamdih village, Patamda block, near Jamshedpur, was overjoyed when he secured a place at the engineering college. However, he couldn't afford the college fees. Mahesh hails from a poor family dependent on agriculture and vegetable cultivation. The Tribal Cultural Society came to his aid by paying his fees and continuing to support him throughout the duration of his course.

Changing lives



“We’ve been able to redefine rural micro-enterprise.”

– Manasi Mahanta

Manasi Mahanta, a rural tribal housewife, used to occupy her entire day with household chores. Tata Steel officials encouraged her and other women like her to start a Self Help Group (SHG) and provided them training for its day-to-day management. As a result she has set a benchmark in micro-enterprise entrepreneurship by establishing the brand of Maa Pickles in Jajpur. This SHG was started in 2008 with a bank loan. Today Manasi and her colleagues have achieved an annual sales turnover of Rs. 2,30,667 and have also managed to repay the loan. Nowadays Manasi is secretary of the SHG and works as a teacher.

Corporate Citizenship (cont’d)

The 18th Gram Shree Mela, 2010 accomplished its best ever sales record of over Rs. 92 lakhs, a landmark achievement.

SPORTS

Tata Steel has always believed in sport as an essential part of a society’s mental and physical wellbeing. The Corus Kids of Steel programme is an example of an initiative in this area. The objective of this programme is to nurture young talent at grass roots level and develop community participation in the UK’s fastest-growing sport, triathlon. The Corus Kids of Steel events make the sport accessible to all, regardless of their ability.

In India, the Tata Football Academy (TFA) has long been involved in nurturing and training young footballers in a scientific way. It has an outstanding record of producing players for the Indian national team. Archery is another sport in which Tata Steel has created champions who have competed at the national level, bringing home international medals from Archery World Cups.

DISASTER RELIEF MANAGEMENT

The Tata Relief Committee (TRC) is a voluntary organisation promoted by the Tata Group of companies to serve people – often society’s poorest – whose lives have been severely affected by natural calamities. During FY 10 Tata Steel and TRC aided the people of the Mandar block of Ranchi district in Jharkhand in the wake of cyclone “Aila”, which destroyed villages, leaving hundreds of people homeless. Relief materials to the tune of 1,000 tarpaulin sheets, medicines worth Rs. 80,000 and 3,000 packets of consumables and other essentials were distributed.

NatSteel was also active in the support of people affected by the floods in Vietnam’s Quang Binh province. Financial aid and food stuff were made available to the local community.



Wasteland Development in Jharkhand, India.



The Corus Kids of Steel triathlon event, Birmingham, UK.

Safety – An Ongoing Focus

Safety at the workplace continues to be an area of critical importance. At the Indian operations the issue of safety was highlighted in the areas of Behavioural Safety, Process Safety and Ergonomic and General Safety. Focused campaigns were carried out in the areas of Gas Safety, Material Handling, Conveyor Belt Safety and Road Safety. Comprehensive Job Cycle Checks and Integrated Safety Audits were also implemented. To revitalise the focus, a mascot – Jeevan – was launched. Apex Safety Subcommittees were restructured to bring fresh people into the safety decision-maker forum.

Tata Steel Europe has strengthened its Health and Safety Management systems with comprehensive tools, standards and procedures. Its structured approach covers 15 fundamental principles including accountability, management of change, audit and review and is based on best practices from BlueScope Steel – recognised as a safety leader in the steel industry.

A Safety Excellence Journey was rolled out at the Group's wire mills in Thailand, while NatSteel has also been recognised for its efforts in this area. The noise and dust level in the Xiamen plant has been identified as below the minimum required level, according to the Occupational Health Screening organised by the government, and remedial efforts put in place. Emergency Assembly Points and Emergency Drill and Experience Sharing Sessions are organised to enhance staff awareness of safety. Zebra crossing walkways are provided along the safety passageway for visitors inside the Xiamen plant.



Kalzip Constant Force Fall Arrest System.

The path forward for the Group is a continued focus with an objective of zero fatality. Tata Steel recognises that its operations around the world can learn from each other, and there is a Group-wide thrust to improve in this area.

Safety Awards

- Recognition from World Steel Association to Tata Steel for demonstrating excellence in safety and health programmes in 2009.
- The Xiamen Safe Work Place Enterprise Award to NatSteel.
- National Safety Awards to the West Bokaro and Jharia divisions, and Sukinda Chromite mines.
- The CSR Leadership Award 2009 to Tata Steel at the Orissa State Safety Awards.
- The Excellence in Manufacture Award to Siam Construction Steel Company for Quality, Environment and Safety Management from the Department of Primary Industries and Mines, Ministry of Industry.





The Company achieved its best ever production of hot metal (7.23 million tonnes), crude steel (6.56 million tonnes) and saleable steel (6.44 million tonnes) in FY 10.



Top: Steel Works at Jamshedpur, India. **Bottom:** Sefali, Loco Driver, Raw Material Management Division, Jamshedpur, India.

A GLOBAL PLAYER > A PRODUCT PIONEER > A CORPORATE CITIZEN

Review of Operations India

The fiscal year FY 10 is a landmark year for Tata Steel's Indian operations with an outstanding performance across all its Units and Divisions.

There was also a noticeable improvement in most of the operating Key Performance Indicators (KPIs) of all the units like coke rate, fuel rate, specific raw material consumption etc. coupled with customer focused initiatives which further strengthened the product and delivery systems and processes.

The stupendous all around performance supported by strong domestic demand is reflected in the significant increase in the EBITDA margin of H2 FY 10 which was 44% as compared to EBITDA margin of 33% in H1 FY 10. The Company's turnover increased by 12% to Rs. 7,339 crores in Q4 FY 10 as compared to Q4 FY 09 and by 15% as compared to Q3 FY 10.

SAFETY

In line with the Group's vision of achieving 0.4 Lost Time Injury Frequency Rate (LTIFR) by 2012, there was a significant improvement in Tata Steel India's safety performance in FY 10 with a 30% reduction in LTIFR as compared to the previous year's. Against a plan of 0.6 LTIFR in FY 10, the actual LTIFR dropped to 0.56 in this period due to implementation of many process related safety initiatives.

RECORD PERFORMANCES

The Company achieved best ever production of hot metal (7.23 million tonnes), crude steel (6.56 million tonnes) and saleable steel (6.44 million tonnes) registering an impressive increase of 16% for hot metal and crude steel production and an increase of 20% for saleable steel production. The newly commissioned 'H' Blast Furnace achieved a remarkable milestone by producing 3.07 million tonnes in the first full year of its operation registering an impressive increase of 23% as compared to its rated capacity of 2.5 million tonnes.

In line with the capacity enhancement plan of Tata Steel, the capacity of one of the smaller blast furnaces, the 'C' Blast Furnace was upgraded from 0.4 mtpa to 0.7 mtpa through in-house efforts and was commissioned in September 2009. It is the first blast furnace in the world to incorporate the Gimbal Top technology for the raw material charging system.

The superior performance of the Ironmaking units was aptly supported by the Raw Material Division. The dispatches from Ores Mines and Quarries (OMQ) Division to the Steel Works was 11.08 million tonnes and registered a substantial increase of 18% as compared to the dispatch of 9.42 million tonnes in FY 09. The West Bokaro Division also recorded the highest ever clean coal production of 2.14 million tonnes.

The downstream processes also kept pace with the increase in upstream production and new records were set in all the rolling mills. The Hot Strip Mill produced 3.65 million tonnes (previous record: 3.27 million tonnes in FY 08), the Cold Rolling Mill output rose to 1.56 million tonnes (previous record: 1.53 million tonnes in FY 09) and the New Bar Mill registered a production of 0.67 million tonnes (previous record: 0.61 million tonnes). The overall sales registered an impressive increase of 18% at 6.17 million tonnes.

MAKING A MARK IN THE MARKETPLACE

The Flat Products Division retained its leadership position in the Indian automotive segment with a 42% market share. A new brand "**Galvano Zero Spangle**" was launched for the first time in India for appliance, panel, bus body and the general engineering segment. To increase the market reach, several initiatives were taken. 25 stores of **Steeliumzone**, an exclusive retail store of **TATA Steelium** CR coils and sheets and 100 stores of **Shaktee Sansaar** that retail **TATA SHAKTEE** GC sheets were opened in 2009-10.

The Long Products Division with its highest rebar sales at 1.56 million tonnes was the biggest rebar player in the country. A new grade of FE 500 D was launched for the first time in India having lower impurities of phosphorous and sulphur under the brand called **TATA TISCON 500 D**. The Division also branded its Cut and Bend Centre rebars as **TATA TISCON Readybuild**. The **TATA TISCON** brand was acknowledged as a consumer superbrand in the construction rebar category by survey concluded by Superbrands India Pvt Ltd.

The Tubes Division, a strategic business unit of Tata Steel, achieved its highest ever annual sales at 3.5 lakh metric tonnes recording a 10% growth in sales over last year. It continues to pioneer the Closed Structural Business, with landmark structures being built using **TATA Structural** which crossed the 3 lakh tonnes landmark this year.

In Precision Tubes, the Division stabilised production and the supply of Hydroformed cradles for the Nano, and substantially increased its share (40% YoY) of High Precision Cold Drawn tubes for Propellor Shaft, Drive Shaft and Front Fork tubes. It continues to hold a leading position in the Boiler Segment inspite of intensifying competition. **TATA Pipes**, the flagship brand continues to dominate in the plumbing, irrigation, industrial and firefighting segments. The Division has now stabilised its newest high speed narrow tube mill in the first quarter of the year itself and implemented a state-of-the-art air wiping system to enable far finer coating control for its galvanised products.

The Global Wires Business of the Group is amongst the largest steel wire manufacturers in the world (and largest in India, Thailand & Sri Lanka). In the last year, the Wire Division in India restructured itself by relocating its operations from Mumbai to Tarapur and to Indian Steel & Wire Products Co. Jamshedpur. The Division was the first to brand its galvanized wires for the retail segment under the **TATA Wiron** brand.



The combined contractor and employee Lost Time Injury Frequency Rate (LTIFR) for the financial year of 1.5 (down 15% from 1.8 in 2008-09) was a record low.



Top: Steel Works at Scunthorpe, Tata Steel Europe. **Bottom:** Employees adopting a customer first approach at UK Steel Enterprise, Tata Steel Europe.

A GLOBAL PLAYER > A PRODUCT PIONEER > A CORPORATE CITIZEN

Review of Operations UK and Europe

As part of the Tata Steel Group (TSG) of companies, Tata Steel Europe (TSE) is committed to the Group's vision of being a global benchmark in Value Creation and Corporate Citizenship. Maintaining this commitment during the deepest peacetime contraction in European steel demand for 80 years has been challenging given the necessity of returning the European operations to profitability.

Though there were no fatalities during the year, a customer's employee suffered a fatal accident in April 2009, as did an employee in April 2010, tragedies that reinforced the need to focus on safety. The combined contractor and employee Lost Time Injury Frequency Rate (LTIFR) for the financial year of 1.5 (down 15% from 1.8 in 2008-09) was a record low. In order to build on this achievement, this year the company intends to shift its focus to 'recordables', which are defined as all work-related incidents resulting in harm to people, excluding those that require no more than first aid treatment.

To further improve the competitive position in Europe, work on transforming TSE into a more customer-focused company, operating as an integrated manufacturing and sales organisation is in progress. The 'Customer First' programme is aimed at better serving customers' needs through developing a more customer sector-focused marketing organisation. In parallel, TSE is also investing in systems to improve the supply chain in order to improve customer service and reduce working capital.

The preceding financial year of 2008-09 was one of extreme contrasts, with strong demand and prices in the first half followed by a sharp drop in orders and prices in the second half, as the global recession severely affected the steel industry. The depressed market conditions evident at the end of 2008-09 continued into 2009-10 and, whilst some modest recovery was evident by the third quarter, sales volumes and prices remained well below those experienced in the first half of 2008-09.

The first half of 2009-10 was also significantly affected by losses incurred at Teesside Cast Products ('TCP') as a result of 4 international slab buyers withdrawing from a 10-year Offtake Framework Agreement. This was all in part offset by a fall in raw material prices and the measures taken by the Group to reduce costs through its 'Weathering the Storm' and 'Fit for the Future' initiatives. These measures included announcements in January 2009 that put around 3,500 jobs at risk, in June and July 2009 when additional measures identified a further 2,410 jobs at risk, and in December 2009 when the partial mothballing of TCP was announced. By the end of March 2010, employee numbers had reduced by 13% compared to March 2009. The overall effect of the actions taken and the modest recovery during the latter part of the year was a sharp improvement in the financial performance during the second half of 2009-10, leading back to profit by the end of the financial year.

Though investment budgets were necessarily constrained because of the downturn, the company did announce a joint venture with Tata Power Limited to set up a 525 MW combined heat and power plant at the IJmuiden works, and a €35 million expansion of its rail mill at Hayange in France. Among the investments completed during the year were the installation of a new continuous galvanising line and 3-stand cold rolling mill, the conversion of the 7-stand finishing mill with heavy bending and hydraulic gauge control, and a ladle furnace scheme – all at IJmuiden – and a £60 million BOS gas recovery equipment and energy management system at Port Talbot, Wales.

During the year, as market conditions improved, the company brought back on stream several facilities that had been temporarily taken out of production including the Nos 4 and 6 Blast Furnaces at Port Talbot and IJmuiden, the "Queen Bess" Furnace at Scunthorpe and the Llanwern Hot Strip Mill. New operating and productivity records were achieved at Port Talbot.

In September 2009 the structure of the research and development activities within TSG was changed from separate organisations in Europe and India to one global organisation working for the benefit of TSG as a whole.

PROCESS DEVELOPMENTS

The downturn resulted in much of the effort in process research during the year being focused on improvements delivering cost reductions or a stronger competitive position. The Process Improvement Teams set up to ensure application of best practice across the Group have spent much time in benchmarking its operations, particularly in Europe, against major competitors and identifying best practices within the Group that can be transferred to other sites.

PRODUCT DEVELOPMENTS

Responding to growing demand from the motor industry for stronger, formable material at a competitive cost, TSE has launched the DP800 HyPerform® steel grade. This is a high strength, formable and weldable steel that combines the advantages of dual phase ('DP') and transformation induced plasticity grades. The HyPerform product is considered a leading development in the automotive field and key customers have already started their approval procedure for the new grade in anticipation of commercial production. A new cold rolled dual phase steel grade (DP600CR) was also commercialised during the year, aimed at the automotive and gas bottles market, but with further deployment opportunities for the grade being explored.

APPLICATION DEVELOPMENTS

TSE has provided to Jaguar Land Rover ('JLR') technical assistance (Early Vendor Involvement, 'EVI') on the LRX baby Range Rover programme. This included detailed reviews of the concept body structure and component design. JLR accepted 37 ideas to be progressed for production in 2010-11, with resulting cost and weight savings and reductions in CO₂ emissions over the programme lifetime.



NatSteel's management reduced its inventory level by about 100k tonnes during the year which helped free up S\$89 million of working capital for further investment opportunities.



Top: New Fume Extraction Baghouse at NatSteel Singapore.
Bottom: Employees at work at NatSteel.

> A GLOBAL PLAYER > A PRODUCT PIONEER > A CORPORATE CITIZEN

Review of Operations South East Asia

Although the economy began to look up, the global financial crisis continued to have a dampening effect on the economies of South East Asia in the first half of the year. A quick response from Governments with huge stimulus packages helped mitigate the impact. However, a large part of the steel industry was negatively affected and underwent a demand contraction with Indonesia contracting by 27%; Singapore by 23%; Thailand by 20%; Malaysia by 9%; and the Philippines by 3%. The exception was Vietnam which grew by 30%. Despite a drop in demand, the second half showed indications of economic recovery when the effects of the stimulus packages kicked in. Demand for long products increased in the second half to near pre-crises levels.

NATSTEEL HOLDINGS

The sales volume from operations in Singapore fell by 22% largely due to weak exports to Australia and a reduction in the domestic demand. Sales of its local downstream products also fell by 16%. Nonetheless, it continues to be one of the largest single location cut and bend centres in the world. The Xiamen operations in China reached new milestones in both its production and sales volume with an increase of 27% and 25% over last year respectively. Production at the Vietnam operations nearly doubled to 140k tonnes with sales volume registering a 67% growth and the unit generating a 30% ROIC.

In Australia, both of its subsidiaries, NatSteel Australia and Best Bar, suffered losses as Australian sales volume dropped by 32% against last year. Margins were negative because of the high cost of inventory bought prior to the crisis and price pressure from competitors. NatSteel's management reduced its inventory level by about 100k tonnes which helped free up S\$89 million of working capital for further investment opportunities. It also lowered its borrowings, thus reducing its burden of interest cost.

CONTINUOUS IMPROVEMENT

NatSteel has always placed an emphasis on continuous improvement. During the year, Kepner Tregoe was engaged as a consultant to drive performance excellence through various focused projects targeted at achieving strategic objectives. Business processes continued to be strengthened. It also initiated knowledge management for synergy in knowledge sharing as well as daily management for improving operational performance. SAP was successfully implemented in NatSteel in September 2009 and will subsequently be rolled out to its subsidiaries.

NatSteel commissioned a new Fume Extraction Baghouse at its Singapore plant to improve the working environment. In Xiamen, a new series of earthquake resistant and high yield bars were launched. Capacity expansion and extension of the distribution network are currently in progress in line with the optimism in the construction industry. NatSteel and its subsidiaries have joined efforts in improving its supply chain management using the Theory of Constraint principle to achieve leaner and more effective operations.

SAFETY

NatSteel has made a remarkable improvement in its safety journey during the year reducing Lost Time Injury Frequency Rate (LTIFR) to 1.22 this year from almost 6 last year. With DuPont as its consultant, it will start on DuPont Process Safety Management to further improve its safety measures.

TATA STEEL THAILAND (TSTH)

The negative steel consumption growth and the struggling economy had a major impact on TSTH's performance. However, despite the challenges, the company continued its growth and performance initiatives. The Mini Blast Furnace Project located at the NTS plant, a subsidiary company in the Chonburi province with a production capacity of 500,000

tonnes, was completed this year. This project, which is Thailand's first hot metal based iron ore production plant, will enhance the company's capability to produce high margin products.

The new billet grades SWRY11 and SWRH67B were also successfully produced as a trial lot. In terms of performance, the highest production rate of hot metal was approximately 1,190 tonnes per day, compared to the rated capacity of 1,450 tonnes per day (rate without oxygen enrichment).

IMPROVEMENT INITIATIVES

TSTH moved aggressively towards the 'Global Excellence Standard', based on the Tata Business Excellence Model (TBEM). The ISO9001:2008 Programme for the procurement and marketing & sales areas was also launched. Additionally, a joint endeavour was undertaken with NatSteel to share best practices, in areas of safety, sales and marketing, procurement and rolling operations.

HR AND PEOPLE UPDATE

TSTH has built a foundation of four key pillars - viz branding, employee engagement & retention, business sustainability and service delivery. The organisational culture is driven by a concept called FIRST Culture (Flexibility, Innovation, Result Driven, Services and Speed, Teamwork Orientation), which serves as a work behaviour guideline for staff at all levels.

Recognising that safety and occupational health is an integral part of work, TSTH undertakes various activities to motivate and educate the staff. Every process is standardised to ensure safety and adequacy of personal accident protection. A 'Health Safety and Environmental Committee' determines policies, targets and work plans. Apart from conducting business in line with the Tata Code of Conduct, the company has followed the five principles of Good Corporate Governance issued by the Stock Exchange of Thailand.

Awards, Recognitions and Certifications



TOWARDS GREATER EXCELLENCE

CORPORATE AWARDS

- The rating of being one of the world's top ten "Most Admired Companies" by FORTUNE Magazine and the Hay Group in the Industry-Metal category.
- The Economic Times Company of the Year Award.
- The Best Establishment Award by the President of India, Mrs. Pratibha Devi Singh Patil.
- The Superbrand Award to Tata Tiscon.
- The Times of India CSR Award.
- The Rashtriya Khel Protsahan Puraskar.
- The Ispat Paryavaran Puraskar Special Award.
- The Xiamen City Top Employers' Award to NatSteel Xiamen for the second time.
- The Outstanding Award for Employee Relations & Welfare 2009 to Siam Industrial Wires (SIW), Thailand.

AWARDS FOR EXCELLENCE IN KNOWLEDGE

- The Most Admired Knowledge Enterprise (MAKE) Asia Award 2009 for the sixth time.
- The Fifth BML Munjal Award for Excellence in Learning & Development.

AWARDS FOR EXCELLENCE IN CORPORATE SOCIAL RESPONSIBILITY

- The Golden Peacock Global Award.
- The Significant Achievement in Sustainability certification from CII-ITC.
- The TERI CSR Award.
- The UKTI India Business Award.

- The Good Governance for Environment in the Factory and Enterprise Award to SIW.
- The Corporate Social Responsibility - Department of Industrial Work Award to SIW.
- The Green Star Award from the Industrial Estate Authority of Thailand (IEAT) to Siam Construction Steel Company (SCSC).

For Awards on Safety, refer to page 41.

Notice

THE HUNDRED AND THIRD ANNUAL GENERAL MEETING OF TATA STEEL LIMITED will be held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Friday, the 13th August, 2010, at 3.30 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, 2010 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To confirm the declaration and payment of interim dividend on the 2% Cumulative Convertible Preference Shares.
3. To declare Dividend on Ordinary Shares.
4. To appoint a Director in the place of Mr. S. M. Palia, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in the place of Mr. Suresh Krishna, who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in the place of Mr. Ishaat Hussain, who retires by rotation and is eligible for re-appointment.
7. To appoint a Director in the place of Mr. Andrew Robb, who retires by rotation and is eligible for re-appointment.
8. To appoint auditors and fix their remuneration.
9. To appoint a Director in place of Mr. B. Muthuraman, who was appointed an Additional Director of the Company by the Board of Directors with effect from 1st October, 2009 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.
10. **Appointment of Mr. H. M. Nerurkar as Managing Director**

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

“RESOLVED that pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves of the appointment and terms of remuneration of Mr. H. M. Nerurkar, Managing Director of the Company for the period from 1st October, 2009 to 31st October, 2013 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. H. M. Nerurkar.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

11. Appointment of Branch Auditors

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

“RESOLVED that pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, (the Act), Messrs Deloitte & Touche, Singapore, the retiring Branch Auditors of the Singapore Branch of the Company, be and are hereby re-appointed as the Branch Auditors of the Company to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company and to examine and audit the books of account of the Branch Office of the Company located at Singapore for the financial year 2010-11 on such remuneration as may be mutually agreed upon between the Board of Directors and the Branch Auditors, plus reimbursement of service-tax, out-of-pocket, travelling and living expenses, incurred in connection with the audit.

RESOLVED FURTHER that pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Act, the Board of Directors of the Company be and is hereby authorised to appoint as Branch Auditors of any branch office of the Company, which may be opened hereafter in India or abroad, in consultation with the Company's Auditors, any person qualified to act as Branch Auditor within the provisions of the said Section 228 of the Act and to fix their remuneration.”

NOTES :

- (a) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 9 to 11 above, are annexed hereto. The relevant details of directors seeking appointment/re-appointment under Item Nos. 4 to 7, 9 and 10 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, 14th July, 2010 to Tuesday, 20th July, 2010 (both days inclusive).
- (d) If dividend on Ordinary Shares as recommended by the Board of Directors is passed at the meeting, payment of such dividend will be made on and after 14th August, 2010 to those members whose names are on the Company's Register of Members on Wednesday, 14th July, 2010. In respect of Ordinary Shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on 13th July, 2010, 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 2001-02. It may be noted that the unclaimed dividend in respect of the financial year 2002-03 is due for transfer to the IEPF on 23rd July, 2010.

Members who have not yet encashed their dividend warrant(s) for the financial years ended 31st March, 2004 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, 26th May, 2010

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.9 to 11 of the accompanying Notice dated 26th May, 2010.

2. **Item No. 9:** Mr. B. Muthuraman retired as the Managing Director of the Company on 30th September, 2009. Considering the contributions made by Mr. Muthuraman during his tenure as the Managing Director, in the growth of the Company, the Board thought it prudent to appoint Mr. B. Muthuraman as an Additional Non-Executive Non-Independent Director designated as Vice-Chairman of the Board of Directors of the Company with effect from 1st October, 2009.
3. Mr. 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 recently bestowed an Honorary Degree of Doctor of Humane Letters, Honoris Causa from Loyola University, Chicago.
4. Mr. Muthuraman joined the Company in 1966 and has held various positions at the Company including Vice President (Marketing & Sales) & 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.
5. The Board considers it desirable that the Company should continue to avail itself of the services of Mr. Muthuraman as a Director and accordingly commends the resolution at Item No. 9 for approval by the Members.
6. None of the Directors other than Mr. B. Muthuraman is interested in the Resolution at Item No. 9.
7. **Item No. 10:** Mr. Hemant M. Nerurkar was Executive Director of India and South East Asia of the Company since April 09, 2009 and was appointed as Managing Director of the Company from October 01, 2009.
8. A B.Tech 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, INSDAG and AIMA, amongst others.
9. 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.
10. The main terms and conditions relating to the appointment of Mr. H. M. Nerurkar as Managing Director (MD), are as follows :
 - (1) Period - From 1st October, 2009 to 31st October, 2013.
 - (2) Nature of Duties -

The MD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with

and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

(3) A. Remuneration :

Salary : Upto a maximum of Rs. 7,00,000 per month, with annual increments effective 1st April, every year, as may be decided by the Board, based on merit and taking into account the Company's performance for the year. The benefits, perquisites and allowances will be determined by the Board from time to time. Commission will be based on certain performance criteria to be prescribed by the Board.

B. Minimum Remuneration :

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the MD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above.

- (4) (i) The MD shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- (ii) The terms and conditions of the appointment of the MD may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule XIII to the Act, or any amendments made hereinafter in this regard in such manner as may be agreed between the Board and the MD, subject to such approvals as may be required.
- (iii) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- (iv) The employment of the MD may be terminated by the Company without notice or payment in lieu of Notice :
- (a) If the MD is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
- (b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by the MD of any of the stipulations contained in the agreement to be executed between the Company and the MD; or
- (c) In the event the Board expresses its loss of confidence in the MD.
- (v) Upon the termination by whatever means of the MD's employment :
- (a) the MD shall immediately tender his resignation from offices held by him in any subsidiary or associated company and other entities without claim for compensation for loss of office.
- (b) the MD shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiaries or associated companies.
- (vi) The MD is being appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 283(1)(l) of the Act, while at the same time, the MD is not liable to retire by rotation.

- (vii) The terms and conditions of appointment of the MD also include clauses pertaining to adherence with the Tata Code of Conduct, non-conflict of interest with the Company and maintenance of confidentiality.
- (viii) If and when the agreement expires or is terminated for any reason whatsoever, the MD will cease to be Executive Director and also cease to be a Director. If at any time the MD ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the MD and the agreement shall forthwith terminate. If at any time, the MD ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and MD of the Company.
11. An abstract of the terms of Mr. H. M. Nerurkar pursuant to Section 302 of the Act was sent to the members in October 2009.
12. In compliance with the provisions of Sections 198, 269 and 309 and other applicable provisions of the Act read with Schedule XIII of the Act, the terms and remuneration specified above are now being placed before the Members for their approval.
13. Except, Mr. H. M. Nerurkar, no other Director is concerned or interested in passing of this resolution.
14. The Resolution regarding the appointment of the MD at Item No. 10 is commended for approval by the Members.
15. **Item No. 11:** The Company had set up a Branch Office at Singapore with effect from 16th January, 1992. Messrs Deloitte & Touche, Singapore, were appointed the Branch Auditors for the financial year 2009-10. It is proposed to re-appoint Messrs Deloitte & Touche, Singapore, as Branch Auditors for the Singapore Office for the financial year 2010-11.
16. The Shareholders' approval, is therefore, sought for the re-appointment of Messrs Deloitte & Touche, Singapore, as Branch Auditors of the Company's Branch Office in Singapore for the financial year 2010-11 and to authorise the Board of Directors to determine the remuneration payable in consultation with them.
17. In respect of the other branches of the Company, if any, which may be opened during the year, in India or abroad, the Shareholders are requested to authorise the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and to fix their remuneration.
18. The Board commends the Resolution at Item No. 11 for approval by the Members.

By Order of the Board of Directors

A. ANJENEYAN

*Company Secretary &
Chief of Compliance*

Mumbai, 26th May, 2010

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. S. M. Palia	Mr. Suresh Krishna	Mr. Ishaat Hussain
Date of Birth	25.04.1938	24.12.1936	02.09.1947
Date of Appointment	25.08.1994	02.03.1994	17.07.1999
Expertise in specific functional areas	Rich experience in the field of Finance & Development Banking	Industrialist with rich business experience in general	Wide experience in the field of Finance & Management
Qualifications	B.Com., LLB, CAIIB, AIB (London)	B.Sc. (Chemical), M.A. (Literature)	B.A. (Economics), F.C.A. (England & Wales)
Directorship held in other public companies (excluding foreign companies)	ACC Limited Tata Motors Limited GRUH Finance Limited The Bombay Dyeing & Mfg. Co. Ltd. AI Champdany Industries Limited Saline Area Vitalisation Enterprises Ltd.	Sundaram Fasteners Limited Sundaram Clayton Limited Sundaram Non-conventional Energy Systems Limited Lucas-TVS Limited TVS Logistics Services Limited T V Sundaram Iyengar & Sons Limited TVS Sewing Needles Limited Upasana Engineering Limited	Tata Sons Limited Titan Industries Limited Voltas Limited Tata Teleservices Limited Tata Industries Limited Tata AIG General Insurance Co. Limited Tata AIG Life Insurance Co. Limited Tata Consultancy Services Limited Tata Sky Limited Tata Refractories Limited Bombay Stock Exchange Limited Tata Capital Limited The Bombay Burmah Trading Corporation Limited Tata Trustee Company Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	GRUH Finance Limited Audit Committee - Chairman ACC Limited Tata Motors Limited The Bombay Dyeing & Mfg. Co. Ltd. Audit Committee - Member Tata Motors Limited GRUH Finance Limited Investors' Grievance Committee - Chairman	Lucas - TVS Limited Audit Committee - Chairman T V Sundaram Iyengar & Sons Limited Audit Committee - Member Sundaram Clayton Limited Investors' Grievance Committee - Chairman Sundaram Fasteners Limited Investors' Grievance Committee - Member	Tata Industries Limited Tata Teleservices Limited Bombay Stock Exchange Limited Audit Committee - Chairman Titan Industries Limited Tata AIG General Insurance Co. Limited Tata AIG Life Insurance Co. Limited Tata Sky Limited Audit Committee - Member
Shareholdings in the Company (Ordinary Shares)	3008	NIL	2216

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. Andrew Robb	Mr. B. Muthuraman	Mr. H. M. Nerurkar
Date of Birth	02.09.1942	26.09.1944	20.10.1948
Date of Appointment	22.11.2007	01.10.2009	01.10.2009
Expertise in specific functional areas	Wide experience in the field of Finance	Metallurgy	Expertise in Business Management
Qualifications	FCMA	B. Tech. (Met.), P.G.D.B.M.	B. Tech. (Met.)
Directorship held in other public companies (excluding foreign companies)	NIL	Tata International Ltd. Tata Industries Ltd. Bosch Ltd.	Tata BlueScope Steel Ltd. Centennial Steel Company Limited
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders'/ Investors' Grievance Committee)	NIL	Bosch Ltd. Audit Committee - Member	NIL
Shareholdings in the Company (Ordinary Shares)	NIL	5,490	637

Directors' Report

To the Members,

The Board of Directors hereby presents the 103rd 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, 2010.

Figures in Rupees crores

	Tata Steel Standalone		Tata Steel Group	
	2009-10	2008-09	2009-10	2008-09
Net Sales/Income from Operations	25,021.98	24,315.77	102,393.12	147,329.26
Total expenditure before depreciation (net of expenditure transferred to capital)	16,069.89	15,182.34	94,350.46	129,201.59
Operating Profit	8,952.09	9,133.43	8,042.66	18,127.67
Add: Dividend and other income	853.79	308.27	1,185.85	265.67
Profit before interest, depreciation, exceptional items and taxes	9,805.88	9,441.70	9,228.51	18,393.34
Less: Net finance charges	1,508.40	1,152.69	3,022.06	3,290.18
Profit before depreciation, exceptional items and taxes	8,297.48	8,289.01	6,206.45	15,103.16
Less: Depreciation	1,083.18	973.40	4,491.73	4,265.39
Profit before exceptional items and taxes	7,214.30	7,315.61	1,714.72	10,837.77
Add/(Less): Exceptional items	–	–	(1,683.72)	(4,094.53)
Profit before taxes	7,214.30	7,315.61	31.00	6,743.24
Less: Provision for current taxation	1,998.00	2,173.00	2,162.53	1,997.12
Less: Provision for deferred taxation	169.50	(75.13)	(10.69)	(121.93)
Less: Provision for fringe benefit tax	–	16.00	–	18.81
Profit after taxes	5,046.80	5,201.74	(2,120.84)	4,849.24
Less: Minority Interest	–	–	15.24	(40.94)
Add: Share of profit of Associates	–	–	126.86	60.72
Profit after minority interest and share of profit of associates	5,046.80	5,201.74	(2,009.22)	4,950.90
Add: Balance brought forward from the previous year	9,496.70	6,387.46	10,961.96	8,234.03
Add: Balance brought forward - HMPCL on Amalgamation	12.28	–	–	–
Balance	14,555.78	11,589.20	8,952.74	13,184.93
Which the Directors have apportioned as under to:				
(i) Proposed dividend on Ordinary Shares	709.77	1,168.95	709.23	1,167.88
(ii) Dividend on Preference Shares	45.88	109.45	45.88	109.45
(iii) Tax on dividends	122.80	214.10	154.33	217.64
(iv) Special Reserve	–	–	48.55	4.24
(v) Debenture Redemption Reserve	400.00	–	400.00	–
(vi) Statutory Reserve	–	–	31.69	51.53
(vii) General Reserve	504.68	600.00	552.58	672.23
Total	1,783.13	2,092.50	1,942.26	2,222.97
Balance to be carried forward	12,772.65	9,496.70	7,010.48	10,961.96

DIVIDENDS

- (i) 2% Cumulative Convertible Preference Shares (CCPS): The Board had declared a proportionate interim dividend of Re. 0.838356 per share on 547,266,011 CCPS of Rs. 100 each for the period 1st April, 2009 to 31st August, 2009 (2008-09: Rs. 2 per share on 547,266,011 CCPS of Rs. 100 each). The Board declared the interim dividend paid as the final dividend on the CCPS for the year ended 31st March, 2010.

The above CCPS were compulsorily converted into 91,211,001 Ordinary Shares of Rs. 10 each at a premium of Rs. 590 per share on 1st September, 2009.

- (ii) Ordinary Shares: The Board recommended dividend of Rs. 8 per Ordinary Share on 887,214,196 Ordinary Shares (2008-09: Rs. 16 per Ordinary Share on 730,592,471 Ordinary Shares of Rs. 10 each) for the year ended 31st March, 2010.

The dividends on CCPS and Ordinary Shares are subject to the approvals of the shareholders at the Annual General Meeting.

The total dividend payout works out to 17% (2008-09: 29%) for the standalone company.

GLOBAL ECONOMY

2009 was one of the most challenging years for the global economy in recent times with the global recession of 2008 and 2009 representing the largest peacetime downturn in economic activity since the 1930s. The World Bank reported that the positive growth in the emerging and developing economies was more than offset by negative growth in the advanced economies resulting in negative World GDP growth in 2009. The sharp decline in global demand for consumer durables and investment goods that accompanied the economic crisis, led to a significant demand contraction particularly in the United States of America and Europe which continued in most economies till September 2009. Economies with large current account deficits, excessive reliance on foreign capital to finance domestic consumption, and sizeable fiscal deficits witnessed sharper growth declines. Following unprecedented fiscal and monetary policy stimulus measures and direct Government support for some institutions and sectors, a gradual recovery in domestic demand and the turning of the inventory cycle

saw most economies emerge from recession by the end of 2009. In contrast to most developed and emerging economies, China and India were able to avoid recession and recorded GDP growth of around 10% and 7.2% respectively in spite of a slowdown from pre-crisis growth rates as export demand collapsed across many sectors.

The US: The GDP in the country had a negative growth of 2.4% in 2009 over 2008 with a sharp decline in the first quarter of 2009 being partly offset by recoveries in the third and fourth quarters characterised by expanding production but continued job losses. Among the key economic indicators of change in GDP, the gross private domestic investment in 2009 dropped by 23.2% over 2008, while the export of goods and services dropped by 9.6% and 12.2% respectively.

The UK and Europe: The Eurozone economy declined by 2.7% in 2009-10 following a contraction of 1.3% in 2008-09 and emerged from recession in the third quarter of calendar year 2009. However, some member countries like Spain, Ireland and Greece continued to remain in recession till the end of calendar year 2009 while the UK emerged from recession in the last quarter of the calendar year. By the end of the downturn, the Eurozone economy as a whole had contracted by 5.1% from the peak and Eurozone industrial production and exports had posted cumulative declines of 14% and 13% respectively. Meanwhile, reflecting a collapse in confidence, tight credit and a large fall in demand, private business investment continued to decline until the end of 2009-10 posting a cumulative decline of 17.2%. The UK Government and the Bank of England undertook measures to stimulate the British economy increasing the liquidity and easing access for large companies to credit. However, this was not sufficient to support medium and small businesses resulting in a drop in industrial production and private business investment.

India: In India, the Economic Survey of 2009-10 revealed that some of the key macroeconomic indicators revived especially during the second half of the year compared to the previous year. Even though the agricultural output declined by 0.2% as a consequence of a poor monsoon season, the industrial and service sectors grew at the rate of 8.2% and 8.7% respectively taking estimated GDP growth to 7.2% during the year. It is worth noting that the manufacturing industry grew at 8.9% during the year.

TATA STEEL GROUP PERFORMANCE

Global effective steelmaking capacity utilisation fell sharply in the second half of 2008 as steelmakers cut production in response to falling demand, reaching a low of around 61% in December 2008 - a figure which had improved to 76% by December 2009. Capacity utilisation at Tata Steel Europe improved to 81% in the second half of 2009-10 in comparison to 64% in the first half of the financial year resulting in a 16% rise in production in H2FY 10 over H1FY 10. Group deliveries for the year 2009-10 at 24 million tonnes declined 15% compared to the 28 million tonnes recorded during 2008-09 as recessionary conditions affected most economies though less so in India. Tata Steel India registered growth of 18% in the financial year 2009-10 (6.17 million tonnes) over 2008-09 (5.23 million tonnes).

The Turnover for the Group in 2009-10 at Rs. 102,393 crores, was 30.5% lower than 2008-09 (Rs. 147,329 crores) due to the severe contraction in the end user demand in Europe. The spot price of steel continued to be weak in the first half of 2009-10, with marginal recovery during the second half in line with the gradual pickup in global steel demand. The price recovery has varied by product and region, but in general has been strongest for Strip products in Asia while Long Product prices continued to be under pressure in Europe and Thailand due to lower level of construction activities in those regions. Consequently the Tata Steel Group Turnover for the second half of the year was Rs. 53,706 crores which was 10.3% higher than the first half of 2009-10 at Rs. 48,687 crores. The increase in the turnover during the second half of the year was primarily due to the significant increase in the deliveries (12.70 million tonnes in the second half compared to 11.57 million tonnes in the first half of 2009-10) and increase in the average prices during the second half of the year. For the year under review, Tata Steel Europe's Turnover at Rs. 67,192 crores was 39% lower than that of last year.

The Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) of the Group was significantly affected in the first half of the financial year 2009-10 by the sudden termination of the Teesside Offtake Agreement by the Consortium members and the challenging market conditions in the Europe. This resulted in a consolidated EBITDA for the Group of Rs. 606 crores for the six months ended September 2009. However, with the help of several initiatives across the Group and the re-structuring program in

Europe, the Company reported a significant turnaround in the financial performance of the Company in the second half of the year with a consolidated EBITDA of Rs. 8,734 crores which was 1341% higher than the first half of the year. The consolidated EBITDA for the year 2009-10 was Rs. 9,340 crores compared to Rs. 18,495 crores in the corresponding period of the previous year.

Consequently, the Profit After Tax for the second half of the year 2009-10 was Rs. 2,907 crores compared to a loss of Rs. 4,916 crores in the first half of the year. This resulted in a loss after tax (after minority interest and share of profit of associates) of Rs. 2,009 crores for the year under review which was significantly lower compared to the profit of Rs. 4,951 crores registered in FY 2008-09.

Tata Steel – Indian operations: The steel division of the Indian operations registered an increase of 20% in their saleable steel from 5.37 million tonnes in FY 2008-09 to 6.44 million tonnes in FY 2009-10. The production from the larger furnaces were maximised with better productivity and lower coke consumption while increased vessel life in the steel melting area enhanced the production level. The deliveries during the year FY 2009-10 at 6.17 million tonnes were higher by 18% over FY 2008-09 (5.23 million tonnes). There were several best ever performances recorded by many units in the Steel Works of the Company.

The Ferro Alloys and Minerals division registered an increase of 22% in their saleable production during FY 2009-10 (1302k tonnes) over FY 2008-09 (1064k tonnes) while their sales at 1,508k tonnes in the year under review were higher by 36% over FY 2008-09 (1,105k tonnes). Chrome Alloys exports and Manganese Alloys sales of the division scaled new peaks during the year under review.

The Tubes division in FY 2009-10 grew by 11% and 10% in production and sales respectively over the previous year, boosted by various improvement initiatives across all its units. The division continues to pioneer the Closed Structural Business, with landmark structures being built using Tata Structura which crossed the three lakh tonnes landmark this year.

Sales in the Bearings division registered a growth of 23% while its production increased by 8% driven primarily by the revival in the domestic auto segment demand.

Tata Steel Europe (TSE): Deliveries in Tata Steel Europe during FY 2009-10 (14.2 million tonnes) declined by 25% over FY 2008-09 (19 million tonnes) due to the market conditions in Europe and the

UK. The recessionary conditions that commenced in the second half of the previous year continued to affect the operations for most part of the financial year 2009-10. The two halves of the financial year under review were in sharp contrast to each other.

The Company acted swiftly to respond to this downturn by launching two very significant initiatives i.e. 'Weathering the Storm' and 'Fit for the Future' program. The 'Weathering the Storm' program covering the entire organisation in Europe, included a series of short-term actions to mitigate the impact of reduced steel demand. It involved a reduction in third party services, flexible production to reduce energy cost, reduction in employment cost relating to overtime and putting major capital expenditure programmes on hold. The 'Fit for the Future' initiatives were put in place to address longer term issues such as TSE's competitiveness and targeted savings of £350m.

The performance of the Company was adversely affected by the sudden termination in April 2009 of the Long-term Off-take Agreement by the Consortium for the slabs produced by Teesside Cast Products business in the UK thus burdening the Company with exposure to the small, niche merchant slab market. The Company did operate the Teesside plant till February 2010 incurring significant losses as the slabs are surplus to the requirements of the Company. Therefore, the Company had to regrettably mothball part of the facilities in February 2010 including the Redcar blast furnace and Lackenby steelmaking. Your Company continues to explore options that could provide employment for the employees affected, including the sale of the mothballed operations.

The Company registered a significant turnaround in its operations in the second half of the year. This was achieved through increased deliveries, better cost structure and improved pricing scenario. Therefore, the EBITDA for the second half of the year was Rs. 2,303 crores which was around 163% more than the negative EBITDA of Rs. 3,654 crores in the first half.

NatSteel Holdings: NatSteel recorded an increase in sales by 3% in FY 2009-10 (2.44 million tonnes) over FY 2008-09 (2.37 million tonnes). The increases were mainly in the subsidiaries in China, Vietnam and Thailand while the Singapore operations and other subsidiaries witnessed a dip in the sales volume over last year due to lower construction activity in the region especially in the first half of the year. The Chinese subsidiary contributed the most (FY 2009-10 0.532 million tonnes) with an increase of 25% in

volumes over the prior year. In Vietnam, construction demand led to an increase in steel demand resulting in sales of NatSteel Vina to be at 0.13 million tonnes in FY 2009-10, 65% higher than the previous year. In Thailand the deliveries at 0.152 million tonnes witnessed a growth of 20% over 2008-09. The profit after tax for NatSteel Holdings was at Rs. 102 crores in FY 2009-10 as compared to Rs. 7 crores in the financial year 2008-09.

Tata Steel Thailand (TSTH): TSTH recorded an increase of 8% in sales during FY 2009-10 (1.20 million tonnes) over FY 2008-09 (1.11 million tonnes) with increases of 6% and 9% in the domestic sales and exports respectively. The Mini Blast Furnace along with its ancillary facilities was commissioned during the year under review. However, poor prices prevailing in the market along with higher input costs led to a loss for the company (Rs. 11 crores) during FY 2009-10 as compared to a profit of Rs. 11 crores in FY 2008-09.

EXPANSION PROJECTS

Brownfield Projects:

Tata Steel India is executing its plan to increase its crude steel capacity from 6.8 million tonnes per annum to 9.7 million tonnes per annum at its Jamshedpur Works by 2011-12.

Simultaneously the Company also has a few major ongoing capital projects which includes the capacity augmentation of Hot Strip Mill, Coke Dry Quenching at Coke Ovens Batteries 5, 6 & 7 and setting up a new mill for producing Full Hard Cold Rolled (FHCR) coils at Jamshedpur.

On 6th April, 2010, Tata Steel entered into a Memorandum of Understanding with Nippon Steel Corporation (NSC), Japan for setting up a Continuous Annealing and Processing Line at Jamshedpur, India with 0.6 mtpa capacity. The line will produce automotive cold rolled flat products and address the local needs of Indian automotive customers for high grade cold rolled steel sheets. Tata Steel will hold 51% and NSC will hold 49% stake in the joint venture company. The proposed joint venture aims to capture the growing demand for high-grade automotive cold-rolled flat products in India. 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 the Company's current operations and its growth aspirations.

Greenfield Projects:

Orissa Project: Preliminary work on the 6 million tonne per annum capacity greenfield steel plant at Kalinganagar, Orissa to be constructed in two phases, is in progress, focusing on land acquisition, rehabilitation and resettlement work. As of March 2010, a total of 806 families have been shifted from the plant site. The rehabilitation colonies for their resettlement have been provided with good infrastructural facilities which include clean drinking water, street lighting, and a community centre set up by the Company. A hospital with all amenities is also being provided by the Company. During the financial year 2009-10, construction of a warehousing shed and a building for a power receiving sub-station had started at one corner of the plant area.

As per the MOU signed with the State Government of Orissa, the Company has fulfilled its obligation of placing the order for equipment and services.

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. The process of land acquisition commenced with multi level discussions with stakeholders and thereafter obtaining necessary approval for a rehabilitation and resettlement package from the government. The land has been transferred in favour of the Department of Industries, which will subsequently lease it out to Tata Steel Limited.

The Chhattisgarh Government has accorded approval for drawing water from river Sabri and the Ministry of Railway, Government of India has granted an in principle approval for the railway corridor. Prospecting License for iron ore has been granted in Bailadila-I deposits after approvals have been obtained from the Ministry of Environment and Forest and Ministry of Mines, Government of India.

Public hearing for the Environment clearance has been successfully conducted with the State Government having recommended the Company case to the Ministry of Environment and Forest, New Delhi. 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 the local residents as well as those of the displaced families.

RAW MATERIAL PROJECTS

Your Company continued 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 2009-10 the Company's primary focus was on expediting implementation of its existing ventures.

Coal Projects:

Benga Coal Project, Mozambique: The Tata-Riversdale Joint Venture (JV) 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 Licenses 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 Mineworkers 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 export thermal coal by Q2 2011. Tata Steel has a 35% stake in the JV with a 40% off-take right to the coking coal produced from these mines. The JV 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 21.14% 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 mtpa. The Longwall expansion programme continued during the year. On completion of the second phase, it is expected to produce around 2.5 million tonnes of Coking and PCI coal during the fiscal year 2010-11.

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

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 & Labrador and had acquired a 19.9% stake in NML. Tata Steel has an exclusive option to acquire an 80% equity interest in NML's Direct Shipping Ore project (DSO Project), a commitment to take the resulting production if the option is exercised and an exclusive right to negotiate and settle a proposed transaction in respect of NML's LabMag and KeMag Projects.

In November 2009, Tata Steel signed a Joint Venture Agreement with NML, to advance the development of the DSO Project.

In June 2010, Tata Steel subscribed to a private placement of Canadian \$20 million by NML pursuant to which Tata Steel Global Minerals Holding Pte. Ltd. now holds a 27.4% stake in NML. NML has completed a feasibility study for the DSO Project which is being reviewed by Tata Steel. The Feasibility Study estimates proven and probable mineral reserves of 64.1 million tonnes for the DSO Project. Subject to receiving all regulatory approvals, production is expected to commence in 2011. Tata Steel will have 100% off-take rights to the produce of the mine of a specified quality. The iron ore from this project will be supplied to Tata Steel Group's facilities located in Europe.

Ivory Coast Project: In view of the environmental issues encountered in the case of Mt. Nimba, 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. The exploration license for Mt. Gao has been transferred to the JV Company. A team has been deployed on the ground to carry out the feasibility studies.

Limestone Project:

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

OTHER PROJECTS**Hooghly Met Coke and Power Company Ltd. (HMPCL):**

As a part of business restructuring exercise, Tata Steel merged Hooghly Met Coke and Power Company Ltd. (HMPCL) with itself with effect from 1st April, 2009. The scheme became effective on 24th March, 2010 after sanction of the scheme of merger by Honorable High Court of Kolkata. HMPCL was incorporated in 2005 and was a 100% subsidiary of Tata Steel prior to merger. The company was set up to produce low ash metallurgical coke by adopting the heat recovery route and for meeting Tata Steel's requirements for its Jamshedpur plant. The plant is located in Haldia, West Bengal. Close proximity to the Haldia Dock Complex offers several advantages, including the import of coking coal in a more cost effective manner. The company has a production capacity of 1.6 million tonnes of coke.

Dhamra Port Company Limited (DPCL):

The Dhamra Port Company Limited, a 50:50 joint venture of Tata Steel Limited and Larsen & Toubro, is developing a deep-draught port under a concession agreement awarded by the Government of Orissa on Build, Own, Operate, Share and Transfer (BOOST) basis. Situated between Haldia and Paradip, Dhamra Port will be one of the deepest ports in India with a draft of 18 meters, capable of accommodating super capesize vessels up to 1,80,000 DWT.

Phase-I of the project is almost complete and the port is expected to commence commercial operations by August 2010. In Phase-I, two fully mechanised berths, one for handling imported cargo and the other for export cargo with back-up facilities are being built, along with a rail corridor for hinterland connectivity. The capacity is estimated to be 27 MTPA in Phase-I. Once commissioned, Dhamra Port will be of strategic importance to Tata Steel in terms of its integrated logistic cost of raw materials and will also consolidate Tata Steel's supply chain network, contributing to its expansion aspirations.

S&T Mining Limited:

As part of the drive to secure raw material sources for domestic operations, Tata Steel formed a 50:50 Joint Venture company, S&T Mining Co. with Steel Authority of India Limited (SAIL) in September, 2008. The company has the specific objective of

combining the expertise of its parent companies to identify, acquire and develop coal blocks in India. A number of activities have been initiated towards this objective.

MMTC and Tata Steel form a JV for exploration and development of minerals:

Steel production in India is projected to grow to over 120 Million tonnes by the year 2015. To cater to the raw materials requirement of increasing steel demand and other mineral based industries, your Company has entered into an agreement with MMTC Limited, a Central Government undertaking in October 2009 to establish a joint venture company for acquiring, developing and operating mines and processing of minerals and metals. Tata Steel holds 74% equity in the joint venture with MMTC holding 26%.

Tata Steel and NMDC sign MoU for enhancing iron ore resources:

Consistent with its long-term strategy to expand its steel capacity in India along with access to enhanced resources, your Company has signed a Memorandum of Understanding (MoU) with NMDC for exploring possibilities of entering into joint ventures for the purpose of acquisition, exploration and development of mines, extraction and processing of minerals, setting up integrated steel plants and any other businesses of mutual interest.

HEALTH AND SAFETY

Health and Safety continues to be one of the prime drivers of the Corporate Vision of your Company. The Tata Steel Group lays significant emphasis on sustainable Health & Safety performance as it has a direct impact on performance. The Company is continuing its 'Safety Excellence Journey' with a philosophy that 'Safety is a Line Management function and all injuries can be prevented'. Health and Safety is reviewed at all Board meetings of Tata Steel with a Health, Safety & Environment Committee established to carry out more detailed reviews. In TSE an integrated and systemic Health & Safety Management System was introduced in 2008 with a governance process for improvement actions at executive level and regular safety tours by the Board and executive members. This system is being evaluated for Group- wide application.

Every initiative at Tata Steel is governed not only with a cost efficient & quality conscious approach but with a special emphasis on safe practices. During the financial year 2009-10 the Indian

operations recorded a Lost Time Injury Frequency Rate (LTIFR) of 0.56, a reduction of 31% from 0.80 registered in the financial year 2008-09 while in the UK & European operations the LTIFR reduced by 15% compared to the previous financial year. During the year, Tata Steel Group operations recorded a LTIFR of 0.95 against 1.31 in FY 09, a 27% improvement over the last year. However, during the year there were 5 fatalities across the Group which included 3 contractor employees and every effort is being taken by your Company to avoid such unfortunate incidents. The Board expresses its sincere regret at these tragic fatalities.

The Group Vision has a target of 0.4 LTIFR with Zero fatality by 2012. With reduction in the LTIFR, TSE is focusing towards measuring total recordable incidents from FY 2010-11. Recordable incidents are work related incidents which result in harm to a person or persons, other than those which require no more than first aid treatment.

For sustainability of its operations and reducing process hazards by strengthening safety in processes, the Indian operations have initiated implementation of Process Safety & Risk Management (PSRM) in high hazard operations. The prime objective of Process Safety Management is to achieve "Operating excellence through operational discipline". PSRM will be implemented in all facilities by the financial year 2011-12.

The recent expansion campaign in Tata Steel India called for a large content of unskilled contract workforce, to be employed at various project sites. The onus was on Tata Steel to get the jobs executed with least possible injuries. The Company partnered with DuPont for improving the performance of construction activity by instilling the DuPont proven model of construction safety to our contract partners. Recognizing the excellent practices in the field of Construction Safety, in pursuit of an injury free & illness free healthy workplace, Worldsteel Association awarded Tata Steel with "Worldsteel Association Safety Excellence Recognition Award 2009".

Community safety is an important feature of the safety excellence journey of Tata Steel. Safety has been introduced as a curriculum in schools from nursery onwards by providing necessary inputs and motivation to the schools of Jamshedpur. This is done with the help of 'SAFE', an NGO run for the improvement of safety in the schools and society.

ENVIRONMENT

Tata Steel Group is committed to minimising the environmental impact of its operations and its products by adopting sustainable practices and continuous improvements in environmental performance. Climate change is one of the most important issues facing the world today. Your Company recognises that the steel industry is a significant contributor to man-made greenhouse gas emissions as the manufacture of steel unavoidably produces carbon dioxide (CO₂). The Group aims to contribute positively to the communities around or near its operations and actively participate in community initiatives, encourage biodiversity and nature conservation. The Group's first Corporate Citizenship Report was published in October 2009 detailing the progress made in FY 09 in terms of health, safety and environmental performance, as well as covering social, community and ethical issues. 100% of TSE's manufacturing operations are certified to the independently verified international environmental management standard, ISO 14001.

CO₂ emissions (direct + electricity) in the Indian operations during the financial year 2009-10 at 2.38 t/tcs reduced by 5.3% as compared to the previous financial year. TSE met with all the environmental obligations as specified under Phase 1 (2005 till 2007) of the EU Emissions Trading Scheme (EU ETS) and expects to meet the same for Phase 2 (2008 till 2012) also. As a part of the integration process with TSE, during FY 2009-10, the Indian operations at the Jamshedpur Steel Works benchmarked its activities with the IJmuiden Plant of Tata Steel Europe and have undertaken several energy efficiency measures like maximising the utilisation of by-product gases, efficient operations of blast furnaces, etc. to reduce CO₂ emissions during the year. In addition to the Steel Plant at Jamshedpur, a number of other divisions of Tata Steel India undertook the Carbon Foot Print exercise to assess the base levels and formulate a plan for setting targets and actions. TSE 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. In the UK, a revised agreement has been negotiated with the government to reduce total energy consumption by 15.8% compared to 1997 levels, by the end of 2010.

During the reporting period, specific water consumption including power and steam generation in the Indian operations reduced by 18.3% to the level of 5.57 m³/tcs mainly driven by recovery of wastewater from the drains of the Steel Works. Solid waste utilisation increased by 1.55% in 2009-10 to the level of 91.1%.

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 has granted 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. 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

Mr. B. Muthuraman retired as the Managing Director of the Company on 30th September, 2009, on having reached the age of 65 years. The Directors would like to place on record their appreciation of his leadership and contributions made by Mr. Muthuraman during his tenure as the Managing Director, in the growth of the Company.

The Board appointed Mr. B. Muthuraman as an Additional Non-Executive Director designated as Vice Chairman of the Board of Directors of the Company with effect from 1st October, 2009. Mr. Muthuraman 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 Mr. Muthuraman for being appointed as a Director of the Company.

The Board has also approved the appointment of Mr. H. M. Nerurkar as the Managing Director of the Company, subject to the shareholders' approval and Mr. Kirby Adams as the Managing Director and Chief Executive Officer of Tata Steel Europe, with effect from 1st October, 2009.

Mr. James Leng ceased to be the Deputy Chairman of the Board of Directors of the Company on ceasing to be a Director with effect from 7th July, 2009. Dr. Anthony Hayward has also ceased to be a Director of the Company with effect from 18th September, 2009. The Directors would like to place on record their appreciation of the contributions made by Mr. Leng and Dr. Hayward during their tenure as Directors of the Company.

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. S. M. Palia, Mr. Suresh Krishna, Mr. Ishaat Hussain and Mr. Andrew Robb 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.

COPORATE 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, 26th May, 2010

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, 2010, 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, 2010.

Mumbai, 26th May, 2010

H. M. NERURKAR

Managing Director

Annexure 'A' to Directors' Report

Particulars 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. 100% utilisation of By-Product gases as fuel by Installation and commissioning of Power House #6.
- ii. Generation of electrical energy by recovering waste energy through installation and commissioning of Top Recovery Turbine at 'G' Blast Furnace.
- iii. Higher L.D. Gas recovery and utilisation.
- iv. Reduction in LDO consumption at Boiler Houses of Power House #4 by modification in oil burner.
- v. Shut down of old & inefficient Blast Furnaces.

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

- i. Upgradation of L.D. Gas export system to enhance L. D. Gas recovery.
- ii. Recovery of sensible heat of coke by installation of Coke Dry Quenching system in Batteries 5, 6, 7, 8 & 9 at Coke Plant.
- iii. B.F. Gas fired re-heating furnace at Hot Strip Mill.
- iv. Exploring lean gas utilisation for heating.

c. Impact of the above measures:

Energy Conservation measures during the year has resulted in achieving:

- i. Lowest ever Plant Specific Energy Consumption - 6.125 Gcal/tcs
- ii. Lowest ever middling consumption - 19.77 kg/tss
- iii. Higher LD Gas Recovery - 48,196 Nm³/hr
- iv. Lower Plant Power Rate – 385 kwh/tss
- v. Higher combine boiler efficiency - 84.91%

Form - A

Form for disclosure of particulars with respect to Conservation of Energy: 2009-10

Particulars	2009-10	2008-09	Difference	Reasons for variation
A. POWER AND FUEL CONSUMPTION				
1. ELECTRICITY				
(a) Purchased				
Units (M. KWH)	2,439.47	2,194.54	244.93	Increased to support higher production
Total Amount (Rs. Lakhs) #	68,626.30	63,605.96	5,020.34	
Average Rate/Unit (Rs./KWH)	2.81	2.90	(0.09)	
(b) Own Generation				
(i) Through Diesel Generator				
Units (M. KWH)	12.86	12.48	0.38	Lower generation due to planned shutdowns
Units per litre of Diesel Oil (KWH)	3.94	3.91	0.03	
Average Cost/Unit (Rs./KWH)	15.74	15.91	(0.16)	
(ii) Through Steam Turbine/Generator				
Units (M. KWH)	997.93	1,069.45	(71.52)	
Units per tonne of Coal (KWH)	6,367	6,638	(271.93)	
Average Cost/Unit (Rs./KWH)	2.08	2.05	0.03	
(* This includes generation of PH4 in M. KWH which is operated on by-product gases upto 95%)	312.89	359.59		
2. COAL				
(i) Coking Coal & Cookeries				
Quantity (Million Tonnes)	4.91	4.75	0.16	Increase in coke production
Total cost (Rs. Lakhs)	2,81,175.40	2,87,419.20	(6,243.80)	
Average Rate (Rs./Tonne)	5,731.88	6,055.07	(323.19)	
(ii) Blast Furnace Injection Coal				
Quantity (Million Tonnes)	0.84	0.52	0.32	Direct injection of coal has increased in 'H' Blast Furnace which stabilised during the current financial year
Total cost (Rs. Lakhs)	80,499.94	35,974.50	44,525.44	
Average Rate (Rs./Tonne)	9,546.96	6,884.06	2,662.90	
(iii) Middling Coal and ROM				
Quantity (Million Tonnes)	0.13	0.14	(0.01)	Middling consumption is lower during the year because of optimum usage of by-product gases as substitute
Total cost (Rs. Lakhs)	1,398.91	1,509.39	(110.48)	
Average Rate (Rs./Tonne)	1,067.51	1,107.85	(40.33)	
3. FURNACE OIL				
Quantity (Kilo litres)	14,046.39	12,520.19	1,526.20	Increase in consumption is mainly at Wires Division due to increased production at Tarapur Plant
Total Amount (Rs. Lakhs)	3,251.10	3,020.91	230.19	
Average Rate (Rs./KL)	23,145.44	24,128.28	(982.84)	
4. OTHERS				
L.D.O.				
Quantity (Kilo litres)	4,915.52	6,221.55	(1,306.03)	LDO consumption is lower because of less D.G. operation and modification done in Power House # 4 boilers to utilise more Coke Oven
Total cost (Rs. Lakhs)	1,706.34	2,394.17	(687.82)	
Average Rate (Rs./KL)	34,713.39	38,481.86	(3,768.47)	
5. OTHERS				
L.P.G.				
Quantity (Tonnes)	4,618.56	3,837.75	780.81	Impact of increased production at Tarapur Wire Plant of Wire division, Mumbai
Total cost (Rs. Lakhs)	1,586.49	1,611.53	(25.04)	
Average Rate (Rs./Tonnes)	34,350.32	41,991.53	(7,641.21)	
6. OTHERS				
NG				
Quantity (Tonnes)	782.25	2,204.84	(1,422.59)	Reduction in Borivali Wire Plant which has been closed from August '09 and the activities have been shifted to Tarapur Wire Plant
Total cost (Rs. Lakhs)	93.49	240.77	(147.28)	
Average Rate (Rs./Tonnes)	11,951.42	10,920.07	1,031.35	
7. OTHERS				
HSD Oil				
Quantity (Tonnes)	46.94	33.99	12.95	
Total cost (Rs. Lakhs)	16.05	11.62	4.43	
Average Rate (Rs./Tonnes)	34,192.59	34,190.00	2.59	
# 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)	389.98	117.00	0.61	3,653.06	485.12	124.27	223.83
	431.91	114.00	0.66	3,704.34	463.87	137.51	214.94
Furnace Oil (Litres)				—	14.52	6.22	28.37
				—	16.94	7.41	24.76
Coking Coal (Tonnes)	0.62						
	0.66						
Others:							
Light Diesel Oil (Litres)	0.58	—				—	5.24
	0.83	1.30				—	6.90
High Speed Diesel Oil (Litres)		0.17					
		(0.13)					
L.P.G. (kg)						13.09	13.42
						12.92	10.39
NG (kg)							19.06
							26.77

Form - B

Form for disclosure of particulars with respect to Technology Absorption: 2009-10

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:

- Raw materials costs play a key role in the competitiveness of the steel industry. Various R&D programs are underway to address the issue of escalating raw material prices. This research is maximising the use of raw materials from captive sources. These projects include new technology to produce low ash clean coal and the beneficiation of low grade iron ore and plant rejects to produce concentrates.
- R&D's commitment towards continuous improvement and its development of cutting edge technology have supported our company to become one of the lowest cost steel producers worldwide. Our activities in this area continue to concentrate on producing cost-optimised agglomerates, increasing productivity, lengthening plant life and studies to improve product yield.
- Four research groups are actively engaged in developing new products and processes for all our businesses. For the Automotive sector, for example, we are developing new advanced high strength steels, newer and improved cost effective joining techniques, improved and innovative coating techniques and develop new products with improved fatigue and formability properties.
- Tata Steel's R&D also works on a range of projects to increase energy efficiency and reduce our environmental impact. Our research programmes in this area concentrate on CO₂ reduction, life-cycle assessment and the generation of hydrogen from excess thermal energy.

3. Future plan of action: In the forthcoming years R&D will continue the above mentioned programs of cutting-edge research and continue to commercialise its innovations. It will also continue a process of transition through which the R&D centre of Tata Steel in India becomes part of one global research organisation together with the research centres of Tata Steel Europe. This will accelerate the creation of value through technology and will offer unprecedented scope for rapid sharing of know-how across the globe.

4. Expenditure on R&D:

	(Rs. crores)
(a) Capital	2.43
(b) Recurring	41.43
(c) Total	43.86
(d) Total R&D expenditure as a % of total turnover	0.17%

Technology absorption, adaptation and innovation:

Efforts made on the Process Front:

At Bamnival, CO-Gas has been used for sintering of pallets and preheating of charge materials and heating of laddles. This has reduced the consumption of Smelting Power by increasing hot charge feeding rate into Furnace during the year.

Raw Materials:

- Development of cold bonded briquettes from Iron ore slime.
- Development of Iron Ore nuggets from Iron ore slime and Jhama coal.
- Development of a chemical to agglomerate slime particles for better recovery of process water.
- Reduction of standard deviation of alumina in iron ore despatches through development of software for rake loading.
- Use of Sodium silicate in Joda classifier circuit for reduction of alumina in iron ore fines.
- Successful trials with Reflux classifier technology for the recovery of clean coal from the flotation tailings.
- Installation of Plant Information Management System in coal beneficiation.

- Standardisation of magnetite properties for better recovery of magnetite in dense media cyclone process.
- Successful Spurger trials in mechanical cells for the improvement in coal product yield in West Bokaro.

Iron Making:

- Creation of knowledge base on pelletizing technology; and blue print for testing facility and plan.
- Development and application of cohesive zone model for diagnosis of disturbances in BF process condition.
- Benchmarking IJmuiden practices to achieve better productivity and quality.
- Making coke, sinter and BF process performance and quality data of last six years - accessible on-line via the intranet to users across the company.

Flat Products

Product Development:

- Improved product properties of Cold Rolled IFHS 340 to at par with continuously annealed material.
- Developed High strength - 600 MPa Hot Rolled Steel for wheel application.
- Developed High strength (440 Mpa) Galvannealed steel.

Process Improvement:

- Improvement in product yield by reduction in central line segregation.
- Improvements in overall IF yield by reduction in RIS defect.

Long Product & Global Wire

Process Improvement:

- Data visualisation at NBM has been strengthened by the use of software designed and implemented by TG (GW&L).
- Development of cryogenically treated dies for wire drawing has resulted in doubling of die life at its Tarapur plant.
- A new philosophy of producing high carbon wire rods at WRM(E) has been introduced. The product has significantly low-scale and improved ductility compared to the conventional high-carbon wire rods.

Tubes Division

ST Mills:

- Modification of Galvanising Bath #1: Galvanising bath #1 of ST Plant was modified to install air wiping system in place of conventional steam blowing system for reduction in zinc consumption.
- Installation of Online Mair packaging line at HF3 mill for improving the productivity.

PT Mills:

- State-of-the-art SINICO cutting machine commissioned in PT Plant for precision unit length cutting of high end application like Telescopic Front Fork (TFF), Shock Absorber tubes.
- Some Major New products Developed through new technology absorption.
- Development of 5 new sizes of Telescopic Front Fork tubes for two wheelers.
- Development of 159 mm diameter tubes for Idler application.
- Development of 42*5 mm CEW tubes as a replacement of seamless tubes for Tata Motors Ltd.
- Development of 10 mm thk tubes in 175 NB & 300 NB round tubes for structural applications.
- Development of heat transfer enhancing tubes through CEW route.

Efforts taken on Process Technology at Bearings Division:

- Wear resistance material developed for use in Face support to improve Track Grd performance. Improvement in life by more than 4 times, observed during trial.
- Honing Oil was developed jointly with Indian Oil R & D with increased weld load after optimising the honing process conditions.
- Grinding coolant performance improved and rust problem eliminated.
- Rubber seal developed to withstand high temperature grease application.
- Higher load rated capacity bearing developed for engine bearing application.
- Carbo-nitrided bearing developed to enhance bearing life for crank shaft.

Particulars of technology imported during last five years:

Steel Division		Absorption	Status of Implementation
a)	Imported design and engineering for hot metal desulphurisation unit at LD1 (Kuettner GmbH)	2005	Commissioned
b)	Supply of imported engineering for new induced draught fans, electrics & accessories for the LD Converter GCP at LD1 (Ebara Corporation)	2005	Commissioned
c)	Adequacy checking BOF converters for augmentation of heat size at LD2 (SMS Demag, Germany)	2005	Commissioned
d)	Imported design and engineering for upgradation of Caster 2 & 3 at LD2 (VAI, Austria)	2005	Commissioned
e)	Imported design and engineering for hot metal desulphurisation unit 2 & 3 at LD2 (Kuettner GmbH)	2005	Commissioned
f)	Imported design and engineering for capacity increase of slab reheating furnace nos. 1 & 2 of HSM (Techint)	2005	Commissioned
g)	Supply of design and engineering and training for 150 tph walking beam furnace to Rebar Mill (Bricmont)	2005	Commissioned
h)	Imported design and engineering (Mother well Bridge - Clayton walker)	2005	Commissioned
i)	Supply of imported design and engineering for LD gas boosters (Howden Power Ltd. U.K.)	2005	Commissioned
j)	Supply of imported design and drawing for Technology control system at HSM (SMS Demag, Germany)	2005	Commissioned
k)	Supply of imported design and drawing for Basic level automation at HSM (Alstom, USA)	2005	Commissioned
l)	Supply of imported design and drawing for dual zinc pot at CRM (CMI, Belgium)	2005	Commissioned
m)	Supply of imported design and drawing for BAF, CRM (LOI, Germany)	2005	Commissioned
n)	Supply of imported design and drawing for 4th Stove of 'G' Blast Furnace (Paul Wurth Italia, Italy)	2006	Commissioned
o)	Supply of imported design and drawing for 'H' Blast Furnace (Paul Wurth Italia, Italy)	2006	Commissioned
p)	Supply of imported design and drawing for Sinter Plant No. 4 (Outokumpu Technology, Germany)	2006	Commissioned
q)	Supply of imported design and drawing for LD2 expansion project (SMS Demag, Germany)	2006	Commissioned
r)	Supply of imported design and drawings for convertor gas cleaning plants in LD shop 1 & 2 (SMS Demag, Germany)	2006	Commissioned
s)	Facility for quantitative estimation of minerals through Scanning Electron Microscope (Intellection Pty. Ltd., Australia)	2006	Commissioned
t)	Polarising Microscope with Photometer and Imaging at R&D (Leica Mikrosysteme Vertrieb GmbH, Germany and PRESI S.A., France)	2006	Commissioned
u)	Variable Frequency Drive for Descaling Pump Motor at Hot Strip Mill (ABB, India)	2007	Commissioned
v)	Sinter Plant No. 4, having a bed area of 204 sq. mtr. with ESP having lesser emission of 50 mg/Nm ³	2007	Commissioned
w)	Double Jaw Eye Vertical Tong For Batch Annealing Furnace at CRM	2007	Commissioned
x)	SCADA System for Water Utilities	2007	Commissioned
y)	Quantitative Estimation of Minerals by SEM (Scanning Electron Microscope)	2007	Commissioned
z)	XRD (X-Ray Defraction) for quantitative phase and texture analysis	2007	Commissioned
aa)	Electric Blowers for 'H' Blast Furnace	2009	Commissioned
ab)	Top Gas Recovery Turbine for 'H' Blast Furnaces	2009	Commissioned
ac)	Flat Cast House Design for 'H' Blast Furnace	2009	Commissioned
ad)	Internal Stoves for 'H' Blast Furnace	2009	Commissioned
ae)	Use of mixed gas in place for CO gas, for firing in 7th Lime Kiln	2009	Commissioned
af)	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
ag)	Use of hydraulic mould occillator and hydraulically operated turn over cooling bed at CC 3 at LD Shop 1	2009	Commissioned
ah)	Robotised Sample Testing Laboratory at LD Shop No 1	2009	Commissioned
ai)	Top Gas Recovery Turbine for 'G' Blast Furnace	2010	Commissioned
aj)	4th Stove for 'G' Blast Furnace to facilitate relining of other stoves, without hampering hot metal production	2010	Commissioned
ak)	Continuous Emission Monitoring stations at 4 locations inside Tata Steel Works	2010	Commissioned

Foreign Exchange earnings and outgo

a. Export performance

1. Activities relating to exports

Tata Steel continued to have its presence in markets of strategic importance viz., the Middle East, South Africa, South East Asia, Europe and neighbouring countries. Flat Products have served customers in a wide range of industries such as automotive, appliances, high end construction, furniture and projects while Long Products have served customers mostly with Wire Drawing and Rebar Manufacturing facilities. Specific efforts were put in to strengthen relationship with key international customers. With the formation of Tata Steel International in 2009, we have exploited the synergy of the group to reduce transactional costs and present a uniform face to the global market.

2. Initiatives taken to increase exports

In view of quick recovery in domestic demand during the year, the opportunity for exports has been limited than the previous year. Specific initiatives were taken such as reduction in credit tenure, shortened supply lead time, introduction of price extras, enrichment of product mix, Customer meets, new supply points, etc. which have helped reduction in cost and obtaining price premium in the market place. Increased sales to neighbouring markets have resulted in optimisation of revenues. Seeding activities have been undertaken by Long Product group to enter into the Mega Projects in neighbouring markets.

3. Development of new export markets for products and services

Flat Products:

- Developed High Strength Quality Galvanised Steels for customers in Europe and ME.
- Obtained new approval for supply of steel for skin panel and internal components from a leading automotive customer in South-East Asia.

Long Products:

- Developed high grade billets for South-East Asia Market.

Ferro Alloys and Minerals:

- Low Phosphorus 75 Grade HC Ferro Manganese for supplies to Tata Steel Europe.
- Warehouse in Korea for JIT supplies to POSCO, Korea.
- Established DDP supply system in Europe.
- HC Ferro Chrome to Japan & Korea (Multi mode shipment options).
- Refractory Grade chrome concentrate to RHI Austria
- HC Ferro Manganese supplies to Japan.
- First ever Silico Manganese Supplies to South Korea.

4. Export plans

Near term plan is to maintain the export volumes at similar levels to that of recent years. Increase in exports is expected as and when new planned capacities come-up for production in India.

- 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 2009-10

INDUSTRY STRUCTURE

Global Steel industry: The crude steel production for 66 countries reporting to the World Steel Association was 1220 million metric tonnes for calendar year 2009, lower by 8% against that of 2008. Hit by the economic downturn, the drop in production was nearly in all steel producing countries barring positive growth recorded in China, India and the Middle East. In most countries including the developed steel markets of the EU, the U.S.A., Japan, Brazil, CIS deterioration in the economy resulted in a sharp decline of demand in key steel using sectors. The following table shows the growth in terms of crude steel production for the top ten steel producing nations:

Figures in million tonnes

Rank	Country	2009	2008	Change %
1	China	567.8	500.3	13.5
2	Japan	87.5	118.7	(26.3)
3	Russia	59.9	68.5	(12.5)
4	US	58.1	91.4	(36.4)
5	India	56.6	55.1	2.7
6	South Korea	48.6	53.6	(9.4)
7	Germany	32.7	45.8	(28.7)
8	Ukraine	29.8	37.3	(20.2)
9	Brazil	26.5	33.7	(21.4)
10	Turkey	25.3	26.8	(5.6)

Source: World Steel Association

As a result of the strong growth in China in sharp contrast to the decline in major parts of the globe, the list of the top ten steel producing companies during 2009 was dominated by Chinese companies.

Company	2009		2008		Change %
	Output	Rank	Output	Rank	
Arcelor Mittal	73.2	1	103.3	1	(29.1)
Hebei Iron & Steel	40.2	2	33.3	4	20.7
BaoSteel	38.9	3	35.4	3	9.9
Posco	31.1	4	33.1	5	(6.0)
Wuhan Iron & Steel	30.3	5	27.7	7	9.4
Anshan Benxi	29.3	6	23.4	9	25.2
Shagang	26.4	7	23.3	10	13.3
Nippon Steel	24.3	8	35.6	2	(31.7)
JFE	23.5	9	33.0	6	(28.8)
Tata Steel	21.9	10	24.4	8	(13.5)

Source: Steel Business Briefing

Steel Industry in India: 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 2009-10 when compared with the previous financial year. While the long products exports were almost at the same level as that in the last year, flat products exports dipped by around 30% on account of the global slowdown. The imports on the other hand were higher for both flat products as well as long products by around 17% and 35% respectively as the flat products and long products segments experienced around 23% and 9% increase in steel consumption. In line with the fiscal stimulus package announced in the country, the Government of India removed export duty on all steel items, reintroduced import duty of 5% on steel, restored DEPB benefits, reduced excise duty to 8% for major part of the year, placed import of hot rolled coils on the 'restricted list' thus making them available to direct users only and withdrew countervailing duty on import of Thermo-Mechanically Treated (TMT) bars and structural. In order to ensure adequacy of availability of iron ore in domestic market, export duty on iron ore lumps has been increased from 5% to 10% and a 5% export duty has been imposed on iron ore fines to regulate the exports. The steel prices during the financial year 2009-10 have increased from the level prevailing in the quarter ended March 2009 driven primarily by the increase in the prices of input raw materials during the same period.

UK and European Steel Industry: In the EU, the apparent steel consumption dropped by around 35% during 2009. There was a decline of around 45% during the first half of 2009 driven by extremely weak activity in the steel using sectors and continuing sharp de-stocking. With the unprecedented drop in the activity levels, the production during 2009 reduced by around 20% over 2008 with sharp reduction experienced particularly during the first half of the year. The market downturn began to level out in the second half of the year as business conditions began to improve slowly, supported by government stimulus measures and improvements in international trade. With imports dropping by around 47% as compared to 2008, stable and low level of stocks through the supply chain and reduced levels of domestic steel business, the EU steel market supply and demand became much better balanced by the quarter ending December 2009. The

exports during 2009 are estimated to have reduced by around 9% and the EU was a net exporter in long products.

South East Asian Steel Industry: Preliminary assessment suggests that the steel consumption in the Association of South East Asian Nations (ASEAN) picked up significantly in the second half of 2009. However, the increase was not sufficient to offset the sharp drop in the consumption in the first half of the year. As a result, the ASEAN apparent steel demand for 2009 is around 42.3 million tonnes which is 8% lower than the last year.

Production of flat products and long products during the year was stable at around 24.4 million tonnes. However imports and exports dropped significantly. Total imports reduced from 30 million tonnes in 2008 to 19.7 million tonnes in 2009 and exports dropped by 50% from 8 million tonnes in 2008 to 4 million tonnes in 2009.

Consumption of Long Products recorded at 20.1 million tonnes in 2009, reduced by 4% as compared to 2008. The production declined to 16.4 million tonnes while exports dropped to 5.9 million tonnes. The demand for long products seemed to pick up fast and at 11.8 million tonnes in the second half of 2009, was close to the pre-crisis levels resulting in domestic producers benefitting from the demand growth.

TATA STEEL GROUP OPERATIONS

During the financial year 2009-10, the Group recorded deliveries of 24 million tonnes against 28 million tonnes in the previous year, the decline being a reflection of the global economic slowdown mainly in the UK and European operations. The turnover for the Group at Rs. 102,393 crores during FY 10 was 30.5% lower, when compared to Rs. 147,329 crores in the previous year. EBITDA for the Group in FY 10 was Rs. 9,340 crores, lower by 49.5% against Rs. 18,495 crores in FY 09. The loss after taxes (after minority interest and share of profit of associates) of Rs. 2,009 crores during FY 10 registered a decline of 140.5% as compared to a profit of Rs. 4,951 crores in FY 09.

Tata Steel India

Figures in Rs. crores

	FY 10	FY 09
Turnover	25,022	24,316
Profit before tax (PBT)	7,214	7,316
Profit after tax (PAT)	5,047	5,202

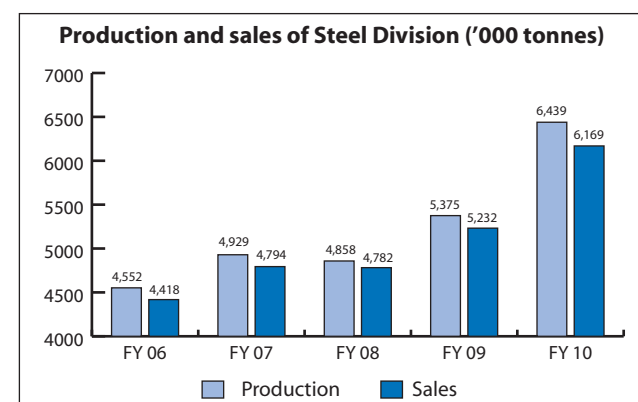
1. Steel division

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

Figures in million tonnes

	FY 10	FY 09	% Change
Hot Metal	7.23	6.25	16
Crude Steel	6.56	5.65	16
Saleable Steel	6.44	5.37	20
Sales	6.17	5.23	18

A trend of steel production and sales is shown below:



The major production and sales highlights for the financial year 2009-10 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 10	Previous best
'G' Blast Furnace	Hot metal production	2.08	2.04 – FY 09
LD shop #2 & Slab Caster	Slab production	3.70	3.51 – FY 09
LD shop #1	Billet production	2.85	2.105 – FY 09
Sinter Plant	Sinter production	7.66	6.53 – FY 09
	Solid waste utilisation	90%	89.61%
Hot Strip Mill	Production	3.65	3.27 – FY 08
Cold Rolling Mill	Production	1.563	1.534 – FY 08
New Bar Mill	Production	0.672	0.612 – FY 09
Wire Rod Mill	Production	0.419	0.416 – FY 06
Merchant Mill	Production	0.341	0.328 – FY 09

'H' Blast Furnace in the first full year of its operation achieved a production of 3.07 million tonnes which was 22% higher than its rated capacity of 2.50 million tonnes.

In line with Tata Steel's expansion plans, the 'C' Blast furnace with a capacity enhancement from 0.4 mtpa to 0.7 mtpa was commissioned in September 2009.

The production in the Blast Furnaces was maximised by producing from bigger blast furnaces with higher productivity with significant reduction in coke rate while in the two steel melting shops there was an increase in the vessel life.

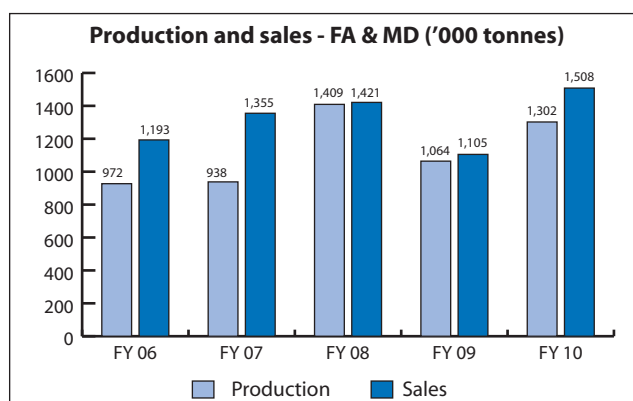
Driven by the best ever performances at the various units in the Steel Works, Hot metal (7.23 million tonnes), Crude steel (6.56 million tonnes) and Saleable steel (6.44 million tonnes) production reached their individual peak during FY 10.

Sales:

- Overall sales at 6.170 million tonnes, grew by 18% over last year (5.232 million tonnes in FY 09).
- Long products sales at 2.697 million tonnes increased by 34% in FY 10 (2.006 million tonnes in FY 09).
- Flat products sales at 3.473 million tonnes increased by 8% in FY 10 (3.226 million tonnes in FY 09).

2. Ferro Alloys & Minerals division

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



The dramatic and rapid slowdown in industrial production and destocking which began in the latter part of FY 09 continued to exert a significant influence over the Ferro Alloy Industry in FY 10. Infrastructural investment in Asia resulted in improvement in the demand for stainless steel. However, despite the improving trend, average commodity prices in FY 10 were significantly lower than that of FY 09. The full benefit of rising prices in the second half of FY

10 was also partially offset by the negative impact of progressive strengthening of the Indian Rupee during the same period.

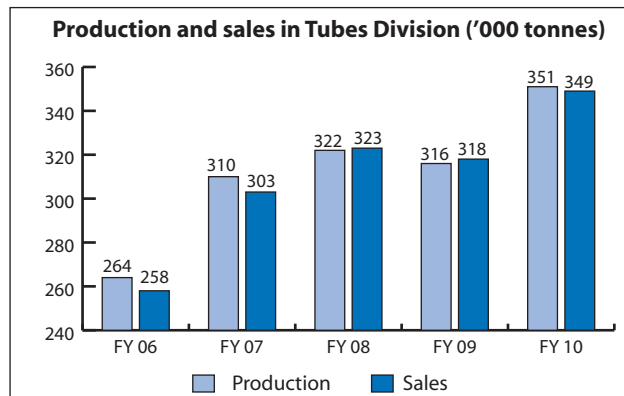
The annual global stainless steel melt production at 24.3 million tonnes in 2009 was lower by 6% than 2008, with prices lower by 44%. However, commencement of re-stocking of stainless steel globally in the second half of the year led to rise in ferro chrome demand and prices in that period.

Chrome Alloys exports (including Charge chrome from Tata Steel KZN Pte Limited) touched an all time high and the division recorded its highest ever global market share of 6% in FY 10. The first overseas hub of TSL was established in South Korea. In India, our Ferro Alloys and Minerals division is the market leader in Ferro Chrome business with a market share of around 27%.

Manganese Alloys sales recorded an all time high in the financial year 2009-10 and Tata Steel attained the status of being the largest producer of Manganese Alloys in India.

3. Tubes division

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



During the financial year 2009-10, tubes division consolidated its position in the market place by registering a growth in production and sales by 11% and 10% respectively enabled by successful implementation of various improvement initiatives.

Other key performance highlights of the division are appended below:

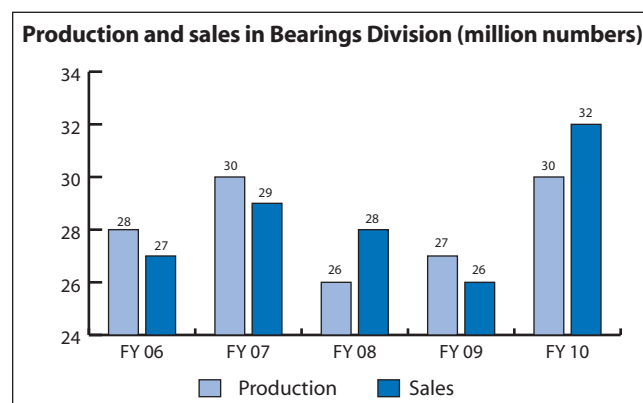
- The Tubes division has successfully launched and ramped up sales of Boron bearing steel tubes for the plumbing segment enabled by the stabilisation of the new state of art HF3 mill in a record time of six months.
- The 'Tata Structura' brand continued to grow through EVI (early vendor involvement) with leading infrastructure projects in airports and stadiums in preparation for the Delhi

2010 Commonwealth Games. The brand crossed a milestone of 3 lakh tonnes since its launch in December 2005.

- In the high end automotive segment, the growth in sales of precision tubes was given a thrust with the ramp up of hydroforming and cold drawn tubes facilities.

4. Bearings division

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



Driven primarily by the revival in demand in the domestic auto segment in 2009-10, sales and production of the Bearings division were higher by 23% and 8% respectively over the previous year.

Following are the highlights of the achievements of the division during the financial year 2009-10:

- The sales were higher by 9% over the previous best of 29 million numbers in the financial year 2006-07.
- In the Bearings industry, the division was the only one to win the Supplier Award from Bosch India Limited and the Silver Award for manufacturing and supply chain excellence from Economic Times and Frost & Sullivan.
- The Bearings division was awarded certification of upgraded version of ISO/TS 16949:2009 and ISO 9001:2008 Quality Management System and OHSAS 18001:2007 certifications by Underwriters Laboratories Inc.

Tata Steel Europe (TSE)

Figures in Rs. crores

	FY 10	FY 09
Turnover	65,843	109,570
Profit before tax (PBT)	(7,712)	(184)
Profit after tax (PAT)	(7,504)	138

TSE has three main operating divisions; Strip Products, Long Products and Distribution & Building Systems. The EU is the most important market for the TSE Group, accounting for 79% of its total turnover in the financial year 2009-10. TSE produces carbon steel by the basic oxygen steelmaking method at three integrated steelworks in the UK at Port Talbot, Scunthorpe and Teesside (Teesside Cast Products unit was partially mothballed at the end of February 2010), and one in the Netherlands at IJmuiden. Principal end markets for TSE's steel products are the construction, automotive, packaging, mechanical and electrical engineering, metal goods, and oil & gas industries.

The production and sales performance of TSE are shown below:

Figures in million tonnes

	FY 10	FY 09	Change %
Crude steel production	14.4	15.8	(9%)
Deliveries	14.2	19.0	(25%)

Deliveries and subsequently production were affected during the financial year 2009-10 by the economic down turn although there were early signs of recovery in the quarter ending December 2009. The deliveries of the various divisions of TSE is shown in the following table:

Figures in million tonnes

	FY 10	FY 09	Change %
Strip Products	6.19	6.82	(9%)
Long Products	4.41	6.57	(33%)
Distribution & Building systems	3.58	5.40	(34%)
Aluminium	–	0.21	–
Total	14.17	19.00	(25%)

The destination wise break up of the sales is shown below:

	FY 10	FY 09	Change %
UK	3.85	4.85	(21%)
Europe (excluding UK)	7.21	10.41	(31%)
North America	0.81	1.22	(34%)
Other Areas	2.31	2.52	(8%)
Total	14.17	19.00	(25%)

NatSteel Holdings

Figures in Rs. crores

	FY 10	FY 09
Turnover	6,254	8,416
Profit before tax (PBT)	75	67
Profit after tax (PAT)	102	7

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.

The Singapore operations are EAF (Electric Arc Furnace)-based steel-making and rolling operations with a production capacity of about 0.750 million tonnes per annum. During the financial year 2009-10, sales of the Singapore operations at 0.75 million tonnes was 22% lower than that of last year.

The Chinese subsidiary of NatSteel sold 0.532 million tonnes of rolled products during FY 10, 25% higher than the previous year and has been one of the most profitable businesses for the NatSteel Group during FY 2009-10.

In Vietnam the steel demand was robust and the construction demand had increased in line with the GDP growth of around 6.5% in 2009, which is expected to grow to around 7% in 2010. Similar to the Chinese subsidiary, the venture in Vietnam performed well in line with the country's growth in demand. NatSteel Vina sold about 0.13 million tonnes of steel, 65% more than last year.

The Australian business suffered the most as the economy took time to recover from the global financial crisis. However the last quarter of FY 2009-10 has been encouraging for few units especially in western Australia where the demand has shown encouraging trend owing to various oil and gas projects. NatSteel Australia and Best Bar sold around 0.12 million tonnes (30% lower than FY 09) of steel in the form of straight length rebars, mesh, cut & bend and other accessories.

The wire plant at Thailand sold 0.152 million tonnes of wires, a growth of 20% in volumes as compared to the last year.

Tata Steel Thailand (TSTH)

Figures in Rs. crores

	FY 10	FY 09
Turnover	3,157	3,965
Profit before tax (PBT)	(9)	14
Profit after tax (PAT)	(11)	11

TSTH recorded billet production of 1.18 million tonnes during the financial year 2009-10 with an increase of 6% over the financial year 2008-09 (1.11 million tonnes). Finished Goods production at 1.21 million tonnes during the financial year 2009-10 increased by 12.5% over the financial year 2008-09 (1.07 million tonnes). Sales volume at 1.20 million tonnes during the financial year 2009-10 was higher by 8% as compared to financial year 2008-09 (1.11 million tonnes) with 6% and 9% growth in the company's domestic sales and exports volume. The Mini Blast Furnace was commissioned in October 2009. Along with the Mini Blast Furnace, all ancillary facilities have been progressively synchronised. Depressed prices driven by the recession and high metallic input costs resulted in the profit generated during FY 2008-09 turning into a loss during FY 2009-10.

Tata Metaliks

Figures in Rs. crores

	FY 10	FY 09
Turnover	1,068	1,021
Profit before tax (PBT)	17	(167)
Profit after tax, minority interest	29	(150)

Tata Metaliks Limited (TML) a subsidiary of Tata Steel Limited, is the largest 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.

In the financial year 2009-10, production of hot metal at 5.06 lac tonnes was 34% higher than FY 2008-09. The sales of pig iron increased by 30% from 3.78 lac tonnes during FY 2008-09 to 4.90 lac tonnes during FY 2009-10 with an increase in market share from 13% in 2008-09 to 16% in 2009-10. During the year, the company has achieved a yield of more than 99% which is a benchmark in itself. Having suffered massive losses in the previous year mainly on account of high input prices and inventory write-down, the company rebounded to profits in the current financial year.

TM International Logistics Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	612	645
Profit before tax (PBT)	45	61
Profit after tax (PAT)	37	49

TM International Logistics Limited (TMILL) is involved in the activity of running port operations at the Ports of Haldia and

Paradip on the east coast of India backed by fully dedicated customs clearance and shipping agency services at both the ports. The company runs a clean dry cargo terminal at berth # 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 arm 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 company currently operates ships with a variety of dry bulk cargo including fertilizers, limestone, metallurgical coke, sulphur, steel, logs, agricultural products etc.

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 to the upcoming port at Dhamra.

The key performance highlights of the company during the financial year 2009-10 are the following:

Division		FY 10	FY 09	Change
Port operations	Million tonnes	8.02	7.01	14%
Shipping	Million tonnes	3.34	2.28	46%
CHA & Inland Logistics	CIF in Rs. crores	3,334	4,047	(18%)
Freight forwarding	Volume in TEUs	21,801	25,495	(14%)

Tayo Rolls Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	132	42
Profit before tax (PBT)	(12)	(8)
Profit after tax (PAT)	(12)	(8)

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.

To maintain its leadership position in the Cast Rolls Segment, Tayo entered into a technology know-how and license agreement with Yodogawa Steel Works of Japan for transfer of technology to manufacture Hi-Speed Steel Rolls, Semi Hi-Speed Steel Rolls and Super Nickel Grain Rolls.

During the year under review, the steel industry reduced their rolls inventory resulting in lower off-take and deferment of delivery of confirmed orders. The sluggish casting market affected the pig iron off-take by various foundry units dependent on general casting and automobile casting. However, the pig iron demand and prices have picked up from the quarter ended December 2009. The operating performance of the company is shown below:

Figures in tonnes

	FY 10	FY 09	Change %
Rolls Production	6,516	8,333	(22%)
Rolls Sales	6,594	7,850	(16%)
Pig Iron Production	22,604	20,030	13%
Pig Iron Sales	19,634	17,761	11%

Tata Steel Processing & Distribution Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	1,145	649
Profit before tax (PBT)	45	11
Profit after tax (PAT)	27	7

Tata Steel Processing and Distribution Limited (erstwhile Tata Ryerson Limited) became a 100% subsidiary of Tata Steel Ltd. w.e.f. July 2009. The company with a steel processing capacity of around 2 million tonnes with 5 steel processing centres across India, is the largest steel service centre in the country.

The company has also started its business of manufacturing components for auto majors like Caterpillar and Tata Motors through its commissioned facilities at Tada (Andhra Pradesh) and Pantnagar (Uttarakhand) respectively.

During the financial year 2009-10, the company recorded an all time high tolling and distribution volume of around 1.4 million tonnes 27% higher than that of last year and recording the highest profit before tax in its history of operations.

Amongst several other achievements in the journey to Total Quality Management by the different units of the company, the most notable one was the coveted JIPM (Japan Institute of Plant Management) - TPM Excellence Award in Category - A won by the Company's Jamshedpur Business Unit. Safety has remained a primary area of attention and by following Du Pont Safety initiatives, the company achieved a 47.5% reduction in injury and a 42% reduction in LTIFR compared to the financial year 2008-09.

Tinplate Company of India Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	792	671
Profit before tax (PBT)	102	63
Profit after tax (PAT)	67	35

Tinplate Company of India Limited (TCIL) is the largest indigenous producer of tin coated and tin free steel sheets in India manufacturing various grades of electrolytic tinplates (ETP), tin-free steel (TFS) sheets and Full Hard Cold Rolled (FHCR) Sheets used for metal packaging. The company has been bonding with food processors and fillers by way of printing and lacquering facilities at the "Solution Centre".

Despite the delay in commissioning of the finishing units of the Cold Rolling Mill 2, the ETP production at 0.23 million tonnes in FY 10 was 22% higher from 0.19 million tonnes in FY 09, enabled by imports, stretching the capacity of the 6 hi Mill and improving efficiencies of the finishing units of the existing CRM.

The Solution Centre recorded the highest production since inception (about 10% higher than last year) particularly with a 61% increase in production of printed sheets as compared to the last year.

In order to improve the marketability of the increased capacity, TCIL has now been certified with ISO 22000 (Food Safety Certification). With over 70% of the products used for food cans, this certification is expected to significantly increase the acceptability of the products in the export markets which accounts for 25% of the company's production.

During the course of the financial year 2009-10, the company floated a simultaneous but unlinked Rights Issue of Rs. 374.32 crores consisting of Equity Shares and Fully Convertible Debentures to fund the companies ongoing expansion programmes at

Jamshedpur, including repayment of term loans and bridge loans taken for the same purpose. Consequent upon the Rights Issue, the holding of Tata Steel in TCIL has increased from 32% as at March 2009 to 45% as at March 2010.

Tata NYK Shipping Pte Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	352	250
Profit before tax (PBT)	(3)	1
Profit after tax (PAT)	(3)	1

Tata NYK Shipping Pte Ltd., a 50:50 joint venture between Tata Steel Ltd., India and NYK Line, a Japanese shipping major, is primarily into the business of owning, operating and chartering of ships to carry dry bulk and break bulk cargo including coal, iron ore, bauxite & steel products mainly for Tata Group and Indian market.

Within three years of its inception, the company has grown its fleet size rapidly from 1 ship in May 2007 to 11 ships (1 owned and 10 chartered) adding diversity in terms of different cargo carrying capacities.

The vessels are classified into Supramax (45,000 DWT to 60,000 DWT), Panamax (65,000 DWT to 80,000 DWT) & Capesize (150,000 DWT and over) vessels based on the tonnage capacity carried and are deployed based on the available port facilities and cargo requirements across the geographies.

There was a growth of 52% in the cargo carried by the company during the financial year 2009-10 from 4.48 million tonnes in FY 2008-09 to 6.79 million tonnes in FY 2009-10 thereby increasing its revenues by 40%.

Tata Refractories Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	899	701
Profit before tax (PBT)	63	52
Profit after tax (PAT)	42	33

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 undertaken third phase of expansion during the current financial year, targeted to be completed by December 2010, to increase 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. The Company has adopted a five year growth plan called "Mission 2000" to achieve a revenue of Rs. 2,000 crores by FY 2012-13.

During FY 10, the consolidated production was higher by 28% from 230k tonnes in FY 09 to 294k tonnes in FY 10. The consolidated sales were higher by 31% from 270k tonnes during FY 09 to 353k tonnes in FY 09. Exports were higher by 24% from Rs. 103 crores in FY 09 to Rs. 127 crores in FY 10.

Tata Sponge Iron Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	520	608
Profit before tax (PBT)	126	181
Profit after tax (PAT)	85	121

Tata Sponge Iron Limited manufactures sponge iron at its manufacturing facility at Bilaipada at Joda Block of Keonjhar District in Orissa. During the financial year 2009-10, all the three kilns were in operation and produced 0.359 million tonnes registering an increase of 5% as compared to 0.3423 million tonnes in financial year 2008-09. The capacity utilisation improved to 92% from 88% in the previous year. Sales during FY 2009-10 at 0.361 million tonnes improved by 5% over 0.343 million tonnes achieved during FY 2008-09 in spite of infrastructure bottlenecks such as berthing delays of ships, road transport disruptions and inadequacy of wagons. However, the prices of sponge iron fell as an effect of the economic slowdown.

During the financial year 2009-10, the power plants (of 7.5 MW and 18.5 MW capacity) produced 181.39 million KWH of power as compared to 181.01 million KWH generated in FY 2008-09 while the sales of surplus power during FY 2009-10 were at 125.01 million KWH when compared with 124.82 million KWH sold in the previous year.

Tata Steel KZN Pte Limited

Figures in Rs. crores

	FY 10	FY 09
Turnover	522	231
Profit before tax (PBT)	43	(180)
Profit after tax (PAT)	43	(180)

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 2009-10, production volume at 118,327 tonnes increased by 86% as compared to 63,479 tonnes registered during FY 2008-09, driven by 96.27% furnace availability. The sales were higher by 212% from 41,537 tonnes in FY 2008-09 to 129,473 tonnes in FY 2009-10.

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

- Major remedial work was carried out on the furnace wet scrubber and water treatment plants to improve furnace availabilities and utilisation.
- Improved furnace stability and increased production achieved through better metallurgical control and superior quality ore.
- TSKZN increased the throughput of the Metal Recovery Plant to 150% of design capacity during the last two months of the financial year. This plant will remain an area of focus as it is critical to treat the current slag stockpile in order to adhere to the conditions set out by the Department of Environmental Affairs.

STRATEGY

Tata Steel Group remains committed to its vision of being a global benchmark in value creation and corporate citizenship. However, it is under no illusion of the challenges it would have to face in implementing this vision while steel markets in Europe remain under pressure, supply of raw material is at historically high prices and climate change is becoming a pressing issue.

Benchmark in value creation

The value creation strategy is centered around two elements of which the first is to increase the quality of earnings of our existing assets.

Tata Steel Limited retained good profitability levels in India throughout the downturn and recovered faster than most its competitors, reflecting the strategic advantages of the Indian operations, including access to growth markets, raw material integration and cost competitiveness.

Restoring profitability was a priority for the European operations, which were faced with some of the largest contractions in steel demand in history. Tata Steel Europe acted swiftly to respond to the downturn by launching two initiatives, 'Weathering the Storm' and 'Fit for the Future'. The combined savings of these initiatives totalled approximately £1bn for the year under review.

To better position itself for the future, Tata Steel Group is re-aligning its organisation to serve its customers better and to leverage its scale of operations.

- Functions across the Group have been consolidated into Group-wide functions such as procurement, quality management, health and safety, environment and global information services. A Group Corporate Centre management team was set up to oversee the Group functions.
- The Tata Steel International network is being optimised to increase market reach and channel Group products to different geographies.
- To further improve the competitive position in Europe and to transform Tata Steel Europe into a customer focused company, the 'Customer First' Programme has been initiated to serve our customers' needs by developing a customer sector focused marketing organisation. Parallely, Tata Steel Europe is also investing in systems to improve the supply chain in order to improve customer service and reduce working capital requirements.

The second element of its value creation strategy is selective growth in emerging markets where the Group has a competitive advantage. The Group therefore continues to selectively invest for the future 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.

Investment programmes to grow and strengthen the operations include the following:

- The 2.9 mtpa project will increase the crude steel capacity at Jamshedpur from 6.8 mtpa to 9.7 mtpa.
- In January 2010, Tata Steel Board approved a proposed joint venture between Tata Steel and Nippon Steel Corporation for the production and sale of automotive cold-rolled flat products at Jamshedpur.
- In light of the longer term growth expected in the Indian and South East Asian steel markets, Tata Steel Group continues to work on its projects in pipe-line in India and Vietnam.
- The greenfield project at Kalinganagar, will be developed in two phases of 3 mtpa each.
- In October 2009 Tata Steel Europe announced a €35 million investment in its rail facility at Hayange in France primarily to

supply rails on a six-year contract to SNCF the French railway operator.

During the past year the Group has also made progress in extending its exploration and mining portfolio.

Benchmark in corporate citizenship

Tata Steel Group believes its corporate citizenship responsibilities are of strategic importance for the Group. These include providing a safe working place, respecting the environment, caring for communities and demonstrating high ethical standards. The Group therefore gives these responsibilities priority in the allocation of capital and management time.

INTEGRATION

During the year, progress was made in integrating approaches in key functional areas to improve synergies across the Group. Total Quality Management, Information Services and Procurement functions were integrated as one organisation across Tata Steel Group. Performance Improvement Teams (PITs) strengthened the area of manufacturing during FY 2009-10 by implementing several projects in multiple locations of the Group. These are detailed on pages 24 and 25 of this Report.

The following major Improvement Projects were undertaken in the area of Procurement:

- Consolidation and cross-sourcing of Contracts for bulk-shipping, coal, Raw Materials, IT, etc.
- Maximising procurement from within Tata Steel Group.

The integrated Procurement function intends to combine the skills of procurement across the group and work with a strong business alignment while strengthening the earlier established processes like lead buying. During the year the concept of Lead Buyers was also extended to the South East Asian (SEA) operations and the efforts were focused on maximising the buy within the Tata Steel Group companies.

Tata Business Excellence Model (TBEM), based on the Malcolm Baldrige Model of the US, is being rolled out in various business units of Tata Steel Europe.

OUTLOOK

The global economic downturn is set to recover at a faster and stronger rate than expected earlier although the pace of recovery

is anticipated to vary across geographies and economies. The Asian countries, in particular China and India, are leading the turnaround in the world economy as demand for commodities, intermediates and consumer goods in China is propelling economic activity in the rest of the region. The emerging countries have started to tighten their monetary policies to manage the recovery while inflationary pressures and rising asset prices are resurfacing as a challenge in those countries. The inflationary pressures in the developed economies remain subdued although they are expected to be at a level higher than 2009 resulting in lower interest rates in particular in the United States and European countries. World GDP is expected to grow at 3.5% in 2010.

The recovery in most of the economies will result from a turnaround in domestic demand with export momentum picking up for the developing countries and a modest export demand in developed economies. There is a global challenge of managing fiscal imbalances with large public debts in the developed economies. Debt problems in Greece and other East European countries pose a challenge to the European recovery and also to the global financial market stability.

World consumption of steel is expected to be 1.23 billion tonnes in 2010 registering a growth of 10% over 2009. EU steel market is expected to slowly recover in 2010 with the inventory cycle being the main driver for increased demand during the first half and increase in consumption is anticipated to pick up in the middle of 2010. Crude steel production in the EU is accordingly expected to rise from the low of 2009 and be around 75-80% of the level of 2007-08. The exports during 2010 are expected to be higher by around 4% as compared to 2009 while imports in 2010 are also anticipated to increase by around 12.5% with rise in demand during the year. With economic and steel market conditions becoming more favourable and the steel producers needing to recover the rise in input costs. It is anticipated that there will be a strong rise in the steel prices in 2010-11.

Buoyed by expected strong performances from consuming segments like automotive, construction, infrastructure and capital goods, carbon steel apparent consumption is expected to increase by more than 10% in FY 11. The Flat products' consumption is expected to increase in FY 11 by 10.7% and that of long products by 10.3%. High disposable income, emphasis on infrastructure growth and India's growing position as a manufacturing hub are

primary drivers for the consumption. However, significant raw material price increases, interest rate tightening and inflation may provide some downsides to an otherwise positive outlook for the industry.

FINANCE

FY 10 has been a period of great economic difficulty in Europe and other developed markets. A very gradual economic recovery has started to take shape after a temporary but very sharp recession. In the second half of FY 09, a sharp decline in steel demand and prices, and reduced capacity utilisation had severely eroded the profitability of Tata Steel Europe (TSE).

In May 2009, TSE's lenders consented to an amendment and waiver proposal with regard to financial performance covenants. While TSE would continue to meet interest and repayment obligations, testing of earnings related covenants was largely suspended till March 2010. The testing of covenants resumed in March 2010 and TSE is compliant with the same. As part of these amendments, Tata Steel infused £200 mn into TSE in June 2009 and £225 mn in September 2009.

In the second half of FY 09 and the first quarter of FY 10, the Company had focused on raising additional debt in order to maintain a liquidity buffer given the uncertain nature of the steel markets. As a result in April 2009, the Company raised Rs. 2,000 crores from a term loan and in May 2009, it privately placed Rs. 2,150 crores of Non-Convertible Debentures repayable after 10 years. It also contracted a term loan of Rs. 650 crores for 10 years and one of Rs. 199 crores for 7 years. In July 2010, the Company issued GDRs (Global Depository Receipts) worth US\$500 Million at US\$7.644/share (each GDR equals one share). This was one of the largest GDR offerings by an Indian Company on the London Stock Exchange.

In the second half of FY 10, having weathered the liquidity crisis, the Company focused on restructuring liabilities and prepaying some of the debt in order to minimise finance charge costs and repayment risks.

In November 2009, the Company launched an exchange offer of new Foreign Currency Convertible Bonds (FCCBs) for any or all of its existing US\$875,000,000 Convertible Alternative Reference Securities. The CARS carry a Yield To Maturity (YTM) of 5.15% p.a. (coupon of 1% p.a. and a one-time redemption premium of 23.3419%), due to mature in September 2012 and are convertible

into underlying shares at Rs. 733.1318 per share. The new convertible bonds have a coupon (YTM) of 4.5%, maturing in November 2014 and are convertible into ordinary shares of the Company at Rs. 605.5325 per share.

The Company made the Exchange Offer with the objective of lengthening its debt maturity profile, reducing cost and potentially reducing future repayment obligations. CARS worth US\$493 million were tendered for exchange into FCCBs worth US\$546.935 million.

The Company also prepaid Rs. 2,000 crores of its term debt in Dec'09 and Jan'10. It prepaid US\$300 Million of foreign currency term loans in February and March 2010. In addition, Tata Steel Europe prepaid £100 Million of its term debt in June 2009.

The Company achieved financial closure for its expansion of 2.9 MTPA in Jamshedpur for which it contracted long-term rupee borrowing aggregating to Rs. 9,339 crores in Tata Steel Limited and its subsidiary, to be drawn over over the next three years years and to be repaid over a period of seven years. The Company also tied up ECA backed long term buyer's credit (import financing) of Euro 264 mn to be drawn over the next two and half years and repaid over the next ten years. The Company is also in the process of obtaining an additional Euro 70 mn by way of further ECA backed long term buyer's credit.

The Company's Credit Ratings remained stable in FY 10. In FY 09, Moody's, S&P & Fitch had downgraded Tata Steel to below investment grade, largely on the back of increased leverage post acquisition of Corus and a depressed outlook for earnings. Moody's has placed Tata Steel at a rating of Ba3 with a stable outlook, while both S&P and Fitch have retained their ratings of BB- and BB+ respectively with a negative outlook.

As on 31st March, 2010, the cash and cash equivalent in Tata Steel Limited, India was Rs. 3,234 crores and Rs. 6,788 crores for the Group.

FINANCIAL PERFORMANCE

Tata Steel Standalone

Tata Steel recorded a profit after tax of Rs. 5,047 crores during the financial year ended 31st March 2010 (FY 09: Rs. 5,202 crores). The diluted earnings per share was at Rs. 57.31 for FY 10 (FY 09: Rs. 62.94) while the basic earnings per share for FY 10 was at Rs. 60.26 (FY 09: Rs. 69.45).

Hooghly Metcoke & Power Company Limited was merged with the Company with effect from 1st April, 2009 as per the court order dated 20th March, 2010. Accordingly, the Profit and Loss Account and the Balance Sheet of Tata Steel Limited will have an impact of incorporation of accounts of Hooghly Metcoke during FY 10.

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

a) Net sales and other operating income

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Sale of product	25,756	25,945	(190)	(1%)
Sale of power and water	657	566	90	16%
Income from town, medical and other services	40	41	(0)	(1%)
Other operating income	305	291	14	5%
Sales and operating income	26,758	26,844	(86)	0%
Less: Excise Duty	1,736	2,528	(792)	(31%)
Net sales and other operating income	25,022	24,316	706	3%

Net sales and other operating income was higher by 3% as compared to FY 09 as the volume of steel sales during FY 10 was higher by around one million tonnes (18%) over FY 09 (6.17 million tonnes in FY 10 against 5.23 million tonnes in FY 09) with lower prices of Steel, Ferro Alloys and other products. The division wise net sales are shown below:

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Steel	21,928	20,456	1,472	7%
Tubes	1,387	1,410	(22)	(2%)
Ferro Alloys and Minerals	1,553	2,324	(771)	(33%)
Bearings	153	127	27	21%
Total	25,022	24,316	706	3%

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

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Purchase of finished, semi-finished steel and other products	169	359	(190)	(53%)

During FY 10, purchase of finished and semi-finished products was much lower compared to previous year as requirements of Agrico and Wires Division were fully met from our steel works in the current year as against partial purchases from outside suppliers/imports in the previous year. Non purchase of sponge iron also contributed to lower value of purchase of finished and semi-finished products.

c) Raw materials consumed

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Raw Materials consumed	5,495	5,710	(215)	(4%)

There was a drop of 4% in the 'Raw materials consumed' driven primarily by non-usage of imported coke. After commissioning of the 'H' blast furnace the direct injection of coal has increased considerably and the additional requirement of coal was met mostly through imports. Although there was an increase in volume, prices of imported coal were at a level lower than the last year. The raw materials consumed increased in Ferro Alloys and Minerals division due to the higher cost of imported manganese ore.

d) Payments to and provisions for employees

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Payments to and provisions for employees	2,361	2,306	56	2%

Staff cost was higher during the current financial year mainly due to annual increases in salary and allowances partly offset by lower charges of employee benefits towards gratuity and ESS on account of higher discounting rates applied for actuarial valuation.

e) Stores consumed

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Stores consumed	1,335	1,249	87	7%

Stores including industrials gases and spares consumed increased by 7% over FY 09 primarily on account of higher volume of production and associated requirements of operational refractories and industrial gases.

f) Repairs to machinery

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Repairs to Machinery	979	810	169	21%

Repairs to machinery increased by 21% as compared to FY 09 mainly on account of increase in maintenance costs in various units of the company and as a result of the incorporation of accounts of Hooghly Metcoke.

g) Conversion charges

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Conversion charges	1,133	1,042	91	9%

Conversion charges increased by 9% over FY 09 primarily due to increase in conversion activities in long products by 87%, increase in flat products sales through service centres by 17%, tin coated products, Tubes division and Wires division partly offset by lower conversion volume at Ferro Alloys and Minerals division.

h) Purchase of power

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Purchase of power	1,268	1,091	177	16%

Increase in purchase of power is mainly due to additional volumes of purchased power to cater to our requirement for additional production, sale to associated companies and also due to revision of fuel surcharge rates by DVC and increase in purchased power tariff by the Jharkhand State Electricity Regulatory Committee

(JSERC). These increases were partly offset by low-cost power from Industrial Energy Limited (IEL) where Blast Furnace gas, a by-product, is used for generating power.

i) Freight and handling charges

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Freight and handling charges	1,357	1,251	106	8%

The increase in Freight and handling charges was mainly on account of higher volume of steel despatches by both rail and road, change in rates and destination mix compensated partly by lower demurrage charges due to reduced wagon turn-around time and lower expenses on ocean freight.

j) Royalty

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Royalty	276	228	48	21%

Royalty charges increased by 21% as compared to FY 09 due to change in royalty rates on iron ore from specific rate basis to ad-valorem basis coupled with an increase in the volume of operations as well as a change in tariff and payment of royalty on processed coal instead of raw coal at our West Bokaro collieries.

k) Other expenses

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Other expenses	1,285	1,266	19	2%

Other expenses increased as compared to the previous comparative period primarily on account of increase in bank charges, port charges & overburden removal expenses incurred at our Ferro Alloys and Minerals division. The increases were partly offset by forex gains during the year.

l) Net Finance charges

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Net Finance charges	1,508	1,153	356	31%

Increase in Net Finance charges was mainly due to the interest on the new Non-Convertible Debentures and term loans from banks partly offset by increase in interest capitalised and reduction in interest costs due to repayment of forex and other loans during the year.

m) Fixed Assets

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Gross Block	26,150	23,545	2,605	11%
Less: Impairment	106	100	6	6%
Less: Depreciation	10,038	8,962	1,076	12%
Net Block	16,006	14,482	1,524	11%

The increase in fixed assets represents primarily the 1.8 mtpa expansion and 3 mtpa expansion projects at Jamshedpur Works.

n) Investments

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Trade investments	1,781	1,744	37	2%
Investment in subsidiary companies	41,480	37,359	4,121	11%
Investment in mutual funds	1,719	3,269	(1,550)	(47%)
Total investments	44,980	42,372	2,608	6%

Investment in subsidiary companies increased due to purchase of additional stake in Tata Steel Processing and Distribution Limited (formerly Tata Ryerson Limited). There was also an increase in other long-term investments in the form of purchase of shares of Tata Steel Holdings as well as an increase in stake in Tinplate Company of India Limited, partly offset by the sale of shares of Tata Motors.

o) Stores and spares and Stock-in-trade

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Stores & Spares	624	612	12	2%
Stock-in-trade	2,454	2,868	(414)	(14%)
Total inventories	3,078	3,480	(403)	(12%)

While the stock of stores and spares as on 31st March, 2010 remained almost at the same level as on 31st March, 2009, the inventories of finished, semi-finished goods, scrap and raw materials was lower by 14% than that of last year.

The raw materials inventory was also lower due to lower prices of coal and coke along with lower volume of coke. The raw material stocks in the Company's Ferro Alloys & Minerals division was also lower than the last year level.

p) Sundry Debtors

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Gross Debtors	456	662	(206)	(31%)
Less: Provision for doubtful debts	21	26	(5)	(19%)
Net Debtors	435	636	(201)	(32%)

Debtors as on 31st March, 2010 was lower by 32% as compared to 31st March, 2009 primarily due to stringent credit control measures and lower exports.

q) Loans and Advances

Figures in Rs. crores

	FY 10	FY 09	Change	Change %
Loans and advances	5,500	4,561	939	21%

The increase of Rs. 939 crores in loans and advances represents increase in advance against equity (to Centennial Steel) and advances to subsidiary companies (to Tata Steel KZN) partly offset by reduction in the amount receivable against forward covers.

r) Cash flow and Net debt

Cash Flow

Net cash flow from operating activities: The net cash from operating activities was Rs. 8,369 crores during the financial year ended 31st March, 2010 as compared to Rs. 7,550 crores during financial year 2008-09. In line with lower profit during the current year, operating profit before working capital changes at Rs. 9,267 crores is lower than Rs. 9,457 crores in previous year. Better working capital management reduced the working capital during the year by Rs. 1,182 crores (Rs. 890 crores in previous year) largely due to reduction in trade and other receivables, and inventories supported by an increase in trade payables and other

liabilities. This has improved the cash generated from operations in the current year to Rs. 10,449 crores against Rs. 10,348 crores in the previous year. Direct taxes paid during the current year at Rs. 2,079 crores is lower than Rs. 2,798 crores in previous year, thus resulting in improvement over previous year in cash generated from operating activities.

Net cash from investing activities: The net cash outflow from investing activities amounted to Rs. 5,255 crores during FY 10 as compared to Rs. 9,581 crores during FY 09. The outflow during the current year broadly represents an incremental investment in subsidiaries and capex partly offset by sale of shares and investments in liquid mutual funds.

Net cash from financing activities: The net cash outflow from financing activities was Rs. 1,473 crores during FY 10 as compared to an inflow of Rs. 3,156 crores during FY 09. The outflow is mainly on account of repayment of borrowings, interest and dividends paid which were partly offset by fresh drawals and proceeds from GDR issue.

Net debt

Figures in Rs. crores

	FY 10	FY 09	Change
Secured loans	2,259	3,913	(1,654)
Unsecured loans	22,980	23,033	(53)
Total Debt	25,239	26,946	(1,707)
Less: Cash and Bank balances	3,234	1,591	1,644
Less: Current investments	1,719	3,269	(1,550)
Net Debt	20,286	22,086	(1,800)

Net debt as on 31st March, 2010 at Rs. 20,286 crores was lower by Rs. 1,800 crores against 31st March, 2009. During the current fiscal year, the secured and unsecured loans decreased by Rs. 1,654 crores and Rs. 53 crores respectively as compared to the balances as on 31st March, 2009 due to repayments of term loans and other repayments partly offset by issue of Non-Convertible Debentures, fresh term loans and other drawals. Current investment was lower by Rs. 1,550 crores which was offset by increase of Rs. 1,644 crores in the cash & bank balances.

Tata Steel Group

Tata Steel Group recorded a loss after tax (after minority interest and share of profit of associates) of Rs. 2,009 crores during FY 10

as compared to a profit of Rs. 4,951 crores recorded during the previous financial year. The loss was driven by the effects of global economic slowdown during major part of the year although there have been recoveries in India and South East Asia along with early signs of recovery in the UK & European markets.

Net Sales/ income from operations

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	25,022	24,316	706
TS Europe	65,843	1,09,570	(43,727)
NatSteel Holdings	6,254	8,416	(2,162)
TS Thailand	3,157	3,965	(808)
Others	9,944	9,709	234
Eliminations & adjustments	(7,827)	(8,647)	821
Group Total	1,02,393	1,47,329	(44,936)

Turnover decreased primarily in TSE and South East Asia affected by the recessionary conditions prevalent there for major part of the financial year, offset partly by increase in Tata Steel India.

Purchase of finished, semi-finished and other products

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	169	359	(190)
TS Europe	7,946	23,513	(15,567)
NatSteel Holdings	4,257	6,672	(2,415)
TS Thailand	1,837	2,652	(815)
Others	1,304	795	509
Eliminations & adjustments	(2,426)	(2,585)	158
Group Total	13,087	31,406	(18,319)

The purchase of finished and semi-finished products was lower by 58% during FY 10 over FY 09 mainly due to lower volume of operations at Tata Steel Europe, NatSteel and TSTH coupled with lower prices of billets and scrap at NatSteel and TSTH. The commissioning of Mini Blast Furnace at TSTH also contributed to lower purchase requirement. In Tata Steel India, the requirement of purchased billets reduced due to higher availability of billets after the ramping up of Billet Caster #3.

Raw Materials consumed

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	5,495	5,710	(215)
TS Europe	23,700	34,063	(10,364)
NatSteel Holdings	101	89	12
TS Thailand	464	225	239
Others	5,803	6,507	(704)
Eliminations & adjustments	(4,558)	(5,062)	505
Group Total	31,004	41,532	(10,527)

Raw Materials consumed decreased by 25% primarily due to decline in the volume of operations at TSE along with reduction in prices of major raw materials. In Tata Steel India, the raw material consumption was lower due to non usage of imported coke during the current fiscal along with lower prices of imported coal partly offset by increase in coal consumption to support increased production in Blast Furnaces. Raw materials consumed were higher in Tata Steel Thailand to support higher production. "Others" primarily represent the drop in raw materials purchased at the minerals business of NatSteel.

Payments to and Provisions for Employees

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	2,361	2,306	56
TS Europe	13,269	14,931	(1,662)
NatSteel Holdings	376	360	16
TS Thailand	88	79	8
Others	369	299	70
Eliminations & adjustments	–	(0)	0
Group Total	16,463	17,975	(1,512)

Staff cost reduced by 8% mainly due to reduction at Tata Steel Europe arising from the cost improvement programme viz. 'Weathering The Storm' and restructuring programme viz. 'Fit for the Future'.

Purchase of Power

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	1,268	1,091	177
TS Europe	2,022	4,288	(2,266)
NatSteel Holdings	250	212	39
TS Thailand	291	237	54
Others	247	146	101
Eliminations & adjustments	(27)	(20)	(7)
Group Total	4,052	5,953	(1,902)

Purchase of power was lower mainly at Tata Steel Europe due to lower volume of operations and savings arising from the use of off-peak energy as part of the "Weathering the Storm" programme. In the last financial year the power expenses of Aluminium Division of Tata Steel Europe (hived off now) were also included in the financial statements. In Tata Steel India, higher power consumption to support increased production along with revision of fuel surcharge by DVC, a power supplying unit and increase in purchased power tariff by regulatory committee at Jharkhand India increased the purchased power expenses.

Freight and handling charges

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	1,357	1,251	106
TS Europe	3,380	4,134	(754)
NatSteel Holdings	143	199	(56)
TS Thailand	26	29	(4)
Others	701	676	25
Eliminations & adjustments	(58)	(263)	205
Group Total	5,549	6,027	(478)

Reduction in freight and handling charges at TSE was on account of lower deliveries partly offset by increase in fuel rates. In NatSteel, charges were lower due to lower volumes and lower freight rates, while in Tata Steel India, higher volume of sales led to increase in the freight and handling charges.

Other Expenditure

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	5,284	4,754	530
TS Europe	16,813	17,882	(1,069)
NatSteel Holdings	562	590	(29)
TS Thailand	438	411	27
Others	1,160	1,391	(231)
Eliminations & adjustments	(722)	(697)	(26)
Group Total	23,535	24,332	(797)

Other Expenditure represents the following expenses:

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Stores and spares consumed	7,764	9,520	(1,756)
Fuel oil consumed	833	1,028	(194)
Repairs to building	358	576	(218)
Repairs to machinery	4,690	5,817	(1,128)
Relining expenses	91	101	(10)
Conversion charges	1,083	1,096	(14)
Rent	2,534	3,689	(1,155)
Royalty	281	235	46
Rates and taxes	682	632	51
Others (*)	5,219	1,639	3,581
Total	23,535	24,332	(797)

(*) includes insurance charges, commissions, discounts and rebates, provision for wealth tax, adjustments relating to previous years, other expenses, provision for doubtful debts and advances, excise duty and expenditure transferred to capital.

Other expenditure was lower by 3% during FY 10 as compared to FY 09 mainly due to lower stores, spares and fuel consumed, repair and other expenses in TSE owing to lower volume of operations. Increase in Tata Steel India was on account of higher volume of operations, repair expenses, bank charges and conversion charges.

Net Finance Charges

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	1,508	1,153	356
TS Europe	1,626	2,043	(417)
NatSteel Holdings	40	71	(31)
TS Thailand	21	23	(2)
Others	(173)	0	(174)
Group Total	3,022	3,290	(268)

The reduction in Tata Steel Europe through debt repayments and reduced interest rates on variable components of senior debt facility was partly offset by increase in interest cost in Tata Steel India on new term loans and NCDs.

Stores and Spares Stock

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	624	612	12
TS Europe	688	780	(92)
NatSteel Holdings	66	77	(11)
TS Thailand	249	298	(50)
Others	90	86	4
Eliminations & adjustments	(1)	(2)	0
Group Total	1,715	1,853	(138)

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

Stock-in-trade

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	2,454	2,868	(414)
TS Europe	12,471	14,931	(2,460)
NatSteel Holdings	737	1,115	(378)
TS Thailand	649	428	221
Others	665	461	204
Eliminations & adjustments	(4)	12	(17)
Group Total	16,972	19,816	(2,844)

Stock-in-trade (Raw materials, WIP and Finished & semi-finished products) for the Group decreased by Rs. 2,844 crores at end March 2010 over end March 2009 primarily due to lower input material costs at Tata Steel India, TSE and NatSteel. In Thailand, the increases were due to purchase of raw material stocks required for initial consumption at the Mini Blast Furnace.

Sundry Debtors

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Tata Steel	435	636	(201)
TS Europe	10,142	11,480	(1,337)
NatSteel Holdings	543	548	(5)
TS Thailand	123	73	50
Others	1,283	1,073	211
Eliminations & adjustments	(902)	(778)	(124)
Group Total	11,624	13,032	(1,408)

The debtors balances for the Group decreased by Rs. 1,408 crores in end March 2010 over the level of end March 2009 mainly due to decreases in debtors balances in Tata Steel Europe primarily on account of lower sales during the current financial year along with implementation of working capital improvement measures.

Cash Flow and Net debt

Cash Flow

Net cash flow from operating activities: The net cash flow from operating activities was Rs. 10,471 crores during April-March 2010 as compared to Rs. 15,696 crores during FY 09. The cash operating profit before working capital changes and direct taxes during FY 10 was Rs. 8,283 crores as compared to Rs. 18,792 crores during FY 09. The working capital during the current year reduced by Rs. 4,647 crores mainly due to reduction in Inventory and Debtors.

Net cash from investing activities: The net cash outflow from investing activities amounted to Rs. 4,696 crores in FY 10 against an outflow of Rs. 10,822 crores in FY 09. The outflow during the current year represents capital expenditure of Rs. 7,150 crores partly offset by sale of investments (net of purchases) of Rs. 2,107 crores. The outflow of the previous year represented capital expenditure of Rs. 8,434 crores and Rs. 2,688 crores towards purchase of investments (net of sales).

Net cash from financing activities: The net cash outflow from financing activities was Rs. 5,135 crores during FY 10 as compared to an outflow of Rs. 2,755 crores during FY 09. There is a net repayment of borrowing (net of fresh borrowings) of Rs. 2,687 crores during the current year mainly towards repayment of external debts primarily in TS Europe and Tata Steel India partly offset by issue of debentures, term loan from banks and other borrowings. Dividend and Interest payments during FY 10 were Rs. 1,321 crores and Rs. 3,266 crores respectively (FY 09 Dividend payment Rs. 1,227 crores, Interest payment Rs. 3,547 crores).

Net Debt

Figures in Rs. crores

	FY 10	FY 09	Inc./ (Dec)
Secured Loans	28,059	34,244	(6,185)
Unsecured Loans	25,041	25,657	(616)
Total Loans	53,100	59,901	(6,800)
Less: Cash and Bank Balances	6,788	6,148	639
Less: Current Investments	1,931	3,398	(1,467)
Net Debt	44,381	50,354	(5,973)

Net Debt at Rs. 44,381 crores at end March 2010 was lower than March 2010 by Rs. 5,973 crores. The decrease represents repayments of borrowings of Rs. 12,725 crores principally at Tata Steel Europe and Tata Steel India partly offset by fresh debts drawn during the period (amounting to Rs. 10,038 crores) in the form of non-convertible debentures, term loans taken from Banks, etc. There was a reduction in the current investments over March 2009 (in growth funds) by Rs. 1,467 crores mostly in Tata Steel India while the Cash and Bank balances were higher by Rs. 639 crores.

RISKS, OPPORTUNITIES AND THREATS

Over the years, the Tata Steel Group (TSG) has encountered several risks and concerns during the process of its business. In keeping with the problem-solving approach that characterises the Group, it has taken several steps to counter and mitigate these, while simultaneously pursuing every underlying opportunity. Tata Steel's response to its risks, opportunities and threats have been discussed in the section below.

Growth Strategy

Since 2005, the Group embarked on an aggressive overseas acquisition strategy that added a steel capacity of 25 million tonnes across South East Asia, the United Kingdom and Europe. An additional capacity of 3 million tonnes was added on at its existing steel plant in Jamshedpur. Enhanced capacities, new opportunities that the acquisitions generated and the benefits of the synergies have borne fruit and the Tata Steel Group today ranks amongst the top 10 steel producers in the world.

With the challenges of the financial crisis of the last two years abating, the Tata Steel Group has reviewed its growth strategy. Its installed capacity in Tata Steel Europe (TSE) is sufficient to address the demand in the European market for the next 2 to 3 years, and hence the emphasis at TSE is now on capital projects that will strengthen its cost position. Additionally, there are substantial market opportunities in India and South East Asia that warrant immediate expansion of steel capacity. There is however, a potential risk in the area of plant expansion in India, especially with greenfield projects, which have a longer gestation period because of possible delays that may arise on issues of land, rehabilitation, forestry and environment.

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.

After the steep decline in steel demand in the previous year, the industry witnessed a stabilisation phase followed by gradual restocking. Market confidence gradually returned and with it, we witnessed some signs of recovery in steel prices. By the end of the financial year, the industry recovery was strong in China, India and the emerging markets, while it recovered at a more modest and uneven pace in Europe and the United States.

During this period, Tata Steel Europe undertook several mitigating actions, initially to align the utilisation of its installed capacity with the lower demand, and subsequently to meet the gradually rising demand by restarting idle capacity. This deliberate approach has helped to avoid new demand/supply imbalances and a double dip in prices. This, coupled with the benefits from the "Fit for the Future" initiative, is expected to enable the European operations overcome the effects of the financial crisis. In Asia, steel demand

in India, China and the SEA region continued to grow and the new challenge will be to cope with the inherent risks of periodic overheating that continued rapid growth can unleash. To this end, the Group seeks to minimise any adverse consequences through appropriate sales contracting strategies and tighter procurement and working capital management.

Raw Materials Security and Price Volatility

During the financial year 2009-10, Tata Steel Group reinforced its strategy towards greater raw material security in order to insulate the Group from swings in raw material prices. This strategy was driven by several factors. These included the high raw material demand in China and India, further consolidation among the few mining majors and the recent displacement of the longstanding annual benchmarking iron ore pricing system with spot-based quarterly pricing.

Quarterly contracts based on spot-pricing, if fully implemented and sustained, would imply shorter procurement cycles and greater volatility in iron ore and coking coal prices. This would give rise to a potential mismatch in timing between raw material and customer pricing for an industry that has traditionally been accustomed to long-term contracts and annual benchmark pricing for its key raw materials. TSG plans to formulate operating and hedging strategies to counter this threat.

Health, Safety & Environmental Risks

The manufacture of steel involves steps that are potentially hazardous which are likely to cause disruptions to normal operations 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.

For the ongoing 2.9 million tonnes per annum expansion in Jamshedpur, stringent, timely and intensive project management processes are being applied to ensure minimal disruptions to existing plant operations. Monitoring of dust emission levels related to the higher activity levels arising from the construction works has been stepped up to ensure they stay within permissible limits. In the mines and collieries, extra efforts are being taken to ensure workplace safety.

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.

Through the financial crisis, the Group did not cut back on investment in human resources so that it could continue to develop technologies that could advance the Group's cost competitive position, while also reducing CO₂ emissions from ore based steelmaking. R&D efforts are also being made to advance the Group's proprietary knowledge in order to produce new generation high strength steel, advanced and Photovoltaic coating systems etc.

For upgrading plant and equipment, funds are being made available to ensure that the Group remains technologically updated in order to meet the increasingly demanding requirements from customers across all its sectors – particularly in the fast growing automotive sector in India.

Financing

The debt for the Corus acquisition in 2008 that resides in Tata Steel Europe's Balance Sheet is a specific risk to the Group, especially in the light of the financial crisis which adversely affected its operating performance.

The modified financial covenants negotiated in May 2009 have all been met in the financial year with a reduction in TSE's working capital. Nevertheless, going forward, the increasing loan amortisation obligations and adherence to stricter financial covenants under the existing Senior Facility Agreement represent specific risks to TSE. Improving cash generation prospects and working capital benefits derived from initiatives taken through the entire supply chain are being closely monitored to ensure that both bank loan obligations and the business financing needs are met. Efforts are ongoing to further extend the debt maturity profile of Tata Steel Europe.

The Group's operations in India and South East Asia continue to generate cash flows and have ample headroom in committed loans to fund plant expansions and higher working capital requirements in those geographies.

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 and affect its ability to fund company pension contributions. All the Group funded schemes are independently managed and have stringent guidelines to protect it against market risk exposure. Currently all funded schemes are in surplus.

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.

In the course of the financial year, liquidity from the global banking system gradually has returned to some normalcy with the cash and bank balances of the Group at Rs. 6,788 crores as at 31st March, 2010.

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.

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 processes/sub-processes of various functions and the audit activities are undertaken accordingly. The

audit plan is approved by the Audit Committee which regularly reviews 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 adequacy of internal control systems in the Company and their observations on financial reports. 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. However, the asset protection function has been reorganised and strengthened during the year.

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

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.

Tata Steel India reached the milestone of 81st year of industrial harmony and peace. Employee productivity during the financial year 2009-10 increased to 510 tonnes of crude steel per man per year as compared to 429 tonnes of crude steel per man per year in the financial year 2008-09. As a result of the ongoing endeavour of rationalising and rightsizing the workforce the employees' strength came down to 34,101 as on 31st March, 2010 against 34,918 as on 31st March, 2009.

The year under review saw free and fair elections of the unions in various units of the Company. Wage settlements agreements were signed at most of the units during the year 2009-10.

The following steps are taken in the human resources front to ensure that the Company in India can continuously cater to the changing business adversities and opportunities:

- Leadership development and succession planning.
- Career planning and job rotation.
- Customer orientation – "Employee Contact Program" has been initiated and reviewed on a monthly basis to improve on the HR connect with the Line functioning. This program helps in capturing employee concerns on an on-going basis, analyse their concerns to identify need for policy changes, establish one to one connect with officers and create a repository of the employee ideas/concerns.
- Learning and development process through 70:20:10 where 70 per cent of learning & development takes place from real life and on-the job experiences, tasks, problem solving and self study; 20 per cent takes place through coaching, mentoring, technical discussions, shadowing, working under guidance by superiors or experts while 10 per cent of the learning comes from formal class room training.
- E-learning – 137 e-learning modules have been developed indigenously to impart computer literacy classes to 11,000 employees during the financial year 2009-10. More than 3,300 employees have been provided basic Hindi literacy and 28 e-learning centres have been opened in various locations of the Company in India and around 300 PCs have been provided for these e-Learning centres.

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 35,400 as compared to 40,700 on 31st March, 2009. The reduction in the number of employees resulted mainly from the actions taken to align the business with the significant reduction in demand and accordingly TSE took a decision to mothball Teesside Cast Products as a part of the strategic measures.

However, TSE mothballed the site partially, continuing to operate a number of activities including the Redcar wharf, Redcar coke ovens, South Bank coke ovens and some of the power generating capacity. TSE also continues to have a substantial wider presence in the Teesside area, employing more than 2,000 people at its operations in Hartlepool, Skinningrove, Teesside Beam Mill and 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, has announced a package of support measures in the wake of the job losses at Teesside. The package will include doubling the level of UKSE investment into new and growing businesses in the region, an expansion of the Innovation Centre on Hartlepool's Queens Meadow Business Park supported by 'One North East', a new Regeneration Fund offering a combination of grants and loans designed specifically for start-up and fledgling businesses and extra funds for UKSE's special community support fund, which will back local projects and fund business support initiatives.

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 2009-10

(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 is presently Chairman of Tata Sons, the holding company of the Tata Group and also Chairman of the major Tata companies including Tata Steel. 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 is a Bachelor of 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. Tata was appointed as the Chairman of the Board of Directors of the Company in April 1993. Mr. Tata was named Chairman of Tata Industries Limited in 1981. In 1991, Mr. Tata was appointed Chairman of Tata Sons, the principal shareholder of the Company. He is also currently the Chairman of several other Tata Group companies, including Tata Motors, Tata Power, Tata Tea, Tata Chemicals and Indian Hotels. Mr. Tata is associated with various organisations in India and abroad. The Government of India honoured Mr. 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 and holds many other esteemed positions as well.

Mr. B. Muthuraman joined Tata Steel in 1966 as a Graduate Trainee. On completion of training, he worked in the areas of Iron-making and Engineering Development for ten years and then moved to the Marketing & Sales Division and spent nearly twenty years there, ultimately rising to the position of Vice President. A B.Tech. in Metallurgical Engineering from IIT Madras (1966), Mr. B. Muthuraman completed his MBA from XLRI Jamshedpur in 1975 and Advanced Management Programme from CEDEP/INSEAD, France. He is an avid reader and a keen golfer and cricket enthusiast. In 1995, he was selected to spearhead the prestigious Cold Rolling Mill Project, which was finally completed in record time. He was appointed Executive Director (Special Projects) in August 2000 and served as the main change agent for the major diversification projects of Tata Steel. He was appointed Managing Director of Tata Steel on July 22, 2001 and is currently the Company's Vice Chairman. Mr. Muthuraman was conferred the Honorary Fellowship of All India Management Association on 6th September 2007. He is also the recipient of a distinguished Alumnus Award from IIT Madras (1997). He bagged the Tata Gold Medal from the Indian Institute of Metals in 2002, CEO of the Year Award from IIMM in 2002, National HRD Network Pathfinders Award 2004 in the CEO Category, Business Standard Award, CEO of the year 2005 and CEO with HR Orientation Award in 2005, at the World HRD Congress at Mumbai. Further, he was conferred 'Management Man of the Year 2006-07 Award' by Bombay Management Association in 2007.

Mr. Nusli Neville Wadia is foremost amongst famous Indian industrialists and the Company Director and Chairman of various Indian companies. Taking over responsibilities from his father Neville Wadia, he made the Wadia Group and Bombay Dyeing the most respected and widely diversified business houses in the corporate world. Mr. Wadia joined Tata Steel on August 29, 1979 as a Director. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), was the Chairman of Millowners' Association (MOA), Associated Chambers of Commerce & Industry, etc. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry in 1998, 1999 & 2000-04. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable institutions. He is also on the Managing Committee of the Nehru Centre, Mumbai.

Mr. S. M. Palia, a B.Com., LL.B., CAIIB and CIIB (London) is a Development Banker by profession. He was with IDBI from 1964 to 1989 during which period he held various responsible positions including that of an Executive Director to the Bank. He joined the Company as a Director in 1994. 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, 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 received a Bachelor of Science degree from Madras Christian College in 1955 and an M.A. in literature from the University of Wisconsin in 1959. He did his post-graduate work in literature at the University of Munich, Germany. Mr. Krishna joined Tata Steel on March 2, 1994 as a Director. Mr. Krishna is the Chairman and Managing Director of Sundram Fasteners Ltd. He was the President of the Confederation of Engineering Industry for 1987-88 and the President of the Automotive Component Manufacturers Association of India for 1982-84. 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 (Formerly Videsh Sanchar Nigam Ltd.) 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 graduated in economics from St. Stephens College, New Delhi. He is a fellow of the Institute of Chartered Accountants in England and Wales (FCA). Mr. Hussain joined Tata Steel on July 15, 1999 as a Director. Mr. Hussain joined the board of the Indian Tube Company (a Tata Steel associate company) in 1979. His association with Tata Steel goes back to 1981, after Indian Tube was merged with the Company. Mr. Hussain was the Senior Vice President and Executive Director of Finance at Tata Steel for almost 10 years, before he finally moved to Tata Sons. Currently he holds the position of a Board Member at Tata Sons. He is an expert in Financial Management & overall Management and Operational Control having vast experience in the areas of finance, banking, accounts, audit, taxation and general management. Mr. Hussain is a member of the SEBI committees on insider trading and primary capital markets. He is also a member of the CII Finance Committee.

Dr. Jamshed J. Irani is a renowned personality in the Iron and Steel Industry. He led Tata Steel's pursuit of business excellence from 1988 through the decade into the nineties. He joined the Company in 1968 and was made Director in 1988. Dr. Irani was the Managing Director of the Company from 1992 to 2001. He is also a director of several Tata Group companies, including Tata

Sons, Tata Motors and Tata Teleservices. He began his career in 1963 as a Senior Scientific Officer at the BISRA, Sheffield where he rose to the position of Head, Physical Metallurgy Division. On return to India, he joined The Tata Iron and Steel Company Ltd. as Assistant to Director, Research & Development, whereafter he was appointed General Superintendent in 1978, General Manager in 1979, President in 1985 and Managing Director in 1992. After holding the CEO's office for almost a decade, he retired as Managing Director of Tata Steel in 2001. He was appointed Chairman of the Expert Committee set up by the Ministry of Company Affairs, India in December 2004 to advise the Indian Government 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 joined Board of the Company as a Director in 2006. Mr. Bhargava was the Group Chairman and Chief Executive Officer of the Board 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 State Governments, including as a member of the Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He is currently Chairman of Tata Communications Limited, Wartsila India Limited and Director on the Boards of a number of companies. 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. He was appointed a non-executive Director and Deputy Chairman of Corus Plc. in December 2004. Mr. Schraven, in 2005 was appointed a Member and Chairman of the Supervisory Board of Corus Nederland BV. Until June 2005 he was President of the Confederation of The Netherlands Industry and Employers (VNO-NCW). He joined Shell in 1968 and after an international career in 1997 was appointed Chairman of the Board of Shell Nederland BV. He is Chairman of the Supervisory Board of Stork B.V., Member of the Supervisory Board of NUON Energy B.V. and BNP OBAM NV. He is also Chairman or member of the Board of Trustees of Sanquin, the Netherlands Blood Institute, the Netherlands Normalisation Institute (NEN) and the Carnegie Foundation (Peace Palace in The Hague). He is also the Chairman of EuropeanIssuers, which represents the interests of Companies listed on the European stock exchanges. Mr. Schraven is Commander of the Order of Orange-Nassau (Netherlands) and 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. Andrew Robb has been a Non-Executive Independent Director of Tata Steel Limited 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 Director of Tata Steel Limited. He is currently the Chairman of the Board and the Audit Committee of Tata Steel Europe Limited.

Mr. Robb was Finance Director of the Peninsular & 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 three other UK public companies.

Mr. Kirby Adams A dual citizen of Australia and USA. Born in Atlanta, Georgia, Mr. Kirby C. Adams graduated in industrial and mechanical engineering from Auburn University. He has also an MBA from the University of Virginia Darden School. Mr. Kirby Adams has a wealth of experience in metals and mining and is known for leading safety and for his proven ability in creating shareholder value in complex businesses. Mr. Adams has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2009 with Group-wide responsibilities for Finance, Strategy, Communications, safety and Environment. Mr. Adams served as Chief Executive Officer of Corus Group since April 6, 2009. The Corus Executive Committee is chaired by Mr. Adams. As well as operational responsibility for Tata Steel Europe, Kirby Adams also serves on the Board of Tata Steel Europe, Eurofer and World Steel Association.

Mr. Hemant M. Nerurkar was Executive Director of India and South-East Asia of Tata Steel Limited since April 9, 2009 and was appointed as Managing Director of Tata Steel Limited from October 1, 2009. A B.Tech 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, INSDAG and AIMA, amongst others. Mr. Nerurkar joined Tata Steel 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' and 'NMD Award 1987'.

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, 2010, 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 2009-10	Whether attended AGM held on 27th August, 2009	No. of Directorships in other public companies as on 31.03.2010*		No. of Committee positions held in other public companies as on 31.03.2010**	
				Chairman	Member	Chairman	Member
Mr. R. N. Tata (Chairman)	Not Independent Non-Executive	8	Yes	9	1	–	–
Mr. B. Muthuraman (Vice Chairman)#	-do-	9	Yes	1	2	–	1
Mr. James Leng (Resigned w.e.f. 07.07.2009)	Independent Non-Executive	1	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Nusli N. Wadia	-do-	8	Yes	3	3	–	–
Mr. S. M. Palia	-do-	9	Yes	–	6	3	3
Mr. Suresh Krishna	-do-	5	Yes	4	4	2	2
Mr. Ishaat Hussain	Not Independent Non-Executive	9	Yes	2	12	3	4
Dr. J. J. Irani	-do-	9	Yes	3	6	–	2

Name	Category	No. of Board Meetings attended during 2009-10	Whether attended AGM held on 27th August, 2009	No. of Directorships in other public companies as on 31.03.2010*		No. of Committee positions held in other public companies as on 31.03.2010**	
				Chairman	Member	Chairman	Member
Mr. Subodh Bhargava	Independent Non-Executive	9	Yes	3	8	3	5
Mr. Jacobus Schraven	-do-	8	Yes	–	–	–	–
Dr. Anthony Hayward (Resigned w.e.f. 18.09.2009)	-do-	0	No	N.A.	N.A.	N.A.	N.A.
Mr. Andrew Robb	-do-	9	Yes	–	–	–	–
Mr. Philippe Varin (Resigned w.e.f. 27.05.2009)	Not Independent Non-Executive	1	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Kirby Adams (Appointed w.e.f. 09.04.2009)	-do-	9	Yes	–	–	–	–
Mr. H. M. Nerurkar (Appointed Executive Director w.e.f. 09.04.2009 to 30.09.2009 & Managing Director w.e.f. 01.10.2009)	Not Independent Executive	9	Yes	2	–	–	–

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

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

Retired as Managing Director on 30.09.2009 and appointed as Additional Director, designated as Vice Chairman w.e.f. 01.10.2009.

Nine Board Meetings were held during the year 2009-10 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, 2009, 25th June, 2009, 29th July, 2009, 27th August, 2009, 30th September, 2009, 27th October, 2009, 26th November, 2009, 28th January, 2010 and 16th February, 2010.

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 2009-10, 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 Rs. 36.28 lakhs and Rs. 318.93 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 27th August, 2009.

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 2009-10
Mr. Subodh Bhargava, Chairman	Independent, Non-Executive	8
Mr. S. M. Palia, Member	-do-	8
Mr. Ishaat Hussain Member, Chartered Accountant	Not Independent, Non-Executive	8
Mr. Andrew Robb, Member	Independent, Non-Executive	8

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.

Eight Audit Committee Meetings were held during 2009-10. The dates on which the said meetings were held were as follows :

7th April, 2009, 24th June, 2009, 29th July, 2009, 26th August, 2009, 27th October, 2009, 25th November, 2009, 28th January, 2010 and 16th February, 2010.

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 2009-10
Mr. Suresh Krishna, Chairman	Independent, Non-Executive	2
Mr. R. N. Tata, Member	Not Independent, Non-Executive	3
Mr. S. M. Palia, Member	Independent, Non-Executive	3

Three meetings of the Remuneration Committee were held during 2009-10. The dates on which the said meetings were held were as follows :

9th April, 2009, 25th June, 2009 and 30th September, 2009.

The Chairman of the Remuneration Committee, Mr. Suresh Krishna was present at the Annual General Meeting held on 27th August, 2009.

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 Rs. 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 Committee, the Company pays to the NEDs sitting fees of Rs. 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 2009-10

Non-Whole-time Directors

(Rs.lakhs)

Name of the Director	Sitting Fees
1. Mr. R. N. Tata	3.40
2. Mr. B. Muthuraman	1.80 @@
3. Mr. James Leng	0.20
4. Mr. Nusli N. Wadia	2.60
5. Mr. S. M. Palia	6.20 #
6. Mr. Suresh Krishna	1.50
7. Mr. Ishaat Hussain	5.50 #
8. Dr. J. J. Irani	3.20 @
9. Mr. Jacobus Schraven	2.20
10. Mr. Subodh Bhargava	3.40
11. Dr. Anthony Hayward	0.00
12. Mr. Andrew Robb	4.20
13. Mr. Kirby Adams	3.40
14. Mr. Philippe Varin	0.40
Total	38.00

Includes amount of Rs. 60,000/- paid in 2010-11.

@ Excluding retirement benefits of Rs. 36.28 lakhs paid to Dr. J. J. Irani.

@@ Excluding retirement benefits of Rs. 318.93 lakhs paid to Mr. B. Muthuraman.

Based on the recommendation of the Remuneration Committee, the Board decided that no commission be paid to the Non-Executive Directors of the Company for the financial year ended 31st March, 2010.

Managing and Whole-time Directors

Name	Salary Rs. lakhs	Perquisites & Allowances Rs. lakhs	Commission @ Rs. lakhs	Stock Options
Mr. B. Muthuraman Managing Director upto 30.09.2009	63.37	37.45	300	Nil
Mr. H. M. Nerurkar Executive Director w.e.f. 09.04.2009 to 30.09.2009 Managing Director w.e.f. 01.10.2009	71.03	30.24	200	Nil

@ Payable in 2010-11

Shareholding of the Directors in the Company as on 31st March, 2010.

Director	No. of Ordinary Shares held	Director	No. of Ordinary Shares held
Mr. R. N. Tata (Chairman)	24,821	Dr. J. J. Irani	7,406
Mr. B. Muthuraman (Vice Chairman)	5,490	Mr. Subodh Bhargava	1,012
Mr. Nusli N. Wadia	Nil	Mr. Jacobus Schraven	Nil
Mr. S. M. Palia	3,008	Mr. Andrew Robb	Nil
Mr. Suresh Krishna	Nil	Mr. Kirby Adams	Nil
Mr. Ishaat Hussain	2,216	Mr. H. M. Nerurkar (Managing Director)	637

Total Shareholding of the Directors as on 31st March, 2010 – 44,590 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 16th February, 2010.

The composition of the Investors' Grievance Committee is given below :

Names of Members	Category	No. of Meetings attended during 2009-10
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, 2009	:	6
During the period 1st April, 2009 to 31st March, 2010, complaints identified and reported under Clause 41 of the Listing Agreements	:	1492
Complaints disposed off during the year ended 31st March, 2010	:	1492
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2010	:	6
No. of pending share transfers of Ordinary Shares as on 31st March, 2010	:	160*

* Transfers lodged in the last two weeks of March 2010 and hence pending as on 31st March, 2010.

Sr. No.	Description	Total Received	Total Replied	Total Pending
A	Complaints			
	Letters received from Statutory Bodies			
1.	SEBI	109	104	5
2.	DOCA	—	—	—
3.	STOCK EXCHANGES	32	32	—
4.	NSDL/CDSL	66	66	—
	Total Nos.	207	202	5
B	Legal Matters			
1.	Court/Consumer Forum Matters	2	1	1
	Total Nos.	2	1	1
C	Dividends			
1.	Non receipt of Dividend/fractional warrants	815	815	—
2.	Fraudulent Encashment of redemption/dividend warrants	—	—	—
	Total Nos.	815	815	—
D	Letters in the nature of reminders/ complaints including rights issue related	468	468	—
	Total Correspondence Statistics	1492	1486	6

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 2009-10
Mr. R. N. Tata, Chairman	Not Independent, Non-Executive	6
Mr. B. Muthuraman, Member	-do-	10
Mr. James Leng, Member (Resigned w.e.f. 07.07.2009)	Independent, Non-Executive	0
Mr. Nusli N. Wadia, Member	-do-	5
Mr. S. M. Palia, Member	-do-	8
Mr. Ishaat Hussain, Member	Not Independent, Non-Executive	10
Dr. J. J. Irani, Member	-do-	7
Mr. Andrew Robb, Member*	Independent, Non-Executive	4
Mr. Philippe Varin, Member (Resigned w.e.f. 27.05.2009)	Not Independent, Non-Executive	1
Mr. Kirby Adams, Member*	-do-	5
Mr. H. M. Nerurkar, Member*	Not Independent, Executive	5

*Appointed w.e.f. 25th June, 2009.

Ten ECOB Meetings were held during the year 2009-10. The dates on which the said meetings were held were as follows :

8th April, 2009 , 24th June, 2009, 20th July, 2009, 21st July, 2009, 24th July, 2009, 28th July, 2009, 26th August, 2009, 26th October, 2009, 27th January, 2010 and 15th February, 2010.

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 constituted to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant limited Powers of Attorney to the Officers of the Company, to appoint proxies to attend general meetings on behalf of the Company etc. The Members of this Committee are – Mr. R. N. Tata, (Chairman), Mr. Ishaat Hussain and Dr. J. J. Irani. 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 16th February, 2010.

The composition of the Ethics and Compliance Committee is given below :

Names of Members	Category	No. of meetings attended during 2009-10
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 :

- 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 on 26th August, 2009, 26th October, 2009 and 15th February, 2010.

The composition of the Safety, Health and Environment Committee is given below :

Names of Members	Category	No. of Meetings attended during 2009-10
Mr. Jacobus Schraven, Chairman	Independent, Non-Executive	3
Mr. S. M. Palia, Member	-do-	3
Mr. B. Muthuraman	Not Independent, Non-Executive	2
Mr. Kirby Adams	-do-	3
Mr. H. M. Nerurkar	Not Independent, Executive	3

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
2008-09	Birla Matushri Sabhagar,	27th August, 2009 at 3.30 p.m.
2007-08	19, Sir Vithaldas Thackersey Marg,	28th August, 2008 at 3.30 p.m.
2006-07	Mumbai 400 020.	29th August, 2007 at 3.30 p.m.

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

- d) Special Resolutions passed in previous 3 Annual General Meetings :
1. At the last Annual General Meeting held on 27th August, 2009, Special Resolution for Further issuance of Securities was passed unanimously.
 2. At the Annual General Meeting held on 28th August, 2008, no Special Resolutions were passed.
 3. At the Annual General Meeting held on 29th August, 2007, Special Resolutions were passed for a) Increase in the authorised share capital, b) Alteration of the Memorandum of Association, c) Alteration of the Articles of Association, d) Further issuance of Securities and e) Change in place of keeping Registers and Records. The resolutions were passed unanimously.

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.

Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial 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

Half-yearly report –

The half-yearly results of the Company are published in the newspapers and posted on the website of the Company.

Results –

The quarterly and annual results along with the Segmental Report are generally published in The Indian 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 – 13.08.2010 at 3.30 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 13th August, 2010.

Financial Calendar –

Year ending	March 31
AGM	August
Dividend Payment	Generally in August

Date of Book Closure – Wednesday, 14th July, 2010 to Tuesday, 20th July, 2010
(both days inclusive)

Dividend Payment Date – The dividend warrants will be posted on or after 14.08.2010.

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 2001-02 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 2002-03 is in the process of being transferred to IEPF.

Listing on Stock Exchanges –

As per the terms of the Rights Issue in 2007, on account of conversion on 1st September, 2009, 9,12,11,001 Ordinary shares of face value Rs.10 per share allotted at a premium of Rs. 590 to the CCPS holders were listed on the 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 Securiteies (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 2009-10.

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

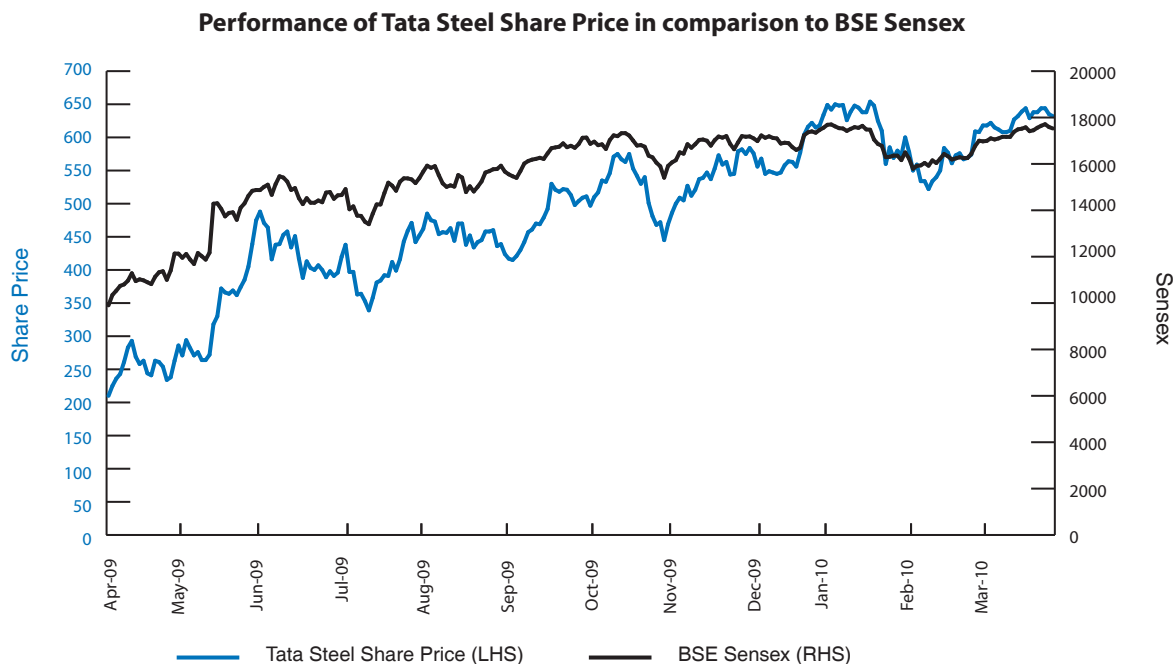
International Securities Identification Number (ISIN) for GDRs, CARs & FCCBs –

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 (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
Apr-09	293.35	209.85	9,21,22,329	293.00	209.80	25,73,84,374
May-09	406.30	263.00	9,68,61,952	405.35	263.20	28,33,85,281
Jun-09	487.90	387.90	10,07,13,682	488.10	388.30	27,77,34,348
Jul-09	468.95	338.90	10,43,93,994	471.20	339.00	31,41,17,886
Aug-09	483.60	424.30	7,43,56,008	485.20	424.25	23,59,07,448
Sep-09	531.60	416.45	6,22,97,228	530.10	415.10	19,44,16,780
Oct-09	575.25	468.10	4,26,45,146	575.15	467.65	15,35,11,460
Nov-09	575.40	445.60	5,40,02,017	579.20	445.30	18,90,05,314
Dec-09	622.05	544.65	5,01,37,460	622.05	544.50	17,27,12,434
Jan-10	653.65	558.70	3,95,27,991	653.70	559.65	15,02,78,318
Feb-10	600.40	522.55	3,99,07,155	600.40	522.45	13,88,41,438
Mar-10	643.65	607.40	2,30,37,483	644.25	607.55	9,00,43,806



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 : <http://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

1. TSR Darashaw Limited
503, Barton Centre, 5th Floor,
84, Mahatma Gandhi Road,
Bangalore 560 001.
Tel. : (080) 2532 0321
Fax : (080) 2558 0019
E-mail: tsrdlbg@tsrdarashaw.com
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
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
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

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	
	31-03-2010 %	31-03-2009 %
1 to 100	62.25	64.19
101 to 500	29.40	28.38
501 to 1000	4.37	4.03
1001 to 10000	3.72	3.20
10001 and above	0.26	0.20
Total	100.00	100.00

Categories of Shareholders – Ordinary Shares

Category	Number of Shareholders		Voting Strength %		Number of Ordinary Shares Held	
	31-03-2010	31-03-2009	31-03-2010	31-03-2009	31-03-2010	31-03-2009
Individuals	801,932	848,619	20.60	23.99	182,794,398	175,312,080
Unit Trust of India	1	1	0.00	0.01	39,711	47,986
Life Insurance Corporation of India	1	1	12.93	11.68	114,748,576	85,334,595
Govt. & Other Public Financial Institutions	15	19	3.99	4.44	35,396,209	32,412,124
Tata Group Companies	16	16	*31.32	* 33.95	277,833,893	248,065,857
Companies	6844	7,500	5.80	6.90	51,440,088	50,417,848
Nationalised Banks, Mutual Funds and Trusts	362	509	4.09	5.83	36,238,455	42,588,762
Foreign Institutional Investors	650	376	21.27	13.20	188,722,866	96,413,219
Total	809,821	857,041	100.00	100.00	887,214,196	730,592,471

* This includes 6,71,455 (As on 31st March, 2008: 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, 2010

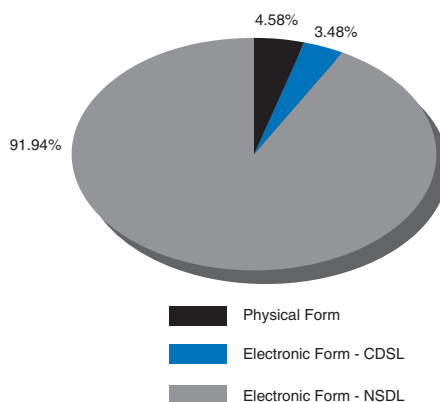
Sr. No.	Name of the Shareholder	No. of shares held	% of holding
1.	Tata Sons Limited	258,422,790	29.13
2.	Life Insurance Corporation of India	114,748,576	12.93
3.	Merrill Lynch Capital Markets Espana S.A. S.V.	15,674,018	1.77
4.	The New India Assurance Company Limited	10,308,218	1.16
5.	HSBC Global Investment Funds Mauritius Ltd. - GDR	8,976,465	1.01
6.	National Insurance Company Ltd.	8,961,767	1.01
7.	Bajaj Allianz Life Insurance Company Ltd.	7,263,477	0.82
8.	The Oriental Insurance Company Limited	6,844,947	0.77
9.	Fidelity Investment Trust - Fidelity Diversified International Fund	6,648,141	0.75
10.	Pilani Investment and Industries Corporation Ltd.	5,867,009	0.66

Dematerialisation of shares as on 31st March, 2010 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).

846,569,227 Ordinary Shares of the Company representing 95.42% of the Company's share capital is dematerialised as on 31st March, 2010.

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 account of Link Intime India Pvt. Ltd., (formerly Intime Spectrum Registry Ltd.) the Registrars to the Rights Issue - 2007 are given below :

Securities	As on 01-04-2009		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31-03-2010	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Ordinary Shares	183	9,053	120	7,231	129	3,165
CCPS	283	42,333	217	34,154	0*	0*

* As per terms of the allotment of CCPS in the subject rights issue, all CCPS stand converted into Ordinary Shares in the ratio of 6 CCPS to 1 Ordinary Share on 1st September, 2009. Accordingly, 63 records for 1,822 Ordinary Shares allotted in the first

instance and 66 records for 1,343 Ordinary Shares (Post conversion of CCPS to Ordinary) are clubbed together and that a total of 129 records for 3,165 Ordinary Shares were pending for credit as on 31.03.2010. In view of this, number of records & shares with respect to CCPS stands NIL as on 31.03.2010.

The voting rights in respect of the balance shares in the suspense account will be frozen, in the event of a poll at the general meetings of the Company.

**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. 65,410,589 GDRs, (each GDR representing 1 Ordinary share of the Company)
- iii. Pursuant to the Exchange Offer of CARS aggregating to USD 875 million, made in accordance with Offering Circular dated 11th November, 2009, the Company exchanged CARS aggregating USD 493 million, leaving the residual CARS at USD 382 million, convertible into 20,972,354 Ordinary Shares at Rs.733.1318 per share and issued 5,469.35 – 4.5% Replacement FCCBs of USD 1,00,000 each aggregating USD 546.935 million, convertible into 41,873,734 fully paid up Ordinary Shares of the Company at Rs. 605.5325 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 (Orissa)
		Charge Chrome Plant	..	Bamnipal (Orissa)
		Cold Rolling Complex	..	Tarapur (Maharashtra)
		Mines, Collieries & Quarries	..	States of Jharkhand, Orissa and Karnataka
		Wire Division	..	Borivli* Tarapur (Maharashtra) Bangalore (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
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%
1999-00	23.05.00	40%

Bank Details

Shareholders holding in the physical form are requested to notify/send the following to TSR Darashaw Limited to facilitate better servicing :-

- i) any change in their address/mandate/bank details, and
- ii) 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.

Depository Services

Shareholders may write to the respective Depository or to TSR Darashaw Limited for guidance on depository services. Address for correspondence with Depository 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,

16th Floor,

Dalal Street,

Mumbai 400 001.

Telephone : (022) 2272 3333

Facsimile : (022) 2272 3199/2272 2072

E-mail : investors@cdslindia.com

Website : www.cdslindia.com

Odd Lot Facility

Having regard to the difficulties experienced by shareholders in disposing of the shares held by them in physical form, TSR Darashaw Limited, Registrars of the Company has framed a Scheme for the purchase of such shares. Interested shareholders may contact TSR Darashaw Limited for further details.

- Shareholders holding shares in the dematerialised form should address their correspondence to their respective DPs, other than for dividend, which should be addressed to TSR Darashaw Limited.
- Shareholders are requested to provide their e-mail address, telephone/fax numbers and quote their account numbers/DP ID & Client ID numbers in all correspondence with TSR Darashaw Limited to facilitate prompt response.

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, 2010, 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, 26th May 2010

Highlights

Figures in Rupees crores

	Tata Steel Standalone		Tata Steel Group	
	2009-10	2008-09	2009-10	2008-09
Gross revenue	27,611.59	27,152.00	1,05,415.68	1,50,250.61
Profit/(Loss) before taxes	7,214.30	7,315.61	31.00	6,743.24
Profit/(Loss) after taxes	5,046.80	5,201.74	(2,120.84)	4,849.24
Profit/(Loss) after taxes, minority interest and share of profit of associates			(2,009.22)	4,950.90
Dividends (including Tax on Dividends)	878.45	1,492.50	909.44	1,494.97
Retained earnings	5,251.53	4,682.64	1,573.07	7,721.32
Capital employed	64,232.78	58,165.04	79,962.30	90,777.94
Net worth	37,168.75	29,599.53	23,020.84	27,137.14
Borrowings	25,239.20	26,946.18	53,100.35	59,900.50
	Ratio	<i>Ratio</i>	Ratio	<i>Ratio</i>
Net Debt : Equity	0.61	0.78	1.77	1.65
	Rupees	<i>Rupees</i>	Rupees	<i>Rupees</i>
Net worth per Share as at year end	448.60	360.18	278.07	330.49
Earnings per Share :				
<i>Basic</i>	60.26	69.45	(24.92)	66.07
<i>Diluted</i>	57.31	62.94	(24.92)	60.09
Dividend per Share	80%	160%	80%	160%
Employees (Numbers)	34,101	34,918	81,269	86,548
Shareholders (Numbers)	8,09,821	8,57,041		

Sources and Utilisation of Funds

(Rupees crores)

	2009-10	2008-09	2007-08	2006-07	2005-06	Total for 2005-06 to 2009-10
SOURCES OF FUNDS :						
1. FUND GENERATED FROM OPERATIONS						
(a) PROFIT AFTER TAXES	5,046.80	5,201.74	4,687.03	4,222.15	3,506.38	22,664.10
(b) DEPRECIATION	1,083.18	973.40	834.61	819.29	775.10	4,485.58
(c) OTHER INCOME AND ADJUSTMENTS	414.37	(636.20)	208.67	853.79	136.68	977.31
(d) TOTAL	6,544.35	5,538.94	5,730.31	5,895.23	4,418.16	28,126.99
2. SHARE CAPITAL (INCLUDING SHARE PREMIUM)	2,603.84	(278.85)	9,666.03	174.06	—	12,165.08
3. NET INCREASE / (DECREASE) IN BORROWINGS	(1,706.98)	8,924.49	8,376.36	7,129.18	(223.55)	22,499.50
	7,441.21	14,184.58	23,772.70	13,198.47	4,194.61	62,791.57
UTILISATION OF FUNDS :						
4. CAPITAL EXPENDITURE	2,726.07	2,846.79	2,448.35	2,007.68	1,527.58	11,556.47
5. INVESTMENTS (NET)	2,607.89	38,268.59	(2,002.99)	2,036.22	1,637.31	42,547.02
6. DIVIDENDS#	878.45	1,492.50	1,393.55	1,104.33	820.43	5,689.26
7. NET INCREASE / (DECREASE) IN WORKING CAPITAL *	1,936.04	(28,882.62)	21,945.43	7,819.35	45.29	2,863.49
8. MISC. EXPENDITURE**	(707.24)	459.32	(11.64)	230.89	164.00	135.33
	7,441.21	14,184.58	23,772.70	13,198.47	4,194.61	62,791.57

Including tax on dividend **Rs. 122.80** crores (2008-09 : Rs. 214.10 crores, 2007-08 : Rs. 202.43 crores, 2006-07 : Rs. 160.42 crores, 2005-06 : Rs. 100.92 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	1,564	—	1,421	6,439

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

(Rupees 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	1105.02	938.33	69.95*	96.74	12.00	84.74	69.62	15.12
1985-86	82.74	334.19	447.43	1115.76	577.41	144.54	1285.51	1078.55	49.28	157.68	50.00	107.68	90.88	20.60
1986-87	82.63	401.05	517.83	1299.84	708.09	130.12	1416.39	1259.27	57.60	99.52	12.00	87.52	66.86	20.66
1987-88	136.01	476.33	576.65	1525.46	861.88	163.52	1526.78	1340.65	73.98	112.15	20.00	92.15	62.81	29.34
1988-89	156.09	645.53	611.64	1753.13	998.71	234.44	1861.77	1587.74	93.69	180.34	26.00	154.34	108.17	46.17
1989-90	229.43	1103.11	954.11	2062.76	1200.09	795.32	2135.57	1840.95	118.79	175.83	27.30	148.53	97.94	50.59
1990-91	229.89	1194.22	1183.75	2703.29	1713.79	571.86	2330.83	1955.67	137.03	238.13	78.00	160.13	88.79	71.34
1991-92	230.12	1315.36	2051.30	4026.16	2878.19	248.77	2869.70	2426.65	164.89	278.16	64.00	214.16	133.61	80.55
1992-93	278.45	1707.94	3039.55	5463.13	4107.64	170.06	3423.33	3094.84	215.37	127.12	—	127.12	62.30	64.82
1993-94	335.21	2189.53	3428.59	6439.94	4924.39	261.62	3822.64	3464.10	177.70	180.84	—	180.84	84.29	96.55
1994-95	336.87	2351.17	3561.24	6962.89	5213.48	220.65	4649.06	4120.01	247.93	281.12	—	281.12	162.88	118.24
1995-96	367.23	3375.17	3842.14	7408.46	5393.56	410.94	5879.96	5016.56	297.61	565.79	—	565.79	408.82	156.97
1996-97	367.38	3606.64	4082.65	7850.82	5526.40	664.90	6409.43	5540.39	326.83	542.21	73.00	469.21	286.98	182.23‡
1997-98	367.56	3697.32	4579.14	8948.52	6300.04	623.45	6516.58	5810.02	343.23	363.33	41.25	322.08	160.10	161.98‡
1998-99	367.97	3796.45	4938.93	10032.17	7058.58	585.44	6335.60	5638.19	382.18	315.23	33.00	282.23	118.94	163.29‡
1999-2000	517.97	4040.43	4907.23	10668.33	7426.38	803.10	6943.33	6040.20	426.54	476.59	54.00	422.59	250.69	171.90‡
2000-01	507.97	4380.46	4672.22	11258.17	7538.09	846.92	7810.05	6715.36	492.25	602.44	49.00	553.44	335.83	217.61‡
2001-02	367.97	3077.99	4705.48	11742.44	7543.70	912.74	7682.70	6906.95	524.75	251.00	46.10	204.90	55.51	149.39‡
2002-03	369.18	2816.84	4225.61	12393.79	7543.80	1194.55	9843.66	8025.68	555.48	1262.50	250.19	1012.31	679.30	333.01‡
2003-04	369.18	4146.68	3382.21	13269.47	7857.85	2194.12	12069.62	8778.55	625.11	2665.96	919.74	1746.22	1329.97	416.25‡
2004-05	553.67	6506.25	2739.70	14957.73	9112.24	2432.65	16053.48	10137.42	618.78	5297.28	1823.12	3474.16	2652.79	821.37‡
2005-06	553.67	9201.63	2516.15	16470.71	9865.05	4069.96	17398.98	11383.92	775.10	5239.96	1733.58	3506.38	2685.95	820.43‡
2006-07	727.73	13368.42	9645.33	18426.52	11040.56	6106.18	20196.24	13115.30	819.29	6261.65	2039.50	4222.15	3117.82	1104.33
2007-08	6203.30	21097.43	18021.69	20746.57	12623.56	4103.19	22526.80	14625.83	834.61	7066.36	2379.33	4687.03	3293.48	1393.55
2008-09	6203.45	23972.81	26946.18	23444.22	14482.22	42371.78	27152.00	18862.99	973.40	7315.61	2113.87	5201.74	3709.24	1492.50‡
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‡

* 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 Rs. 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 Rs. 15.05 crores additional depreciation for 1983-84.

Including tax on dividends.

Dividend Statistics

Year	First Preference (Rs. 150) ^a		Second Preference (Rs. 100) ^a		Ordinary (Rs. 75 upto 1975-76 Rs. 100 from 1976-77 ^b and Rs. 10 from 1989-90) ^h		Deferred (Rs. 30) ^c		Total
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rs. lakhs
	Rs. a.p.	Rs. lakhs	Rs. a.p.	Rs. lakhs	Rs. a.p.	Rs. lakhs	Rs. a.p.	Rs. lakhs	
1960-61	9.00	4.50	7.50	79.89	10.36	380.65	—	—	465.04
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 ^a	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 ^{af}	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 ^a	2934.29	—	—	2934.29
1988-89	—	—	—	—	30.00 ^a	4616.74	—	—	4616.74
1989-90	—	—	—	—	3.00 ^{hi}	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 ^k	9655.44	—	—	9655.44
1994-95	—	—	—	—	3.50 ⁱ	11823.94	—	—	11823.94
1995-96	—	—	—	—	4.50 ^m	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

- 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 Rs. 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 Rs. 2 per share.
g On the Capital as increased by Rights Issue of Ordinary Shares during 1987-88.
h The Ordinary Shares of Rs. 100 each have been sub-divided into Ordinary Shares of Rs. 10 each during 1989-90 and the rate of Dividend is per Ordinary Share of Rs. 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 Rs. 1656.57 lakhs on dividend.
o Includes 10% tax of Rs. 1472.55 lakhs on dividend.
p Includes 11% tax of Rs. 1618.19 lakhs on dividend.
q Includes 11% tax of Rs. 1703.50 lakhs on dividend.
r Includes Dividend of Rs. 775.50 lakhs on 9.25% Cumulative Redeemable Preference Shares.
s Includes tax of Rs. 2151.38 lakhs on dividends.
t Includes Dividend of Rs. 22.30 lakhs on 9.25% Cumulative Redeemable Preference Shares for the period 1st April, 2000 to 27th June, 2000.
u Includes Dividend of Rs. 1198.40 lakhs on 8.42% Cumulative Redeemable Preference Shares for the period 1st June, 2000 to 31st March, 2001.
v Includes Dividend of Rs. 207.20 lakhs on 8.42% Cumulative Redeemable Preference Shares and tax of Rs. 21.13 lakhs on Preference Dividends.
w Includes tax of Rs. 3781.33 lakhs on Dividend.
x Includes tax of Rs. 4727.58 lakhs on Dividend.
y Includes tax of Rs. 10185.74 lakhs on Dividend.
z Includes tax of Rs. 10092.00 lakhs on Dividend.
Dividend paid for 74 days on Cumulative Convertible Preference Share. Includes tax Rs. 377.12 lakhs on Dividend.
@ Includes tax of Rs. 19866.05 lakhs on Dividends on Ordinary Shares.
◇ Includes tax of Rs. 1860.16 lakhs on Dividend on Cumulative Convertible Preference Share.
† Includes tax of Rs. 19549.31 lakhs on Dividends on Ordinary Shares.
☆ Includes tax of Rs. 779.74 lakhs on Dividend on Cumulative Convertible Preference Share.
* Includes tax of Rs. 11500.02 lakhs on Dividends on Ordinary Shares.

Financial Ratios

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
1 EBITDA/Turnover	39.19%	38.83%	41.93%	41.34%	40.35%	41.89%	31.82%	24.34%	16.87%	20.05%
2 PBT/Turnover	28.83%	30.09%	33.70%	35.68%	34.44%	36.34%	24.83%	14.48%	3.51%	8.85%
3 Return on Average Capital Employed	14.25%	16.12%	20.53%	32.37%	40.81%	49.43%	28.02%	16.29%	6.35%	11.22%
4 Return on Avg. Net Worth	15.12%	18.33%	22.84%	36.09%	42.90%	62.01%	46.28%	35.88%	6.38%	14.38%
5 Asset Turnover	94.85%	99.17%	105.36%	76.54%	108.13%	110.13%	100.41%	77.97%	63.07%	72.12%
6 Inventory Turnover (in days)	46.00	43.00	42.00	43.00	45.00	37.00	39.00	43.00	50.00	47.00
7 Debtors Turnover (in days)	8.00	9.00	11.00	12.00	13.00	16.00	27.00	43.00	64.00	58.00
8 Gross Block to Net Block	1.63	1.63	1.65	1.68	1.68	1.65	1.69	1.64	1.56	1.49
9 Net Debt to Equity	0.61	0.78	0.81	(0.15)	0.02	0.18	0.42	1.15	1.34	1.09
10 Current Ratio	1.15	1.12	0.90	2.18	1.10	1.10	1.03	1.35	1.53	1.54
11 Interest Cover ratio	5.78	7.35	9.44	37.01	43.08	29.21	22.76	5.14	1.64	2.82
12 Networth per share (post CCPS conversion)	448.60	360.18	376.28	214.80	171.68	123.68	78.77	86.35	66.81	107.90
13 Earnings per share (Basic)	60.26	69.45	66.80	65.28	63.35	62.77	31.55	27.44	5.51	14.64
14 Dividend Payout	17.00%	29.00%	30.00%	26.00%	23.00%	24.00%	24.00%	33.00%	73.00%	39.00%
15 P/E Ratio	10.50	2.97	10.38	6.89	8.47	6.39	12.16	4.87	17.72	8.36

- 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).
- PBT/Turnover : Profit Before Tax/Turnover.
(Profit before 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 Translation Diff Account)).
(EBIT : Profit before Taxes +(-) Exceptional Items + Net Finance Charges).
- Return on Average Net Worth : Profit after Taxes/Average Net Worth.
(Net Worth : Equity Share Capital + Preference Share Capital + Reserves & Surplus – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff Account).
- Asset Turnover : Net Sales/(Total Assets - Investments – Misc Expenses to the extent not written off or adjusted – Foreign Currency Monetary Translation Diff 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/Average 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/Profit after Taxes.
- 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, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto, in which are incorporated the Returns from the Singapore Branch audited by another auditor. 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 and proper Returns adequate for the purposes of our audit have been received from the Singapore Branch audited by another auditor;
 - (iii) the reports on the accounts of the Singapore Branch audited by another auditor has been forwarded to us and has been dealt with by us in preparing this report;
 - (iv) 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 and the audited Branch Returns;
 - (v) 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;
 - (vi) 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, 2010;
 - (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, 2010 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 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)

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/results 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 programme of verification which, in our opinion, provides for physical verification of 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) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, clauses (iii) (a) to (iii) (g) of paragraph 4 of CARO are 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, 2010 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, 2010 on account of disputes are given below:

Name of the Statute (Nature of the dues)	Financial year to which the matter pertains	Forum where matter is pending	Amount Rs. crores
Customs Act	1990-91, 1993-94	Supreme Court	9.67
	2002-03	High Court	0.03
	1993-94	Commissioner	3.92
Central Excise duty	2005-06	Supreme Court	235.48
	1988-89, 2000-01, 2005-07, 2007-09	High Court	21.31
	1990-91, 1993-94 to 1996-97, 1998-2010	Tribunal	256.36
	1987-88, 1989-90, 1991-2010	Commissioner	25.03
	1985-87, 1998-99	Deputy Commissioner	0.18
	1982-84 to 2005-06	Assistant Commissioner	0.85
Sales tax	2006-2009	Supreme Court	23.50
	1973-74, 1991-93, 1994-96, 1998-99, 2000-04, 2009-10	High Court	17.45
	1977-79, 1980-81, 1982-83, 1984-85, 1989-90, 1991-2002, 2003-04, 2005-06	Tribunal	8.87
	1985-87, 1988-89, 1998-2008	Commissioner	183.45
	1975-76, 1977-79, 1983-87, 1988-89 to 2008-09	Deputy Commissioner	344.75
	1973-74, 1980-81, 1983-84 to 1997-98, 2000-01 to 2009-10	Assistant Commissioner	51.01
Cess on royalty, education, welfare etc.	1956-94, 1999-2002, 2003-06	High Court	24.23
	1989-91, 1992-94, 1994-2003	Commissioner	1.10
Income tax	2006-07	Commissioner of Income Tax (Appeals)	1.42

- (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 any 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, the Company had issued unsecured debenture during the period covered by our audit report, which did not require creation of any charge or security.
- (xvii) The Management has disclosed the end use of money raised by public issues and we have verified the same.
- (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, 26th May, 2010

Balance Sheet as at 31st March, 2010

Schedule	Page		Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores
		FUNDS EMPLOYED :			
A	135	1. SHARE CAPITAL		887.41	6,203.45
B	136	2. RESERVES AND SURPLUS		36,074.39	23,972.81
		3. TOTAL SHAREHOLDERS' FUNDS		36,961.80	30,176.26
		4. LOANS			
C	137	a. Secured	2,259.32		3,913.05
D	138	b. Unsecured	22,979.88		23,033.13
		c. Total Loans		25,239.20	26,946.18
		5. DEFERRED TAX LIABILITY (NET) (See Note 15, Page 169)		867.67	585.73
		6. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (See Note 8(c), Page 153)		206.95	—
		7. PROVISION FOR EMPLOYEE SEPARATION COMPENSATION (See Note 8(a), Page 153)		957.16	1,033.60
		8. TOTAL FUNDS EMPLOYED		64,232.78	58,741.77
		APPLICATION OF FUNDS :			
E	139	9. FIXED ASSETS			
		a. Gross Block	26,149.66		23,544.69
		b. Less — Impairment	106.07		100.47
		c. Less — Depreciation	10,037.56		8,962.00
		d. Net Block		16,006.03	14,482.22
F	141	10. INVESTMENTS		44,979.67	42,371.78
		11. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (See Note 8(c), Page 153)		—	471.66
		12. A. CURRENT ASSETS			
		a. Stores and spare parts	623.76		612.19
G	146	b. Stock-in-trade	2,453.99		2,868.28
H	146	c. Sundry debtors	434.83		635.98
		d. Interest accrued on investments	0.29		—
I	147	e. Cash and Bank balances	3,234.14		1,590.60
			6,747.01		5,707.05
J	147	B. LOANS AND ADVANCES	5,499.68		4,561.04
			12,246.69		10,268.09
		13. Less : CURRENT LIABILITIES AND PROVISIONS			
K	148	A. Current Liabilities	6,653.09		6,039.86
L	149	B. Provisions	2,346.52		2,917.19
			8,999.61		8,957.05
		14. NET CURRENT ASSETS		3,247.08	1,311.04
		15. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted) Employee Separation Compensation (See Note 8(a), Page 153)		—	105.07
		16. TOTAL ASSETS (Net)		64,232.78	58,741.77
		Contingent Liabilities (See Note 2, Page 151)			
M	150	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.

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

KIRBY ADAMS

H M NERURKAR

Directors

Managing Director

A ANJENEYAN
Company Secretary

Mumbai, 26th May, 2010

Profit and Loss Account for the year ended 31st March, 2010

Schedule	Page		Rupees crores	Rupees crores	Previous Year Rupees crores
		INCOME :			
1	132	1. SALES AND OTHER OPERATING INCOME		26,757.80	26,843.73
		Less — Excise Duty		1,735.82	2,527.96
				25,021.98	24,315.77
2	132	2. OTHER INCOME		853.79	308.27
				25,875.77	24,624.04
		EXPENDITURE :			
4	133	3. MANUFACTURING AND OTHER EXPENSES.....	16,396.00		15,525.99
		4. DEPRECIATION	1,083.18		973.40
			17,479.18		16,499.39
		5. Less — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS	326.11		343.65
			17,153.07		16,155.74
3	132	6. NET FINANCE CHARGES	1,508.40		1,152.69
		7. TOTAL EXPENDITURE		18,661.47	17,308.43
		PROFIT BEFORE TAXES		7,214.30	7,315.61
		8. TAXES			
		a. CURRENT TAX	1,998.00		2,173.00
		b. DEFERRED TAX (See Note 15, Page 169)	169.50		(75.13)
		c. FRINGE BENEFIT TAX	—		16.00
				2,167.50	2,113.87
		PROFIT AFTER TAXES		5,046.80	5,201.74
		9. BALANCE BROUGHT FORWARD FROM LAST YEAR		9,496.70	6,387.46
		BALANCE BROUGHT FORWARD — Hooghly Met Coke and Power Company Ltd. on amalgamation (See Note 9(a), Page 153).....		12.28	—
		AMOUNT AVAILABLE FOR APPROPRIATIONS		14,555.78	11,589.20
		10. APPROPRIATIONS :			
		a. PROPOSED DIVIDENDS	709.77		1,168.95
		(Details as per Directors' Report, Page 58)			
		b. DIVIDEND ON CUMULATIVE CONVERTIBLE PREFERENCE SHARES.....	45.88		109.45
		c. TAX ON DIVIDENDS	122.80		214.10
			878.45		1,492.50
		d. GENERAL RESERVE.....	504.68		600.00
		e. DEBENTURE REDEMPTION RESERVE.....	400.00		—
				1,783.13	2,092.50
		BALANCE CARRIED TO BALANCE SHEET		12,772.65	9,496.70
		Basic Earnings per Share Rs.		60.26	69.45
		Diluted Earnings per Share Rs. (See Note 14, Page 168)		57.31	62.94
M	150	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, 26th May, 2010

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
KIRBY ADAMS

Directors

H M NERURKAR Managing Director

Cash Flow Statement for the year ended 31st March, 2010

	Year Ended 31-03-2010 Rupees crores	Year Ended 31-03-2009 Rupees crores
A. Cash Flow from Operating Activities :		
Net Profit before tax	7,214.30	7,315.61
Adjustments for :		
Depreciation	1,083.18	973.40
(Profit)/Loss on sale of Assets/Discarded Assets written off	(7.75)	6.43
(Profit)/Loss on sale of other investments	(628.39)	(186.46)
Impairment of Assets	5.60	—
(Gain)/Loss on cancellation of forward covers/options	31.03	(26.62)
Provision for diminution in value of investments	—	0.10
Interest and income from current investments	(339.79)	(336.81)
Income from other investments	(248.68)	(101.62)
Interest charged to Profit and Loss Account	1,848.19	1,489.50
Amortisation of employee separation compensation	217.53	222.34
Provision for Wealth Tax	1.00	1.00
Exchange (Gain)/Loss on revaluation of foreign currency loans	11.13	67.91
Amortisation of long term loan expenses	79.52	32.71
	<u>2,052.57</u>	<u>2,141.88</u>
Operating Profit before Working Capital Changes	9,266.87	9,457.49
Adjustments for :		
Trade and Other Receivables	438.22	(6.56)
Inventories	413.42	(875.49)
Trade Payables and Other Liabilities	330.20	1,772.02
	<u>1,181.84</u>	<u>889.97</u>
Cash Generated from Operations	10,448.71	10,347.76
Direct Taxes paid	(2,079.49)	(2,797.56)
Net Cash from Operating Activities	<u>8,369.22</u>	<u>7,549.90</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(2,102.04)	(2,786.29)
Sale of fixed assets	78.34	15.18
Purchase of investments	(1,89,929.81)	(59,797.33)
Purchase of investments in Subsidiaries	(5,811.84)	(4,438.90)
Sale of investments	1,92,326.96	57,181.61
Inter-corporate deposits/Shareholder Loan (net)	(121.68)	(41.91)
Interest and income from current investments received	56.55	185.25
Dividend received	248.68	101.62
Net Cash used in Investing Activities	<u>(5,254.84)</u>	<u>(9,580.77)</u>

Cash Flow Statement for the year ended 31st March, 2010

C. Cash Flow from Financing Activities :

	Year Ended 31-03-2010 Rupees crores	Year Ended 31-03-2009 Rupees crores
Issue of Equity Capital	2,421.50	0.25
Issue of Cumulative Convertible Preference Shares	—	0.14
Capital contribution received	1.76	—
Proceeds from borrowings	6,457.36	6,494.43
Repayment of borrowings	(7,047.78)	(894.38)
Amount received/(paid) on cancellation of forward covers/options	(30.82)	(10.17)
Long term loan expenses	(278.79)	(32.51)
Interest paid	(1,678.44)	(1,213.96)
Dividend paid	(1,317.92)	(1,187.37)
Net Cash from Financing Activities	(1,473.13)	3,156.43
Net increase/(decrease) in Cash or Cash equivalents (A+B+C)	1,641.25	1,125.56
Opening Cash and Cash equivalents [See Schedule I, Page 147]	(v) 1,592.89	465.04
Closing Cash and Cash equivalents [See Schedule I, Page 147]	(iv) 3,234.14	(iv) 1,590.60

- Notes :** (i) Figures in brackets represent outflows.
- (ii) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised **Rs. 127.71** crores (31.03.2009 : Rs. 29.11 crores).
- (iii) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments **Rs. 1,423.93** crores (31.03.2009 : Rs. 247.61 crores). The application money during the current period includes Rs. 1,193.35 crores by way of transfer of assets under construction to a subsidiary.
- (iv) Includes **Rs. 0.14** crores (31.03.2009 : Rs. 0.24 crores) refund orders issued on account of over subscription of Rights Issue of Equity Shares not encashed as on 31st March, 2010 and **Rs. 39.44** crores (31.03.2009 : Rs. 33.08 crores) in pre-funded dividend accounts.
- (v) Includes **Rs. 2.29** crores of Hooghly Met Coke and Power Company Ltd. on amalgamation with Tata Steel Ltd.
- (vi) 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, 26th May, 2010

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	
KIRBY ADAMS	
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 129)

(a)	Sale of products	
(b)	Sale of power and water	
(c)	Income from town, medical and other services.....	
(d)	Other operating income.....	
	[Including lease rentals of Rs. 0.20 crore (2008-09 : <i>Rs. 0.20 crore</i>) on Wagons leased to Railways under Own Your Wagon Scheme]	

Rupees crores	Rupees crores	Previous Year Rupees crores
	25,755.52	25,945.45
	656.80	566.31
	40.32	40.65
	305.16	291.32
	26,757.80	26,843.73

SCHEDULE 2 : OTHER INCOME :—

(Item No. 2, Page 129)

(a)	Income from Investments	
(i)	Trade investments	
(ii)	Investments in subsidiary companies	
(b)	Profit on sale/redemption of other investments	
(c)	Profit on sale of capital assets (net of loss on assets sold/scrapped/written off)	
(d)	Gain/(loss) from cancellation of forward covers/swaps/options	

Rupees crores	Rupees crores	Previous Year Rupees crores
57.58		64.39
191.10		37.23
	248.68	101.62
	628.39	186.46
	7.75	(6.43)
	(31.03)	26.62
	853.79	308.27

SCHEDULE 3 : NET FINANCE CHARGES:—

(Item No. 6, Page 129)

1.	Interest on	
(i)	Debentures and Fixed Loans	
(ii)	Others	
	Less - Interest capitalised	
2.	Less - (i) Interest received on sundry advances, deposits, customers' balances etc. [Gross, inclusive of tax deducted at source Rs. 9.80 crores (2008-09 : <i>Rs. 16.27 crores</i>)]	
	(ii) Income from current investments	
	(iii) Profit/(loss) on sale of current investments	

Rupees crores	Rupees crores	Previous Year Rupees crores
1,946.98		1,440.06
28.92		78.55
	1,975.90	1,518.61
	127.71	29.11
	1,848.19	1,489.50
	82.18	103.07
	0.53	100.47
	257.08	133.27
	1,508.40	1,152.69

Schedules forming part of the profit and loss account

SCHEDULE 4 : MANUFACTURING AND OTHER EXPENSES :— (Item No. 3, Page 129)

	Rupees crores	Rupees crores	Previous Year Rupees crores
1. PURCHASE OF FINISHED, SEMI-FINISHED STEEL AND OTHER PRODUCTS		169.08	358.87
2. RAW MATERIALS CONSUMED		5,494.74	5,709.91
3. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES :			
(a) Wages and salaries, including bonus.....	2,074.25		2,015.06
(b) Company's contributions to provident and other funds.....	287.23		290.75
		2,361.48	2,305.81
4. OPERATION AND OTHER EXPENSES :			
(a) Stores and spares consumed	1,335.36		1,248.70
(b) Fuel oil consumed.....	115.16		131.11
(c) Repairs to buildings	29.84		47.37
(d) Repairs to machinery	978.93		809.62
(e) Relining expenses	32.45		48.69
(f) Conversion charges	1,132.79		1,041.50
(g) Purchase of power	1,268.28		1,091.37
(h) Rent	15.54		11.95
(i) Royalty	275.72		227.67
(j) Rates and taxes	236.91		202.02
(k) Insurance charges	24.63		25.54
(l) Commission, discounts and rebates	82.17		61.49
(m) Provision for wealth tax	1.00		1.00
(n) Other expenses	1,284.55		1,265.55
		6,813.33	6,213.58
5. FREIGHT AND HANDLING CHARGES		1,357.27	1,251.23
6. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES		(16.00)	8.61
7. EXCISE DUTY		81.13	(32.75)
		16,261.03	15,815.26
8. ACCRETION/(REDUCTION) IN STOCKS OF FINISHED AND SEMI-FINISHED PRODUCTS AND WORK-IN-PROGRESS (DEDUCTED)/ADDED:			
(a) Opening Stock.....	1,435.02		1,145.75
(b) Less – Closing Stock.....	1,300.05		1,435.02
		134.97	(289.27)
		16,396.00	15,525.99

Notes to Schedule 4 (Page 133)

		Rupees crores	<i>Previous Year Rupees crores</i>
Item 2	Raw materials consumed excludes amounts charged to wages & salaries and other revenue accounts	1,108.73	821.04
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	135.30	95.88
Item 4 (c)	Repairs to buildings exclude amounts charged to wages & salaries and other revenue accounts	6.02	4.50
Item 4 (d)	Repairs to machinery exclude amounts charged to wages & salaries and other revenue accounts.....	288.80	244.46
Item 4 (l)	Commission, discounts and rebates include —		
	(1) Commission paid to selling agents.....	15.27	13.97
	(2) Consignment agency handling charges	61.43	45.35
	(3) Discounts	5.47	2.17
Item 4 (n)	Other expenses include —		
	(1) Provision for diminution in value of investments	—	0.10
	(2) Exchange (Gain)/Loss.....	(47.30)	42.11
	(3) Fees and out-of-pocket expenses paid/payable to Auditors :	Rupees	<i>Rupees</i>
	(i) For services as Auditors	2,41,00,000	2,41,00,000
	(ii) For other services (excluding Rs. 85,50,000 being expenses related to the convertible bonds and GDR issue adjusted against the Securities Premium Account)	92,19,400	85,68,011
	(iii) Reimbursement of travelling and out-of-pocket expenses.....	1,10,371	22,23,663
	(iv) For Branch Audit.....	2,98,980	2,94,096
	(4) Cost Audit Fees [including expenses Rs. 55,897 (2008-09 : Rs. 64,954)].....	1,35,797	1,21,244
Managerial Remuneration			
Managerial Remuneration for Managing Director, other Whole-time Directors and Non Whole-time Directors			
		Rupees crores	<i>Rupees crores</i>
(a)	Salaries (including Company's contribution to Provident and Superannuation fund).....	1.59	1.06
(b)	Commission	5.00	8.50
(c)	Perquisites	0.43	0.51
(d)	Sitting Fees	0.38	0.33
		7.40	10.40
Note :			
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 Rs. 4.61 crore (2008-09 : Rs. 1.24 crores) relating to the former Managing Director and Whole-time Directors and Rs. 1.15 crores (2008-09 : Nil) 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.			
		Rupees crores	<i>Rupees crores</i>
Profit before taxes		7,214.30	7,315.61
Add —			
(a)	Managerial remuneration	7.40	10.40
(b)	Provision for bad & doubtful debts and advances	(16.00)	8.61
(c)	Provision for diminution in value of investments	—	0.10
(d)	Provision for wealth tax	1.00	1.00
		7,206.70	7,335.72
Deduct —			
(a)	Bad debts written off (net of recoveries)	14.34	27.07
(b)	Profit on sale/redemption of Investments	885.47	319.73
(c)	Capital profit on sale of fixed assets	—	—
		899.81	346.80
Net profit as per Section 309(5)		6,306.89	6,988.92
Commission :			
		Rupees	<i>Rupees</i>
(a)	Whole-time Directors	5,00,00,000	3,50,00,000
(b)	Non Whole-time Directors — 1% of the net profits : Rs. 63.07 crores (2008-09 : Rs. 69.89 crores) restricted to	—	5,00,00,000
		5,00,00,000	8,50,00,000

Schedules forming part of the balance sheet

SCHEDULE A : SHARE CAPITAL :—

(Item No. 1, Page 128)

		Rupees crores	As at 31-03-2009 Rupees crores
Authorised :			
1,75,00,00,000	Ordinary Shares of Rs. 10 each (31.03.2009: 1,75,00,00,000 Ordinary Shares of Rs. 10 each)	1,750.00	1,750.00
2,50,00,000	Cumulative Redeemable Preference Shares of Rs. 100 each (31.03.2009 : 2,50,00,000 Shares of Rs. 100 each)	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of Rs. 100 each (31.03.2009: 60,00,00,000 Shares of Rs. 100 each)	6,000.00	6,000.00
		8,000.00	8,000.00
Issued :			
88,81,26,020	Ordinary Shares of Rs. 10 each (31.03.2009 : 73,13,69,503 Ordinary Shares of Rs. 10 each)	888.13	731.37
—	2% Cumulative Convertible Preference Shares of Rs. 100 each (31.03.2009: 54,80,75,571 Shares of Rs. 100 each)	—	5,480.76
Subscribed:			
88,72,14,196	Ordinary Shares of Rs. 10 each fully paid up (31.03.2009 : 73,05,92,471 Ordinary Shares of Rs. 10 each)	887.21	730.59
	Add — Amount paid up on 3,89,516 Ordinary Shares forfeited (31.03.2009 : 3,89,516 Shares of Rs. 10 each)	0.20	0.20
		887.41	730.79
—	2% Cumulative Convertible Preference Shares of Rs. 100 each (31.03.2009 : 54,72,66,011 Shares of Rs. 100 each)	—	5,472.66
		887.41	6,203.45

1. Of the 88,72,14,196 Ordinary Shares :

- 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 Rs. 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 Rs. 75 to Rs. 100 each with effect from 1.01.1977.
- 1,98,12,460 shares represent after sub-division 19,81,246 shares of the face value of Rs. 75 per share which were issued as fully paid bonus shares by utilisation of Rs. 3,81,44,470 from Share Premium Account and Rs. 11,04,48,980 from General Reserve. The nominal value of these 19,81,246 shares was increased from Rs. 75 to Rs. 100 each with effect from 1.01.1977.
- 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 Rs. 75 to Rs. 100 per share by utilisation of Rs. 49,760 from Share Premium Account and Rs. 12,85,50,915 from General Reserve.
- 2,05,76,110 shares represent after sub-division 20,57,611 shares of the face value of Rs. 100 per share which were issued as fully paid bonus shares by utilisation of Rs. 20,57,61,100 from General Reserve.
- 7,21,530 shares represent after sub-division 72,153 shares of the face value of Rs. 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.
- 3,30,51,470 shares represent after sub-division 33,05,147 shares of the face value of Rs. 100 per share which were issued as fully paid bonus shares by utilisation of Rs. 33,05,14,700 from General Reserve.
- 12,10,003 shares of the face value of Rs. 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.
- 18,44,90,952 shares of face value of Rs. 10 per share were issued as fully paid bonus shares by utilisation of Rs. 1,84,49,09,520 from Securities Premium Account during the year 2004-05.
- 2,70,00,000 shares of face value of Rs. 10 per share issued to Tata Sons Limited on a preferential basis during the year 2006-07.
- 2,85,00,000 shares of face value of Rs. 10 per share allotted to Tata Sons Limited on a preferential basis during the year 2007-08.
- 12,16,11,464 shares of face value of Rs. 10 per share allotted at a premium of Rs. 290 per share to the shareholders on Rights basis during the year 2007-08.
- 8,151 shares of face value of Rs. 10 per share allotted on Rights basis at a premium of Rs. 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.
- 9,12,11,001 shares of face value of Rs. 10 per share allotted at a premium of Rs. 590 per share to holders of CCPS in the ratio of 6:1 on 1st September, 2009, on conversion.
- 135 shares of face value of Rs. 10 per share allotted on rights basis at a premium of Rs. 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.
- 6,54,10,589 shares of Rs. 10 per share represent the shares underlying GDRs. Each GDR represents one underlying ordinary share. The proceeds of the GDR issue have been utilised in accordance with the purpose as stated in the offer document.

Schedules forming part of the balance sheet

SCHEDULE B : RESERVES AND SURPLUS :—

(Item No. 2, Page 128)

	Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores
(a) SECURITIES PREMIUM ACCOUNT :			
Balance as per last account	6,112.92		6,391.92
Add — Amount received on conversion of CCPS	5,381.45		—
Add — Amount received on issue of GDR's	2,356.08		—
Add — Amount received on Rights Issue	—		0.24
Add /(Less) — Expenses related to Rights/CARS/FCCB/GDR/NCD Issues	12.98		(238.56)
Add /(Less) — Premium on CARS	169.37		(40.68)
		14,032.80	6,112.92
(b) AMALGAMATION RESERVE :			
Balance as per last account	1.12		1.12
Less — Adjustment on account of amalgamation of Hooghly Met Coke and Power Company Ltd. (See Note 9(a), Page 153)	(0.69)		—
		0.43	1.12
(c) DEBENTURE REDEMPTION RESERVE :			
Balance as per last account	646.00		646.00
Add — Amount transferred from Profit and Loss Account	400.00		—
		1,046.00	646.00
(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	7,555.81		7,484.96
Less — Adjustment as per AS 11 Notification	—		(529.15)
Add — Amount transferred from Profit and Loss Account	504.68		600.00
		8,060.49	7,555.81
(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		39.71
Add/(Less) — Exchange Fluctuation on long term loans and advances to non-integral foreign operations	—		(25.71)
		14.00	14.00
(i) CONTRIBUTIONS FOR CAPITAL EXPENDITURE :			
Balance as per last account	42.65		42.65
Add — Received during the year	1.76		—
		44.41	42.65
(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		12,772.65	9,496.70
		36,074.39	23,972.81

Schedules forming part of the balance sheet

SCHEDULE C : SECURED LOANS :— (Item No. 4(a), Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Joint Plant Committee-Steel Development Fund [including funded interest Rs. 251.11 crores (31.03.2009 : Rs. 233.91 crores)]	1,805.54	1,752.40
(b) 14.25% Non-Convertible Debentures (privately placed with LIC Mutual Fund)	—	8.50
(c) 10.50% Non-Convertible Debentures (privately placed with Life Insurance Corporation of India) ..	—	33.33
(d) International Finance Corporation, Washington - A Loan US \$ 100 million equivalent*	—	507.20
(e) International Finance Corporation, Washington - B Loan US \$ 300 million equivalent*	—	1,521.60
(f) Term Loan from State Bank of India	453.76	—
(g) Cash Credit/Packing Credit from Banks		
(i) State Bank of India	—	—
(ii) Others	—	90.00
Borrowing from State Bank of India and Other Banks under items <i>g(i)</i> & <i>g(ii)</i> above are secured by hypothecation of stocks, stores and book debts, ranking in priority to the floating charge under items (a) to (e) hereof.		
(h) 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.		
	2,259.32	3,913.05

* Repayable in foreign currency

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 (h) 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 Bamnival 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 *g(i)* and *g(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 **Rs. 1,202.54** crores (31.03.2009: Rs. 1,053.45 crores) representing repayments and interest on earlier loans for which applications of funding are awaiting sanction.

On amalgamation of Hooghly Met Coke and Power Company Ltd. (HMPCL) with the Company, the term loan from State Bank of India and others availed by erstwhile HMPCL [Item (f) above] is secured by a first charge on the entire fixed assets (including mortgage over the immovable properties) of erstwhile HMPCL, ranking *pari passu* with the other term lenders. The term loan is also secured by a first charge on receivables from sale of Hot Flue gases, *pari passu* with other term lenders and second charge on the current assets comprising of stocks, receivables etc. of HMPCL (other than power receivables on which the term lenders have an exclusive charge).

Schedules forming part of the balance sheet

SCHEDULE D : UNSECURED LOANS :—

(Item No. 4(b), Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Fixed Deposits	0.94	4.24
(b) Housing Development Finance Corporation Ltd.	1.20	3.03
(c) Privately Placed Non-convertible Debentures	5,400.90	3,250.00
(d) Japan Bank for International Cooperation and various Financial Institutions*	—	87.48
(e) JPY Syndicated ECB Loan – US \$ 495 million equivalent*	2,820.15	3,028.55
(f) JPY Syndicated Standard Chartered Bank Loan – US \$ 750 million equivalent*	4,301.79	4,619.68
(g) Standard Chartered Bank Loan – GBP 30 million*	204.67	—
(h) Canara Bank, London ECB Loan US \$ 5 million equivalent*	22.46	25.36
(i) Euro Hermes Loan from Deutsche Bank, Frankfurt*	44.44	39.32
(j) Euro Sace Loan from Deutsche Bank, Frankfurt*	256.45	261.12
(k) 1% Convertible Alternative Reference Securities* (See Note 9 (b), Page 153)	2,116.83	5,473.92
(l) 4.50% Foreign Currency Convertible Bonds (2014)* (See Note 9 (b), Page 153)	2,457.24	—
(m) Term loan from IDBI Bank Ltd.	—	1,100.00
(n) Term loan from SBI	3,500.00	2,500.00
(o) Term loan from Axis Bank	1,000.00	2,000.00
(p) Term loan from HDFC	650.00	—
(q) Term loan from IDFC	199.00	—
(r) Buyers' credit *	—	639.98
(s) Interest free loans under Sales Tax Deferral Scheme	3.81	0.45
	22,979.88	23,033.13

Note : Amounts repayable within one year **Rs. 1,604.20** crores (31.03.2009 : Rs. 1,811.25 crores).

* Repayable in foreign currency.

Schedules forming part of the balance sheet

SCHEDULE E : FIXED ASSETS :— (Item No. 9, Page 128)

Rupees crores

Fixed Assets	Land and Roads	Buildings (3)	Lease-hold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property (4)	Vehicles	Intangibles	Total
Gross Block as at 1.04.2009	281.08	1,064.11	117.91	158.26	17,701.77	113.31	361.64	185.98	72.95	20,057.01
	211.10	1,006.52	117.91	122.65	14,282.91	127.78	361.62	181.80	67.30	16,479.59
Additions on amalgamation ⁽⁷⁾	—	15.45	69.17	6.13	782.27	1.02	—	0.39	—	874.43
	—	—	—	—	—	—	—	—	—	—
Additions during the year ^{(1) & (5)}	63.99	90.31	7.48	5.31	1,279.70	8.73	8.94	25.17	6.10	1,495.73
	69.98	58.20	—	35.61	3,531.30	16.90	0.02	8.54	6.01	3,726.56
Deductions during the year ⁽²⁾	—	1.84	3.42	—	38.67	1.47	—	75.70	—	121.10
	—	0.61	—	—	112.44	31.37	—	4.36	0.36	149.14
	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
Capital Work-in-progress [including advances for capital expenditure Rs. 1,043.33 crores (31.03.2009 : Rs. 1,235.62 crores)]										3,843.59
										3,487.68
Gross Block as at 31.03.2010										26,149.66
										23,544.69
Impaired Assets as at 1.04.2009	99.22	1.25	—	—	—	—	—	—	—	100.47
	99.22	1.25	—	—	—	—	—	—	—	100.47
Impairment during the year	5.60	—	—	—	—	—	—	—	—	5.60
	—	—	—	—	—	—	—	—	—	—
Impairment reversed during the year	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Impaired Assets as at 31.03.2010	104.82	1.25	—	—	—	—	—	—	—	106.07
	99.22	1.25	—	—	—	—	—	—	—	100.47
Accumulated Depreciation upto 1.04.2009	17.30	319.13	5.66	70.46	8,118.61	82.49	206.31	91.76	50.28	8,962.00
	14.50	290.51	4.21	63.87	7,355.46	98.08	171.92	80.48	43.98	8,123.01
Additions on amalgamation ⁽⁷⁾	—	0.34	1.99	0.27	39.98	0.26	—	0.05	—	42.89
	—	—	—	—	—	—	—	—	—	—
Depreciation during the year	3.91	28.66	2.24	7.48	979.89	13.69	27.63	12.61	7.07	1,083.18
	2.80	28.73	1.45	6.59	862.74	14.99	34.39	15.05	6.66	973.40
Depreciation on assets written off during the year (including adjustments for transfers)	—	0.36	0.11	—	24.50	1.38	—	24.16	—	50.51
	—	0.11	—	—	99.59	30.58	—	3.77	0.36	134.41
Accumulated Depreciation upto 31.03.2010	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
Total Accumulated Depreciation & Impairment upto 31.03.2010	126.03	349.02	9.78	78.21	9,113.98	95.06	233.94	80.26	57.35	10,143.63
	116.52	320.38	5.66	70.46	8,118.61	82.49	206.31	91.76	50.28	9,062.47
	219.04	819.01	181.36	91.49	10,611.09	26.53	136.64	55.58	21.70	12,162.44
	164.56	743.73	112.25	87.80	9,583.16	30.82	155.33	94.22	22.67	10,994.54
Capital Work-in-progress [including advances for capital expenditure Rs. 1,043.33 crores (31.03.2009 : Rs. 1,235.62 crores)]										3,843.59
										3,487.68
Net Block as at 31.03.2010										16,006.03
										14,482.22

(1) Additions include adjustments for inter se transfers.

(2) Deductions include cost of assets scrapped/sold/surrendered during the year.

(3) Buildings include **Rs. 2.32** crores (31.03.2009 : Rs. 2.32 crores) being cost of shares in Co-operative Housing Societies & Limited Companies.

(4) Development of property represents expenditure incurred on development of mines/collieries. It includes **Rs. 57.57** crores (31.03.2009 : Rs. 57.57 crores) towards provision for final mines closure expenditure as per the circular dated 8th August, 2003 issued by Indian Bureau of Mines and subsequent clarification issued under Mineral Conservation & Development (Amendment) Rules 2003 as per Section 18 of the Mines and Minerals (Development and Regulation) Act, 1957.

(5) Rupee Liability has decreased by a net amount of **Rs. 36.05** crores (2008-09 : Net increase of Rs. 67.39 crores) arising out of realignment of the value of foreign currency loans for procurement of fixed assets. The decrease 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 year has decreased by **Rs. 2.00** crores (2008-09 : Increase of Rs. 2.04 crores) arising on account of this adjustment.

(6) Centennial Steel Company Ltd. (CSCL), a wholly-owned subsidiary of the company, is formed for the purpose of constructing and owning a part of the facilities coming under 3 million tonnes expansion programme at Jamshedpur. During the year, the company has transferred capital work-in-progress of Rs. 1,640.82 crores towards equity contribution in CSCL. The balance shown under capital work-in-progress as at 31st March, 2010 is net of the above transfer of CSCL.

(7) Pursuant to amalgamation of Hooghly Met Coke and Power Company Ltd. (an erstwhile subsidiary) w.e.f. 1st April, 2009, Fixed Assets with a Gross Block of Rs. 1,107.55 crores (including capital work-in-progress of Rs. 233.12 crores) were transferred to the Company. Accumulated depreciation as on the date of transfer was Rs. 42.89 crores.

Schedules forming part of the balance sheet

SCHEDULE E : FIXED ASSETS :— continued (Item No. 9, Page 128)

Rupees crores

8. Fixed Assets Schedule includes the capital cost of in-house research recognised facility as under:-

Fixed Assets	Land and Roads	Buildings (3)	Lease-hold	Railway Sidings	Plant and Machinery	Furniture, Fixture and Office Equipment	Development of Property (4)	Vehicles	Intangibles	Total
Gross Block as on 01.04.2009		0.02 0.02			36.52 35.11	1.49 1.56		0.03 0.03		38.06 36.72
Additions during the year					1.69	0.26				1.95
Previous year					1.50	0.24				1.74
Deductions during the year					0.11	0.07				0.18
Previous year					0.08	0.32				0.40
Capital work in progress [including advances for capital expenditure Rs. 0.47 crores (Previous year-31.03.2009: Nil)]										1.67 1.19
Gross Block as at 31.03.2010	0.00 0.00	0.02 0.02	0.00 0.00	0.00 0.00	38.10 36.53	1.68 1.48	0.00 0.00	0.03 0.03	0.00 0.00	41.50 39.25

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— (Item No. 10, Page 128)

		No. of equity shares of Face Value of Rs. 10 each fully paid-up unless otherwise specified	Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores		
						Rupees crores	Rupees crores
A. LONG TERM INVESTMENTS							
(At Cost less provision for diminution in value)							
Trade Investments :							
SHARES AND DEBENTURES (Quoted) —							
1.	Tata Motors Ltd.....	3,42,26,139	302.68		335.31		
	(36,90,000 shares sold during the year)						
2.	Tata Motors – Differential Voting Rights - A	—	—		168.90		
	(55,37,729 shares sold during the year)						
3.	The Tinplate Company of India Ltd.	3,08,61,099	128.61		29.68		
	(2,19,86,099 shares subscribed through rights issue during the year)						
4.	The Tinplate Company of India Ltd. -	1,72,46,968	172.48		—		
	Fully Convertible Debentures						
	(1,72,46,968 Fully Convertible Debentures subscribed through rights issue during the year)						
5.	TRF Ltd.....	38,26,628	4.67		4.67		
	(19,13,314 Bonus shares received during the year)						
6.	Kumardhubi Fireclay and Silica Works Ltd.	1,50,001	—		—		
	(Book Value : Re. 1)						
7.	Tata Construction and Projects Ltd. (Book Value : Re. 1).....	5,61,335	—		—		
8.	Indian Steel Rolling Mills Ltd. (Book Value : Re. 1)	3,30,315	—		—		
9.	Wellman Incandescent India Ltd. (Book Value : Re. 1)	8,99,100	—		—		
10.	Sanderson Industries Ltd. (Book Value : Re. 1)	2,27,642	—		—		
11.	Tata Sponge Iron Ltd.	61,19,960	7.20		7.20		
12.	Tata Construction & Projects Ltd. - 10% Convertible Debentures of Rs. 100 each (Non-Convertible Portion) (Book Value: Re. 1)	43,000	—		—		
	Standard Chrome Ltd. (Book Value : Re. 1).....	5,58,000	—		—		
14.	The Tata Power Company Ltd.	34,31,818	60.40		100.00		
	(22,50,000 shares sold during the year)						
15.	Housing Development Finance Corporation Ltd.	1,580	0.01		0.01		
16.	Others Rs. 40,272 (31.03.2009: Rs. 40,272)		0.01		0.01		
	(See Note 3, Page 143)						
				676.06		645.78	
SHARES AND DEBENTURES (Unquoted)							
17.	Kumardhubi Metal Casting and Engineering Ltd.						
	(Book Value : Re. 1)	10,70,000	—		—		
18.	Tata Industries Ltd. (Face value of Rs. 100 each).....	56,28,388	72.23		72.23		
19.	Tata Services Ltd. (Face value of Rs. 1,000 each)	1,621	0.16		0.16		
20.	Tata International Ltd. (Face value of Rs. 1,000 each)	3,740	0.49		0.49		
21.	Tata Projects Ltd. (Face value of Rs. 100 each)	90,000	0.18		0.18		
22.	Rallis India Ltd. (7.50% cumulative preference shares)	—	—		8.50		
	(85,00,000 shares sold during the year)						
23.	IFCI Venture Capital Funds Ltd.	1,00,000	0.10		0.10		
24.	Kalinga Aquatics Ltd. (Book Value : Re. 1)	10,49,920	—		—		
25.	Jamipol Ltd.	31,75,000	3.18		3.18		
26.	mjunction Services Ltd.	40,00,000	4.00		4.00		
27.	Tata Teleservices Ltd.	6,31,53,638	134.06		134.06		
28.	Tata Teleservices Ltd. (0.10% Redeemable Non-Cumulative Convertible Preference Shares)	—	—		50.00		
	(6,83,54,569 shares sold during the year)						
29.	The Tinplate Company of India Ltd. – 12.5% Optionally Convertible Redeemable Non-Cumulative	1,09,90,000	108.17*		108.17*		
	Preference Shares						
	(Face value of Rs. 100 each)						
30.	Nicco Jubilee Park Ltd. (Book Value : Re. 1)	3,40,000	—		—		
	Carried forward.....		322.57	676.06	381.07	645.78	

* Includes Rs. 0.03 crore incurred towards stamp duty.

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 10, Page 128)

	No. of equity shares of Face Value of Rs. 10 each fully paid-up unless otherwise specified	Rupees crores	Rupees crores	As at 31-03-2009	
				Rupees crores	Rupees crores
Trade Investments :	Brought forward.....	322.57	676.06	381.07	645.78
SHARES AND DEBENTURES (Unquoted) –					
31. The Dhamra Port Company Ltd..... (8,79,40,894 shares subscribed during the year; 3,06,00,000 shares pledged during the year)	24,65,00,000	246.50		158.56	
32. Tata BlueScope Steel Ltd.....	32,80,00,000	328.00		328.00	
33. Panatone Finvest Ltd.....	45,000	0.05		0.05	
34. Tarapur Environment Protection Society.....	15,726	0.16		0.16	
35. Industrial Energy Ltd..... (4,41,55,800 shares pledged during the period)	8,65,80,000	86.58		86.58	
36. Tata NYK Shipping Pte Ltd (Face value of USD 1 each) (23,00,000 Shares subscribed during the year)	2,70,00,000	119.56		108.85	
37. Steelscape Consultancy Pvt. Ltd.	50,000	0.05		0.05	
38. Bhubneshwar Power Pvt. Ltd.	1,42,270	0.14		0.14	
39. Strategic Energy Technology Systems Private Ltd.	25,000	0.03		0.03	
40. S&T Mining Company Pvt. Ltd. (4,00,000 shares subscribed during the year)	9,25,000	0.93		0.53	
41. Others Rs. 32,495 (31.03.2009: Rs. 32,495)		—		—	
(See Note 4, Page 143)			1,104.57		1,064.02
Investments in Subsidiary Companies :					
SHARES (Quoted) –					
42. Tata Metaliks Ltd.	1,17,99,992	11.80		11.80	
43. The Indian Steel & Wire Products Ltd. (Book Value : Re. 1)...	54,74,030	—		—	
44. Tayo Rolls Ltd.....	55,87,372	48.57		48.57	
			60.37		60.37
SHARES (Unquoted) –					
45. Kalimati Investment Company Ltd.....	1,63,87,469	86.68		86.68	
46. Tata Refractories Ltd.	1,48,98,360	90.97		90.97	
47. The Tata Pigments Ltd. (Face value of Rs. 100 each)	75,000	0.70		0.70	
48. Tata Korf Engineering Services Ltd. (Book Value : Re. 1)	2,40,386	—		—	
49. Tata Incorporated (Face value of USD 1,000 each)	1,500	1.64		1.64	
50. TM International Logistics Ltd.....	91,80,000	9.18		9.18	
51. Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	1.16		1.16	
52. Jamshedpur Utilities & Services Company Ltd.....	2,03,50,000	20.35		20.35	
53. NatSteel Asia Pte. Ltd. (Face value of S\$ 1 each)	28,00,00,000	768.41		768.41	
54. Sila Eastern Ltd. (Face value of THB 100 each)	9,800	0.10		0.10	
55. Hooghly Met Coke & Power Company Ltd. (See Note 9(a), Page 153)	—	—		548.36	
56. Tata Steel (KZN) (Proprietary) Ltd. (Face value of ZAR 1 each).	12,96,00,000	84.70		84.70	
57. Tata Steel Holdings Pte. Ltd. (Face value of GBP 1 each) ... (56,24,76,068 shares subscribed during the year)	4,88,57,68,486	40,014.08		35,633.38	
58. Adityapur Toll Bridge Company Ltd. (14,436,400 shares subscribed during the year)	1,50,00,000	14.44		—	
59. Rawmet Ferrous Industries Pvt. Ltd.	3,86,00,071	51.53		51.53	
60. Gopalpur SEZ Ltd.	10,00,000	1.00		1.00	
61. Centennial Steel Company Limited	50,000	0.05		—	
(50,000 shares subscribed during the year)					
62. Tata Steel Processing and Distribution Ltd. (34,125,000 shares subscribed during the year)	6,82,50,000	274.45		34.12	
			41,419.44		37,332.28
Carried forward.....			43,260.44		39,102.45

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 10, Page 128)

	No. of equity shares of Face Value of Rs. 10 each fully paid-up unless otherwise specified	Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores	Rupees crores
Brought forward.....			43,260.44		39,102.45
B. CURRENT INVESTMENTS (at lower of cost and fair values)					
Other Investments (Unquoted) :					
Investment in Mutual Fund/Bonds (See Note 5, Page 144)		85.00		—	
Fixed Maturity Funds		1,634.23		3,269.33	
Liquid Funds			1,719.23		3,269.33
			44,979.67		42,371.78

	No. of equity shares of Face Value of Rs. 10 each fully paid-up unless otherwise specified	Rupees crores	As at 31-03-2009 Rupees crores
Notes :			
(1) Aggregate amount of Quoted Investments.....		736.43	706.15
Market value as at 31.03.2010 : Rs. 4,397.79 crores (31.03.2009 : Rs. 1,491.89 crores)			
(2) Aggregate amount of Unquoted Investments		44,243.24	41,665.63
		44,979.67	42,371.78
(3) Shares and Debentures (Quoted) — Others include :		Rupees	Rupees
(a) Reliance Firebrick and Pottery Co. Ltd. (partly paid up) (Book Value : Re. 1)	16,800	1	1
(b) Reliance Firebrick and Pottery Co. Ltd. (Book Value : Re. 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
		40,272	40,272
(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 Rs. 100 each)	50	5,000	5,000
(c) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face value of Rs. 25 each)	200	5,000	5,000
(d) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face value of Rs. 25 each)	100	2,500	2,500
(e) Ferro-Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face value of Rs. 25 each)	100	2,500	2,500
(f) Jamshedpur Co-operative House Building Society Ltd. (Face value of Rs. 100 each)	10	1,000	1,000
(g) Jamshedpur Co-operative Stores Ltd. (Face value of Rs. 5 each)	50	250	250
(h) Malusha Travels Pvt. Ltd.	2	20	20
		32,495	32,495

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 10, Page 128)

(5) INVESTMENT IN MUTUAL FUNDS

Name of Mutual Fund	Balance As at 1.04.2009* No. of Units	Rupees crores	Purchased during the year No. of Units	Rupees crores	Sold during the year No. of Units	Rupees crores	Balance As at 31.03.2010 No. of Units	Rupees 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	—	—	7,86,24,307.46	85.00	—	—	7,86,24,307.46	85.00
LIQUID FUNDS								
Axis Liquid Fund - IP - Growth	—	—	63,51,717.77	645.00	63,51,717.77	645.00	—	—
Axis Treasury Advantage Fund - IP - Growth	—	—	54,59,852.42	555.55	54,59,852.42	555.55	—	—
Birla Sun Life Cash Plus - Institutional Premium Plan - Growth	30,92,65,876.12	434.50	10,01,15,71,427.79	14,388.32	10,32,08,37,303.91	14,822.82	—	—
Birla Sun Life Savings Fund - IP - Growth	—	—	3,94,01,88,792.72	6,710.01	3,78,65,23,257.87	6,441.46	15,36,65,534.85	268.55
Canara Robeco Liquid - Super IP - Growth	—	—	1,56,09,82,165.92	1,730.50	1,56,09,82,165.92	1,730.50	—	—
Canara Robeco Treasury Advantage Fund - Super IP - Growth	—	—	1,23,04,42,185.24	1,692.68	1,13,72,33,730.91	1,563.16	9,32,08,454.33	129.52
DWS Insta Cash Plus Fund - Super IP - Growth	25,51,40,064.00	291.00	3,44,69,64,701.33	4,033.44	3,70,21,04,765.33	4,324.44	—	—
DWS Ultra Short Term Fund - IP - Growth	—	—	2,47,39,14,486.78	2,629.06	2,47,39,14,486.78	2,629.06	—	—
HDFC Cash Mgmt Fund - Savings Plan - Growth	—	—	3,73,45,83,982.71	7,060.85	3,71,37,99,255.32	7,020.85	20,784,727.38	40.00
HDFC Cash Mgmt Fund - Treasury Advantage - WP - Growth	—	—	3,69,80,34,648.21	7,257.32	3,69,80,34,648.21	7,257.32	—	—
HDFC FRIF - STF - WP - Growth	—	—	83,20,12,056.26	1,284.18	83,20,12,056.26	1,284.18	—	—
HDFC Liquid Fund - Premium Plus Plan - Growth	46,92,70,703.45	828.00	4,44,91,15,448.77	7,955.43	4,91,83,86,152.23	8,783.43	—	—
ICICI Prudential Flexible Income Plan - Premium - Growth	—	—	3,04,87,01,739.40	7,103.73	3,04,53,72,411.14	7,046.72	33,29,328.26	57.01
ICICI Prudential FRF - Plan D - Growth	—	—	49,73,18,378.32	652.00	49,73,18,378.32	652.00	—	—
ICICI Prudential Liquid - Super IP - Growth	33,48,95,407.81	434.50	9,82,75,67,169.61	18,201.42	10,16,24,62,577.42	18,635.92	—	—
IDFC Cash Fund - Plan C - Super IP - Growth	—	—	5,83,93,10,308.86	6,384.50	5,83,93,10,308.86	6,384.50	—	—
IDFC Money Manager - Treasury Plan - Plan B - Growth	—	—	60,85,57,897.57	868.39	60,85,57,897.57	868.39	—	—
IDFC Money Manager - Treasury Plan - Plan C - Growth	—	—	5,75,55,91,829.15	6,127.20	5,62,91,46,145.90	5,989.16	12,64,45,683.25	138.04
JM High Liquidity - Super IP - Growth	—	—	3,12,82,46,522.52	4,419.98	3,12,82,46,522.52	4,419.98	—	—
JM Money Manager Fund - Super Plus Plan - Growth	—	—	3,39,37,84,811.99	4,308.62	3,29,67,13,766.72	4,182.59	9,70,71,045.27	126.03
Kotak Flexi Debt Fund - IP - Growth	—	—	1,31,43,28,484.86	1,439.52	1,31,43,28,484.86	1,439.52	—	—
Kotak Floater - LT - Growth	—	—	4,51,35,07,750.56	6,420.01	4,46,69,55,418.66	6,352.00	4,65,52,331.90	68.01
Kotak Liquid - Inst Premium Plan - Growth	20,49,34,140.34	365.00	4,06,96,44,507.85	7,411.50	4,27,45,78,648.19	7,776.50	—	—
LIC MF Income Plus Fund - Growth	—	—	43,93,85,301.86	541.35	29,41,40,813.26	361.80	14,52,44,488.60	179.55
LIC MF Liquid Fund - Growth	9,34,23,019.43	150.00	1,96,83,48,508.35	3,257.21	2,06,17,71,527.79	3,407.21	—	—
PRINCIPAL Cash Mgmt Fund LO - Inst Prem. Plan - Growth	—	—	77,08,26,089.92	1,076.00	77,08,26,089.92	1,076.00	—	—
PRINCIPAL Floating Rate Fund - FMP - IP - Growth	—	—	69,79,35,386.76	986.12	69,79,35,386.76	986.12	—	—
Reliance Liquid Fund - TP - IP - Growth	—	—	2,65,71,99,537.06	5,872.16	2,65,71,99,537.06	5,872.16	—	—
Reliance Liquidity Fund - Growth	—	—	6,66,26,11,964.25	8,956.96	6,66,26,11,964.25	8,956.96	—	—
Reliance Medium Term Fund - Growth	—	—	46,93,27,368.88	859.49	46,93,27,368.88	859.49	—	—
Reliance Money Manager Fund - IP - Growth	—	—	5,00,36,819.08	6,095.27	5,00,36,819.08	6,095.27	—	—
Religare Liquid Fund - Super IP - Growth	20,78,10,246.73	251.00	4,08,64,89,801.38	5,059.89	4,29,43,00,048.10	5,310.89	—	—
Religare Ultra Short Term Fund - IP - Growth	—	—	3,47,46,06,273.61	4,292.91	3,47,46,06,273.61	4,292.91	—	—
SBI Magnum Insta Cash - Cash Plan	—	—	1,37,45,11,191.59	2,781.50	1,37,45,11,191.59	2,781.50	—	—
SBI SHDF - Ultra Short Term - IP - Growth	—	—	1,92,49,14,934.82	2,280.70	1,88,32,25,188.71	2,230.70	4,16,89,746.11	50.00
Sundaram BNP Paribas Money Fund - Super IP - Growth	—	—	1,60,23,586.72	30.00	1,60,23,586.72	30.00	—	—
Tata Floater Fund - Growth	—	—	3,60,58,88,306.15	4,841.86	3,31,88,89,682.76	4,447.78	28,69,98,623.40	394.08
Tata Liquid Fund - SHIP - Growth	23,55,483.08	383.11	4,33,10,898.22	7,233.50	4,56,66,381.29	7,616.61	—	—
Templeton India TMA - Super IP - Growth	—	—	55,53,928.25	737.00	55,53,928.25	737.00	—	—
Templeton India Ultra Short Bond Fund - Super IP - Growth	—	—	59,84,77,497.88	684.62	59,84,77,497.88	684.62	—	—

Schedules forming part of the balance sheet

SCHEDULE F : INVESTMENTS :— continued (Item No. 10, Page 128)

Name of Mutual Fund	Balance As at 1.04.2009*		Purchased during the year		Sold during the year		Balance As at 31.03.2010	
	No. of Units	Rupees crores	No. of Units	Rupees crores	No. of Units	Rupees crores	No. of Units	Rupees crores
UTI Liquid Fund - Cash Plan - IP - Growth	9,15,522.96	132.23	4,84,26,627.07	7,139.52	4,93,42,150.04	7,271.75	—	—
UTI Money Market - IP - Growth	—	—	2,44,28,306.64	2,492.89	2,37,25,275.93	2,420.39	7,03,030.71	72.50
UTI Treasury Advantage Fund - IP - Growth	—	—	3,95,14,439.63	4,761.50	3,87,01,555.90	4,660.98	8,12,883.72	100.52
Birla Sun Life Cash Manager - IP Daily Dividend Reinvestment	—	—	5,04,71,184.62	50.49	5,03,63,940.33	50.38	1,07,244.29	0.11
Birla Sun Life Savings Fund - Daily Dividend - Reinvestment	39,98,596.62	4.00	34,03,493.82	3.41	74,02,090.44	7.41	—	—
Franklin Templeton India Treasury Management Account Super Institutional Plan Daily Dividend Reinvestment	—	—	95,487.14	9.56	95,487.14	9.56	—	—
HDFC Cash Management Fund Savings Plan Daily Dividend Reinvestment Option : Reinvest	—	—	96,63,155.93	10.28	65,97,788.54	7.02	30,65,367.39	3.26
ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Div - reinvestment Dividend	50,01,366.60	5.01	75,22,925.71	7.52	1,25,24,292.31	12.53	—	—
ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Div	—	—	3,96,247.90	3.96	3,96,247.90	3.96	—	—
ING Liquid Fund Institutional Daily Dividend Option	—	—	50,05,141.88	5.01	50,05,141.88	5.01	—	—
JP Morgan India Liquid Fund - Super Inst. Daily Dividend Plan - Reinvest	—	—	2,20,60,365.77	22.08	2,00,37,361.01	20.05	20,23,004.76	2.03
JP Morgan India Treasury Fund - Super Inst. Daily Div. Plan - Reinvest	—	—	35,03,495.02	3.50	—	—	35,03,495.02	3.50
Kotak Liquid (Institutional Premium) - Daily Dividend	19,63,227.33	2.40	1,462.48	—	19,64,689.81	2.40	—	—
LICMF - Liquid Fund - Dividend Plan Principal Cash Management Fund - Liquid Option - Instl. Plan - Dividend Reinvestment - Daily	—	—	9,11,449.75	1.00	9,11,449.75	1.00	—	—
Reliance Liquidity Fund - Daily Dividend Reinvestment Option	30,00,117.96	3.00	2,914.86	—	30,03,032.82	3.00	—	—
SBI Magnum Insta Cash Fund - Daily Dividend Option	50,00,008.18	5.00	3,18,31,182.20	31.84	3,68,31,190.38	36.84	—	—
SBNPP Ultra St Fund Super Inst. Div. Rein Daily	—	—	50,85,668.46	8.52	50,85,668.46	8.52	—	—
TFLD Tata Floater Fund - Daily Dividend	49,83,227.33	5.00	15,111.97	0.02	49,98,339.30	5.02	—	—
Tata Liquid /Floating Super High Investment Fund	—	—	1,13,75,872.29	11.42	1,13,75,872.29	11.42	—	—
TATA Liquid Super High Inv. Fund - Appreciation	71,853.47	8.01	1,68,609.02	18.79	2,26,868.85	25.28	13,593.64	1.52
UTI Liquid Cash Plan Institutional - Daily income option - Reinvestment	—	—	23,915.26	4.00	23,915.26	4.00	—	—
UTI Money Market Fund - Daily Dividend Option - Reinvestment	—	—	1,69,564.51	17.29	1,69,564.51	17.29	—	—
UTI Money Market Fund Daily Dividend Institutional Option Re-Investment	—	—	5,47,434.23	1.00	5,47,434.23	1.00	—	—
	—	—	15,34,647.47	5.00	15,34,647.47	5.00	—	—
TOTAL LIQUID FUNDS	3,301.76		1,89,474.35		1,91,141.88		1,634.23	
TOTAL MUTUAL FUND INVESTMENTS	3,301.76		1,89,559.35		1,91,141.88		1,719.23	

* Includes Rs. 32.42 crores on amalgamation of Hooghly Met Coke and Power Company Ltd.

Schedules forming part of the balance sheet

SCHEDULE G : STOCK-IN-TRADE :— (Item No. 12A(b), Page 128)

	Rupees crores	As at 31-03-2009 Rupees 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)	1,141.40	1,361.85
(b) Work-in-progress (at lower of cost and net realisable value)	158.65	73.17
	1,300.05	1,435.02
(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)	1,153.94	1,433.26
	2,453.99	2,868.28

SCHEDULE H : SUNDRY DEBTORS :— (Item No. 12A(c), Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Over six months old.....	57.27	42.36
(b) Others.....	398.49	619.51
	455.76	661.87
Less — Provision for doubtful debts.....	20.93	25.89
	434.83	635.98

	Rupees crores	As at 31-03-2009 Rupees crores
Sundry debts, unsecured and considered good.....	434.83	635.98
Sundry debts, considered doubtful	20.93	25.89
	455.76	661.87

Schedules forming part of the balance sheet

SCHEDULE I : CASH AND BANK BALANCES :— (Item No. 12A(e), Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Cash in hand [including cheques : Rs. 38.70 crores (31.03.2009 : Rs. 70.09 crores)]	39.87	70.58
(b) Remittance in transit	11.43	1.07
(c) Current accounts with Scheduled Banks	448.82	390.90
(d) Current account with Bank of Bhutan (♦ Rs. 1,000.00)	—	♦ *
(e) Current account with CitiBank, Singapore	0.18*	0.15 *
(f) Current account with Standard Chartered Bank, London	—*	0.88*
(g) Deposit accounts with Scheduled Banks	2,733.84	1,127.02
	3,234.14	1,590.60

	2009-10 Rupees crores	2008-09 Rupees crores
1. Bank of Bhutan (# Rs. 1,000.00)	—	#
2. CitiBank Singapore	0.29	0.27
3. Standard Chartered Bank, London	2,363.14	0.88

* Maximum balances in current account with.

SCHEDULE J : LOANS AND ADVANCES :— (Item No. 12B, Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Advances with public bodies ¹	366.43	379.78
(b) Other advances ²	2,732.44	3,739.24
(c) Advance against equity ³	1,871.40	247.61
(d) Loans and Advances to subsidiary companies ⁴	501.79	187.50
(e) Advance payment against taxes.....	74.14	78.80
	5,546.20	4,632.93
Less — Provision for doubtful advances	46.52	71.89
	5,499.68	4,561.04

	Rupees crores	As at 31-03-2009 Rupees crores
Loans and Advances, unsecured and considered good	5,499.68	4,561.04
Loans and Advances, considered doubtful.....	46.52	71.89
	5,546.20	4,632.93

- Notes : 1. Advances with public bodies include balances with Customs, Port Trust, etc. **Rs. 365.39** crores (31.03.2009 : Rs. 340.16 crores).
2. Other advances include :
(a) Loan due by an Officer of the Company **Rs. 1,41,250** (31.03.2009 : Rs. 73,750). Maximum balance during the year **Rs. 1,43,750** (2008-09 : Rs. 88,750).
(b) Intercompany deposits of **Rs. 2.00** crores (31.03.2009 : Rs. 17.07 crores).
3. Represents advance against equity for purchase of shares in subsidiary companies.
4. Loans and Advances to subsidiary companies include Loans and Advances in the nature of Loans given to subsidiaries **Rs. 456.77** crores (31.03.2009 : Rs. 148.28 crores) - [See Note 9(e), Page 154].

Schedules forming part of the balance sheet

SCHEDULE K : CURRENT LIABILITIES :—

(Item No. 13A, Page 128)

	Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores
(a) Sundry creditors :			
(i) For supplies/services			
(1) Dues to micro enterprises and small enterprises (See Note 9(c), Page 154)	1.40		0.01
(2) Others	2,571.54		2,218.01
		2,572.94	2,218.02
(ii) For accrued wages and salaries.....		744.78	653.07
(iii) For other liabilities			
(1) Dues to micro enterprises and small enterprises (See Note 9(c), Page 154)	0.12		—
(2) Others	768.81		971.70
		768.93	971.70
		4,086.65	3,842.79
(b) Subsidiary companies		1,514.30	1,358.12
(c) Interest accrued but not due.....		676.66	506.68
(d) Advances received from customers		334.99	297.36
(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		—	0.01
(iv) Unpaid Matured Debentures		—	—
(v) Interest Accrued on (i) to (iv) above		—	0.07
Not due as on			
(i) Unpaid Dividends		39.44	33.08
(ii) Application Money Pending Refund		0.14	0.24
(iii) Unpaid Matured Deposits		0.73	1.03
(iv) Unpaid Matured Debentures		—	0.14
(v) Interest Accrued on (i) to (iv) above		0.18	0.34
		6,653.09	6,039.86
Note : Sundry creditors for other liabilities include:			
Liability for Employees Family Benefit Scheme.....		58.06	54.54

Schedules forming part of the balance sheet

SCHEDULE L : PROVISIONS :— (Item No. 13B, Page 128)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Provision for employee benefits [including provision for leave salaries Rs. 346.05 crores (31.03.2009: Rs. 312.99 crores)]	1,127.50	1,143.08
(b) Provision for taxation	507.13	493.59
(c) Provision for fringe benefit tax	2.12	2.12
(d) Proposed dividends	709.77	1,278.40
	2,346.52	2,917.19

Signatures to Schedules 1 to 4 and
A to L and Notes on pages 150 to 175

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
KIRBY ADAMS

Directors

H M NERURKAR *Managing Director*

Mumbai, 26th May, 2010

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) **Miscellaneous Expenditure**
In respect of the Employee Separation Scheme (ESS), net present value of the future liability for pension payable is amortised equally over five years or upto financial year ending 31st March, 2010, whichever is earlier.
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 Rs. 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 — 6 to 21 years.
 - (iii) Railway Sidings — 21 years.
 - (iv) Vehicles and Aircraft — 5 to 18 years.
 - (v) Furniture, Fixtures and Office Equipment — 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

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

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.

(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 lower of cost and net realisable value. 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 **Rs. 355.28** crores (31.03.2009 : Rs. 81.22 crores) to banks and financial institutions on behalf of others. As at 31st March, 2010, the contingent liabilities under these guarantees amounted to **Rs. 355.28** crores (31.03.2009 : Rs. 81.22 crores).

(b) Claims not acknowledged by the Company

	As at 31.03.2010 Rs. crores	As at 31.03.2009 Rs. crores
(i) Excise	296.59	216.72
(ii) Customs	13.68	13.68
(iii) Sales Tax and VAT	587.97	456.01
(iv) State Levies	173.62	154.67
(v) Suppliers and Service Contract	71.02	70.52
(vi) Labour Related	36.92	190.42
(vii) Income Tax	143.44	176.60

(c) Claim by a party arising out of conversion arrangement - **Rs. 195.82** crores (31.03.2009 : Rs. 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of **Rs. 139.65** crores (31.03.2009 : Rs. 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of **Rs. 235.48** crores (31.03.2009 : Rs. 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 2010, if materializes, will be to the tune of **Rs. 291.22** crores (31.03.2009 : Rs. 271.60 crores). However, the company has already paid duty amounting to **Rs. 189.52** crores (2008-09 : Rs. 169.05 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 Orissa 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 Orissa, challenging the validity of the Act. Orissa High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Orissa moved the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The liability, if it materialises, as at 31.03.2010 would be **Rs. 1,277.74** crores (31.03.2009 : Rs. 1,041.67 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. In 2008-09, the company realised Rs. 60.91 crores on sale of these shares resulting in a profit of Rs. 49.77 crores.
- 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 Rs. 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 2010 of **Rs. 17.21** crores has been charged off to Profit and Loss Account. The incremental amount, if payable, for the period till October 2008 works out to **Rs. 344.19** crores (31.03.2009 : Rs. 232.57 crores) and has been considered as a contingent liability.
- (i) Uncalled liability on partly paid shares and debentures **Rs. 0.01** crore (31.03.2009 : Rs. 0.01 crore).
- (j) Bills discounted **Rs. 274.55** crores (31.03.2009 : Rs. 472.14 crores).
3. The Company has given undertakings to (a) IDBI Bank Ltd. not to dispose of its investment in The Tinplate Company of India Limited, (b) ICICI Bank Ltd., IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation, (c) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (d) IDBI and ICICI Bank Ltd. not to dispose of its investment in Standard Chrome Ltd., (e) State Bank of India not to dispose of its investment in Tata BlueScope Ltd. (f) Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation and Nedbank not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (g) 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), 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 seven companies remains outstanding. Subsequent to Balance Sheet date, i.e. 30th April, 2010, the Company has given undertaking to 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.
- The Company has furnished a Security Bond in respect of its immovable property to the extent of Rs. 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' (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 to provide contingent support up to a maximum of £ 500 million to Tata Steel Europe Limited, a wholly-owned indirect subsidiary, only in the event Tata Steel Europe is unable to generate the required liquidity internally or externally.
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 Rs. 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, 2010.
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 Re. 1/- per share; (c) converted Rs. 5.00 crores of dues into 50,00,000 fully paid Equity Shares at Rs. 10 each and Rs. 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 **Rs. 14.91** crores as at 31.03.2010 (31.03.2009: Rs. 19.47 crores) with ISWP towards one time settlement with financial institutions for capital expenditure and margin for working capital.
6. Estimated amount of contracts remaining to be executed on Capital Account and not provided for : **Rs. 10,698.54** crores (31.03.2009 : Rs. 10,152.99 crores).

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

7. The Company has taken on lease Plant and Machinery, having an aggregate cost of **Rs. 3.79** crores (31.03.2009 : Rs. 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 **Rs. 0.62** crore (2008-09 : Rs. 0.62 crore). The break up of total minimal lease payments due as at 31st March, 2010 and their corresponding present value are as follows :

Rs. crores

Period	As at 31.03.2010		As at 31.03.2009	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	0.26	0.25	0.62	0.59
Later than one year but not later than five years	—	—	0.26	0.23
Later than five years	—	—	—	—
Total	0.26	0.25	0.88	0.82

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 **Rs. 46.34** crores (31.03.2009 : Rs. 76.93 crores) in respect of schemes introduced during the year.
 - ii) The amounts payable within one year under the ESS aggregates to **Rs. 192.85** crores (31.03.2009 : Rs. 199.93 crores).
 - iii) Miscellaneous Expenditure (to the extent not written off) on ESS account in Balance Sheet represents the balance amount to be amortised over five years or the financial year ending 31st March, 2010, whichever is earlier. Accordingly, the balance as at 31st March, 2010 is Rs. Nil.
- b) The manufacturing and other expenses and depreciation shown in the Profit and Loss Account include **Rs. 41.43** crores (2008-09 : Rs. 37.65 crores) and **Rs. 1.94** crores (2008-09 : Rs. 2.05 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, 2010, a credit of **Rs. 206.95** crores (31.03.2009 : Debit of Rs. 471.66 crores) remains to be amortised in the "Foreign Currency Monetary Items Translation Difference Account" after taking a charge of **Rs. 85.67** crores (2008-09 : Rs. 30.79 crores) in the Profit & Loss Account and **Rs. 47.35** crores (net of deferred tax **Rs. 24.38** crores) [2008-09 : Rs. 32.54 crores (net of deferred tax Rs. 16.76 crores)] adjusted against Securities Premium Account during the current financial year on account of amortisation. The Depreciation for the year ended 31st March, 2010 is higher by **Rs. 0.41** crores (2008-09 : Rs. 2.04 crores) and the Profit before taxes for the year ended 31st March, 2010 is lower by **Rs. 561.60** crores (2008-09 : Higher by Rs. 889.47 crores).

9. Other Significant Disclosures

- (a) Pursuant to the sanction of the Honourable High Court of Calcutta to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Hooghly Met Coke & Power Company Ltd. (HMPCL) whose principal business was manufacture of metallurgical coke, have been merged with the Company with effect from 1st April, 2009 in accordance with the Scheme so sanctioned. The effect of the merger has been given in the accounts as per the scheme sanctioned.

The amalgamation has been accounted for under the "Pooling of Interests method" as prescribed by Accounting Standard 14 (AS-14) as notified by the Government of India. Accordingly the assets, liabilities and other reserves of the erstwhile HMPCL as at 1st April, 2009 have been taken over at their book values. As a result reserves of the erstwhile HMPCL aggregating to Rs. 12.28 crores have been added to the reserves of the Company. The difference of Rs. 0.69 crore between the value of net assets taken over, and the investment of the Company in the shares of HMPCL has been adjusted to the Amalgamation Reserve of the Company.

Pursuant to the Scheme, referred to in (a) above, 58,26,63,618 shares held by the Company in the erstwhile HMPCL have been cancelled.

- (b) The Company raised Rs. 3,578.75 crores (US \$ 875 million) through the issue of Foreign Currency Convertible Alternative Reference Securities ("CARS") during FY 2007-08. The CARS will be convertible into either qualifying securities (which may be in the form of depository receipts with restricted rights of withdrawal representing underlying ordinary shares with differential rights as to voting) or ordinary shares only between 4th September, 2011 to 6th August, 2012 and are redeemable in foreign currency only in September 2012, if not converted into equity. The CARS will be convertible at a conversion price of Rs. 733.13 per share. The CARS carry a coupon rate of 1% p.a. The outstanding CARS, if any, at maturity will be redeemable at a premium of 23.34% of the principal amount, with an effective YTM of 5.15%.

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

During 2009-10, the Company invited holders of the CARS to exchange their holdings for 4.5% Convertible Bonds due in 2014. The offer closed on 16th November, 2009 and CARS having face value of US\$ 493 million were exchanged into Convertible Bonds worth US\$ 546.94 million. The net exchange difference of **Rs. 143.15** crores has been recognised as an expense in the Profit and Loss Account during the year. The 4.5% Convertible Bonds are convertible at Rs. 605.53 at an exchange rate of 1 US\$ = Rs. 46.35 at any time on or after 31st December, 2009 and up to the close of business on 11th November, 2014. The aggregate principal amount of CARS remaining outstanding after this exchange is US\$ 382 million.

Premium payable on redemption and the expenses related to the issue of CARS are adjusted against the Securities Premium Account. Changes to premium payable on account of exchange fluctuation is transferred to "Foreign Currency Monetary Items Translation Difference Account" 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. Such exchange fluctuation on the premium payable is amortised over the balance period of CARS but not beyond 31st March, 2011, by adjusting the same to Securities Premium Account. Accordingly, an amount of **Rs. 47.35** crores (net of deferred tax **Rs. 24.38** crores) [2008-09 : Rs. 32.54 crores (net of deferred tax Rs. 16.76 crores)] has been amortised and adjusted against Securities Premium Account.

- c) 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, 2010 are as under:

		Rs. crores	
Sl. No.	Description	2009-10	2008-09
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 148]	1.40	0.01
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	0.10	#
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 148]	0.12	@

* Rs. 21,593.95

Rs. 13,259.95

@ Rs. 34,853.90

- d) 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.
- e) 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 31.03.2010 Rs. crores	Maximum balance outstanding during the year Rs. crores	Investment by the loanee in the shares of parent company No. of Shares
Tata Korf Engineering Services Ltd.	Subsidiary	0.82 0.80	0.82 0.80	—
The Indian Steel and Wire Products Ltd.	Subsidiary	14.91 19.47	20.37 31.96	—
NatSteel Asia Pte. Ltd.	Subsidiary	—	—	—
Tata Steel (KZN) (Pty.) Ltd.	Subsidiary	441.04 128.01	468.32 136.80	—
Rawmet Ferrous Industries Ltd.	Subsidiary	—	—	—
Jamshedpur Utilities & Services Co. Ltd.	Subsidiary	—	8.00	—
Tayo Rolls	Subsidiary	—	18.00	—
Industrial Energy Ltd.	Associate	—	10.00	—
The Tinplate Company of India Ltd.	Associate	15.07 180.00	15.07 180.00	—

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, 2010, an amount of **Rs. 162.32** crores (2008-09 : *Rs. 147.20 crores*) expenses under defined contribution plans.

	Rs. crores	
Benefit (Contribution to)	2009-10	2008-09
Provident Fund	108.12	94.72
Superannuation Fund	26.20	25.03
Employees Pension Scheme/Coal Mines Pension Scheme	17.02	16.90
TISCO Employees Pension Scheme	10.98	10.55
Total	162.32	147.20

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:

	Rs. crores	
Description	2009-10	2008-09
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	1,053.62	761.17
b. Current service cost	49.82	35.26
c. Interest cost	78.44	57.97
d. Acquisition*	0.64	—
e. Actuarial (gain)/loss	74.81	272.27
f. Benefits paid	(83.99)	(73.05)
g. Obligation as at the end of the year	1,173.34	1,053.62
* 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	809.93	709.14
b. Expected return on plan assets	71.12	57.14
c. Actuarial gain/(loss)	5.61	33.35
d. Contributions	241.92	83.35
e. Benefits paid	(83.99)	(73.05)
f. Fair value of plan assets as at the end of the year	1,044.59	809.93
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at the end of the year	1,044.59	809.93
b. Present value of obligation as at the end of the year	1,173.34	1,053.62
c. Net obligation/(assets) recognised in the balance sheet	128.75	243.69
4. Expense recognised in the period		
a. Current service cost	49.82	35.26
b. Interest cost	78.44	57.97
c. Expected return on plan assets	(71.12)	(57.14)
d. Actuarial (gain)/loss	69.20	238.92*
e. Expense recognised during the year	126.34	275.01

*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

5. Investment details	% invested 31.03.2010	% invested 31.03.2009
a. GOI securities	11.78	15.07
b. Public Sector Unit bonds	27.18	36.28
c. State/Central Guaranteed securities	12.71	11.79
d. Special deposit schemes	—	11.49
e. Private sector bonds	8.56	5.65
f. Deposit with LIC	39.61	—
g. Others (including bank balances)	0.16	19.72
	100.00	100.00
6. Assumptions	31.03.2010	31.03.2009
a. Discount rate (per annum)	8.00%	7.75%
b. Estimated rate of return on plan assets (per annum)	8.00%	8.00%
c. Rate of escalation in salary (per annum)	6 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	Rs. crores			
	2009-10		2008-09	
	Medical	Others	Medical	Others
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at the beginning of the year	541.68	37.02	507.42	37.73
b. Current service cost	5.81	1.08	6.26	0.97
c. Interest cost	40.47	2.77	39.23	2.95
d. Acquisitions*	0.18	—	—	—
e. Actuarial (gain)/loss	52.00	6.61	22.94	(2.87)
f. Benefits paid	(39.42)	(2.46)	(34.17)	(1.76)
g. Obligation as at the end of the year	600.72	45.02	541.68	37.02
* 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	5.81	1.08	6.26	0.97
b. Interest cost	40.47	2.77	39.23	2.95
c. Actuarial (gain)/loss	52.00	6.61	22.94	(2.87)
d. Expense recognised during the year	98.28	10.46	68.43	1.05
The expense in relation to (a) Medical – Rs. 98.28 crores (2008-09: Rs. 68.43 crores), and (b) Others – Rs. 10.46 crores (2008-09: Rs. 1.05 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	7.75%	7.75%	8.00%	8.00%
b. Discount rate (per annum) as at the end of the year	8.00%	8.00%	7.75%	7.75%
c. Medical costs inflation rate	5.00%		5.00%	
d. Average medical cost (Rs./person) as at the beginning of the year	2,290		2,170	
e. Average medical cost (Rs./person) as at the end of the year	2,640		2,290	
f. Effect of a 1% change in health care cost, on	Increase (6% p.a.)	Decrease (4% p.a.)	Increase (6% p.a.)	Decrease (4% p.a.)
– aggregate current service and interest cost	6.81	(6.26)	5.51	(5.24)
– closing balance of obligation	100.28	(50.94)	75.48	(61.86)

- 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:

	Rs. crores			
Benefit	2009-10	2008-09	2007-08	2006-07
	Retiring Gratuity			
Defined benefit obligation	1,173.34	<i>1,053.62</i>	<i>761.17</i>	<i>694.99</i>
Plan assets	1,044.59	<i>809.93</i>	<i>709.14</i>	<i>645.68</i>
Surplus/(deficit)	(128.75)	<i>(243.69)</i>	<i>(52.03)</i>	<i>(49.31)</i>
Experience adjustments on plan liabilities – loss/(gain)	98.15	<i>192.98</i>	<i>27.15</i>	<i>14.48</i>
Experience adjustments on plan assets – gain/(loss)	5.61	<i>33.35</i>	<i>(6.02)</i>	<i>(18.29)</i>
	Medical			
Defined benefit obligation	600.72	<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>
Surplus/(deficit)	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Experience adjustments on plan liabilities – loss/(gain)	70.27	<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>
	Others			
Defined benefit obligation	45.02	<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>
Surplus/(deficit)	N.A.	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>
Experience adjustments on plan liabilities – loss/(gain)	7.70	<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>

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

Particulars	Business Segments			Unallocable	Eliminations	Total
	Steel	Ferro Alloys and Minerals	Others			
	Rs. crores	Rs. crores	Rs. crores	Rs. crores	Rs. crores	Rs. crores
Revenue :						
Total External Sales	21,928.19	1,553.01	1,540.78			25,021.98
	20,455.98	2,323.64	1,536.15			24,315.77
Inter segment sales	1,034.36	301.66	32.51		(1,368.53)	–
	1,210.69	313.22	30.08		(1,553.99)	–
Total Revenue	22,962.55	1,854.67	1,573.29		(1,368.53)	25,021.98
	21,666.67	2,636.86	1,566.23		(1,553.99)	24,315.77
Segment result before interest, exceptional items and tax	7,941.92	340.44	113.69	326.65		8,772.70
	7,391.31	1,233.94	(29.54)	(127.41)		8,468.30
Less : Net finance charges (See Schedule 3, Page 132)						1,508.40
						1,152.69
Profit before Taxes						7,214.30
						7,315.61
Taxes						2,167.50
						2,113.87
Profit after Taxes						5,046.80
						5,201.74
Segment Assets	19,588.31	421.44	386.22	5,985.35		26,381.32
	18,423.27	664.31	408.21	5,006.91		24,502.70
Segment Liabilities	6,488.80	233.35	162.43	2,115.03		8,999.61
	5,692.86	238.80	129.54	2,895.85		8,957.05
Total cost incurred during the year to acquire segment assets	2,089.82	7.78	4.44			2,102.04
	2,735.76	19.56	30.97			2,786.29
Segment Depreciation	1,040.22	20.23	22.73			1,083.18
	931.00	21.87	20.53			973.40
Non-Cash Expenses other than depreciation	42.12	0.67	(0.04)	37.71		80.46
	25.74	1.46	3.02	32.81		63.03

Information about Secondary Segments : Geographical

	2009-10	2008-09
	Rs. crores	Rs. crores
Revenue by Geographical Market		
India	22,954.43	20,914.02
Outside India	2,067.55	3,401.75
	25,021.98	24,315.77
Additions to Fixed Assets and Intangible Assets		
India	2,102.04	2,786.29
Outside India	–	–
	2,102.04	2,786.29
	As at	As at
	31.03.2010	31.03.2009
	Rs. crores	Rs. crores
Carrying Amount of Segment Assets		
India	26,176.46	24,501.54
Outside India	204.86	1.16
	26,381.32	24,502.70

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 31.03.2010 Rs. crores	As at 31.03.2009 Rs. crores
Investments	44,979.67	42,371.78
Advance against Equity	1,871.40	247.61
Foreign Currency Monetary Item Translation Difference Account	–	471.66
Miscellaneous Expenditure	–	105.07
	<u>46,851.07</u>	<u>43,196.12</u>
Total Unallocable Liabilities exclude :		
Secured Loans	2,259.32	3,913.05
Unsecured Loans	22,979.88	23,033.13
Foreign Currency Monetary Item Translation Difference Account	206.95	–
Provision for Employee Separation Compensation	957.16	1,033.60
Deferred Tax Liability (Net)	867.67	585.73
	<u>27,270.98</u>	<u>28,565.51</u>

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

12. Related Party Disclosures

(a) List of Related Parties and Relationships

Name of the Party	Country	Name of the Party	Country
A. Subsidiaries		xii) Tata Metaliks Ltd.	India
i) Adityapur Toll Bridge Company Ltd.	India	1. Tata Metaliks Kubota Pipes Ltd.	India
ii) Centennial Steel Company Ltd.*	India	xiii) Tata Refractories Ltd.	India
iii) Gopalpur Special Economic Zone Ltd.	India	1. TRL Asia Pvt. Limited	Singapore
iv) Jamshedpur Utilities & Services Company Ltd.	India	2. TRL China Limited	China
1. Haldia Water Management Limited	India	xiv) Tayo Rolls Ltd.	India
2. Naba Diganta Water Management Ltd.	India	xv) Tata Steel (KZN) (Pty) Ltd.	South Africa
3. SEZ Adityapur Ltd.	India	xvi) Tata Steel Holdings Pte. Ltd.	Singapore
v) Kalimati Investment Company Ltd.	India	a) NSA Holdings Pte Ltd.	Singapore
1. Bangla Steel & Mining Co. Ltd.	Bangladesh	b) Tata Steel Global Holdings Pte Ltd.	Singapore
vi) Lanka Special Steels Ltd.	Sri Lanka	I Corus International (Singapore) Holding Pte. Ltd.	Singapore
vii) NatSteel Asia Pte. Ltd.	Singapore	1. Corus Holdings (Thailand) Ltd.	Thailand
1. NatSteel Iranian Private Joint Stock Company	Iran	2. Corus International (Guangzhou) Ltd.	China
2. NatSteel Middle East FZE	UAE	3. Corus International (Shanghai) Ltd.	China
3. Tata Steel Asia (Hong Kong) Ltd.	Hongkong	4. Corus Metals (Malaysia) Sdn. Bhd.	Malaysia
4. Tata Steel Resources Australia Pty. Ltd.	Australia	5. Corus Metals (Thailand) Limited	Thailand
viii) Rawmet Ferrous Industries Ltd.	India	6. Corus South East Asia Pte Limited	Singapore
ix) Sila Eastern Ltd.@	Thailand	7. Tata Steel international (Asia) Limited	Hongkong
x) Tata Incorporated	USA	8. Tata Steel International (Hongkong) Limited	Hongkong
xi) Tata Korf Engineering Services 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	25.	British Steel International B.V.	Netherlands
	1. Bestbar (Vic) Pte. Ltd.	Australia	26.	British Steel Samson Limited	UK
	2. Best Bar Pty. Ltd.	Australia	27.	British Steel Service Centres Ltd.	UK
	3. Burwill Trading Pte. Ltd.	Singapore	28.	British Steel Tubes Exports Ltd.	UK
	4. Easteel Construction Services Pte. Ltd.	Singapore	29.	British Transformer Cores Ltd.	UK
	5. Easteel Services (M) Sdn. Bhd.	Malaysia	30.	British Tubes Stockholding Ltd.	UK
	6. Eastern Steel Fabricators Phillipines, Inc.	Phillipines	31.	Bs Quest Trustee Limited	UK
	7. Eastern Steel Services Pte. Ltd.	Singapore	32.	Bskh Corporate Services (UK) Limited	UK
	8. Eastern Wire Pte. Ltd.	Singapore	33.	Burgdorfer Grundstuecks GmbH	Germany
	9. Materials Recycling Pte. Ltd.	Singapore	34.	C V Benine	Netherlands
	10. NatSteel (Xiamen) Ltd.	China	35.	C Walker & Sons Ltd.	UK
	11. NatSteel Asia (S) Pte. Ltd.	Singapore	36.	Catnic GmbH	Germany
	12. NatSteel Australia Pty. Ltd.	Australia	37.	Catnic Limited	UK
	13. NatSteel Equity IV Pte. Ltd.	Singapore	38.	Cbs Investissements SAS	France
	14. Natsteel Recycling Pte Ltd.	Singapore	39.	Cladding & Decking (UK) Limited	UK
	15. NatSteel Trade International (Shanghai) Company Ltd.	China	40.	Cogent Power Inc.	Canada
	16. NatSteel Trade International Pte. Ltd.	Singapore	41.	Cogent Power Inc.	Mexico
	17. NatSteel Vina Co. Ltd.	Vietnam	42.	Cogent Power Inc.	USA
	18. PT Materials Recycling Indonesia	Indonesia	43.	Cogent Power Limited	UK
	19. The Siam Industrial Wire Co. Ltd.	Thailand	44.	Cold Drawn Tubes Ltd.	UK
	20. Wuxi Jinyang Metal Products Co. Ltd.	China	45.	Color Steels Limited	UK
III	Orchid Netherlands (No.1) B.V.	Netherlands	46.	Corbeil Les Rives SCI	France
IV	Tata Steel Europe Ltd.	UK	47.	Corby (Northants) & District Water Co.	UK
	1. Almana Steel Dubai (Jersey) Limited	Jersey	48.	Cordor (C& B) Limited	UK
	2. Apollo Metals Ltd.	USA	49.	Corus - Sistemas Constructivos E Revestimentos Metalicos, Lda	Portugal
	3. Ashorne Hill Management College	UK	50.	Corus Aerospace Service Centre Suzhou Co Ltd	China
	4. Augusta Grundstucks GmbH	Germany	51.	Corus Aluminium Beheer B.V.*	Netherlands
	5. Automotive Laser Technologies Limited	UK	52.	Corus Aluminium Limited	UK
	6. B S Pension Fund Trustee Ltd.	UK	53.	Corus Aluminium Verwaltungsgesellschaft Mbh	Germany
	7. Bailey Steels Limited	UK	54.	Corus America Holdings Inc.	USA
	8. Beheermaatschappij Industriële Produkten B.V.	Netherlands	55.	Corus America Inc.	USA
	9. Belfin Beheermaatschappij B.V.	Netherlands	56.	Corus Batiment Et Systemes SAS	France
	10. Bell & Harwood Limited	UK	57.	Corus Belgium Bvba	Belgium
	11. Blastmega Limited (United Steel Forgings Ltd.)	UK	58.	Corus Benelux B.V.	Netherlands
	12. Blume Stahlservice GmbH	Germany	59.	Corus Beteiligungs GmbH	Germany
	13. Blume Stahlservice Polska Sp. Z.O.O	Poland	60.	Corus Brokers Limited	UK
	14. Bore Samson Group Ltd.	UK	61.	Corus Building Systems Bulgaria AD	Bulgaria
	15. Bore Steel Ltd.	UK	62.	Corus Building Systems N.V.	Belgium
	16. British Guide Rails Ltd.	UK	63.	Corus Building Systems SAS	France
	17. British Steel Holdings B.V.	Netherlands	64.	Corus Byggesystemer A/S	Denmark
	18. British Steel Nederland International B.V.	Netherlands	65.	Corus Byggsystem AB	Sweden
	19. British Steel Benelux B.V.	Netherlands	66.	Corus Byggsystemer A/S	Norway
	20. British Steel Corporation Ltd	UK	67.	Corus Central Europe S.R.O.	Czech Republic
	21. British Steel De Mexico S.A. de C.V.	Mexico	68.	Corus Cic Holdings Inc.	Canada
	22. British Steel Directors (Nominees) Limited	UK	69.	Corus Cic Inc.	Canada
	23. British Steel Employee Share Ownership Trustees Ltd.	UK	70.	Corus CNBV Investments	UK
	24. British Steel Engineering Steels (Exports) Limited	UK	71.	Corus Coatings Usa Inc.	USA
			72.	Corus Cold Drawn Tubes Limited	UK

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

Name of the Party	Country	Name of the Party	Country
73. Corus Construction Products (Thailand) Limited	Thailand	119. Corus Multi-Metals Limited	UK
74. Corus Consulting And Technical Services B.V.	Netherlands	120. Corus Nederland B.V.	Netherlands
75. Corus Consulting B.V.	Netherlands	121. Corus New Zealand Limited	New Zealand
76. Corus Consulting Limited	UK	122. Corus Norge A/S	Norway
77. Corus Consulting Romania SRL *	Romania	123. Corus Packaging Plus Belgium N.V	Belgium
78. Corus Degels GmbH	Germany	124. Corus Packaging Plus Norway A/S	Norway
79. Corus Denmark A/S	Denmark	125. Corus Perfo B.V.	Netherlands
80. Corus Deutschland GmbH	Germany	126. Corus Polska Sp.Z.O.O.	Poland
81. Corus Distribution Europe BV	Netherlands	127. Corus Primary Aluminium B.V.	Netherlands
82. Corus Electrical Limited	UK	128. Corus Properties (Germany) Limited	UK
83. Corus Engineering Limited	UK	129. Corus Property	UK
84. Corus Engineering Steels (UK) Limited	UK	130. Corus Quest Trustee Limited	UK
85. Corus Engineering Steels Holdings Limited	UK	131. Corus Rail Consultancy Limited	UK
86. Corus Engineering Steels Limited	UK	132. Corus Rail France S.A	France
87. Corus Engineering Steels Overseas Holdings Limited	UK	133. Corus Rail Limited	UK
88. Corus Finance Limited	UK	134. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland
89. Corus Finland Oy	Finland	135. Corus Service Center Milano Spa	Italy
90. Corus France SAS	France	136. Corus Service Centre Limited	UK
91. Corus Group Limited	UK	137. Corus Service Centre Maastricht B.V.	Netherlands
92. Corus Holdings Ltd.	UK	138. Corus Services Nederland B.V.	Netherlands
93. Corus Holdings SA	France	139. Corus Sheet & Tube Inc.	USA
94. Corus Hungary Trading Limited Liability Company	Hungary	140. Corus Special Strip Asia Limited	Hong Kong
95. Corus India Ltd.	India	141. Corus Staal B.V.	Netherlands
96. Corus International (India) Pvt. Limited	India	142. Corus Stahl GmbH	Germany
97. Corus International (Overseas Holdings) Limited	UK	143. Corus Stainless Limited	UK
98. Corus International Bulgaria Limited	Bulgaria	144. Corus Stainless NI B.V.	Netherlands
99. Corus International Deutschland GmbH	Germany	145. Corus Stainless UK Ltd.	UK
100. Corus International Limited	UK	146. Corus Star-Frame B.V.	Netherlands
101. Corus International Nigeria	Nigeria	147. Corus Steel Limited	UK
102. Corus International Representacoes Do Brasil Ltda.	Brazil	148. Corus Steel Usa Inc.	USA
103. Corus International Romania SRL	Romania	149. Corus Sverige AB	Sweden
104. Corus International Services N.V	Belgium	150. Corus Technology B.V.	Netherlands
105. Corus International Trading Limited	UK	151. Corus Trico Holdings Inc.	USA
106. Corus International Trading Limited	USA	152. Corus Tubes B.V.	Netherlands
107. Corus Investment B.V.	Netherlands	153. Corus Tuscaloosa Corp.	USA
108. Corus Investments Ltd.	UK	154. Corus UK Healthcare Trustee Limited	UK
109. Corus Ireland Ltd.	Ireland	155. Corus UK Limited	UK
110. Corus Laminacion Y Derivados, S.L.	Spain	156. Corus Vlietjonge B.V.	Netherlands
111. Corus Large Diameter Pipes Limited	UK	157. Cpn 85 Limited	UK
112. Corus Liaison Services (India) Limited	UK	158. Crucible Insurance Company Ltd.	I of Man
113. Corus Management Limited	UK	159. Demka B.V.	Netherlands
114. Corus Met B.V.	Netherlands	160. Dsrn Group Plc.	UK
115. Corus Metal Iberica S.A	Spain	161. Ees Group Services Limited	UK
116. Corus Metal Sanayi Ve Ticaret AS	Turkey	162. Ees Nederland B.V.	Netherlands
117. Corus Metals Limited	UK	163. Eric Olsson & Soner Forvaltnings AB	Sweden
118. Corus Middle East FZE	UAE	164. Esmil B.V.	Netherlands
		165. Euro-Laminations Limited	UK
		166. European Electrical Steels Limited	UK
		167. Europressings Limited	UK
		168. Firsteel Group Limited	UK

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

Name of the Party	Country	Name of the Party	Country
169. Firsteel Holdings Limited	UK	217. Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	Netherlands
170. Firsteel Steel Processing Limited	UK	218. Oostflank B.V.	Netherlands
171. Firsteel Strip Mill Products Limited	Ireland	219. Orb Electrical Steels Limited	UK
172. Fischer Profielen NV	Belgium	220. Ore Carriers Ltd.	UK
173. Fischer Profil GmbH	Germany	221. Oremco Inc.	USA
174. Gamble Simms Metals Ltd.	Ireland	222. Plated Strip International Limited	UK
175. Grant Lyon Eagre Ltd.	UK	223. Precoat International Limited	UK
176. H E Samson Ltd.	UK	224. Precoat Limited	UK
177. Hadfields Holdings Ltd.	UK	225. Rafferty-Brown Steel Co Inc Of Conn.	USA
178. Hammermega Limited	UK	226. Richard Thomas And Baldwins 1978 Limited	New Zealand
179. Harrowmills Properties Ltd.	UK	227. Richard Thomas And Baldwins (Australia) Pty Ltd.	Australia
180. Hille & Muller GmbH	Germany	228. Round Oak Steelworks Ltd.	UK
181. Hille & Muller Italia SRL.	Italy	229. Runblast Limited	UK
182. Hille & Muller Usa Inc.	USA	230. Runmega Limited	UK
183. Holorib GmbH	Germany	231. S A B Profiel B.V.	Netherlands
184. Hoogovens (UK) Limited	UK	232. S A B Profiel GmbH	Germany
185. Hoogovens Aluminium UK Limited	UK	233. SA Intertubes	Belgium
186. Hoogovens Finance B.V.	Netherlands	234. Sacra-Nord SAS	France
187. Hoogovens Technical Services Coahuila B.V.	Netherlands	235. Scrap Processing Holding B.V.	Netherlands
188. Hoogovens Technical Services Mexico De S. De R.L. De C.V.	Mexico	236. Seamless Tubes Ltd.	UK
189. Hoogovens Technical Services Monclova B.V.	Netherlands	237. Sia Corus Building Systems	Latvia
190. Hoogovens Tubes Poland Spolka Z.O.O	Poland	238. Simiop Investments Ltd.	UK
191. Hoogovens Usa Inc.	USA	239. Simiop Ltd.	UK
192. Huizenbezit "Breesaap" B.V.	Netherlands	240. Simms Steel Holdings Ltd.	UK
193. Ickles Cottage Trust	UK	241. Skruv Erik AB	Sweden
194. Immobiliere De Construction De Maubeuge Et Louvroil SAS	France	242. Societe Europeenne De Galvanisation (Segal) Sa	Belgium
195. Industrial Steels Limited	UK	243. Staalverwerking En Handel B.V.	Netherlands
196. Inter Metal Distribution SAS	France	244. Steel Company (N.I.) Ltd.	UK
197. K&S Management Service Limited	UK	245. Steel Stockholdings Ltd.	UK
198. Kalzip Asia Pte	Singapore	246. Steelstock Ltd.	UK
199. Kalzip GmbH	Austria	247. Stewarts & Lloyds Of Ireland Ltd.	Ireland
200. Kalzip GmbH	Germany	248. Stewarts And Lloyds (Overseas) Ltd.	UK
201. Kalzip Guanhzhou Limited	China	249. Stocksbridge Cottage Trust	UK
202. Kalzip Inc	USA	250. Surahammar Bruks AB	Sweden
203. Kalzip Limited	UK	251. Swinden Housing Association	UK
204. Kalzip Spain S.L.U.	Spain	252. Tata Steel International (Italia) SRL	Italy
205. Lister Tubes Ltd.	Ireland	253. Tata Steel International (Schweiz) AG	Switzerland
206. London Works Steel Company Ltd.	UK	254. Tata Steel Netherlands B.V.	Netherlands
207. Midland Steel Supplies Ltd.	UK	255. Tata Steel UK Ltd.	UK
208. Mistbury Investments Limited	UK	256. Telmag (Holdings) Limited	UK
209. Montana Bausysteme AG	Switzerland	257. Telmag Magnetic Components Limited	UK
210. Myriad Deutschland GmbH	Germany	258. The Newport And South Wales Tube Company Ltd.	UK
211. Myriad Espana SI	Spain	259. The Stanton Housing Company Ltd.	UK
212. Myriad Nederland B.V.	Netherlands	260. The Steel Company Of Ireland Limited	Ireland
213. Myriad SA	France	261. The Templeborough Rolling Mills Ltd.	UK
214. Myriad United Kingdom Limited	UK	262. Thomas Processing Company	USA
215. Namascor B.V.	Netherlands	263. Thomas Steel Strip Corp.	USA
216. Nationwide Steelstock Limited	UK		

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

Name of the Party	Country	Name of the Party	Country
264. Tinsley Trailers Limited	UK	3. Jamipol Ltd.	India
265. Toronto Industrial Fabrications Ltd.	UK	4. Kalinga Aquatics Ltd.	India
266. Trierer Walzwerk GmbH	Germany	5. Kumardhubi Fireclay & Silica Works Ltd.	India
267. Tulip Netherlands (No. 1) B.V.	Netherlands	6. Kumardhubi Metal Casting & Engineering Ltd.	India
268. Tulip Netherlands (No. 2) B.V.	Netherlands	7. Nicco Jubilee Park Ltd.	India
269. Tulip UK Holdings (No. 2) Ltd.	UK	8. Strategic Energy Technology Systems Private Limited *	India
270. Tulip UK Holdings (No. 3) Ltd.	UK	9. Tata Construction & Projects Ltd.	India
271. U.E.S. Bright Bar Limited	UK	10. Tata Sponge Iron Ltd.	India
272. UK Steel Enterprise Ltd.	UK	11. Tinplate Company of India Ltd.	India
273. Ukse Fund Managers Limited	UK	12. TRF Ltd.	India
274. Ukse Fund Mangers (General Partner) Limited	UK	vi) Tata Steel Holdings Pte. Ltd.	
275. United Steels Co (N Z) Ltd.	New Zealand	a) Tata Steel Global Holdings Pte Ltd.	
276. Unitol SAS	France	I Corus International (Singapore) Holding Pte. Ltd.	
277. Walker Manufacturing And Investments Ltd.	UK	1. European Profiles Malaysia (M) Sdn.Bhd.	Malaysia
278. Walkersteelstock Ireland Limited	Ireland	II NatSteel Holdings Pte. Ltd.	
279. Walkersteelstock Ltd.	UK	1. Southern Steel, Berhard	Malaysia
280. Westwood Steel Services Ltd.	UK	III Tata Steel Europe Ltd.	
281. Whitehead (Narrow Strip) Ltd.	UK	1. Ab Norskstal AS	Norway
V Tata Steel Global Minerals Holdings Pte Ltd.	Singapore	2. Albi Profils SRL	France
1. Al Rimal Mining LLC	Oman	3. Altos Hornos De Mexico S.A. de C.V.	Mexico
2. Black Ginger 461 Proprietary Ltd	South Africa	4. Appleby Frodingham Cottage Trust Limited	UK
3. Kalimati Coal Company Pty. Ltd.	Australia	5. Combulex B.V.	Netherlands
4. Tata Steel Cote D' Ivoire S.A. @	Ivory Coast	6. Cv Gasexpansie Ijmond	Netherlands
VI Tata Steel (Thailand) Public Company Ltd.	Thailand	7. Danieli Corus Canada Inc.	Canada
1. NTS Steel Group Plc	Thailand	8. Danieli Corus Asia B.V.	Netherlands
2. The Siam Construction Steel Co. Ltd.	Thailand	9. Danieli Corus B.V.	Netherlands
3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand	10. Danieli Corus Braseq Ltda.	Brazil
xvii) Tata Steel Processing And Distribution Limited *	India	11. Danieli Corus Construction Services B.V.	Netherlands
xviii) TM International Logistics Ltd.	India	12. Danieli Corus Construction Services Usa Inc.	USA
1. International Shipping Logistics FZE	UAE	13. Danieli Corus Do Brasil Ltda.	Brazil
2. TKM Global China Ltd.	China	14. Danieli Corus Inc.	USA
3. TKM Global GmbH	Germany	15. Danieli Corus Services Usa Inc.	USA
4. TKM Global Logistics Ltd.	India	16. Danieli India (PVT) Ltd.	India
5. TM Harbour Services Private Ltd.*	India	17. Endex European Energy Derivates Exchanges N.V.*	Netherlands
xix) The Indian Steel and Wire Products Ltd.	India	18. European Profiles (Marketing) Sdn. Bhd.	Malaysia
xx) The Tata Pigments Ltd.	India	19. Galvpro LP.	USA
B. Associate through		20. Gietwalsonderhoudcombinatie B.V.	Netherlands
i) Kalimati Investment Company Ltd.		21. Hoogovens Court Roll Service Technologies Vof	Netherlands
1. Rujuvalika Investments Ltd.	India	22. Hoogovens Gan Multimedia S.A. De C.V.	Mexico
ii) NatSteel Asia Pte. Ltd.		23. Isolation Du Sud SA	France
1. Steel Asia Development and Management Corp.	Singapore	24. Issb Limited	UK
2. Steel Asia Industries Inc.	Singapore	25. MDC Sublance Probe Technology	Shanghai
3. Steel Asia Manufacturing Corp.	Singapore	26. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V.	Netherlands
iii) Tata Incorporated		27. Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
1. TKM Overseas Ltd.	India	28. Rsp Holding B.V.	Netherlands
iv) Tata Refractories Ltd.		29. Schreiner Fleischer AS	Norway
1. Almora Magnesite Ltd.	India		
v) Tata Steel Ltd.			
1. Indian Steel Rolling Mills Ltd.	India		
2. Industrial Energy Ltd.	India		

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

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

* Part of the Year.

@ By virtue of management control.

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

12. (b) Related Party Transactions

Rs. crores

Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of Goods						
TS Resources Australia Pte Ltd.	2,639.27 3,065.56	— —	— —	— —	— —	2,639.27 3,065.56
Others	196.56 165.73	107.28 136.66	— —	— —	— —	303.84 302.39
	2,835.83 3,231.29	107.28 136.66	— —	— —	— —	2,943.11 3,367.95
Sale of Goods						
TS Asia (Hongkong) Pte.	553.11 1,072.31	— —	— —	— —	— —	553.11 1,072.31
Tata Steel Processing and Distribution Ltd.	684.43 —	141.37 773.31	— —	— —	— —	825.80 773.31
Tinplate Company of India Ltd.	— —	241.93 255.28	— —	— —	— —	241.93 255.28
Others	384.58 510.49	194.53 199.31	— —	— —	— —	579.11 709.80
	1,622.12 1,582.80	577.83 1,227.90	— —	— —	— —	2,199.95 2,810.70
Receiving of Services						
Jamshedpur Utilities & Services Co. Ltd.	206.27 229.82	— —	— —	— —	— —	206.27 229.82
TM International Logistics Ltd.	161.77 178.69	— —	— —	— —	— —	161.77 178.69
Tinplate Company of India Ltd.	— —	370.03 358.63	— —	— —	— —	370.03 358.63
Others	266.22 387.27	49.47 112.51	— —	— —	1.36 53.83	317.05 553.61
	634.26 795.78	419.50 471.14	— —	— —	1.36 53.83	1,055.12 1,320.75
Rendering of Services						
Jamshedpur Utilities & Services Co. Ltd.	37.04 11.54	— —	— —	— —	— —	37.04 11.54
The Indian Steel & Wire Products Ltd.	18.49 13.68	— —	— —	— —	— —	18.49 13.68
Tinplate Company of India Ltd.	— —	42.10 45.19	— —	— —	— —	42.10 45.19
Others	27.23 36.36	10.52 23.14	— —	— —	0.24 0.24	37.99 59.74
	82.76 61.58	52.62 68.33	— —	— —	0.24 0.24	135.62 130.15
Purchase of Fixed Assets						
TRF Ltd.	— —	3.17 17.10	— —	— —	— —	3.17 17.10
Others	— 0.91	0.31 0.06	— —	— —	— —	0.31 0.97
	— 0.91	3.48 17.16	— —	— —	— —	3.48 18.07
Sale of Fixed Assets						
Jamipol Ltd.	— —	0.07 —	— —	— —	— —	0.07 —
Lanka Special Steels Ltd.	0.18 —	— —	— —	— —	— —	0.18 —
	0.18 —	0.07 —	— —	— —	— —	0.25 —
Dividend Expense						
Tata Sons Ltd.	— —	— —	— —	— —	408.42 333.07	408.42 333.07
Others	1.08 1.08	1.86 1.86	0.01 **	* ***	— —	2.95 2.94
	1.08 1.08	1.86 1.86	0.01 **	* ***	408.42 333.07	411.37 336.01

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

						Rs. crores
Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Dividend Income						
Kalimati Investment Co. Ltd.	180.26 4.10	— —	— —	— —	— —	180.26 4.10
Others	10.84 33.13	23.52 8.43	— —	— —	— —	34.36 41.56
	191.10 37.23	23.52 8.43	— —	— —	— —	214.62 45.66
Interest Income						
Tinplate Company of India Ltd.	— —	15.20 17.22	— —	— —	— —	15.20 17.22
Tata Steel KZN Pty. Ltd.	19.15 15.81	— —	— —	— —	— —	19.15 15.81
Others	1.73 6.93	1.26 6.27	— —	— —	— —	2.99 13.20
	20.88 22.74	16.46 23.49	— —	— —	— —	37.34 46.23
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.	4,334.94 4,718.30	— —	— —	— —	— —	4,334.94 4,718.30
Centennial Steel Company Ltd.	1,644.87 —	— —	— —	— —	— —	1,644.87 —
Others	329.13 158.88	371.09 400.53	— —	— —	— —	700.22 559.41
	6,308.94 4,877.18	371.09 400.53	— —	— —	— —	6,680.03 5,277.71
Unsecured Advances/Deposits given						
Jamshedpur Utilities & Services Co. Ltd.	2.91 2.96	— —	— —	— —	— —	2.91 2.96
Others	0.02 29.20	— —	— —	— —	— —	0.02 29.20
	2.93 32.16	— —	— —	— —	— —	2.93 32.16
Remuneration Paid						
Mr. B. Muthuraman (upto 30.09.2009)	— —	— —	4.01 5.07	— —	— —	4.01 5.07
Mr. H. M. Nerurkar	— —	— —	3.01 —	— —	— —	3.01 —
	— —	— —	7.02 5.07	— —	— —	7.02 5.07
Guarantees and collaterals given						
Corus UK Ltd., Corus Rail Consultancy, Industrial Steels Ltd., Corus International Trading Ltd.	139.28 —	— —	— —	— —	— —	139.28 —
Tata NYK Shipping Ltd.	— —	134.78 —	— —	— —	— —	134.78 —
Others	— —	— 25.00	— —	— —	— —	— 25.00
	139.28 —	134.78 25.00	— —	— —	— —	274.06 25.00

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

12. (b) Related Party Transactions

Rs. crores

Transactions	Subsidiaries	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Guarantees Outstanding						
Corus UK Ltd., Corus Rail Consultancy, Industrial Steels Ltd., Corus International Trading Ltd.	139.28	–	–	–	–	139.28
	–	–	–	–	–	–
Tata NYK Shipping Ltd.	–	134.78	–	–	–	134.78
	–	–	–	–	–	–
	139.28	134.78	–	–	–	274.06
	–	–	–	–	–	–
Outstanding Receivables						
Tata Steel KZN Pty. Ltd.	490.76	–	–	–	–	490.76
	153.39	–	–	–	–	153.39
Centennial Steel Company Ltd.	1,671.86	–	–	–	–	1,671.86
	–	–	–	–	–	–
Others	333.15	20.97	–	–	4.01	358.13
	421.16	240.48	–	–	4.01	665.65
	2,495.77	20.97	–	–	4.01	2,520.75
	574.55	240.48	–	–	4.01	819.04
Outstanding Payables						
TS Resources Australia Pte Ltd.	1,379.26	–	–	–	–	1,379.26
	1,231.91	–	–	–	–	1,231.91
Others	135.04	42.31	–	–	56.10	233.45
	126.21	68.10	–	–	55.68	249.99
	1,514.30	42.31	–	–	56.10	1,612.71
	1,358.12	68.10	–	–	55.68	1,481.90
Bad Debts Recovered						
The Indian Steel & Wire Products Ltd.	3.07	–	–	–	–	3.07
	2.16	–	–	–	–	2.16
	3.07	–	–	–	–	3.07
	2.16	–	–	–	–	2.16

* 23,891.15

** 43,389.30

*** 20,828.81

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

13. The Company has the following Joint Ventures as on 31st March, 2010 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Venture Companies is given below :

Name of the Joint Venture Company	Country of Incorporation	Percentage of Holding	As at 31st March, 2010				For the year ended 31st March, 2010	
			Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services Ltd.	India	50%	71.93	26.66	0.72	—	38.76	23.54
			60.29	30.24	0.32	—	34.14	24.08
The Dhamra Port Company Ltd.	India	50%	1,449.28	1,203.87	—	208.46	0.02	0.45
			750.93	593.10	—	432.99	—	0.09
Tata BlueScope Steel Ltd.	India	50%	576.70	315.10	9.37	114.32	213.75	222.98
			380.73	109.89	13.36	172.37	178.87	206.32
Tata NYK Shipping Pte. Ltd.	Singapore	50%	277.15	151.97	—	252.98	353.36	356.49
			138.71	5.75	—	439.44	250.59	249.35
Bhubaneshwar Power Private Ltd.	India	26%	2.00	1.83	1.30	—	—	0.09
			0.96	0.70	1.00	—	—	—
S & T Mining Company Private Ltd.	India	50%	0.57	0.31	—	—	—	0.49
			0.45	0.10	0.25	—	—	0.17

14. Earnings Per Share (EPS)

	2009-10 Rs. crores	2008-09 Rs. crores
(i) Profit after tax.....	5,046.80	5,201.74
Less : Preference dividend including tax thereon	53.68	128.05
Profit attributable to ordinary shareholders.....	4,993.12	5,073.69
Profit attributable to ordinary shareholders – for Diluted EPS.....	5,054.70	5,464.58
(ii) Weighted average No. of Ordinary Shares for Basic EPS	Nos. 82,85,50,811	Nos. 73,05,84,834
Add : Adjustment for Nil (2008-09 : 8,750) Convertible Alternative Reference Securities.....	—	4,64,56,339
Adjustment for 5,469.35 (2008-09: Nil) 4.5% Foreign Currency Convertible Bonds (See Note 9(b), Page 153)	1,51,43,378	—
Adjustment for Options relating to Nil (2008-09 : 12,446) Detachable Warrants.....	—	7,613
Adjustment for 54,72,66,011 (2008-09 : 54,72,66,011) Cumulative Convertible Preference Shares	3,82,33,652	9,12,08,752
Weighted average no. of Ordinary Shares for Diluted EPS.....	88,19,27,841	86,82,57,538
(iii) Nominal value of Ordinary Shares.....	Rs. 10.00	Rs. 10.00
(iv) Basic Earnings per Ordinary Share.....	Rs. 60.26	Rs. 69.45
(v) Diluted Earnings per Ordinary Share.....	Rs. 57.31	Rs. 62.94

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

15. Deferred Tax Liability (Net) (Item No. 5, Page 128)

	Deferred Tax (Asset)/Liability as at 1.04.2009	Deferred Tax (Asset)/Liability as at 1.04.2009 on account of HMPCL – amalgamation	Current year charge/(credit)	Deferred Tax (Asset)/Liability as at 31.03.2010
	Rs. crores	Rs. crores	Rs. crores	Rs. crores
Deferred Tax Liabilities				
(i) Difference between book and tax depreciation	1,860.64	76.13	36.46	1,973.23
(ii) Prepaid Expenses	31.66	–	41.36	73.02
	<u>1,892.30</u>	<u>76.13</u>	<u>77.82</u>	<u>2,046.25</u>
Deferred Tax Assets				
(i) Employee Separation Compensation	(504.21)	–	12.42	(491.79)
(ii) Wage Provision	(69.47)	–	(58.08)	(127.55)
(iii) Provision for doubtful debts & advances	(35.96)	–	6.13	(29.83)
(iv) Disallowance under Section 43B	(165.86)	–	0.75	(165.11)
(v) Provision for Leave Salary	(143.23)	(0.13)	3.26	(140.10)
(vi) Provision for Employee Benefits	(70.52)	–	1.60	(68.92)
(vii) Other Deferred Tax Assets/Liabilities	(17.86)	(66.84)	62.00	(22.70)
	<u>(1,007.11)</u>	<u>(66.97)</u>	<u>28.08</u>	<u>(1,046.00)</u>
	<u>885.19</u>	<u>9.16</u>	<u>105.90</u>	<u>1,000.25</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)	
(ix) Deferred tax on redemption premium on CARS exchanged during the year charged to Profit and Loss Account (deferred tax on the premium on CARS was adjusted against Securities Premium Account on issue of CARS in 2007-08) (See Note 9(b), Page 153)			75.00	
Net amount charged to Profit and Loss Account (Item 8(b), Page 129)			<u>169.50</u>	
Deferred tax asset on the redemption premium on CARS adjusted against Securities Premium Account on issue of CARS in 2007-08 (See Note 9(b), Page 153)	(299.46)	–	166.88	(132.58)
Deferred Tax Liabilities (Net)	<u>585.73</u>	<u>9.16</u>		<u>867.67</u>

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

16. Licensed and installed capacities and production :	Installed capacity ⁽²⁾	Production ⁽³⁾
	Tonnes	Tonnes
Class of Products		
(i) Crude Steel (Jamshedpur, Jharkhand)	68,00,000 61,10,000	65,63,690 56,45,755
(ii) Saleable Steel (Jamshedpur, Jharkhand)	65,00,000 58,40,000	64,39,286 53,74,939 ^{(1) & (4)}
(iii) Cold Rolled Coils (Tarapur, Maharashtra)	1,00,000 1,00,000	1,63,279 1,40,932
(iv) Wire Rods (Tarapur, Maharashtra)	2,65,000 2,65,000	2,73,909 2,53,410
Wires (Borivali, Tarapur, Indore; Maharashtra) & (Bengaluru, Karnataka)	2,02,650 2,75,200	1,70,997 1,94,041
(v) Ferro Manganese & Silico Manganese (Joda, Orissa)	30,500 30,500	50,240 46,974
(vi) Charge Chrome (Bamnipal, Orissa)	50,000 50,000	50,576 45,010
(vii) Welded Steel Tubes (Jamshedpur, Jharkhand)	2,88,000 2,84,000	2,68,557 ⁽⁵⁾ 2,56,199
(viii) Metallurgical Machinery (Jamshedpur, Jharkhand)	— ⁽⁶⁾ —	9,054 14,148
	Numbers	Numbers
(ix) Bearings (Kharagpur, West Bengal)	2,50,00,000 2,50,00,000	2,93,27,053 2,72,89,212

Licensed capacity is not applicable in terms of the Government of India's Notification No. S.O. 477 (E) dated 25th July, 1991.

(1) Excluding items intended for captive consumption.

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

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

(4) Including semi-finished steel produced **14,20,963 tonnes** (2008-09 : 8,32,695 tonnes) and steel transferred for manufacture into Tubes/C.R. Strips at the Company's Tubes Division **3,72,110 tonnes** (2008-09 : 3,31,550 tonnes)/ steel transferred for manufacture of Cold Rolled Coils at the Company's Cold Rolling Mill Division (West) **2,05,227 tonnes** (2008-09 : 1,62,270 tonnes) and steel transferred for manufacture of Wire Rods **2,68,635 tonnes** (2008-09 : 2,26,475 tonnes) and wires **2,42,894 tonnes** (2008-09 : 2,64,197 tonnes) at the Company's Wire Rod Mill (West) division.

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

(6) There is no separate installed capacity.

(7) 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	Rs. crores	Tonnes	Rs. crores	Tonnes	Rs. crores
(i) Saleable Steel (Finished) ⁽¹⁾	55,18,047	19,333.49	3,58,246	658.08	3,25,699	671.38
	47,60,572	19,313.42	3,25,699	671.38	3,39,546	646.63
Agrico Products.....		126.86		6.87		6.33
		116.21		6.33		9.67
		19,460.35		664.95		677.71
		19,429.63		677.71		656.30
(ii) Semi-finished Steel and Scrap.....	7,68,127	1,554.88	2,54,344	291.05	5,10,653	488.25
	4,46,069	1,004.86	5,10,653	488.25	2,80,630	230.57
(iii) Welded Steel Tubes ⁽²⁾	2,53,802	1,110.28	20,657	51.47	18,680	51.67
	2,27,156	1,130.92	18,680	51.67	19,861	48.21
(iv) By-products, etc.		237.44		1.76		1.51
		166.07		1.51		3.09
(v) Raw Materials :						
(a) Ferro Manganese	38,976	183.47	—	—	—	—
	34,515	290.73	—	—	—	—
(b) Charge Chrome/Ferro Chrome ⁽³⁾ ...	1,45,899	733.21	—	—	—	—
	1,77,029	1,251.47	—	—	—	—
(c) Other Raw Materials.....	—	1,802.44	—	—	—	—
	—	1,879.93	—	—	—	—
(vi) Other Products ⁽⁴⁾		382.58		116.57		119.59
		465.52		119.59		96.44
(vii) Alloy Steel Ball Bearing Rings	Numbers		Numbers		Numbers	
	—	—	—	—	—	—
	2,280	0.07	—	—	4,89,680	0.90
(viii) Bearings.....	3,13,38,852	166.15	19,50,087	15.44	39,68,430	22.97
	2,63,39,660	144.00	39,68,430	22.97	28,39,692	13.14
(ix) Metallurgical Machinery	Tonnes		Tonnes		Tonnes	
	9,054	116.95	—	—	—	—
	14,148	165.17	—	—	—	—
(x) Sale of Purchased Materials						
(a) Saleable Steel (finished/converted)	715	2.98	27	0.16	21	0.15
	2,017	10.67	21	0.15	6,945	25.62
(b) Raw Materials/Scrap/Other Materials	—	4.79	—	—	—	—
	—	6.41	—	—	—	—
		25,755.52		1,141.40		1,361.85
		25,945.45		1,361.85		1,074.27

Notes :

- (1) Including steel material converted by re-rollers : **12,90,621** tonnes (2008-09 : 9,16,548 tonnes).
- (2) Includes Welded Steel Tubes converted under conversion arrangement **39,570** tonnes (2008-09 : 33,492 tonnes).
- (3) Turnover includes Ferro Chrome converted under conversion arrangement **96,435** tonnes (2008-09 : 1,28,576 tonnes).
- (4) Includes tubular steel structures **Rs. 331.71** crores (2008-09 : Rs. 399.62 crores).
- (5) Previous years figures have been regrouped and recast wherever necessary.

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

	Tonnes	Rs. crores
18. Purchase of Finished, Semi-Finished Steel and Other Products :		
A. For Resale :		
(i) Finished/Semi-Finished Steel Materials	262	4.60
	2,466	22.51
(ii) Finished/Semi-Finished Steel Materials – Agrico	20,48,366*	7.77
	—	—
* in numbers		
B. For Own Consumption :		
(i) Finished/Semi-Finished Steel Materials ⁽¹⁾	21,528	148.47
	52,147	319.80
(ii) Sponge/Pig Iron.....	—	—
	7,085	13.19
(iii) Others.....		8.24
		3.37
		169.08
		358.87
(1) Includes components for manufacture of metallurgical machinery Rs. 55.83 crores (2008-09 : Rs. 67.10 crores)		
19. Raw materials consumed : @	Tonnes	Rs. crores
(i) Iron ore	1,11,81,574	662.08
	95,45,665	504.52
(ii) Coal [excluding 49,05,467 tonnes (2008-09 : 47,46,755 tonnes) valued at Rs. 2,811.75 crores (2008-09 : Rs. 2,750.17 crores) used for manufacturing coke]	11,19,944	1,108.07
	7,51,972	789.23
(iii) Coke	34,22,334	3,120.28
	33,15,206	3,695.00
(iv) Limestone and Dolomite.....	22,12,529	412.07
	19,49,523	391.89
(v) Ferro Manganese	21,799	70.49
	18,895	62.99
(vi) Zinc and Zinc Alloys	22,842	210.55
	22,137	210.03
(vii) Spelter, sulphur and other materials [excluding 1,41,402 tonnes valued at Rs. 50.46 crores (2008-09 : 1,01,889 tonnes valued at Rs. 43.90 crores) used in the manufacture of Ferro Manganese].....	11,85,336	1,019.93
	12,00,105	877.29
		6,603.47
		6,530.95
Note : @ The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.		
20. Value of direct imports (C.I.F. Value)		Rs. crores
(i) Raw materials.....		3,102.57
		4,146.75
(ii) Semi-finished products		5.38
		28.02
(iii) Components, stores and spare parts		261.88
		288.42
(iv) Capital goods		672.71
		542.28

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	
	Rs. crores	%	Rs. crores	%
(a) Directly imported	3,941.88	59.69	521.94	20.23
	4,266.89	65.33	419.02	17.33
(b) Indigenously obtained	2,661.59	40.31	2,057.92	79.77
	2,264.06	34.67	1,999.42	82.67
	6,603.47	100.00	2,579.86	100.00
	6,530.95	100.00	2,418.44	100.00
Less : Consumption charged to other revenue accounts			994.04	
			942.75	
			1,585.82	
			1,475.69	

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 Rs. crores	Previous Year Rs. crores
(i) Technical Know-how and Technical Consultants' Fees (net of taxes) including Rs. 212.17 crores (2008-09 : Rs. 319.53 crores) on capital account	212.79	320.83
(ii) Interest, commitment and bank charges payable in foreign currencies.....	727.12	604.87
(iii) Commission	16.47	15.29
(iv) Payable on other accounts [including Rs. 102.14 crores (2008-09 : Rs. 6.15 crores) on capital account].....	253.20	196.76

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 which were declared during the year, are as under :

	Current Year	Previous Year
(i) Number of non-resident shareholders	8,713	5,914
(ii) Number of Ordinary shares held by them.....	11,47,06,926	14,85,95,480
(iii) Gross amount of dividends	Rs. 183.53 crores	Rs. 237.75 crores

24. Earnings in Foreign Exchange

- (i) Export of steel and other materials (at F.O.B. value) **Rs. 2,034.81** crores (2008-09 : Rs. 3,309.78 crores) [including value of exports through export houses].
- (ii) Interest received **Rs. 20.60** crores (2008-09 : Rs. 19.01 crores).
- (iii) Others **Rs. 44.07** crores (2008-09 : Rs. 46.87 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 (Rs. crores)
31.03.2010	42	267.91	1,203.65
31.03.2009	34	347.80	1,764.02

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 (Rs. crores)
31.03.2010	–	–	–
31.03.2009	16	62.18	315.32

(Forward exchange contracts outstanding as on 31st March 2009 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 (Rs. crores)
31.03.2010	31	1,639.61	7,364.74
31.03.2009	39	1,967.17	9,977.47

(Long Term Forward Exchange Contracts outstanding as on 31st March, 2010 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 (Rs. crores)
31.03.2010	4	242.67	1,090.00
31.03.2009	15	636.11	3,226.36

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 31.03.2010		<i>As at 31.03.2009</i>	
	US Dollar Equivalent (million)	INR Equivalent (Rs. crores)	<i>US Dollar Equivalent (million)</i>	<i>INR Equivalent (Rs. crores)</i>
A. Amounts receivable in foreign currency on account of the following :				
Loans Receivable	98.19	441.04	<i>25.24</i>	<i>128.01</i>
Deposits	45.55	204.62	<i>—</i>	<i>—</i>
Interest receivable	11.07	49.74	<i>5.20</i>	<i>26.39</i>
Bill Discounted and Debtors Outstanding	45.84	205.92	<i>38.36</i>	<i>194.52</i>
B. Amounts payable in foreign currency on account of the following :				
Import of goods and services	43.90	197.24	<i>68.37</i>	<i>346.80</i>
Capital imports	20.40	91.67	<i>23.97</i>	<i>121.58</i>
Interest and commitment charges payable	17.30	77.74	<i>47.73</i>	<i>242.07</i>
Loans payable	1,135.96	5,103.59	<i>1,160.72</i>	<i>5,887.19</i>

26. Previous year's figures have been recast/restated where necessary. The assets and liabilities of Hooghly Met Coke and Power Company Ltd. (HMPCL) were transferred to and vested in the Company w.e.f. 1st April, 2009 in accordance with the scheme of amalgamation. Accordingly the figures for the previous year do not include HMPCL.

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 2010		
	Date Month Year		

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Rights Issue
2,42,14,929	Nil
Bonus Issue	Private Placement
Nil	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities	Total Assets
	64,23,27,772	64,23,27,772
Sources of Funds	Paid-up Capital	Reserves & Surplus
	88,74,088	36,07,43,840
	Secured Loans	Unsecured Loans
	2,25,93,237	22,97,98,799
	Other Liabilities	
	2,03,17,808	
Application of Funds	Net Fixed Assets	Investments
	16,00,60,247	44,97,96,702
	Net Current Assets	Misc. Expenditure
	3,24,70,823	Nil

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover	Total Expenditure
25,87,57,663	18,66,14,680
Exceptional Items	Profit/(Loss) Before Tax
Nil	7,21,42,982.24
Profit/(Loss) After Tax	Earnings per Share in Rs. (Weighted Average - Basic)
5,04,67,997	60.26
Dividend rate %	
80	

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

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investment Included In Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
1	Adityapur Toll Bridge Ltd.	INR	1.00	19.38	7.77	27.15	—	—	—	—	—	—	India
2	Centennial Steel Company Limited	INR	1.00	1,671.77	(2.53)	1,669.24	—	—	(2.53)	—	(2.53)	—	India
3	Gopalpur SEZ	INR	1.00	3.57	0.04	3.61	—	—	(0.01)	—	(0.01)	—	India
4	Jamshedpur Utilities And Services Co. Ltd.	INR	1.00	20.35	109.33	145.70	21.44	428.51	25.79	6.24	19.55	—	India
5	Haldia Water Management Ltd.	INR	1.00	15.52	—	28.48	—	35.64	(3.08)	(0.92)	(2.16)	—	India
6	Nabadiganta Water Management Ltd.	INR	1.00	18.45	—	36.95	18.50	—	(0.13)	—	(0.13)	—	India
7	SEZ Adityapur Ltd.	INR	1.00	0.05	—	0.05	—	—	(0.05)	—	(0.05)	—	India
8	Kalimati Investment Co. Ltd.	INR	1.00	16.39	292.29	308.68	297.79	286.35	288.10	45.35	242.75	—	India
9	Bangla Steel & Mining Company Limited	BDT	0.65	0.06	(0.04)	0.02	—	—	—	—	—	—	Bangladesh
10	Lanka Special Steel Limited	LKR	0.39	0.99	5.20	7.86	1.67	40.57	4.24	0.94	3.30	—	Sri Lanka
11	NatSteel Asia Pte Ltd	SGD	32.10	898.67	150.66	1,049.33	—	3.34	38.93	(0.46)	39.39	—	Singapore
12	NatSteel Iranian Private Joint Stock Company	SGD	32.10	0.45	(1.24)	(0.79)	—	—	(0.02)	—	(0.02)	—	Iran
13	NatSteel Middle East FZE	SGD	32.10	3.93	(2.07)	1.86	—	—	0.05	—	0.05	—	United Arab Emirates
14	Tata Steel Asia (Hong Kong) Pte Limited	SGD	32.10	—	35.90	79.69	43.79	1,315.94	9.32	1.48	7.84	—	Hong Kong
15	Tata Steel Resources Australia Pty Limited	SGD	32.10	—	6.69	6.69	—	—	(0.39)	0.42	(0.81)	—	Australia
16	Rawmet Ferrous Industries Limited	INR	1.00	38.60	17.07	83.90	28.23	102.93	13.62	2.32	11.30	—	India
17	Sila Eastern Limited	THB	1.39	0.27	6.97	7.24	—	43.49	3.39	0.98	2.41	0.24	Thailand
18	Tata Incorporated, New York	USD	44.92	6.53	41.10	47.63	—	0.69	(2.39)	(0.73)	(1.66)	—	USA
19	Tata Korf Engineering Services Ltd.	INR	1.00	0.40	(9.02)	(5.37)	3.25	—	(0.02)	—	(0.02)	—	India
20	Tata Metaliks Ltd.	INR	1.00	25.29	63.95	304.90	215.66	1,068.63	50.64	5.09	45.55	—	India
21	Tata Metaliks Kubota Pipes Ltd.	INR	1.00	92.00	—	217.57	125.57	18.22	(33.30)	—	(33.30)	—	India
22	Tata Refractories Ltd.	INR	1.00	20.90	227.24	379.47	131.33	824.63	59.68	21.21	38.47	11.50	India
23	TRL Asia Private Ltd.	SGD	32.10	43.41	(0.32)	43.09	—	42.82	(0.03)	—	(0.03)	—	Singapore
24	TRL China Ltd.	CNY	6.86	42.82	2.65	61.36	15.89	131.31	3.04	—	3.04	—	China
25	Tayo Rolls Ltd.	INR	1.00	10.26	68.07	200.36	122.03	132.55	(11.53)	—	(11.53)	—	India
26	Tata Steel (KZN) (Pty) Limited	ZAR	6.17	85.69	(215.01)	541.16	0.32	521.61	42.72	—	42.72	—	South Africa
27	Tata Steel Holdings Pte Limited	GBP	68.20	33,322.27	(247.49)	33,074.98	0.20	—	(0.16)	—	(0.16)	—	Singapore
28	NSA Holdings PTE Ltd	SGD	32.10	—	—	—	—	—	—	—	—	—	Singapore
29	Tata Steel Global Holdings Pte Ltd	GBP	68.20	32,898.01	206.22	34,461.85	28,259.34	181.36	40.52	40.52	140.84	—	Singapore
30	Corus International (Singapore) Holding Pte. Ltd	SGD	32.10	241.25	136.24	503.90	236.72	—	50.55	3.96	46.59	—	Singapore
31	Corus Holdings (Thailand) Ltd	THB	1.39	0.02	(0.15)	0.01	0.14	—	(0.05)	—	(0.05)	—	Thailand
32	Corus International (Guangzhou) Ltd	CNY	6.86	3.21	(0.16)	3.05	—	—	(0.87)	0.02	(0.89)	—	China
33	Corus International (Shanghai) Ltd	CNY	6.86	3.22	0.94	5.60	1.44	5.64	1.33	(0.03)	1.36	—	China
34	Corus Metals (Malaysia) Sdn Bhd	MYR	13.78	—	2.74	4.41	1.67	3.64	1.49	0.24	1.25	—	Malaysia
35	Corus Metals Thailand Ltd	THB	1.39	0.28	8.54	8.95	0.13	—	(0.20)	—	(0.20)	—	Thailand
36	Corus South East Asia Pte Ltd	SGD	32.10	5.47	27.62	68.56	35.47	219.87	41.21	(0.15)	41.36	—	Singapore
37	Tata Steel International (Asia) Ltd	HKD	5.80	—	168.48	241.77	73.29	522.42	(1.17)	2.16	(3.33)	—	Hong Kong
38	Tata Steel International (Hong Kong) Ltd	HKD	5.80	0.01	164.65	224.85	60.19	1,009.30	11.17	1.71	9.46	—	Hong Kong
39	NatSteel Holdings Pte. Ltd.	SGD	32.10	641.99	50.58	1,605.21	912.64	2,080.48	25.09	4.37	20.72	—	Singapore
40	Best Bar (VIC) Pty Ltd.	SGD	32.10	—	30.33	143.92	113.59	289.24	(12.88)	—	(12.88)	—	Australia
41	Best Bar Pty Ltd.	SGD	32.10	10.69	21.22	128.97	97.06	265.22	(10.91)	(7.13)	(3.78)	—	Australia
42	Burwill Trading Pte Ltd.	SGD	32.10	34.98	(6.75)	28.23	—	—	0.26	(0.28)	0.54	—	Singapore
43	Easteel Construction Services Pte. Ltd.	SGD	32.10	3.21	7.71	10.92	—	—	—	—	—	—	Singapore

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment Included In Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
44	Eastel Services (M) Sdn Bhd	SGD	32.10	—	1.05	1.05	—	—	1.70	0.12	0.04	0.08	—	Malaysia
45	Eastern Steel Fabricators Philippines, Inc.	SGD	32.10	13.94	(41.55)	(27.61)	—	—	—	—	—	—	—	Philippines
46	Eastern Steel Services Pte Ltd.	SGD	32.10	32.10	5.86	37.96	—	—	—	0.02	(0.16)	0.18	—	Singapore
47	Eastern Wire Pte Ltd.	SGD	32.10	26.80	28.60	58.57	3.17	—	—	5.60	0.87	4.73	—	Singapore
48	Materials Recycling Pte Ltd.	SGD	32.10	0.80	(0.80)	—	—	—	—	—	—	—	—	Singapore
49	NatSteel Xiamen Limited	SGD	32.10	118.46	38.72	269.09	111.91	—	1,112.72	26.81	5.89	20.92	—	China
50	NatSteel Asia (S) Pte. Ltd.	SGD	32.10	6.42	1.31	7.73	—	—	0.02	0.02	—	0.02	—	Singapore
51	NatSteel Australia Pty Ltd	SGD	32.10	31.75	(85.81)	20.06	74.12	—	248.14	(30.09)	9.76	(99.85)	—	Australia
52	Nat Steel Equity IV Pte Ltd.	SGD	32.10	—	96.26	96.26	—	—	—	(0.01)	—	(0.01)	—	Singapore
53	Natsteel Recycling Pte Limited (Formerly Natferrous Pte Limited)	SGD	32.10	32.10	83.62	115.83	0.11	—	1,246.31	13.82	2.81	11.01	—	Singapore
54	NatSteel Trade International (Shanghai) Company Ltd	SGD	32.10	0.90	(0.55)	0.57	0.22	—	—	—	—	—	—	China
55	NatSteel Trade International Pte Ltd.	SGD	32.10	9.44	32.54	41.98	—	0.04	1,126.07	5.10	(0.68)	5.78	—	Singapore
56	Natsteel Vna Company Limited	SGD	32.10	42.98	16.23	59.21	—	—	367.56	18.07	1.66	16.41	—	Vietnam
57	PT Materials Recycling Indonesia	SGD	32.10	0.86	(0.91)	(0.05)	—	—	—	—	—	—	—	Indonesia
58	The Siam Industrial Wire Co. Ltd	SGD	32.10	35.05	287.97	323.74	0.72	—	567.55	41.42	9.51	31.91	—	Thailand
59	Wuxi Jinyang Metal Products Co. Ltd.	SGD	32.10	72.01	54.22	158.95	32.72	—	270.34	(6.86)	(2.34)	(4.52)	—	China
60	Orchid Netherlands (No.1) B.V. I.O.	EUR	60.68	0.12	(0.19)	(0.07)	—	—	—	(0.26)	(0.07)	(0.19)	—	Netherlands
61	Tata Steel Europe Ltd	GBP	68.20	23,972.31	(244.50)	23,921.87	194.06	23,893.71	—	(96.06)	(23.37)	(72.69)	—	UK
62	Almana Steel Dubai (Jersey) Limited	AED	12.23	0.07	36.97	70.46	33.42	—	42.05	(3.01)	—	(3.01)	—	Jersey
63	Apollo Metals Ltd	USD	44.92	26.64	(82.13)	74.14	129.63	—	132.39	(9.06)	—	(9.06)	—	USA
64	Ashorne Hill Management College	GBP	68.20	—	52.55	55.45	2.90	—	15.58	(4.83)	—	(4.83)	—	UK
65	Augusta Grundstücks GmbH	EUR	60.68	—	1.68	13.66	11.98	—	—	0.97	—	0.97	—	Germany
66	Automotive Laser Technologies Limited	GBP	68.20	—	—	—	—	—	—	—	—	—	—	UK
67	B S Pension Fund Trustee Ltd.	GBP	68.20	14.64	0.46	15.10	—	—	—	—	—	—	—	UK
68	Bailey Steels Ltd	GBP	68.20	0.14	2.87	3.05	0.04	—	—	(0.11)	0.04	(0.15)	—	UK
69	Beheermaatschappij Industriële Producten Bv	EUR	60.68	0.11	(39.13)	44.08	83.10	42.23	—	(2.35)	(0.60)	(1.75)	—	Netherlands
70	Belfin Beheermaatschappij BV	EUR	60.68	81.40	(80.99)	0.41	—	0.41	—	—	—	—	—	Netherlands
71	Bell & Harwood Limited	GBP	68.20	—	(8.61)	—	8.61	—	—	—	—	—	—	UK
72	Blastmega Limited	GBP	68.20	—	634.35	634.37	0.02	634.37	—	—	—	—	—	UK
73	Blume Stahlservice GmbH	EUR	60.68	31.07	28.69	370.15	310.39	0.08	707.24	1.01	(0.58)	1.59	—	Germany
74	Blume Stahlservice Polska Sp.z.o.o.	PLZ	15.69	0.08	(10.38)	8.89	19.19	—	5.22	(3.09)	—	(3.09)	—	Poland
75	Bore Sanson Group Ltd	GBP	68.20	143.23	(40.87)	153.61	51.25	153.61	—	—	—	—	—	UK
76	Bore Steel Ltd.	GBP	68.20	109.12	7.15	116.27	—	—	—	—	—	—	—	UK
77	British Guide Rails Ltd.	GBP	68.20	—	—	—	—	—	—	—	—	—	—	UK
78	British Steel Holdings B.V.	EUR	60.68	0.11	392.90	518.16	125.15	513.72	—	111.18	(4.83)	116.01	243.97	Netherlands
79	British Steel Netherlands International BV	EUR	60.68	0.11	415.49	417.72	2.12	414.49	—	135.71	0.02	135.69	355.98	Netherlands
80	British Steel Benelux B.V.	EUR	60.68	221.21	7.08	229.01	0.72	156.97	—	109.39	0.11	109.28	107.15	Netherlands
81	British Steel Corporation Ltd	GBP	68.20	123.28	84.76	208.04	—	—	—	—	—	—	—	UK
82	British Steel De Mexico S.A. de C.V.	USD	44.92	—	—	—	—	—	—	—	—	—	—	Mexico
83	British Steel Directors (Nominees) Limited	GBP	68.20	—	—	—	—	—	—	—	—	—	—	UK
84	British Steel Employee Share Ownership Trustees Ltd.	GBP	68.20	—	—	—	—	—	—	—	—	—	—	UK

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investment Included In Total Assets	Turnover	Profit		Pro-posed Dividend	Country
									before Taxation	After Taxation		
85	British Steel Engineering Steels (Exports) Limited	GBP	68.20	-	0.08	0.08	-	-	-	-	-	UK
86	British Steel International B.V.	EUR	60.68	0.14	305.35	0.07	291.34	-	244.71	0.19	244.52	Netherlands
87	British Steel Samson Limited	GBP	68.20	0.68	6.82	-	-	-	-	-	-	UK
88	British Steel Service Centres Ltd.	GBP	68.20	136.41	534.36	169.65	-	-	-	-	-	UK
89	British Steel Tubes Exports Ltd	GBP	68.20	-	-	-	-	-	-	-	-	UK
90	British Transformer Cores Ltd	GBP	68.20	-	-	-	-	-	-	-	3.29	UK
91	British Tubes Stockholding Ltd.	GBP	68.20	68.20	71.82	-	-	-	-	-	-	UK
92	Bs Quest Trustee Limited	GBP	68.20	-	-	-	-	-	-	-	-	UK
93	Bskh Corporate Services (UK) Limited	GBP	68.20	-	-	-	-	-	-	-	-	UK
94	Burgdorfer Grundstueks GmbH	EUR	60.68	14.01	16.57	1.59	-	-	(0.36)	0.02	(0.38)	Germany
95	C.V. Bénine	EUR	60.68	-	27.57	109.40	-	-	-	-	-	Netherlands
96	C Walker & Sons Ltd.	GBP	68.20	23.87	475.01	364.20	15.95	-	-	-	-	UK
97	Catic GmbH	EUR	60.68	0.16	16.27	4.12	-	53.61	4.62	0.88	3.74	Germany
98	Catic Ltd	GBP	68.20	1.53	99.13	-	99.13	-	-	-	-	UK
99	Cbs Investissements SAS	EUR	60.68	0.49	5.14	4.77	-	-	-	0.03	(0.03)	France
100	Cladding & Decking (Uk) Limited	GBP	68.20	30.69	12.34	8.74	12.34	-	(0.52)	-	(0.52)	UK
101	Cogent Power Inc	CAD	44.22	1.33	156.65	57.39	0.02	407.75	9.56	3.56	6.00	Canada
102	Cogent Power Inc	USD	44.92	1.35	23.01	3.60	0.02	-	-	-	-	USA
103	Cogent Power Inc	USD	44.92	0.05	6.71	11.59	-	-	-	-	-	Mexico
104	Cogent Power Ltd	GBP	68.20	291.00	309.89	208.74	72.75	-	1.21	1.24	(0.03)	UK
105	Cold Drawn Tubes Ltd	GBP	68.20	156.87	36.54	-	36.54	-	-	-	-	UK
106	Color Steels Ltd	GBP	68.20	0.31	101.74	70.82	101.74	-	-	-	-	UK
107	Corbell Les Rives SCI	EUR	60.68	4.07	7.48	0.02	1.20	-	-	-	-	France
108	Corby (Northants) & District Water Co.	GBP	68.20	1.77	5.70	1.84	-	3.15	(0.07)	(0.21)	0.14	UK
109	Cordor (C&B) Limited	GBP	68.20	2.22	2.22	-	-	-	-	-	-	UK
110	Corus Sistemas Constructivos e Revestimentos Metálicos, Lda	EUR	60.68	2.73	0.73	0.73	-	-	(0.47)	0.15	(0.62)	Portugal
111	Corus Aerospace Service Centre Suzhou Co. Ltd	USD	44.92	-	-	-	-	-	-	-	-	China
112	Corus Aluminium Limited	GBP	68.20	-	-	-	-	-	-	-	-	UK
113	Corus Aluminium Verwaltungsgesellschaft MbH	EUR	60.68	0.05	26.05	39.94	25.56	-	-	-	-	Germany
114	Corus America Holdings Inc	USD	44.92	2,937.29	715.33	284.84	1,123.76	-	107.66	(14.46)	122.12	USA
115	Corus America Inc	USD	44.92	40.08	826.57	157.90	228.41	335.77	2.99	(0.77)	3.76	USA
116	Corus Batiment et Systemes SAS	EUR	60.68	24.28	223.23	196.08	20.54	334.12	(17.68)	-	(17.68)	France
117	Corus Belgium BVBA	EUR	60.68	0.09	6.67	0.03	-	-	(0.02)	-	(0.02)	Belgium
118	Corus Benelux BV	EUR	60.68	0.11	8.27	2.03	-	4.69	0.46	0.25	0.22	Netherlands
119	Corus Beteiligungs GmbH	EUR	60.68	0.01	18.11	-	15.91	-	-	-	-	Germany
120	Corus Brokers Limited	GBP	68.20	0.01	0.23	-	-	-	-	-	-	UK
121	Corus Building Systems Bulgaria AD	LEV	31.10	3.64	41.27	43.21	-	10.05	(2.68)	-	(2.68)	Bulgaria
122	Corus Building Systems NV	EUR	60.68	0.82	7.92	1.66	-	-	0.01	-	0.01	Belgium
123	Corus Building Systems SAS	EUR	60.68	18.21	4.18	0.22	3.80	-	(0.22)	-	(0.22)	France
124	Corus Byggesystemer A/S	DKK	8.15	0.41	56.26	24.24	-	80.99	(8.38)	(2.14)	(6.24)	Denmark
125	Corus Byggsystem AB	SEK	6.22	0.62	44.42	12.36	0.52	76.04	2.23	0.61	1.62	Sweden

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investment Included in Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
126	Corus Byggsystemer A/S	NOK	7.56	0.92	38.86	25.25	—	108.34	6.14	—	6.14	—	Norway
127	Corus Central Europe S.R.O.	CZK	2.39	0.29	1.04	0.33	—	3.09	0.13	—	0.13	—	Czech Republic
128	Corus CIC Holdings Inc.	CAD	44.22	0.05	155.94	14.99	168.37	—	1.11	1.54	(0.43)	—	Canada
129	Corus CIC Inc	CAD	44.22	102.03	(87.62)	(0.01)	12.89	—	0.24	(2.55)	2.79	—	Canada
130	Corus CNBV Investments	GBP	68.20	—	—	—	—	—	—	—	—	5.43	UK
131	Corus Coatings USA Inc	USD	44.92	—	3.36	0.44	—	—	(0.09)	—	(0.09)	—	USA
132	Corus Cold Drawn Tubes Ltd	GBP	68.20	34.10	(45.85)	—	—	—	—	—	—	—	UK
133	Corus Construction Products (Thailand) Limited *	THB	1.39	—	—	—	—	—	—	—	—	—	Thailand
134	Corus Consulting And Technical Services BV	EUR	60.68	57.02	12.40	157.06	87.64	139.49	(4.10)	(6.22)	2.12	—	Netherlands
135	Corus Consulting BV	EUR	60.68	0.29	3.90	4.68	0.49	—	1.59	0.41	1.18	10.90	Netherlands
136	Corus Consulting Ltd	GBP	68.20	11.83	(15.53)	3.27	6.97	—	(6.68)	(1.85)	(4.83)	—	UK
137	Corus Degels GmbH	EUR	60.68	0.18	(0.28)	269.16	269.26	859.06	37.22	(4.21)	41.43	49.88	Germany
138	Corus Denmark A/S	DKK	8.15	0.74	0.39	3.08	1.95	5.62	0.55	0.16	0.39	0.51	Denmark
139	Corus Deutschland GmbH	GBP	68.20	—	—	—	—	—	—	—	—	—	Germany
140	Corus Distribution Europe BV	EUR	60.68	4.44	(16.33)	2.48	14.37	—	(5.64)	(1.05)	(4.59)	—	Netherlands
141	Corus Electrical Limited	GBP	68.20	—	—	—	—	—	—	—	—	—	UK
142	Corus Engineering Limited	GBP	68.20	—	—	—	—	—	—	—	—	—	UK
143	Corus Engineering Steels (UK) Limited	GBP	68.20	68.20	244.21	312.41	—	—	—	—	—	—	UK
144	Corus Engineering Steels Holdings Limited	GBP	68.20	2,836.43	220.01	3,877.10	820.66	3,836.74	—	—	—	—	UK
145	Corus Engineering Steels Limited	GBP	68.20	3,151.59	91.81	3,243.40	—	3,243.40	—	—	—	—	UK
146	Corus Engineering Steels Overseas Holdings Limited	GBP	68.20	2.73	4.05	13.34	6.56	4.38	—	—	—	—	UK
147	Corus Finance Ltd	GBP	68.20	0.34	(0.16)	0.09	(0.09)	—	—	—	—	—	UK
148	Corus Finland Oy	EUR	60.68	0.77	0.33	2.00	0.90	3.95	0.21	0.06	0.15	—	Finland
149	Corus France SAS	EUR	60.68	218.48	50.87	278.13	8.78	19.91	6.34	3.13	3.21	—	France
150	Corus Group Ltd	GBP	68.20	11,932.97	7,086.50	23,659.82	4,640.35	23,127.92	(150.50)	—	(150.50)	3,171.43	UK
151	Corus Holdings Ltd	GBP	68.20	1.71	50.56	52.25	(0.02)	—	—	0.02	(0.02)	—	UK
152	Corus Holdings SA	EUR	60.68	245.85	(20.83)	1,247.64	1,022.62	546.64	65.38	(1.18)	66.56	—	France
153	Corus Hungary Trading Limited Liability Company	HUF	0.23	0.07	0.15	0.18	(0.04)	0.67	0.03	—	0.03	—	Hungary
154	Corus India Ltd	INR	1.00	5.48	0.54	0.81	(5.21)	—	(0.20)	—	(0.20)	—	India
155	Corus International (India) Private Limited	INR	1.00	27.90	11.49	48.62	9.23	9.57	7.23	3.32	3.91	—	India
156	Corus International (Overseas Holdings) Ltd	GBP	68.20	963.06	2,037.85	3,032.01	31.10	2,323.99	495.11	24.53	470.58	—	UK
157	Corus International Bulgaria Limited	LEV	31.10	0.02	0.14	0.20	0.04	0.61	0.11	0.01	0.10	—	Bulgaria
158	Corus International Deutschland GmbH	EUR	60.68	—	4.48	24.99	20.51	—	—	—	—	—	Germany
159	Corus International Ltd	GBP	68.20	3,344.40	(1,355.56)	2,260.21	271.37	2,104.26	3.92	0.05	3.87	—	UK
160	Corus International Nigeria Ltd	NGN	0.30	—	—	—	—	—	—	—	—	—	Nigeria
161	Corus International Representacoes Do Brasil Ltda	USD	44.92	1.16	(2.65)	0.20	1.69	—	(0.57)	0.02	(0.59)	—	Brazil
162	Corus International Romania SRL	RON	14.85	0.01	0.29	0.35	0.05	1.06	0.08	0.01	0.07	—	Romania
163	Corus International Services NV	EUR	60.68	4,126.24	1,411.17	7,490.12	1,952.71	—	317.56	33.60	283.96	320.26	Belgium
164	Corus International Trading Limited	USD	44.92	—	130.53	185.27	54.74	498.26	(2.95)	4.59	(7.54)	—	USA

Summary of Financial Information of Subsidiary Companies

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165	Corus International Trading Limited	GBP	68.20	11.31	57.29	273.46	204.86	1,086.26	3.09	1.53	1.56	—	UK
166	Corus Investment BV	EUR	60.68	6,124.95	921.73	7,074.21	27.53	6,280.17	6.79	1.73	5.06	—	Netherlands
167	Corus Investments Ltd.	GBP	88.20	150.04	4.64	154.68	—	—	—	—	—	—	UK
168	Corus Ireland Ltd	EUR	60.68	—	5.05	8.24	3.19	5.02	(5.96)	(0.35)	(5.61)	—	Ireland
169	Corus Laminacion Y Derivados, S.L.	EUR	60.68	170.83	(143.34)	328.21	300.72	448.77	(33.13)	5.01	(38.14)	—	Spain
170	Corus Large Diameter Pipes Ltd	GBP	88.20	201.59	294.53	506.55	10.43	506.55	—	—	—	—	UK
171	Corus Liaison Services (India) Ltd	GBP	88.20	6.82	(23.08)	1.61	17.87	—	(0.03)	—	(0.03)	—	UK
172	Corus Management Limited	GBP	88.20	—	(309.25)	1,676.54	1,985.79	1,572.05	—	—	—	—	UK
173	Corus Met BV	EUR	60.68	242.76	(16.75)	429.64	203.63	229.30	(7.05)	(1.80)	(5.25)	—	Netherlands
174	Corus Metal Iberica SA	EUR	60.68	0.91	2.16	4.73	1.66	13.16	1.37	0.02	1.35	9.08	Spain
175	Corus Metal Sanayi ve Ticaret A.S.	USD	44.92	51.90	(15.83)	144.08	108.01	176.34	1.49	—	1.49	—	Turkey
176	Corus Metals Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
177	Corus Middle East FZE	AED	12.23	55.09	46.58	335.18	233.51	433.93	(6.66)	—	(6.66)	—	UAE
178	Corus Multi-Metals Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
179	Corus Netherlands BV	EUR	60.68	2,352.36	5,352.05	16,721.41	9,017.00	16,298.81	(1,352.02)	(19.35)	(1,332.67)	—	Netherlands
180	Corus New Zealand Ltd	NZD	31.90	48.49	127.10	206.58	30.99	263.07	7.94	0.87	7.07	—	New Zealand
181	Corus Norge A/S	NOK	7.56	0.15	0.04	1.62	1.43	0.06	0.31	0.01	0.30	1.28	Norway
182	Corus Packaging Plus Belgium NV	EUR	60.68	161.14	41.20	289.44	87.10	306.96	34.23	—	34.23	—	Belgium
183	Corus Packaging Plus Norway A.S	NOK	7.56	0.08	(169.01)	35.25	204.18	0.47	79.46	—	79.46	—	Norway
184	Corus Perfo BV	EUR	60.68	3.55	(22.97)	0.01	19.43	—	(0.29)	(0.07)	(0.22)	—	Netherlands
185	Corus Polska Sp.Z.O.O.	PLZ	15.69	13.82	8.10	36.78	14.86	48.84	—	(0.12)	0.12	—	Poland
186	Corus Primary Aluminium BV	EUR	60.68	10.17	(140.25)	243.19	373.27	—	(163.90)	(1.74)	(162.16)	—	Netherlands
187	Corus Properties (Germany) Limited	GBP	88.20	—	(0.25)	—	0.25	—	—	—	—	—	UK
188	Corus Property	GBP	88.20	—	—	0.01	0.01	—	—	—	—	—	UK
189	Corus Quest Trustee Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
190	Corus Rail Consultancy Ltd	GBP	88.20	—	(20.86)	67.93	88.79	103.32	(4.95)	(0.58)	(4.37)	—	UK
191	Corus Rail France S.A.	EUR	60.68	351.81	30.32	1,054.99	672.86	1,404.88	155.28	51.22	104.06	—	France
192	Corus Rail Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
193	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	EUR	60.68	—	—	—	—	—	—	—	—	—	Ireland
194	Corus Service Centre Milano SPA	EUR	60.68	9.50	(40.51)	48.84	79.85	84.95	(39.09)	(0.31)	(38.78)	—	Italy
195	Corus Service Centre Limited	GBP	88.20	23.73	85.12	108.85	—	—	—	—	—	—	UK
196	Corus Service Centre Maastricht B.V.	EUR	60.68	0.33	39.49	106.50	66.68	117.58	(12.47)	(6.06)	(6.41)	43.59	Netherlands
197	Corus Services Netherlands BV	EUR	60.68	2.58	183.06	375.74	190.10	—	34.76	(56.78)	91.54	—	Netherlands
198	Corus Sheet & Tube Inc.	GBP	88.20	—	—	—	—	—	—	—	—	—	USA
199	Corus Special Strip Asia Limited *	HKD	5.80	—	—	—	—	—	—	—	—	—	Hong Kong
200	Corus Staal BV	EUR	60.68	710.07	11,128.94	20,939.52	9,100.51	18,380.89	(265.73)	(90.28)	(175.45)	—	Netherlands
201	Corus Stahl GmbH	EUR	60.68	0.02	436.18	475.36	39.16	0.74	(2.28)	14.70	(16.98)	—	Germany
202	Corus Stainless Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
203	Corus Stainless NL B.V.	EUR	60.68	0.11	0.60	0.94	0.23	—	—	—	—	—	Netherlands
204	Corus Stainless UK Ltd.	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
205	Corus Star-Frame B.V.	EUR	60.68	2.73	(1.66)	1.76	0.69	—	—	—	—	—	Netherlands
206	Corus Steel Limited	GBP	88.20	—	—	—	—	—	—	—	—	—	UK
207	Corus Steel USA Inc.	USD	44.92	97.94	56.41	159.11	4.76	75.77	1.67	0.01	1.66	—	USA
208	Corus Sverige AB	SEK	6.22	0.06	1.24	5.53	4.23	10.15	0.79	0.29	0.50	0.58	Sweden

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Total Investment Included In Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
209	Corus Technology B.V.	EUR	60.68	0.11	227.86	558.85	330.88	21.21	421.71	37.00	9.44	27.56	-	Netherlands
210	Corus Trico Holdings Inc.	USD	44.92	-	-	-	-	-	-	-	-	-	-	USA
211	Corus Tubes B.V.	EUR	60.68	212.41	(83.97)	569.49	441.05	9.36	1,171.64	(179.06)	(53.29)	(125.77)	-	Netherlands
212	Corus Tuscaloosa Corp	USD	44.92	2,582.39	(2,581.45)	1.04	0.10	-	-	(108.53)	-	(108.53)	-	USA
213	Corus UK Healthcare Trustee Limited	GBP	68.20	-	-	-	-	-	-	-	-	-	-	UK
214	Corus UK Ltd	GBP	68.20	15,286.28	(1,680.72)	33,662.64	20,057.08	6,401.25	28,472.14	(3,865.46)	(334.16)	(3,531.30)	-	UK
215	Corus Vleijonge B.V.	EUR	60.68	46.43	11.51	105.24	47.30	13.63	173.27	(3.38)	(1.01)	(2.37)	36.32	Netherlands
216	Cpn (85) Limited	GBP	68.20	-	(0.58)	-	0.58	-	-	-	-	-	-	UK
217	Crudible Insurance Company Ltd	GBP	68.20	3.41	340.70	638.06	293.95	338.46	-	35.81	-	35.81	63.09	I of Man
218	Demka BV	EUR	60.68	37.34	14.91	53.35	1.10	-	-	1.51	0.39	1.12	-	Netherlands
219	DSRM Group PLC	GBP	68.20	34.10	101.24	135.34	-	135.34	-	-	-	-	-	UK
220	EES Group Services Ltd	GBP	68.20	409.28	(409.28)	-	-	-	-	-	-	-	-	UK
221	EES Netherlands BV	EUR	60.68	0.11	0.22	0.33	-	-	-	-	-	-	-	Netherlands
222	Eric Olsson & Soner Forvaltnings AB	SEK	6.22	0.06	2.79	2.88	0.03	2.25	-	-	-	-	-	Sweden
223	Esmil BV	EUR	60.68	88.10	(72.74)	15.36	-	-	-	(1.19)	(0.30)	(0.89)	-	Netherlands
224	Eur laminations Ltd	GBP	68.20	0.01	(0.01)	-	-	-	-	-	-	-	-	UK
225	European Electrical Steels Limited	GBP	68.20	-	-	-	-	-	-	-	-	-	-	UK
226	Europressings Ltd	GBP	68.20	4.09	0.27	4.36	-	-	-	-	-	-	-	UK
227	Firsteel Group Ltd	GBP	68.20	42.97	79.31	241.44	119.16	241.44	-	-	-	-	-	UK
228	Firsteel Holdings Ltd	GBP	68.20	0.05	52.74	118.20	65.41	118.19	-	-	-	-	-	UK
229	Firsteel Steel Processing Limited *	GBP	68.20	-	-	-	-	-	-	-	-	-	-	UK
230	Firsteel Strip Mill Products Limited	GBP	68.20	59.34	10.39	69.73	-	69.72	-	-	-	-	-	Ireland
231	Fischer Profielen NV	EUR	60.68	-	-	-	-	-	-	-	-	-	-	UK
232	Fischer Profil GmbH	EUR	60.68	64.79	(7.45)	196.88	139.54	7.02	473.83	(0.39)	(0.53)	0.14	1.84	Belgium
233	Gamble Simms Metals Ltd.	EUR	60.68	4.33	92.63	98.88	1.92	-	-	-	-	-	-	Germany
234	Grant Lyon Eagle Ltd.	GBP	68.20	2.56	37.61	40.17	-	-	-	-	-	-	-	UK
235	H E Samson Ltd.	GBP	68.20	25.58	10.05	35.63	-	-	-	-	-	-	-	UK
236	Hadfields Holdings Ltd.	GBP	68.20	0.68	(65.49)	3.61	58.42	-	-	-	-	-	-	UK
237	Hammermega Limited	GBP	68.20	15.35	-	15.35	-	-	-	-	-	-	-	UK
238	Harrowmills Properties Ltd.	GBP	68.20	0.01	129.89	129.90	-	-	-	-	-	-	-	UK
239	Hille & Muller GmbH	EUR	60.68	31.06	113.45	330.02	185.51	0.08	394.87	3.55	(2.16)	5.71	10.14	Germany
240	Hille and Müller Italia Srl *	EUR	60.68	-	-	-	-	-	-	-	-	-	-	Italy
241	Hille Müller USA Inc.	USD	44.92	-	62.37	74.86	12.49	53.01	17.88	0.18	(2.25)	2.43	-	USA
242	Holorib GMBH *	EUR	60.68	-	-	-	-	-	-	-	-	-	-	Germany
243	Hoogovens UK Ltd	GBP	68.20	136.41	(133.20)	16.85	13.64	12.41	-	-	-	-	-	UK
244	Hoogovens Aluminium UK Ltd	GBP	68.20	10.13	(8.93)	3.14	1.94	-	-	(1.06)	-	(1.06)	-	UK
245	Hoogovens Finance BV	EUR	60.68	819.58	382.34	1,207.99	6.07	1,207.98	-	10.40	2.65	7.75	-	Netherlands
246	Hoogovens Technical Services Coahuila BV	EUR	60.68	0.11	(6.59)	1.42	7.90	-	-	5.44	1.39	4.05	-	Netherlands
247	Hoogovens Technical Services Mexico De S. De R.L. De C.V.	USD	44.92	-	(12.42)	0.01	12.43	-	-	9.70	2.77	6.93	-	Mexico
248	Hoogovens Technical Services Monclova BV	EUR	60.68	0.11	(0.11)	-	-	-	-	-	-	-	-	Netherlands
249	Hoogovens Tubes Poland Spolka Z O O	EUR	60.68	0.09	0.18	1.31	1.04	-	-	-	-	-	-	Poland
250	Hoogovens Usa INC	USD	44.92	273.96	49.02	329.78	6.80	283.67	-	0.59	(7.05)	7.64	-	USA

Summary of Financial Information of Subsidiary Companies



Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investment Included In Total Assets	Turnover	Profit before Taxation			Pro-posed Dividend	Country
									Taxation	Provision For Taxation	After Taxation		
251	Huizenbezt "Breesaap" BV	EUR	60.68	0.29	(6.45)	(2.22)	3.94	0.10	(0.38)	(0.10)	(0.28)	—	Netherlands
252	Ickles Cottage Trust	GBP	68.20	—	0.17	0.60	0.43	—	0.21	—	0.21	—	UK
253	Immobiliere De Construction De Maubeuge Et Louvroil SAS	EUR	60.68	0.62	0.52	1.49	0.35	1.20	0.59	0.20	0.39	—	France
254	Industrial Steels Limited	GBP	68.20	—	25.87	54.14	28.27	13.73	1.09	0.26	0.83	—	UK
255	Inter Metal Distribution SAS	EUR	60.68	0.46	14.13	48.79	34.20	165.89	(12.04)	1.14	(13.18)	—	France
256	K&S Management Service Limited	GBP	68.20	—	—	—	—	—	—	—	—	—	UK
257	Kalzip Asia Pte	SGD	32.10	11.01	21.56	110.49	77.92	162.72	7.17	0.87	6.30	—	Singapore
258	Kalzip GmbH	EUR	60.68	0.21	0.40	0.97	0.36	2.46	0.16	0.02	0.14	—	Austria
259	Kalzip GmbH	EUR	60.68	38.80	(10.88)	192.71	164.79	343.48	0.03	(2.42)	2.46	8.77	Germany
260	Kalzip (Guangzhou) Ltd	CNY	6.86	16.27	19.23	79.95	44.45	119.49	13.48	2.92	10.56	—	China
261	Kalzip Inc	USD	44.92	0.24	(3.08)	1.12	3.96	18.32	2.28	0.69	1.59	—	USA
262	Kalzip Limited	GBP	68.20	25.24	24.47	84.82	35.11	173.57	(0.12)	0.19	(0.31)	—	UK
263	Kalzip Spain S.L.U.	EUR	60.68	5.46	2.17	8.01	0.38	6.04	0.36	0.08	0.28	—	Spain
264	Lister Tubes Ltd.	EUR	60.68	—	9.82	9.82	—	—	—	—	—	—	Ireland
265	London Works Steel Company Ltd.	GBP	68.20	—	(70.29)	38.19	108.48	—	—	—	—	—	UK
266	Midland Steel Supplies Ltd.	GBP	68.20	—	—	—	—	—	—	—	—	—	UK
267	Misbury Investments Ltd	GBP	68.20	13.98	(17.29)	18.64	21.95	—	—	—	—	—	UK
268	Montana-Bausysteme AG	CHF	42.60	49.96	82.16	186.21	54.09	293.80	17.28	4.37	12.91	69.42	Switzerland
269	Myriad Deutschland GmbH	EUR	60.68	0.60	1.68	2.72	0.44	6.51	0.53	0.15	0.38	—	Germany
270	Myriad Espana SL	EUR	60.68	0.02	1.35	1.39	0.02	0.48	(0.21)	—	(0.21)	—	Spain
271	Myriad Netherlands BV	EUR	60.68	0.29	0.31	0.71	0.11	1.11	(0.35)	(0.01)	(0.34)	—	Netherlands
272	Myriad SA	EUR	60.68	131.64	48.48	685.62	505.50	1,742.84	(17.32)	—	(17.32)	—	France
273	Myriad United Kingdom Limited	GBP	68.20	0.07	0.44	0.82	0.31	0.38	(0.16)	—	(0.16)	—	UK
274	Namasoor BV	EUR	60.68	38.81	55.69	203.72	109.22	309.08	(16.63)	(4.24)	(12.39)	—	Netherlands
275	Nationwide Steelstock Limited	GBP	68.20	0.01	(7.74)	—	7.73	—	—	—	—	—	UK
276	Nebam Nedelandse Bevrachting En Agentuur Maatschappij BV	EUR	60.68	0.14	(0.01)	0.13	—	0.14	—	—	—	—	Netherlands
277	Oosflank BV	EUR	60.68	0.11	37.20	49.79	12.48	—	0.79	0.07	0.72	—	Netherlands
278	Orb Electrical Steels Limited	GBP	68.20	—	—	—	—	—	0.25	—	0.25	221.36	UK
279	Ore Carriers Ltd	GBP	68.20	13.87	5.57	19.48	0.04	—	—	0.03	(0.03)	—	UK
280	Oremco Inc	USD	44.92	0.45	(0.53)	12.58	12.66	—	(1.39)	—	(1.39)	—	USA
281	Plated Strip International Ltd	GBP	68.20	15.36	(3.24)	12.52	0.40	—	—	(0.16)	0.16	—	UK
282	Precoat International Limited	GBP	68.20	5.62	55.16	76.38	15.60	—	—	—	—	—	UK
283	Precoat Ltd	GBP	68.20	7.50	(9.22)	33.29	35.01	—	—	—	—	—	UK
284	Rafferty-Brown Steel Co Inc Of Conn	USD	44.92	—	84.64	90.03	5.39	—	1.46	—	1.46	—	USA
285	Richard Thomas And Baldwins (1978) Limited	NZD	31.90	—	—	—	—	—	—	—	—	—	New Zealand
286	Richard Thomas And Baldwins (Australia) Pty Ltd.	AUD	41.20	0.25	—	0.25	—	—	—	—	—	—	Australia
287	Round Oak Steelworks Ltd.	GBP	68.20	20.46	(347.24)	0.81	327.59	—	—	—	—	—	UK
288	Runblast Limited	GBP	68.20	58.43	296.48	354.91	—	—	—	—	—	—	UK
289	Runnaga Limited	GBP	68.20	2.97	—	2.97	—	—	—	—	—	—	UK
290	S.A.B.-Profil BV	EUR	60.68	0.86	349.29	402.16	52.01	478.61	68.22	(0.15)	68.37	—	Netherlands
291	S.A.B. Profil GmbH	EUR	60.68	0.19	61.09	73.54	12.26	147.37	11.06	1.97	9.09	—	Germany
292	SA Intertubes	EUR	60.68	0.39	(0.64)	0.01	0.26	—	(1.21)	—	(1.21)	—	Belgium

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Investment Included In Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
293	Sacra-Nord SAS	EUR	60.68	372.43	648.51	383.47	643.06	-	(244.14)	(3.33)	(240.81)	-	France
294	Scrap Processing Holding BV	EUR	60.68	0.69	33.47	0.77	-	-	0.35	0.09	0.26	-	Netherlands
295	Seamless Tubes Ltd.	GBP	68.20	136.41	126.64	-	-	-	-	-	-	-	UK
296	SIA Corus Building Systems	LAT	85.82	0.52	0.69	2.25	-	4.21	(0.68)	-	(0.68)	-	Latvia
297	Simiop Investments Ltd	GBP	68.20	-	25.87	-	-	-	-	-	-	-	UK
298	Simiop Ltd	GBP	68.20	65.38	65.38	-	65.38	-	-	-	-	-	UK
299	Simms Steel Holdings Ltd.	GBP	68.20	-	-	-	-	-	-	-	-	-	UK
300	Skruv Erik AB	SEK	6.22	0.06	1.62	0.03	-	-	0.07	-	0.07	-	Sweden
301	Societe Europeenne De Galvanisation (Segal) Sa	EUR	60.68	75.86	166.05	66.79	-	279.43	9.52	2.40	7.12	-	Belgium
302	Staalverwerking en Handel BV	EUR	60.68	273.10	1,401.29	750.30	1,388.58	-	(1,681.13)	(4.02)	(1,677.11)	-	Netherlands
303	Steel Company (N.I.) Ltd.	GBP	68.20	-	-	-	-	-	-	-	-	-	UK
304	Steel Stockholdings Ltd.	GBP	68.20	25.92	31.43	0.18	-	-	-	-	-	-	UK
305	Steelstock Ltd.	GBP	68.20	0.14	52.41	52.27	-	-	-	-	-	-	UK
306	Stewarts & Lloyds Of Ireland Ltd.	EUR	60.68	0.58	(1.99)	1.41	-	-	-	-	-	-	Ireland
307	Stewarts And Lloyds (Overseas) Ltd.	GBP	68.20	139.54	0.04	139.58	-	-	-	-	-	-	UK
308	Stocksbridge Cottage Trust	GBP	68.20	-	0.39	0.45	-	0.34	(0.06)	-	(0.06)	-	UK
309	Surahammar Bruks AB	SEK	6.22	37.49	119.98	104.09	6.25	347.04	(37.04)	(10.77)	(26.27)	-	Sweden
310	Swinden Housing Association	GBP	68.20	-	3.56	1.87	-	0.36	(0.01)	0.03	(0.04)	-	UK
311	Tata Steel International (Italia) Srl	EUR	60.68	0.30	9.11	7.69	-	13.43	5.63	2.11	3.52	-	Italy
312	Tata Steel International (Schweiz) Ag	CHF	42.60	0.43	0.95	1.02	-	2.68	0.17	0.04	0.13	0.17	Switzerland
313	Tata Steel Netherlands BV	EUR	60.68	30,854.69	63,080.29	27,937.65	62,130.47	-	1,446.31	(452.26)	1,898.57	-	Netherlands
314	Tata Steel UK Ltd	GBP	68.20	23,853.76	32,874.42	6,865.87	28,589.15	-	358.86	84.57	274.29	-	UK
315	Telmag (Holdings) Ltd	GBP	68.20	10.95	(10.95)	-	-	-	-	-	-	-	UK
316	Telmag Magnetic Components Limited	GBP	68.20	10.95	(10.95)	-	-	-	-	-	-	-	UK
317	The Newport And South Wales Tube Company Ltd.	GBP	68.20	3.63	-	-	-	-	-	-	-	-	UK
318	The Stanton Housing Company Ltd.	GBP	68.20	0.41	6.16	-	-	-	-	-	-	-	UK
319	The Steel Company Of Ireland Limited	EUR	60.68	91.13	116.47	51.37	72.23	68.47	(12.52)	2.96	(15.48)	-	Ireland
320	The Templeborough Rolling Mills Ltd.	GBP	68.20	20.46	108.26	-	-	-	-	-	-	-	UK
321	Thomas Processing Company	USD	44.92	-	93.14	0.86	-	14.39	(0.11)	-	(0.11)	-	USA
322	Thomas Steel Strip Corp.	USD	44.92	33.33	358.24	525.14	17.04	465.62	(2.82)	-	(2.82)	-	USA
323	Tinsley Trailers Limited	GBP	68.20	12.28	-	-	-	-	-	-	-	-	UK
324	Toronto Industrial Fabrications Ltd.	GBP	68.20	0.11	(3.49)	3.38	-	-	-	-	-	-	UK
325	Trieler Walzwerk GmbH	EUR	60.68	29.32	(3.66)	61.91	-	118.56	(2.33)	0.89	(3.22)	-	Germany
326	Tulip Netherlands (No.1) BV	EUR	60.68	30,854.69	7.73	30,865.12	30,854.69	-	0.10	0.03	0.07	-	Netherlands
327	Tulip Netherlands (No.2) BV	EUR	60.68	30,854.69	(373.41)	502.09	30,854.69	-	(1.38)	(0.35)	(1.03)	-	Netherlands
328	Tulip UK Holdings (No.2) Ltd	GBP	68.20	23,893.71	2.25	23,896.24	0.28	-	-	-	-	-	UK
329	Tulip UK Holdings (No.3) Ltd	GBP	68.20	23,896.24	(276.56)	28,501.06	28,501.06	-	(180.73)	12.35	(193.08)	-	UK
330	U.E.S. Bright Bar Limited	GBP	68.20	10.23	(29.40)	193.38	-	336.84	(19.17)	-	(19.17)	-	UK
331	UK Steel Enterprise Ltd	GBP	68.20	68.20	61.06	79.79	37.27	18.73	(7.16)	-	(7.16)	-	UK
332	Ukse Fund Managers Limited	GBP	68.20	0.24	0.07	0.14	-	0.04	0.01	-	0.01	-	UK
333	Ukse Fund Managers (General Partner) Limited	GBP	68.20	-	-	-	-	-	-	-	-	-	UK
334	United Steels Co (N Z) Ltd.	NZD	31.90	-	-	-	-	-	-	-	-	-	New Zealand

Summary of Financial Information of Subsidiary Companies

Sl. No.	Name of Subsidiary Company	Reporting currency	Exchange Rate	Capital Reserves	Total Assets	Total Liabilities	Total Investment Included In Total Assets	Turnover	Profit before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	Country
335	Unitol S.A.S	EUR	60.68	0.75	75.26	459.73	0.27	1,114.80	(43.72)	-	(43.72)	-	France
336	Walker Manufacturing And Investments Ltd.	GBP	68.20	3.63	101.74	105.37	-	-	-	-	-	-	UK
337	Walkersteelstock Ireland Limited	EUR	60.68	59.23	34.86	103.91	9.82	-	-	-	-	-	Ireland
338	Walkersteelstock Ltd.	GBP	68.20	6.82	-	6.82	-	-	-	-	-	-	UK
339	Westwood Steel Services Ltd.	GBP	68.20	160.28	-	160.28	-	-	-	-	-	-	UK
340	Whitehead (Narrow Strip) Ltd.	GBP	68.20	61.38	16.84	78.22	-	-	-	-	-	-	UK
341	Tata Steel Global Minerals Holdings Pte Ltd	USD	44.92	1,923.52	8.12	1,931.64	-	-	15.54	-	15.54	-	Singapore
342	Al Rimal Mining LLC	OMR	116.52	11.72	(3.58)	9.89	1.75	-	(1.77)	-	(1.77)	-	Oman
343	Black Ginger 461 Proprietary Limited	ZAR	6.17	-	(5.72)	9.90	15.62	-	(3.80)	-	(3.80)	-	South Africa
344	Kalimati Coal Co. (Pty) Limited	AUD	41.20	25.11	(25.83)	203.31	204.03	-	(10.40)	0.72	(11.12)	-	Australia
345	Tata Steel Cote D'Ivoire Sa	FCFA	0.09	6.66	(4.67)	1.99	-	-	(2.62)	0.02	(2.64)	-	Ivory Coast
346	Tata Steel (Thailand) Public Company Limited	THB	1.39	1,169.66	921.92	3,076.07	984.49	37.57	7.73	1.97	5.76	-	Thailand
347	N.T.S. Steel Group Public Company Limited	THB	1.39	451.86	(15.15)	1,688.96	1,252.25	1,787.20	(105.58)	(28.49)	(77.09)	-	Thailand
348	The Siam Construction Steel Company Limited	THB	1.39	243.06	116.71	359.78	0.01	1,525.36	57.42	13.66	43.76	-	Thailand
349	The Siam Iron and Steel (2001) Co., Ltd.	THB	1.39	16.67	102.18	222.26	103.41	1,328.14	50.56	14.60	35.96	-	Thailand
350	Tata Steel Processing & Distribution Ltd.	INR	1.00	68.25	195.44	414.69	151.00	1,028.70	38.01	16.41	21.60	-	India
351	TM International Logistics Limited	INR	1.00	18.00	65.67	88.33	4.66	148.02	6.94	1.55	5.39	1.80	India
352	International Shipping & Logistics, FZE	AED	12.23	1.24	93.04	94.28	-	327.29	24.05	-	24.05	-	UAE
353	TKM Global China Limited	CNY	6.86	4.39	(1.69)	2.70	-	13.68	(1.38)	-	(1.38)	-	China
354	TKM Global GmbH	EUR	60.68	0.27	43.72	46.38	2.39	51.28	14.23	4.84	9.39	-	Germany
355	TKM Global Logistics Limited	INR	1.00	0.11	14.36	14.12	(0.35)	85.07	3.57	1.31	2.26	-	India
356	TM Harbour Services Private Limited	INR	1.00	16.46	(2.69)	42.77	29.00	-	(2.69)	-	(2.69)	-	India
357	The Indian Steel And Wire Products Limited	INR	1.00	5.99	(26.06)	14.17	34.24	101.01	6.88	-	6.88	-	India
358	The Tata Pigments Ltd.	INR	1.00	0.75	16.64	17.43	0.04	37.05	5.44	1.64	3.80	0.45	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 rates as on 31.03.2010.

* Company Liquidated.

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, 2010, 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 financial 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(e) of Schedule N to the financial statements regarding accounting policy for recognition of actuarial valuation change of Rs. 3,541.23 Crores (net of taxes) [Gross: Rs. 3626.76 Crores] in the pension funds 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 credit would have been Rs. 96.22 Crores and the loss after taxes, minority interest and share of profits of associates would have been Rs. 5,550.45 Crores.
- (b) i) The financial statements of overseas subsidiaries and of a jointly controlled entity whose financial statements reflect total assets (net) of Rs. 54,487.42 Crores as at 31st March, 2010, total revenue of Rs. 80,685.69 Crores and net cash out flows amounting to Rs. 885.68 Crores have been audited by auditors in the respective countries.
- ii) The financial statements of certain subsidiaries in India, whose financial statements reflect total assets (net) of Rs. 521.41 Crores as at 31st March, 2010, total revenue of Rs. 1,003.07 Crores and net cash flows amounting to Rs. 0.39 Crore 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 and 13 of Schedule N, in the case of certain other subsidiaries and joint ventures of the Company, having total assets (net) of Rs. 1,422.35 Crores as at 31st March, 2010 and total revenue of Rs. 12.71 Crores and net cash outflows amounting to Rs. 1.73 Crores for the year ended 31st March, 2010 and in the case of associate companies having a carrying value of Rs. 1,315.73 Crores as at 31st March, 2010 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 N, in case of certain associates, the financial statements as on 31st March, 2010 are not available. The investments in these associates valued at Re 1 each in the Financial Statements of the Company, have not been adjusted in Consolidated Financial Statements in the absence of their financial statements as on 31st March, 2010.
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, its 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, 2010;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the loss 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, 26th May, 2010

Consolidated Balance Sheet as at 31st March, 2010

Schedule	Page		Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores
		FUNDS EMPLOYED :			
A	194	1. SHARE CAPITAL		886.74	6,202.78
B	194	2. RESERVES AND SURPLUS.....		21,927.15	21,511.50
		3. TOTAL SHAREHOLDERS' FUNDS		22,813.89	27,714.28
		4. WARRANTS ISSUED BY A SUBSIDIARY COMPANY.....		17.46	17.46
		5. MINORITY INTEREST		884.07	894.88
		6. LOANS			
C	195	a. Secured	28,059.33		34,243.88
D	195	b. Unsecured	25,041.02		25,656.62
		c. Total Loans.....		53,100.35	59,900.50
		7. DEFERRED TAX LIABILITY (See Note 20, Page 229).....		1,768.96	1,785.55
		8. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE (See Note 9(c), Page 216).....		206.95	—
		9. PROVISION FOR EMPLOYEE SEPARATION COMPENSATION (See Note 9(a), Page 215).....		963.67	1,042.41
		10. TOTAL FUNDS EMPLOYED		79,755.35	91,355.08
		APPLICATION OF FUNDS :			
E	196	11. FIXED ASSETS			
		a. Gross Block	1,06,608.43		1,08,389.02
		b. Less — Impairment	2,909.75		3,225.07
		c. Less — Depreciation	57,902.85		59,858.09
		d. Net Block		45,795.83	45,305.86
F	197	12. INVESTMENTS		5,417.79	6,411.10
		13. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT (See Note 9(c), Page 216).....		—	471.66
		14. GOODWILL ON CONSOLIDATION		14,541.82	15,364.92
		15. DEFERRED TAX ASSET (See Note 20, Page 229)		114.85	76.12
		16. A. CURRENT ASSETS			
		a. Stores and spare parts	1,715.11		1,852.71
G	197	b. Stock-in-trade	16,971.53		19,815.71
H	198	c. Sundry debtors	11,623.95		13,031.63
		d. Interest accrued on investments.....	7.92		6.81
I	198	e. Cash and Bank balances.....	6,787.81		6,148.36
			37,106.32		40,855.22
J	198	B. LOANS AND ADVANCES	6,761.47		12,998.73
			43,867.79		53,853.95
		17. Less : CURRENT LIABILITIES AND PROVISIONS			
K	199	A. Current Liabilities.....	23,388.57		23,093.30
L	199	B. Provisions.....	6,594.16		7,140.71
			29,982.73		30,234.01
		18. NET CURRENT ASSETS.....		13,885.06	23,619.94
M	199	19. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted).....		—	105.48
		20. TOTAL ASSETS (Net)		79,755.35	91,355.08
N	200	Contingent Liabilities (See Note 3, Page 212)			
		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.

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

KIRBY ADAMS

H M NERURKAR

Directors

Managing Director

Mumbai, 26th May, 2010

A ANJENEYAN
Company Secretary

Consolidated Profit and Loss Account for the year ended 31st March, 2010

Schedule	Page		Rupees crores	Rupees crores	Previous Year Rupees crores
		INCOME :			
1	192	1. SALES AND OTHER OPERATING INCOME.....	1,04,229.83		1,49,984.94
		Less — EXCISE DUTY	1,836.71		2,655.68
			1,02,393.12		1,47,329.26
2	192	2. OTHER INCOME	1,185.85	1,03,578.97	265.67
					1,47,594.93
		EXPENDITURE :			
4	193	3. MANUFACTURING AND OTHER EXPENSES.....	95,177.56		1,29,984.94
		4. DEPRECIATION	4,491.73		4,265.39
			99,669.29		1,34,250.33
		5. Less — EXPENDITURE (OTHER THAN INTEREST) TRANSFERRED TO CAPITAL AND OTHER ACCOUNTS.....	827.10		783.35
			98,842.19		1,33,466.98
3	192	6. NET FINANCE CHARGES	3,022.06		3,290.18
		7. TOTAL EXPENDITURE.....		1,01,864.25	1,36,757.16
		PROFIT/(LOSS) BEFORE TAXES AND EXCEPTIONAL ITEMS		1,714.72	10,837.77
		8. a. RESTRUCTURING COSTS		(1,683.72)	(4,094.53)
		(See Note 9(d), Page 216)			
		PROFIT/(LOSS) BEFORE TAXES		31.00	6,743.24
		9. TAXES			
		a. CURRENT TAX	2,162.53		1,997.12
		b. DEFERRED TAX	(10.69)		(121.93)
		c. FRINGE BENEFIT TAX	—		18.81
				2,151.84	1,894.00
		PROFIT/(LOSS) AFTER TAXES		(2,120.84)	4,849.24
		10. MINORITY INTEREST	(15.24)		40.94
		11. SHARE OF PROFITS OF ASSOCIATES	126.86		60.72
				111.62	101.66
		PROFIT/(LOSS) AFTER TAXES, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES		(2,009.22)	4,950.90
		12. BALANCE BROUGHT FORWARD FROM LAST YEAR.....		10,961.96	8,234.03
		AMOUNT AVAILABLE FOR APPROPRIATIONS		8,952.74	13,184.93
		13. APPROPRIATIONS :			
		a. PROPOSED DIVIDENDS.....	709.23		1,167.88
		b. DIVIDEND ON CUMULATIVE CONVERTIBLE PREFERENCE SHARES...	45.88		109.45
		c. TAX ON DIVIDENDS.....	154.33		217.64
		d. SPECIAL RESERVE	48.55		4.24
		e. STATUTORY RESERVE.....	31.69		51.53
		f. GENERAL RESERVE	552.58		672.23
		g. DEBENTURE REDEMPTION RESERVE	400.00		—
				1,942.26	2,222.97
		BALANCE CARRIED TO BALANCE SHEET		7,010.48	10,961.96
		Basic Earnings per Share (Rs.) (See Note 19, Page 229)		(24.92)	66.07
		Diluted Earnings per Share (Rs.) (See Note 19, Page 229).....		(24.92)	60.09
N	200	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.

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

KIRBY ADAMS

Directors

H M NERURKAR

Managing Director

Mumbai, 26th May, 2010

A ANJENEYAN
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2010

	Year Ended 31-03-2010 Rupees crores	Year Ended 31-03-2009 Rupees crores
A. Cash Flow from Operating Activities :		
Profit/(Loss) before Taxes, Minority Interest & Share of Profit of Associates	31.00	6,743.24
Adjustments for :		
Depreciation	4,491.73	4,265.39
Income from other investments	(69.98)	(79.62)
(Profit)/Loss on sale of other investments	(1,036.07)	(114.45)
(Profit)/Loss on sale of assets/discarded assets written off	(109.00)	(44.94)
Restructuring costs	1,683.72	4,094.53
Interest and income from current investments	(472.24)	(500.51)
Interest charged to profit and loss account	3,494.30	3,790.69
(Gain)/Loss on cancellation of forward covers/options	29.20	(26.66)
Amortisation of employee separation compensation	219.95	223.70
Exchange (Gain)/Loss on revaluation of foreign currency loans	(94.13)	159.84
Unrealised Foreign exchange on consolidation net (gain)/loss	(258.99)	(100.66)
Preliminary expenditure written off	2.73	0.01
Provision for wealth tax	1.62	1.68
Other amortisation and non-cash expenditure	369.21	380.17
	<u>8,252.05</u>	<u>12,049.17</u>
Operating Profit before Working Capital Changes	8,283.05	18,792.41
Adjustments for :		
Trade and other receivables	2,087.62	3,003.42
Inventories	1,884.24	1,012.30
Trade payables and other liabilities	674.66	(3,730.91)
	<u>4,646.52</u>	<u>284.81</u>
Cash Generated from Operations	12,929.57	19,077.22
Direct taxes paid	(2,458.58)	(3,381.31)
	<u>(2,458.58)</u>	<u>(3,381.31)</u>
Net Cash from Operating Activities	<u>10,470.99</u>	<u>15,695.91</u>
B. Cash Flow from Investing Activities :		
Purchase of fixed assets	(7,149.51)	(8,433.74)
Sale of fixed assets	202.36	72.68
Pre-operative expenses	(2.63)	(0.07)
Purchase of investments	(1,91,578.34)	(60,756.80)
Acquisition of subsidiaries/joint ventures (net of disposals)	(353.80)	(182.75)
Sale of investments	1,93,685.09	58,068.33
Inter corporate deposit (net)	195.07	(64.92)
Interest and income from current investments received	216.33	366.96
Dividend received	89.05	108.41
	<u>(4,696.38)</u>	<u>(10,821.90)</u>
Net Cash from Investing Activities	<u>(4,696.38)</u>	<u>(10,821.90)</u>

Consolidated Cash Flow Statement for the year ended 31st March, 2010

	Year Ended 31-03-2010 Rupees crores	Year Ended 31-03-2009 Rupees crores
C. Cash Flow from Financing Activities :		
Issue of equity capital	2,421.50	0.25
Capital contribution received	24.97	14.15
Issue of cumulative convertible preference shares	—	0.14
Proceeds from borrowings	10,038.38	10,508.52
Repayment of borrowings	(12,725.01)	(8,457.12)
Amount received on cancellation of forward covers/options	(28.99)	(10.12)
Long term loan expenses paid	(278.79)	(36.63)
Interest paid	(3,266.15)	(3,547.34)
Dividend paid	(1,320.91)	(1,226.62)
Net Cash from Financing Activities	(5,135.00)	(2,754.77)
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	639.61	2,119.24
Opening Cash and Cash equivalents (as per Schedule I, Page No. 198)	(iii) 6,148.20	4,029.12
Closing Cash and Cash equivalents (as per Schedule I, Page No. 198)	(iv) 6,787.81	6,148.36

Notes : (i) Figures in brackets represent outflows.

(ii) Interest paid is exclusive of, and purchase of fixed assets is inclusive of, interest capitalised **Rs. 165.47** crores (2008-09 : Rs. 75.70 crores).

(iii) Includes **Rs. 8.13** crores of opening cash and cash equivalents in the books of Tata Steel Processing and Distribution Ltd., which became a subsidiary during the year and excludes **Rs. 8.29** crores in respect of a joint venture of Tata Steel Europe Limited which was disposed off during the year.

(iv) Cash and cash equivalents include :

(a) Unrealised loss of **Rs. 257.58** crores (31.03.2009: unrealised gain of Rs. 30.20 crores) on account of translation of foreign currency cash and bank balances.

(b) **Rs. 0.14** crore (31.03.2009: Rs. 0.24 crore) refund orders issued on account of over subscription of rights issue of equity shares not encashed as on 31st March, 2010.

(c) **Rs. 39.44** crores (31.03.2009: Rs. 33.08 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, 26th May, 2010

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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ANDREW ROBB
KIRBY ADAMS
H M NERURKAR
Directors
Managing Director

Schedules forming part of the Consolidated profit and loss account

SCHEDULE 1 : SALES AND OTHER OPERATING INCOME :—

(Item No. 1, Page 189)

	Rupees crores	<i>Previous Year Rupees crores</i>
(a) Sale of products	1,02,136.75	<i>1,47,096.58</i>
(b) Sale of power and water.....	719.54	<i>647.38</i>
(c) Income from town, medical and other services	738.19	<i>616.32</i>
(d) Other operating income.....	635.35	<i>1,624.66</i>
	<u>1,04,229.83</u>	<i><u>1,49,984.94</u></i>

SCHEDULE 2 : OTHER INCOME :—

(Item No. 2, Page 189)

	Rupees crores	<i>Previous Year Rupees crores</i>
(a) Income from other investments	69.98	<i>79.62</i>
(b) Profit on sale/redemption of other investments.....	1,036.07	<i>114.45</i>
(c) Profit on sale of capital assets (net of loss on assets sold/scrapped/written off)	109.00	<i>44.94</i>
(d) Gain/(Loss) from cancellation of forward covers/swaps/options	(29.20)	<i>26.66</i>
	<u>1,185.85</u>	<i><u>265.67</u></i>

SCHEDULE 3 : NET FINANCE CHARGES :—

(Item No. 6, Page 189)

	Rupees crores	Rupees crores	<i>Previous Year Rupees crores</i>
1. Interest on			
(i) Debentures and Fixed loans	3,519.52		<i>3,644.20</i>
(ii) Others	140.25		<i>222.19</i>
		3,659.77	<i>3,866.39</i>
Less — Interest capitalised		165.47	<i>75.70</i>
		<u>3,494.30</u>	<i>3,790.69</i>
2. Less :			
(i) Interest received on sundry advances, deposits, customers' balances etc. ...	208.40		<i>259.54</i>
(ii) Income from current investments.....	5.16		<i>104.84</i>
(iii) Profit/(loss) on sale of current investments.....	258.68		<i>136.13</i>
		472.24	<i>500.51</i>
		<u>3,022.06</u>	<i><u>3,290.18</u></i>

Schedules forming part of the Consolidated profit and loss account

SCHEDULE 4 : MANUFACTURING AND OTHER EXPENSES :—

(Item No. 3, Page 189)

	Rupees crores	Rupees crores	Previous Year Rupees crores
1. PURCHASE OF FINISHED, SEMI-FINISHED STEEL AND OTHER PRODUCTS.....		13,087.04	31,405.91
2. RAW MATERIALS CONSUMED		31,004.49	41,531.74
3. PAYMENTS TO AND PROVISION FOR EMPLOYEES :			
(a) Wages and salaries, including bonus.....	13,569.44		15,058.69
(b) Company's contributions to provident and other funds.....	<u>2,893.55</u>		<u>2,916.37</u>
		16,462.99	17,975.06
4. OPERATION AND OTHER EXPENSES :			
(a) Stores and spares consumed	7,763.79		9,519.91
(b) Fuel oil consumed.....	833.32		1,027.63
(c) Repairs to buildings.....	357.85		575.83
(d) Repairs to machinery	4,689.55		5,817.35
(e) Relining expenses.....	90.71		100.82
(f) Conversion charges	1,082.53		1,096.43
(g) Purchase of power	4,051.73		5,953.49
(h) Rent.....	2,534.31		3,689.03
(i) Royalty	281.26		234.99
(j) Rates and taxes	682.32		631.73
(k) Insurance charges.....	265.63		276.02
(l) Commission, discounts and rebates	262.41		376.65
(m) Provision for wealth tax.....	1.62		1.68
(n) Adjustments relating to previous years (net).....	(14.72)		(15.01)
(o) Other expenses	<u>5,340.38 *</u>		<u>1,643.55*</u>
		28,222.69	30,930.10
5. FREIGHT AND HANDLING CHARGES.....		5,549.13	6,026.91
6. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES		103.89	174.57
7. EXCISE DUTY		87.29	(35.57)
		94,517.52	1,28,008.72
8. (ACCRETION)/REDUCTION IN STOCKS OF FINISHED AND SEMI-FINISHED PRODUCTS AND WORK-IN-PROGRESS (DEDUCTED)/ADDED:			
(a) Opening Stock.....	11,473.21#		14,052.69
(b) Foreign exchange movement.....	(473.36)		(634.42)
(c) Less – Closing Stock.....	<u>10,339.81</u>		<u>11,442.05</u>
		660.04	1,976.22
		95,177.56	1,29,984.94

Includes **Rs. 31.16** crores for Tata Steel Processing and Distribution Ltd., which became a subsidiary during the year.

* Includes goodwill amortised **Rs. 36.24** crores (2008-09 : Rs. 30.15 crores).

Schedules forming part of the Consolidated balance sheet

SCHEDULE A : SHARE CAPITAL :—

(Item No. 1, Page 188)

		Rupees crores	As at 31-03-2009 Rupees crores
Authorised :			
1,75,00,00,000 Ordinary Shares of Rs. 10 each	(31.03.2009 : 1,75,00,00,000 Shares of Rs. 10 each)	1,750.00	1,750.00
2,50,00,00,000 Cumulative Redeemable Preference Shares of Rs. 100 each.....	(31.03.2009 : 2,50,00,00,000 Shares of Rs. 100 each)	250.00	250.00
60,00,00,00,000 Cumulative Convertible Preference Shares of Rs. 100 each	(31.03.2009 : 60,00,00,00,000 Shares of Rs. 100 each)	6,000.00	6,000.00
		8,000.00	8,000.00
Issued :			
88,74,54,565@ Ordinary Shares of Rs. 10 each	(31.03.2009 : 73,06,98,048@ Shares of Rs. 10 each)	887.45	730.70
— 2% Cumulative Convertible Preference Shares of Rs. 100 each.....	(31.03.2009 : 54,80,75,571 Shares of Rs. 100 each)	—	5,480.76
Subscribed :			
88,65,42,741@ Ordinary Shares of Rs. 10 each fully paid up	(31.03.2009 : 72,99,21,016@ Shares of Rs. 10 each)	886.54	729.92
Add — Amount paid up on 3,89,516 Shares forfeited	(31.03.2009 : 3,89,516 Shares of Rs. 10 each)	0.20	0.20
		886.74	730.12
— 2% Cumulative Convertible Preference Shares of Rs. 100 each.....	(31.03.2009 : 54,72,66,011 Shares of Rs. 100 each)	—	5,472.66
		886.74	6,202.78

@ Excludes **6,71,455** (31.03.2009 : 6,71,455 shares) Ordinary Shares held by a Subsidiary.

SCHEDULE B : RESERVES AND SURPLUS :—

(Item No. 2, Page 188)

		Rupees crores	As at 31-03-2009 Rupees crores
(a) Securities premium account		14,031.50	6,112.77
(b) Amalgamation reserve		0.43	1.12
(c) Debenture redemption reserve		1,046.00	646.00
(d) Capital redemption reserve		20.78	20.78
(e) Capital reserve		21.61	19.30
(f) Capital reserve (arising on consolidation)		20.23	16.47
(g) General reserve		8,391.94	7,839.36
(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		(5,996.99)	(4,871.18)
(l) Contributions for capital expenditure		72.88	57.17
(m) Contingency reserve		100.00	100.00
(n) Debenture forfeiture reserve		0.04	0.04
(o) Special reserve		82.69	34.14
(p) Statutory reserve		179.52	147.83
(q) Actuarial gain/(loss) reserve		(3,130.97)	410.26
(r) Cash flow hedge reserve		61.53	—
(s) Profit and loss account		7,010.48	10,961.96
		21,927.15	21,511.50

Schedules forming part of the Consolidated balance sheet

SCHEDULE C : SECURED LOANS :—

(Item No. 6(a), Page 188)

	Rupees crores	<i>As at 31-03-2009 Rupees crores</i>
(a) Joint plant committee-steel development fund [including funded interest Rs. 251.11 crores (31.03.2009 : Rs. 233.91 crores)].....	1,805.54	1,752.40
(b) Privately placed non-convertible debentures.....	45.00	86.83
(c) Banks and financial institutions.....	25,672.92	31,751.23
(d) Working capital demand loan from banks	90.00	50.00
(e) Cash credits/packing credits from banks	114.63	235.16
(f) Government of India	0.02	0.02
(g) Assets under lease	331.22	368.24
	28,059.33	34,243.88

SCHEDULE D : UNSECURED LOANS :—

(Item No. 6(b), Page 188)

	Rupees crores	<i>As at 31-03-2009 Rupees crores</i>
(a) Fixed deposits	6.40	6.82
(b) Housing Development Finance Corporation Ltd.	1.20	3.03
(c) Privately placed non-convertible debentures.....	5,400.90	3,250.00
(d) Banks and financial institutions.....	14,546.21	16,242.06
(e) 1% Convertible Alternative Reference Securities (See Note 9(g), Page 216)	2,116.83	5,473.92
(f) 4.50% Foreign Currency Convertible Bonds (2014) (See Note 9(g), Page 216)	2,457.24	—
(g) Assets under lease	449.62	633.93
(h) Interest free loans under Sales Tax Deferral Scheme	3.81	0.45
(i) Others	58.81	46.41
	25,041.02	25,656.62

Schedules forming part of the Consolidated balance sheet

SCHEDULE E : FIXED ASSETS :— (Item No. 11, Page 188)

										Rupees 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 1.04.2009	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
	1,283.85	8,708.36	2,298.72	677.99	80,202.99	1,174.56	361.63	236.21	1,285.04	96,229.35
Assets of New Companies ⁽¹⁾	0.83	37.28	1.86	—	79.73	4.46	—	0.53	0.17	124.86
	—	4.65	0.05	—	95.36	1.25	—	0.70	5.24	107.25
Additions during the year ⁽⁶⁾	107.86	650.05	20.59	5.31	5,411.76	43.19	13.61	29.94	270.13	6,552.44
	125.07	375.36	45.54	53.71	7,579.55	80.98	18.55	18.40	443.75	8,740.91
Exchange Movement on translation	(74.27)	(591.35)	(125.50)	(47.36)	(4,290.00)	(103.38)	(0.96)	(3.36)	(122.51)	(5,358.69)
	21.55	19.22	(82.78)	6.71	(2,720.49)	88.03	0.81	4.91	(6.46)	(2,668.50)
Deductions during the year ⁽³⁾	30.92	477.69	79.83	—	2,726.40	32.38	—	82.20	58.86	3,488.28
	60.68	153.62	63.38	28.56	2,534.12	55.40	—	5.57	49.01	2,950.34
Transfer and Other Movements ⁽²⁾	(32.59)	321.25	20.57	28.21	(326.87)	(8.45)	—	(2.12)	—	—
	—	—	—	—	—	—	—	—	—	—
Gross Block as at 31.03.2010	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
Capital work-in-progress [including advances for capital expenditure Rs. 1,121.90 crores (31.03.2009 : Rs. 1,310.65 crores)]										9,319.43
										8,930.35
										1,06,608.43
										1,08,389.02
Impaired Assets as at 1.04.2009	173.78	134.82	93.25	13.82	2,744.32	0.40	—	—	22.65	3,183.04
	162.73	104.66	41.36	—	2,837.60	0.46	—	—	24.89	3,171.70
Impairment of New Companies ⁽¹⁾	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Impairment during the year	5.60	—	2.74	—	9.11	0.20	—	—	—	17.65
	9.40	65.32	61.56	14.96	814.33	—	—	—	—	965.57
Impairment reversed during the year	—	39.96	—	—	—	—	—	—	—	39.96
	—	—	—	—	—	—	—	—	—	—
Impairment on assets written off	0.92	—	—	—	120.06	0.29	—	—	—	121.27
	1.59	27.54	1.41	—	695.27	0.02	—	—	—	725.83
Exchange Movement on translation	(6.88)	(5.17)	(5.78)	(0.82)	(158.20)	(0.31)	—	—	(1.34)	(178.50)
	3.24	(7.62)	(8.26)	(1.14)	(212.34)	(0.04)	—	—	(2.24)	(228.40)
Transfer and Other Movements ⁽²⁾	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Impaired assets as at 31.03.2010	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
Accumulated Depreciation upto 1.04.2009	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
	292.89	5,719.47	1,059.99	527.91	50,472.35	1,047.24	171.92	110.68	536.47	59,938.92
Depreciation on New Companies ⁽¹⁾	—	5.23	0.35	—	37.69	2.67	—	0.22	0.04	46.20
	—	1.40	—	—	70.77	0.67	—	0.32	5.19	78.35
Depreciation during the year	9.91	267.92	137.97	14.74	3,812.00	50.51	28.18	20.49	189.62	4,531.34
	14.17	278.24	153.91	14.56	3,614.99	44.62	34.59	23.73	143.35	4,322.16
Depreciation on assets written off during the year	32.16	342.29	128.49	—	2,486.50	35.35	—	29.98	58.79	3,113.56
	0.40	153.64	33.39	28.57	1,768.40	58.19	—	5.45	17.25	2,065.29
Exchange Movement on translation	(10.82)	(373.06)	(78.54)	(40.79)	(2,757.14)	(96.21)	—	(2.23)	(60.43)	(3,419.22)
	(20.79)	(101.23)	(50.63)	5.40	(2,340.20)	81.53	—	2.36	7.51	(2,416.05)
Transfer and Other Movements ⁽²⁾	(41.16)	16.75	20.58	30.63	(20.41)	(4.31)	—	(2.08)	—	—
	—	—	—	—	—	—	—	—	—	—
Accumulated Depreciation upto 31.03.2010	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
Total Accumulated Depreciation & Impairment upto 31.03.2010	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
	459.65	5,879.06	1,223.13	533.12	52,793.83	1,116.27	206.51	131.64	697.92	63,041.13
Net Block as at 31.03.2010	957.48	3,485.03	863.88	159.13	29,661.19	159.68	158.95	79.38	1,000.47	36,525.19
	910.14	3,074.91	975.02	176.73	29,829.46	173.15	174.48	123.01	980.64	36,417.54
Impairment on Capital work-in-progress										48.79
										42.03
Capital work-in-progress [including advances for capital expenditure Rs. 1,121.90 crores (31.03.2009 : Rs. 1,310.65 crores)]										9,270.64
										8,888.32
										45,795.83
										45,305.86

- Represents assets, impaired assets and accumulated depreciation of Tata Steel Processing And Distribution Limited which became a subsidiary during the year.
- Represents adjustments for inter se transfers.
- Deductions include cost of assets scrapped/sold/surrendered during the year.
- Buildings include Rs. 2.32 crores (31.03.2009 : Rs. 2.32 crores) being cost of shares in Co-operative Housing Societies & Limited Companies.
- Development of property represents expenditure incurred on development of mines/collieries.
- Rupee Liability has decreased by a net amount of Rs. 51.46 crores (2008-09 : increased by Rs. 76.62 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 lower by Rs. 2.30 crores (2008-09 : higher by Rs. 2.04 crores) arising on account of this adjustment.
- Depreciation charge in the profit and loss account is net of Rs. 39.61 crores (2008-09 : Rs. 56.77 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. 12, Page 188)

A. LONG TERM INVESTMENTS

(At Cost less provision for diminution in value)

1. In Associates (See Note 1, Page 208)
Cost of investment
(including **Rs. 671.16** crores (31.03.2009 : Rs. 12.66 crores) of Goodwill net of
Capital Reserve arising on consolidation)
Add – Share of post acquisition profit (net of losses)

Rupees
crores

Rupees
crores

As at
31-03-2009
Rupees
crores

1,566.37

361.09

316.84

290.68

1,883.21

651.77

2. Others
(a) Shares (Quoted)
(b) Shares (Unquoted)

678.61

728.86

823.23

1,525.96

B. INVESTMENT PROPERTIES

101.50

106.77

C. CURRENT INVESTMENTS (at lower of cost and fair value)

(Quoted)

3. Others.....

2.49

6.97

(Unquoted)

4. Investment in Mutual Funds

1,928.75

3,390.77

5,417.79

6,411.10

SCHEDULE G : STOCK-IN-TRADE :— (Item No. 16A(b), Page 188)

- (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).....
- (b) Work-in-progress (at lower of cost and net realisable value)
- (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)

Rupees
crores

As at
31-03-2009
Rupees
crores

6,654.69

7,861.74

3,685.12

3,580.31

10,339.81

11,442.05

6,631.72

8,373.66

16,971.53

19,815.71

Schedules forming part of the Consolidated balance sheet

SCHEDULE H : SUNDRY DEBTORS :—

(Item No. 16A(c), Page 188)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Over six months old.....	781.90	804.28
(b) Others	11,358.20	12,714.33
	12,140.10	13,518.61
Less — Provision for doubtful debts	516.15	486.98
	11,623.95	13,031.63

	Rupees crores	As at 31-03-2009 Rupees crores
Sundry debts, secured and considered good.....	2,537.35	2,225.02
Sundry debts, unsecured and considered good	9,086.60	10,806.61
Sundry debts, considered doubtful.....	516.15	486.98
	12,140.10	13,518.61

SCHEDULE I : CASH AND BANK BALANCES :—

(Item No. 16A(e), Page 188)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Cash in hand [including cheques in hand]	114.01	80.13
(b) Remittance in transit	13.33	4.86
(c) Balance in current and deposit accounts		
(i) With scheduled banks	3,307.71	1,681.40
(ii) With other banks	3,352.76	4,381.97
	6,787.81	6,148.36

SCHEDULE J : LOANS AND ADVANCES :—

(Item No. 16B, Page 188)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Advances with public bodies	682.66	594.69
(b) Other advances	6,100.27	12,423.75
(c) Advance payment against taxes.....	148.43	162.47
	6,931.36	13,180.91
Less — Provision for doubtful advances	169.89	182.18
	6,761.47	12,998.73

	Rupees crores	As at 31-03-2009 Rupees crores
Loans and Advances, secured and considered good.....	—	—
Loans and Advances, unsecured and considered good	6,761.47	12,998.73
Loans and Advances, considered doubtful.....	169.89	182.18
	6,931.36	13,180.91

Schedules forming part of the Consolidated balance sheet

SCHEDULE K : CURRENT LIABILITIES :— (Item No. 17A, Page 188)

	Rupees crores	Rupees crores	As at 31-03-2009 Rupees crores
(a) Sundry creditors :			
(i) For supplies/services	11,925.99		10,566.12
(ii) For accrued wages and salaries	2,419.06		2,620.54
(iii) For other liabilities	7,674.91		8,628.21
		22,019.96	21,814.87
(b) Interest accrued but not due		771.20	550.20
(c) Advances received from customers		545.29	678.31
(d) Unpaid Dividend		52.12	49.92
		23,388.57	23,093.30

SCHEDULE L : PROVISIONS :— (Item No. 17B, Page 188)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Provision for employee benefits	2,466.84	2,686.73
(b) Provision for taxation	1,185.32	1,397.22
(c) Provision for fringe benefits tax	2.17	2.78
(d) Proposed dividends	709.23	1,277.33
(e) Others	2,230.60	1,776.65
	6,594.16	7,140.71

SCHEDULE M : MISCELLANEOUS EXPENDITURE (to the extent not written off) :— (Item No. 19, Page 188)

	Rupees crores	As at 31-03-2009 Rupees crores
(a) Employee separation compensation See Note 9(a), Page 215)	—	105.38
(b) Preliminary expenditure	—	0.10
	—	105.48

Signatures to Schedules 1 to 4 and
A to M and Notes on pages 200 to 229

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
KIRBY ADAMS	
H M NERURKAR	

Mumbai, 26th May, 2010

A ANJENEYAN
Company Secretary

SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2009-10
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, 2010, 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
		2009-10	2008-09	
A. Subsidiaries				
i)	Adityapur Toll Bridge Company Ltd.	86.34	60.35	India
ii)	Centennial Steel Company Ltd.*	100.00	—	India
iii)	Gopalpur Special Economic Zone Ltd.	100.00	100.00	India
iv)	Jamshedpur Utilities & Services Company Ltd.	100.00	100.00	India
	1. Haldia Water Management Limited	60.00	60.00	India
	2. Naba Diganta Water Management Ltd.	74.00	74.00	India
	3. SEZ Adityapur Ltd.	51.00	51.00	India
v)	Kalimati Investment Company Ltd.	100.00	100.00	India
	1. Bangla Steel & Mining Co. Ltd.	100.00	100.00	Bangladesh
vi)	Lanka Special Steels Ltd.	100.00	100.00	Sri Lanka
vii)	NatSteel Asia Pte. Ltd.	100.00	100.00	Singapore
	1. NatSteel Iranian Private Joint Stock Company	100.00	100.00	Iran
	2. NatSteel Middle East FZE	100.00	100.00	UAE
	3. Tata Steel Asia (Hong Kong) Ltd.	100.00	100.00	Hongkong
	4. Tata Steel Resources Australia Pty. Ltd.	100.00	100.00	Australia
viii)	Rawmet Ferrous Industries Ltd.	100.00	100.00	India
ix)	Sila Eastern Ltd. @	49.00	49.00	Thailand
x)	Tata Incorporated	100.00	100.00	USA

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
xi)	Tata Korf Engineering Services Ltd.	100.00	100.00	India
xii)	Tata Metaliks Ltd.	50.04	50.04	India
	1. Tata Metaliks Kubota Pipes Ltd.	25.52	25.52	India
xiii)	Tata Refractories Ltd.	77.46	71.28	India
	1. TRL Asia Pvt. Limited	68.16	62.73	Singapore
	2. TRL China Limited	77.46	71.28	China
xiv)	Tayo Rolls Ltd.	54.45	54.45	India
xv)	Tata Steel (KZN) (Pty) Ltd.	90.00	90.00	South Africa
xvi)	Tata Steel Holdings Pte. Ltd.	100.00	100.00	Singapore
	a) NSA Holdings Pte Ltd.	100.00	—	Singapore
	b) Tata Steel Global Holdings Pte Ltd.	100.00	100.00	Singapore
	I Corus International (Singapore) Holding Pte. Ltd.	100.00	100.00	Singapore
	1. Corus Holdings (Thailand) Ltd.	50.00	50.00	Thailand
	2. Corus International (Guangzhou) Ltd.	100.00	100.00	China
	3. Corus International (Shanghai) Ltd.	100.00	100.00	China
	4. Corus Metals (Malaysia) Sdn. Bhd.	100.00	100.00	Malaysia
	5. Corus Metals (Thailand) Limited	74.00	74.00	Thailand
	6. Corus South East Asia Pte Limited	100.00	100.00	Singapore
	7. Tata Steel international (Asia) Limited	100.00	100.00	Hongkong
	8. Tata Steel International (Hongkong) Limited	100.00	100.00	Hongkong
	II NatSteel Holdings Pte. Ltd.	100.00	100.00	Singapore
	1. Bestbar (Vic) Pte. Ltd.	71.00	71.00	Australia
	2. Best Bar Pty. Ltd.	71.00	71.00	Australia
	3. Burwill Trading Pte. Ltd.	100.00	100.00	Singapore
	4. Easteel Construction Services Pte. Ltd.	100.00	100.00	Singapore
	5. Easteel Services (M) Sdn. Bhd.	100.00	100.00	Malaysia
	6. Eastern Steel Fabricators Phillipines, Inc.	67.00	67.00	Phillipines
	7. Eastern Steel Services Pte. Ltd.	100.00	100.00	Singapore
	8. Eastern Wire Pte. Ltd.	100.00	100.00	Singapore
	9. Materials Recycling Pte. Ltd.	100.00	100.00	Singapore
	10. NatSteel (Xiamen) Ltd.	100.00	100.00	China
	11. NatSteel Asia (S) Pte. Ltd.	100.00	100.00	Singapore
	12. NatSteel Australia Pty. Ltd.	100.00	100.00	Australia
	13. NatSteel Equity IV Pte. Ltd.	100.00	100.00	Singapore
	14. Natsteel Recycling Pte Ltd.	100.00	100.00	Singapore
	15. NatSteel Trade International (Shanghai) Company Ltd.	100.00	100.00	China
	16. NatSteel Trade International Pte. Ltd.	100.00	100.00	Singapore
	17. NatSteel Vina Co. Ltd.	56.50	56.50	Vietnam
	18. PT Materials Recycling Indonesia	100.00	100.00	Indonesia
	19. The Siam Industrial Wire Co. Ltd.	100.00	100.00	Thailand
	20. Wuxi Jinyang Metal Products Co. Ltd.	95.00	95.00	China
III	Orchid Netherlands (No.1) B.V.	100.00	100.00	Netherlands
IV	Tata Steel Europe Ltd.	100.00	100.00	UK
	1. Almana Steel Dubai (Jersey) Limited	100.00	100.00	Jersey
	2. Apollo Metals Ltd.	100.00	100.00	USA
	3. Ashorne Hill Management College	100.00	100.00	UK
	4. Augusta Grundstucks GmbH	100.00	100.00	Germany
	5. Automotive Laser Technologies Limited	100.00	100.00	UK
	6. B S Pension Fund Trustee Ltd.	100.00	100.00	UK
	7. Bailey Steels Limited	100.00	100.00	UK
	8. Beheermaatschappij Industriële Producten B.V.	100.00	100.00	Netherlands
	9. Belfin Beheermaatschappij B.V.	100.00	100.00	Netherlands
	10. Bell & Harwood Limited	100.00	100.00	UK
	11. Blastmega Limited (United Steel Forgings Ltd.)	100.00	100.00	UK
	12. Blume Stahlservice GmbH	100.00	100.00	Germany
	13. Blume Stahlservice Polska Sp. Z.O.O	100.00	100.00	Poland

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
14.	Bore Samson Group Ltd.	100.00	100.00	UK
15.	Bore Steel Ltd.	100.00	100.00	UK
16.	British Guide Rails Ltd.	100.00	100.00	UK
17.	British Steel Holdings B.V.	100.00	100.00	Netherlands
18.	British Steel Nederland International B.V.	100.00	100.00	Netherlands
19.	British Steel Benelux B.V.	100.00	100.00	Netherlands
20.	British Steel Corporation Ltd	100.00	100.00	UK
21.	British Steel De Mexico S.A. de C.V.	100.00	100.00	Mexico
22.	British Steel Directors (Nominees) Limited	100.00	100.00	UK
23.	British Steel Employee Share Ownership Trustees Ltd.	100.00	100.00	UK
24.	British Steel Engineering Steels (Exports) Limited	100.00	100.00	UK
25.	British Steel 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 Beheer B.V.*	100.00	100.00	Netherlands
52.	Corus Aluminium Limited	100.00	100.00	UK
53.	Corus Aluminium Verwaltungsgesellschaft MbH	100.00	100.00	Germany
54.	Corus America Holdings Inc.	100.00	100.00	USA
55.	Corus America Inc.	100.00	100.00	USA
56.	Corus Batiment Et Systemes SAS	100.00	100.00	France
57.	Corus Belgium Bvba	100.00	100.00	Belgium
58.	Corus Benelux B.V.	100.00	100.00	Netherlands
59.	Corus Beteiligungs GmbH	100.00	100.00	Germany
60.	Corus Brokers Limited	100.00	100.00	UK
61.	Corus Building Systems Bulgaria AD	100.00	100.00	Bulgaria
62.	Corus Building Systems N.V.	100.00	100.00	Belgium
63.	Corus Building Systems SAS	100.00	100.00	France
64.	Corus Byggesystemer A/S	100.00	100.00	Denmark
65.	Corus Byggsystem AB	100.00	100.00	Sweden
66.	Corus Byggsystemer A/S	100.00	100.00	Norway
67.	Corus Central Europe S.R.O.	100.00	100.00	Czech Republic
68.	Corus Cic Holdings Inc.	100.00	100.00	Canada
69.	Corus Cic Inc.	100.00	100.00	Canada

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
70.	Corus CNBV Investments	100.00	100.00	UK
71.	Corus Coatings Usa Inc.	100.00	100.00	USA
72.	Corus Cold Drawn Tubes Limited	100.00	100.00	UK
73.	Corus Construction Products (Thailand) Limited	82.35	82.35	Thailand
74.	Corus Consulting And Technical Services B.V.	100.00	100.00	Netherlands
75.	Corus Consulting B.V.	100.00	100.00	Netherlands
76.	Corus Consulting Limited	100.00	100.00	UK
77.	Corus Consulting Romania SRL *	100.00	100.00	Romania
78.	Corus Degels GmbH	100.00	100.00	Germany
79.	Corus Denmark A/S	100.00	100.00	Denmark
80.	Corus Deutschland GmbH	100.00	100.00	Germany
81.	Corus Distribution Europe BV	100.00	100.00	Netherlands
82.	Corus Electrical Limited	100.00	100.00	UK
83.	Corus Engineering Limited	100.00	100.00	UK
84.	Corus Engineering Steels (UK) Limited	100.00	100.00	UK
85.	Corus Engineering Steels Holdings Limited	100.00	100.00	UK
86.	Corus Engineering Steels Limited	100.00	100.00	UK
87.	Corus Engineering Steels Overseas Holdings Limited	100.00	100.00	UK
88.	Corus Finance Limited	100.00	100.00	UK
89.	Corus Finland Oy	100.00	100.00	Finland
90.	Corus France SAS	100.00	100.00	France
91.	Corus Group Limited	100.00	100.00	UK
92.	Corus Holdings Ltd.	100.00	100.00	UK
93.	Corus Holdings SA	100.00	100.00	France
94.	Corus Hungary Trading Limited Liability Company	100.00	100.00	Hungary
95.	Corus India Ltd.	100.00	100.00	India
96.	Corus International (India) Pvt. Limited	100.00	100.00	India
97.	Corus International (Overseas Holdings) Limited	100.00	100.00	UK
98.	Corus International Bulgaria Limited	100.00	100.00	Bulgaria
99.	Corus International Deutschland GmbH	100.00	100.00	Germany
100.	Corus International Limited	100.00	100.00	UK
101.	Corus International Nigeria	100.00	100.00	Nigeria
102.	Corus International Representacoes Do Brasil Ltda.	100.00	100.00	Brazil
103.	Corus International Romania SRL	100.00	100.00	Romania
104.	Corus International Services N.V	100.00	100.00	Belgium
105.	Corus International Trading Limited	100.00	100.00	UK
106.	Corus International Trading Limited	100.00	100.00	USA
107.	Corus Investment B.V.	100.00	100.00	Netherlands
108.	Corus Investments Ltd.	100.00	100.00	UK
109.	Corus Ireland Ltd.	100.00	100.00	Ireland
110.	Corus Laminacion Y Derivados, S.L.	100.00	100.00	Spain
111.	Corus Large Diameter Pipes Limited	100.00	100.00	UK
112.	Corus Liaison Services (India) Limited	100.00	100.00	UK
113.	Corus Management Limited	100.00	100.00	UK
114.	Corus Met B.V.	100.00	100.00	Netherlands
115.	Corus Metal Iberica S.A	100.00	100.00	Spain
116.	Corus Metal Sanayi Ve Ticaret AS	88.00	88.00	Turkey
117.	Corus Metals Limited	100.00	100.00	UK
118.	Corus Middle East FZE	100.00	100.00	UAE
119.	Corus Multi-Metals Limited	100.00	100.00	UK
120.	Corus Nederland B.V.	100.00	100.00	Netherlands
121.	Corus New Zealand Limited	100.00	100.00	New Zealand
122.	Corus Norge A/S	100.00	100.00	Norway
123.	Corus Packaging Plus Belgium N.V	100.00	100.00	Belgium
124.	Corus Packaging Plus Norway AS	100.00	100.00	Norway
125.	Corus Perfo B.V.	100.00	100.00	Netherlands

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
126.	Corus Polska Sp.Z.O.O.	100.00	100.00	Poland
127.	Corus Primary Aluminium B.V.	100.00	100.00	Netherlands
128.	Corus Properties (Germany) Limited	100.00	100.00	UK
129.	Corus Property	100.00	100.00	UK
130.	Corus Quest Trustee Limited	100.00	100.00	UK
131.	Corus Rail Consultancy Limited	100.00	100.00	UK
132.	Corus Rail France S.A	100.00	100.00	France
133.	Corus Rail Limited	100.00	100.00	UK
134.	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	100.00	100.00	Ireland
135.	Corus Service Center Milano Spa	100.00	100.00	Italy
136.	Corus Service Centre Limited	100.00	100.00	UK
137.	Corus Service Centre Maastricht B.V.	100.00	100.00	Netherlands
138.	Corus Services Nederland B.V.	100.00	100.00	Netherlands
139.	Corus Sheet & Tube Inc.	100.00	100.00	USA
140.	Corus Special Strip Asia Limited	100.00	100.00	Hong Kong
141.	Corus Staal B.V.	100.00	100.00	Netherlands
142.	Corus Stahl GmbH	100.00	100.00	Germany
143.	Corus Stainless Limited	100.00	100.00	UK
144.	Corus Stainless NI B.V.	100.00	100.00	Netherlands
145.	Corus Stainless UK Ltd.	100.00	100.00	UK
146.	Corus Star-Frame B.V.	100.00	100.00	Netherlands
147.	Corus Steel Limited	100.00	100.00	UK
148.	Corus Steel Usa Inc.	100.00	100.00	USA
149.	Corus Sverige AB	100.00	100.00	Sweden
150.	Corus Technology B.V.	100.00	100.00	Netherlands
151.	Corus Trico Holdings Inc.	100.00	100.00	USA
152.	Corus Tubes B.V.	100.00	100.00	Netherlands
153.	Corus Tuscaloosa Corp.	100.00	100.00	USA
154.	Corus UK Healthcare Trustee Limited	100.00	100.00	UK
155.	Corus UK Limited	100.00	100.00	UK
156.	Corus Vlietjonge B.V.	100.00	100.00	Netherlands
157.	Cpn 85 Limited	100.00	100.00	UK
158.	Crucible Insurance Company Ltd.	100.00	100.00	I of Man
159.	Demka B.V.	100.00	100.00	Netherlands
160.	Dsrn Group Plc.	100.00	100.00	UK
161.	Ees Group Services Limited	100.00	100.00	UK
162.	Ees Nederland B.V.	100.00	100.00	Netherlands
163.	Eric Olsson & Soner Forvaltnings AB	100.00	100.00	Sweden
164.	Esmil B.V.	100.00	100.00	Netherlands
165.	Euro-Laminations Limited	100.00	100.00	UK
166.	European Electrical Steels Limited	100.00	100.00	UK
167.	Europressings Limited	100.00	100.00	UK
168.	Firsteel Group Limited	100.00	100.00	UK
169.	Firsteel Holdings Limited	100.00	100.00	UK
170.	Firsteel Steel Processing Limited	100.00	100.00	UK
171.	Firsteel Strip Mill Products Limited	100.00	100.00	Ireland
172.	Fischer Profielen NV	100.00	100.00	Belgium
173.	Fischer Profil GmbH	100.00	100.00	Germany
174.	Gamble Simms Metals Ltd.	100.00	100.00	Ireland
175.	Grant Lyon Eagle Ltd.	100.00	100.00	UK
176.	H E Samson Ltd.	100.00	100.00	UK
177.	Hadfields Holdings Ltd.	62.50	62.50	UK
178.	Hammermega Limited	100.00	100.00	UK
179.	Harrowmills Properties Ltd.	100.00	100.00	UK
180.	Hille & Muller GmbH	100.00	100.00	Germany

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
181.	Hille & Muller Italia SRL.	100.00	100.00	Italy
182.	Hille & Muller Usa Inc.	100.00	100.00	USA
183.	Holorib GmbH	100.00	100.00	Germany
184.	Hoogovens (UK) Limited	100.00	100.00	UK
185.	Hoogovens Aluminium UK Limited	100.00	100.00	UK
186.	Hoogovens Finance B.V.	100.00	100.00	Netherlands
187.	Hoogovens Technical Services Coahuila B.V.	100.00	100.00	Netherlands
188.	Hoogovens Technical Services Mexico De S. De R.L. De C.V.	100.00	100.00	Mexico
189.	Hoogovens Technical Services Monclova B.V.	100.00	100.00	Netherlands
190.	Hoogovens Tubes Poland Spolka Z.O.O	100.00	100.00	Poland
191.	Hoogovens Usa Inc.	100.00	100.00	USA
192.	Huizenbezit "Breesaap" B.V.	100.00	100.00	Netherlands
193.	Ickles Cottage Trust	100.00	100.00	UK
194.	Immobiliiere De Construction De Maubeuge Et Louvroil SAS	100.00	100.00	France
195.	Industrial Steels Limited	100.00	100.00	UK
196.	Inter Metal Distribution SAS	100.00	100.00	France
197.	K&S Management Service Limited	100.00	100.00	UK
198.	Kalzip Asia Pte Ltd.	100.00	100.00	Singapore
199.	Kalzip GmbH	100.00	100.00	Austria
200.	Kalzip GmbH	100.00	100.00	Germany
201.	Kalzip Guanhzhou Limited	100.00	100.00	China
202.	Kalzip Inc	100.00	100.00	USA
203.	Kalzip Limited	100.00	100.00	UK
204.	Kalzip Spain S.L.U.	100.00	100.00	Spain
205.	Lister Tubes Ltd.	100.00	100.00	Ireland
206.	London Works Steel Company Ltd.	100.00	100.00	UK
207.	Midland Steel Supplies Ltd.	100.00	100.00	UK
208.	Mistbury Investments Limited	100.00	100.00	UK
209.	Montana Bausysteme AG	100.00	100.00	Switzerland
210.	Myriad Deutschland GmbH	100.00	100.00	Germany
211.	Myriad Espana SI	100.00	100.00	Spain
212.	Myriad Nederland B.V.	100.00	100.00	Netherlands
213.	Myriad SA	100.00	100.00	France
214.	Myriad United Kingdom Limited	100.00	100.00	UK
215.	Namascor B.V.	100.00	100.00	Netherlands
216.	Nationwide Steelstock Limited	100.00	100.00	UK
217.	Nebam Nedelandse Bevrachting En Agentuur Maatschappij B.V.	100.00	100.00	Netherlands
218.	Oostflank B.V.	100.00	100.00	Netherlands
219.	Orb Electrical Steels Limited	100.00	100.00	UK
220.	Ore Carriers Ltd.	100.00	100.00	UK
221.	Oremco Inc.	100.00	100.00	USA
222.	Plated Strip International Limited	100.00	100.00	UK
223.	Precoat International Limited	100.00	100.00	UK
224.	Precoat Limited	100.00	100.00	UK
225.	Rafferty-Brown Steel Co Inc Of Conn.	100.00	100.00	USA
226.	Richard Thomas And Baldwins 1978 Limited	100.00	100.00	New Zealand
227.	Richard Thomas And Baldwins (Australia) Pty Ltd.	100.00	100.00	Australia
228.	Round Oak Steelworks Ltd.	100.00	100.00	UK
229.	Runblast Limited	100.00	100.00	UK
230.	Runmega Limited	100.00	100.00	UK
231.	S A B Profiel B.V.	100.00	100.00	Netherlands
232.	S A B Profil GmbH	100.00	100.00	Germany
233.	SA Intertubes	100.00	100.00	Belgium
234.	Sacra-Nord SAS	100.00	100.00	France

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
	235. Scrap Processing Holding B.V.	100.00	100.00	Netherlands
	236. Seamless Tubes Ltd.	100.00	100.00	UK
	237. Sia Corus Building Systems	100.00	100.00	Latvia
	238. Simiop Investments Ltd.	100.00	100.00	UK
	239. Simiop Ltd.	100.00	100.00	UK
	240. Simms Steel Holdings Ltd.	100.00	100.00	UK
	241. Skruv Erik AB	100.00	100.00	Sweden
	242. Societe Europeenne De Galvanisation (Segal) Sa	100.00	100.00	Belgium
	243. Staalverwerking En Handel B.V.	100.00	100.00	Netherlands
	244. Steel Company (N.I.) Ltd.	100.00	100.00	UK
	245. Steel Stockholdings Ltd.	100.00	100.00	UK
	246. Steelstock Ltd.	100.00	100.00	UK
	247. Stewarts & Lloyds Of Ireland Ltd.	100.00	100.00	Ireland
	248. Stewarts And Lloyds (Overseas) Ltd.	100.00	100.00	UK
	249. Stocksbridge Cottage Trust	100.00	100.00	UK
	250. Surahammar Bruks AB	100.00	100.00	Sweden
	251. Swinden Housing Association	100.00	100.00	UK
	252. Tata Steel International (Italia) SRL	100.00	100.00	Italy
	253. Tata Steel International (Schweiz) AG	100.00	100.00	Switzerland
	254. Tata Steel Netherlands B.V.	100.00	100.00	Netherlands
	255. Tata Steel UK Ltd.	100.00	100.00	UK
	256. Telmag (Holdings) Limited	100.00	100.00	UK
	257. Telmag Magnetic Components Limited	100.00	100.00	UK
	258. The Newport And South Wales Tube Company Ltd.	100.00	100.00	UK
	259. The Stanton Housing Company Ltd.	100.00	100.00	UK
	260. The Steel Company Of Ireland Limited	100.00	100.00	Ireland
	261. The Templeborough Rolling Mills Ltd.	100.00	100.00	UK
	262. Thomas Processing Company	100.00	100.00	USA
	263. Thomas Steel Strip Corp.	100.00	100.00	USA
	264. Tinsley Trailers Limited	100.00	100.00	UK
	265. Toronto Industrial Fabrications Ltd.	100.00	100.00	UK
	266. Trierer Walzwerk GmbH	100.00	100.00	Germany
	267. Tulip Netherlands (No. 1) B.V.	100.00	100.00	Netherlands
	268. Tulip Netherlands (No. 2) B.V.	100.00	100.00	Netherlands
	269. Tulip UK Holdings (No. 2) Ltd.	100.00	100.00	UK
	270. Tulip UK Holdings (No. 3) Ltd.	100.00	100.00	UK
	271. U.E.S. Bright Bar Limited	100.00	100.00	UK
	272. UK Steel Enterprise Ltd.	100.00	100.00	UK
	273. Ukse Fund Managers Limited	100.00	100.00	UK
	274. Ukse Fund Mangers (General Partner) Limited	100.00	100.00	UK
	275. United Steels Co (N Z) Ltd.	100.00	100.00	New Zealand
	276. Unitol SAS	100.00	100.00	France
	277. Walker Manufacturing And Investments Ltd.	100.00	100.00	UK
	278. Walkersteelstock Ireland Limited	100.00	100.00	Ireland
	279. Walkersteelstock Ltd.	100.00	100.00	UK
	280. Westwood Steel Services Ltd.	100.00	100.00	UK
	281. 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. Tata Steel Cote D' Ivoire S.A. @	85.00	85.00	Ivory Coast
VI	Tata Steel (Thailand) Public Company Ltd.	67.90	67.90	Thailand
	1. NTS 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

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

	Name of the Company	Ownership in % either directly or through Subsidiaries		Country of Incorporation
		2009-10	2008-09	
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	—	India
xix)	The Indian Steel and Wire Products Ltd.	91.36	91.36	India
xx)	The Tata Pigments Ltd.	100.00	100.00	India
B.	Joint Ventures of			
i)	Tata Steel Ltd.			
	1. Bhubaneshwar Power Pvt. Ltd.	26.00	26.00	India
	2. mjunction services ltd.	50.00	50.00	India
	3. S & T Mining Company Pvt. Ltd.	50.00	50.00	India
	4. Tata Bluescope Steel Ltd.	50.00	50.00	India
	5. Tata NYK Shipping Pte Ltd.	50.00	50.00	Singapore
	6. Tata Steel Processing And Distribution Limited *	50.00	50.00	India
	7. The Dhamra Port Company Ltd.	50.00	50.00	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	64.00	UK
	2. Air Products Llanwern Limited	50.00	50.00	UK
	3. B V Ijzerleew	50.00	50.00	Netherlands
	4. Bsr Pipeline Services Limited	50.00	50.00	UK
	5. Caparo Merchant Bar Plc	25.00	25.00	UK
	6. Cindu Chemicals B.V.	50.00	50.00	Netherlands
	7. Corus Celik Ticaret AS	50.00	50.00	Turkey
	8. Corus Cogifer Switches And Crossings Limited	50.00	50.00	UK
	9. Corus Kalpinis Simos Rom SRL.	50.00	50.00	Romania
	10. Danieli Corus Technical Services B.V.	50.00	50.00	Netherlands
	11. Hks Scrap Metals B.V.	50.00	50.00	Netherlands
	12. Ijzerhandel Geertsema Staal B.V.	50.00	50.00	Netherlands
	13. Industrial Rail Services Ijmond B.V.	50.00	50.00	Netherlands
	14. Laura Metaal Holding B.V.	49.00	49.00	Netherlands
	15. Norsk Stal AS	50.00	50.00	Norway
	16. Norsk Stal Tynnplater AS	50.00	50.00	Norway
	17. Ravenscraig Limited	100.00	100.00	UK
	18. Tata Elastron SA	50.00	50.00	Greece
	19. Tata Elastron SA Steel Service Center	50.00	50.00	Greece
	20. Texturing Technology Limited	50.00	50.00	UK
	II Tata Steel Global Minerals Holdings Pte. Ltd.			
	1. Riversdale Energy (Mauritius) Ltd.	35.00	35.00	Mauritius

* Part of the Year.

@ By virtue of management control.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

The Associates of the Company and the ownership interest are as follows :

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2010 Rs. crores	Carrying amount of Investments as at 31.03.2010 Rs. crores
Ab Norskstål AS	50.00 50.00	— —	— —	— —	— —
Almora Magnesite Limited	39.00 39.00	0.78 0.78	— —	0.21 0.38	0.99 1.16
Altos Hornos De Mexico S.A. de C.V.	4.50 4.50	— —	— —	— —	— —
Antheus Magnesium B.V.	25.00 25.00	— —	— —	— —	— —
Appleby Frodingham Cottage Trust Limited	33.30 33.30	— —	— —	— —	— —
Combulex B.V.	50.00 50.00	10.97 10.97	— —	(1.62) 2.57	9.35 13.54
Cv Gasexpansie Ijmond	50.00 50.00	0.26 0.26	— —	0.02 0.04	0.28 0.30
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 Corus South Africa Pty. Ltd.	50.00 50.00	— —	— —	— —	— —
Danieli India (Pvt.) Ltd.	50.00 50.00	— —	— —	— —	— —
Endex European Energy Derivates Exchanges NV	0.23 0.23	— —	— —	— —	— —
European Profiles (Marketing) Sdn. Bhd.	10.20 10.20	— —	— —	— —	— —
European Profiles Malaysia (M) Sdn. Bhd.	20.00 20.00	6.35 6.35	— —	(1.94) 0.69	4.41 7.04
Galvpro LP	45.50 45.50	— —	— —	— —	— —
Gietwalsonderhoudcombinatie B.V.	50.00 50.00	9.66 9.66	— —	3.46 4.53	13.12 14.19
Hoogovens Court Roll Service Technologies Vof	50.00 50.00	9.86 9.86	— —	4.84 3.57	14.70 13.43
Hoogovens Gan Multimedia S A de CV	50.00 50.00	— —	— —	— —	— —
Indian Steel Rolling Mills Limited (Re.1/-)(a)	20.56 20.56	— —	— —	— —	— —

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2010 Rs. crores	Carrying amount of Investments as at 31.03.2010 Rs. crores
Industrial Energy Limited	26.00	86.58	—	2.72	89.30
	26.00	86.58	—	(0.21)	86.37
Isolation Du Sud Sa	0.33	—	—	—	—
	0.33	—	—	—	—
Issb Limited	50.00	—	—	—	—
	50.00	—	—	—	—
Jamipol Limited	31.78	4.38	0.01	16.71	21.09
	31.78	4.38	0.01	13.52	17.90
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	0.38	—	(0.38)	—
	23.46	0.38	—	(0.38)	—
Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied NV	6.67	0.92	—	0.04	0.96
	6.67	0.92	—	0.15	1.07
Richard Lees Steel Decking Asia Snd. Bhd.	10.00	—	—	—	—
	10.00	—	—	—	—
Riversdale Mining Ltd. (b)	21.44	1,102.13	655.64	(59.51)	1,042.62
	—	—	—	—	—
Rsp Holding B.V.	13.19	—	—	—	—
	13.19	—	—	—	—
Rujuvalika Investments Limited	24.12	0.60	(0.29)	4.85	5.45
	24.12	0.60	(0.29)	4.36	4.96
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	3.70	—	(3.19)	0.51
	45.00	3.70	—	(3.16)	0.54
Southern Steel, Berhad	27.03	100.13	—	108.01	208.14
	27.03	100.13	—	73.71	173.84
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. (a)	25.00	1.28	—	(1.28)	—
	—	—	—	—	—

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Name of the Company	% Share held	Original Cost of Investment Rs. crores	Goodwill/ (Capital Reserve) Rs. crores	Accumulated Profit/(Loss) as at 31.03.2010 Rs. crores	Carrying amount of Investments as at 31.03.2010 Rs. crores
Stuwadoorsbedrijf Velserkom B.V.	50.00 50.00	5.76 5.76	— —	(2.95) (1.78)	2.81 3.98
Tata Construction & Projects Limited (Re.1/-)(a)#	29.66 29.66	— —	— —	— —	— —
Tata Sponge Iron Limited	43.24 43.24	20.74 20.74	11.42 11.42	176.76 146.86	197.50 167.60
Tinplate Company of India Limited	44.27 32.34	132.13 30.26	2.86 —	12.37 (0.60)	144.50 29.66
Thoresen & Thorvaldsen AS	50.00 50.00	— —	— —	— —	— —
TKM Overseas Limited	49.00 49.00	1.13 1.13	— —	(1.13) (0.75)	— 0.38
TRF Limited	36.48 36.49	6.11 6.11	1.52 1.52	53.47 42.98	59.58 49.09
Trico Llc	25.00 25.00	— —	— —	— —	— —
Weirton/hogovens 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	— —	5.38 4.20	67.90 66.72
Total		1,566.37 361.09	671.16 12.66	**316.84 **290.68	1,883.21 **651.77

** 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.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- 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 liabilities, it is not considered practicable to adopt a common accounting policy for accounting for the pension liability of the company and Tata Steel Europe Limited. The actuarial gains and losses for these pension plans of Tata Steel Europe Limited have been accounted in Reserves and Surplus.
- (v) Miscellaneous Expenditure
In respect of the Employee Separation Scheme (ESS), net present value of the future liability for pension payable is amortised equally over five years or upto financial year ending 31st March, 2010, whichever is earlier.
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. However, asset value upto Rs. 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of assets is as under :
 - (i) Buildings — 30 to 62 years.
 - (ii) Plant and Machinery — 6 to 21 years.
 - (iii) Railway Sidings — 21 years.
 - (iv) Vehicles and Aircraft — 5 to 18 years.
 - (v) Furniture, Fixtures and Office Equipment — 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 N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :— continued**

In case of some foreign subsidiaries, the assets are depreciated on a straight line basis over the estimated useful life of the assets.

(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 lower of cost and net realisable value. 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.

(m) In case of certain subsidiaries, goodwill is amortised over a period of 60 months.
3. Contingent Liabilities
(a) Guarantees

The Company has given guarantees aggregating **Rs. 622.37** crores (31.03.2009 : Rs. 930.97 crores) to banks and financial institutions on behalf of others. As at 31st March, 2010 the contingent liabilities under these guarantees amounted to **Rs. 622.37** crores (31.03.2009 : Rs. 930.97 crores).

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

(b) Claims not acknowledged by the Company :

	As at 31.03.2010 Rs. crores	As at 31.03.2009 Rs. crores
(i) Excise	465.06	286.46
(ii) Customs	13.88	13.88
(iii) Sales Tax and VAT	605.66	473.87
(iv) State Levies	183.96	161.78
(v) Suppliers and Service Contract	71.16	70.66
(vi) Labour Related	37.85	191.83
(vii) Income Tax	154.73	179.97
(viii) Others	623.19	564.96

(c) Claim by a party arising out of conversion arrangement - **Rs. 195.82** crores (31.03.2009 : Rs. 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of **Rs. 139.65** crores (31.03.2009 : Rs. 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of **Rs. 235.48** crores (31.03.2009 : Rs. 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 2010, if materializes, will be to the tune of **Rs. 291.22** crores (31.03.2009 : Rs. 271.60 crores). However, the company has already paid duty amounting to **Rs. 189.52** crores (31.03.2009 : Rs. 169.05 crores) based on the final sale price of the material.

(f) The State Government of Orissa 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 Orissa, challenging the validity of the Act. Orissa High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Orissa moved the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The liability, if it materialises, as at 31.03.2010 would be **Rs. 1,277.74** crores (31.03.2009 : Rs. 1,041.67 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. In 2008-09, the company realised Rs. 60.91 crores on sale of these shares resulting in a profit of Rs. 49.77 crores. 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 Rs. 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 2010 of **Rs. 17.21** crores has been charged off to Profit and Loss Account. The incremental amount, if payable, for the period till October 2008 works out to **Rs. 344.19** crores (31.03.2009 : Rs. 232.57 crores) and has been considered as a contingent liability.

(i) Uncalled liability on partly paid shares and debentures **Rs. 0.01** crore (31.03.2009 : Rs. 0.01 crore).

(j) Bills discounted **Rs. 332.03** crores (31.03.2009 : Rs. 497.90 crores).

SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2009-10 :- 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 as well as accounts for financial year 2009-10.

Particulars	Rs. 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)	3.05
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

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) IDBI Bank Ltd. not to dispose of its investment in The Tinplate Company of India Limited, (b) ICICI Bank Ltd., IFCI and IIBI not to dispose of its investment in the Indian Steel Rolling Mills Ltd. (ISRM). The ISRM is under liquidation, (c) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (d) IDBI and ICICI Bank Ltd. not to dispose of its investment in Standard Chrome Ltd., (e) State Bank of India not to dispose of its investment in Tata BlueScope Ltd. (f) Standard Chartered Bank, Hong Kong and Shanghai Banking Corporation and Nedbank not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (g) 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), (h) 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 eight companies remains outstanding. Subsequent to Balance Sheet date, i.e. 30th April, 2010, the Company has given undertaking to 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.

The Company has furnished a Security Bond in respect of its immovable property to the extent of Rs. 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' (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 of the Company and Riversdale Mining Limited (RML) 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 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 Rs. 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, 2010.
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, 2010 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 31.03.2010 of **Rs. 8.62** crores (31.03.2009 : Rs. 8.60 crores).

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

8. Fixed Assets

- a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for : **Rs. 16,823.70** crores (31.03.2009 : Rs. 13,525.33 crores).
- b) The Company has taken on lease Plant and Machinery, having an aggregate cost of **Rs. 3.79** crores (31.03.2009 : Rs. 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 **Rs. 0.62** crores (2008-09 : Rs. 0.62 crore). The break up of total minimal lease payments due as at 31st March, 2010 and their corresponding present value are as follows :

Rs. crores

Period	As at 31.03.2010		As at 31.03.2009	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	0.26	0.25	0.62	0.59
Later than one year but not later than five years	—	—	0.26	0.23
Later than five years	—	—	—	—
Total	0.26	0.25	0.88	0.82

The break-up of total minimum lease payments for operating lease due as on 31st March, 2010, entered into by the company, its subsidiaries and joint ventures are as follows:

Rs. crores

Period	As at 31.03.2010	As at 31.03.2009
	Minimum Lease Payments	Minimum Lease Payments
Not later than one year	1,164.56	1,225.05
Later than one year but not later than five years	3,044.49	3,102.08
Later than five years	2,127.37	1,272.08
Total	6,336.42	5,599.21

The total charge to the Profit and Loss Account for the year on account of operating lease is **Rs. 967.22** crores (2008-09: Rs. 999.98 crores).

The company, its subsidiaries and joint venture have taken certain leaseholds on finance lease, having an aggregate cost of **Rs. 1,434.84** crores (31.03.2009: 1,596.84 crores). The break up of total minimum lease payments for finance lease due as on 31st March, 2010 and their corresponding present values, are as follows :

Rs. crores

Period	As at 31.03.2010		As at 31.03.2009	
	Minimum Lease Payments	Present Value	Minimum Lease Payments	Present Value
Not later than one year	129.51	95.35	137.04	121.56
Later than one year but not later than five years	456.42	306.46	535.85	378.81
Later than five years	517.07	379.03	589.37	501.80
Total	1,103.00	780.84	1,262.26	1,002.17

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 **Rs. 46.34** crores (31.03.2009 : Rs. 76.93 crores) in respect of schemes introduced during the year.
- ii) The amounts payable within one year under the ESS aggregates to **Rs. 195.39** crores (31.03.2009 : Rs. 203.33 crores).
- iii) Miscellaneous Expenditure (to the extent not written off) on ESS account in Balance Sheet represents the balance amount to be amortised over five years or the financial year ending 31st March, 2010, whichever is earlier. Accordingly, the balance as at 31st March, 2010 is Rs. Nil.
- b) The manufacturing and other expenses shown in the profit and loss account include **Rs. 707.48** crores (2008-09 : Rs. 914.37 crores) in respect of Research and Development activities undertaken during the year.

SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR 2009-10 :- continued

- 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, 2010, a credit of **Rs. 206.95** crores (31.03.2009 : Debit of Rs. 471.66 crores) remains to be amortised in the "Foreign Currency Monetary Items Translation Difference Account" after taking a charge of **Rs. 85.67** crores (2008-09 : Rs. 30.79 crores) in the Profit & Loss Account and **Rs. 47.35** crores (net of deferred tax **Rs. 24.38** crores) [31.03.2009 : Rs. 32.54 crores (net of deferred tax Rs. 16.76 crores)] adjusted against Securities Premium Account during the current financial year on account of amortisation. The Depreciation for the year ended 31st March, 2010 is higher by **Rs. 0.44** crore (2008-09 : Rs. 2.04 crores) and the Loss after taxes, minority interest and share of profit of associates for the year ended 31st March, 2010 is higher by **Rs. 577.04** crores (2008-09 : Profit after taxes, minority interest and share of profit of associates is higher by Rs. 899.58 crores).

- d) Restructuring Costs in exceptional items relates to disposal/impairment of assets and restructuring arising out of the 'Fit for the Future' programme at Tata Steel Europe Limited.

- e) 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 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 pension liabilities, it is not considered practicable to adopt a common accounting policy for accounting for the actuarial gains/losses in respect of the pension liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of **Rs. 3,541.23** crores (31.03.2009 : Rs. 5,496.58 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 plans of Tata Steel Europe Limited, in the Profit and Loss Account, the loss after taxes, minority interest and share of profit of associates would have been higher by **Rs. 3,541.23** crores (31.03.2009 : profit after taxes, minority interest and share of profit of associates would have been lower by Rs. 5496.58 crores).

- (f) 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 which were hitherto accounted in the profit & loss account w.e.f. 1st April 2009 have been accounted in "Reserves & Surplus" in accordance with IFRS principles and the proposed Accounting Standard AS30. Had the Company not changed the policy, the consolidated loss after taxes, minority interest and share of profit of associates for the year ended 31st March, 2010 would have been lower by **Rs. 61.53** crores.

- g) The Company raised Rs. 3,578.75 crores (US \$ 875 million) through the issue of Foreign Currency Convertible Alternative Reference Securities ("CARS") during FY 2007-08. The CARS will be convertible into either qualifying securities (which may be in the form of depository receipts with restricted rights of withdrawal representing underlying ordinary shares with differential rights as to voting) or ordinary shares only between 4th September, 2011 to 6th August, 2012 and are redeemable in foreign currency only in September 2012, if not converted into equity. The CARS will be convertible at a conversion price of Rs. 733.13 per share. The CARS carry a coupon rate of 1% p.a. The outstanding CARS, if any, at maturity will be redeemable at a premium of 23.34% of the principal amount, with an effective YTM of 5.15%.

During 2009-10, the Company invited holders of the CARS to exchange their holdings for 4.5% Convertible Bonds due in 2014. The offer closed on 16th November, 2009 and CARS having face value of US\$ 493 million were exchanged into Convertible Bonds worth US\$ 546.94 million. The net exchange difference of **Rs. 143.15** crores has been recognised as an expense in the Profit and Loss Account during the year. The 4.5% Convertible Bonds are convertible at Rs. 605.53 at an exchange rate of 1 US\$ = Rs. 46.36 at any time on or after 31st December, 2009 and up to the close of business on 11th November, 2014. The aggregate principal amount of CARS remaining outstanding after this exchange is US\$ 382 million.

Premium payable on redemption and the expenses related to the issue of CARS are adjusted against the Securities Premium Account. Changes to premium payable on account of exchange fluctuation is transferred to "Foreign Currency Monetary Items Translation Difference Account" 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. Such exchange fluctuation on the premium payable is amortised over the balance period of CARS but not beyond 31st March, 2011, by adjusting the same to Securities Premium Account. Accordingly, an amount of **Rs. 47.35** crores (net of deferred tax **Rs. 24.38** crores) [2008-09 : Rs. 32.54 crores (net of deferred tax Rs. 16.76 crores)] has been amortised and adjusted against Securities Premium Account.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

10. Pursuant to the sanction of the Honourable High Court of Calcutta to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Hooghly Met Coke & Power Company Ltd. (HMPCL) whose principal business was manufacture of metallurgical coke, have been merged with the Company with effect from 1st April, 2009 in accordance with the Scheme so sanctioned. The effect of the merger has been given in the accounts as per the scheme sanctioned.

The amalgamation has been accounted for under the "Pooling of Interests method" as prescribed by Accounting Standard 14 (AS-14) as notified by the Government of India. Accordingly the assets, liabilities and other reserves of the erstwhile HMPCL as at 1st April, 2009 have been taken over at their book values. As a result reserves of the erstwhile HMPCL aggregating to Rs. 12.28 crores have been added to the reserves of the Company. The difference of Rs. 0.69 crore between the value of net assets taken over, and the investment of the Company in the shares of HMPCL has been adjusted to the Amalgamation Reserve of the Company.

Pursuant to the Scheme, referred above, 58,26,63,618 shares held by the Company in the erstwhile HMPCL have been cancelled.

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, 2010 are given below :

	Rs. crores
	Acquisition
FUNDS EMPLOYED	
Share Capital	68.25
Reserves & Surplus	195.44
Secured Loans	131.07
Unsecured Loans	12.26
Deferred Tax Liability	7.67
Current Liabilities	80.15
Provisions	7.30
APPLICATION OF FUNDS	
Net Block (including CWIP)	176.77
Investment	16.75
Current Assets	274.02
Loans & Advances	34.60
INCOME	
Sales and other Operating Income	1,028.85
Other Income	(0.15)
EXPENDITURE	
Manufacturing and other Expenses	971.37
Depreciation	11.97
Expenditure Transferred to Capital	(0.21)
Net Finance Charges	7.56
PROFIT/(LOSS) FOR THE YEAR	38.01

12. NatSteel Holdings Pte. Ltd., and its subsidiaries (NSH Group) has an unquoted equity investment in an associate company, Southern Steel Berhad ("SSB"), which is stated in the financial statement at the carrying value of **S\$ 64,849,000** (31.03.2009 : S\$ 52,142,000). The carrying value is arrived at after accounting for share of results in SSB's profit after tax and minority interest, translation gain and dividend of **S\$ 12,714,000**, **S\$ 2,310,000** and **S\$ 2,317,000** respectively for the financial year ended 31st March, 2010. (31.03.2009 : loss after tax and minority interest S\$ 6,345,000, translation loss S\$ 3,499,000 and dividend S\$ 5,923,000). The figures used for equity accounting of SSB's results for the financial year from 1st April, 2009 to 31st March, 2010 used for the purpose of consolidation are unaudited and are prepared under the Financial Reporting Standards in Malaysia.
13. For the following companies unaudited Financial Statements have been considered for consolidation: Easteel Services (Malaysia) Sdn. Bhd., Eastern Steel Fabricators Phillipines, Inc., NatSteel Equity IV Pte. Ltd., NatSteel Middle East FZE, NatSteel Trade International (Shanghai) Company Ltd., PT Materials Recycling Pte Ltd., Tata Korf Engineering Services Ltd., Bangla Steel & Mining Co. Ltd., Orchid Netherlands (No. 1) B.V., Corus Metals (Malaysia) Sdn Bhd, Corus International (Guangzhou) Limited, Corus International (Shanghai) Limited, Corus Holdings (Thailand) Limited, Corus Metals (Thailand) Limited being subsidiaries.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Bhubaneshwar Power Pvt. Ltd. and The Dhamra Port Company Ltd., being joint ventures.

Almora Magnesite Ltd., TRF Ltd., Strategic Energy Technology Systems Private Ltd., Riversdale Mining Limited, European Profiles (Malaysia) Sdn Bhd and Southern Steel, Berhard being associates.

14. 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 (Rs. 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, 2010 the subsidiary's investments in equipments and infrastructure aggregate to **Rs. 25.80** crores (31.03.2009 : Rs. 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.

15. 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 Rs. crores	Capital Commitment Rs. crores
mjunction services ltd.	India	50%	0.72 0.32	— —
The Dhamra Port Company Limited	India	50%	—	208.46 432.99
Tata BlueScope Steel Limited	India	50%	9.37 13.36	114.32 172.37
Tata NYK Shipping Pte. Ltd.	Singapore	50%	—	252.98 439.44
Bhubaneshwar Power Private Ltd.	India	26%	1.30 1.00	— —
S & T Mining Company Private Ltd.	India	50%	— 0.25	— —

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

16. Employee Benefits

- a) The Company has recognised, in the profit and loss account for the current year, an amount of **Rs. 270.70** crores (2008-09: *Rs. 258.59 crores*) as expenses under the following defined contribution plans :

	Rs. crores	
Benefit Contribution to	2009-10	2008-09
Provident Fund	148.10	<i>129.02</i>
Superannuation Fund	65.32	<i>37.48</i>
Employees Pension Scheme/Coal Mines Pension Scheme	14.98	<i>77.30</i>
TISCO Employees Pension Scheme	41.70	<i>14.69</i>
Employees State Insurance	0.60	<i>0.10</i>
Total	270.70	<i>258.59</i>

- 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:

	Rs. crores	
Description	2009-10	2008-09
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at the beginning of the year	1,132.96	<i>814.42</i>
b. Current service cost	56.17	<i>40.49</i>
c. Interest cost	83.07	<i>61.80</i>
d. Obligation of new companies	0.97	<i>8.43</i>
e. Actuarial (gain)/loss	79.37	<i>284.23</i>
f. Exchange rate variation	(0.88)	<i>3.15</i>
g. Benefits paid	(93.16)	<i>(79.56)</i>
h. Obligation as at the end of the year	1,258.50	<i>1,132.96</i>
The defined benefit obligation as at 31.03.2010 is funded except in the case of Tata BlueScope Steel Ltd., NatSteel Asia Pte. 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	845.12	<i>731.31</i>
b. Expected return on plan assets	74.52	<i>59.67</i>
c. Assets of new companies	0.95	<i>7.45</i>
d. Actuarial gain/(loss)	5.35	<i>33.62</i>
e. Employers' contributions	256.96	<i>91.05</i>
f. Benefits paid	(90.03)	<i>(77.98)</i>
g. Fair value of plan assets as at end of the year	1,092.87	<i>845.12</i>
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at end of the year	1,092.87	<i>845.12</i>
b. Present value of obligation as at end of the year	1,258.50	<i>1,132.96</i>
c. Amount recognised in the balance sheet :	165.63	<i>287.84</i>
— Provisions	166.10	<i>287.93</i>
— Loans and advances	(0.47)	<i>(0.09)</i>
4. Expense recognised in the period		
a. Current service cost	56.17	<i>40.49</i>
b. Interest cost	83.07	<i>61.80</i>
c. Expected return on plan assets	(74.52)	<i>(59.67)</i>
d. Actuarial (gain)/loss	74.02	<i>250.61</i>
e. Expense recognised during the year	138.74	<i>293.23</i>

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Rs. crores		
Description	31.03.2010	31.03.2009
	% invested	% invested
5. Investment Details		
a. GOI securities	12	15
b. Public sector unit bonds	27	36
c. State/Central Government guaranteed securities	13	11
d. Special deposit schemes	—	12
e. Private sector unit bonds	8	5
f. Others (including bank balances)	40	21
	100	100
6. Assumptions		
a. Discount rate (per annum)	1.65-8.5%	1.65-8.5%
b. Estimated rate of return on plan assets (per annum)	8-9.5%	8-9.58%
c. Rate of escalation in salary (per annum)	3.6-10%	3.6-10%
7. Other Disclosures		
a. Experience adjustment on plan liabilities – gain / (loss)	(104.84)	(202.65)
b. Experience adjustment on plan assets – gain / (loss)	5.35	33.62

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 Special Deposits. 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:

Rs. crores		
Description	2009-10	2008-09
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	94,721.99	1,06,330.88
b. Current service cost	969.27	1,106.62
c. Interest cost	5,979.71	6,655.43
d. Obligation of new companies	—	—
e. Actuarial (gain)/loss	21,129.92	(9,834.03)
f. Exchange rate variation	(8,876.46)	(4,341.28)
g. Settlements and curtailments	(90.37)	(31.40)
h. Benefits paid	(6,884.43)	(5,823.50)
i. Employee contribution	527.26	604.33
j. Past service cost	—	54.94
k. Obligation as at end of the year	1,07,476.89	94,721.99
2. Change in plan assets (reconciliation of opening & closing balances)		
a. Fair value of plan assets as at beginning of the year	99,702.40	1,17,619.62
b. Expected return on plan assets	5,747.77	6,804.55
c. Actuarial gain/(loss)	17,553.65	(15,932.23)
d. Assets of new companies	—	—
e. Contributions employee	527.26	604.32
f. Contributions employer	1,273.20	1,287.14
g. Settlements and curtailments	(60.25)	—
h. Benefits paid	(6,914.55)	(5,862.74)
i. Exchange rate variation	(8,820.11)	(4,818.26)
j. Net fair value of plan assets as at end of the year	1,09,009.37	99,702.40
3. Reconciliation of fair value of assets and obligations		
a. Fair value of plan assets as at end of the year	1,09,009.37	99,702.40
b. Present value of obligation as at end of the year	1,07,476.89	94,721.99
c. Amount recognised in the balance sheet – assets	1,532.48	4,980.41
— Provisions	(259.17)	(509.84)
— Loans and advances	1,791.65	5,490.25

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Rs. crores

Description	2009-10	2008-09
4. Expense recognised in the period		
a. Current service cost	969.27	1,106.62
b. Interest cost	5,979.71	6,655.43
c. Expected return on plan assets	(5,747.77)	(6,804.55)
d. Actuarial (gain)/loss	3,576.27*	6,098.20
e. Past service cost	—	54.94
f. Exchange rate variation	—	—
g. Settlements and curtailment	(30.12)	(31.40)
h. Expense recognised during the year	4,747.36	7,079.24
	31.03.2010	31.03.2009
5. Investment details	% invested	% invested
a. Equities	27	23
b. Bonds	62	65
c. Property	6	8
d. Others (including bank balances)	5	4
	100	100
6. Assumptions		
a. Discount rate (per annum)	2.5-6%	3.9-7%
b. Estimated rate of return on plan assets (per annum)	2.5-8.7%	3.5-9.10%
c. Rate of escalation in salary (per annum)	1-4.6%	2-4%
7. Other disclosures		
a. Experience adjustment on plan liabilities – gain/(loss)	(986.54)	(2,150.46)
b. Experience adjustment on plan assets – gain/(loss)	17,546.79	(15,908.68)

e) Details of unfunded Post Retirement defined benefit obligations are as follows:

Rs. crores

Description	2009-10		2008-09	
	Medical	Others	Medical	Others
1. Reconciliation of opening and closing balances of obligation				
a. Obligation as at beginning of the year	553.45	564.14	513.23	685.80
b. Current/Employer service cost	6.26	16.61	6.55	24.73
c. Interest cost	41.39	33.61	39.91	34.73
d. Obligation of new companies	0.05	0.33	2.82	1.50
e. Actuarial (gain)/loss	51.14	53.88*	25.50	(2.20)
f. Past service cost	0.17	3.72	—	7.85
g. Exchange rate variation	—	(43.41)	—	(5.61)
h. Benefits paid	(39.85)	(33.17)	(34.56)	(182.66)
i. Obligation as at end of the year	612.61	595.71	553.45	564.14
2. Expense recognised in the period				
a. Current/Employer service cost	6.21	16.61	6.55	24.73
b. Interest cost	41.39	33.61	39.91	34.73
c. Past service cost	0.17	3.72	—	7.85
d. Exchange rate variation	—	—	—	—
e. Actuarial (gain)/loss	51.14	53.88	25.50	(2.20)
f. Expense recognised during the year	98.91	107.82	71.96	65.11
3. Assumptions				
a. Discount rate (per annum) on beginning of the year	8.00%	4.40-8.00%	8.00%	4.40-8.00%
b. Discount rate (per annum) on end of the year	7-8.40%	3.90-8.00%	7.75-8%	4.40-8.00%
c. Medical costs inflation rate	5.00%	—	5.00%	—
d. Average medical cost (Rs./person) on beginning of the year	2,290.00	—	2,170.00	—
e. Average medical cost (Rs./person) on end of the year	2,640.00	—	2,290.00	—
f. Effect of a 1% change in (health care cost)	Increase	Decrease	Increase	Decrease
	(6% p.a.)	(4% p.a.)	(6% p.a.)	(4% p.a.)
— aggregate current service and Interest cost	6.81	(6.26)	5.51	(5.24)
— closing balance of obligation	100.28	(50.94)	75.48	(61.86)
4. Other Disclosures				
a. Experience adjustment on plan liabilities – gain/(loss)	(70.00)	(10.57)	(9.02)	3.57
b. Experience adjustment on plan assets – gain/(loss)	—	—	—	—

* An amount of Rs. 3,626.76 crores (gross of tax) has been accounted in Reserves and Surplus.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**
17. Information about Primary Business Segments

Particulars	Business Segments		Unallocable	Eliminations	Total
	Steel	Others			
	Rs. crores	Rs. crores	Rs. crores	Rs. crores	Rs. crores
Revenue :					
Total External Sales	93,706.15	8,297.15	389.82	—	1,02,393.12
	1,33,481.82	13,175.53	671.91	—	1,47,329.26
Inter segment sales	14,173.22	2,579.98	1,039.25	(17,792.45)	—
	15,902.76	3,385.76	941.81	(20,230.33)	—
Total Revenue	1,07,879.37	10,877.13	1,429.07	(17,792.45)	1,02,393.12
	1,49,384.58	16,561.29	1,613.72	(20,230.33)	1,47,329.26
Segment Result before Interest, Exceptional Items and Tax	4,082.36	1,031.34	(14.30)	(362.62)	4,736.78
	13,079.05	1,164.68	(242.75)	126.97	14,127.95
Less : Net Finance Charges (See Schedule 3, Page 192)					3,022.06
					3,290.18
Profit/(Loss) before taxes and exceptional items					1,714.72
					10,837.77
Restructuring costs (See Note 9(d), Page 216)					(1,683.72)
					(4,094.53)
Profit/(Loss) before Taxes					31.00
					6,743.24
Taxes					2,151.84
					1,894.00
Profit/(Loss) after Taxes					(2,120.84)
					4,849.24
Segment Assets	81,739.72	6,651.05	15,501.83	(13,920.19)	89,972.41
	84,944.98	6,448.27	16,487.94	(8,444.05)	99,437.14
Segment Liabilities	33,565.42	2,509.30	7,784.25	(13,876.24)	29,982.73
	28,231.49	2,422.85	8,005.07	(8,425.40)	30,234.01
Total Cost incurred during the year to acquire segment assets	5,867.62	1,006.94	284.21	(9.26)	7,149.51
	7,301.36	823.22	313.94	(4.78)	8,433.74
Segment Depreciation	4,136.28	212.36	143.09	—	4,491.73
	3,965.58	189.93	109.88	—	4,265.39
Non-Cash Expenses other than depreciation	184.56	1.29	305.18	—	491.03
	379.40	7.31	318.98	—	705.69

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Information about Secondary Segments : Geographical

	2009-10	<i>2008-09</i>
	Rs. crores	<i>Rs. crores</i>
Revenue by Geographical Market		
India	26,848.68	<i>26,299.57</i>
Outside India.....	75,544.44	<i>1,21,029.69</i>
	1,02,393.12	<i>1,47,329.26</i>
Additions to Fixed Assets and Intangible Assets		
India	4,408.13	<i>3,723.84</i>
Outside India.....	2,741.38	<i>4,709.90</i>
	7,149.51	<i>8,433.74</i>
	As at	<i>As at</i>
	31.03.2010	<i>31.03.2009</i>
	Rs. crores	<i>Rs. crores</i>
Carrying Amount of Segment Assets		
India	32,470.92	<i>28,819.04</i>
Outside India.....	57,501.49	<i>70,618.10</i>
	89,972.41	<i>99,437.14</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>
	31.03.2010	<i>31.03.2009</i>
	Rs. crores	<i>Rs. crores</i>
Investments	5,109.00	<i>6,133.77</i>
Miscellaneous Expenditure	—	<i>105.48</i>
Goodwill on consolidation	14,541.82	<i>15,364.92</i>
Foreign Currency Monetary item Translation Difference Account	—	<i>471.66</i>
Deferred Tax Asset.....	114.85	<i>76.12</i>
	19,765.67	<i>22,151.95</i>
Total Unallocable Liabilities exclude :		
Secured Loans.....	28,059.33	<i>34,243.88</i>
Unsecured Loans.....	25,041.02	<i>25,656.62</i>
Provision for Employee Separation Compensation	963.67	<i>1,042.41</i>
Foreign Currency Monetary item Translation Difference Account	206.95	<i>—</i>
Deferred Tax Liability	1,768.96	<i>1,785.55</i>
Share Warrants issued by a subsidiary company.....	17.46	<i>17.46</i>
Minority Interest	884.07	<i>894.88</i>
	56,941.46	<i>63,640.80</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 N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**
18. Related Party Disclosures
(a) List of Related Parties and Relationships

Party	Relationship
A. i) Kalimati Investment Company Ltd. 1. Rujuvalika Investments Ltd. ii) NatSteel Asia Pte. Ltd. 1. Steel Asia Development and Management Corp. 2. Steel Asia Industries Inc. 3. Steel Asia Manufacturing Corp. 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 Private Limited * 9. Tata Construction & Projects Ltd. 10. Tata Sponge Iron Ltd. 11. Tinplate Company of India Ltd. 12. TRF Ltd. vi) Tata Steel Holdings Pte. Ltd. a) Tata Steel Global Holdings Pte Ltd. I Corus International (Singapore) Holding 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. Altos Hornos De Mexico S.A. de C.V. 4. Appleby Frodingham Cottage Trust Limited 5. Combulex B.V. 6. Cv Gasexpansie Ijmond 7. Danieli Corus Canada Inc. 8. Danieli Corus Asia B.V. 9. Danieli Corus B.V. 10. Danieli Corus Braseq Ltda. 11. Danieli Corus Construction Services B.V. 12. Danieli Corus Construction Services Usa Inc. 13. Danieli Corus Do Brasil Ltda. 14. Danieli Corus Inc. 15. Danieli Corus Services Usa Inc. 16. Danieli India (PVT) Ltd. 17. Endex European Energy Derivates Exchanges N.V.* 18. European Profiles (Marketing) Sdn. Bhd. 19. Galvpro LP. 20. Gietwalsonderhoudcombinatie B.V. 21. Hoogovens Court Roll Service Technologies Vof 22. Hoogovens Gan Multimedia S.A. De C.V. 23. Isolation Du Sud SA 24. Issb Limited 25. MDC Sublance Probe Technology 26. Regionale Ontwikkelingsmaatschappij Voor Het Noordzeekanaalgebied N.V. 27. Richard Lees Steel Decking Asia Snd. Bhd. 28. Rsp Holding B.V. 29. Schreiner Fleischer AS 30. Shanghai Bao Yi Beverage Can Making Co Ltd. 31. Sms Mevac UK Limited	Associate – Where the Company exercises significant influence

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

Party	Relationship
32. Stuwadoorsbedrijf Velserkom B.V. 33. Thoresen & Thorvaldsen AS 34. Trico LLC 35. Weirton/Hoogovens GP 36. Workington Cottage Trust 37. Wupperman Staal Nederland B.V. IV Tata Steel Global Minerals Holdings Pte Ltd 1. Riversdale Mining Ltd.* vii) The Indian Steel and Wire Products Ltd. 1. Metal Corporation of India Ltd.	
B. i) Tata Steel Ltd. 1. Bhubaneshwar Power Pvt. Ltd. 2. mjunction services ltd. 3. S & T Mining Company Pvt. Ltd. 4. Tata Bluescope Steel Ltd. 5. Tata NYK Shipping Pte Ltd. 6. Tata Steel Processing And Distribution Limited * 7. The Dhamra Port Company 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 18. Tata Elastron SA 19. Tata Elastron SA Steel Service Center 20. Texturing Technology 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. B. Muthuraman* Mr. H. M. Nerurkar*	Whole Time Directors
E. Relatives of Key Management Personnel Ms. Sumathi Muthuraman*	Relative of Whole Time Director (Disclosure will be given only if there have been transactions)

* Part of the year.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**
18. (b) Related Party Transactions

Rs. crores

Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Purchase of Goods					
Gietwalsonderhoudcombinatie B.V.	99.63 131.00	— —	— —	— —	99.63 131.00
BSR Pipeline Services Limited	92.98 71.07	— —	— —	— —	92.98 71.07
Caparo Merchant Bar Plc	63.84 68.33	— —	— —	— —	63.84 68.33
Jamipol Ltd.	84.00 61.04	— —	— —	— —	84.00 61.04
Others	106.17 268.44	— —	— —	— —	106.17 268.44
	446.62 599.88	— —	— —	— —	446.62 599.88
Sale of Goods					
Southern Steel, Berhard	735.22 1,599.00	— —	— —	— —	735.22 1,599.00
Wupperman Staal Nederland B.V.	468.40 612.53	— —	— —	— —	468.40 612.53
Tinplate Company of India Ltd.	245.61 255.28	— —	— —	— —	245.61 255.28
Others	494.16 1,302.45	— —	— —	— —	494.16 1,302.45
	1,943.39 3,769.26	— —	— —	— —	1,943.39 3,769.26
Receiving of Services					
Tinplate Company of India Ltd.	370.03 358.63	— —	— —	— —	370.03 358.63
Tata NYK Shipping Pte Ltd.	310.74 219.55	— —	— —	— —	310.74 219.55
Others	45.21 112.51	— —	— —	1.36 53.83	46.57 166.34
	725.98 690.69	— —	— —	1.36 53.83	727.34 744.52
Rendering of Services					
Tinplate Company of India Ltd.	42.30 45.41	— —	— —	— —	42.30 45.41
Tata Blue Scope Steel Ltd.	26.55 37.04	— —	— —	— —	26.55 37.04
Others	8.85 19.56	— —	— —	0.24 0.24	9.09 19.80
	77.70 102.01	— —	— —	0.24 0.24	77.94 102.25
Purchase of Fixed Assets					
TRF Ltd.	3.17 17.10	— —	— —	— —	3.17 17.10
Others	0.31 0.40	— —	— —	— —	0.31 0.40
	3.48 17.50	— —	— —	— —	3.48 17.50
Sale of Fixed Assets					
Jamipol Ltd.	0.07 —	— —	— —	— —	0.07 —
	0.07 —	— —	— —	— —	0.07 —
Dividend and Fraction Bonus amount paid to Shareholders					
Tata Sons Ltd.	— —	— —	— —	408.42 333.07	408.42 333.07
Others	1.86 1.86	0.01 **	* ***	— —	1.87 1.87
	1.86 1.86	0.01 **	* ***	408.42 333.07	410.29 334.94

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

18. (b) Related Party Transactions

Rs. crores

Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Dividend income					
Tinplate Company of India Ltd.	13.94	—	—	—	13.94
	—	—	—	—	—
HKS Scrap Metal B.V.	6.68	—	—	—	6.68
	13.02	—	—	—	13.02
Norsk Stal AS	18.52	—	—	—	18.52
	38.46	—	—	—	38.46
Southern Steel, Berhard	7.70	—	—	—	7.70
	18.93	—	—	—	18.93
Others	19.18	—	—	—	19.18
	63.21	—	—	—	63.21
	66.02	—	—	—	66.02
	133.62	—	—	—	133.62
Interest Expense					
Danieli Corus Technical Services B.V	—	—	—	—	—
	2.17	—	—	—	2.17
	—	—	—	—	—
	2.17	—	—	—	2.17
Interest Income					
Tinplate Company of India Ltd.	15.20	—	—	—	15.20
	17.21	—	—	—	17.21
Others	1.26	—	—	—	1.26
	8.17	—	—	—	8.17
	16.46	—	—	—	16.46
	25.38	—	—	—	25.38
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					
Tinplate Company of India Ltd.	271.41	—	—	—	271.41
	110.00	—	—	—	110.00
The Dhamra Port Company Ltd.	87.94	—	—	—	87.94
	35.00	—	—	—	35.00
Others	11.74	—	—	—	11.74
	255.65	—	—	—	255.65
	371.09	—	—	—	371.09
	400.65	—	—	—	400.65
Remuneration Paid					
Mr. B. Muthuraman (upto 30.09.2009)	—	4.01	—	—	4.01
	—	5.07	—	—	5.07
Mr. H. M. Nerurkar	—	3.01	—	—	3.01
	—	—	—	—	—
	—	7.02	—	—	7.02
	—	5.07	—	—	5.07
Guarantees and collaterals given					
Tata NYK Shipping Ltd.	134.78	—	—	—	134.78
	—	—	—	—	—
Tinplate Company of India Ltd.	—	—	—	—	—
	25.00	—	—	—	25.00
	134.78	—	—	—	134.78
	25.00	—	—	—	25.00
Guarantees outstanding					
Tata NYK Shipping Ltd.	134.78	—	—	—	134.78
	—	—	—	—	—
	134.78	—	—	—	134.78
	—	—	—	—	—

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :— continued**
18. (b) Related Party Transactions

					Rs. crores
Transactions	Associates & JVs #	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Total
Outstanding Receivables					
Caparo Merchant Bar Plc	86.00	—	—	—	86.00
	29.09	—	—	—	29.09
Ravenscraig Limited	130.51	—	—	—	130.51
	158.90	—	—	—	158.90
Southern Steel, Berhard	86.71	—	—	—	86.71
	87.06	—	—	—	87.06
Others	73.73	—	—	4.01	77.74
	845.81	—	—	4.01	849.82
	376.95	—	—	4.01	380.96
	1,120.86	—	—	4.01	1,124.87
Outstanding Payables					
Tinplate Company of India Ltd.	22.47	—	—	—	22.47
	33.78	—	—	—	33.78
Tata Sons Ltd.	—	—	—	56.10	56.10
	—	—	—	55.68	55.68
Others	77.38	—	—	—	77.38
	81.21	—	—	—	81.21
	99.85	—	—	56.10	155.95
	114.99	—	—	55.68	170.67

Notes :

*	Rs. 23,891.15
**	Rs. 43,389.30
***	Rs. 20,828.81

Transactions with Joint Ventures have been disclosed at full value.

**SCHEDULE N : NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES
FOR THE FINANCIAL YEAR 2009-10 :- continued**

19. Earnings per Share (EPS)

	2009-10	<i>2008-09</i>
	Rs. crores	<i>Rs. crores</i>
(i) Profit/(Loss) after Taxes, Minority Interest and Share of Profit of Associates.....	(2,009.22)	<i>4,950.90</i>
Less: Preference dividend including tax thereon	53.68	<i>128.05</i>
Profit/(Loss) attributable to ordinary shareholders	(2,062.90)	<i>4,822.85</i>
Profit/(Loss) attributable to ordinary shareholders – for Diluted EPS.....	(2,062.90)	<i>5,213.74</i>
(ii) Weighted Average No. of Ordinary Shares for Basic EPS.....	Nos. 82,78,79,356	<i>Nos. 72,99,13,379</i>
Add : Adjustment for Nil (2008-09: 8,750) Convertible Alternative Reference Securities	–	<i>4,64,56,339</i>
Adjustment for 5,469.35 (2008-09: Nil) 4.5% Foreign Currency	–	–
Convertible Bonds (See Note 9(g), Page 216)	–	–
Adjustment for Options relating to Nil (2008-09: 12,446)	–	–
Detachable Warrants	–	<i>7,613</i>
Adjustment for 54,72,66,011 (2008-09: 54,72,66,011) Cumulative	–	<i>9,12,08,752</i>
Convertible Preference Shares	–	–
Weighted Average No. of Ordinary Shares for Diluted EPS	82,78,79,356	<i>86,75,86,083</i>
(iii) Nominal Value of Ordinary Shares.....	Rs. 10.00	<i>Rs. 10.00</i>
(iv) Basic Earnings per Ordinary Share.....	Rs. (24.92)	<i>Rs. 66.07</i>
(v) Diluted Earnings per Ordinary Share	Rs. (24.92)	<i>Rs. 60.09</i>

20. Deferred Tax Liability (Net)

	Deferred Tax (Asset)/Liability as at	31-03-2010	<i>31-03-2009</i>
	Rs. crores	Rs. crores	<i>Rs. crores</i>
Deferred Tax Liabilities			
(i) Difference between book and tax depreciation	3,027.88	<i>3,070.35</i>	
(ii) Prepaid expenses.....	74.23	<i>32.57</i>	
(iii) Actuarial Gain / (Loss)	360.40	<i>1,281.65</i>	
(iv) Others.....	1,039.30	<i>1,037.64</i>	
(A)	4,501.81	<i>5,422.21</i>	
Deferred Tax Assets			
(i) Employee Separation Compensation	(491.84)	<i>(504.87)</i>	
(ii) Wage Provision	(128.63)	<i>(70.19)</i>	
(iii) Provision for doubtful debts and advances.....	(36.90)	<i>(38.95)</i>	
(iv) Disallowance under Section 43B	(169.63)	<i>(172.40)</i>	
(v) Provision for Leave Salary.....	(148.82)	<i>(149.73)</i>	
(vi) Provision for Employee Benefits.....	(78.94)	<i>(79.53)</i>	
(vii) Differences in written down value of development of property	(3.20)	<i>(5.27)</i>	
(viii) Other Provisions	(198.48)	<i>(284.68)</i>	
(ix) Unadjusted losses	(1,458.68)	<i>(2,107.69)</i>	
(x) Redemption premium on CARS (See Note 9(g), Page 216)	(132.58)	<i>(299.47)</i>	
(B)	(2,847.70)	<i>(3,712.78)</i>	
Deferred Tax Liability (Net)	(A+B)	1,654.11	<i>1,709.43</i>

21. 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.

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

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

Consolidated Financial Ratios

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
1. EBITDA/Turnover	9.12%	12.55%	13.90%	30.73%	32.23%	39.35%	31.19%	23.79%	15.85%
2. PBT/Turnover	1.78%	7.43%	7.65%	25.09%	27.20%	34.08%	24.27%	14.10%	3.04%
3. Return on Avg. Capital Employed	5.69%	15.57%	21.13%	23.31%	39.47%	48.31%	27.71%	16.12%	6.32%
4. Return on Avg. Net Worth	¹⁶ (8.01)%	16.19%	51.00%	34.19%	43.57%	62.02%	45.96%	35.60%	7.68%
5. Asset Turnover	98.15%	128.56%	108.27%	76.65%	120.89%	107.44%	100.15%	79.18%	65.43%
6. Inventory Turnover (in days)	72.00	55.00	37.00	46.00	45.00	42.00	40.00	45.00	55.00
7. Debtors Turnover (in days)	44.00	39.00	28.00	21.00	23.00	24.00	30.00	47.00	63.00
8. Gross Block to Net Block	2.33	2.39	2.51	1.65	1.67	1.65	1.70	1.65	1.57
9. Net Debt to Equity	1.77	1.65	1.99	0.84	0.06	0.22	0.42	1.14	1.82
10. Current Ratio	1.46	1.78	1.87	2.45	1.35	1.11	1.07	1.39	1.63
11. Interest Cover ratio	1.60	4.32	3.46	16.38	35.21	28.52	21.89	5.09	1.56
12. Networth per share (post CCPS conversion)	278.07	330.49	472.03	223.08	181.53	128.95	81.52	89.23	68.16
13. Earnings per share	¹⁶ (24.92)	66.07	176.81	64.66	67.62	65.27	32.40	28.00	5.17
14. Dividend Payout	¹⁶ (45.00)%	30.00%	11.00%	26.00%	22.00%	23.00%	23.00%	32.00%	78.00%
15. P/E Ratio	¹⁶ (25.36)	3.12	3.92	6.95	7.93	6.14	11.84	4.78	18.89

- 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 Translation Diff 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 – Miscellaneous Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff Account).
- Asset Turnover : Net Sales/(Total Assets - Investments - Misc Expenses to the extent not written off or adjusted - Foreign Currency Monetary Translation Diff 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.

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 THIRD ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, at 3.30 p.m. on Friday, the 13th August, 2010.

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 THIRD ANNUAL GENERAL MEETING of the Company, to be held on Friday, the 13th August, 2010 and at any
adjournment thereof.

Signed this day of 2010.

Folio No. /DP ID No.* & Client ID No.*

* Applicable for members holding shares in electronic form.

Signature

No. of Shares

Affix
Revenue
Stamp

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 LIMITED

Bombay House 24 Homi Mody Street Mumbai 400 001
www.tatasteel.com

