IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Offering Memorandum received by e-mail or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: By accepting the email and accessing the attached Offering Memorandum you will be deemed to have represented to each of Australia and New Zealand Banking Group Limited, BNP Paribas, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd., Crédit Agricole Corporate and Investment Bank, Singapore Branch, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., The Royal Bank of Scotland plc, Singapore Branch, SBICAP (Singapore) Limited, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch and Standard Chartered Bank (collectively, the "Joint Lead Managers"), that (i) you are outside the United States and, to the extent you purchase the securities described in the attached Offering Memorandum, you will be doing so pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") and (ii) that you consent to delivery of the attached Offering Memorandum and any amendments or supplements thereto by electronic transmission.

This Offering Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee (as defined in this Offering Memorandum), the Agents (as defined in this Offering Memorandum) or any person who controls, or is a director, officer, employee, agent, representative or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic form and the hard copy version available to you on request from the Joint Lead Managers.

Restrictions: The attached Offering Memorandum is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described in the Offering Memorandum. You are reminded that the information in the attached document is not complete and may be changed. Any investment decision should be made on the basis of a complete final Offering Memorandum.

Nothing in this electronic transmission constitutes an offer of securities for sale in any jurisdiction where it is unlawful to do so.

THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE U.S., EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

You are reminded that you have accessed the attached Offering Memorandum on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions that You May Not Take: You should not reply by e-mail to this electronic transmission, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

THE ATTACHED OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

OFFERING MEMORANDUM **CONFIDENTIAL**

ABJA Investment Co. Pte. Ltd.

(Incorporated in the Republic of Singapore)
(Unique Entity Number: 201 309883M)

US$500,000,000 4.85% Guaranteed Notes Due 2020
US$1,000,000,000 5.95% Guaranteed Notes Due 2024
guaranteed by

Tata Steel Limited

(Originally incorporated with limited liability in the Republic of India under the Indian Companies Act, 1882)

Each of the US$500,000,000 4.85% Guaranteed Notes due 2020 (the "2020 Notes") and the US$1,000,000,000 5.95% Guaranteed Notes due 2024 (the "2024 Notes" and, together with the 2020 Notes, the "Notes") will be the unsecured senior obligations of ABJA Investment Co. Pte. Ltd. (the "Issuer") and will be irrevocably guaranteed on an unsecured basis (in respect of each of the 2020 Notes or the 2024 Notes, the "Guarantee") by Tata Steel Limited (the "Guarantor"), provided that, at all times, the Guarantee shall be in respect of an amount not exceeding 125% of the outstanding principal amount of the Notes which, on the Closing Date, shall be US$625,000,000 for the 2020 Notes and US$1,250,000,000 for the 2024 Notes (each, as the case may be, the "Guaranteed Amount"). Each of the Notes will be unsecured obligations of the Issuer, will rank *pari passu* with all of its other existing and future unsubordinated obligations and will be effectively subordinated to its secured obligations and the obligations of its subsidiaries. Each of the Guarantees will be an unsecured obligation of the Guarantor (save for such exceptions as may be provided under applicable legislation), rank *pari passu* with its other existing and future unsecured obligations and be effectively subordinated to the secured obligations of the Guarantor and the obligations of its subsidiaries.

The 2020 Notes will bear interest at a rate of 4.85% per year. Interest will be paid on the 2020 Notes semi-annually in arrear on January 31 and July 31 of each year, beginning on January 31, 2015. Unless previously repurchased, cancelled, exchanged or redeemed, the 2020 Notes will mature on January 31, 2020. The 2024 Notes will bear interest at a rate of 5.95% per year. Interest will be paid on the 2024 Notes semi-annually in arrear on January 31 and July 31 of each year, beginning on January 31, 2015. Unless previously repurchased, cancelled, exchanged or redeemed, the 2024 Notes will mature on July 31, 2024. If a Change of Control (as defined herein) occurs, each Noteholder (as defined herein) shall have the right to require the Issuer to redeem all of such Noteholders' Notes at 101% of their principal amount plus accrued and unpaid interest. Subject to the terms and conditions of the Notes (the "Conditions"), the Issuer may also redeem all of the Notes at 100% of their principal amount plus accrued and unpaid interest if at any time the Issuer or the Guarantor becomes obligated to pay withholding taxes as a result of certain changes in tax law. Subject to the above and unless previously redeemed, purchased, exchanged or cancelled, the 2020 Notes will mature and the Issuer will redeem the 2020 Notes at their principal amount on January 31, 2020 and the 2024 Notes will mature and the Issuer will redeem the 2024 Notes at their principal amount on July 31, 2024.

At the option of the Issuer, the Notes may be mandatorily exchanged in whole, but not in part, for new notes issued directly by the Guarantor, at any time or on any Interest Payment Date (as defined herein), on giving notice to the Noteholder, the Trustee and the Principal Paying Agent in accordance with the Conditions. The Notes are also subject to certain covenants on Asset Sales and Financial Indebtedness.

For a more detailed description of the Notes and the Guarantees, see "Terms and Conditions of the 2020 Notes" and "Terms and Conditions of the 2024 Notes" beginning on pages 142 and 162, respectively.

Issue Price for the 2020 Notes: 100%
Issue Price for the 2024 Notes: 100%

Investing in the Notes involves certain risks. You should read "Risk Factors" beginning on page 24 before investing in the Notes.

Application will be made for the trading of the Notes on the Freiverkehr (Open Market) of the Frankfurter Wertpapierbörse (Frankfurt Stock Exchange) (the "FWB"). The Open Market is not a regulated market for purposes of EU Directive 2004/39/EC (MiFID). The FWB assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Memorandum.

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws. Accordingly, the Notes and the Guarantees are being offered and sold only to persons outside the United States in compliance with Regulation S under the Securities Act ("Regulation S"). For a description of certain restrictions on resales and transfers, see "*Subscription and Sale*".

Each of the Notes will be represented by a global certificate (the "Global Certificate") in registered form which will be registered in the name of a common depositary for Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") and Euroclear Bank S.A./N.V. ("Euroclear") on or about July 31, 2014. Individual certificates evidencing holdings of the Notes will only be issued in certain limited circumstances described under "The Global Certificate".

The Notes are expected to be rated BB+ by Fitch Ratings ("Fitch") and BB by Standard and Poor's Ratings Group, a division of McGraw-Hill Companies, Inc. ("Standard & Poor's"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Joint Lead Managers

ANZ | BNP PARIBAS | BofA Merrill Lynch | citi
CRÉDIT AGRICOLE CORPORATE & INVESTMENT BANK | Deutsche Bank | HSBC | Morgan Stanley
Rabobank | RBS The Royal Bank of Scotland | SBICAP SBI Capital Markets | Standard Chartered

The date of this Offering Memorandum is July 24, 2014.

NOTICE TO INVESTORS

The Issuer, as well as Australia and New Zealand Banking Group Limited, BNP Paribas, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd., Crédit Agricole Corporate and Investment Bank, Singapore Branch, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., The Royal Bank of Scotland plc, Singapore Branch, SBICAP (Singapore) Limited, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch and Standard Chartered Bank (the "Joint Lead Managers"), reserve the right to withdraw the offering of the Notes at any time or to reject any offer to purchase, in whole or in part, for any reason, or to sell less than all of the Notes offered hereby.

This Offering Memorandum is personal to the prospective investor to whom it has been delivered by the Joint Lead Managers and does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Notes. Distribution of this Offering Memorandum to any person other than the prospective investor and those persons, if any, retained to advise that prospective investor with respect thereto is unauthorized, and any disclosure of its contents without the Issuer's and the Guarantor's prior written consent is prohibited. The prospective investor, by accepting delivery of this Offering Memorandum, agrees to the foregoing and agrees not to make any photocopies of this Offering Memorandum.

This Offering Memorandum is intended solely for the purpose of soliciting indications of interest in the Notes from prospective investors and does not purport to summarize all of the terms, conditions, covenants and other provisions contained in any transaction documents described herein. The information provided is not all-inclusive. The market information in this Offering Memorandum has been obtained by the Issuer and the Guarantor from publicly available sources deemed by it to be reliable. Notwithstanding any investigation that the Joint Lead Managers may have conducted with respect to the information contained herein, the Joint Lead Managers do not accept any liability in relation to the information contained in this Offering Memorandum or its distribution or with regard to any other information supplied by or on the Issuer's and the Guarantor's behalf.

The Issuer and the Guarantor each confirms that, after having made all reasonable inquiries, this Offering Memorandum contains all information with regard to the Issuer, the Guarantor, the Guarantor and its subsidiaries taken as a whole and the Notes which is material to the offering and sale of the Notes, that the information contained in this Offering Memorandum is true and accurate in all material respects and is not misleading in any material respect and that there are no omissions of any other facts from this Offering Memorandum which, by their absence herefrom, make this Offering Memorandum misleading in any material respect. The Issuer and the Guarantor each accepts responsibility accordingly.

Prospective investors in the Notes should rely only on the information contained in this Offering Memorandum. None of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents has authorized the provision of information different from that contained in this Offering Memorandum. The information contained in this Offering Memorandum is accurate in all material respects only as of the date of this Offering Memorandum, regardless of the time of delivery of this Offering Memorandum or of any sale of the Notes. Neither the delivery of this Offering Memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in the Issuer's or the Guarantor's affairs and those of each of its respective subsidiaries or that the information set forth herein is correct in all material respects as of any date subsequent to the date hereof.

Prospective investors hereby acknowledge that (i) they have not relied on the Joint Lead Managers or any person affiliated with the Joint Lead Managers in connection with any investigation of the accuracy of such information or their investment decision, and (ii) no person has been authorized to give any information or to make any representation concerning the Issuer, the Guarantor, the Notes or the Guarantee (other than as contained herein and information given by the Issuer's or the Guarantor's duly authorized officers and employees, as applicable, in connection with investors' examination of the Issuer and the Guarantor, and the terms of this offering) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents.

None of the Joint Lead Managers, the Issuer, the Guarantor, the Trustee, the Paying Agent, the Transfer Agent and the Registrar or their respective affiliates or representatives is making any representation to any offeree or purchaser of the Notes offered hereby regarding the legality of any investment by such offeree or purchaser under applicable legal investment or similar laws. None of the Joint Lead Managers,

the Trustee, the Paying Agent, the Transfer Agent, the Registrar or their respective affiliates or representatives makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Memorandum. To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents accepts any responsibility for the contents of this Offering Memorandum or for any other statement made or purported to be made by the Joint Lead Managers, the Trustee or the Agents or on their behalf in connection with the Issuer and/or the Guarantor or the issue and offering of the Notes. Each of the Joint Lead Managers, the Trustee or the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Memorandum or any such statement.

Each prospective investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer, the Guarantor and the terms of the Notes being offered, including the merits and risks involved and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary. See "Risk Factors" for a discussion of certain factors to be considered. Any prospective investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

This Offering Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes or Guarantee offered hereby by any person in any jurisdiction in which it is unlawful for such person to make an offer or solicitation in such jurisdiction.

The distribution of this Offering Memorandum and the offer and sale of the Notes may, in certain jurisdictions, be restricted by law. None of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents represents that this Offering Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any of the Issuer, the Guarantor or the Joint Lead Managers which would permit a public offering of any Notes or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Each purchaser of the Notes (each, a "Noteholder") must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Offering Memorandum, and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes purchases, offers or sales. Persons into whose possession this Offering Memorandum or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of Offering Memorandum and the offering and sale of the Notes. In particular, there are restrictions on the offer and sale of the Notes, and the circulation of documents relating thereto, in certain jurisdictions including the United States and the European Economic Area and to persons connected therewith. See "Subscription and Sale".

This Offering Memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under Article 3 of the Prospectus Directive, as implemented in member states of the European Economic Area, from the requirement to produce a prospectus for offers of the Notes.

This Offering Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, (iii) where the Notes are initially acquired pursuant to an offer in reliance of Section 274 or 275 of the SFA, pursuant to, and in accordance with the conditions of, Section 276 of the SFA and any other applicable provision of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

For a description of these and certain further restrictions on offers and sales of the Notes and the distribution of this Offering Memorandum, see "*Subscription and Sale*".

In connection with the issue of the Notes, Merrill Lynch (Singapore) Pte. Ltd. (the "Stabilizing Manager") or any person acting on behalf of the Stabilizing Manager may, to the extent permitted by applicable laws and directives, over-allot the Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail, but in so doing, the Stabilizing Manager or any person acting on behalf of the Stabilizing Manager shall act as principal and not as agent of the Issuer or the Guarantor. However, there is no assurance that the Stabilizing Manager or any person acting on behalf of the Stabilizing Manager will undertake stabilization action. Any loss or profit sustained as a consequence of any such overallotment or stabilization shall be for the account of the Joint Lead Managers.

ENFORCEABILITY OF CIVIL LIABILITIES

The Guarantor is a public limited company incorporated under the laws of India. Substantially all of its directors and key management personnel named herein reside in India and all or a substantial portion of the assets of the Guarantor and such persons are located in India. As a result, it may not be possible for investors to effect service of process on the Guarantor or such persons in jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon civil liabilities of the Guarantor or such directors and executive officers under laws other than Indian law.

Recognition and enforcement of foreign judgments is provided for under the Code of Civil Procedure, 1908 (the "Civil Code") on a statutory basis. Section 13 of the Civil Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of such section, in any country or territory outside India which the Government of India (the "Government") has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees, which are not amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalty, and does not apply to an arbitration award, even if such award is enforceable as a decree or judgment.

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A, but the United States has not been so declared. A judgment of a court in a country which is not a reciprocating territory may be enforced in India only by a fresh suit upon the judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court would if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court were of the view that the amount of damages awarded was excessive or inconsistent with Indian public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the Reserve Bank of India ("RBI") to repatriate outside India any amount recovered pursuant to such award and any such amount may be subject to income tax in accordance with applicable laws. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of the payment.

The Issuer is incorporated in the Republic of Singapore and the Guarantor is incorporated in India. The Issuer is a special-purpose company with limited assets, while all or a substantial portion of the Guarantor's assets are located in Europe, India and other jurisdictions. As a result, it may not be possible for investors to effect service of process outside of Europe, India or the jurisdictions in which the Guarantor conducts its business, including judgments, upon such persons, or to enforce against the Guarantor in an Indian court, judgments obtained in courts outside of India.

ENFORCEMENT OF THE GUARANTEE

In the event a guarantee issued by an Indian company on behalf of its wholly owned subsidiary is enforced by a competent court in a territory other than a "reciprocal territory", the judgment must be enforced in India by a suit upon the judgment and not by proceedings in execution. Such a suit has to be filed in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such a judgment, unless the amount is to be repatriated pursuant to the guarantee provided under the automatic route. For further details on the recognition and enforcement of foreign judgments in India, see "Enforcement of Civil Liabilities".

The Guarantor would not be entitled to immunity on the basis of sovereignty or otherwise from any legal proceedings in India to enforce the Guarantee or any liability or obligation of the Guarantor arising thereunder.

As the Guarantee is an obligation of a type which Indian courts would usually enforce, the Guarantee should be enforced against the Guarantor in accordance with its terms by an Indian court, subject to the following exceptions:

- enforcement may be limited by general principles of equity, such as injunction;
- Indian courts have sole discretion to grant specific performance of the Guarantee and the same may not be available, including where damages are considered by the Indian court to be an adequate remedy, or where the court does not regard specific performance to be the appropriate remedy;
- actions may become barred under the Limitation Act, 1963, or may be or become subject to set-off or counterclaim, and failure to exercise a right of action within the relevant limitation period prescribed will operate as a bar to the exercise of such right;
- any certificate, determination, notification, opinion or the like will not be binding on an Indian court which will have to be independently satisfied on the contents thereof for the purpose of enforcement despite any provisions in the documents to the contrary; and
- all limitations resulting from the laws of reorganization, suretyship or similar laws of general application affecting creditors' rights.

For details on the Indian laws and regulations under which the Guarantee is issued, see "Indian Government Filings/Approvals".

PRESENTATION OF FINANCIAL INFORMATION

Financial Data

All historical non-consolidated financial information in this Offering Memorandum is that of the Guarantor on a non-consolidated basis. All historical consolidated financial information in this Offering Memorandum is that of the Guarantor, its consolidated subsidiaries and proportionately consolidated joint ventures. In this Offering Memorandum, unless otherwise specified, all financial information is of the Group on a consolidated basis.

The annual audited financial statements of the Group, on a consolidated basis, and of the Guarantor, on a non-consolidated basis, as at and for the years ended March 31, 2012, 2013 and 2014 (collectively, the "Annual Financial Statements") have each been prepared in accordance with Indian GAAP and the Companies Act (as defined herein).

Indian GAAP differs in certain respects from generally accepted accounting principles in the International Financial Reporting Standards ("IFRS"). For a discussion of certain significant differences between Indian GAAP and IFRS, see "Description of Certain Differences between Indian GAAP and IFRS". In making an investment decision, investors must rely on their own examination of the Guarantor, the terms of the offering and the financial information contained in this Offering Memorandum. Potential investors should consult their own professional advisers for an understanding of the differences between Indian GAAP and US GAAP or IFRS, and how these differences might affect their understanding of the financial information contained herein.

Information in the Annual Financial Statements is, unless otherwise stated therein, stated in rupees in "crore", whereas in the rest of this Offering Memorandum, financial information is stated in millions of rupees, unless otherwise specified. One crore is equal to 10 million.

The Annual Financial Statements have been audited by Deloitte Haskins & Sells LLP, Chartered Accountants, as set forth in their audit reports included herein.

Reporting Segments

The Group has two segments for financial reporting purposes, which are:

- the steel segment, which is the Group's principal business segment and predominantly includes the production and sale of finished and semi-finished steel products; and
- the other operations segment, which includes the production and sale of ferro alloys, tubes, bearings, refractory products and pigments and also includes port operations, municipal services provided to the city of Jamshedpur and investment activities.

Non-GAAP Financial Measures

As used in this Offering Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable IFRS measures. From time to time, reference is made in this Offering Memorandum to such "non-GAAP financial measures", including EBITDA, or (unless otherwise specified) earnings before finance income and costs, taxation, depreciation, amortization and impairment and share of results of associates, and net debt, or (unless otherwise specified) non-current borrowings plus current borrowings minus cash and cash equivalents, current and non-current restricted cash, and short-term investments. The Group's management believes that EBITDA, net debt, operating free cash flow, return on average net worth, return on average capital employed and other non-GAAP financial measures provide investors with additional information about the Group's performance, as well as ability to incur and service debt and fund capital expenditure, and are measures commonly used by investors. For more detailed information concerning EBITDA, see "Summary Financial and Operating Data". The non-GAAP financial measures described herein are not a substitute for IFRS measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated.

Rounding

Certain amounts and percentages included in this Offering Memorandum have been rounded. Accordingly, in certain instances, the sum of the numbers in a column may not equal the total figure for that column.

CERTAIN DEFINITIONS

In this Offering Memorandum, unless otherwise specified or the context otherwise requires, "the Guarantor" refers to Tata Steel Limited, the listed parent company incorporated in India, and "the Group" refers to Tata Steel Limited and its consolidated subsidiaries and proportionately consolidated joint ventures. References to the "Issuer" mean ABJA Investment Co. Pte. Ltd.

In this Offering Memorandum, unless otherwise specified, all financial statements and financial data are of the Group on a consolidated basis. In this Offering Memorandum, unless otherwise specified or the context otherwise requires, references to "$", "US$" or "U.S. Dollars" are to United States dollars, references to "Rs.", "rupee", "rupees" or "Indian rupees" are to the legal currency of India, references to "GBP", "pounds" or "£" are to the official currency of the United Kingdom, references to "CAD" or "C$" are to the official currency of the Canada, references to "SGD" or "S$" are to Singapore dollars, references to "THB" are to Thai baht and references to Euro, "Euros" or "€" are to the common currency of the Eurozone countries. References to a particular "Financial Year" are to the financial year ended March 31 of such year. In this Offering Memorandum, references to "U.S." or "United States" are to the United States of America, its territories and its possessions. References to "India" are to the Republic of India.

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods indicated, certain information concerning the exchange rates between Indian rupees and U.S. Dollars. The exchange rates reflect the rates as reported by the RBI.

Period	Period end	Average	High	Low
2009[1]	50.95	45.91	52.06	39.89
2010[1]	44.94	47.43	50.53	44.94
2011[1]	44.65	45.58	47.57	44.03
2012[1]	51.16	47.95	54.24	43.95
2013[1]	54.28	54.43	57.33	50.52
2014[1]	59.89	60.47	68.85	53.67
April 2014	60.34	60.36	61.19	59.60
May 2014	59.10	59.32	60.26	58.34
June 2014	60.19	59.76	60.54	58.98
July (through to July 18)	60.29	59.98	60.46	59.54

(1) Represents the financial year ended March 31 of the year indicated.

The exchange rate on July 18, 2014 as reported by the RBI was Rs.60.29 per US$1.00.

Although certain rupee amounts in this Offering Memorandum have been translated into U.S. Dollars for convenience, this does not mean that the rupee amounts referred to could have been, or could be, converted into U.S. Dollars at any particular rate, the rates stated below, or at all. Except as otherwise stated, Indian rupee amounts as at and for the financial year ended March 31, 2014 were converted to U.S. Dollars at the exchange rate of US$1.00 = Rs.59.89).

FORWARD-LOOKING STATEMENTS AND ASSOCIATED RISKS

Certain statements in this Offering Memorandum are not historical facts and are forward-looking statements. This Offering Memorandum may contain words such as "believe", "could", "may", "will", "target", "estimate", "project", "predict", "forecast", "guideline", "should", "plan", "expect" and "anticipate" and similar expressions that are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements. All statements regarding the Group's expected financial condition and results of operations and business plans and prospects are forward-looking statements. In particular, "Summary", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Guarantor" and "Business" contain forward-looking statements, including relating to market trends, capital expenditure and other factors affecting the Group that are not historical facts.

Forward-looking statements are subject to certain risks and uncertainties, including, but not limited to:

- changes in global economic, political and social conditions;
- changes in economic and political conditions and increases in regulatory burdens in India and other countries in which the Group operates, transacts business or has interests;
- the Group's substantial indebtedness and ability to meet its debt service obligations;
- the risk of a potential fall in steel prices or of price volatility;
- accidents and natural disasters in India or in other countries in which the Group operates or globally, including specifically India's neighboring countries;
- the Group's business and operating strategies and its ability to implement such strategies;
- the Group's ability to successfully implement its growth and expansion plans, technological changes, exposure to market risks and foreign exchange risks that have an impact on its business activities;
- the Group's ability to ensure continuity of senior management and ability to attract and retain key personnel;
- the implementation of new projects, including future acquisitions and financings;
- the availability and terms of external financing;
- the Group's ability to meet its capital expenditure requirements or increases in capital expenditure requirements;
- the Group's inability to successfully compete with other steel manufacturers;
- cost overruns or delays in commencement of production from the Group's new projects;
- changes in the Group's relationship with the Government and the governments of the countries in which the Group operates;
- changes in exchange controls, import controls or import duties, levies or taxes, either in international markets or in India;
- changes in laws, regulations, taxation or accounting standards or practices that affect the Group;
- changes in prices or demand for the products produced by the Group both in India and in international markets;
- changes in the value of the rupee against major global currencies and other currency changes;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- any adverse outcome in legal proceedings in which the Group is or may become involved including, with respect to product liability claims;
- acquisitions and divestitures which the Group may undertake;
- changes in interest rates;
- significant fluctuations of the prices of raw materials;
- the estimated reserves of the Group's iron ore mines; and
- other factors, including those discussed in "Risk Factors".

Forward-looking statements involve inherent risks and uncertainties. If one or more of these or other uncertainties or risks materialize, actual results may vary materially from those estimated, anticipated or projected. Specifically, but without limitation, capital costs could increase, projects could be delayed, and anticipated improvements in capacity, performance or profit levels might not be fully realized. Although the Group believes that the expectations of its management as reflected by such forward-looking statements are reasonable based on information currently available to it, no assurances can be given that such expectations will prove to have been correct. Accordingly, you are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they are made. Neither the Issuer nor the Guarantor undertakes any obligation to update or revise any of them, whether as a result of new information, future developments or otherwise.

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DEFINITIONS AND GLOSSARY

In addition to the terms that are otherwise defined in this Offering Memorandum, the following sets out the definitions of certain terms used in this Offering Memorandum.

Act or Companies Act or Indian Companies Act	Companies Act, 2013, together with rules and regulations thereunder or, where applicable, the Companies Act, 1956, together with the rules and regulations thereunder, each as amended, supplemented or reenacted from time to time
Audit Committee	Audit committee of the Board of Directors described in the section “Management”
Auditors	Statutory auditors of the Guarantor, being Deloitte Haskins & Sells LLP, Chartered Accountants
Board or Board of Directors	Board of directors of the Guarantor, unless otherwise specified
brownfield	Land occupied by defunct or under-utilized commercial or industrial facilities
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
crore	10 million
crude steel	Cast, solidified steel before further treatment
Directors	Directors of the Guarantor
downstream	Further processing of crude steel to produce finished steel products
EBITDA	Earnings before finance income and costs, taxation, depreciation, amortization and impairment and share of results of associates (unless otherwise specified). It is not a IFRS (GAAP) measure
EPA	Environment (Protection) Act, 1986, as amended
Eurozone	The members of the European Union that have adopted the Euro as their common currency
FEMA	Foreign Exchange Management Act, 1999, as amended, together with rules and regulations thereunder
finished product	Steel ready for construction or manufacturing use
GDP	gross domestic product
GoI or Government or Central Government	Government of India
greenfield project	a project that lacks any constraints by prior work
Group	Tata Steel Limited, its subsidiaries and proportionately consolidated joint ventures
Hazardous Wastes Rules	The Hazardous Waste (Management and Handling) Rules, 1989 as amended, and as superseded by the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
IFRS	International Financial Reporting Standards
I D Act	Industrial Disputes Act, 1947, as amended
I.T. Act	Income Tax Act, 1961, as amended, together with rules and regulations thereunder

Indian GAAP	Generally Accepted Accounting Practices in India, Accounting Standards notified under the Companies Act and the relevant provisions thereof
km	Kilometers
kt	1,000 tons
LIBOR	London Interbank Offered Rate
Minimum Wages Act	Minimum Wages Act, 1948, as amended
mothballing	A process (distinct from permanent closure) whereby a facility ceases production but is maintained in readiness, so that it can be restarted relatively quickly when the need arises
mt	Million tons
mtpa	Million tons per annum
RBI	Reserve Bank of India
Re.	One Indian Rupee
Rs. or Rupees	Indian Rupees
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
ton	Metric ton or 1,000 kilograms
Supreme Court	Supreme Court of India
tpa	Tons per annum
TSE	Tata Steel Europe and its subsidiaries
TSL or the Guarantor	Tata Steel Limited as a standalone entity
Tata Group	Tata Sons Limited, Tata Power Company Limited, Tata Steel Limited, Tata Industries Limited, Tata Motors Limited, Tata Chemicals Limited, Tata Global Beverages Limited, The Indian Hotels Company Limited, Tata International Limited, Tata Consultancy Services Limited, Trent Limited, Tata Investment Corporation Limited and Panatone Finvest Limited (each of which is a company incorporated under the laws of India), their respective subsidiaries and holding companies for the time being and any other company which includes the word 'Tata' in its name pursuant to a brand equity promotion agreement with a member of the Tata Group
Upstream	Processing of raw materials and production of crude steel
US GAAP	Generally accepted accounting principles in the United States of America

SUMMARY

This overview highlights certain information contained in this Offering Memorandum. This overview does not contain all the information you should consider before investing in the Notes. You should read this entire Offering Memorandum carefully, including the sections entitled "Forward-Looking Statements and Associated Risks", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Guarantor" and "Business" included elsewhere in this Offering Memorandum and the financial information and the notes thereto set forth herein. To understand the terms of the Notes, you should carefully read the sections of this Offering Memorandum entitled "Terms and Conditions of the 2020 Notes" and "Terms and Conditions of the 2024 Notes".

Overview

The Group, as a leading global steel producer with over 100 years of operating history, has maintained financial prudence and judiciously maintained its debt level in recent years despite ongoing capital expenditure in India and Europe. The Group is one of the world's largest steel companies with a steel production capacity of approximately 29.3 mtpa. According to the World Steel Association ("WSA"), the Group was the world's 11th largest steel maker by crude steel production volume in 2013. The Group is also one of the most geographically diversified steel producers, with operations in 26 countries and a commercial presence in more than 50 countries. As of March 31, 2014, the Group had approximately 80,000 employees.

The Guarantor was established as India's first integrated steel company in 1907 by Jamsetji N. Tata, the founder of the Tata Group, and is one of the flagship companies of the Tata Group. The Group has a presence across the entire value chain of steel manufacturing, including producing and distributing finished products as well as mining and processing iron ore and coal for its steel production. The Group's operations are primarily focused in Europe, India and Southeast Asia. In the year ended March 31, 2014, the Group's operations in Europe and India represented 56.8% and 32.6%, respectively, of its total steel production.

The Group has grown significantly with its steel production capacity increasing from approximately 5.0 mtpa in the year ended March 31, 2006 to approximately 29.3 mtpa as of March 31, 2014. This growth was primarily due to the Group's acquisition in April 2007 of Corus and brownfield expansion of its Jamshedpur facility in India. As of March 31, 2014, the majority of the Group's steel production capacity was located in the United Kingdom and the Netherlands, where the Group has four facilities with a total steel production capacity of 17.4 mtpa. The Group also has significant operations in Jamshedpur, India, where the Group operates a 9.7 mtpa steel production plant and a variety of finishing plants. The Group's operations in India also include captive iron ore and coal mines. The remaining 2.2 mtpa of the Group's steel production capacity is located in Singapore and Thailand. The Group plans to further expand steel production capacity through greenfield investments including, but not limited to, a greenfield expansion project at Odisha, which is expected to add 6 mtpa of flat product production capacity.

The Group offers a broad range of steel products including a portfolio of high value added downstream products such as hot rolled, cold rolled and coated steel, sections, plates, rebars, wire rods, tubes, rails and wires. The Group is also a large producer of ferro chrome in India. According to the Group's own estimate, the Group was the fifth largest high carbon ferro chrome producer in the world, with a domestic market share of 22% and global market share of 7% in the year ended March 31, 2014.

The Group's main markets for its products are Europe and India, which accounted for approximately 76.5% of the Group's net sales in the year ended March 31, 2014, with the remaining sales primarily taking place in other markets in Asia and in North America. The Group's customers are primarily in the construction, infrastructure, automotive, consumer goods, material handling, aerospace and general engineering industries.

In the years ended March 31, 2012, 2013 and 2014, the Group recorded net sales of Rs.1,328,997 million, Rs.1,347,115 million and Rs.1,486,135 million, respectively. The Group recorded a profit after taxes, minority interests and share of profit of associates of Rs.53,898 million in the year ended March 31, 2012, a loss after taxes, minority interests and shares of profit of associates of Rs.70,576 million in the year ended March 31, 2013 and profit after taxes, minority interests and share of profit of associates of Rs.35,949 million in the year ended March 31, 2014. The Group had total assets of Rs.1,716,445 million as of March 31, 2014. For the years ended March 31, 2012, 2013 and 2014, the Group had total steel production of 24.0 million tons, 24.2 million tons and 27.4 million tons, respectively.

Key Strengths

Global scale

The Group is one of the world's largest steel companies and operates a global suite of integrated steel making facilities, mining complexes and distribution companies. It has the second highest geographically diversified presence among the steel makers with a presence in over 50 countries, including both developed and emerging markets and principal markets in Europe, India and Asia Pacific. The Group believes that its global scale and reach enhances its ability to service, retain and attract multi-national customers and, in particular, customers from the European and Asian automotive, packaging and construction industries. As major customers continue to globalize their operations and are increasingly relying on a select few global suppliers for their products (such as in the automotive sector), the Group believes it can attract new customers and better retain its existing customers through its diversified downstream operations, product range and strong product branding, as well as its extensive distribution and production capabilities. The Group is a major supplier to several leading global automotive companies and has been awarded the "Core Supplier" status by the French car manufacturer PSA Peugeot Citroën.

The Group also benefits from its global scale operations to achieve greater economies of scale and cost efficiencies. It has a large global network of procurement, production plants and distribution network, which allows the Group to improve its cost efficiencies across the supply chain, from raw material sourcing to product deliveries and support functions.

Leading position across operations

The Group is the world's 11th largest steel maker by crude steel production volume in 2013, according to the WSA. It has significant market positions in its principal markets of India and Europe across main areas of operations in upstream and downstream steel products.

In India, the Group produces flat products used in the automotive and engineering industries and long products used in the construction industry, including in the industrial, commercial, infrastructure and housing sectors. According to the Joint Plant Committee, the Group produced 11.2% of all the crude steel and 11% of all the finished steel in India for the period of April 2013 to March 2014. The Group's Indian operations were the third largest producer of crude steel in India. According to the Joint Plant Committee, for carbon steel the Guarantor had a market share of 18.6% in flat products and 4.5% in non-flat products in India for the period from April 2013 to March 2014, in each case based on sales volume.

In recent years, through continued investment in flat steel technologies, the Group has established itself as a major supplier of high-grade steel products to certain key segments in India, where the barriers to entry for other Indian producers are high. For example, the Guarantor is currently the largest supplier of steel products to the Indian automotive industry, with a market share of approximately 43%, according to the Group's own estimate. The Group has a wide range of accredited products with imported products representing most of the remaining markets in this industry.

Over the years, the Group has increased its market positioning by developing strong brands such as Tata Tiscon and Tata Shaktee and improving customer services in the flat product segment for the Indian retail segment. In India, the Group continues to focus on sales of its branded products and solutions, which are sold at a higher premium compared to unbranded products. The Group has seven brands in steel and three brands in ferro alloys. The branded turnover increased to 44% of total turnover in the year ended March 31, 2014, as compared to 41% in the year ended March 31, 2013. Total sales of branded products in India reached approximately 4.0 million tons in the year ended March 31, 2014, which is approximately 11% higher over the previous year and double the approximately 2.0 million tons sold in the year ended March 31, 2012. Emphasis on catering to the need of the small and medium enterprise sector resulted in a 31% increase in sales in the year ended March 31, 2014 of brands like Tata Astrum and Tiscon Ready Build over the previous year.

In addition, as a member company of the Tata Group, the Group also benefits from being identified with the Tata brand, which is a widely recognized brand in India.

Europe, principally the European Union, is the largest market for the Group's operations, and contributed approximately 47.47% of its total net sales in the year ended March 31, 2014. The Group's European operations consist of its principal production facilities in the United Kingdom and the Netherlands, and a wide sales and distribution network, with sales offices, stockholder wholesalers, service centers and joint venture and associate arrangements for distribution and further processing of steel products. The Group believes that its diversified customer sector portfolio and strategic focus on creating customer relationships will continue to generate customer loyalty and maintain its market share position in the construction, packaging, rail and automotive sectors. The Group further believes that the rebranding of Corus to Tata Steel Europe and individual product brands will continue to generate customer loyalty and help in maintaining market leadership.

In 2012, the Guarantor became the world's first integrated steel company to be awarded the Deming Grand Prize, a leading honor in quality awarded to a company for excellence in top quality management ("TQM"). The award is given by the Japanese Union of Scientists and Engineers to companies for demonstrating practicing TQM in the areas of production, customer service, safety, human resource, corporate social responsibility and environment etc.

Sustainable and highly cost efficient operations in India

The Group is one of the lowest cost steel producers in India and it has successfully maintained its cost leadership over several years. The Group's Indian operation's cost of production ranks among the lowest for hot rolled coils globally. The Group derives its competitive advantage through access to steel production raw materials from their captive mines and a highly skilled workforce with a relatively low cost of labor at its operations in India. This is reflected by the Group's compound annual growth rate of operating costs per ton India of 3.7% between the year ended March 31, 2009 and the year ended March 31, 2014, compared to an average inflation rate of 10.3% over the same period. This advantage is especially valuable given the difficulty of achieving raw materials cost pass through in the steel industry. In India, the Group has significant captive iron ore, coking coal, chrome ore and manganese ore mines that accommodate a majority of its existing and future production requirements. The table below indicates, for the periods presented, the ranking of the operators with the lowest cost for producing hot rolled coils.

Cost of Hot Rolled Coils

				Cost (US$/ton)				
	Country	**Operation**	**Operating Company**	**2008**	**2009**	**2010**	**2011**	**2012**
1	India	Jamshedpur	Tata Steel	380	312	424	471	422
2	Brazil	Volta Redonda	CSN	505	361	472	584	488
3	China	Anshan	Anben Group	415	367	444	548	500
4	India	Rourkela	Steel Authority of India	492	373	486	573	516
5	China	Xinjiang Bayi	Baosteel Group	427	334	456	567	525
6	United States	Berkeley	Nucor Steel	611	353	476	564	547
7	South Korea	Gwangyang	POSCO	509	379	459	588	560
8	Japan	Oita	Nippon Steel	526	413	549	699	604
9	China	Liuzhou	Wuhan Steel Group	606	431	543	664	606
10	Japan	Fukuyama	JFE Steel	490	417	506	660	633
11	India	Vijayanagar	Jindal South West Steel	694	496	625	697	619
12	Spain	Gent	ArcelorMittal Gent	596	519	598	687	646
13	Germany	Duisburg	ThyssenKrupp Steel AG	571	482	572	706	665

Source: CRU 2012 Cost Model Data

Given the size of its captive iron ore and other raw materials mines, the Group expects to maintain its cost advantage even after its planned capacity expansions. These factors have allowed the Group's Indian operations to maintain significantly higher operating margins relative to its competitors in India benefiting from low production costs on a sustained basis over various price cycles in the steel industry. For the year ended March 31, 2014, with respect to its Indian operations, the Group obtained 100% of its iron ore requirements and approximately 44% of its coking coal requirements from captive mines leased by the Group.

With respect to the Group's new facility in Odisha, iron ore is expected to be completely sourced from captive mines. As a result, the Group expects that its exposure to commodity price volatility for its Indian operations is significantly more limited than for its competitors and for its non-Indian operations, thus providing relatively higher margin stability in steel production.

To maintain its cost-competitiveness, a Group wide initiative called KVHS was launched in 2010 to take up the challenge of identifying the improvement potential and improvement levers for each of the process KPIs. It is a multi-faceted improvement program focused on creating value in the small and medium enterprise market. KVHS focuses on cost savings on coal blending and transportation improving clean coal throughput yield at washeries.

KVHS is a fast-paced initiative covering the entire steel operations process. Its focus is to improve process efficiency, speed and throughput, reliability, energy efficiency, value-in-use, supply chain and logistics and other processes. Performance benchmarking at each of these processes allows the Group to readily identify areas in need of improvement. The ultimate goal of KVHS is to improve overall process efficiency that would translate into enhanced KPIs.

Diversified product base targeting multiple end user segments

The Group has a wide range of product offerings that cater to diversified end markets across geographies. Over the years, the Group has significantly expanded its product portfolio through a mix of acquisitions, downstream capacity expansions and joint ventures with other leading steel companies.

Through its acquisition of Corus and downstream capacity expansions in India, the Group has significantly enhanced its portfolio of downstream steel products to help differentiate itself from competitors. Historically, the Group's steel products included only flat and long products. The acquisition of Corus allowed the Group to add a portfolio of high value-added downstream products including advanced high strength steel, superior automotive steel, rods for tire cord, steel for high speed rail tracks, engineering steel and packaging steel to its pre-existing product mix. With its capacity expansions in India, the Group has further strengthened its ability to provide a greater variety of value-added products. It has entered into downstream finishing plant joint ventures with foreign steel specialist producers including Bluescope Steel Limited and Nippon Steel & Sumitomo Metal Corporation to produce color coated steel and automotive cold rolled flat products, respectively. In addition, the Group continues to invest in research and development and explore opportunities to further improve their product offerings to customers. For example, in 2012, in line with its tradition of innovation and to reach out to the rural masses in India, the Guarantor launched an affordable and high-quality construction solution called "Nest In", which is a light gauge steel frame construction solution made of high strength galvanized steel developed by the combined effort of the Group's global research and development team and marketing team.

The Group is a large producer of ferro alloys in India supplying to industries including the stainless steel producers. The Group's ferro alloy operations include the sale of charge chrome, high carbon ferro chrome, high carbon silico manganese and ferro manganese and chrome concentrate.

Efficient project implementation

The Group believes that it has a proven track record in implementing significant projects, including cost reduction plans and the expansion of its major production facilities. Recently the Group completed its 2.9 mtpa brownfield expansion at Jamshedpur, thereby increasing its crude steel capacity from 6.8 mtpa to 9.7 mtpa. In line with its growth plans the Group is undertaking a greenfield project of 6 mtpa in Odisha, work for which is underway and first phase of which is expected to be completed in the first half of 2015.

Further, the Group also recently undertook the rebuilding of its Blast Furnace No. 4 at Port Talbot. The project is expected to enhance the campaign life of Blast Furnace No. 4 by 15 years and to boost productivity at the site by an additional 500,000 tons, increasing the overall productivity to 2.5 mtpa.

Financial strength and flexibility

As a leading global steel producer with over 100 years of operating history, the Group has maintained financial prudence and judiciously maintained its debt level in the recent years despite ongoing capital expenditure in India and Europe. The Group is one of the world's largest steel companies that has weathered the recent global financial crisis. The Group attributes its success to its rigorous business and financial planning, conservative finance and accounting policies and continuous proactive measures to maintain its debt level. For example, the Group has maintained its debt level by proactively prepaying debt and limiting the incurrence of additional debt. After the rights offering, which raised Rs.91,346 million to acquire Corus, the Guarantor continued to obtain additional financing through the global capital markets through the issuance of Singapore dollar bonds, global depositary shares, issuance of preference shares and warrants to its promoters and a follow-on public offering of equity shares. The Group has established relationships with a large number of foreign and domestic financial institutions and has historically had ready access to a wide range of capital markets instruments including bonds, convertibles and equity capital markets.

Skilled workforce led by experienced management team

The Group's senior management team comprises members with extensive experience and professional qualifications in the steel industry. Their rich experience and understanding of the Group have been instrumental in building a sustainable global operation which employs over 80,000 individuals highly valued by the management. The employee policies and welfare programs have been instrumental in recruiting and retaining the high caliber workforce. The Group seeks to cultivate internal talent for senior management positions by hiring recent graduates from top universities as entry level employees and then identifying and promoting the more promising candidates through the management ranks. Centered on the philosophy of "People as its Greatest Asset", the employee welfare program is built on respect for a right to trade union representation and collective consultation, a just and fair workplace, work-life balance and most importantly provides managerial and functional training opportunities for all officers.

Strategy

Capacity Expansion in Growing Indian Steel Markets

The Group intends to continue increasing the size of its operations in India, where it maintains a competitive advantage as a low-cost producer, by increasing the capacity of its current production facilities and through brownfield and greenfield expansion projects. The Group completed a brownfield expansion of its Jamshedpur facility in December 2012 that increased capacity by 2.9 mtpa. The Group has commenced work to develop a 6.0 mtpa greenfield steel plant in the state of Odisha, India in two phases of 3.0 mtpa each. The Group has obtained the necessary land and construction approvals for the first and second phases of this new steel plant in Odisha with financial closure already being achieved for the first phase. The first phase is expected to commence commercial operations in the first half of 2015 and the second phase is expected to be commissioned in two to three years from the completion of the first phase. The Group is also reviewing a 5.0 mtpa greenfield steel plant in Chhattisgarh and a 6.0 mtpa greenfield steel plant in Karnataka. The Group's production expansion in India is expected to produce a mix of flat and long products. The Group believes that the increase in its Indian production capacity, from 17.8% of total capacity in 2008 to an expected 39.3% of total capacity in 2015, will enable it to take advantage of the growing demand in India for finished steel products.

The Guarantor's compound annual growth rate in sales was 3.3%, 12.8%, and 13.9% for years ended March 31, 2012, 2013 and 2014, respectively.

The Group expects continued growth in steel demand in India, spurred by the increasing local need for steel based products (construction and infrastructure, automobiles, appliances, etc.) and estimated GDP growth rates of 5.4% in 2014 and 6.4% in 2015, according to the World Economic Outlook (April 2014) published by the International Monetary Fund. According to the WSA, India's per capita steel consumption of finished steel is relatively low at 57.858 kg as compared to China at 515 kg, Japan at 516 kg, the United States at 300 kg, South Korea at 1,057 kg, Taiwan at 793 kg, the UK at 1281 kg and a world average at 225 kg in 2013.

Increase Sales of High Value Added Products and Branded Sales

The Group plans to continue expanding its downstream operations with the objective of improving its product mix and generating higher and more stable margins. The Group is also expanding global product capabilities to enable it to focus on the most appropriate product mix in each of the regions where it operates. In India, the Group plans to continue increasing its production and sales of high value-added steel products such as cold rolled coil, automotive-grade sheets, coated products such as tinplate, color-coated steel and galvanized steel.

The Guarantor has a 50-50 joint venture, TBS, with BlueScope Steel Limited to manufacture and sell high-end building products. TBS has a production capacity of 148,000 tpa downstream facilities for the Indian construction industry and commenced commercial operations of a coated steel facility in Jamshedpur, which has an annual metallic coating capacity of 250,000 tons, including pre-painting capacity of 150,000 tons. In addition, TCIL, a subsidiary of the Guarantor, is the largest Indian producer of tin coated and tin free steel sheets and has a cold rolling and tin plate capacity of 379,000 tpa.

The Group has a 51-49 joint venture, JCAPCPL, with Nippon Steel and Sumitomo Metal Corporation for construction of a continuous annealing and processing line to produce automotive cold rolled flat products. The construction of the facility with a proposed capacity of 600,000 tpa is expected to be completed during the year ending March 31, 2015. The Group intends to market the products from this joint venture to automotive manufacturers in India, who will view it as a more attractive option to importing such products as is the current practice. The Group, through its subsidiary SIW, also has a 60:40 joint venture with NSW to foray into heavy coating, high value-added and zinc-aluminum coated wires and will include capacity of 36,000 tpa for galvanized wires. With NSW's world class technology for production of high-end galvanized wires and SIW's strong presence in Thailand as well as its extensive sales and distribution networks, the joint venture is expected to offer logistics cost advantages and lower labor, electricity and fuel factor costs to serve the ASEAN region and other export markets competitively.

The Group has formed TSPDL which is involved in value added services such as slitting, cut to length, pickling, roll forming, and rebar processing. TSPDL has five processing units and 15 sales locations across India, with a processing capacity of 2.5 mtpa. In an effort to continuously improve the Group's value propositions to its target segments, the Group also provides solutions such as Roof Junction (a roofing solution), Nest-In (affordable steel housing), Tata Tiscon Superlinks (stirrups for construction) and Tata Tiscon "ReadyBuild" (ready-to-use rebars for projects). The Group has seen significant interest among its customers for these solutions, which provide customers with access to "just in time" delivery of installation ready products. In particular, Superlinks sales increased by a factor of 5 in the year ended March 31, 2014, while the number of Nest-In units have increased by a factor of 3.5 in the same period, each as compared to the year ended March 31, 2013.

With respect to its existing asset base in Europe, the Group will seek to prioritize and attract customers of high value added products, especially those in the construction, packaging, automotive, energy, power and engineering sectors. Increasing sales of high value products is particularly important in Europe where margins are lower due to higher production costs. Currently, approximately 60% of TSE's sales are derived from the UK, Germany, the Netherlands and the US. For example, at Scunthorpe, United Kingdom, efforts are underway to improve the Group's competitive position in the sale of structural sections used in the rail industry and wire rods used in the construction market. Since early 2013, the Group has also started up an advanced facility in IJmuiden to develop crash-resistant steels to make cars safer and more fuel-efficient. These investments are expected to allow the Group to develop new products, including advanced high strength steels, which would reinforce its existing market position in the automotive and construction markets.

The Group is also looking to increase the sale of branded products, which typically sell at a premium above non-branded products, particularly from its facilities in India. These branded products include steel hollow sections under the Tata Structura brand, cold rolled steel products under the Tata Steelium brand as well as galvanized sheets under the Tata Shaktee brand, rebars under the Tata Tiscon brand and wires under the Tata Wiron brand. Since the beginning of the year ended March 31, 2009, the Group has enhanced its brands in India to focus on providing customized solutions, including customized rebar solutions under the Tata Tiscon Readybuild brand, coated sheets and coils under the Galvano brand, readymade stirrups under the Tata Tiscon Superlinks brand and Durashine for color-coated steel. These products are tailored for the largely untapped market for retail and small and medium enterprises. The major product segments of the Group have developed a substantial proportion of branded products sales. In the year ended March 31, 2014, branded product sales represented 38% of total flat product sales, 70% of total long product sales, 69% of total tubes sales and 37% of total wires sales.

For its European production, the Group markets its products under the Tata Steel Europe brand (which was rebranded from Corus in September 2010).

Increase Raw Materials Security

The Group seeks proprietary access to raw materials in order to achieve economic returns and to optimize its costs by securing offtake rights. The Group believes that becoming increasingly self-sufficient in raw materials procurement, particularly with respect to its European and Southeast Asian operations, will enable the Group to better respond to cyclical fluctuations in the demand for its products and reduce volatility in production costs. In addition, the Group expects to benefit from the experience in raw material procurement that it has gained from its European operations.

In recent years, the Group has pursued a number of initiatives to gain access to coal and iron ore deposits around the world. For example the Group has commenced the following initiatives to support its European operations:

(1) In Mozambique, the Guarantor has a 35% equity interest in a coal joint venture with offtake rights for 40% of the coking coal production from this mine, which is held through its subsidiary, Tata Steel Global Minerals Holdings Pte. Ltd. This mine is in operation with a rated capacity of 5.3 mtpa, with plans for expansion. The coal produced from this mine is used in the Group's European operations.

(2) The Group acquired approximately 27% of the shares of New Millennium Iron Corp. ("NML"), a company currently listed on the Toronto Stock Exchange. In Canada, the Group has an 80-20 joint venture, TSMC,

with NML with offtake rights on 100% of the iron ore production from the Direct Shipping Ore Project (owned by TSMC). This project commenced production and has produced 1 mt thus far. It also made a shipment of 240,000 tons of iron in the year ended March 31, 2014. Iron ore produced from the joint venture is intended to be used primarily in the Group's European operations. On March 6, 2011, the Group signed a binding heads of agreement with NML to develop the LabMag and KéMag iron deposits, which consist of two large magnetite iron ore deposits in western Labrador and northern Quebec, Canada, respectively. The feasibility study for this is under progress. Further, TSMC, has entered into a multi-faceted definitive agreement with LIM which involves cooperation in transport and port infrastructure development.

(3) In South Africa, the Guarantor, through its subsidiary, Black Ginger 461 (Proprietary) Ltd., holds a 64% equity interest in an iron ore joint venture along with offtake rights for 74% of the production from this iron ore mine. This mine is in operation with potential to ramp up to 2.0 mtpa. The other joint venture parties are Industrial Development Corporation (10%) and Cape Gannet (26%).

For a further discussion and current status of these and other raw materials initiatives, see "Business — Raw Materials and Other Key Inputs — Raw Material Projects".

If all of the Group's initiatives with respect to raw material security come on line as scheduled, the Group is targeting 50% raw material security for iron ore and coal in the next five to eight years. The Group intends to continue to work with its partners to pursue its current initiatives and, if the opportunities arise and subject to market conditions, pursue new initiatives to become more self-sufficient in its raw materials procurement.

Enhance Competitiveness through Continuous Improvement

The Group continues to improve its competitiveness through a number of initiatives and programs aimed at enhancing operational efficiencies and optimizing asset and material flows. The Group seeks to benefit from sharing experiences and best operational practices across its business units in India, Europe and Asia.

Cost saving initiatives: The Group has implemented, and plans to continue to implement, strategic cost-saving measures to improve the long-term competitiveness of its business. Based on these initiatives, the Group believes it has saved a significant amount of costs and added value to its operations. Specifically, the Guarantor believes that it has been able to save costs of up to US$260 million and US$269 million in the year ended March 31, 2013 and 2014, respectively. In the year ended March 31, 2011, the Group introduced its an improvement initiative called 'Objectives, Goals, Strategy, Measures' ("OGSM"), for its European operations. The OGSM initiative is focused on improving employee health, safety and working environment, encouraging business excellence and people engagement and actively seeking opportunities to create value from business operations. TSE regularly undertakes a strategic review of its assets. In recent years this has culminated in restructuring of its production facilities, in particular in the UK in order to improve competitiveness. In addition, as part of streamlining its portfolio of assets, TSE has disposed of its interest in a number of subsidiary, joint venture and associate undertakings. The Group has also relocated selective production facilities in Europe to strategically better sites and rationalized steel finishing and processing operations with concentration of distribution and processing hubs.

Operational stability: The initiatives taken by the Group to enhance operational stability for European operations include rebuilding Blast Furnace No. 4 at Port Talbot, leading to an improved balance of iron and steel making capacities. The Group is leveraging its leading market position in downstream products to aid margin improvement. The Group is also focused on streamlining its logistical operations in Europe through a supply chain transformation ("SCT") improvement initiative.

Other restructuring initiatives: The Group has upgraded coilers at the hot strip mill in IJmuiden allowing development of heavier gauge strip products. The Group has also further invested in IJmuiden to focus on coated steel for the automotive industry. The Group has also made investment in Rail France to produce longer premium rails.

Rationalization through divestment: As part of the Group's portfolio rationalization effort and to improve liquidity, the Guarantor considers divestment of assets and businesses from time to time. These include some of its operating steel assets, logistics and downstream assets. Divestment of these assets and businesses could be significant. In the year ended March 31, 2012, the Group sold Teeside Cast Products to SSI, part of its interest in TRL Krosaki Refractories Limited to Krosaki Harima Corporation and its entire 27.1% stake in Riversdale Mining Limited to Rio Tinto Jersey Holdings Limited for GBP434 million, Rs.5,761 million and US$1,104 million, respectively. The Group also monetizes non-core assets from time to time to generate cash flow. Further, in March 2013, the Group sold a portion of its stake in Titan Industries Ltd for Rs.9,757 million to Tata Sons Limited. In the year ended March 31, 2014, the Guarantor agreed to sell its idle land in Borivali, Mumbai, which it viewed as a non-core asset, for Rs.11,550 million. The transaction is expected to close during the second quarter of the year ended March 31, 2015.

Strategic Control Over Logistics and Supply Chain

The Group continues to differentiate itself from competitors in India with various initiatives in logistics and supply chain management. With a particular focus on the automotive, construction and small/medium enterprise customer segments, the Group has enhanced its distribution channels. The principal goal was to be able to provide supplies on an "on time in full" or "OTIF" basis. In India, the Group has developed a nationwide network of exclusive distributors and dealers. Principally by redesigning the Group's supply network using the hub-and-spoke mode of operations and information technology enabled color-based dispatch priority systems, the Group has been able to increase its sales in the retail segment.

Other principal supply chain improvement initiatives include:

- Supply chain enhancements such as deploying theory of constraints; a steel service centre management has given improved delivery compliance, and the availability of ready to use material from certified service centers.
- Standardization and availability of information has resulted visibility of recommended consumer price for retail customers which has enhanced the brand value and improved sales.
- Convenience through the development of information technology systems across the distribution channel, channel authentication through authorized dealer network, conducive shopping experience through exclusive retail outlets and improved reach to maximum consumption centers.

The Group has enhanced its control over its distribution channels, improved supply chain processing and turn arounds and reduced freight and logistics costs and plans to continue to increase its access to ports, shipping lines and other logistics in order to gain further control over its logistics. In December 2006, the Guarantor entered into a partnership with NYK Line to engage in the business of owning, operating, leasing, brokering and chartering ships and other vessels to carry dry bulk and break bulk cargo. The joint venture currently operates 18 chartered vessels and four owned vessels and assists the Group in shipping coal and limestone.

The Group has a joint venture with NYK Holding (Europe) B.V. and Martrade under the name of TMIL where the Guarantor has 51.0% stake in the project. TMIL has 24 logistics centers globally spread across five nations. TMIL is engaged in the business of port and terminal handling, maritime shipping, ship agency, custom clearance and freight forwarding.

Strategic Alliances with Joint Venture Partners

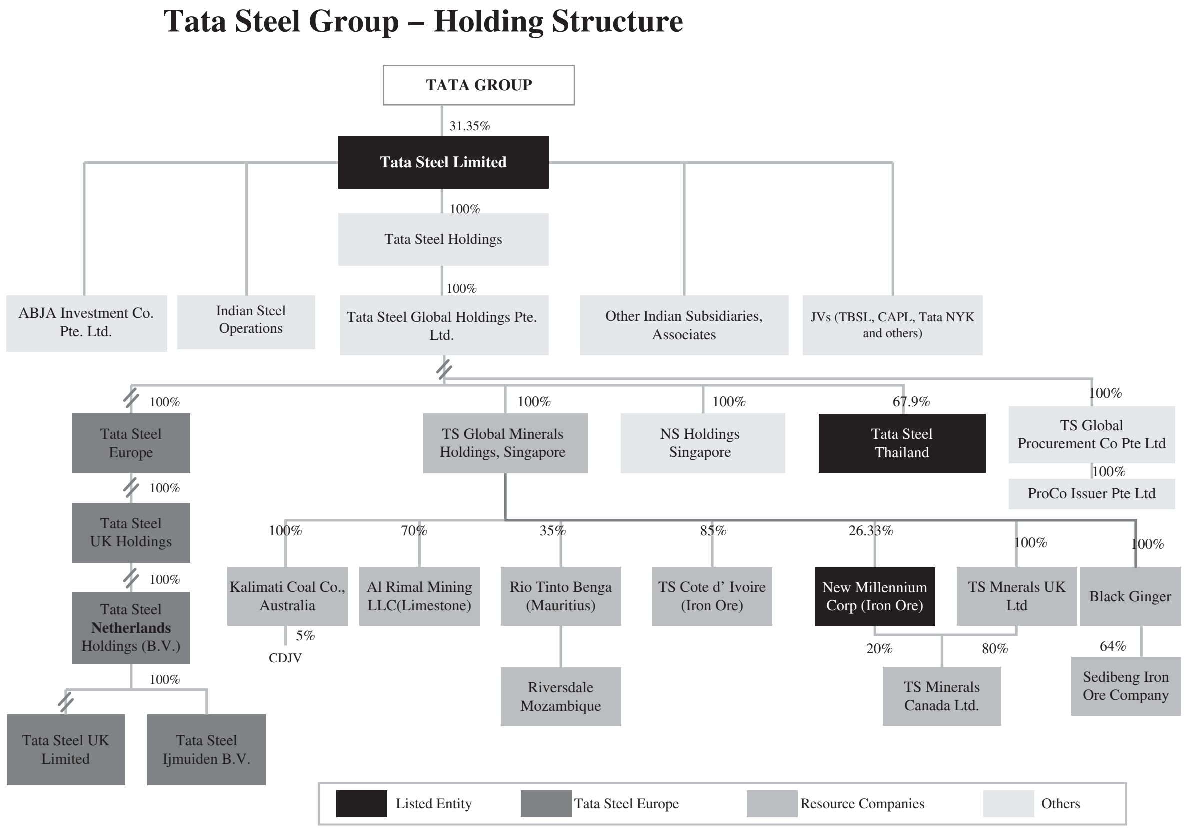
The Group's expansion plans have benefitted from strategic alliances with joint venture partners throughout its chain of operations, including for raw material procurement (primarily for mining), steel production, product diversification and shipping. For example, through its strategic partners the Group has developed:

- Mining operations together with NML, SODEMI, Vale, JFE Steel, Rio Tinto, POSCO, IDC, BEE, Government of Ivory Coast, Labrador Iron Mines Holdings Limited and SAIL;
- Steel production operations with VN Steel, Vicem, BlueScope and Nippon Steel and Sumitomo Metal Corporation;
- Product diversification with Krosaki Harima Corporation and Nippon Steel and Sumitomo Metal Corporation; and
- Shipping operations with NYK Line and Martrade.

Going forward, the Group plans to use joint ventures to procure raw materials and businesses in new geographic markets. When entering a new geographic market or business where the Group does not have substantial local experience and infrastructure, teaming up with a local partner enables the Group to reduce its capital investment by leveraging the pre-existing infrastructure of the local partner. In addition, local partners in these markets provide the Group with knowledge and insight into local customs and practices and access to local suppliers. These joint venture arrangements also allow the Group to create synergies with its partners reducing costs and increasing efficiencies. The Group continually evaluates its existing joint ventures and future opportunities. In the future, the Group may reduce or divest its economic interest in existing joint ventures as part of an overall strategy to maximize operational efficiencies.

Tata Steel Limited — Corporate Structure Chart

As of the date of this Offering Memorandum, the chart below summarizes the Group's corporate structure. This is a summary chart only and does not show all of the Group's subsidiaries. For further details of the subsidiaries of the Group, see note 1 to the Group's Annual Financial Statements for the year ended March 31, 2014.



Corporate Information

The Issuer was incorporated in the Republic of Singapore on April 12, 2013 as "ABJA Investments Co. Pte, Ltd.". The Issuer's registered office is located at 22 Tanjong Kling Road, Singapore 628048.

The Guarantor was incorporated with limited liability in the Republic of India on August 26, 1907 under the Indian Companies Act, 1882 as "The Tata Iron and Steel Company Limited". The Guarantor's name was changed to "Tata Steel Limited" with effect from August 12, 2005. The Guarantor's registered office is located at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001, India. The Group's website is http://www.tatasteel.com. Information contained on the Group's website does not constitute part of this Offering Memorandum.

SUMMARY FINANCIAL AND OPERATING DATA

The summary consolidated financial data for the Group and the summary non-consolidated financial data for the Guarantor as at the end and for each of the years ended March 31, 2012, 2013 and 2014 set forth below have been derived or calculated from the Annual Financial Statements included elsewhere in this Offering Memorandum unless stated otherwise. The Annual Financial Statements have been prepared in accordance with Indian GAAP. This financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Guarantor", "Selected Consolidated Financial Data and Other Information", "Capitalization" and the Annual Financial Statements set forth in this Offering Memorandum.

The Annual Financial Statements have been audited by Deloitte Haskins & Sells LLP, Chartered Accountants, as set forth in their audit reports included herein.

Consolidated Statement of Profit and Loss of the Group

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. Million)		(US$ million)[1]
REVENUE				
Revenue from operations	1,359,756	1,388,211	1,532,128	25,582
Less: Excise duty	30,759	41,096	45,992	768
	1,328,997	1,347,115	1,486,136	24,814
Other income	15,730	4,792	5,168	87
TOTAL REVENUE	**1,344,727**	**1,351,907**	**1,491,304**	**24,901**
EXPENSES				
Raw materials consumed	454,575	406,435	462,430	7,721
Purchase of finished, semi-finished and other products	210,734	184,739	170,082	2,840
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7,859)	14,189	(5,146)	(86)
Employee benefits expense	172,286	189,120	203,034	3,390
Depreciation and amortization expense	45,167	55,753	58,412	975
Finance costs	42,501	39,681	43,368	724
Other expenses	383,669	442,591	506,894	8,464
	1,301,073	1,332,508	1,439,074	24,028
Less: Expenditure (other than interest) transferred to capital and other accounts	8,576	13,170	15,267	255
TOTAL EXPENSES	**1,292,497**	**1,319,338**	**1,423,807**	**23,773**
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	**52,230**	**32,569**	**67,497**	**1,128**
EXCEPTIONAL ITEMS				
Provision for diminution in value of investments	—	—	(4)	(0)
Profit/(Loss) on sale of non-current investments	33,619	9,660	182	3
Provision for impairment of non-current assets	—	(83,559)	(454)	(8)
	33,619	(73,899)	(276)	(5)
PROFIT/(LOSS) BEFORE TAX	**85,849**	**(41,330)**	**67,221**	**1,123**
TAX EXPENSES				
Current tax	35,176	23,254	34,826	582
MAT credit	(54)	(4,101)	(2)	(0)
Deferred tax	1,242	13,141	(4,243)	(71)
	36,364	32,294	30,581	511
PROFIT/(LOSS) AFTER TAX	**49,485**	**(73,624)**	**36,640**	**612**
MINORITY INTEREST	**1,731**	**2,145**	**(699)**	**(12)**
SHARE OF PROFITS OF ASSOCIATES	**2,681**	**903**	**8**	**0**
PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFITS OF ASSOCIATES	**53,897**	**(70,576)**	**35,949**	**600**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Consolidated Balance Sheets of the Group

	As at March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)(1)
ASSETS				
NON-CURRENT ASSETS				
Fixed assets:				
Tangible assets	390,809	519,775	552,494	9,225
Intangible assets	28,513	29,591	39,088	653
Capital work-in-progress	200,280	137,861	259,563	4,334
Intangible assets under development	1,681	4,905	8,661	144
	621,283	692,132	859,806	14,356
Goodwill on consolidation	173,546	130,650	157,488	2,630
Non-current investments	26,229	24,974	24,251	405
Deferred tax assets	614	365	407	7
Long-term loans and advances	68371	70,976	87,817	1,466
Other non-current assets	10,652	7,783	6,781	113
	900,695	**926,880**	**1,136,550**	**18,977**
CURRENT ASSETS				
Current investments	13,984	7,603	26,684	446
Inventories	255,980	240,912	268,800	4,488
Trade receivables	148,785	139,940	160,058	2,672
Cash and bank balances	107,730	98,339	86,045	1,437
Short-term loans and advances	37,174	40,605	31,930	533
Other current assets	4,173	14,849	6,377	107
	567,826	542,248	579,894	9,683
	1,468,521	**1,469,128**	**1,716,444**	**28,660**
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	9,714	9,714	9,714	162
Reserves and surplus	416,448	332,008	395,605	6,606
	426,162	341,722	405,319	6,768
PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES	**224**	**212**	**200**	**3**
WARRANTS ISSUED BY A SUBSIDIARY COMPANY	**175**	**—**	**—**	**—**
HYBRID PERPETUAL SECURITIES	**22,750**	**22,750**	**22,750**	**380**
MINORITY INTEREST	**10,912**	**16,694**	**17,377**	**290**
NON-CURRENT LIABILITIES				
Long-term borrowings	452,382	468,576	523,664	8,744
Deferred tax liabilities	25,038	31,550	25,957	433
Other long-term liabilities	8,899	11,205	18,380	307
Long-term provisions	47,151	53,564	61,565	1,028
	533,470	564,895	629,566	10,512
CURRENT LIABILITIES				
Short-term borrowings	70,446	105,476	160,262	2,676
Trade payables	181,830	193,396	229,044	3,824
Other current liabilities	187,790	194,550	219,949	3,673
Short-term provisions	34,762	29,433	31,977	534
	474,828	522,855	641,232	10,707
	1,468,521	**1,469,128**	**1,716,444**	**28,660**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Summary Consolidated Cash Flow Statement of the Group

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. million)		(U.S. million)[1]
Statement of Cash Flow Data:				
Net cash flow from/(used in) operating activities	112,548	140,353	131,459	2,195
Net cash flow from/used in investing activities	(37,054)	(132,969)	(164,511)	(2,747)
Net cash flow from/(used in) financing activities	(83,319)	(17,804)	10,146	169
Net increase/(decrease) in cash and cash equivalents	(7,825)	(10,420)	(22,906)	(383)
Closing cash and cash equivalents	106,571	96,691	84,513	1,411

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Consolidated Results of Operations of the Group by Segment for the Years Ended March 31, 2012, 2013 and 2014

The following tables sets forth segment revenue and segment results for the periods indicated.

	Segment revenue			Segment results		
	Year ended March 31,			Year ended March 31,		
	2012	2013	2014	2012	2013	2014
		(Rs. million)			(Rs. million)	
Steel	1,272,665	1,276,208	1,421,159	95,758	82,257	124,707
Others	134,966	145,411	143,466	1,022	5,781	8,297
Unallocable	16,638	9,931	11,209	44,317	22,014	18,356
Eliminations	(95,272)	(84,435)	(89,698)	(46,365)	(37,802)	(40,494)
Total	**1,328,997**	**1,347,115**	**1,486,136**	**94,732**	**72,250**	**110,866**

Non-Consolidated Statements of Profit and Loss of the Guarantor

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)[1]
REVENUE				
Revenue from operations	370,057	423,172	463,093	7,732
Less: Excise duty	30,722	41,178	45,983	768
	339,335	381,994	417,110	6,964
Other income	8,864	9,020	7,877	132
TOTAL REVENUE	**348,199**	**391,014**	**424,987**	**7,096**
EXPENSES				
Raw materials consumed	80,144	98,774	96,777	1,616
Purchase of finished, semi-finished and other products	2,095	4,533	3,526	59
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,207)	(4,046)	(1,552)	(26)
Employee benefits expense	30,473	36,023	36,731	613
Depreciation and amortization expense	11,514	16,404	19,287	322
Finance costs	19,254	18,768	18,206	304
Other expenses	118,245	144,209	163,758	2,734
	259,518	314,665	336,733	5,622
Less: Expenditure (other than interest) transferred to capital and other accounts	4,782	8,761	10,299	172
TOTAL EXPENSES	**254,736**	**305,904**	**326,434**	**5,450**
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	**93,463**	**85,110**	98,553	1,646
EXCEPTIONAL ITEMS				
Profit on sale of non-current investments	5,110	123	—	—
Provision for diminution in the value of investments/doubtful advances	—	(6,867)	(1,418)	(24)
PROFIT BEFORE TAX	**98,573**	**78,366**	**97,135**	**1,622**
TAX EXPENSES				
Current tax	31,151	17,705	30,980	517
MAT tax	—	(3,998)	—	—
Deferred tax	458	14,029	2,033	34
	31,609	27,736	33,013	551
PROFIT AFTER TAX	**66,964**	**50,630**	**64,122**	**1,071**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Non-Consolidated Balance Sheet of the Guarantor

	As at March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)[(1)]
ASSETS				
NON-CURRENT ASSETS				
Fixed assets:				
Tangible assets	111,424	246,505	240,644	4,018
Intangible assets	2,239	2,245	2,013	34
Capital work-in-progress	160,468	87,223	185,094	3,091
	274,131	335,973	427,751	7,143
Non-current investments	490,783	499,848	523,186	8,736
Long-term loans and advances	63,011	65,742	40,801	681
Other non-current assets	2,167	2,158	3,020	50
	830,092	**903,721**	**994,758**	**16,610**
CURRENT ASSETS				
Current investments	12,042	4,340	23,432	391
Inventories	48,590	52,579	60,078	1,003
Trade receivables	9,041	7,969	7,708	129
Cash and bank balances	39,212	21,924	9,612	160
Short-term loans and advances	18,292	22,078	12,992	217
Other current assets	761	6,158	1,824	30
	127,938	**115,048**	**115,646**	**1,930**
	958,030	**1,018,769**	**1,110,404**	**18,540**
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	9,714	9,714	9,714	162
Reserves and surplus	512,451	542,383	601,766	10,048
	522,165	**552,097**	**611,480**	**10,210**
HYBRID PERPETUAL SECURITIES	**22,750**	**22,750**	**22,750**	**380**
NON-CURRENT LIABILITIES				
Long-term borrowings	213,532	235,656	238,081	3,975
Deferred tax liabilities (net)	9,705	18,437	20,390	340
Other long-term liabilities	2,980	3,809	9,835	164
Long-term provisions	18,513	21,134	19,050	318
	244,730	**279,036**	**287,356**	**4,797**
CURRENT LIABILITIES				
Short-term borrowings	656	709	437	7
Trade payables	58,839	63,636	82,636	1,380
Other current liabilities	87,166	85,098	86,717	1,448
Short-term provisions	21,724	15,443	19,028	318
	168,385	**164,886**	**188,818**	**3,153**
	958,030	**1,018,769**	**1,110,404**	**18,540**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Summary Non-Consolidated Cash Flow Statement of the Guarantor

	Year ended March 31,			
	2012	2013	2014	2014
	(Rs. million)			(US$ million)[1]
Statement of Cash Flow Data:				
Net cash flow from/(used in) operating activities	104,238	110,687	124,328	2,076
Net cash flow from/(used in) investing activities	(28,591)	(85,224)	(98,374)	(1,643)
Net cash flow from/(used in) financing activities	(77,667)	(42,816)	(38,260)	(639)
Net increase/(decrease) in cash and cash equivalents	(2,020)	(17,353)	(12,306)	(206)
Closing cash and cash equivalents	38,748	21,395	9,093	152

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

The Guarantor's Key Operating and Financial Information

This disclosure is intended to assist in understanding the trends in the operating and financial information of the Guarantor included in this Offering Memorandum.

	Year ended March 31,		
	2012	2013	2014
Total revenue (Rs. million)[7]	348,199	391,014	424,987
EBITDA (Rs. million)[(1)&(7)]	115,593	116,976	132,561
Capital Expenditure (Rs. million)	70,592	75,085	95,491
Operating free cash flow[(2)&(7)] (Rs. million)	45,001	41,891	37,070
Net profit before Tax (Rs. million)	98,573	78,366	97,135
Profit after Tax (Rs. million)	66,964	50,630	64,122
EBITDA/Turnover[3]	34.06%	30.62%	31.78%
Profit before Tax/Turnover	27.54%	22.28%	23.63%
Net Debt to Equity Ratio (times)[4]	0.41	0.44	0.41
Return on Average Net Worth[(5)&(7)]	13.01%	9.04%	10.61%
Return on Average Capital Employed[(6)&(7)]	13.07%	11.94%	12.57%

(1) EBITDA: Profit after tax + Taxes +(-) Exceptional Items + Net Finance Charges + Depreciation and Amortization

(2) Operating free cash flow is defined as EBITDA minus capital expenditure.

(3) Turnover (Turnover: Revenue from operations less excise duty)

(4) Net Debt to Equity: Net Debt / Average Net Worth (Net Debt: Long term borrowings + short term borrowings + current maturities of long term borrowings — cash & bank — current investments)

(5) Return on Average Net Worth: Profit after tax / Average Net Worth (Net Worth: shareholders' funds + hybrid perpetual securities − miscellaneous expenses to the extent not written off or adjusted +/- foreign currency monetary item translation difference account)

(6) Return on Average Capital Employed: EBIT / Average Capital Employed (Capital Employed: Net Worth + Long term Borrowings + Short term Borrowings + current maturities of long term borrowings + Deferred tax liabilities) (EBIT: EBITDA − Depreciation and Amortization)

(7) As used in this Offering Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable Indian GAAP measures. From time to time, reference is made in this Offering Memorandum to such "non-GAAP financial measures", primarily EBITDA, or (unless otherwise specified) earnings before finance income and costs, taxation, depreciation, amortization and impairment and share of results of associates, and net debt, or (unless otherwise specified) non-current borrowings plus current borrowings minus cash and cash equivalents, current and non-current restricted cash, and short-term investments. The Group's management believes that EBITDA, net debt, operating free cash flow, return on average net worth, return on average capital employed and other non-GAAP financial measures provide investors with additional information about the Group's performance, as well as ability to incur and service debt and make capital expenditures, and are measures commonly used by investors. The non-GAAP financial measures described herein are not a substitute for Indian GAAP measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated.

Non-GAAP Financial Measures

The following table reconciles Guarantor's profit after tax under Indian GAAP to the Guarantor's definition of EBITDA for the periods indicated:

	Year ended March 31,		
	2012	2013	2014
		(Rs. million)	
EBITDA	115,593	116,976	132,561
Adjustments			
Finance income	8,638	3,306	3,485
Finance costs	(19,254)	(18,768)	(18,206)
Tax expense	(31,609)	(27,736)	(33,013)
Depreciation and amortization	(11,514)	(16,404)	(19,287)
Exceptional item	5,110	(6,744)	(1,418)
Profit after tax	66,964	50,630	64,122

THE OFFERING

The following is a brief summary of the terms of this offering and is qualified in its entirety by the remainder of this Offering Memorandum. This summary is derived from, and should be read in conjunction with, the full text of the "Terms and Conditions of the 2020 Notes" and the "Terms and Conditions of the 2024 Notes" and other information included in this Offering Memorandum.

Issuer	ABJA Investment Co. Pte. Ltd.
Guarantor	Tata Steel Limited.
Notes Offered	US$500,000,000 4.85% Guaranteed Notes due 2020 (the "2020 Notes") and US$1,000,000,000 5.95% Guaranteed Notes due 2024 (the "2024 Notes", and together with the 2020 Notes, the "Notes")
Joint Lead Managers	Australia and New Zealand Banking Group Limited, BNP Paribas, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd., Crédit Agricole Corporate and Investment Bank, Singapore Branch, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., The Royal Bank of Scotland plc, Singapore Branch, SBICAP (Singapore) Limited, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch and Standard Chartered Bank.
Issue Price	2020 Notes: 100% 2024 Notes: 100%
Maturity Date	2020 Notes: January 31, 2020 2024 Notes: July 31, 2024
Interest	The 2020 Notes will bear interest from and including July 31, 2014 (the "Closing Date") at the rate of 4.85% per annum from, and including, the Closing Date to, but excluding January 31, 2020 payable semi-annually in arrear on January 31 and July 31 of each year. The first payment (for the period from, and including July 31, 2014 to, but excluding January 31, 2015) will be made on January 31, 2015. The 2024 Notes will bear interest from and including July 31, 2014 (the "Closing Date") at the rate of 5.95% per annum from, and including, the Closing Date to, but excluding July 31, 2024 payable semi-annually in arrear on January 31 and July 31 of each year. The first payment (for the period from, and including July 31, 2014 to, but excluding January 31, 2015) will be made on January 31, 2015.
Registrar	Citigroup Global Markets Deutschland AG
Trustee	Citicorp International Limited.
Principal Paying Agent and Transfer Agent	Citibank, N.A., London Branch
Status of the Notes	The Notes constitute (subject to Condition 7 (Covenants)) unsecured and unsubordinated obligations of the Issuer and will rank at all times *pari passu* without any preference among themselves and at least equally with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

Form and Denomination of the Notes . . .	The Notes will be issued in fully registered form and in the denomination of US$200,000 each and integral multiples of U.S.$1,000 in excess thereof. The Notes shall initially be represented by Global Certificates in the aggregate principal amount of the Notes registered in the name of a common nominee for, and held by or to the order of a depositary (the "Common Depositary") common to, Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*.
Negative Pledge	The terms of the Notes contain a negative pledge provision, as further described in "*Terms and Conditions of the 2020 Notes — Negative Pledge*" and "*Terms and Conditions of the 2024 Notes — Negative Pledge*".
Guarantee	The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The payment obligations of the Guarantor under the Guarantee will constitute (subject to Condition 7 (Covenants)) unsecured and unsubordinated obligations of the Guarantor and will rank at all times *pari passu* with all other outstanding present and future unsecured and unsubordinated obligations of the Guarantor but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights. The aggregate amount payable by the Guarantor under the Guarantee shall not exceed an amount equal to 125% of the outstanding principal amount of the Notes. No claim shall be made against the Guarantor in respect of its obligations under the Guarantee after the earlier of: (A) the date on which all amounts due and payable under the terms of the Notes have been unconditionally and irrevocably paid in full; and (B) the date falling one month after the Maturity Date of the 2020 Notes or, as the case may be, the 2024 Notes. Any claim made against the Guarantor prior to the expiry of the specified period, however, shall survive such expiry. See "*Terms and Conditions of the 2020 Notes — Guarantee — Limitation of the Guarantee*" and "*Terms and Conditions of the 2024 Notes — Guarantee — Limitation of the Guarantee*".
Redemption for Tax Reasons	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders, at their principal amount (together with unpaid accrued interest thereon (if any)), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that (A) it has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (Taxation) or (B) the Guarantor has or would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts where a payment in respect of the Notes (or the

	Guarantee, as the case may be) is then due. See "*Terms and Conditions of the 2020 Notes — Redemption and Purchase — Redemption for Taxation Reasons*" and "*Terms and Conditions of the 2024 Notes — Redemption and Purchase — Redemption for Taxation Reasons*".
Redemption for Change of Control	Following the occurrence of any Change in Control, the holder of each Note will have the right at such holder's option, to require the Issuer to redeem in whole but not in part such holder's Notes on the Change of Control Redemption Date at 101% of their principal amount together with unpaid accrued interest in accordance with the Conditions. See "*Terms and Conditions of the 2020 Notes — Redemption and Purchase — Redemption for Change of Control Triggering Event*" and "*Terms and Conditions of the 2024 Notes — Redemption and Purchase — Redemption for Change of Control Triggering Event*".
Events of Default	For a description of events that would permit acceleration of repayment of principal and interest of the Notes See "*Terms and Conditions of the 2020 Notes — Events of Default*" and "*Terms and Conditions of the 2024 Notes — Events of Default*".
Limitations on Asset Sales	So long as any of the 2020 Notes or, as the case may be, the 2024 Notes remains outstanding, the Guarantor shall apply any Net Cash Proceeds from an Asset Sale to: (a) permanently repay unsubordinated Financial Indebtedness; or (b) acquire properties and assets (other than current assets) that will be directly owned and used by the Guarantor in Permitted Businesses; or (c) invest in subsidiaries involved in Permitted Businesses; provided that the amount of such investment, individually or when aggregated with all other investments in subsidiaries in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to such investment, does not exceed 3% of the Fixed Assets of the Guarantor on the immediately preceding balance sheet date (as stated in the Guarantor's most recent semi annual or annual financial statements); or (d) pay a dividend, provided that, the Guarantor shall not pay any such dividend in respect of or otherwise distribute such Net Cash Proceeds to its shareholders if such dividend or distribution, individually or when aggregated with all other dividends or distributions in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to the date of the declaration of such dividend or distribution, exceeds US$200,000,000 or its equivalent in other currencies. The Guarantor will not, directly or indirectly, consummate an Asset Sale unless the Guarantor receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the Fixed Assets sold or otherwise disposed of. For details see "*Terms and Conditions of the 2020 Notes — Covenants — Limitations on Asset Sales*" and "*Terms and Conditions of the 2024 Notes — Covenants — Limitations on Asset Sales*".
Limitation on Financial Indebtedness ...	So long as any of the 2020 Notes or, as the case may be, the 2024 Notes remains outstanding, the Guarantor shall not, and shall not

	permit the Issuer to, Incur, directly or indirectly any Financial Indebtedness, unless, after giving effect to the application of the proceeds thereof (i) no Event of Default or Potential Event of Default would occur and (ii) the Financial Indebtedness to Tangible Net Worth ratio for the Guarantor's most recently ended semi-annual or annual period for which unconsolidated financial statements are available immediately preceding the date on which such Financial Indebtedness is incurred shall not be greater than 3.0:1.0. For details see "*Terms and Conditions of the 2020 Notes — Covenants — Limitations on Financial Indebtedness*" and "*Terms and Conditions of the 2024 Notes — Covenants — Limitations on Financial Indebtedness*".
Suspension of Covenants	Following the first day (the "Suspension Date") that (a) the 2020 Notes or, as the case may be, the 2024 Notes have Notes Investment Grade Status from at least two Rating Agencies and (b) no Event of Default has occurred and is continuing, the Guarantor will not be subject to Condition 7.2 (*Limitations on Asset Sales*) and Condition 7.3 (*Limitation on Financial Indebtedness*) (the "Suspended Covenants"). In the event that the Guarantor is not subject to the Suspended Covenants for any period of time as a result of the preceding sentence and, on any subsequent date (the "Reversion Date"), either (i) two or more Rating Agencies have assigned ratings to the 2020 Notes or, as the case may be, the 2024 Notes below the required Notes Investment Grade Status or (ii) an Event of Default occurs and is continuing, then the Guarantor will thereafter again be subject to the Suspended Covenants. The period of time between the Suspension Date and the Reversion Date is referred to in the covenant described hereunder as the "Suspension Period". For details see "*Terms and Conditions of the 2020 Notes — Covenants — Suspension of Covenants*" and "*Terms and Conditions of the 2024 Notes — Covenants — Suspension of Covenants*".
Mandatory exchange at the option of the Issuer	Subject to all applicable regulations, the Notes may be exchanged for New Notes issued directly by the Guarantor at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving notice to the Noteholders, the Trustee and the Principal Paying Agent (which notice shall be irrevocable). The terms and conditions of the New Notes will be set out in Schedule 7 to the Trust Deeds and will contain the same terms as the 2020 Notes, or as the case may be, the 2024 Notes except for the issue date and the substitution of the Guarantor for the Issuer and removal of the Guarantee. The exchange of the 2020 Notes, or as the case may be, the 2024 Notes for the New Notes (the "Exchange") will be done in such a manner that each Noteholder will receive an amount of New Notes equal in principal amount to the principal amount of the 2020 Notes, or as the case may be, the 2024 Notes then held by such Noteholder. For details see "*Terms and Conditions of the 2020 Notes — Redemption and Purchase — Mandatory exchange at the option of the Issuer*" and "*Terms and Conditions of the 2024 Notes — Redemption and Purchase — Mandatory exchange at the option of the Issuer*".
Meetings of Noteholders	The Terms and Conditions of the 2020 Notes and the Terms and Conditions of the 2024 Notes contain provisions for calling meetings

	of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.
Withholding Tax and Additional Amounts	The Issuer or, as the case may be, the Guarantor will, subject to the Guaranteed Amount, pay such additional amounts as may be necessary in order that the net payment received by each Noteholder in respect of the Notes, after withholding for any taxes imposed by tax authorities in an Relevant Jurisdiction upon payments made by or on behalf of the Issuer or the Guarantor, as the case may be, in respect of the Notes, will equal the amount which would have been received in the absence of any such withholding taxes, subject to the customary exceptions, as described in "*Terms and Conditions of the Notes — Taxation*".
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in, among others, Singapore, India, the United States, the European Economic Area, the United Kingdom, Hong Kong and Japan. For a description of the selling restrictions on offers, sales and deliveries on the Notes, see "Subscription and Sale".
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and shall be construed in accordance, with English law.
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Notes, see "*Risk Factors*".
Listing	Application will be made for the trading of the Notes on the Freiverkehr (Open Market) of the FWB. The Open Market is not a regulated market for purposes of EU Directive 2004/39/EC (MiFID).
Clearing System	The Notes will be represented by beneficial interests in the Global Certificate, which will be registered in the name of a common depositary for Clearstrem, Luxembourg and Euroclear, and deposited on or about the Closing Date. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by of Euroclear or of Clearstream, Luxembourg.
Use of Proceeds	The Issuer estimates that the net proceeds from the sale of Notes will be approximately US$1,486.5 million after deducting fees, commissions and estimated expenses. Of the net proceeds from the offering, the Issuer intends to use a majority to fund the pre-payment, repayment or refinancing of the Group's offshore debt obligations, and the rest for general corporate purposes of the Group outside India. Pending application of the net proceeds of this offering, the Issuer may apply such proceeds to initially repay certain of its offshore working capital facilities or invest in cash and cash equivalents outside India.

RISK FACTORS

This Offering Memorandum contains forward-looking statements that involve risks and uncertainties. Prospective investors should carefully consider the risks and uncertainties described below and the information contained elsewhere in this Offering Memorandum before making an investment in the Notes. In making an investment decision, each investor must rely on its own examination of the Group and the terms of the offering of the Notes. The risks described below are not the only ones faced by the Group or investments in India in general. The Group's business, prospects, financial condition, cash flows and results of operations could be materially adversely affected by any of these risks. There are a number of factors, including those described below, that may adversely affect the Issuer's ability to make payment on the Notes and the Guarantor's ability to make payment on the Guarantee. The risks described below are not the only ones that may affect the Notes. Additional risks not currently known to the Group or that the Group currently deems immaterial may also impair the business, prospects, financial condition, cash flows and results of operations of the Issuer or the Group.

Risks Related to the Group

The steel industry is affected by global economic conditions. A slower than expected or uneven recovery of the global economy or a renewed global recession could have a material adverse effect on the steel industry and the Group.

The Group's business and results of operations are affected by international, national and regional economic conditions. While the global economy has shown signs of recovery since 2010, with a certain degree of recovery and stabilization of steel prices, subsequent years have continued to be volatile primarily due to the sovereign debt crisis in certain European countries, such as Greece, Portugal, Ireland and Cyprus. The GDP of European Union countries grew only by 0.1% in 2013, according to data from the World Bank. A period of lower growth or lower public spending on infrastructure in Europe or in the United States, or significantly slower growth or the spread of recessionary conditions to emerging economies that are substantial consumers of steel (such as China, Brazil, Russia and India, as well as emerging Asian markets, the Middle East and the Commonwealth of Independent States ("CIS") regions) would have a material adverse effect on the steel industry. In particular, Europe has been slower in its recovery than other regions in which the Group operates. The European construction industry has been particularly affected, which has adversely impacted, and continues to materially and adversely impact, the Group's business and results of operations in Europe. See "— Europe is the Group's largest market, and its current business and future growth could be materially and adversely affected by economic conditions in Europe".

An uneven recovery, with positive growth limited to certain regions, or excluding key markets for the Group such as Europe, which accounted for 47.47% of the Group's net sales in the year ended March 31, 2014, would also have an adverse effect on the Group's business, results of operations, financial condition and prospects. Continued financial weakness among substantial consumers of steel products, such as the automotive industry and the construction industry, or the bankruptcy of any large companies in such industries, would exacerbate the negative trend in market conditions. Protracted declines in steel consumption caused by poor economic conditions in one or more of the Group's major markets or by the deterioration of the financial condition of its key customers would have a material adverse effect on demand for its products and hence on its business and results of operations. An unsustainable recovery and persistent weak economic conditions in any of the Group's key markets could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Europe is the Group's largest market, and its current business and future growth could be materially and adversely affected by economic conditions in Europe.

Europe is the Group's largest market, accounting for 46.1%, 42.8% and 47.47% of the Group's net sales in the years ended March 31, 2012, 2013 and 2014, respectively. Sales of the Group's products in Europe are affected by the condition of major steel consuming industries, such as the automobile, infrastructure and construction sectors, and the European economy in general. In addition, a significant majority of the Group's operations and assets are located in Europe.

The Eurozone sovereign debt crisis, resulting austerity measures and other factors, have led to recession or stagnation in many of the national economies in the Eurozone. In particular, several economies within Europe are continuing to show significant signs of instability, both economically and politically in response to proposed and/or implemented austerity measures. While conditions have improved in the last twelve months, there can be no certainty that such improvement will continue and that further government bailouts of European governments will not be required.

The European construction industry has been particularly affected. Current expectations have improved from last year, however, weak macroeconomic conditions are expected to continue in Europe in the near to medium term. An aggravation of the Eurozone sovereign debt crisis may further weigh on the recovery and future growth of the regional economy. Any future deterioration of the European and global economy could adversely affect the Group's business, financial condition, results of operations and prospects.

The steel industry is highly cyclical and a decrease in steel prices may have a material adverse effect on the Group's results of operations and financial condition.

Steel prices are volatile, reflecting the highly cyclical nature of the global steel industry. Steel prices fluctuate based on a number of factors, such as the availability and cost of raw material inputs, steel demand, worldwide production and capacity, fluctuation in the volume of steel imports, transportation costs, protective trade measures and various social and political factors, in the economies in which the steel producers sell their products and are sensitive to the trends of particular industries, such as the automotive, construction, packaging, appliance, machinery, equipment and transportation industries, which are among the biggest consumers of steel products. When downturns occur in these economies or sectors, the Group may experience decreased demand for its products, which may lead to a decrease in steel prices, which may, in turn, have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Global steel prices fell sharply in 2008 as the global credit crisis led to a collapse in global demand. While steel prices in Europe have increased since 2008, they have been subject to fluctuation. According to July 2014 data from CARE Ratings, European steel consumption was expected to grow at approximately 0.5% to 1.0% over the period from 2014 to 2015, based on expectations of an improvement in steel demand in Germany, Italy and France, with demand in the United Kingdom likely to remain muted. CARE Ratings data also shows that steel prices in India have been subject to more price volatility, with prices of hot rolled coils being flat in the year ended March 31, 2014, following growth of 6.7%, 3.5% and 24.7% in the years ended March 31, 2013, 2012 and 2011. See "Industry Overview — The Global Steel Industry — Global Steel Prices". The low level of steel prices in recent periods adversely affected the businesses and results of operations of steel producers generally, including the Group, resulting in lower revenue and margins and write downs of finished steel products and raw material inventories. In addition, the volatility, length and nature of business cycles affecting the steel industry have become increasingly unpredictable, and the recurrence of another major downturn in the industry may have a material adverse impact on the Group's business, results of operations, financial condition and prospects.

In addition, substantial decreases in steel prices during periods of economic weakness have not always been balanced by commensurate price increases during periods of economic strength. Any sustained price recovery will most likely require a broad economic recovery, in order to underpin an increase in real demand for steel products by end users.

Developments in the competitive environment in the steel industry, such as consolidation among the Group's competitors, could have a material adverse effect on the Group's competitive position and hence its business, financial condition, results of operations or prospects.

The Group believes that the key competitive factors affecting its business include product quality, changes in manufacturing technology, workforce skill and productivity, cash operating costs, pricing power with large buyers, access to funding, the degree of regulation and access to low-cost raw materials. Although the Group believes that it is a competitive steel producer, it cannot assure prospective investors that it will be able to compete effectively against its current or emerging competitors with respect to each of these key competitive factors.

In recent years, there has been a trend towards industry consolidation among the Group's competitors. For example, the merger of Mittal and Arcelor in 2006 created a company that continues to be the largest steel producer in the world. In 2012, Nippon Steel merged with Sumitomo Metal Corporation, creating the second largest steel producer in the world. Competition from global steel producers with expanded production capacities such as ArcelorMittal and new market entrants, especially from China and India, could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to the Group. In addition, the Group's competitors may have lower leverage and stronger balance sheets. Larger competitors may also use their resources, which may be greater than the Group's, against the Group in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity and displacing demand for the Group's export products. The market is still highly fragmented, and if the trend towards consolidation continues, the Group could be placed in a disadvantageous competitive position relative to other steel producers and its business, results of operations, financial condition and prospects could be materially and adversely affected. See "Industry Overview — Market Trends". In addition, a variety of known and unknown events could have a material adverse impact on the Group's ability to compete. For example, changes in the level of marketing undertaken by competitors, governmental subsidies provided to foreign competitors, dramatic reductions in pricing policies, exporters selling excess capacity from markets such as China, Ukraine and Russia, irrational market behavior by competitors, increases in tariffs or the imposition of trade barriers could all affect the ability of the Group to compete effectively. Any of these events could have a material adverse impact on the Group's business, results of operations, financial condition and prospects.

The steel industry is characterized by a high proportion of fixed costs and volatility in the prices of raw materials and energy, including mismatches between trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, which could adversely affect the Group's profitability.

Steel production requires substantial amounts of raw materials and energy, including iron ore, coking coal and coke, scrap and power, which are subject to significant price volatility. The production of steel is capital intensive, with a high proportion of fixed costs to total costs. Consequently, steel producers generally seek to maintain high capacity utilization. If capacity exceeds demand, there is a tendency for prices to fall sharply if supply is largely maintained. Conversely, expansion of capacity requires long lead times so that, if demand grows strongly, prices increase rapidly, as unutilized capacity cannot be brought on line as quickly. The result can be substantial price volatility. While the Group has taken steps to reduce operating costs, such as entering into strategic joint ventures in India and overseas to secure supplies of raw materials and energy, the Group may be negatively affected by significant price volatility, particularly in the event of excess production capacity in the global steel market, and incur operating losses as a result.

The availability and prices of raw materials may be negatively affected by, among other factors: new laws or regulations; suppliers' allocations to other purchasers; business continuity of suppliers; interruptions in production by suppliers; accidents or other similar events at suppliers' premises or along the supply chain; wars, natural disasters and other similar events; fluctuations in exchange rates; consolidation in steel-related industries; the bargaining power of raw material suppliers and the availability and cost of transportation. Although the Group's Indian operations source a portion of their iron ore and coal requirements from their captive mines and also have new mines under development, the Group currently obtains a significant majority of its raw materials requirements, including all raw materials for its operations in Europe, under supply contracts or from the spot market. The raw materials industry is highly concentrated and suppliers in recent years have had significant pricing power. Further consolidation among suppliers would exacerbate this trend. Since 2010, raw materials suppliers began to move towards sales based on quarterly prices rather than annually priced contracts under which steel producers, such as the Group, face increased exposure to production cost and price volatility. This change may in turn reduce the steel producers' access to reliable supplies of raw materials. See "Industry Overview — Market Trends".

In recent years, many steel companies have been focused on acquiring raw materials around the world in an effort to limit their exposure to the volatility and instability of the markets for raw materials. To the extent such companies use these raw materials in their own steel production, these acquisitions will further limit the supply of these raw materials available for purchase in the global markets. Any prolonged interruption in the supply of raw materials or energy, or failure to obtain adequate supplies of raw materials or energy at reasonable prices or at all, or increases in costs which the Group cannot pass on to its customers, could have a material adverse effect on its business, financial condition, results of operations or prospects. Due to high raw material prices and the lack of availability of raw materials, the Group mothballed several blast furnaces (such as the Redi unit of Tata Metaliks Limited and the Scunthorpe unit in the United Kingdom).

Despite the high correlation between steel and raw material prices, with both having experienced significant declines during the global economic crisis, there can be no assurance that this correlation will continue. If raw materials and energy prices rise significantly (either as a result of supply constraints or other reasons) but prices for steel do not increase commensurately, it would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, energy costs, including the cost of electricity and natural gas, represent a substantial portion of the cost of goods sold by steel producers generally, including the Group. Historically, energy prices have varied significantly, and this trend may continue due to market conditions and other factors beyond the control of steel producers. Because the production of direct reduced iron and the re-heating of steel involve the use of significant amounts of energy, steel producers are sensitive to energy prices and are dependent on having access to reliable supplies. As a result, even moderate increases in energy prices can have a significant effect on the Group's business, financial condition, results of operations and prospects.

The Group has a substantial amount of indebtedness, which may adversely affect its cash flow and its ability to operate its business.

The Group's outstanding indebtedness was Rs.816,087 million (US$13,626.4 million) as of March 31, 2014. Any downturn in the steel industry increases the possibility that the Group may be unable to generate cash sufficient to pay, when due, the principal of, interest on or other amounts due in respect of its indebtedness. In addition, as this debt matures, the Group may need to refinance or secure new debt which may not be available on favorable terms or at all. Approximately 35.8% of this outstanding indebtedness is due within one year and 75.5% of this outstanding indebtedness matures within the next five years (including indebtedness maturing within one year). See "Description of Material Indebtedness — Maturity of Borrowings".

The Group's high indebtedness levels, and other financial obligations and contractual commitments, may have other significant consequences for its business and results of operations, including:

- increased vulnerability to adverse changes in economic conditions, government regulation or the competitive environment;
- diversion of its cash flow from operations to payments on its indebtedness and other obligations and commitments, thereby reducing the availability of its cash flows to fund working capital, capital expenditure, acquisitions and other general corporate purposes;
- limiting additional borrowings for working capital, capital expenditure, acquisitions, debt refinancing service requirements, execution of its business strategy or other purposes;
- impairing its ability to pay dividends in the future; and
- exacerbating the impact of foreign currency movements on the profitability and cash flows of the Group.

A significant portion of the Group's indebtedness has been incurred by the Guarantor's subsidiaries, including Tata Steel Europe. The Guarantor may be required, under the Group's various financing arrangements, to provide financial resources to support such subsidiaries under their existing and future indebtedness. The Guarantor has provided financial support to TSE and other subsidiaries in the past and there can be no assurance that the Guarantor will not be required to contribute additional funds to reduce the outstanding debt or otherwise provide substantial support to its subsidiaries in the future.

In addition, the Group's high indebtedness levels, and other financial obligations and contractual commitments could lead to a downgrade of its credit rating by international and domestic rating agencies, thereby adversely impacting the Group's ability to raise additional financing and the interest rates and commercial terms on which such additional financing is available. In the same month, Moody's revised the outlook on the Group to negative while maintaining its rating. In April 2013, Moody's affirmed their ratings. In April 2014, Fitch revised its outlook on the Group to from negative to stable while maintaining its ratings. In July 2014, Standard & Poor's revised its outlook on the Group to stable while maintaining its rating.

Mining operations are subject to substantial risk, including those related to operational hazards and environmental issues.

The Group currently operates several iron ore and coal mines in India and has an interest in mines in Australia, Mozambique, Canada, South Africa and Cote d'Ivoire. The Group may substantially increase the scope of its mining activities in the future. These operations are subject to hazards and risks normally associated with the exploration, development and production of natural resources including industrial accidents, such as explosions, fires, transportation interruptions and inclement weather. The occurrence of any of these events, or similar events, could delay production, increase production costs and result in death or injury to persons, damage to property and liability for the Group, some or all of which may not be covered by insurance, as well as substantially harm the Group's reputation.

These operations are also subject to hazards and risks relating to negative environmental consequences such as those resulting from tailings and sludge disposal, effluent management and disposal of mineralized waste water and rehabilitation of land disturbed during mining processes. In addition, environmental awareness throughout the world, including in India and other emerging markets, has grown significantly in recent years, and opposition to mining operations have also increased due to the perceived negative impact they have on the environment. Public protest over the Group's mining operations could cause operations to slow down, damage the Group's reputation and goodwill with the governments or public in the countries and communities in which the Group operates, or cause damage to its facilities. Public protest could also affect the ability of the Group to obtain necessary licenses to expand existing facilities or establish new operations. Consequently, negative environmental consequences as well as public opposition to the Group's current or planned mining operations could have a material adverse effect on the Group's results of operations and financial condition.

The Group's estimates of its Indian mineral reserves and the mineral reserves of its other mining investments are subject to assumptions, and if the actual amounts of such reserves are less than estimated, or if the Group is unable to gain access to sufficient mineral reserves, the Group's results of operations and financial condition may be adversely affected.

The Group's estimates of its iron ore and coal resources, including in India, Australia, Mozambique, Canada, South Africa and Cote d'Ivoire, are subject to probabilistic assumptions based on interpretations of geological data obtained from sampling techniques and projected rates of production in the future. In addition, no independent third-party reports have been generated to ascertain the level of mineral reserves located at certain of the Group's existing and potential mining sites. Actual reserves and production levels may differ significantly from reserve estimates. Furthermore, it may take many years from the initial phase of exploration before production is possible during which time the economic feasibility of exploiting such reserves may change. In addition, the Group's joint ventures to gain access to coal and iron ore deposits in India, Canada and Cote d'Ivoire have not either reached the production phase or has just started production. There can be no assurance that commercial levels of raw materials will be discovered or that the mines will produce raw materials at the estimated amounts or at all.

If mineral reserves or the quality of such reserves are overestimated, the level of viable reserves would be lower than expected, and the Group may be forced to purchase such minerals in the open market. Prices of minerals in the open market may significantly exceed the cost at which the Group might otherwise be able to extract these minerals, which would cause costs to increase and consequently adversely affect the Group's businesses, results of operations, financial condition and prospects.

The Group relies on leased mines and if it is unable to renew these leases, obtain new leases or is required to pay more royalties under these leases, it may be forced to purchase such minerals for higher prices in the open market, which may negatively impact its results of operations and financial condition.

The Group extracts minerals in India pursuant to mining leases from state governments in the areas in which such mines are located including leases for iron ore mines in the Noamundi, Joda and Khondbond regions and coal mines in the West Bokaro and Jamadoba regions. These leases are granted under the Indian Mines and Minerals (Development and Regulations) Act, 1957. See "Regulation — Mines and Minerals (Development and Regulations) Act, 1957 (the "MMDR Act")". In addition, the Group has plans to increase the scope of its mining activities pursuant to new leases with the state governments including leases to be entered into relating to the Odisha and Chhattisgarh steel projects and through its venture with Steel Authority of India Limited ("SAIL"). From time to time, such leases expire and may be renewed for up to 20 years with the approval of the relevant state government and, in some cases, the Central Government. Such renewals may take an indeterminable time to be completed and, among other requirements, the renewals are subject to the lessee not being in breach of any applicable laws, including environmental laws and complying with such other conditions as the relevant governmental authorities may impose.

Further, certain of the Group's leases in the State of Odisha are currently in the process of renewal. See "Regulation". While each of the above leases has been successfully renewed several times in the past, there can be no assurance that the Company will be able to successfully negotiate and execute lease deeds in respect of the aforesaid mines and/or comply with terms imposed by the Government of Odisha and Jharkhand in this regard.

If the Group's mining leases in India are not renewed, or renegotiated on terms that are less advantageous, no new leases are made available, or royalties charged against the Group's leases are increased, the Group may be forced to purchase such minerals in the open market or pay increased royalties. If prices in the open market exceed the cost at which the Group might otherwise be able to extract these minerals or there is an increase in royalties payable, the Group's costs would increase and the Group's business, results of operations, financial condition and prospects would be materially and adversely affected.

Inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate the Group's business could have a material adverse effect on its business.

The Group requires certain statutory and regulatory permits and approvals for its business in each of the jurisdictions in which it operates. There can be no assurance that the relevant authorities will issue such permits or approvals in the time frame anticipated by the Group or at all. In relation to compliance with approvals, the Group, for instance, has received notices from the Office of the Deputy Director Mines, Joda in Odisha where it has been alleged that production of iron ore and manganese ore from the Group's mines during the periods between 2000-01 and 2009-10 was in excess of the quantity approved by the Indian Bureau of Mines and the limits approved under the provisions of, amongst others, the Environment Protection Act, 1986 and the Air (Prevention and Control of Pollution) Act, 1981. The Group has responded to these notices. If the Group is unable to obtain and maintain the requisite licenses in a timely manner or at all, or to renew or maintain existing permits or approvals, or comply with the terms and conditions prescribed in such permits or approvals, it may result in the interruption of the Group's operations (including suspension or termination of its mining leases) and may have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in assumptions underlying the carrying value of certain assets, including as a result of adverse market conditions, could result in impairment of such assets, including intangible assets such as goodwill.

The Group reviews the carrying amounts of its tangible and intangible assets (including investments) to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The Group makes a number of significant assumptions and estimates when applying its impairment test, including in estimation of the net present value of future cash flows attributable to assets or cash generating units. The actual results or performance of these assets or cash generating units could differ from estimates used to evaluate the impairment of assets. In the event that the recoverable amount of any cash-generating unit is less than the carrying amount of the unit, the impairment loss will first be allocated to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying amount of each asset in the unit. However, the decrease in recoverable amount of assets is not conclusively indicative of a long-term diminution in value of the assets.

While impairment does not affect reported cash flows, the decrease in estimated recoverable amount, as well as, the related non-cash charge in the consolidated statement of profit and loss could have a material adverse effect on the Group's financial results or on key financial ratios. Since the 2008 financial crisis, the Group's businesses, including its European operations, have been under severe pressure. Many of the Group's peers in the steel industry have taken substantial impairment charges in their accounts for their most recent financial year.

In the year ended March 31, 2013, the Group recognized a non-cash write down of goodwill and assets of Rs.83,559 million. The impairment related primarily to TSE and was the result of weaker macroeconomic and market environments in Europe, where apparent steel demand has fallen significantly since the commencement of the global economic downturn in 2007. As the underlying conditions in Europe are expected to continue over the near to medium term, the cash flow expectations for TSE have been revised downwards, resulting in this write down of assets and goodwill. In accordance with the Group's policy, impairment review is conducted only at the end of the last quarter of the financial year. There can be no assurance that the Group will not be required to take impairment charges for the year ended March 31, 2015, in relation to its European operations or elsewhere, or thereafter and, if taken, such charges may be significant.

Overcapacity and oversupply in the global steel industry may adversely affect the Group's profitability.

In recent years, driven in part by strong growth in steel consumption in emerging markets, particularly in China, the global steel industry has experienced an expansion of steel production capacity. China is the largest steel producing country in the world by a significant margin, with the balance between its domestic production and demand being an important factor in the determination of global steel prices. In addition, Chinese steel exports may have a significant impact on steel prices in markets outside of China, including in the markets where the Group operates. In addition, there have also been various capacity expansion plans announced in India, the most significant of which are Steel Authority of India Limited's planned addition of 3.2 mtpa in capacity by the 2017 financial year and Jindal Steel & Power Limited's planned addition of 4.6 mtpa over the same term. This increased production capacity, combined with a decrease in demand, could result in production overcapacity in the global steel industry. Such production overcapacity in the global steel industry would intensify if the stagnation of the global economy is prolonged or demand from developing countries that have experienced significant growth in the past several years does not meet the growth in production capacity. Any production overcapacity and oversupply in the steel industry would likely cause increased competition in steel markets around the world which would likely lead to reduced profit margins for steel producers, and would also likely have a negative effect on the Group's ability to increase steel production in general. No assurance can be given that the Group will be able to continue to compete in such an economic environment or that a prolonged stagnation of the global economy or production overcapacity will not have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

If the Group is unable to successfully implement its growth strategies, its results of operations and financial condition could be adversely affected.

As part of its future growth strategy, the Group plans to expand its steelmaking capacity through a combination of brownfield growth, new greenfield projects and acquisition opportunities and to focus this additional capacity on the increased production of high-value products. The Group is currently working on a number of expansion and development projects. The majority of these projects are aimed at increasing the size of its Indian operations through greenfield and brownfield investments. See "Business — Expansion and Development Projects". Each of these expansion projects are significant increases to the Group's historical production capacity in India. These projects, and a number of other expansion projects, to the extent that they proceed, would involve risks, including risks associated with the timely completion of these projects, and failure by the Group to adequately manage these risks notwithstanding its upgraded operational and financial systems, procedures and controls could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Factors that could affect the Group's ability to complete these projects include receiving financing on reasonable terms, obtaining or renewing required regulatory approvals and licenses, delays in land acquisitions, a decline in demand for the Group's products and general economic conditions. For example, the Group's Odisha project has experienced delays primarily associated with land acquisition, licenses and construction delays due to extreme weather conditions. Delays associated with land acquisitions and obtaining various licenses and approvals require the coordination and cooperation of various governmental agencies and third parties that are outside the control of the Group. In many cases, even though the Group has paid for or applied for acquisitions, services or licenses, delays associated with the responsiveness of counterparties have been one of the key reasons for construction delays. To accommodate this growth, the Group has needed to implement a variety of new and upgraded operational and financial systems, procedures and controls, including the improvement of its accounting and other internal management systems, all of which require substantial management time and effort. In this regard, the Group established a Committee of Investments and Projects on July 11, 2012 to consider and approve the placing of large orders of equipment, plant and machinery and to monitor the progress of projects. See "Management — Committees of the Board of Directors — Committee of Investments and Projects". In addition, the feasibility of the Group's growth strategies are also dependent upon the ability of the Group to negotiate extensions of memorandums of understanding with the relevant state governments, obtain new iron ore mining leases from the relevant state governments and on certain political factors including the resettlement and rehabilitation of people living on the land to be used in a project. Any of these factors may cause the Group to delay, modify or forego some or all aspects of its expansion plans. In addition, certain brownfield expansions have required the temporary shut-down of operations at the particular facility being upgraded. During these periods, the Group could experience reduced production volumes which could translate into reduced sales volumes. This could have a direct negative impact on revenue and operating results for such period. Consequently, the Group cannot assure prospective investors that it will be able to execute these projects and, to the extent that they proceed, that it will be able to complete them on schedule or within budget. In addition, there can be no assurance that the Group will be able to achieve its goal of increasing the production of high-value products or that it will otherwise be able to achieve an adequate return on its investment. Failure to do so could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

If industry-wide steel inventory levels are high, customers may draw from inventory rather than purchase new products, which would reduce the Group's sales and earnings.

Above-normal industry inventory levels can cause a decrease in demand for the Group's products and thereby adversely impact its earnings. High industry-wide inventory levels of steel reduce the demand for production of steel because customers can draw from inventory rather than purchase new products. This reduction in demand could result in a corresponding reduction in prices and sales, both of which could contribute to a decrease in earnings. Industry-wide inventory levels of steel products can fluctuate significantly from period to period.

The Group is subject to certain restrictive covenants in its financing arrangements which may limit operational and financial flexibility, and failure to comply with these covenants may have a material adverse effect on the Group's future results of operations and financial condition.

Certain of the Group's financing arrangements include covenants to maintain certain debt to equity ratios, debt coverage ratios and certain other liquidity ratios. There can be no assurance that such covenants will not hinder business development and growth. For example, in May 2009, due to a decline in TSE's EBITDA performance following the global economic downturn, TSE was required to seek consent from its lenders to the suspension of certain earnings-related covenants until March 2010 in order to avoid a possible breach of covenants. As part of the agreement with the lenders to suspend testing of the covenants, TSL was required to inject additional capital into its European operations, part of which was used to prepay debt. Nonetheless, repayment of debt and covenant compliance continue to represent risks.

In connection with the Odisha project, the Guarantor entered into long-term unsecured Rupee loan in the amount of Rs.228,000 million (US$3,807.0 million) in July 2014. The first tranche of the loan is expected to be Rs.126,190 million (US$2,107.0 million), which would be drawn down over the next three to four years in connection with the further construction and development of the Odisha project. The loan contains customary covenants, including certain restrictive covenants and financial covenants. See "Description of Material Indebtedness — Rupee Bank Loans".

In the event that the Group breaches these covenants or requisite consents/waivers cannot be obtained, the outstanding amounts due under such financing agreements could become due and payable immediately. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of the Group's financing agreements could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Some of the Group's financing agreements and debt arrangements set limits on or require it to obtain lender consents before, among other things, undertaking certain projects, issuing new securities, changing the business of the Group, merging, consolidating, selling significant assets or making certain acquisitions or investments. In the past, the Group has been able to obtain required lender consents for such activities. However, there can be no assurance that the Group will be able to obtain such consents in the future. If the Group's financial or growth plans require such consents, and such consents are not obtained, the Group may be forced to forgo or alter its plans, which could adversely affect its results of operations, financial condition and prospects.

In addition, certain covenants may limit the Group's ability to raise incremental debt or to provide collateral. In particular, certain subsidiaries including Tata Steel UK Holdings Limited ("TSUKH") entered into a senior facilities agreement with a syndicate of banks in September 2010 to refinance the outstanding debt obligation with respect to the senior secured facilities obtained by TSE in April 2007 to finance the acquisition of Corus. The agreements governing the new facilities include a number of covenants and provisions that could restrict the Group and its subsidiaries from incurring additional debt in the future and from pledging assets to secure such additional debt. See "Description of Material Indebtedness".

Tata Sons Limited and related parties that together have a significant shareholding in the Guarantor may take actions that are not in the Guarantor's best interest or which may conflict with the interests of the shareholders.

As of March 31, 2014, the Guarantor's principal shareholder, Tata Sons Limited ("Tata Sons"), together with Tata Motors Limited ("Tata Motors") and other Tata Group companies and related trusts, owned approximately 31.35% of the Guarantor's paid-up equity share capital. Under Indian law, certain major corporate actions such as mergers, issuance of further equity shares, remuneration of Directors and the winding up of the Guarantor, require the approval of 75% of the voting power of the Guarantor's equity shares. Tata Sons and related parties may discourage or defeat a third party from attempting to take control of the Guarantor, even if such a takeover would result in the purchase of the equity shares at a premium to their market price, or would otherwise be beneficial to shareholders.

Moreover, so long as Tata Sons and its related parties, comprise a significant shareholding group, they will continue to have the ability to exert significant influence over the actions of the Guarantor. They may also engage in activities that conflict with the interests of the Guarantor or the interests of the Guarantor's shareholders and in such event the Guarantor's shareholders could be disadvantaged by these actions. Tata Sons and related parties could cause the Guarantor to pursue strategic objectives that may conflict with the interests of the Guarantor's shareholders. For example, the Guarantor has engaged in, and will continue to engage in, transactions with members of the Tata Group, such as purchases of certain raw materials and electricity and sales of its steel products. Conflicts of interest may arise between the Guarantor and its affiliates, on the one hand, and the Tata Group, its members and affiliates (other than the Guarantor and its affiliates), on the other, resulting in the conclusion of transactions on terms not determined by market forces. Any such conflict of interest could adversely affect the Guarantor's business, results of operations, financial condition and prospects. See "Related Party Transactions".

The Group relies on licensing arrangements with Tata Sons Limited to use the "Tata" brand. Any improper use of the associated trademarks by the licensor or any other third parties could materially and adversely affect the Group's business, financial condition and results of operations.

Rights to trade names and trademarks are a crucial factor in marketing the Group's products. Establishment of the "Tata" word mark and logo mark in and outside India is material to the Group's operations. The Group has licensed the use of the "Tata" brand from Tata Sons. If Tata Sons, or any of their subsidiaries or affiliated entities, or any third party uses the trade name "Tata" in ways that adversely affect such trade name or trademark, the Group's reputation could suffer damage, which in turn could have a material adverse effect on its business, financial condition and results of operations.

The Group may not be able to obtain adequate funding required to carry out its future plans for growth.

Disruptions in global credit and financial markets and the resulting governmental actions around the world could have a material adverse impact on the Group's ability to meet its funding needs. The Group requires continuous access to large quantities of capital in order to carry out its day-to-day operations. The Group has historically required, and in the future expects to require, outside financing to fund capital expenditure needed to support the growth of its business (including the additional operational and control requirements of this growth) as well as to refinance its existing debt obligations and meet its liquidity requirements. This expenditure includes capital expenditure for new facilities, such as the greenfield projects at Odisha, Chhattisgarh and Karnataka, where payments will be made in advance of any additional revenue that will be generated.

In the event of adverse market conditions, or if actual expenditure exceeds planned expenditure, the Group's external financing activities and internal sources of liquidity may not be sufficient to support current and future operational plans, and the Group may be forced to, or may choose to, delay or terminate the expansion of the capacity of certain of its facilities or the construction of new facilities. The Group's ability to arrange external financing and the cost of such financing, as well as the Group's ability to raise additional funds through the issuance of equity, equity-related or debt instruments in the future, is dependent on numerous factors. These factors include general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investor confidence in the Group, the success of the Group, provisions of tax and securities laws that may be applicable to the Group's efforts to raise capital, the political and economic conditions in the geographic locations in which the Group operates, the amount of capital that other entities may seek to raise in the capital markets, the liquidity of the capital markets and the Group's financial condition and results of operations. In connection with the Odisha project, the Guarantor entered into long-term unsecured Rupee loan in the amount of Rs.228,000 million (US$3,807.0 million) in July 2014. See "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group — Liquidity and Capital Resources — Capital Expenditure".

In recent years, disruptions and volatility in the global financial markets have resulted in increases in credit spreads and limitations on the availability of credit. Starting in mid-2007, credit markets in the United States began experiencing difficult conditions and increased volatility, which in turn adversely affected worldwide financial markets. Adverse conditions in the global credit and financial markets were further exacerbated in 2008 by the bankruptcy or acquisition of, and government assistance to, several major U.S. and European financial institutions and by the Eurozone crisis. These developments resulted in reduced liquidity, greater volatility, widening of credit spreads and a reduction in price transparency in the U.S. and global financial markets.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including Europe and India, have implemented numerous measures in recent years designed to add stability to the financial markets and stimulate the economy, including the provision of direct and indirect assistance to distressed financial institutions. However, given the prolonged economic downturn, the overall prospects for the global economy remain uncertain. Any of these or other developments could potentially trigger another financial and economic crisis. In addition, while many governments worldwide are considering or are in the process of implementing “exit strategies”, in the form of reduced government spending, higher interest rates or otherwise, with respect to the economic stimulus measures adopted in response to the global financial crisis, such strategies may, for reasons related to timing, magnitude or other factors, have the unintended consequence of prolonging or worsening global economic and financial difficulties. Adverse conditions and uncertainty surrounding the European, Indian and global economies and financial markets may have a material adverse effect on the Group’s business and its ability to meet funding needs.

There can be no assurance that the Group will be able to obtain bank loans or renew existing credit facilities granted by financial institutions in the future on reasonable terms or at all or that any fluctuation in interest rates will not adversely affect its ability to fund required capital expenditure. The Group may be unable to raise additional equity on terms or with a structure that is favorable, if at all. If the Group is unable to arrange adequate external financing on reasonable terms, the Group’s business, operations, financial condition and prospects may be adversely and materially affected.

The Group operates a global business and its financial condition and results of operations are affected by the local conditions in or affecting countries where it operates.

The Group operates a global business and has facilities in the United Kingdom, the Netherlands, India, Germany, Thailand, Singapore, China, Vietnam, Mozambique and Australia. As a result, the Group’s financial condition and results of operations are affected by political and economic conditions in or affecting countries where it operates. The Group faces a number of risks associated with its operations, including: challenges caused by distance, local business customs, languages and cultural differences, adverse changes in laws and policies, including those affecting taxes and royalties on energy resources. In August 2009, royalty rates on iron ores in India were increased, which had a temporary adverse impact on the Group’s profitability, as there was a lag in passing this cost through to customers. Other risks may be relating to labor, local competition law regimes, environmental compliance and investments, difficulty in obtaining licenses, permits or other regulatory approvals from local authorities; adverse effects from fluctuations in exchange rates; multiple and possibly overlapping and conflicting standards and practices of the regulatory, tax, judicial and administrative bodies of the relevant foreign jurisdiction; political strife, social turmoil or deteriorating economic conditions; military hostilities or acts of terrorism; and natural disasters, including earthquakes in India and flooding and tsunamis in Southeast Asia, and epidemics or outbreaks such as avian flu, swine flu or severe acute respiratory syndrome. For example, due to local conditions in Cote d’Ivoire in 2011, the Group had to shift its labor force to Ghana. In addition, the infrastructure of certain countries where the Group operates its business, in particular India but also Thailand and Vietnam is less developed than that of many developed nations and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Group’s normal business activities.

Investments in certain countries could also result in adverse consequences to the Group under existing or future trade or investment sanctions. The effect of any such sanctions could vary, but if sanctions were imposed on the Group or one of its subsidiaries, there could be a material adverse impact on the market for the Group’s securities or it could significantly impair the Group’s ability to access the U.S. or international capital markets.

Any failure on the Group’s part to recognize and respond to these risks may materially and adversely affect the success of its operations, which in turn could materially and adversely affect the Group’s business, results of operations, financial condition and prospects.

A substantial and increasing portion of the Group’s revenues is derived from India and consequentially we are exposed to risks associated with economic conditions in India.

29.0% of the Group’s net sales for the year ended March 31, 2014 were derived from India. Although the Group has, in recent years, increased its international operations by acquiring overseas subsidiaries located in developed markets such as Europe, a significant and ever-increasing portion of the Group’s revenue is generated in India. Investors in emerging markets such as India should be aware that these markets are subject to various risks, including in some cases significant legal, economic and political risks. In addition, adverse political or economic developments in other Asian countries could have a significant negative impact on, among other things, India’s GDP, foreign trade and economy in general. Investors should note that emerging markets, including India, are subject to rapid change and information contained in this document may quickly become outdated. Investors should exercise particular care in evaluating risks involved and must decide for themselves whether, in light of those risks, an investment in the Notes is appropriate. See “— Risks Related to India” for additional risks associated with operating in India.

The unexpected loss, shutdown or slowdown of operations at any of the Group's facilities could have a material adverse effect on the Group's results of operations and financial condition.

The Group's facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, labor disputes, natural disasters and industrial accidents. The occurrence of any of these risks could affect the Group's operations by causing production at one or more facilities to shutdown or slowdown. No assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on the Group's results of operations and financial condition.

In addition, the Group's manufacturing processes depend on critical pieces of steelmaking equipment. Such equipment may, on occasion, be out of service as a result of unanticipated failures, which could require the Group to close part or all of the relevant production facility or cause production reductions on one or more of its production facilities. See "Business — Facilities — European Facilities — Port Talbot Steelworks Facility" and "Business — Facilities — European Facilities — Scunthorpe Steelworks Facility". Any interruption in production may require significant and unanticipated capital expenditure to affect repairs, which could have a negative effect on profitability and cash flows. Although the Group maintains business interruption insurance, the recoveries under its insurance coverage may not be sufficient to offset the lost revenues or increased costs resulting from a disruption of its operations. A sustained disruption to the Group's business could also result in a loss of customers. Any or all of these occurrences could materially adversely affect the Group's business, results of operations, financial condition and prospects.

Costs related to the Group's obligations to pension and other retirement funds could escalate, thereby adversely affecting the Group's results of operations and financial condition.

The Group has significant pension and other retirement obligations to its employees in Europe and India. The Group's subsidiary, TSE, provides retirement benefits for substantially all of its employees under several defined benefit and defined contribution plans. Pension contributions are calculated by independent actuaries using various assumptions about future events. The actuarial assumptions used may differ from actual future results due to changing market and economic conditions, higher or lower withdrawal rates, longer or shorter life spans of participants or other unforeseen factors. These differences may impact TSE's recorded net pension expense and liability, as well as future funding requirements.

The accounting valuation (based on IAS 19, as amended in 2011) of the scheme indicated a surplus as of March 31, 2014, with the fair value of TSE's plan assets set at GBP 18,550 million and benefit obligations set at GBP 18,250 million. In addition, the Group undertakes a triennial valuation of the British Steel Pension Scheme (the "BSPS"), the most recent valuation was undertaken as of March 31, 2011. As part of the preparation for the valuation, a joint Group/ Trade Union working party was formed to examine the BSPS. The actuarial valuations determined in the examination indicated a deficit, which the Guarantor agreed with the trustees of the BSPS in November 2012 to fund over 15 years based on a long-term recovery plan The next valuation has recently commenced and will be based on the position as of March 31, 2014. Changes in interest rates and actuarial assumptions may result in an increase in the value of pension liabilities. If there is a significant adverse change in the market value of TSE's pension assets, TSE may need to increase its pension contributions, which could have a material and adverse impact on the Group's financial results.

In addition, since 1995, the Group has introduced a number of early separation schemes to optimize the size of its workforce in India. Pursuant to such schemes, certain employees of the Guarantor, can elect to retire early and receive compensation until such time as they would have retired in the normal course. This has contributed to a reduction in the number of employees in India, from approximately 75,000 as of March 31, 1995 to approximately 36,000 as of March 31, 2014. The net present value of the future liability for pensions payable to employees who have opted for retirement under this early separation scheme is amortized over a number of years. The increase in the net present value of any future liability for such pensions is charged to the profit and loss account. However, the net present value of the future liability may change due to changes in interest rates, which affect the discounting rate used to calculate the net present value. In addition, accounting changes may impact the period over which the net present value of the future liability is amortized.

As of March 31, 2014, the Group reported a liability of Rs.6,026 million in respect of provisions for the employee separation compensation. In addition, since March 31, 2010, the amortization of the net present value of future early separation scheme liability is no longer permitted, and the Group is required to recognize the net present value of the entire future liability as an expenditure in the year in which the employee elects to retire under the early separation scheme. Since the net present value of the Group's expenses under the early separation scheme fluctuates with changing interest rates and may be affected by future accounting changes, the Group cannot precisely estimate the effect of these expenses on its future results of operations, and therefore its future results of operations and financial condition may be materially and adversely affected.

The Group faces numerous protective trade restrictions, including anti-dumping laws, countervailing duties and tariffs, which could adversely affect its results of operations and financial condition.

Protectionist measures, including anti-dumping laws, countervailing duties and tariffs and government subsidization adopted or currently contemplated by governments in some of the Group's export markets could adversely affect the Group's sales. Anti-dumping duty proceedings or any resulting penalties or any other form of import restrictions may limit the Group's access to export markets for its products, and in the future additional markets could be closed to the Group as a result of similar proceedings, thereby adversely impacting its sales or limiting its opportunities for growth.

Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on the Group in the future. In the event that such protective trade restrictions are imposed on the Group or any of the Group companies, its exports could decline. Moreover, India and Europe are the Group's largest markets and do not currently impose such restrictions. Foreign steel manufacturers may, as a result of trade restrictions in other regions or other factors, attempt to increase their sales in these markets thereby causing increased competition in India and Europe. A decrease in exports from India and Europe or an increase in steel imports to India and Europe as a result of protective trade restrictions could have a negative impact on the Group's business, financial condition, results of operations and prospects.

Environmental matters, including compliance with laws and regulations and remediation of contamination, could result in substantially increased capital requirements and operating costs.

The Group's businesses are subject to numerous laws, regulations and contractual commitments relating to the environment in the countries in which it operates and the Group's operations generate large amounts of pollutants and waste, some of which are hazardous. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, and the investigation and remediation of contamination or other environmental restoration. The risk of substantial costs and liabilities related to compliance with these laws and regulations is an inherent part of the Group's business. Facilities currently or formerly owned or operated by the Group, or where wastes have been disposed or materials extracted, are all subject to risk of environmental cost and liabilities, which includes the costs or liabilities relating to the investigation and remediation of past or present contamination or other environmental restoration. In addition, future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs despite the Group's efforts to comply with environmental laws and regulations, violations of such laws or regulations can result in civil and/or criminal penalties being imposed, the suspension of permits, requirements to curtail or suspend operations, lawsuits by third parties and negative reputational effects. There can be no assurance that substantial costs and liabilities will not be incurred in the future.

An increase in the requirements of environmental laws and regulations, increasingly strict enforcement thereof by governmental authorities, or claims for damages to property or injury to persons resulting from the environmental impacts of the Group's operations or past contamination, could prevent or restrict some of the Group's operations, require the expenditure of significant funds to bring the Group into compliance, involve the imposition of cleanup requirements and reporting obligations, and give rise to civil and/or criminal liability. The European Union has already established greenhouse gas regulations and many other countries, including the United States, are in the process of doing so. Such regulations, whether in the form of a national or international cap-and trade emissions permit system, a carbon tax, or other regulatory initiative, could have a negative effect on the Group's production levels, income and cash flows. Such regulations could also have a negative effect on the Group's suppliers and customers, which could result in higher costs and lower sales.

There can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on the Group's business, financial condition or results of operations. In the event that production at one of the Group's facilities is partially or wholly disrupted due to this type of sanction, the Group's business could suffer significantly and its results of operations and financial condition could be materially and adversely affected.

In addition, the Group's current and future operations may be located in areas where communities may regard its activities as having a detrimental effect on their natural environment and conditions of life. Any actions taken by such communities in response to such concerns could compromise the Group's profitability or, in extreme cases, the viability of an operation or the development of new activities in the relevant region or country.

Failure to maintain adequate health and safety standards may cause the Group to incur significant costs and liabilities and may damage the Group's reputation.

The Group is subject to a broad range of health and safety laws and regulations in each of the jurisdictions in which it operates. These laws and regulations, as interpreted by the relevant agencies and the courts, impose increasingly stringent health and safety protection standards. The costs of complying with, and the imposition of liabilities pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and/or criminal penalties, the suspension of permits or operations and lawsuits by third parties.

Despite the Group's efforts to monitor and reduce accidents at its facilities, there remains a risk that health and safety incidents may occur. Such incidents could include explosions or gas leaks, fires or collapses in underground mining operations, vehicular accidents, other incidents involving mobile equipment or exposure to potentially hazardous materials. Due to the nature of the Group's business, certain incidents can and do result in employee fatalities. Some of the Group's industrial activities involve the use, storage and transportation of dangerous chemicals and toxic substances, and the Group is therefore subject to the risk of industrial accidents which could have significant adverse consequences for the Group's workers and facilities, as well as the environment. Such incidents could lead to production stoppages, the loss of key assets, or put at risk employees (and those of sub-contractors and suppliers) or persons living near affected sites. In addition, such incidents could damage the Group's reputation, leading to the rejection of products by customers, devaluation of the Tata brands and diversion of management time into rebuilding and restoring its reputation.

The Group's operating results are affected by movements in exchange rates and interest rates.

There has been considerable volatility in foreign exchange rates in recent years, including rates between the Euro, the Rupee, the U.S. Dollar, the Japanese yen and other major foreign currencies. To the extent that the Group incurs costs in one currency and generates sales in another, its profit margins may be affected by changes in the exchange rates between the two currencies. Sales from the Group's European operations are denominated mainly in Euro, and sales from its Indian operations are primarily in Rupees although its exports are mainly denominated in U.S. Dollars. The raw material purchases for the Group's European operations are denominated mainly in U.S. Dollars while employee related expenses and other costs are primarily denominated in British pounds and Euros. Costs of the Group's Indian operations are primarily in Rupees although its imports, including the purchase of raw materials, are mainly denominated in U.S. Dollars. Imports of the Group's Indian operations that are denominated in U.S. Dollars currently exceed its exports denominated in U.S. Dollars on an annual basis and therefore it has a net short position in U.S. Dollars on its revenue account. In addition, because of ongoing growth projects in India for which the Group expects to incur significant capital expenditure, including the purchase of steel production equipment, the Group is expected to have imports on its capital account in Euros, U.S. Dollars, British pound and Japanese yen. Accordingly, fluctuations in exchange rates, in particular between the Euro and the British pound, Euro and the U.S. Dollar, Rupee and the U.S. Dollar and Rupee and the Japanese yen, affect the Group's profit margins and revenue from its operations. For example, last year, the Rupee experienced a sharp depreciation against the U.S. Dollar and India's as well as the Group's steel business were affected.

The Group books forward contracts on a rolling basis to hedge its short position versus the U.S. Dollars (against British pound and Euros) in its European business. For other exposures, it maintains a policy of booking forward contracts to hedge exposures once they are crystallized. While the Group uses foreign currency forward and option contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions, changes in exchange rates may nevertheless have a material and adverse effect on its business, results of operations, financial condition and prospects.

As at March 31, 2014, the Group's indebtedness included outstanding variable-rate debt in the principal amount of Rs.590,467 million. If interest rates rise, interest payable on this debt will also rise, thereby increasing the Group's interest expense and cost of new financing. Such a rise in interest rates could therefore materially and adversely affect the Group's cash flow, business, results of operations, financial condition and results of operations.

Competition from other materials, or changes in the products or manufacturing processes of customers that use the Group's steel products, could reduce market prices and demand for steel products and thereby reduce the Group's cash flow and profitability.

In many applications, steel competes with other materials that may be used as substitutes, such as aluminum (particularly in the automobile industry), cement, composites, glass, plastic and wood. Government regulatory initiatives mandating or creating incentives for the use of such materials in lieu of steel, whether for environmental or other reasons, as well as the development of other new substitutes for steel products, could significantly reduce market prices and demand for steel products and thereby reduce the Group's cash flow and profitability.

In addition, the steel market is characterized by evolving technology standards that require improved quality, changing customer specifications and wide fluctuations in product supply and demand. The products or manufacturing processes of the customers that use the Group's steel products may change from time to time due to improved technologies or product enhancements. These changes may require the Group to develop new products and enhancements for its existing products to keep pace with evolving industry standards and changing customer requirements. If the Group cannot keep pace with market changes and produce steel products that meet its customers' specifications and quality standards in a timely and cost-effective manner, its business, results of operations, financial condition and prospects could be materially adversely affected.

The Group has undertaken, and may undertake in the future, strategic acquisitions, which may be difficult to integrate, and may end up being unsuccessful.

The Group has in the past pursued, and may from time to time pursue in the future, acquisitions. From 2005 to 2007, the Group acquired operations in Europe through the acquisition of Corus as well as operations in Thailand, Singapore, China, Vietnam and Australia through the acquisitions of Tata Steel Thailand and Natsteel. These acquisitions posed significant logistical and integration issues for the Group, as it had no previous experience in managing substantial foreign companies or large-scale international operations.

The Group's ability to achieve the benefits it anticipates from future acquisitions will depend in large part upon whether it is able to integrate the acquired businesses into the rest of the Group in an efficient and effective manner. The integration of acquired businesses and the achievement of synergies require, among other things, coordination of business development and procurement efforts, manufacturing improvements and employee retention, hiring and training policies, as well as the alignment of products, sales and marketing operations, compliance and control procedures, research and development activities and information and software systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings than expected. Integration of certain operations also requires the dedication of significant management resources, and time and costs devoted to the integration process may divert management's attention from day to day business.

In addition, the Group may make further acquisitions which may require the Group to incur or assume substantial new debt, expose it to future funding obligations and expose it to integration risks, and the Group cannot assure prospective investors that such acquisitions will contribute to its profitability. The failure to successfully integrate an acquired business or the inability to realize the anticipated benefits of such acquisitions could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

The Group faces risks relating to its joint ventures.

The Group has also entered into, and may from time to time in the future enter into, joint venture agreements, including for raw material projects. The Group may have limited control of these projects and therefore may be unable to require that its joint ventures sell assets or return invested capital, make additional capital contributions or take any other action. If there is a disagreement between the Group and its partners in a joint venture regarding the business and operations of the project, there can be no assurance that it will be able to resolve such disagreement in a manner that will be in the Group's best interests. Certain major decisions, such as selling a stake in the joint project, may require the consent of all other partners. These limitations may adversely affect the Group's ability to obtain the economic and other benefits it seeks from participating in these projects. In addition, the Group's joint venture partners may have economic or business interests or goals that are inconsistent with the Group; take actions contrary to the Group's instructions, requests, policies or objectives; be unable or unwilling to fulfill their obligations; withdraw technology licenses provided to the Group; have financial difficulties; or have disputes as to their rights, responsibilities and obligations. Joint venture partners of the Group may also enter into business partnerships with competitors of the Group after the expiry of applicable non-compete periods, if any. Any of these and other factors may have a material adverse effect on the Group's joint venture projects, which may in turn materially and adversely affect the Group's business, results of operations, financial condition and prospects.

Labor problems could adversely affect the Group's results of operations and financial condition.

Most of the Group's employees in India, and a substantial portion of the Group's employees in Europe, other than management, are members of labor unions and are covered by collective-bargaining agreements with those labor unions, which have different terms at different locations and are subject to periodic renegotiation. Although the Group works to maintain good relations with its unions, there can be no assurance that there will be no labor unrest in the future, which may delay or disrupt its operations. If strikes, work stoppages, work slow-downs or lockouts at its facilities occur or continue for a prolonged period of time, the Group's business, results of operations, financial condition and prospects could be adversely affected.

The Group's insurance policies provide limited coverage, potentially leaving it uninsured or under insured against some business risks.

As part of its risk management, the Group maintains insurance policies that may provide some insurance cover for labor unrest, mechanical failures, power interruptions, natural calamities or other problems at any of the Group's steelmaking and mining facilities. Notwithstanding the insurance coverage that the Group and its subsidiaries carry, the occurrence of any event that causes losses in excess of limits specified under the policy, or losses arising from events not covered by insurance policies, could have a material adverse effect the Group's business, financial condition and operating results.

The Group is involved in litigation, investigations and other proceedings and cannot assure Noteholders that it will prevail in these actions.

There are several outstanding litigation against the Group and its directors. There are also various criminal cases against the Guarantor and its directors. The Group is a defendant in legal proceedings incidental to its business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals in different jurisdictions. Should the proceedings be decided adversely against the Group, or any new developments arise, such as a change in Indian law or rulings against the Group by appellate courts or tribunals, the Group may need to make provisions in its financial statements, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. See "Business — Litigation".

Customers and suppliers can suspend or cancel delivery of products.

Events of force majeure such as disruptions of transportation services because of weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, government actions or other events that are beyond the control of the parties and allow the Group's suppliers to suspend or cancel deliveries of raw materials could impair its ability to source raw materials and components and its ability to supply its products to customers. Similarly, the Group's customers may suspend or cancel delivery of its products during a period of force majeure and any suspensions or cancellations that are not replaced by deliveries under new contracts or sales to third parties on the spot market would reduce cash flows and could adversely affect the Group's financial condition and results of operations. There can be no assurance that such disruptions will not occur.

The Group's success depends on the continued services of its senior management team.

The Group's success and growth depend on the continued services of its directors and other members of its senior management team. Their extensive experience in the steel industry and in-depth knowledge of various aspects of the Group's business operations. There can be no assurance that any executive director or member of senior management will continue in his or her present position, or that the Group will be able to find and hire a suitable replacement if any of them retires or joins a competing company. Moreover, along with the Group's steady growth and business expansion, the Group needs to employ, train and retain additional suitable skilled and qualified management and employees from a wider geographical area. If the Group cannot attract and retain suitable personnel, its business and future growth may be materially and adversely affected.

Product liability claims could adversely affect the Group's operations.

The Group sells products to major manufacturers who are engaged to sell a wide range of end products. Furthermore, the Group's products are also sold to, and used in, certain safety-critical applications. If the Group were to sell steel that does not meet specifications or the requirements of the application, significant disruptions to the customer's production lines could result. There could also be significant consequential damages resulting from the use of such products. The Group has a limited amount of product liability insurance coverage, and a major claim for damages related to products sold could leave the Group uninsured against a portion or all of the award and, as a result, materially harm its financial condition and future operating results.

Investors should not rely on any speculative information released in the press or other media regarding the Group, its business or the offering of Notes.

The Group is one of the leading steel producers in the world. As a result of this position, there may be information about the Group, its business, its employees or the offering of Notes carried by the press and other media which may be speculative and unconfirmed by the Group. Prospective investors are cautioned that the Group does not accept any responsibility for the accuracy or completeness of any such information in the press or other media regarding the Group, its business, its employees or the offering of Notes. Prospective investors should rely only on information included in this Offering Memorandum in making an investment decision with respect to this offering of Notes.

Furthermore, speculative information about the Group, its directors, officers and key employees could adversely affect the Group's reputation. Such speculation could potentially disrupt the Group's ability to do business with counterparties who give weight to media comment, thereby distracting the Group's management from their responsibilities and adversely affecting the trading price of the Notes.

Risks Related to India

A prolonged slowdown in economic growth in India or financial instability in other countries could cause the Group's business to suffer.

The growth rate of India's GDP, which, according to the International Monetary Fund, was above 9.0% in the year ended March 31, 2008, moderated to 8.6% in the year ended March 31, 2010 and was 8.9%, 6.7%, 4.5% and 4.9% in the years ended March 31, 2011, 2012, 2013 and 2014, respectively. Notwithstanding the RBI's policy initiatives, the course of market interest rates continues to be uncertain due to the high inflation, the increase in the fiscal deficit and the Government borrowing program. Any increase in inflation in the future, because of increases in prices of commodities such as crude oil or otherwise, may result in a tightening of monetary policy. The uncertainty regarding liquidity and interest rates and any increase in interest rates or reduction in liquidity could materially and adversely impact the Group's business.

In addition, the Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly those of emerging market countries in Asia. Investors' reactions to developments in one country may have adverse effects on the economies of other countries, including the Indian economy. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could influence the Indian economy and could have a material adverse effect on the Group's business, financial condition and results of operations.

Volatility in India's financial markets could materially and adversely affect the Group's financial condition.

Stock exchanges have, in the past, experienced substantial fluctuations in the prices of listed securities. Uncertainties relating to the Eurozone sovereign debt crisis and a decrease in the rate of economic growth in emerging markets have led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. As the Group has significant operations in India and accesses the Indian markets for debt financing, this uncertainty and volatility in the Indian financial markets could have a material and adverse effect on the Group's financial condition.

Changes in the policies of, or changes in, the Indian Government, could adversely affect economic conditions in India, and thereby adversely impact the Group's results of operations and financial condition.

Outside of Europe, India remains the Group's largest market, representing 29.0% of the Group's net sales in the year ended March 31, 2014. In addition, a significant portion of the Group's facilities are located in India. Consequently, the Group may be affected by changes to Central Government policies, changes in the Central Government itself, or any other political instability in India. For example, the imposition of foreign exchange controls, rising interest rates, increases in taxation or the creation of new regulations could have a detrimental effect on the Indian economy generally and the Group in particular.

The Central Government has sought to implement a number of economic reforms in recent years, including a review of the national steel policy and the preparation of a five-year strategy paper for the promotion of the steel sector in India, and has also continued the economic liberalization policies pursued by previous Central Governments. However, the roles of the Central Government and the state governments in the Indian economy as producers, consumers and regulators have remained significant. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India generally which may have an adverse effect on the Group's results of operations and financial condition.

The business and activities of the Group, as applicable, may be regulated by the Competition Act, 2002.

The Competition Act, 2002 (the "Indian Competition Act") seeks to prevent business practices that have a material adverse effect on competition in India. Under the Indian Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market, or number of customers in the market is presumed to have a material adverse effect on competition. Provisions of the Indian Competition Act relating to the regulation of certain acquisitions, mergers or amalgamations which have a material adverse effect on competition and regulations with respect to notification requirements for such combinations came into force on June 1, 2011. The effect of the Indian Competition Act on the business environment in India is unclear. If the Group, as applicable, is affected, directly or indirectly, by the application or interpretation of any provision of the Indian Competition Act, or any enforcement proceedings initiated by the Competition Commission of India, or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, it may have a material adverse effect on its business, prospects, results of operations, cash flows and financial condition.

The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offering documents, corporate governance norms, accounting policies and audit matters and related party transactions. The Guarantor is also required to spend, in each financial year, at least 2.0% of its average net profits during the three immediately preceding financial years towards corporate social responsibility activities. Further, the Companies Act, 2013 imposes greater monetary and other liabilities on the Guarantor and its directors for any non-compliance of its terms. To ensure compliance with the requirements of the Companies Act, 2013, the Guarantor may need to allocate additional resources, which may increase the Guarantor's regulatory compliance costs and divert management attention. Any such increase in the Guarantor's compliance requirements or compliance costs may have an adverse effect on our business and results of operations.

If regional hostilities, terrorist attacks or social unrest in India increase, the Group's businesses could be adversely affected.

India has from time to time experienced instances of civil unrest, terrorist attacks and hostilities with neighboring countries. These hostilities and tensions could lead to political or economic instability in India and have a possible adverse effect on the Indian economy, the Group's businesses, prospects, results of operations, cash flows and financial condition and future financial performance.

India has also experienced localized social unrest and communal disturbances in some parts of the country. If such tensions become more widespread, leading to overall political and economic instability, it could have an adverse effect on the Group's business, future financial performance and cash flows.

In addition, certain of the Group's current and planned facilities, including its captive mines, are located in geographically remote areas that may be at risk of terror attacks. For example, attacks by Naxalite rebels in 2009 targeted transportation infrastructure of mining operations in Chhattisgarh. While the Group was not directly affected by these attacks, there can be no assurance that it will not be the target of such attacks in the future. Such attacks may be directed at Group property or personnel, at property belonging to the Group's customers or at the state-owned infrastructure used by the Group to transport goods to customers. Such attacks, or the threat of such attacks, whether or not successful, may disrupt the Group's operations and/or delivery of goods, result in increased costs for security and insurance and may adversely impact the Group's business, results of operations, financial condition and prospects, as well as place the Group's assets and personnel at risk.

If natural disasters occur in India, the Group's results of operations and financial condition could be adversely affected.

India has experienced floods, earthquakes, tsunamis, cyclones and droughts in recent years. Such natural catastrophes could disrupt the Group's operations, production capabilities or distribution chains or damage its facilities located in India, including its production facilities and mines. While the Group's facilities were not damaged in the past, a significant portion of its facilities and employees are located in India where they are exposed to such natural disasters.

Additionally, in the event of a drought, the state governments in which the Group's facilities are located could cut or limit the supply of water to the Group's facilities, thus adversely affecting the Group's production capabilities by reducing the volume of products the Group can manufacture and consequently reducing its revenues. In the event of any of the foregoing natural disasters, the ability of the Group to produce and distribute steel may be adversely affected. There can be no assurance that such events will not occur again in the future, or that its business, results of operations, financial condition and prospects will not be adversely affected.

The Group's ability to raise foreign capital may be constrained by Indian law.

As an Indian company, the Group is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit the Group's financing sources and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that the required approvals will be granted to it on favorable terms or at all.

Limitations on raising foreign debt may have an adverse effect on the Group's business growth, financial condition and results of operations. See "— Risks Related to the Group — The Group's operating results are affected by movements in exchange rates and interest rates" and "The Group operates a global business and its financial condition and results of operations are affected by the local conditions in or affecting countries where it operates."

Any downgrade of India's sovereign debt rating by an international rating agency could have a negative impact on the Group's results of operations and financial condition.

Any downgrade by international rating agencies of the credit rating for Indian domestic and international debt may adversely impact the Group's ability to raise additional financing and the interest rates and commercial terms on which such additional financing is available. This could have an adverse effect on the Group's ability to obtain financing to fund its growth on favorable terms or at all and, as a result, could have a material adverse effect on its business, results of operations, financial condition and prospects.

Public companies in India, including the Guarantor, may be required to prepare financial statements under IFRS or IndAS (a variation of IFRS). The transition to IFRS or IndAS in India is still unclear and the Guarantor may be negatively affected by such transition.

The Guarantor currently prepares its annual and interim financial statements under Indian GAAP. Public companies in India, including the Guarantor, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 "First-time Adoption of Indian Accounting Standards" ("IndAS") (a variation of IFRS). The Institute of Chartered Accountants of India ("ICAI") recently published a near final version of IndAS. On February 25, 2011, the Ministry of Corporate Affairs ("MCA") announced that IndAS will be implemented in a phased manner and the date of such implementation will be given at a later time. As at the date of this Offering Memorandum, the MCA has not yet notified the date of implementation of IndAS, though the Finance Minister has indicated a financial year 2017 target for implementation. Despite this target, no assurance can be given on the expected requirements. There is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application. Additionally, IndAS differs in certain respects from IFRS and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that the Guarantor's financial condition, results of operations, cash flow or changes in shareholders' equity will not appear materially different under IndAS than under Indian GAAP or IFRS. As the Guarantor adopts IndAS reporting, the Guarantor may encounter difficulties in implementing and enhancing its management information systems. There can be no assurance that the adoption of IndAS by the Guarantor will not adversely affect its results of operations or financial condition and any failure to successfully adopt IndAS in accordance with the prescribed timelines may have a material adverse effect on the financial position and results of operations of the Guarantor.

Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of the Guarantor's financial condition.

The financial statements included in this Offering Memorandum are prepared and presented in conformity with Indian GAAP consistently applied during the periods stated in those reports, except as otherwise provided therein, and no attempt has been made to reconcile any of the information given in this Offering Memorandum to any other principles or to base the information on any other standards. Indian GAAP differs from accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Offering Memorandum will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Offering Memorandum should accordingly be limited. See "Description of Certain Differences Between Indian GAAP and IFRS".

Increased volatility or inflation of commodity prices in India could adversely affect the Group's business.

In recent months, consumer and wholesale prices in India have stabilized; however, such prices have exhibited inflationary trends in the past and may continue to do so in the future. The Government's Wholesale Price Index stood at approximately 6.0% (provisional) for the month of May 2014 and the Consumer Price Index stood at approximately 8.3% (provisional) for the month of May 2014. Any increase in the volatility or rate of inflation of global commodity prices, in particular oil and steel prices, could adversely affect the Group's customers and contractual counterparties. Although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. Any slowdown in India's growth could increase the cost to the Group of servicing its non-Rupee-denominated debt, including the Notes, and adversely impact the Group's business, prospects, financial condition, cash flows and results of operations.

Trade deficits could have a negative effect on the Group's business and the trading price of the Notes.

India's trade relationships with other countries can influence Indian economic conditions. In the year ended March 31, 2014, the merchandise trade deficit was approximately US$138 billion compared to approximately US$190 billion in the year ended March 31, 2013. This large merchandise trade deficit neutralizes the surpluses in India's invisibles in the current account, resulting in a current account deficit. If India's trade deficits increase or become unmanageable, the Indian economy, and therefore the Group's business, future financial performance, cash flows and the trading price of the Notes could be adversely affected.

A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on the Group. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.

India's foreign exchange reserves significantly increased between 2003 and 2008 and stood at US$309.7 billion at the end of 2008. However, during 2009, foreign exchange reserves decreased sharply by US$57.8 billion, as a direct consequence of the global financial crisis on India, although they increased by US$25.0 billion during the year ended March 31, 2010 and by US$26.9 billion during the year ended March 31, 2011 and declined moderately by US$9.4 billion (3.2%) in the year ended March 31, 2012 to US$249.4 billion. India's foreign exchange reserves were US$292.6 billion as of March 29, 2013 and US$317.0 billion as of July 11, 2014. A decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy. On the other hand, increased foreign capital inflows could add excess liquidity into the system, leading to policy interventions by the RBI and a consequential slowdown in economic growth. Either way, an increase in interest rates in the economy following a decline in foreign exchange reserves could adversely affect the Group's business, its future financial performance and the trading price of the Notes.

Investors may have difficulty enforcing judgments against the Guarantor or its respective management in the Indian courts.

The enforcement by investors of civil liabilities, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be affected adversely by the fact that the Guarantor is incorporated under the laws of India. A substantial majority of the Guarantor's directors and executive officers currently reside in India, and a substantial portion of the assets of the Guarantor and its directors and executive officers are located in India. As a result, it may be difficult to effect service of process upon the Guarantor or to enforce judgments obtained against the Guarantor and these persons. The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Civil Procedure Code, which provide that a suit must be brought in India within three years from the date of the judgment sought to be enforced. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any amount recovered. See "Enforceability of Civil Liabilities".

There may be less company information available in the Indian securities market than in securities markets in other more developed countries.

There is a difference between the level of regulation, disclosure and monitoring of the Indian securities markets and the activities of investors, brokers and other participants, and that of markets and market participants in the United States and other more developed economies. The SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. The SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about Indian companies than is regularly made available by public companies in more developed economies.

As a result, investors may have access to less information about the business, results of operations and financial condition of the Guarantor and its competitors that are listed on stock exchanges in India than companies subject to reporting requirements of other more developed countries.

The proposed new taxation system could adversely affect the Guarantor's business.

The Government has proposed three major reforms in Indian tax laws, namely the goods and services tax, the direct taxes code and provisions relating to general anti-avoidance rules ("GAAR").

With regard to the implementation of the goods and service tax and the direct tax code, the Government has not specified any timeline for their implementation. The goods and services tax would replace the indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, surcharge and excise currently being collected by the central and state governments. The direct taxes code aims to reduce distortions in tax structure, introduce moderate levels of taxation, expand the tax base and facilitate voluntary compliance. It also aims to provide greater tax clarity and stability to investors who invest in Indian projects and companies, as well as clarify the taxation provisions for international transactions. It aims to consolidate and amend laws relating to all direct taxes such as income tax, dividend distribution tax, fringe benefit tax and wealth tax in order to facilitate voluntary compliance.

With regard to GAAR, the provisions have been introduced by the Finance Act, 2012, and were scheduled to come into effect from April 1, 2013. However, in the Union Budget 2013 on February 28, 2013, it was announced that modified provisions of GAAR will come into effect from the beginning of the 2016 financial year, rather than the beginning of the 2014 financial year.

The GAAR provisions are intended to catch arrangements declared as "impermissible avoidance arrangements", which is defined in the Income Tax Act, 1961 as any arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

An arrangement shall be presumed, unless it is proved to the contrary by the assessee, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit.

If GAAR provisions are invoked, then the tax authorities will have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty. As the taxation system is intended to undergo a significant overhaul, the consequential effects on us cannot be determined as of the date of this Offering Memorandum and there can be no assurance that such effects would not adversely affect the Guarantor's business, future financial performance and the trading price of the Notes.

Risks Related to the Notes and the Guarantee

The Issuer is a special purpose vehicle with no revenue generating operations of its own.

The Issuer is a special purpose vehicle that has no revenue-generating operations of its own. The Issuer conducts no business or operations and has no significant assets. The Issuer's ability to service its indebtedness, including the Notes, is entirely dependent upon the receipt of funds from the Guarantor and the Guarantor's subsidiaries to whom the Issuer will lend the proceeds of the Notes.

The payment of dividends and the making of loans and advances to the Guarantor and its subsidiaries are subject to various restrictions. Existing and future debt and related agreements to which the Issuer is or may become subject may prohibit the payment of dividends or the making of loans or advances to the Guarantor and its subsidiaries. In addition, the ability of the Guarantor's subsidiaries to make payments, loans or advances or pay dividends may be limited by the relevant jurisdictions in which such subsidiaries are located. Any of the situations described above could adversely affect the ability of the Guarantor to service its obligations in respect of the Guarantee. The Trust Deeds governing the Notes permits the Guarantor and its subsidiaries to incur additional indebtedness with terms and conditions that may severely restrict or prohibit the making of distributions, the payment of dividends, the making of loans by such subsidiaries.

The Issuer may be able to redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest in the event the Issuer is required to pay additional amounts.

As described in "Terms and Conditions of the 2020 Notes — Redemption and Purchase — Redemption for Taxation Reasons" and "Terms and Conditions of the 2024 Notes — Redemption and Purchase — Redemption for Taxation Reasons", in the event the Issuer or the Guarantor are required to pay additional amounts as a result of certain changes in tax law, including changes in existing official position or the stating of an official position, the Issuer may redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest. Payments on the Notes or under the Guarantee should not be subject to Indian taxes if the proceeds of the offering of the Notes are utilized outside India. If payments in respect of the Notes or a Guarantee were subject to Indian withholding taxes, the applicable withholding rate should be 20% (plus applicable surcharge, education cess and secondary and higher education cess). However, as there is no authority directly on point, the Indian tax authorities may seek to impose withholding at a higher rate. If the Indian withholding rate were to exceed 20% (plus applicable surcharge, education cess and secondary and higher education cess) as a result of a change in law or interpretation described above, the Issuer may redeem the Notes at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest.

The Guarantor's obligations under the Guarantee will be structurally subordinated to all existing and future obligations of the Guarantor's subsidiaries.

The Guarantor's obligations under the Guarantee will be effectively subordinated to all existing and future obligations of its direct and indirect subsidiaries. All claims of creditors of these subsidiaries, including trade creditors, lenders and all other creditors, will have priority as to the assets of these companies over claims of the Guarantor and its creditors, including holders of the Notes. In the event of insolvency, liquidation or other reorganization of any of these subsidiaries, the Guarantor's and the Issuer's creditors (including the holders of the Notes) will not have any right to proceed against the assets of such subsidiary or to cause the liquidation or bankruptcy of such subsidiary under applicable bankruptcy laws. Creditors of such subsidiaries would be entitled to payment in full from their respective assets before the Guarantor would be entitled to receive any distribution from such assets. Except to the extent that the Guarantor or the Issuer may itself be a creditor with recognized claims against a subsidiary, claims of creditors of such subsidiary will have priority with respect to the assets and earnings of that subsidiary over the claims of the Guarantor and the Issuer's creditors, including claims under the Notes. The Guarantor's subsidiaries are also subject to liabilities to other creditors as a result of obligations incurred in the ordinary course of business, which liabilities are also effectively senior to the Notes.

Investors' rights to receive payments on the Guarantees are junior to certain tax and other liabilities preferred by law.

The Guarantees will be subordinated to certain liabilities preferred by law such as claims of the Government on account of taxes and certain liabilities incurred in the ordinary course of the Guarantor's business (including workmen's dues), will rank *pari passu* with the Guarantor's other existing and future unsecured obligations and will be effectively subordinated to the secured obligations of the Guarantor and the obligations of its subsidiaries. Indian laws relating to the Guarantees and to the enforcement thereof may differ, in some cases significantly, from the laws in other jurisdictions. Upon an order for a Guarantor's winding-up in India, its assets are vested in a liquidator that has wide powers to liquidate such Guarantor to pay its debt and administrative expenses. In such event, the Guarantees may not be deemed to rank senior in right of payment to any future subordinated indebtedness of the Guarantor and, as such, Noteholders may not receive any recovery on the Guarantees.

The Guarantor's potential liability under the Guarantees will not exceed 125% of the outstanding principal amount of the Notes which, on the Closing Date, shall be US$625,000,000 for the 2020 Notes and US$1,250,000,000 for the 2024 Notes. If the liability under the Notes is in excess of the Guaranteed Amount then the Guarantor will not be liable for any amount in excess of the Guaranteed Amount.

The primary foreign exchange control legislation in India is FEMA. Pursuant to FEMA, the Central Government and the RBI have promulgated various regulations, rules, circulars and press notes in connection with various aspects of exchange control. A guarantee issued by an Indian guarantor on behalf of its non-Indian direct or indirect wholly owned subsidiaries or joint ventures is subject to certain regulations under FEMA, such as the FEMA Guarantee Regulations and the FEMA ODI Regulations as well as the provisions of the RBI's Master Circular.

Under the FEMA Guarantees Regulations, an Indian guarantor can provide a guarantee on behalf of its non-Indian wholly owned subsidiaries or joint ventures provided that it is in compliance with the FEMA ODI Regulations. Pursuant to the FEMA ODI Regulations and the Master Circular, an Indian guarantor is permitted to provide a guarantee on behalf of its non-Indian wholly owned subsidiaries or joint ventures without the prior approval of the RBI (under the "automatic route"), subject to certain conditions including, without limitation: such Indian guarantor's total financial commitment does not exceed 400% of its net worth set forth in its last audited balance sheet at the time of issuance of any such guarantee.

For purposes of the FEMA ODI Regulations, "total financial commitment" includes the aggregate of 100% of the amount of equity shares, 100% of the amount of compulsorily and mandatorily convertible preference shares, 100% of the amount of other preference shares, 100% of the amount of loan, 100% of the amount of guarantee (other than performance guarantee) issued by the Indian guarantor, 100% of the amount of bank guarantees issued by a resident bank on behalf of joint venture or non-Indian wholly owned subsidiaries of the Indian guarantor provided the bank guarantee is backed by a counter guarantee/collateral by the Indian guarantor, and 50% of the amount of performance guarantee issued by the Indian guarantor. In addition, the Indian guarantor (which is providing the guarantee outside India) should not be on the RBI's exporters' caution list or list of defaulters and should not be under investigation by any investigative, enforcement agency or regulatory body. In order to meet the requirement of the automatic route, the guarantees must specify a maximum amount and duration of the guarantee upfront, i.e. no guarantee can be open-ended or unlimited; and the Indian guarantor may extend the guarantee only to a joint venture or non-Indian wholly-owned subsidiaries in which it has equity participation.

In light of the above, the Guarantor has decided that the Guaranteed Amount will not exceed 125% of the outstanding principal amount of the Notes which, on the Closing Date, shall be US$625,000,000 for the 2020 Notes and US$1,250,000,000 for the 2024 Notes. If the liability under the Notes is in excess of the Guaranteed Amount then the Guarantor will not be liable for any amount in excess of the Guaranteed Amount. See "Terms and Conditions of the Notes — Guarantee — Limitation of the Guarantee", and "Indian Government Filings/ Approvals".

The Notes are intended to be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore.

The Notes are intended to be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore ("ITA") subject to the fulfillment of certain conditions. See "Taxation — Singapore Taxation". However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or MAS Circulars be amended or revoked at any time. In addition, in the event that the Issuer exercises its exchange rights under Condition 10.4 of the Terms and Conditions of the 2020 Notes and the 2024 Notes, the New Notes (as defined therein) will not likely qualify for "qualifying debt securities" treatment. For more information on the Singapore income tax consequences, please refer to the "Taxation — Singapore Taxation" section of this Offering Memorandum.

An active trading market may not develop for the Notes, in which case your ability to transfer the Notes will be more limited.

The Notes are new securities for which there is currently no existing trading market. Prior to this offering there has been no trading market in the Notes. The liquidity of any market for the Notes will depend on a number of factors, including general economic conditions and the Issuer's and the Guarantor's own financial condition, performance and prospects, as well as recommendations of securities analysts. The Issuer has been informed by the Joint Lead Managers that they may make a market in the Notes after the Issuer has completed this offering. However, they are not obligated to do so and may discontinue such market-making activity at any time without notice. In addition, market-making activity by the Joint Lead Managers' affiliates may be subject to limits imposed by applicable law. As a result, neither the Issuer nor the Guarantor can assure you that any market in the Notes will develop or, if it does develop, it will be maintained. If an active market in the Notes fails to develop or be sustained, you may not be able to sell the Notes or may have to sell them at a lower price.

Developments in other markets may adversely affect the market price of the Notes.

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Indian securities is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including India. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

The Notes are subject to restrictions on resales and transfers.

The Notes have not been registered under the Securities Act or any U.S. state securities laws or under the securities laws of any other jurisdiction and are being issued and sold in reliance upon exemptions from registration provided by such laws. No Notes may be sold or transferred unless such sale or transfer is exempt from the registration requirements of the Securities Act (for example, in reliance on the exemption provided by Regulation S under the Securities Act) and applicable state securities laws. For certain restrictions on resales and transfers, see "Transfer Restrictions".

The Issuer may not be able to redeem the Notes upon the occurrence of a Change of Control.

The Issuer must offer to purchase the Notes upon the occurrence of a Change of Control, at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest. See "Terms and Conditions of the 2020 Notes" and "Terms and Conditions of the 2024 Notes".

The source of funds for any such purchase would be available cash or third-party financing. However, the Issuer may not have or be able to obtain sufficient available funds at the time of the occurrence of any Change of Control Triggering Event to make purchases of outstanding Notes. The Issuer's failure to make the offer to purchase or to purchase the outstanding Notes would constitute an Event of Default under the Notes. The Event of Default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If the Issuer's other debt were to be accelerated, it may not have sufficient funds to purchase the Notes and repay the debt.

In addition, the definition of Change of Control does not necessarily afford protection for the Noteholders in the event of some highly leveraged transactions, including certain acquisitions, mergers, refinancing, restructurings or other recapitalizations. These types of transactions could, however, increase indebtedness or otherwise affect capital structure or credit ratings. The definition of Change of Control for purposes of the Conditions also includes a phrase relating to the sale of "all or substantially all" of the Guarantor's assets. Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition under applicable law. Accordingly, the Issuer's obligation to make an offer to purchase the Notes and the ability of a Noteholder to require it to purchase its Notes pursuant to the Offer as a result of a highly-leveraged transaction or a sale of less than all of the Issuer's assets may be uncertain.

Notes may not be a suitable investment for all investors.

Each prospective investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Memorandum or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

USE OF PROCEEDS

The Issuer estimates that the net proceeds from the sale of Notes pursuant to this Offering Memorandum will be approximately US$1,486.5 million after deducting fees, commissions and estimated expenses. Of the net proceeds from the offering, the Issuer intends to use a majority to fund the pre-payment, repayment or refinancing of the Group's offshore debt obligations, and the rest for general corporate purposes of the Group outside India. See "Description of Material Indebtedness" and "Subscription and Sale".

Pending application of the net proceeds of this offering, the Issuer may apply such proceeds to initially repay certain of its offshore working capital facilities or invest in cash and cash equivalents outside India.

CAPITALIZATION

The following table sets forth the Group's short-term and long-term debt and shareholders' equity at March 31, 2014 on a consolidated basis and as adjusted to give effect to the issuance of the Notes offered, as if such issuance had occurred as of such date. No adjustments have been made in the following table to reflect the intended use of proceeds from the issuance of the Notes. See "Use of Proceeds".

You should read the following table together with "Summary Financial and Operation Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Guarantor", "Terms and Conditions of the 2020 Notes", "Terms and Conditions of the 2024 Notes" and the Annual Financial Statements set forth in this Offering Memorandum.

	As at March 31, 2014			
	Actual	**Actual**	**As Adjusted**	**As Adjusted**
	Rs. million	**US$ million[(1)]**	**Rs. million**	**US$ million[(1)]**
Indebtedness:				
Short-term debt	160,262	2,676	160,262	2,676
Long-term debt[(2)]	655,825	10,950	655,825	10,950
The 2020 Notes	—	—	29,945	500
The 2024 Notes	—	—	59,890	1,000
Total Indebtedness	**816,087**	**13,626**	**905,921**	**15,126**
Hybrid Perpetual Securities	**22,750**	**380**	**22,750**	**380**
Shareholders' funds :				
Share capital	9,714	162	9,714	162
Reserves and Surplus	395,606	6,606	395,606	6,606
Total shareholders' funds	**405,320**	**6,768**	**405,320**	**6,768**
Total indebtedness, hybrid perpetual securities and shareholders' funds	**1,244,157**	**20,774**	**1,333,992**	**22,274**

(1) For the reader's convenience, U S Dollar translation of Indian Rupee amounts as at March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

(2) Long-term borrowings include (i) current and non-current borrowings and (ii) current and non-current finance lease obligations.

Except as otherwise disclosed in this Offering Memorandum there have been no material changes in the Group's capitalization since March 31, 2014

SELECTED CONSOLIDATED FINANCIAL DATA AND OTHER INFORMATION

The selected consolidated financial data for the Group as of and for each of the years ended March 31, 2012, 2013 and 2014 set forth below have been derived or calculated from the Annual Financial Statements included elsewhere in this Offering Memorandum unless stated otherwise. The Annual Financial Statements have been prepared in accordance with Indian GAAP. This financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Group", "Management's Discussion and Analysis of Financial Condition and Results of Operations of the Guarantor", "Capitalization" and the Annual Financial Statements set forth in this Offering Memorandum.

Consolidated Statement of Profit and Loss of the Group

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. Million)		(US$ million)(1)
REVENUE				
Revenue from operations	1,359,756	1,388,211	1,532,128	25,582
Less: Excise duty	30,759	41,096	45,992	768
	1,328,997	1,347,115	1,486,136	24,814
Other income	15,730	4,792	5,168	87
TOTAL REVENUE	**1,344,727**	**1,351,907**	**1,491,304**	**24,901**
EXPENSES				
Raw materials consumed	454,575	406,435	462,430	7,721
Purchase of finished, semi-finished and other products	210,734	184,739	170,082	2,840
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7,859)	14,189	(5,146)	(86)
Employee benefits expense	172,286	189,120	203,034	3,390
Depreciation and amortization expense	45,167	55,753	58,412	975
Finance costs	42,501	39,681	43,368	724
Other expenses	383,669	442,591	506,894	8,464
	1,301,073	1,332,508	1,439,074	24,028
Less: Expenditure (other than interest) transferred to capital and other accounts	8,576	13,170	15,267	255
TOTAL EXPENSES	**1,292,497**	**1,319,338**	**1,423,807**	**23,773**
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	52,230	32,569	67,497	1,128
EXCEPTIONAL ITEMS				
Provision for diminution in value of investments	—	—	(4)	(0)
Profit/(Loss) on sale of non-current investments	33,619	9,660	182	3
Provision for impairment of non-current assets	—	(83,559)	(454)	(8)
	33,619	(73,899)	(276)	(5)
PROFIT/(LOSS) BEFORE TAX	**85,849**	**(41,330)**	**67,221**	**1,123**
TAX EXPENSES				
Current tax	35,176	23,254	34,826	582
MAT credit	(54)	(4,101)	(2)	(0)
Deferred tax	1,242	13,141	(4,243)	(71)
	36,364	32,294	30,581	511
PROFIT/(LOSS) AFTER TAX	49,485	(73,624)	36,640	612
MINORITY INTEREST	**1,731**	**2,145**	**(699)**	**(12)**
SHARE OF PROFITS OF ASSOCIATES	**2,681**	**903**	**8**	**0**
PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFITS OF ASSOCIATES	**53,897**	**(70,576)**	**35,949**	**600**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Consolidated Balance Sheets of the Group

	As at March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)[1]
ASSETS				
NON-CURRENT ASSETS				
Fixed assets:				
Tangible assets	390,809	519,775	552,494	9,225
Intangible assets	28,513	29,591	39,088	653
Capital work-in-progress	200,280	137,861	259,563	4,334
Intangible assets under development	1,681	4,905	8,661	144
	621,283	692,132	859,806	14,356
Goodwill on consolidation	173,546	130,650	157,488	2,630
Non-current investments	26,229	24,974	24,251	405
Deferred tax assets	614	365	407	7
Long-term loans and advances	68371	70,976	87,817	1,466
Other non-current assets	10,652	7,783	6,781	113
	900,695	**926,880**	**1,136,550**	**18,977**
CURRENT ASSETS				
Current investments	13,984	7,603	26,684	446
Inventories	255,980	240,912	268,800	4,488
Trade receivables	148,785	139,940	160,058	2,672
Cash and bank balances	107,730	98,339	86,045	1,437
Short-term loans and advances	37,174	40,605	31,930	533
Other current assets	4,173	14,849	6,377	107
	567,826	542,248	579,894	9,683
	1,468,521	**1,469,128**	**1,716,444**	**28,660**
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	9,714	9,714	9,714	162
Reserves and surplus	416,448	332,008	395,605	6,606
	426,162	341,722	405,319	6,768
PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES	**224**	**212**	**200**	**3**
WARRANTS ISSUED BY A SUBSIDIARY COMPANY	**175**	**—**	**—**	**—**
HYBRID PERPETUAL SECURITIES	**22,750**	**22,750**	**22,750**	**380**
MINORITY INTEREST	**10,912**	**16,694**	**17,377**	**290**
NON-CURRENT LIABILITIES				
Long-term borrowings	452,382	468,576	523,664	8,744
Deferred tax liabilities	25,038	31,550	25,957	433
Other long-term liabilities	8,899	11,205	18,380	307
Long-term provisions	47,151	53,564	61,565	1,028
	533,470	564,895	629,566	10,512
CURRENT LIABILITIES				
Short-term borrowings	70,446	105,476	160,262	2,676
Trade payables	181,830	193,396	229,044	3,824
Other current liabilities	187,790	194,550	219,949	3,673
Short-term provisions	34,762	29,433	31,977	534
	474,828	522,855	641,232	10,707
	1,468,521	**1,469,128**	**1,716,444**	**28,660**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Summary Consolidated Cash Flow Statement of the Group

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. million)		(U.S. million)[1]
Statement of Cash Flow Data:				
Net cash flow from/(used in) operating activities	112,548	140,353	131,459	2,195
Net cash flow from/used in investing activities	(37,054)	(132,969)	(164,511)	(2,747)
Net cash flow from/(used in) financing activities	(83,319)	(17,804)	10,146	169
Net increase/(decrease) in cash and cash equivalents	(7,825)	(10,420)	(22,906)	(383)
Closing cash and cash equivalents	106,571	96,691	84,513	1,411

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Consolidated Results of Operations of the Group by Segment for the Years Ended March 31, 2012, 2013 and 2014

The following tables sets forth segment revenue and segment results for the periods indicated.

	Segment revenue			Segment results		
	Year ended March 31,			Year ended March 31,		
	2012	2013	2014	2012	2013	2014
		(Rs. million)			(Rs. million)	
Steel	1,272,665	1,276,208	1,421,159	95,758	82,257	124,707
Others	134,966	145,411	143,466	1,022	5,781	8,297
Unallocable	16,638	9,931	11,209	44,317	22,014	18,356
Eliminations	(95,272)	(84,435)	(89,698)	(46,365)	(37,802)	(40,494)
Total	**1,328,997**	**1,347,115**	**1,486,136**	**94,732**	**72,250**	**110,866**

Non-Consolidated Statements of Profit and Loss of the Guarantor

	Year ended March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)[1]
REVENUE				
Revenue from operations	370,057	423,172	463,093	7,732
Less: Excise duty	30,722	41,178	45,983	768
	339,335	381,994	417,110	6,964
Other income	8,864	9,020	7,877	132
TOTAL REVENUE	**348,199**	**391,014**	**424,987**	**7,096**
EXPENSES				
Raw materials consumed	80,144	98,774	96,777	1,616
Purchase of finished, semi-finished and other products	2,095	4,533	3,526	59
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,207)	(4,046)	(1,552)	(26)
Employee benefits expense	30,473	36,023	36,731	613
Depreciation and amortization expense	11,514	16,404	19,287	322
Finance costs	19,254	18,768	18,206	304
Other expenses	118,245	144,209	163,758	2,734
	259,518	314,665	336,733	5,622
Less: Expenditure (other than interest) transferred to capital and other accounts	4,782	8,761	10,299	172
TOTAL EXPENSES	**254,736**	**305,904**	**326,434**	**5,450**
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	93,463	85,110	98,553	1,646
EXCEPTIONAL ITEMS				
Profit on sale of non-current investments	5,110	123	—	—
Provision for diminution in the value of investments/doubtful advances	—	(6,867)	(1,418)	(24)
PROFIT BEFORE TAX	**98,573**	**78,366**	**97,135**	**1,622**
TAX EXPENSES				
Current tax	31,151	17,705	30,980	517
MAT tax	—	(3,998)	—	—
Deferred tax	458	14,029	2,033	34
	31,609	27,736	33,013	551
PROFIT AFTER TAX	**66,964**	**50,630**	**64,122**	**1,071**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Non-Consolidated Balance Sheet of the Guarantor

	As at March 31,			
	2012	2013	2014	2014
		(Rs. million)		(US$ million)(1)
ASSETS				
NON-CURRENT ASSETS				
Fixed assets:				
Tangible assets	111,424	246,505	240,644	4,018
Intangible assets	2,239	2,245	2,013	34
Capital work-in-progress	160,468	87,223	185,094	3,091
	274,131	335,973	427,751	7,143
Non-current investments	490,783	499,848	523,186	8,736
Long-term loans and advances	63,011	65,742	40,801	681
Other non-current assets	2,167	2,158	3,020	50
	830,092	**903,721**	**994,758**	**16,610**
CURRENT ASSETS				
Current investments	12,042	4,340	23,432	391
Inventories	48,590	52,579	60,078	1,003
Trade receivables	9,041	7,969	7,708	129
Cash and bank balances	39,212	21,924	9,612	160
Short-term loans and advances	18,292	22,078	12,992	217
Other current assets	761	6,158	1,824	30
	127,938	**115,048**	**115,646**	**1,930**
	958,030	**1,018.769**	**1,110,404**	**18,540**
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	9,714	9,714	9,714	162
Reserves and surplus	512,451	542,383	601,766	10,048
	522,165	**552,097**	**611,480**	**10,210**
HYBRID PERPETUAL SECURITIES	**22,750**	**22,750**	**22,750**	**380**
NON-CURRENT LIABILITIES				
Long-term borrowings	213,532	235,656	238,081	3,975
Deferred tax liabilities (net)	9,705	18,437	20,390	340
Other long-term liabilities	2,980	3,809	9,835	164
Long-term provisions	18,513	21,134	19,050	318
	244,730	**279,036**	**287,356**	**4,797**
CURRENT LIABILITIES				
Short-term borrowings	656	709	437	7
Trade payables	58,839	63,636	82,636	1,380
Other current liabilities	87,166	85,098	86,717	1,448
Short-term provisions	21,724	15,443	19,028	318
	168,385	**164,886**	**188,818**	**3,153**
	958,030	**1,018,769**	**1,110,404**	**18,540**

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

Summary Non-Consolidated Cash Flow Statement of the Guarantor

	Year ended March 31,			
	2012	2013	2014	2014
	(Rs. million)			(US$ million)(1)
Statement of Cash Flow Data:				
Net cash flow from/(used in) operating activities	104,238	110,687	124,328	2,076
Net cash flow from/(used in) investing activities	(28,591)	(85,224)	(98,374)	(1,643)
Net cash flow from/(used in) financing activities	(77,667)	(42,816)	(38,260)	(639)
Net increase/(decrease) in cash and cash equivalents	(2,020)	(17,353)	(12,306)	(206)
Closing cash and cash equivalents	38,748	21,395	9,093	152

(1) For the reader's convenience, U.S. Dollar translations of Indian Rupee amounts for the year ended March 31, 2014 have been provided at a rate of US$1.00 = Rs.59.89.

The Guarantor's Key Operating and Financial Information

This disclosure is intended to assist in understanding the trends in the operating and financial information of the Guarantor included in this Offering Memorandum.

	Year ended March 31,		
	2012	2013	2014
Total revenue (Rs. million)(7)	348,199	391,014	424,987
EBITDA (Rs. million)(1)&(7)	115,593	116,976	132,561
Capital Expenditure (Rs. million)	70,592	75,085	95,491
Operating free cash flow(2)&(7) (Rs. million)	45,001	41,891	37,070
Net profit before Tax (Rs. million)	98,573	78,366	97,135
Profit after Tax (Rs. million)	66,964	50,630	64,122
EBITDA/Turnover(3)	34.06%	30.62%	31.78%
Profit before Tax/Turnover	27.54%	22.28%	23.63%
Net Debt to Equity Ratio (times)(4)	0.41	0.44	0.41
Return on Average Net Worth(5)&(7)	13.01%	9.04%	10.61%
Return on Average Capital Employed(6)&(7)	13.07%	11.94%	12.57%

(1) EBITDA: Profit after tax + Taxes +(-) Exceptional Items + Net Finance Charges + Depreciation and Amortization

(2) Operating free cash flow is defined as EBITDA minus capital expenditure.

(3) Turnover (Turnover: Revenue from operations less excise duty)

(4) Net Debt to Equity: Net Debt / Average Net Worth (Net Debt: Long term borrowings + short term borrowings + current maturities of long term borrowings — cash & bank — current investments)

(5) Return on Average Net Worth: Profit after tax / Average Net Worth (Net Worth: shareholders' funds + hybrid perpetual securities – miscellaneous expenses to the extent not written off or adjusted +/- foreign currency monetary item translation difference account)

(6) Return on Average Capital Employed: EBIT / Average Capital Employed (Capital Employed: Net Worth + Long term Borrowings + Short term Borrowings + current maturities of long term borrowings + Deferred tax liabilities) (EBIT: EBITDA – Depreciation and Amortization)

(7) As used in this Offering Memorandum, a non-GAAP financial measure is one that purports to measure historical financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable Indian GAAP measures. From time to time, reference is made in this Offering Memorandum to such "non-GAAP financial measures", primarily EBITDA, or (unless otherwise specified) earnings before finance income and costs, taxation, depreciation, amortization and impairment and share of results of associates, and net debt, or (unless otherwise specified) non-current borrowings plus current borrowings minus cash and cash equivalents, current and non-current restricted cash, and short-term investments. The Group's management believes that EBITDA, net debt, operating free cash flow, return on average net worth, return on average capital employed and other non-GAAP financial measures provide investors with additional information about the Group's performance, as well as ability to incur and service debt and make capital expenditures, and are measures commonly used by investors. The non-GAAP financial measures described herein are not a substitute for Indian GAAP measures of earnings and may not be comparable to similarly titled measures reported by other companies due to differences in the way these measures are calculated.

Non-GAAP Financial Measures

The following table reconciles Guarantor's profit after tax under Indian GAAP to the Guarantor's definition of EBITDA for the periods indicated:

	Year ended March 31,		
	2012	2013	2014
		(Rs. million)	
EBITDA	115,593	116,976	132,561
Adjustments			
Finance income	8,638	3,306	3,485
Finance costs	(19,254)	(18,768)	(18,206)
Tax expense	(31,609)	(27,736)	(33,013)
Depreciation and amortization	(11,514)	(16,404)	(19,287)
Exceptional item	5,110	(6,744)	(1,418)
Profit after tax	66,964	50,630	64,122

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE GROUP

The following discussion is intended to convey management's perspective on the financial condition and results of operations of the Group as at the end of and for the years ended March 31, 2012, 2013 and 2014 as measured in accordance with Indian GAAP. The following discussion of the Group's financial condition and results of operations should be read in conjunction with the Group's financial statements, the schedules and notes thereto and the other information included elsewhere in this Offering Memorandum. The Group's financial statements are prepared in accordance with Indian GAAP. Indian GAAP and Indian auditing standards differ in certain respects from IFRS and other accounting principles and audit standards accepted in the countries with which prospective investors may be familiar. For a discussion of certain significant differences between Indian GAAP and IFRS, see "Description of Certain Differences Between Indian GAAP and IFRS".

This section contains forward-looking statements that involve risks and uncertainties. The Group's actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including those described under the sections "Forward-Looking Statements and Associated Risks" and "Risk Factors" beginning on pages ix and 24 of this Offering Memorandum, respectively.

Overview

The Group, as a leading global steel producer with over 100 years of operating history, has maintained financial prudence and judiciously maintained its debt level in recent years despite ongoing capital expenditure in India and Europe. The Group is one of the world's largest steel companies with a steel production capacity of approximately 29.3 mtpa. According to the World Steel Association (formerly the International Iron and Steel Institute), the Group was the world's 11th largest steel maker by crude steel production volume in 2013. The Group is also one of the most geographically diversified steel producers, with operations in 26 countries and a commercial presence in more than 50 countries. As of March 31, 2014, the Group had approximately 80,000 employees.

The Guarantor was established as India's first integrated steel company in 1907 by Jamsetji N. Tata, the founder of the Tata Group, and is one of the flagship companies of the Tata Group. The Group has a presence across the entire value chain of steel manufacturing, including producing and distributing finished products, as well as mining and processing iron ore and coal for its steel production. The Group's operations are primarily focused in Europe, India and Southeast Asia. In the year ended March 31, 2014, the Group's operations in Europe and India represented 56.8% and 32.6%, respectively, of its total steel production.

The Group has grown significantly in recent years, with its steel production capacity increasing from approximately 5.0 mtpa in the year ended March 31, 2006 to approximately 29.3 mtpa as of March 31, 2014. This growth was primarily due to the Group's acquisition of Corus in April 2007, and brownfield expansion of its Jamshedpur facility in India. As of March 31, 2014, the majority of the Group's steel production capacity was located in the United Kingdom and the Netherlands, where the Group has four facilities with a total steel production capacity of 17.4 mtpa. The Group also has significant operations in Jamshedpur, India, where the Group operates a 9.7 mtpa steel production plant and a variety of finishing plants. The Group's operations in India also include captive iron ore and coal mines. The remaining 2.2 mtpa of the Group's steel production capacity is located in Singapore and Thailand. The Group plans to further expand steel production capacity through greenfield investments including, but not limited to, a greenfield expansion project at Odisha, which is expected to add 6 mtpa of flat product production capacity.

The Group offers a broad range of steel products including a portfolio of high value added downstream products such as hot rolled, cold rolled and coated steel, sections, plates, rebars, wire rods, tubes, rails and wires. The Group is also a large producer of ferro chrome in India. According to the Group's own estimate, the Group was the fifth largest high carbon ferro chrome producer in the world, with a domestic market share of 22% and global market share of 7% in the year ended March 31, 2014.

The Group's main markets for its products are Europe and India, which accounted for approximately 76.5% of the Group's net sales in the year ended March 31, 2014, with the remaining sales primarily taking place in other markets in Asia and in North America. The Group's customers are primarily in the construction, infrastructure, automotive, consumer goods, material handling, aerospace and general engineering industries.

The Group's business is currently divided into two main segments for financial reporting purposes: (1) the steel segment, which is the Group's principal business segment and includes predominantly the production and sale of finished and semi-finished steel products, including wires, and (2) the other operations segment, which includes the production and sale of ferro alloys, tubes, bearings, refractory products and pigments and also includes port operations, municipal services provided to the city of Jamshedpur and investment activities. Revenue from non-core activities of the Group comprise the unallocable category. On a total revenue basis (including inter segment sales), the steel segment generated 89.4%, 89.1% and 90.2% of the Group's total revenue from operations (including inter segment sales) in the years ended March 31, 2012, 2013 and 2014, respectively. The Group's other operations segment contributed 9.5%, 10.2%, and 9.1% of the Group's total revenue from operations (including inter segment sales) in the years ended March 31, 2012, 2013 and 2014, respectively. Unallocable items contributed 1.2%, 0.7% and 0.7% of the Group's total revenue (including inter segment sales) in the years ended March 31, 2012, 2013 and 2014, respectively.

In the years ended March 31, 2012, 2013 and 2014, the Group recorded net sales of Rs.1,328,997 million, Rs.1,347,115 million, and Rs.1,486,135 million, respectively. The Group recorded a profit after taxes, minority interests and share of profit of associates of Rs.53,898 million in the year ended March 31, 2012, a loss after taxes, minority interests and share of profit of associates of Rs.70,576 million in the year ended March 31, 2013, and profit after taxes, minority interests and share of profit of associates of Rs.35,949 million in the year ended March 31, 2014. The Group had total assets of Rs.1,716,445 million as of March 31, 2014. For the years ended March 31, 2012, 2013 and 2014, the Group had total steel production of 24.0 million tons, 24.2 million tons and 27.4 million tons, respectively.

Key Factors Affecting the Results of Operations

The primary factors affecting the Group's results of operations are:

- sales volume and steel prices;
- production costs;
- product mix; and
- capacity utilization and expansion.

See "— Results of Operations" for a discussion of the extent to which these factors have affected the Group's results of operations in the periods stated.

Sales Volume and Prices

The primary factors affecting the Group's results of operations are its sales volume and the price of steel. The Group derives its revenue primarily from the sale of finished steel products. The market for steel is substantially driven by changes in supply and demand in the global steel market, which are significantly affected by the state of the global economy and competition and consolidation within the steel industry. The Group's sales revenue also depends on the price of steel in the international markets. The global price of steel, in turn, depends upon a combination of factors, including the availability and cost of raw material inputs, steel demand, worldwide production and capacity, fluctuations in the volume of steel imports, transportation costs, protective trade measures and various social and political factors. China has become the largest steel producing country in the world by a significant margin, with the balance between its domestic production and demand being an important factor in the determination of global steel prices. According to the WSA, China's crude steel production of approximately 700 mt in 2013, which represents a 8.7% increase in production over 2012. See "Industry Overview — The Global Steel Industry."

While China's production growth has slowed since the global financial crisis in 2009, it is still growing. In addition, China has been affected by reduced levels of growth in GDP, index of industrial production, services and other factors which have all resulted in lower growth in China's apparent steel usage in certain recent years, though it experienced an estimated growth of 6% in 2013 and is expected to be followed by growth of 3% in 2014. Nonetheless, Chinese steel production and exports have had, and can be expected to continue to have a significant impact on steel prices in Europe, India and other markets outside of China, even more so if the growth of China's steel production accelerates and/or China's apparent steel usage falls. See "Industry Overview — Global Steel Outlook".

Steel prices in Europe have generally increased since the global downturn in 2008. Steel prices nearly doubled during the period between April 2009 and April 2011 for both hot rolled and cold rolled steel products. In 2013, the adverse impact of harsh weather conditions and overall weak demand in the EU during the first half of the year were mitigated by a shift in sentiments, which lead to a midyear turnaround. Sectors such as the automotive industry registered better activity levels than initially foreseen while export demand from non-EU countries boosted activity for the premium segment manufacturers. The sharp decline in apparent steel use in the EU in the first half of the year was more or less reversed in the second half of 2013 with low levels of inventories indicating a balance between apparent and real steel consumption. In their July 2014 report, CARE Ratings noted that European steel consumption was expected to grow at approximately 0.5% to 1% over the period from 2014 to 2015, based on expectations of an improvement in steel demand in Germany, Italy and France, with demand in the United Kingdom likely to remain muted.

According to CARE Ratings, steel prices in India have been subject to more price volatility, with prices of hot rolled coils being flat in the year ended March 31, 2014, following growth of 6.7%, 3.5% and 24.7% in the years ended March 31, 2013, 2012 and 2011.

The Group relies heavily on key consumers of steel products in the construction, automotive, packaging, appliance, engineering and transportation industries. These industries are in turn affected by the state of the markets in which they operate. While the global economy showed signs of recovery in 2010, subsequent years have been volatile primarily due to the sovereign debt crisis in certain European countries, such as Greece, Portugal and Cyprus. Presently, the macroeconomic environment has shown signs of improvement.

According to the Asian Development Bank, India's economy has grown significantly in recent years, with an average annual growth of 8.2% from 2005 to 2009; a Real GDP growth rate of 4.4% in 2013 and an estimated Real GDP growth rate of 5.5% in 2014. Steel consumption in India is projected to grow 6.1% in 2014, as compared to growth of 1.8% in 2013. According to WSA, India's per capita steel consumption of finished steel is relatively low at 57.8 kg, as compared to China at 515 kg, Japan at 516 kg, the United States at 300 kg, South Korea at 1,057 kg, Taiwan at 793 kg, the UK at 128 kg and a world average at 225.2 kg in 2013.

Europe has been slower in its recovery than other regions in which the Group operates. The European construction industry has been particularly affected, which has materially adversely impacted, and continues to materially adversely impact, the Group's operations in Europe. Although the Group operates a globally diversified steel business, it derives a substantial majority of its revenue from Europe and India from a geographic perspective. In the year ended March 31, 2014, the Group's European operations accounted for 47.5% of the Group's total net sales of steel products, compared to 42.8% in the previous year. In the year ended March 31, 2014, the Group's Indian operations accounted for 29.0% of the Group's total net sales of steel products, compared to 28.8% in the previous year. While net sales from Europe, as a proportion of total Group net sales, were the largest geographic contributor in the year ended March 31, 2014, Europe's contribution to net income was less than that of India.

The European economy and the European steel industry and market have been slower to recover from the global economic downturn than the economies and steel industries and markets of other regions. The European construction industry, a key consumer of steel products, including the Group's, has been severely affected and has not fully recovered from the recession, which has, and continues to have, a material adverse impact on the Group's operations in Europe. The sovereign debt crisis in several European countries, including Greece, Portugal, Ireland, and Cyprus, increased risk of fiscal stress and uncertainties over the broader European economy. Steel consumption in the EU 28 is expected to grow by 3.1% in 2014 and 3% in 2015 to reach 147.55 mt. See "Industry Overview — The Global Steel Industry." There is no assurance that the economic conditions in Europe will improve or that they will not further deteriorate in the near future. See "Risk Factors — Risks Related to the Group — Europe is the Group's largest market, and its current business and future growth could be materially and adversely affected by economic conditions in Europe".

Production Costs

After revenue, production costs are the most significant factor affecting the Group's results of operations. The Group's principal production costs are raw material costs (primarily coal and iron ore and their related transportation costs), purchases of semi-finished steel, labor related expenses (primarily salaries), and other production-related costs such as repairs to machinery, energy costs, and freight relating to sales. The Group, except for its Indian operations, primarily purchases raw materials, such as iron ore, coal and scrap, on the international open market from third parties. Therefore, the Group is subject to fluctuations in prices of raw materials. In particular:

- The Group's European operations purchase all of their iron ore and coal from international markets.
- The Group's Indian operations are generally self-sufficient in iron ore, but approximately 44% of their coal requirements were purchased from international markets in the year ended March 31, 2014.
- The Group's operations in Singapore and Thailand purchase 100% of their scrap requirements from third parties.

For the years ended March 31, 2013 and March 31, 2014, total raw materials consumed by the Group's European operations was Rs.296,740 million and Rs.351,056 million, respectively. Total production from the Group's European operations were 13.4 mt and 15.5 mt for the years ended March 31, 2013 and March 31, 2014, respectively. For the years ended March 31, 2013 and March 31, 2014, total raw materials consumed by the Guarantor was Rs.98,774 million and Rs.96,777 million, respectively. Iron ore, coal and coke costs accounted for 16.2%, 10.1% and 46.1% of the Guarantor's total cost of raw materials for the year ended March 31, 2014, respectively. These raw material consumption amounts reflect only the consumption of raw materials that were purchased from third parties. The costs of mining of iron ore and coal from the Group's captive mines in India are reflected in the respective expenses line items based on their nature and not included as part of raw material costs.

The price of iron ore has been subject to significant fluctuation from a low of approximately US$60 per ton in April 2009 to a high of approximately US$190 per ton in March 2011. Iron ore prices witnessed a steep drop to approximately US$120 per ton in September 2011 and another drop to approximately US$90 per ton in September 2012. As of the July 10, 2014, the price of iron ore was approximately US$96.60 per ton, according to data from Bloomberg.

The price of hard coking coal steadily decreased by approximately 50% during the period between May 2011 and August 2012. Based on data from Bloomberg, as of July 2014, hard coking coal prices were approximately US$120 per ton, with market factors indicating that these prices were under downward pressure. In comparison, hard coking coal prices in July 2013 and July 2012 were US$145 per ton and US$225 per ton, respectively.

The availability and prices of raw materials may be negatively affected by, among other factors: new laws or regulations; suppliers' allocations to other purchasers; business continuity of suppliers; interruptions in production by suppliers; accidents or other similar events at suppliers' premises or along the supply chain; wars, natural disasters and other similar events; fluctuations in exchange rates; consolidation in steel-related industries; the bargaining power of raw material suppliers; and the availability and cost of transportation. The raw materials industry is highly concentrated and suppliers in recent years have had significant pricing power. Starting in 2010, certain suppliers of iron ore and coking coal moved to quarterly fixed-price schemes from annual fixed prices, increasing the Group's exposure to production cost and price volatility. In addition, curtailment of iron ore production due to reduced exports, increase in price of ore due to the increased use of electronic auctions ("e-auctions"), and reduced coking coal availability coupled with increased power and freight costs has led to declining profitability of Indian steel makers. Increases in production costs which the Group cannot pass on to its customers will adversely impact the Group's results of operations. The Group has allocated capital to its overseas raw material projects to develop material recycling technologies in an effort to reduce its exposure to volatility in raw material prices. See "Business — Raw Materials and Other Key Inputs".

The following table sets forth the Group's cost of materials for the periods indicated:

	2012	2013	2014
		Rs Million	
Raw materials consumed	454,575	406,435	462,430
Purchase of finished, semi-finished steel and other products	210,734	184,739	170,082
Total cost of materials	665,309	591,174	632,512

Labor related expenses and other production-related costs (i.e., consumption of stores and spares and repairs to machinery) and freight and handling charges relating to sales also constitute a large portion of the Group's total expenditure. Although these costs are not subject to the same level of volatility as raw material costs, which fluctuate significantly depending on market conditions, the relatively fixed nature of such costs can have a material adverse impact on profitability during times of low production, as such costs cannot be reduced in accordance with the Group's lower production volume. In particular, a substantial majority of the Group's total labor related expenses arise from its European operations, where the Group has the majority of its steel production and where wages are higher compared to the other regions in which it operates. Despite the Group's European operations selling a significantly higher proportion of high value added products relative to its operations elsewhere, the Group's European operations have not performed as well due to the relatively high labor-related expenses in Europe and the higher cost of raw materials consumed, which results from the European operations' purchase of all of their iron ore and coal in international markets from third parties.

Product Mix

The Group's product mix also affects its revenue and profitability. In general, selling a greater proportion of high value added products should increase revenue and profitability. For example, within the flat product category, cold rolled, galvanized and tinplate products command higher prices and margins, while in the long products category, wires are considered to be high value added products. The Group's European operations produce a greater percentage of high value added products relative to its operations elsewhere. The Group has been working to increase the proportion of high value added products of its portfolio in India, as the Guarantor believes that India will likely continue to be a net importer of high value added products, meaning that there should be a strong market for the Group's products in this category. Therefore, the Group intends to continue to focus on downstream value addition through new investments and product development.

Capacity Expansion

The Group is continuing to expand its operations organically. Expansion initiatives affect the comparability of the results of operations for different periods. The Group's current growth strategy is focused on expanding its Indian operations in order to take advantage of the lower production costs at its Indian facilities. In recent years, the Group has increased its Indian operations mainly through the expansion of its production facilities in Jamshedpur. In May 2008, the Group completed a 1.8 mtpa expansion of its steel production capacity at Jamshedpur, increasing capacity from 5.0 mtpa to 6.8 mtpa. An expansion by another 2.9 mtpa at Jamshedpur was completed in 2013, which increased the Jamshedpur facility's production capacity to 9.7 mtpa. In addition, the Guarantor's new 6.0 mtpa project in Odisha is under construction. Phase one of the project, which has a capacity of 3.0 mtpa, is scheduled to commence production in the first half of 2015. See "Business — Expansion and Development Projects — India — Greenfield Projects — Odisha Steel Project".

Critical Accounting Policies

The Group has identified the accounting policies summarized below as critical to an understanding of its financial condition and results of operations. In order to prepare the financial statements of the Group, estimates and judgments are used based on, among other things, industry trends, the Group's experience and the terms of existing contracts, all of which are subject to an inherent degree of uncertainty. While the Group believes its estimates and judgments to be reasonable under the circumstances, there can be no assurance that the Group's judgments will prove correct or that actual results reported in future periods will not differ from expectations reflected in the Group's accounting treatment of certain items. In addition, other companies may utilize different accounting policies, which may impact the comparability of the Group's results of operations to those of companies in similar businesses. For a discussion of certain significant differences between Indian GAAP and IFRS, see "Description of Certain Differences Between Indian GAAP and IFRS".

Employee Benefits

i. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the employee has rendered services.

ii. For defined-benefit plans, the amount recognized in the balance sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognized. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yield on government bonds as on the balance sheet date, with remaining terms to maturity approximating those of the Group's obligations. In some of the foreign subsidiaries, the present value is determined using the AA rated corporate bonds.

iii. Other long-term employee benefits are recognized as an expense in the Consolidated Statement of Profit and Loss of the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present 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 charged in the Consolidated Statement of Profit and Loss. However, in one of the subsidiaries (Tata Steel Europe Limited), because of volatility caused by periodic changes in the assumptions underlying the computation of the pension and other post-retirement benefit liabilities, it is not considered practicable to adopt a common accounting policy for accounting for these liabilities of the Group and Tata Steel Europe Limited. As such, actuarial gains and losses for these liabilities of Tata Steel Europe Limited have been accounted in reserves and Surplus.

v. In respect of the Employee Separation Scheme, 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 Group, is charged to the Consolidated Statement of Profit and Loss.

Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalized. Borrowing costs during the period of construction are added to the cost of eligible tangible assets. Major expenses on furnace relining are capitalized. 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.

Depreciation

i. Capital assets whose ownership does not vest with the Group are 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 under the Companies Act or rates based on estimated useful life, whichever is higher.

Inventory Valuation

Finished and semi-finished products produced and purchased by the Group are carried at lower of cost and net realizable value. Work-in-progress is carried at lower of cost and net realizable value. Coal, iron ore and other raw materials produced and purchased by the Group are carried at lower of cost and net realizable value.

Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or expense in the period in which they arise.

Certain members of the Group have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with the Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on March 31, 2009 (as amended on December 29, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Group is accounted by addition or deduction to the cost of the assets so far as it relates to depreciable capital assets and in other cases by transfer to "foreign currency monetary item translation difference account" to be amortized over the balance period of the long-term monetary items.

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

Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments, below.

Derivative Financial Instruments

The Group uses derivative financial instruments such as forwards, swaps and options to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.

Derivative financial instruments entered into for hedging foreign exchange risks of recognized foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard 11 "The effects of changes in Foreign Exchange Rates".

For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value changes of the derivative financial instruments are recognized in Cash Flow Hedge Reserve and reclassified in the period in which the Consolidated Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a "basis adjustment" and recycled to the Consolidated Statement of Profit and Loss when the respective non-financial asset affects the Consolidated Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognized in the Consolidated Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in Cash Flow Hedge Reserve is retained their until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognized in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss. If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Consolidated Statement of Profit and Loss.

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.

Revenue Recognition

i. Revenue from sale of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognized gross of excise duty but net of sales tax and value added tax.

ii. Revenue from services rendered is recognized on pro-rata basis in proportion to the stage of completion of the related transaction.

iii. Export incentive under various schemes notified by the government has been recognized on the basis of amount received.

Impairment

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

Recent Changes in Accounting Policies

The actuarial gains and losses on funds of employee benefits (pension plans) of TSE for the period from April 1, 2008 have been accounted in Reserves and Surplus in the consolidated financial statements in accordance with IFRS/IND AS principles and as permitted by Accounting Standard 21. This practice is consistently followed by Tata Steel Europe Limited. Had the Group followed the practice of recognizing changes in actuarial valuations in respect of the pension and other post-retirement benefit plans of Tata Steel Europe Limited, in the Consolidated Statement of Profit and Loss, the Profit after tax, minority interest and share of profit of associates for the year ended March 31, 2014 would have been lower by Rs.6,282.3 million, the Loss after tax, minority interest and share of profit of associates for the year ended March 31, 2013 would have been higher by Rs.3,172.6 million.

Description of Income Statement Items

"Net sales" comprises revenue from operations less excise duty. Revenue from operations includes revenue from the sale of products, income from town, medical and other services, sale of power and water and other operating income.

"Raw Materials Consumed" comprises the expenses associated with the raw materials used, primarily including iron ore, coal, coke, limestone and other major inputs.

"Purchase of Finished, Semi-finished and Other Products" comprises the expenditure for buying goods intended for trading as well as own consumption.

"Changes in stock of finished goods, work-in-progress and stock-in-trade" reflects the net change in these balance sheet items during the period.

"Employee Benefits Expense" comprises salaries and wages (including bonuses), contributions to provident and other funds and staff welfare expenses.

"Depreciation and Amortization Expense" comprises depreciation of fixed assets and amortization of intangible assets.

"Finance Costs" comprises interest on loans, bonds, debentures and other forms of indebtedness, finance charges on finance leases and other borrowing costs less capitalized interest.

"Other Expenses" comprises expenses associated with stores and spare parts, conversion charges, foreign exchange losses and royalties.

"Exceptional Items" comprises profit on sale of non-current investments, provision for diminution in value of investments and provision for impairment of non-current assets.

"Tax Expense" comprises current tax and deferred tax.

Results of Operations

The following table sets forth the Group's income statement data for the years ended March 31, 2014, 2013 and 2012 which have been extracted without material adjustment from the Annual Financial Statements presented elsewhere in this Offering Memorandum and also includes the percentage change between the Financial Years presented:

	Year ended March 31,				
	2012	2013	% change	2014	% change
	(Rs. million)	(Rs. million)		(Rs. million)	
REVENUE					
Revenue from operations	1,359,756	1,388,211	2.1	1,532,128	10.4
Less: Excise duty	30,759	41,096	33.6	45,992	11.9
Net sales	1,328,997	1,347,115	1.4	1,486,136	10.3
Other income	15,730	4,792	(69.6)	5,168	7.9
Total Revenue	**1,344,727**	**1,351,907**	**0.5**	**1,491,304**	**10.3**
EXPENSES					
Raw materials consumed	454,575	406,435	(10.6)	462,430	13.8
Purchases of finished, semi-finished and other products	210,734	184,739	(12.3)	170,082	(7.9)
Changes in stock of finished goods, work-in-progress and stock-in-trade	(7,859)	14,189	280.5	(5,146)	(136.3)
Employee benefit expense	172,286	189,120	9.8	203,034	7.4
Depreciation and amortization expense	45,167	55,753	23.4	58,412	4.8
Finance costs	42,501	39,681	(6.6)	43,368	9.3
Other expenses	383,669	442,591	15.3	506,894	14.5
Less: Expenditure (other than interest) transferred to capital & other accounts	8,576	13,170	53.6	15,267	15.9
Total Expenses	**1,292,497**	**1,319,338**	**2.1**	**1,423,807**	**7.9**
Profit/(loss) before tax and exceptional items	**52,230**	**32,569**	**(37.6)**	**67,497**	**107.2**
Exceptional items					
Profit on sale of non-current investments	33,619	9,660	(71.3)	182	(98.1)
Provision for diminution in value of investments	—	—	—	(4)	—
Provision for impairment of non-current assets	—	(83,559)	(100.0)	(454)	(99.5)
Profit before tax	**85,849**	**(41,330)**	**(148.1)**	**67,221**	**262.6**
Tax Expense					
Current Tax	35,176	23,254	(33.9)	34,826	49.8
MAT Credit	(54)	(4,101)	7,494.4	(2)	(99.9)
Deferred Tax	1,242	13,141	958.1	(4,242)	(132.3)
Total tax expenses	**36,364**	**32,294**	**(11.2)**	**30,581**	**5.3**
Profit after tax	**49,485**	**(73,624)**	**(248.8)**	**36,640**	**149.8**
Minority Interest	1,731	2,145	23.9	(699)	(132.5)
Share of profit/ (loss) of associates	2,681	903	(66.3)	8	(99.1)
Profit after tax, minority interest and share of profits of associates	**53,897**	**(70,576)**	**(230.9)**	**35,949**	**150.9**

Results of Operations for the Year Ended March 31, 2013 and the Year Ended March 31, 2014

Net Sales

The Group's net sales in the year ended March 31, 2014 increased by 10.3% to Rs.1,486,136 million from Rs. 1,347,115 million in the year ended March 31, 2013. The following table presents the Group's net sales (including inter segment sales which are not included in net sales) by business segment for the periods indicated:

	Year ended March 31,	
	2013	2014
	(Rs. million)	(Rs. million)
Steel business	1,276,208	1,421,159
Other operations	145,411	143,466
Unallocable	9,931	11,209
Total	**1,431,550**	**1,575,834**
Less: Inter segment revenue	84,435	89,698
Net sales	**1,347,115**	**1,486,136**

Steel Segment

Sales from the steel business increased by 11.4% to Rs.1,421,159 million in the year ended March 31, 2014 from Rs.1,276,208 million in the year ended March 31, 2013. This increase was primarily due to increased net sales in India, Europe and Singapore, which recorded growth of 9.2%, 8.5% and 29.1% respectively, during the corresponding period. Thailand also recorded a 9.6% increase from the year ended March 31, 2013 to the year ended March 31, 2014 due to higher sales volumes.

Net sales in India increased by 9.2% to Rs.417,110 million in the year ended March 31, 2014 from Rs.381,994 million in the year ended March 31, 2013, primarily on account of higher sales volumes, which increased by 13.8%, due to the enhanced availability of saleable material, supplemented by an increase in marketing initiatives, partly offset by lower selling prices due to slower market conditions and a change in product mix towards lower priced products.

Tata Steel Europe's ("TSE") net sales increased by 8.5% to Rs.846,661 million in the year ended March 31, 2014 from Rs.780,121 million in the year ended March 31, 2013. The average revenue per ton in 2014 declined by 7% in comparison to 2013 due the continuation of lower steel capacity utilization rates in Europe due to weaker market conditions, with the continuation of the operation on only two blast furnaces at Scunthorpe and one at Port Talbot.

Net sales in Singapore increased by 29.1% in the year ended March 31, 2014, as the Group's Singapore subsidiary became the country's largest mesh (one of its core pre-fabricated products) supplier. Revenue from operations in Thailand increased by 9.6% in Rupee terms in the year ended March 31, 2014, primarily as a result of the impact of the depreciation of the Rupee against the THB in the period.

Others

Revenue from other operations decreased by 1.3% to Rs.143,466 million in the year ended March 31, 2014 from Rs.145,411 million in the year ended March 31, 2013. This decrease was primarily due to profit on sale of fixed assets of £2.28 million at TSE during the year ended March 31, 2014, compared to £9.7 million during the year ended March 31, 2013.

Unallocable Items

Revenue from unallocable items increased by 12.9% to Rs.11,209 million in the year ended March 31, 2014 from Rs.9,931 million in the year ended March 31, 2013. This increase was primarily due to the impact of foreign exchange translations at TSE.

Raw Materials Consumed

Raw materials consumed increased by 13.7% to Rs.462,430 million in the year ended March 31, 2014 from Rs.406,435 million in the year ended March 31, 2013. As compared to previous year, the decrease in raw materials consumed in India during the year ended March 31, 2014 reflects lower cost and consumption of purchased coke partly offset by higher consumption of imported coal. Consumption at TSE is largely attributable to the increase in production during the year, as well as the exchange impact on translation as a result of the depreciation of the Rupee against the Pound. Raw materials consumed in Singapore decreased, primarily as a result of lower consumption due to lower production.

Purchase of Finished, Semi-finished Steel and Other Products

The purchase of finished steel, semi-finished steel and other products decreased by 7.9% to Rs.170,082 million in the year ended March 31, 2014 from Rs.184,739 million in the year ended March 31, 2013. As compared to the previous year, purchases at the Indian operations decreased primarily as a result of lower purchases relating to project activities at Kalinganagar, which were high in the year ended March 31, 2013. Purchases at TSE decreased, reflecting the closure of the Global Positioning business in November 2012, as well as reduced purchases at the distribution and sales network. Higher purchases at Singapore and Thailand were primarily due to higher sales volumes.

Employee Benefits Expense

Employee benefits expense increased by 7.4% to Rs.203,034 million in the year ended March 31, 2014 from Rs.189,120 million in the year ended March 31, 2013. The increase in India during the year ended March 31, 2014 was primarily due to normal salary increases and the consequential increase and the corresponding increase in retirement provisions, partly offset by a change in actuarial estimates reflecting a change in discounting rates. The wage cost at TSE was lower in GBP terms as a result of a one time credit of £31 million in pension costs and a lower headcount in the period, but increased in Rupee terms as a result of the exchange rate impact on translation.

The total strength of permanent employees in the Indian operations increased to approximately 36,000 as on March 31, 2014 from approximately 35,000 as on March 31, 2013, primarily due to increase in the number of employees at the Odisha project construction site during the year ended March 31, 2014. Employees in Europe decreased to approximately 31,000 as of the end of March 2014 as compared to approximately 32,000 as of the end of March 2013. The reduction mainly resulted from restructuring measures due to cost saving measures and the continued economic downturn in Europe.

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 4.8% to Rs.58,412 million in the year ended March 31, 2014 from Rs.55,753 million in the year ended March 31, 2013. This increase was primarily due to commencement of 2.9 mtpa expansion operations at the Jamshedpur plant, as a result of which the Group began to depreciate the assets during the year ended March 31, 2014.

Finance Costs

Finance costs increased by 9.3% to Rs.43,368 million in the year ended March 31, 2014 from Rs.39,681 million in the year ended March 31, 2013. Finance costs in India was lower during the year ended March 31, 2014 as compared to previous year, primarily due to increase in interest capitalization. Finance costs in Europe increase, primarily due to the depreciation of the Rupee in the period, which led to an exchange impact on translations. Other finance costs increased in the year ended March 31, 2014, primarily relating to the Group's SGD bonds issued in the year ended March 31, 2013.

Other Expenses

Other expenses increased by 13.9% to Rs.341,189 million in the year ended March 31, 2014 from Rs.299,538 million in the year ended March 31, 2013. As compared to previous year, expenditure in Europe increased, primarily due to higher stores and spares consumed and further increased by the depreciation of the Rupee in the period. The increase in India was mainly due to an increase in stores and spares consumed, as well as royalty and conversion charges.

Exceptional Items

Exceptional items in the year ended March 31, 2014 primarily includes impairments the diminution in the value of fixed assets and goodwill in Tayo Rolls Ltd. of Rs.235 million and in Gopalpur SEZ Ltd of Rs.193 million as compared to 2013.

In the year ended March 31, 2013, the Group recognized a non-cash write down of goodwill and assets of Rs.83,559 million, compared to no such recognition in the year ended March 31, 2012. The impairment related primarily to TSE and was the result of weaker macroeconomic and market environments in Europe, where apparent steel demand has fallen significantly since the commencement of the global economic downturn in 2007. As the underlying conditions in Europe are expected to continue over the near to medium term, the cash flow expectations for TSE have been revised downwards, resulting in this write down of assets and goodwill. In addition to the impairment at TSE, the Group also recognized write down of assets in the ferro chrome business in South Africa and its mini blast furnace in Thailand in the year ending March 31, 2013, as a result of high costs of raw material feedstock.

Profit on sale of non-current investments was Rs.9,660 million in the year ended March 31, 2013, as a result of the sale of investments in subsidiaries, joint ventures and other non-current investments by the Group.

Tax Expense

Tax expenses decreased by 5% to Rs.30,582 million in the year ended March 31, 2014 from Rs.32,294 million in the year ended March 31, 2013.

Profit/(Loss) after Tax, Minority Interest and Share of Profits of Associates

As a result of the foregoing, the Group recorded a profit after taxes, minority interest and share of profit of associates of Rs.35,948 million in the year ended March 31, 2014 compared to a loss after taxes, minority interest and share of profit of associates of Rs.70,576 million in the year ended March 31, 2013.

Results of Operations for the Year Ended March 31, 2013 and the Year Ended March 31, 2012

Net Sales

The Group's net sales in the year ended March 31, 2013 increased by 1.4% to Rs.1,347,115 million from Rs.1,328,997 million in the year ended March 31, 2012. The following table presents the Group's net sales (including inter segment sales which are not included in net sales) by business segment for the periods indicated:

	Year ended March 31,	
	2012	2013
	(Rs. million)	(Rs. million)
Steel business	1,272,665	1,276,208
Other operations	134,966	145,411
Unallocable	16,638	9,931
Total	**1,424,269**	**1,431,550**
Less: Inter segment revenue	95,272	84,435
Net sales	**1,328,997**	**1,347,115**

Steel Segment

Sales from the steel business increased by 0.3% to Rs.1,276,208 million in the year ended March 31, 2013 from Rs.1,272,665 million in the year ended March 31, 2012. This increase was primarily due to increase in turnover at India and South East Asia, partly offset by a decrease in turnover at its European operations. This was partially offset by a decrease in revenue from operations in Europe, which recorded a decrease in revenue of 5% in the year ended March 31, 2013, compared to the year ended March 31, 2012. Revenue from operations in Singapore and Thailand increased by 9.2% and by 7.9%, respectively.

Net sales in India increased by 12.6% to Rs.381,994 million in the year ended March 31, 2013 from Rs.339,335 million in the year ended March 31, 2012, primarily as a result of an increase in sales volumes, as well as an increase in average selling prices. Sales volume from India increased by 12.8% to 7.5 mt in the year ended March 31, 2013 from 6.6 mt in the year ended March 31, 2012. Such increase in sales was mainly attributable to the additional production capacity provided by the commissioning of the capacity expansion at Jamshedpur. Average selling prices increased primarily as a result of improved market conditions and enhanced product mix.

Net sales in Europe decreased by 5.0% to Rs.780,121 million in the year ended March 31, 2013 from Rs.821,534 million in the year ended March 31, 2012, primarily as a result of decreases in average selling prices and a reduction in sales volume. TSE's 8% reduction in average selling price was generally a result of a deterioration in market conditions that commenced in the second half of the 2012 financial year and continued into the 2013 financial year. TSE's 6.8% fall in sales volume was mainly due to this weaker market and the operation on only two blast furnaces at Scunthorpe and one at Port Talbot in the year ended March 31, 2013, compared to three and two blast furnaces, respectively, at such sites in the year ended March 31, 2012.

Net sales in Singapore and Thailand increased by 9.2% and by 7.9%, respectively, primarily due to the depreciation of the Rupee against the SGD and THB in the period, as local currency revenues in both countries decreased in the period as a result of lower pricing, partially offset by increases in sales volume.

Others

Revenue from other operations increased by 7.7% to Rs.145,411 million in the year ended March 31, 2013 from Rs.134,966 million in the year ended March 31, 2012. This increase was primarily due to an increase in revenue in the Ferro Alloys and Minerals Division in India, partly offset by decrease in other income at TSE.

Tube sales increased by 2.7% to 387 kt in the year ended March 31, 2013 from 377 kt in the year ended March 31, 2012.

Unallocable Items

Revenue from unallocable items decreased by 40.3% to Rs.9,931 million in the year ended March 31, 2013 from Rs.16,638 million in the year ended March 31, 2012. The revenue from unallocable items in the year ended March 31, 2012 was primarily due to a decrease in inter group activities at TSE, as well as the impact of foreign exchange translation.

Raw Materials Consumed

Raw materials consumed decreased by 10.6% to Rs.406,435 million in the year ended March 31, 2013 from Rs.454,575 million in the year ended March 31, 2012. Raw materials consumed by the Group in India increased by 23.2% in the year ended March 31, 2013 compared to the year ended March 31, 2012. This increase in raw materials consumed in India was mainly due to higher production volume as well as rates, higher consumption of purchased coke and an increase in freight and handling expense on own material. Raw material consumed by the Group in Europe and Thailand decreased by 17.2% and 52.1%, respectively, in the year ended March 31, 2013 compared to the year ended March 31, 2012. The decrease in Europe was primarily due to a decrease in production volumes during the period, while the decrease in Thailand was primarily a result of lower cost of materials.

Purchase of Finished, Semi-finished Steel and Other Products

The purchase of finished steel, semi-finished steel and other products decreased by 12.3% to Rs.184,739 million in the year ended March 31, 2013 from Rs.210,734 million in the year ended March 31, 2012. This decrease was mainly due to a decline in purchases of 25.7% by the Group's operations in Europe, primarily due to lower production during the period, partially offset by increases in purchases by the Group's operations in India, primarily due to higher purchases to support activities at Kalinganagar.

Employee Benefits Expense

Employee benefits expense increased by 9.8% to Rs.189,120 million in the year ended March 31, 2013 from Rs.172,286 million in the year ended March 31, 2012. This increase in employee benefit expense was primarily attributable to a 18.4% increase in employee benefits expense in India in the year ended March 31, 2013. Such increased employees' costs in India was mainly due to normal salary increases and the corresponding increase in retirement provisions.

The employee benefit expense in Europe increased by 6.8% in the period, due to manpower restructuring activities that led to a decrease of 4% in GBP terms, which was more than offset by the depreciation of the Rupee against the GBP in the period.

Total employees decreased to approximately 80,000 as at March 31, 2013 from approximately 81,000 as at March 31, 2012. This decrease was primarily due to a decline in the number of employees in Europe to approximately 32,000 from approximately 33,000, which mainly resulted from restructuring measures to respond to the continued economic downturn in Europe, while employee numbers in India remained relatively stable.

Depreciation and Amortization expenses

Depreciation and amortization expenses increased by 23.4% to Rs.55,753 million in the year ended March 31, 2013 from Rs.45,167 million in the year ended March 31, 2012. The increase was primarily occurred in India and

Europe. The increase in India was mainly due to the expensing of capitalized expenses from the 2.9 mtpa capacity expansion, while the increase in Europe was primarily due to the depreciation of the Rupee against the GBP in the period, which increased costs in Rupee terms.

Finance Costs

Finance costs decreased by 6.6% to Rs.39,681 million in the year ended March 31, 2013 from Rs.42,501 million in the year ended March 31, 2012, primarily due to reduction in interest expense relating to the revolving credit facility and senior facility agreement of TSE.

Other Expenses

Other expenses increased by 15.3% to Rs.442,591 million in the year ended March 31, 2013 from Rs.383,669 million in the year ended March 31, 2012. The increases were primarily at the Group's India and Europe operations. The increase in India was mainly due to increased power costs, freight and handling charges, higher foreign exchange losses on revaluation of loans, royalty, stores consumed and conversion charges. The increase in Europe was primarily due to the depreciation of the Rupee against the GBP in the period, which increased costs in Rupee terms.

Exceptional Items

Exceptional items consisted of profit on sale of non-current investments and costs or income related to restructuring, impairment and disposals. In the year ended March 31, 2013, the Group recognized a non-cash write down of goodwill and assets of Rs.83,559 million, compared to no such recognition in the year ended March 31, 2012. The impairment related primarily to TSE and was the result of weaker macroeconomic and market environments in Europe, where apparent steel demand has fallen significantly since the commencement of the global economic downturn in 2007. As the underlying conditions in Europe are expected to continue over the near to medium term, the cash flow expectations for TSE have been revised downwards, resulting in this write down of assets and goodwill. In addition to the impairment at TSE, the Group also recognized write down of assets in the ferro chrome business in South Africa and its mini blast furnace in Thailand in the year ending March 31, 2013, as a result of high costs of raw material feedstock.

Profit on sale of non-current investments was Rs.9,660 million in the year ended March 31, 2013, as a result of the sale of investments in subsidiaries, joint ventures and other non-current investments by the Group.

Profit on sale of non-current investments in the year ended March 31, 2012 was Rs.33,619 million and was mainly attributable to the sale of the Group's stake in Tata Refractories Limited and Riversdale Mining Limited. In the year ended March 31, 2012, the Group sold part of its interest in Tata Refractories Limited to Krosaki Harima Corporation at a profit of Rs.4,418 million. Consequently, the Group and its subsidiary's holding in TRL reduced to 26.62%. The Group also tendered its entire 27.1% stake in Riversdale Mining Limited to Rio Tinto Jersey Holdings Limited at a profit of Rs.29,201 million.

Tax Expense

Tax expenses decreased by 11.2% to Rs.32,294 million in the year ended March 31, 2013 from Rs.36,365 million in the year ended March 31, 2012, primarily due to a MAT credit of Rs.4,101 million the year ended March 31, 2013, compared to Rs.54 million in the year ended March 31, 2012.

Profit/(Loss) after Tax, Minority Interest and Share of Profits of Associates

As a result of the foregoing, the Group recorded a loss after taxes, minority interest and share of profit of associates of Rs.70,576 million in the year ended March 31, 2013 compared to a profit after taxes, minority interest and share of profit of associates of Rs.53,898 million in the year ended March 31, 2012.

Liquidity and Capital Resources

Capital Requirements

The Group's principal capital requirements are for capital expenditure, payment of principal and interest on its borrowings and, in some years, acquisitions of subsidiaries and joint ventures. Geographically, the capital requirements of the Group's European operations have been, and are expected to continue to be, the greatest due to the relatively weaker operating performance of TSE. This has therefore resulted in, and is expected to continue to result in, substantial funding of those operations from parts of the Group with stronger operating performance, in particular India. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations, supplemented by funding from bank borrowings and the capital markets. For the three years ended March 31, 2014 the Group had met its funding requirements, including capital expenditure, satisfaction of debt obligations, investments, taxes, other working capital requirements, dividends and other cash outlays, principally with funds generated from operations and equity issuances with the balance principally met using external borrowings.

In addition to the offering of the Notes, the Guarantor is considering other financing and refinancing transactions intended to diversify its obligations and lengthen the maturity profile of its indebtedness. In order to implement this strategy, the Guarantor or its subsidiaries may enter into new credit facilities or issue other foreign or local currency securities, on negotiated terms which are customary for such arrangements.

Cash Management Policy

The Group has a separate treasury function for its operations in Europe, India, Singapore and Thailand. Each location manages its liquidity and cash needs separate and distinct from each other. Cash, except as set forth below, from one of the Group's principal areas of operations has not been used to support the operations one another.

The Group has cash pooling structures in South-East Asia and Europe to manage its liquidity and reduce overall bank borrowing and transaction costs. The Group is currently in the process of implementing a similar structure for India. In each of these structures, the entity designated as the cash pool collect all surplus cash and provides short-term liquidity to the participating entities.

Since the Group's acquisition of its European operations, the Guarantor and its subsidiaries have injected approximately £1,180 million to TSE and its subsidiaries as equity or subordinated indebtedness. In 2008 approximately £250 million, in 2009 approximately £425 million and in 2010 approximately £100 million. Since the refinancing of the 2007 facility in 2010, the Guarantor and its subsidiaries have injected an additional £405 million in the form of equity or subordinated indebtedness. In November 2012, £485 million of this subordinated indebtedness was converted into shares at the rate of £1 per share. Outside of these funding arrangements the Issuer has subscribed to unsecured notes issued by a subsidiary of TSE in the amount of €150 million. Furthermore, the Group intends to use a substantial portion of the proceeds from this offering of Notes to repay/ pre-pay the foreign currency indebtedness of its European operations. See "Use of Proceeds".

In addition, Tata Steel Global Procurement Company Pte. Limited ("TSGP") acts as a centralized procurement center for the Group including the provisions of trade financing structures on an arm's length basis. Pursuant to these arrangements, TSGP provides working capital support primarily for the procurement of materials and services in the case of TSE, and materials for India. Proco Issuer Pte. Ltd., a subsidiary of TSGP also provides working capital support by purchase of receivables from TSE's subsidiaries

Cash Flow Data

The Group seeks, in normal circumstances, to maintain a substantial cash and cash equivalents balances to provide it with financial liquidity and operational flexibility. The Group's cash is placed in bank fixed deposits, certificates of deposit with banks and mutual funds. As at March 31, 2014, the Group had cash and cash equivalents Rs.84,513 million.

The following table sets forth selected items from the Group's consolidated cash flow statement for the periods indicated:

	Year ended March 31,		
	2012	**2013**	**2014**
	(Rs. million)	**(Rs. million)**	**(Rs. million)**
Net cash generated from operating activities	112,548	140,353	131,459
Net cash used in investing activities	(37,054)	(132,969)	(164,511)
Net cash from (used in) financing activities	(83,319)	(17,804)	10,146
Net increase (decrease) in cash and cash equivalents	(7,825)	(10,420)	(22,906)
Closing balance of cash and cash equivalents	106,571	96,691	84,513

Cash Flows Generated from Operating Activities

The Group generated Rs.131,459 million from operations during the year ended March 31, 2014 as compared to Rs.140,353 million in the year ended March 31, 2013. The cash generated from operations prior to the changes in working capital and tax payments in the current period was Rs.174,282 million against Rs.127,636 million during the previous year, reflecting higher profits. Cash from operations was lower than the previous year due to increase in the working capital during the current period by Rs.12,696 million, as against a decrease of Rs.38,406 million in the previous year. The payments of income taxes during the year ended March 31, 2014 was Rs.30,127 million as compared to Rs.25,690 million in during the year ended March 31, 2013.

The Group generated Rs.140,353 million from operations during the during the year ended March 31, 2013 as compared to Rs.112,548 million in the during the year ended March 31, 2012. The cash generated from operations prior to the changes in working capital and tax payments in the current period was Rs.127,636 million against Rs.137,789 million in the previous year. Cash from operations was higher than the previous year due to a decrease in working capital by Rs.38,406 million in the during the year ended March 31, 2013 as against a decrease of Rs.9,425 million in the previous year.

Cash Flows Used in Investing Activities

Cash used in investing activities was Rs.164,511 million in the year ended March 31, 2014, primarily for capital expenditure, which totaled Rs.164,201 million in the period and which was partly offset by sales of current and non-current investments.

Cash used in investing activities was Rs.132,969 million in the year ended March 31, 2013, primarily for capital expenditure, which totaled Rs.154,715 million in the period and which was partly offset by sales of current and non-current investments.

Cash Flows Generated from / (Used in) Financing Activities

Cash from financing activities in the year ended March 31, 2014 (which consists of loan receipts net of loan repayments and interest payments) amounted to Rs.10,146 million, compared to cash used in financing activities of Rs.17,804 million in the year ended March 31, 2013

Cash used in financing activities (which consists of loan receipts net of loan repayments and interest payments) in the year ended March 31, 2013 was Rs.17,804 million, as compared to Rs.83,319 million during the year ended March 31, 2012.

The net decrease in cash and cash equivalents was Rs.22,907 million, excluding the effect of exchange fluctuation of Rs.10,728 million in the year ended March 31, 2014, with a balance of Rs.84,513 million as on March 31, 2014 against a balance of Rs.96,691 million as on March 31, 2013.

The net decrease in cash and cash equivalents was Rs.10,420 million, excluding Rs.1,980 million effect of exchange rate on translation of foreign currency cash and bank balances, in the year ended March 31, 2013 resulting in a cash and cash equivalent balance of Rs.96,691 million as on March 31, 2013.

Indebtedness

The Group's principal sources of external financing include both short-term and long-term facilities (in both Rupees and other currencies). The Group is required to secure certain of its borrowings, in line with established market practices. As at March 31, 2014, the Group had total outstanding indebtedness of Rs.816,086.5 million. 74.0% of the total outstanding indebtedness as at March 31, 2014 was denominated in foreign currency, principally in Euro, with the remainder denominated in Rupees.

The following table sets forth the Group's consolidated debt position and a summary of the maturity profile for its debt obligations as at March 31, 2014:

	Short term	Less than or equal to one year	One to two years	Two to five years	More than 5 years	Total
			Rs. million			
Bonds/Debentures	—	36,928.1	10,366.6	10,416.7	109,998.6	167,710.0
Term Loans	152,053.3	36,919.4	147,838.8	144,217.9	85,515.0	566,544.4
Repayable on Demand	6,228.9	56,948.2	—	—	—	63,177.1
Finance Lease Obligations	—	1,231.3	1,223.8	3,006.7	4,085.4	9,547.2
Other Borrowings	1,979.6	133.6	5,942.8	752.8	299.0	9107.8
Total loans	**160,261.8**	**132,160.6**	**165,372.0**	**158,394.1**	**199,898.0**	**816,086.5**

Some of the Group's financing agreements and debt arrangements contain financial covenants that require the satisfaction and/or maintenance financial tests and ratios, including requirements to maintain debt to equity ratios, debt coverage ratios and certain other liquidity ratios. In addition, such agreements and arrangements also require the Group to obtain prior lender consents for certain specified actions, including issuing new securities, changing business of the Group, merging, consolidating, selling significant assets or making certain acquisitions or investments. See "Risk Factors — Risks Related to the Guarantee — The Group is subject to certain restrictive covenants in its financing arrangements which may limit operational and financial flexibility, and failure to comply with these covenants may have a material adverse effect on the Group's future results of operations and financial condition" and "Description of Material Indebtedness".

Operating leases

The Group's operating leases consist of leases associated with its plant and machinery. The total charges in the year on account of operating lease was Rs.11,235 million, Rs.12,949 million, Rs.14,420 million for the year ended March 31, 2012, 2013 and 2014 respectively.

The following table sets forth the total minimum lease payments for Group's operating leases in each period:

	Year ended March 31,		
	2012	**2013**	**2014**
Period		**(Rs. million)**	
Not later than one year	13,235	11,580	12,932
Later than one year but not later than five years	32,913	31,998	38,702
Later than five years	35,641	34,739	46,178
Total	81,790	78,317	97,812

Commitments

In addition to the operating leases noted above, the Group has entered into contracts, on capital account, that are not provided for in the Group's financial statements of Rs.162,576 million, Rs.145,018 million, Rs.104,857 million for the years ended March 31, 2012, 2013 and 2014, respectively.

Capital expenditure

The Group's expansion plans, including acquisitions of other businesses and joint ventures, require significant capital expenditure. The Group's capital expenditure totaled Rs.131,698 million, Rs.163,102 million and Rs.183,176 million in years ended March 31, 2012, 2013 and 2014, respectively. These expenditures related primarily to the expansion projects at Jamshedpur facility, the development of a new greenfield steel plant in Odisha and the development of iron ore and coal mines as well as expenditures for the maintenance and improvements of various existing facilities. For the year ending March 31, 2015, the Group expects its actual capital expenditures to be lower than actual capital expenditures in the year ended March 31, 2014. The Group periodically reassesses its capital expenditure plans, and the planned amounts of such expenditures may change materially after such assessment.

The Group's current capital investments in India are focused on the expansion of production capacity and increasing production of high value-added products. The Group's capital investments in its European facilities are focused on maintenance and renovation of its existing capacity. The Group is also seeking to improve the efficiency of its facilities in order to reduce production costs.

The Group's planned and budgeted capital investments in India are focused on the expansion of production capacity and increasing production of high value-added products. A significant portion of the Group's total capital expenditures in India is expected to be applied towards the completion of phase one and phase two of the Odisha project, with a total budgeted capital investment of approximately Rs.431,490 million, the bulk of which is for phase one. The Group estimates that approximately Rs.162,870 million has already been incurred with respect to phase one of the Odisha project as of March 31, 2014. In connection with the Odisha project, the Guarantor entered into long-term unsecured Rupee loan in the amount of Rs.228,000 million (US$3,807.0 million) in July 2014. Given the challenges, particularly as regards the weather, in managing such a large project in that region, there can be no assurance that the timetable for that project will be met. Nonetheless, the Group does not expect that the actual costs to complete the Odisha project will materially exceed the Group's current estimates. See "Business — Expansion and Development Projects — India — Greenfield Projects — Odisha Steel Project" and "Risk Factors — Risks Related to the Group — The Group may not be able to obtain adequate funding required to carry out its future plans for growth". The Group's planned and budgeted capital investments in its European facilities are focused on maintenance and renovation of its existing capacity. The Group is also seeking to improve the efficiency of its facilities in order to reduce production costs. The Group expects its European capital investments to require approximately US$420 million per year in capital expenditures for the next two to three years.

The Group's expansion plans, including acquisitions of other businesses and joint ventures, require significant capital expenditure. There are a number of factors that could affect the feasibility of the Group's expansion plans and its ability to timely complete them, including receiving financing on reasonable terms or at all, obtaining required regulatory permits and licenses, the expiration of any agreements with local governments related to such projects, demand for the Group's products and general economic conditions. See "Risk Factors — Risks Related to the Group — If the Group is unable to successfully implement its growth strategies, its results of operations and financial condition could be adversely affected" and "Risk Factors — Risks Related to the Group — The Group may not be able to obtain adequate funding required to carry out its future plans for growth."

Contingent Liabilities

The following table sets forth the Group's consolidated contingent liabilities on account of guarantees and claims not acknowledged by the Group as at March 31, 2014:

	(Rs. million)
Guarantees	6,032
Excise	6,374
Customs	165
Sales tax and VAT	3,382
State levies	5,930
Suppliers and service contract	804
Labor related	510
Income tax	1,553
Royalty	140
Others	10,256

Capital Resources

The following tables respectively set forth (i) the Group's proceeds from its principal financing activities for the periods indicated and (ii) the Group's consolidated borrowings as at the dates indicated:

	Year ended March 31,		
	2012	2013	2014
		(Rs. million)	
Issue of share capital	5,346	—	—
Issue of Preference Shares	200	—	—
Proceeds from issue of Hybrid Perpetual Securities	7,750	—	—
Proceeds from borrowings	189,565	301,286	385,576
	202,861	**301,286**	**385,576**

For a discussion of the Group's material indebtedness, please see "Description of Material Indebtedness".

Off-Balance Sheet Arrangements

As at March 31, 2014, the Group did not have any material off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

The Group is exposed in the ordinary course of its business to risks related to changes in exchange rates, interest rates, commodity prices and energy and transportation tariffs.

Exchange Rate Risk

The Group's reporting currency is Rupee. The Group has significant operations in the United Kingdom, the Netherlands and Asia (mainly Singapore, China, Vietnam, Australia and Thailand). Respective units face fluctuations in cash flows to the extent their operating cash flows are transacted in foreign currencies. Volatility in exchange rates affects the Group's results from operations in a number of ways. It impacts the Group's revenue from export markets and the costs of imports, primarily in relation to raw materials.

The Group is exposed to exchange rate risk under its trade and debt portfolio. In order to hedge exchange rate risk under its trade portfolio and capital account transactions, the Group has a policy to hedge cash flows up to a specific tenure using forward cover contracts. On its debt portfolio, the Group uses currency and principal only swaps to hedge exchange rate risk. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt. As at March 31, 2014, 26.0% of the Group's total outstanding indebtedness, which totaled Rs.212,243 million, was denominated in Rupees, and the remaining 74.0% was denominated in various foreign currencies, including U.S. dollars, GBP, Euro, Japanese Yen and Singapore dollars. As a result, the Group's results of operations may be materially affected by the significant fluctuations in the exchange rates of relevant foreign currencies. See "Risk Factors — Risks Related to the Group — The Group's operating results are affected by movements in exchange rates and interest rates".

Hedging Activities

The Group uses forward covers, principal only swaps and currency swaps to hedge the foreign currency risk arising on account of its revenue and debt portfolio. All hedging activities are carried out in accordance with the Group's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Group operates. The Group's risk management policies attempt to protect business planning from adverse currency and interest rate movements. The Group does not use derivative contracts for speculative purposes. As at March 31, 2014, approximately half of the Group's loans were subject to hedging arrangements.

The accounting policies of the Group require that the liabilities and hedges thereon be revalued at each balance sheet date. Hedges taken against contracted and forecasts exposures are marked to market and losses, if any, are taken to the statement of profit and loss and gains if any are ignored. Hedges taken against balance sheet items are revalued along with underlying exposures.

Hedging activities in India are governed by the RBI, whose policies must be complied with at all times. The policies under which the RBI regulates hedging activities can change from time to time, and these policies may affect the effectiveness with which the Group manages its exchange rate risk. The Group generally keeps a hedge of three to six months on its revenue account, keeps a high hedge ratio on capital expenditure based on respective tenures and keep its debt portfolio proactively hedged. Interest rate risk is hedged on case by case basis depending on evolving economic scenario.

Interest Rate Risk

The Group is exposed to the interest rate risk on short-term and long-term floating rate instruments and also on the refinancing of fixed rate debt. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings. As at March 31, 2014, 72.4% of the Group's total outstanding indebtedness, which totaled Rs.590,467 million, was subject to floating rates.

The Group's floating rate debt is mostly linked to the Euro London Interbank Offering Rate ("LIBOR"). The costs of floating rate borrowings may be affected by the fluctuations in the interest rates. The Group has selectively used interest rate swaps to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a regular basis. The Group does not enter into hedging instruments for speculative purposes.

Borrowing and interest rate hedging activities in India are governed by the RBI and the Group has to comply with its regulations. The policies under which the RBI regulates these borrowing and interest rate hedging activities can change from time to time and can impact the effectiveness with which the Group manages its interest rate risk. Any increase in interest rates could therefore materially and adversely affect the Group's cash flow, business, results of operations and financial condition. See "Risk Factors — Risks Related to the Group — The Group's operating results are affected by movements in exchange rates and interest rates".

Commodity Price Risk

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products that the Group sells. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products.

The Group primarily purchases its raw materials on the open market from third parties. The Group is therefore subject to fluctuations in prices for the purchase of coal, ferro alloys, zinc, scrap and other raw material inputs. For example, TSE purchased all of its raw material requirements from third parties on the open market in the year ended March 31, 2014. In the year ended March 31, 2014, approximately 56% of the coal requirements for the Group's Indian operations were sourced from third parties. The Group's exposure to price fluctuations in raw materials is mitigated in part by the fact that its Indian operations are currently self-sufficient in terms of its iron ore needs, as they are able to extract sufficient iron ore from their captive mines to satisfy their needs.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE GUARANTOR

The following discussion is intended to convey management's perspective on the financial condition and operating performance of the Guarantor as at and for the years ended March 31, 2012, 2013 and 2014 on a non-consolidated basis, as measured in accordance with Indian GAAP. The following discussion of the Guarantor's financial condition and results of operations should be read in conjunction with the Guarantor's financial statements, the schedules and notes thereto and the other information included elsewhere in this Offering Memorandum. The Guarantor's financial statements are prepared in accordance with Indian GAAP. Indian GAAP and Indian auditing standards differ in certain respects from IFRS and other accounting principles and auditing standards in the countries with which prospective investors may be familiar. For a discussion of certain significant differences between Indian GAAP and IFRS, see "Description of Certain Differences Between Indian GAAP and IFRS".

This section contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including those described under the sections "Forward-Looking Statements and Associated Risks" and "Risk Factors" beginning on pages ix and 24 of this Offering Memorandum, respectively.

The Guarantor's non-consolidated financial information has been presented in this Offering Memorandum together with the Group's financial information in order to provide potential investors with additional information relating to the financial results of the Group as a whole.

Results of Operations

The following table sets forth the Guarantor's income statement data for the years ended March 31, 2014, 2013 and 2012 on a non-consolidated basis, which have been extracted without material adjustment from the Annual Financial Statements presented elsewhere in this Offering Memorandum and also includes the percentage change between the two periods presented:

	Year ended March 31,				
	2012	2013	% change	2014	% change
	(Rs. million)	(Rs. million)		(Rs. million)	
REVENUE					
Revenue from operations	370,057	423,172	14.4	463,093	9.4
Less: Excise duty	30,722	41,178	34.0	45,983	11.7
Net sales	339,335	381,994	12.6	417,110	9.2
Other income	8,864	9,020	1.8	7,877	(12.7)
Total Revenue	**348,199**	**391,014**	**12.3**	**424,987**	**8.7**
EXPENSES					
Raw materials consumed	80,144	98,774	23.2	96,777	(2.0)
Purchases of finished, semi-finished and other products	2,095	4,533	116.4	3,526	(22.2)
Changes in stock of finished goods, work-in-progress and stock-in-trade	(2,207)	(4,046)	83.3	(1,552)	61.6
Employee benefit expense	30,473	36,023	18.2	36,731	2.0
Depreciation and amortization expense	11,514	16,404	42.5	19,287	17.6
Finance costs	19,254	18,768	(2.5)	18,206	(3.0)
Other expenses	118,245	144,209	22.0	163,758	13.6
	259,518	314,665	21.2	336,733	7.0
Less: Expenditure (other than interest) transferred to capital & other accounts	4,782	8,761	83.2	10,299	17.6
Total Expenses	**254,736**	**305,904**	**20.1**	**326,434**	**6.7**
Profit/(loss) before tax and exceptional items	**93,463**	**85,110**	**(8.9)**	**98,553**	**15.8**

	Year ended March 31,				
	2012	2013	% change	2014	% change
	(Rs. million)	(Rs. million)		(Rs. million)	
Exceptional items					
Profit on sale of non-current investments	5,110	123	(97.6)	—	(100.0)
Provision for diminution in value of investments/ advances	—	(6,867)	100.0	(1,418)	79.4
Profit before tax	**98,573**	**78,366**	**(20.5)**	**97,135**	**24.0**
Tax Expense					
Current Tax	31,151	17,705	(43.2)	30,980	75.0
MAT Credit	—	(3,998)	100.0	—	100.0
Deferred Tax	458	14,029	—	2,033	(85.5)
Total tax expenses	**31,609**	**27,736**	**(12.3)**	**33,013**	**19.0**
Profit after tax	**66,964**	**50,630**	**(24.4)**	**64,122**	**26.6**

Results of Operations for the Years Ended March 31, 2014 and 2013

Net Sales

The Guarantor's net sales in the year ended March 31, 2014 increased by 9.2% to Rs.417,110 million from Rs.381,994 million in the year ended March 31, 2013.

The following table presents the Guarantor's net sales (including inter segment sales which are not included in net sales) by business segment for the periods indicated:

	Year ended March 31,	
	2013	2014
	(Rs. million)	(Rs. million)
Steel	352,702	386,884
Ferro Alloys and Minerals	29,096	29,216
Others	20,470	22,096
Less: Inter segment revenue	20,274	21,086
Net sales	**381,994**	**417,110**

Steel Segment

Sales from steel division increased by 9.7% to Rs.386,884 million in the year ended March 31, 2014 from Rs.352,702 million in the year ended March 31, 2013. The average net realization of the steel business remained low due to tepid demand throughout the current year. The new successful ramp up of the new facilities under the 2.9 mtpa expansion program led to a concomitant increase by 1.03 mt, or 13%, in crude steel production by the Guarantor in the year ended March 31, 2014. Sales increased by 13.9% to 8.52 mt in in the year ended March 31, 2014 from 7.48 mt in the year ended March 31, 2013.

Ferro Alloys and Minerals Segment

Sales from the ferro alloys and minerals segment increased by 0.4% to Rs.29,216 million in year ended March 31, 2014 from Rs.29,096 million in the year ended March 31, 2013, primarily as a result of an increase in average sale prices, as total sales volumes decreased slightly, to 1,004 kt in the year ended March 31, 2014 compared to 1,152 kt in the year ended March 31, 2013.

Others segment

Sales from other operations increased by 7.9% to Rs.22,096 million in the year ended March 31, 2014 from Rs.20,470 million. The tubes division experienced volume growth of 8%, despite a slowdown in the market. Sales in the tubes division increased by 8.2% to Rs.19,374 million in the year ended March 31, 2014 from Rs.17,903 million in the year ended March 31, 2013.

Raw Materials Consumed

Raw materials consumed decreased by 2% to Rs.96,777 million in the year ended March 31, 2014 from Rs.98,774 million in the year ended March 31, 2013, primarily due to lower cost and consumption of purchased coke. The decreases were partially offset by higher consumption of imported coal and imported limestone, as well as increased consumption of ferro alloys and other raw materials, plus higher freight and handling costs of own material.

Purchase of Finished, Semi-finished Steel and Other Products

The purchase of finished steel, semi-finished steel and other products decreased by 22.2% to Rs.3,526 million in the year ended March 31, 2014 from Rs. 4,533 million in the year ended March 31, 2013. This decrease was primarily due to lower purchases at the Group's growth shop as a result of Odisha projects and external orders, as well as lower purchase in the wires and CRC west divisions. The decreases were partly offset by increased purchase of imported rebars in the steel division and higher purchases at the tubes division.

Employee Benefits Expense

Employee benefits expense increased by 2% to Rs.36,731 million in the year ended March 31, 2014 from Rs.36,023 million in the year ended March 31, 2013. The increase was primarily on account of normal salary increases. The increases were partly offset by a reduction in retirement provisions on account of a change in actuarial estimates due to change in discounting rates. The total strength of permanent employees in the Group's India operations increased to approximately 36,000 as on March 31, 2014, as compared to approximately 35,000 as on March 31, 2013, primarily due to an increase in the number of employees at the Odisha project construction site during the year ended March 31, 2014.

Finance Costs

Finance costs decreased by 3% to Rs.18,206 million in the year ended March 31, 2014 from Rs.18,768 million in the year ended March 31, 2013. The decrease was primarily due to higher interest capitalization, partly offset by a net increase in interest paid.

Other Expenses

Other expenses increased by 13.6% to Rs.163,758 million in the year ended March 31, 2014 from Rs.144,209 million in the year ended March 31, 2013. This increase was mainly due to a 10% increase in purchase of power, a 22% increase in freight and handling charges and a 25% increase in expenditure for stores and spare parts consumed. The increase in purchase of power was primarily due to an increase in the cost for own use and higher purchases for outside sales. Increase in own use was due to rate and volume increases to support higher production volumes. The increase in expenditure for stores and spares was primarily due to higher consumption of operational spares, industrial gases and other stores and spares to support higher production.

Exceptional Items

Exceptional items in the year ended March 31, 2014 represents a provision due to the of diminution in value of investments of Rs.975.3 million in TAYO Rolls Limited, Rs.247.1 million in Strategic Energy Technology Systems Private Limited and Rs.195.2 million in Gopalpur SEZ Limited.

Exceptional items in the year ended March 31, 2013 represents a provision due to the diminution in the value of investments of Rs.6,869 million in TSKZN, partly offset by the profit on the sale of a stake in Sila Eastern Pvt. Ltd of Rs.27 million.

Tax Expense

Tax expenses increased by 19% to Rs.33,013 million in the year ended March 31, 2014 from Rs.27,736 million in the year ended March 31, 2013. The Guarantor's effective tax rate, which is income tax expense as a percentage of profit before tax, was 34% for the year ended March 31, 2014 as compared to 35.4% for the year ended March 31, 2013.

Profit after Tax

As a result of the foregoing, the Guarantor recorded a profit after taxes of Rs.64,122 million in the year ended March 31, 2014 compared to a profit after taxes of Rs.50,630 million in the year ended March 31, 2013.

Results of Operations for the Years Ended March 31, 2013 and 2012

The Guarantor's net sales in the year ended March 31, 2013 increased by 12.6% to Rs.381,994 million from Rs.339,335 million in the year ended March 31,2012.

The following table presents the Guarantor's net sales (including inter segment sales which are not included in net sales) by business segment for the periods indicated:

	Year ended March 31,	
	2012	**2013**
	(Rs. million)	**(Rs. million)**
Steel	313,317	352,702
Ferro Alloys and Minerals	24,740	29,096
Others	20,024	20,470
Total	358,081	402,268
Less: Inter segment revenue	18,746	20,274
Net sales	**339,335**	**381,994**

Steel Segment

Sales from the steel division increased by 12.6% to Rs.352,702 million in the year ended March 31, 2013 from Rs.313,317 million in the year ended March 31, 2012. The increase was primarily due to an increase in sales volume of 12.8% to 7.5 mt in the year ended March 31, 2013 from 6.6 mt in the year ended March 31, 2012. Such increase in sales was mainly attributable to the additional production capacity provided by the commissioning of the capacity expansion at Jamshedpur.

Ferro Alloys and Minerals

Sales from the ferro alloys and minerals segment increased by 17.6% to Rs.29,096 million in the year ended March 31, 2013 from Rs.24,740 million in the year ended March 31, 2012, primarily as a result of an increase in average sale prices, as total sales volumes decreased slightly, to 1,152 kt in the year ended March 31, 2013 compared to 1,351 kt in the year ended March 31, 2012.

Others

Sales from other operations increased by 2.2% to Rs.20,470 million in the year ended March 31, 2013 from Rs.20,024 million in the year ended March 31, 2012. The tubes division experienced sales volume growth of 3%, despite a slowdown in the market. Sales in the tubes division increased by 0.4% to Rs.17,903 million in the year ended March 31, 2013 from Rs.17,835 million in the year ended March 31, 2012.

Purchase of Finished, Semi-finished Steel and Other Products

The purchase of finished steel, semi-finished steel and other products increased to Rs.4,533 million in the year ended March 31, 2013 from Rs.2,095 million in the year ended March 31, 2012. This increase was primarily due to higher purchases by Tata Steel growth shop to support project activities at Kalinganagar, as well as higher purchases in the wires division.

Raw Materials Consumed

Raw materials consumed increased by 23.2% to Rs.98,774 million in the year ended March 31, 2013 from Rs.80,144 million in the year ended March 31, 2012. This increase in raw materials consumed was primarily due to higher production volumes as well as rates, higher consumption of purchased coke and an increase in freight and handling of own materials costs. The increases were partly offset by a reduction in the cost of imported coal during the year ended March 31, 2013.

Employee Benefit Expense

Employee benefits expense increased by 18.2% to Rs.36,023 million in the year ended March 31, 2013 from Rs.30,473 million in the year ended March 31, 2012. This increase was primarily due to normal salary increases and the corresponding increase in retirement provisions. Retiring benefits provisions also increased further during the year ended March 31, 2013 due to changes in actuarial assumptions.

Other expenses

Operation and other expenses increased by 22% to Rs.144,209 million in the year ended March 31, 2013 from Rs.118,245 million in the year ended March 31, 2012. This increase was mainly attributable to the increase in the purchase of power on account of rate and volume increases to support higher production of hot metal, the increase in conversion charges due to increase conversion activities in long products, flat products and ferro alloys. These increases were supplemented by increases in repairs to machinery costs, which increased as a result of activity at mines and collieries and overhauling and other maintenance activities in the steel division, as well as increase in royalty expenses, which increased due to increases in royalty rates and higher production volumes of iron ore and coal.

Net Finance Charges

Net finance charges increased by 45.6% to Rs.15,461 million in the year ended March 31, 2013 from Rs.10,616 million in the year ended March 31, 2012 primarily due to lower interest income and lower profit on sale of current investments during the year.

Tax Expense

Tax expenses decreased by 12.3% to Rs.27,736 million in the year ended March 31, 2013 from Rs.31,609 million in the year ended March 31, 2012. This decrease was primarily due to lower profits for the year ended March 31, 2013.

Profit after Tax

As a result of the foregoing, the Guarantor recorded a profit after taxes of Rs.50,630 million in the year ended March 31, 2013 compared to a profit after taxes of Rs.66,964 million in the year ended March 31, 2012.

Liquidity and Capital Resources

Cash Flow Data

The Guarantor seeks, in normal circumstances, to maintain a substantial cash and cash equivalents balance to provide it with financial liquidity and operational flexibility. The Guarantor's cash is placed in bank fixed deposits, certificates of deposit with banks and mutual funds. As at March 31, 2014, the Guarantor had cash and cash equivalents of Rs.9,093 million.

The following table sets forth selected items from Guarantor's cash flow statement for the periods indicated:

	Year Ended Mar 31st		
	2012	2013	2014
	Rs. Million	Rs. Million	Rs. Million
Net Cash flow from operating activities	104,238	1,10,687	124,328
Net Cash flow from investing activities	(28,591)	(85,224)	(98,374)
Net Cash flow from financing activities	(77,667)	(42,816)	(38,260)
Net increase /(decrease) in cash & cash equivalents	(2,020)	(17,353)	(12,306)
Closing Cash and Cash Equivalents	38,748	21,395	9,093

Cash Flows Generated from Operating Activities

The net cash from operating activities was Rs.124,328 million during the year ended March 31, 2014 as compared to Rs.110,687 million during the year ended March 31, 2013. Cash operating profit before working capital changes and direct taxes during the year ended March 31, 2014 was Rs.132,364 million as compared to Rs.115,869 million during the year ended March 31, 2013 due to improved profitability. Decreases in trade and other receivables and increases in trade payables were partly offset by an increase in inventories resulting in the overall decrease in working capital during the year ended March 31, 2014. Income taxes paid during the year ended March 31, 2014 were Rs.24,472 million as compared to Rs.19,799 million during the year ended March 31, 2013.

The net cash generated from operating activities was Rs.110,687 million during the year ended on March 31, 2013 as compared to Rs.104,238 million during the year ended March 31, 2012. Cash operating profit before working capital changes and direct taxes during the year ended March 31, 2013 was Rs.115,869 million, as compared to Rs.118,289 million during the year ended March 31, 2012. Decreases in trade and other receivables and increases in trade payables were partly offset by increases in inventories, resulting in the overall decrease in working capital.

Cash Flows Used in Investing Activities

Net cash used in investing activities amounted to Rs.98,374 million in the year ended March 31, 2014 as compared to Rs.85,224 million the year ended March 31, 2013. Cash used in the year ended March 31, 2014 broadly represents capital expenditure primarily on account of the Kalinganagar project at Odisha of Rs.95,491 million and the purchase (net of sale) of current investments of Rs.16,974 million partly offset by dividends received of Rs.4,917 million.

Net cash used in investing activities amounted to Rs.85,224 million in the year ended March 31, 2013 as compared to Rs.28,591 million during the year ended March 31, 2012. Cash used in the year ended March 31, 2013 consisted of incremental investments in subsidiaries of Rs.21,238 million and capital expenditure of Rs.75,085 million, partially offset by the sale of current investments of Rs.9,917 million and interest and dividend income received of Rs.2,043 million.

Cash Flows Generated from / (Used in) Financing Activities

Net cash used in financing activities was Rs.38,260 million during the year ended March 31, 2014 as compared to Rs.42,816 million during the year ended March 31, 2013. Cash used in the year ended March 31, 2014 was primarily used for the repayment of borrowings of Rs.64,699 million, interest payments of Rs.15,034 million and dividend payments of Rs.9,005 million, partly offset by fresh borrowing of Rs.53,254 million.

Net cash used in financing activities was Rs.42,816 million during the year ended March 31, 2013 as compared to Rs.77,667 million during the year ended March 31, 2012. Cash used in the year ended March 31, 2013 was primarily used for the repayment of borrowings net of fresh borrowing of Rs.10,933 million and interest and dividend payments of Rs.28,076 million.

INDUSTRY OVERVIEW

*Market data and certain industry forecasts used in "**Industry Overview**" were obtained from internal surveys, market research, publicly available information and industry publications published by the World Steel Association, the Indian Ministry of Steel, the Ministry of Heavy Industries and Public Enterprises of India, Eurofer, the CRU Guide Steel Metal Outlook, the Society of Indian Automobile Manufacturers, the Automotive Component Manufacturers Association of India and the Investment Committee of India. Such information has been accurately reproduced herein and, as far as the Group is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and neither the Group nor any of the Joint Lead Managers makes any representation as to the accuracy or completeness of this information.*

Overview

Steel is a metal alloy consisting of iron as the key component. Steel also consists of carbon and other alloys, which vary according to the grade of steel, and is generally considered to be a cornerstone of industrial development. Steel is highly versatile, as it is hot and cold formable, weldable, hard, lustrous, a good conductor of heat and electricity, malleable, ductile, recyclable and resistant to corrosion, water and heat. The industries in which steel is used include construction, automotive and transportation and engineering. Steel is also used in the production of power lines, pipelines, electrical and electronic appliances and containers.

Production Process

The conventional production of steel from iron ore (which consists primarily of iron and oxygen) begins with the reduction of iron ore in a blast furnace (the "BF") using metallurgical coke as a reducing agent. The metal produced in the BF is then processed in a basic oxygen furnace (the "BOF"), where oxygen is blown into molten iron in order to reduce its carbon content. In 2013, the BF-BOF process was used in the production of approximately 71.2% of the steel produced globally, according to the WSA. The metallurgical coke used in the BF-BOF process is produced out of low ash-content coking coal.

Due to inadequate supplies of coking coal in some parts of the world, a second steel-producing process, the electric arc furnace ("EAF") method, was developed. In the EAF process, steel scrap or directly reduced iron ("DRI") is charged in an EAF and is melted using graphite electrodes.

An alternative way of producing steel is by using a medium or high frequency electrical induction furnace ("IF"). In the IF, metal is melted through electro-magnetic induction in an electrically conductive metal coil. Mild steel, stainless steel and low and high alloy steel can be made by using induction furnaces. Alloying elements are added to the molten metal, as needed based on the metallurgical grade to be produced.

The major raw materials used in steel production depend on the production technology. The BF-BOF process mainly requires iron ore and coke that, in turn, requires coking coal, the DRI-EAF process requires scrap or sponge iron and non-coking coal and the induction furnace requires scrap and DRI. The availability of the relevant raw materials at commercial prices is essential to sustain profits for steel producers.

Products

Steel produced by these processes is either cast into long products such as bars, rods, rails and structural shapes or into flat products such as hot rolled ("HR") coils and sheets.

Long products are so called because they come out of the mill as long bars of steel. However, they are produced in a wide range of shapes and sizes and can have cross-sections shaped like an H or I (called joists, beams and columns), a U (channels) or a T (sections). Long products are principally used in the construction industry and also used in the production of capital goods and railways.

Flat products, mainly in the form of HR coils and sheets, are used in structural materials, welded pipes and tubes and in the automobile and white goods (home appliances) industries. The major end-use sectors for pipes and tubes are water supply and distribution, other industrial applications, housing applications and transport of petroleum products. Welded steel pipes are manufactured from HR coils by electrical resistance welding and are used in many piping applications. Submerged arc-welded pipes are manufactured from HR coils and are mainly used in the supply and distribution of water and gases. Seamless steel pipes and tubes manufactured from HR coils are used in the oil and gas sectors.

HR coils can also be further processed in cold rolling mills to produce cold rolled products by passing the HR coils or strips through rollers at room temperature to reduce their thickness. "Rolling" is the main method used to shape steel into different products. Rolling the steel by passing it between a set of rolls revolving at the same speed but in opposite directions makes the otherwise coarse grain structure of cast steel re-crystallize into a much finer grain structure, giving greater toughness, shock resistance and tensile strength. In addition to hot rolling, in which the steel is rolled at a high temperature, steel may also be rolled at ambient temperatures, resulting in a different set of physical and metallurgical properties.

The Global Steel Industry

The global steel industry is cyclical and the growth or decline of the steel industry is linked to the economic cycle of a country and in particular, to industrial production and infrastructure development. Global production capacity, trade policies of countries and the regional demand-supply scenario also strongly influence the industry. Steel producers may attempt to reduce the impact of cyclicality through various measures like diversification of manufacturing operations to various geographies (preferably emerging markets with low-cost operations), diversification of customer base and focus on value-added products.

According to the WSA, global crude steel production in 2013 was approximately 1,606 mt, while global apparent steel consumption in 2013 was 1,481 mt.

Global Steel Production

Growth in steel production has been volatile. According to the WSA, global steel production grew on average by negative 0.5% per year from 1990 to 1995, 2.4% per year from 1995 to 2000, 6.1% per year from 2000 to 2005 and 1.7% per year from 2005 to 2009. For the period 2009-2013, global crude steel production grew by 6.4% per year. Individual rates for these years ranged from a 15.8% growth in 2010 to a 0.5% growth in 2012.

Overall global crude steel production in 2013 was 1,606 mt. In 2013, according to the WSA, crude steel production increased by 5.3% in Asia (6.6% increase in China, 5.1% increase in India, 7.8% increase in Taiwan, 3% increase in Japan); decreased by 2.2% in North America (2.0% decrease in the United States); decreased by 1.8% in the EU 28 (0.04% decrease in Germany, 11.6% decrease in Italy); decreased by 8.3% in non-EU 28 European countries (3.4% decrease in Turkey); and decreased by 2.6% in the Commonwealth of Independent States (2.5% decrease in Russia, 0.6% decrease in Ukraine). Excluding China, overall steel production in 2013 decreased by approximately 0.1% compared to 2012 level.

The following table sets forth total crude steel production by country or region for the periods indicated:

Country/Region	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
China	222.3	272.8	355.8	421.0	489.7	512.3	577.1	638.7	702.0	716.5	779.0
EU 28	192.5	202.5	195.6	207.3	210.2	198.6	139.4	172.8	177.7	168.6	165.6
Japan	110.5	112.7	112.5	116.2	120.2	118.7	87.5	109.6	107.6	107.2	110.6
India	31.8	32.6	45.8	49.5	53.5	57.8	63.5	69.0	73.5	77.6	81.2
Russia	61.5	65.6	66.1	70.8	72.4	68.5	60.0	66.9	68.9	70.4	69.4
United States	93.7	99.7	94.9	98.6	98.1	91.4	58.2	80.5	86.4	88.7	87.0
South Korea	46.3	47.5	47.8	48.5	51.5	53.6	48.6	58.9	68.5	69.1	66.0
South America	43.0	45.9	45.3	45.3	48.2	47.4	37.8	43.9	48.2	46.4	46.0
Middle East	13.4	14.3	15.3	15.4	16.5	16.6	17.8	20.0	23.0	24.7	25.9
Rest of the world	156.0	169.0	168.7	178.0	187.9	177.6	147.2	172.4	181.3	175.8	151.8
World	**971.0**	**1062.5**	**1147.8**	**1250.5**	**1348.1**	**1342.6**	**1237.0**	**1432.8**	**1537.0**	**1545.0**	**1582.5**

Source: WSA 2014 Revised Monthly Statistics

For the five months ended May 31, 2014, the WSA estimated that total crude steel production in 65 countries (which accounted for more than 99% of total global crude steel production in 2013) was 684.2 mt — a growth of approximately 3.9% over the same period in 2013. China recorded a 4.9% increase in production for the five months ended May 31, 2014, as compared to the same period in 2013. Production in the United States fell by 0.8% and in EU 28 increased by 5.3% over the same period.

The following table sets forth total crude steel production by country or region for the periods indicated:

For first five months of each year

Country/Region	2012	2013	2014	2012	2013
		(in mt)		(% change)	(% change)
China	296.0	324.4	340.3	9.6	4.9
EU 28	74.4	69.6	73.3	(6.5)	5.3
Japan	44.9	45.4	46.1	1.1	1.5
India	31.6	34.1	34.7	7.9	1.8
Russia	30.0	29.0	29.0	(3.3)	0.0
United States	39.0	36.0	36.3	(7.7)	0.8
South Korea	29.3	27.6	30.0	(5.8)	8.7
South America	19.8	18.9	18.6	(4.5)	(1.6)
Middle East/Africa	14.9	17.0	17.9	14.1	5.3
Total for 65 countries	**638.4**	**658.7**	**684.2**	**3.2**	**3.9**

Source: WSA Crude Steel Production Data for May 2014

Over the past decade, steel production has continued to shift from its traditional base in heavily industrialized countries to fast-growing developing markets, such as China and India. In 2000, the United States and EU 28, collectively, accounted for approximately 34.8% and Japan accounted for 12.5%, of the global steel production. At the same time, China and India accounted for 15.1% and 3.2%, respectively, of global steel production. By 2005, however, contribution by the United States and EU 28, collectively, decreased to 25.4% and Japan decreased to 9.8% of global steel production, while China and India accounted for 30.9% and 4.0%, respectively. In 2009, the United States and EU 28, collectively, accounted for only 16.1% of global steel production, Japan accounted for 7.1%, while China and India contributed 46.4% and 5.1%, respectively. According to the WSA, in 2013, China was the largest single producer of crude steel in the world, producing approximately 700 mt of crude steel, which represents an 8.7% increase in production over 2012. In 2013, India was the fourth largest producer of crude steel, producing approximately 81.2 mt of crude steel.

The recent production shift to Asia has largely been the result of proximity to the major growth markets for steel consumption and the greater availability of key raw materials. Moreover, while production in Europe, Japan and the United States have improved following the economic slowdown in 2008 and 2009, steel producers in those regions continue to face challenges due to slacking demand. The Commonwealth of Independent States region (mainly Russia and Ukraine) are large exporters mainly due to low operating costs because of their access to cheap raw materials and weakened currencies. The recent shift to Asia is also evident in the number of Asia based steel producers who are ranked amongst the top ten in crude steel production.

The following table set forth the top ten steel producers in the world in 2013, according to the WSA:

Rank	Company	Steel Production in MT
1	ArcelorMittal	96.1
2	Nippon Steel & Sumitomo Metal Corporation	50.1
3	Hebei Group	45.8
4	Baosteel Group	43.9
5	Wuhan Group	39.3
6	POSCO	38.4
7	Shagang Group	35.1
8	Ansteel Group	33.7
9	Shougang Group	31.5
10	JFE	31.2
11	Tata Steel Group	25.3
12	Shandong Steel Group	22.8
13	U.S. Steel Corporation	20.4
14	Nucor Corporation	20.2
15	Tianjin Bohia Steel	19.3

Source: WSA World Steel in Figures 2014 (Includes only Worldsteel Member Companies)

Global Steel Consumption

The United States and Europe have historically been the major consumers of steel. In 2000, the United States and EU 28 accounted for 37.8% of apparent consumption of steel globally, while Japan accounted for 10% and India and China accounted for 3.6% and 16.3%, respectively. By 2005, the United States and EU 28 accounted for 26.4%, Japan accounted for 7.3% and China and India accounted for 33.2% and 3.8%, respectively, of global apparent steel consumption. In 2013, the contribution of the United States and EU 28, in aggregate, was just 15.8% and that of Japan was 4.4%. However, China accounted for 47.3% and India accounted for 5.0% of the global apparent steel consumption in 2013.

Overall apparent steel consumption in 2013 was 1,481.4 mt, a 3.6% increase over the previous year. Over this period, as reflected in the table below, apparent steel consumption increased in all regions. The EU 28 apparent steel consumption was 138.3 mt, a 0.2% decrease over the previous year. According to the WSA, in 2013, China was the largest single apparent steel consumer of finished steel products in the world, consuming approximately 700 mt of finished steel products, which represents a 6.1% increase over 2012. In 2013, India was the third largest apparent steel consumer, consuming approximately 73.7 mt of finished steel.

The following table sets forth apparent steel consumption data by country or region for the periods indicated

in MT											
Country/Region	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
China	240.5	275.8	347.5	377.7	418.4	446.9	551.4	587.6	641.2	660.1	700.2
EU 28	163.7	172.5	166.1	190.4	201.6	183.7	117.1	147.2	155.7	139.3	138.3
United States	100.8	117.4	105.4	119.6	108.3	98.4	59.2	79.9	89.2	96.2	95.6
India	33.1	35.3	39.9	45.6	51.5	51.4	57.9	64.9	69.8	72.4	73.7
Japan	73.4	76.8	76.7	79.0	81.2	78.0	52.8	63.6	64.1	63.9	65.3
South Korea	45.4	47.2	47.1	50.2	55.2	58.6	45.4	52.4	56.4	54.1	51.6
Middle East	25.6	28.2	32.2	34.3	43.6	45.8	42.9	47.1	49.6	48.3	47.8
Russia	25.3	26.3	29.3	34.9	40.4	35.4	24.9	35.6	40.9	42.3	43.0
World	**884.9**	**974.0**	**1,043.7**	**1,143.2**	**1,220.2**	**1,219.1**	**1,142.4**	**1,301.4**	**1,403.6**	**1,429.8**	**1,481.4**

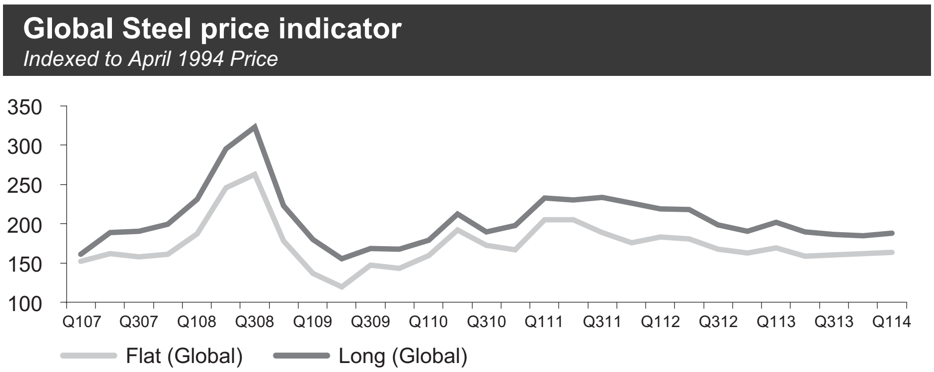
Source: WSA World Steel in Figures, 2014

Global Steel Prices

Steel prices are volatile and fluctuate in response to changes in global supply and demand, raw material costs and general economic conditions. After a downturn in demand beginning in 1998, global steel prices hit a historic low in the third quarter of 2001. Since then, global steel prices have generally increased, reflecting stronger global demand, led primarily by China. In the third quarter of 2008, global steel prices declined sharply due to weak global economic conditions which led to a fall in global demand. The steel industry also fluctuates in response to a combination of factors, including the availability and cost of raw materials, global production capacity, the existence of, and changes in, steel imports, exchange rates, transportation and labor costs and protective trade measures.

In recent years, global steel prices have been increasingly volatile due to increased communications across global markets and levels of steel trading as a percentage of total steel production.

The graph below reflects quarter on quarter variation in global steel prices.



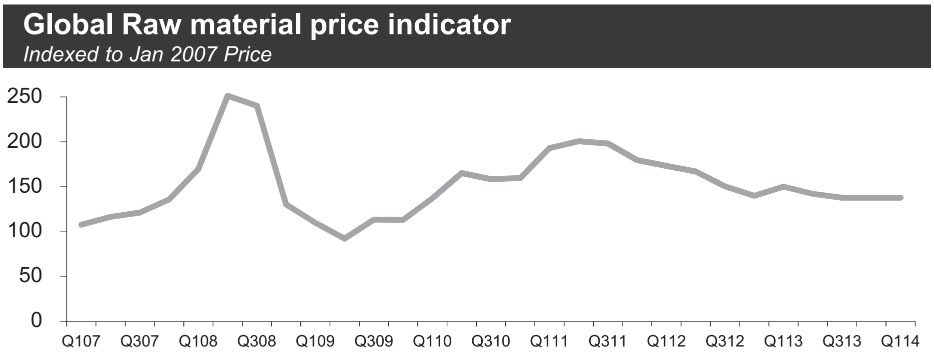
Source CRU

Market Trends

The emergence of China as a significant producer and consumer of steel has been and will continue to be a significant factor affecting the global steel industry. Several additional trends have emerged.

- *Higher raw material costs.* The cost of procuring key raw materials used in the production of steel, including iron ore and coking coal, have steadily increased due to the robust growth in global crude steel production levels. In addition, many of these materials are concentrated in a limited number of locations. Costs associated with transportation and logistics add to the cost of sourcing such raw materials. Consequently, many major iron ore and coal producers are investing in new mines to increase production capacity. Several global steel producers, such as ArcelorMittal, POSCO and Baosteel, have sought to secure their raw materials from low-cost, iron ore rich countries such as Brazil and Russia. Steel producers, including Tata Steel, POSCO, CSN and Bhushan Steel, have acquired stakes in coking coal assets in Africa and Australia in order to secure their future supplies. Recently, several global steel producers have looked to Africa to secure their key raw materials. However, many have faced difficulties with relatively under-developed transportation infrastructure to and from Africa.

  The graph below reflects quarter on quarter fluctuation in raw material prices.



Source CRU
Note: Index is CRU index to track raw material prices for steel

- *Globalization of the steel industry*. Steel production and trade have become increasingly global. Increased access to key raw materials, declining steel tariffs and import restrictions have had a significant impact on domestic steel markets. In addition, developed countries have experienced increased costs associated with labor, freight and raw materials, which have in turn reduced the economic viability of basic steel production. Emerging markets, such as India, have become a target for global steel producers because of their relatively low steel penetration alongside relatively strong GDP growth outlook. In addition, cheap skilled labor and the presence of domestic sources for raw materials make certain emerging markets, including India, attractive locations for steel production operations. Leading steel producers such as ArcelorMittal, Nippon Steel, POSCO, and Severstal are setting up or have announced plans to set up steel operations in India either through joint ventures or independently.
- *Increased bargaining power of raw material suppliers*. The top three global mining companies, BHP Billiton, CVRD and Rio Tinto, supply the majority of the global market for processed iron ore to steel mills and therefore have significant bargaining power. Substantial increases in iron ore prices by these mining companies in recent years have resulted in steel producers having to raise prices to maintain margins. Many leading steel companies are also looking to pursue investments in mines as a safeguarding measure against rising raw material costs. In addition, steelmakers are adjusting to a recent shift in the pricing of iron ore and coking coal after Vale, BHP Billiton and other raw material suppliers abandoned the 40-year tradition of annual prices in favor of the quarterly, index-linked contracts system. This change to quarterly pricing exposes steel producers to additional volatility and price risk.

Steel producers have responded to these industry trends in part through consolidation. In 2002, Europe's Usinor, Arbed and Aceralia merged to form Arcelor, and Japan's Kawasaki Steel and NKK merged to form JFE. Also in 2002, Nucor acquired the assets of Birmingham Steel, and International Steel Group ("ISG") acquired the assets of Acme, LTV and Bethlehem Steel in the United States. In late 2004, Ispat International N.V. and LNM Holdings N.V., which comprised the LNM Group, merged to form Mittal Steel, and in early 2005, Mittal Steel merged with ISG, forming the world's then largest steel company. The merger of Arcelor and Mittal Steel in 2006 has created a steel giant that continues to be the largest steel producer in the world accounting for approximately 97.2 mt of steel production in 2011, representing approximately 6.3% of total global output, according to the WSA. The Group's acquisition of Corus is another example of consolidation within the industry. Chinese steel producers are also consolidating to become major players.

Despite recent consolidation, the global steel market remains highly fragmented. According to the WSA, the five largest global steel producers in 2013 accounted for approximately 17% of total worldwide steel production, and the fifteen largest steel producers accounted for approximately 34% of total global steel production. The highly fragmented nature of the market may leave greater scope for further consolidation over time. If the trend towards consolidation continues, the Group could be placed in a disadvantageous competitive position relative to other steel producers and its business, results of operations, financial condition and prospects could be materially and adversely affected. See "Industry Overview — Market Trends" and "Risk Factors — Risks Related to the Group — Developments in the competitive environment in the steel industry, such as consolidation among the Group's competitors, could have a material adverse effect on the Group's competitive position and hence its business, financial condition, results of operations or prospects".

Global Steel Outlook

According to the WSA, in 2013, apparent steel consumption in the NAFTA declined by 2.4% as compared to 2012, but is estimated to increase by 5.7% in 2014. The EU 28 had shown a 0.7% decline in apparent steel consumption in 2013.

India had a growth of 1.8% for apparent steel consumption in 2013 and is estimated to grow by 6.1% in 2014.

China is estimated to witness growth of 2.9% in apparent steel consumption in 2014 after growing 6.1% in 2013. The last time that China's apparent steel use recorded negative growth was in 1995 when apparent steel consumption fell by 17.2% following the real estate bubble burst. Apparent steel consumption for the world excluding China is estimated to increase by 2.7% in 2014.

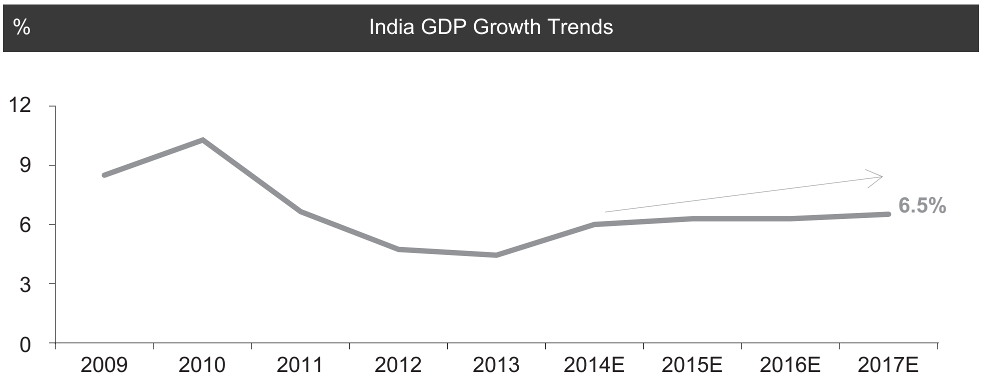
The following table sets forth the WSA's 2012 and 2013 figures and 2014 forecasts for global steel consumption based on apparent steel use by country or region:

Country/Region	2012	2013	2014 (forecasted)
		(in mt)	
EU 28	139.3	138.3	137.8
Non EU 28	34.8	37.7	38.4
CIS	57.5	58.8	61.0
NAFTA	132.2	129.0	136.3
Central and South America	47.2	48.5	51.0
Africa	26.4	29.0	30.3
Middle East	48.3	47.8	52.6
China	660.1	700.2	720.7
India	72.4	73.7	78.2
Asia and Oceania	944.8	991.5	1,015.9
World (excluding China)	**769.7**	**781.2**	**802.6**

Source: WSA World Steel Figures 2014

Key Growth Drivers for Indian Steel Industry

The Indian economy is one of the largest economies in the world with a GDP at current prices estimated at US$1.85 trillion at current prices 2011, according to the World Bank. India's economy has grown significantly in recent years with 8.5% and 10.3% growth in 2009 and 2010, slowing to 4.4% in 2013. The graph below captures the year-on-year trend of GDP growth in India. According to the WSA, apparent steel consumption in India grew 3.7% in 2012 and 1.8% in 2013 and is estimated to grow at 6.1% in 2014. In addition, according to the WSA, India's per capita consumption of finished steel is relatively low at 58 kg as compared to China at 515 kg, Japan at 516 kg, the United States at 300 kg, United Kingdom at 128 kg, South Korea at 1,057 kg, Taiwan at 793 kg, UK at 128 kg and a world average at 225 kg in 2013.



Source Global Insight, EIU.

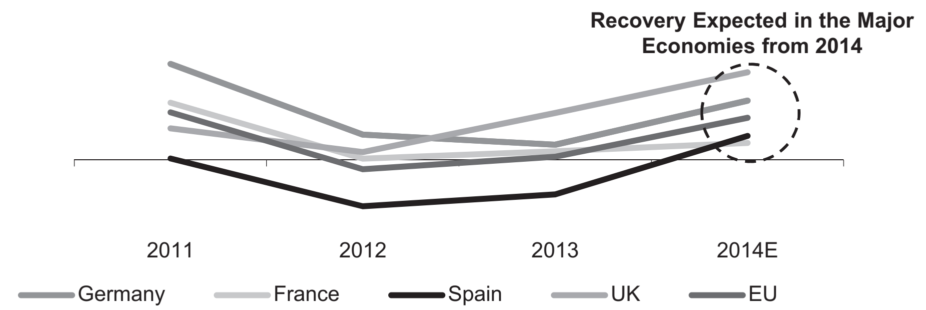
Growth in steel demand in India is projected to increase, spurred by the increasing local need for steel based products from the infrastructure and automobile industries. According to the Twelfth Five Year Plan (the "Plan"), India's steel consumption is expected to grow at about 10.3%, if the GDP growth rate is at about 9%. The Plan demands that the production capacities for steel be increased to approximately 142.3 mt within the Plan period to meet the increasing demand. The Plan included an addition of 118,536 megawatts of power capacity and 1229 mt of new capacity in ports, the expansion of India's four-lane and six-lane highway system and an expansion of its railway system's freight capacity. The total projected investment in infrastructure during the Plan is Rs.65,794 billion.

In addition, the automobile and automobile components industries are also expected to drive the growth of steel in India. According to the Society of Indian Automotive Manufacturers ("SIAM"), the Indian automobile sector has grown rapidly in recent years with total production growing at a CAGR of 12.9% from the year ended March 31, 2005 to the year ended March 31, 2011, driven by growth in production of all of its major segments such as passenger vehicles, commercial vehicles and utility vehicles. This growth has been supported by increases in domestic sales and exports, which grew by a CAGR of 23.7% in the same 5 year period. The automobile sector is expected to continue to rise on increasing disposable income levels and improved infrastructure; however, continuing high inflation, fuel prices, and firm interest rates will hamper growth in the near future. A gradual revival of passenger vehicle sales is expected in 2014-15 due to improved sentiments, led by macroeconomic revival and lower cost of ownership.

Key Growth Drivers for European Steel Industry

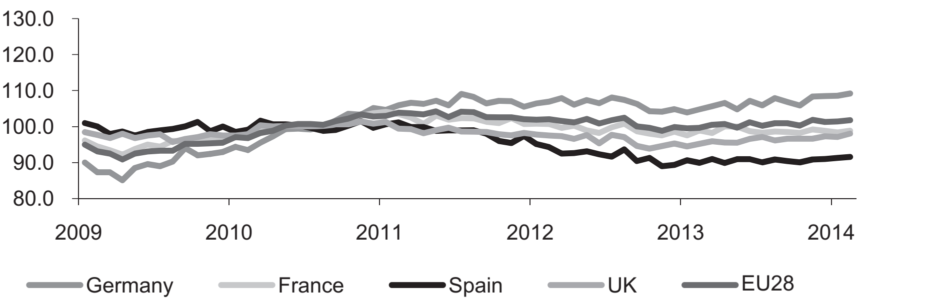
In the final quarter of 2013, economic growth in the EU 28 showed a mild acceleration compared with the preceding quarter; GDP growth crept up to 0.4% quarter-on-quarter and 1.1% year-on-year. In line with expectations, the contribution of domestic demand to growth strengthened moderately, with investment gaining traction towards the end of 2013. At the same time, exports remained the key growth driver. In recent months, industrial production has grown at a cautious but steady pace. Output grew 1.9% year-on-year in January and 2.1% year-on-year in February. The tables below show GDP growth and Industrial production growth in different countries

Subdued GDP growth continued in 2013; Recovery expected starting 2014 (GDP Growth (%))



Source IMF

Industrial production has started to witness growth
Index 2010 = 100 (Excl. Construction Sector)



Source Eurofer

Following the gradual recovery of the EU's steel using sectors during 2013, output increased further in the first quarter of 2014. Activity in the steel using sector is forecast to grow 2.7% in 2014. A further Euro appreciation and slow credit growth are the key downward risks. The table below highlights the growth of key steel using sectors in Europe.

Key Steel End User Segments in Europe: Growth Trends

	% Share in Total Consumption	2013	2014	2015
Construction	35	(3.0)	1.4	2.2
Automotive	18	1.3	3.5	2.3
Metal Goods	14	0.1	2.6	3.8
Mechanical Engineering	14	(3.7)	3.0	4.4
Tubes	13	(4.7)	4.8	3.8
Domestic Appliances	3	(0.2)	2.9	4.0
Other Transport	2	2.4	4.5	4.7
Miscellaneous	2	(1.0)	3.5	3.3
Total	100	(1.8)	2.7	3.1

Source: Eurofer

DESCRIPTION OF THE ISSUER

ABJA Investment Co. Pte. Ltd., the Issuer, is a wholly owned subsidiary of the Guarantor and was incorporated in the Republic of Singapore, on April 12, 2013.

Business

The principal activities of the Issuer are the provision of treasury services for and on behalf of the Group. Since its incorporation, the Issuer has not engaged in any material activities other than the proposed issue of the Notes and the authorization of documents and agreements referred to in this Offering Memorandum to which it is or will be a party, as well as the issuance of the 2023 Notes (as defined below) and activities relating to the use of proceeds therefrom.

The issuance of the Notes was approved by the Board of Directors on behalf of the Issuer on July 23, 2014.

The directors of the Issuer at the date of this Offering Memorandum are Sandip Biswas, Aniruddha Banerjee, Sanjib Nanda and Swapna Nair, each of whom were appointed on April 12, 2013.

The registered office of the Issuer is at 22 Tanjong Kling Road, Singapore 628048.

Debt

The Issuer issued S$300,000,000 4.95% Guaranteed Notes due 2023 (the "2023 Notes") on May 3, 2013, which are guaranteed by the Guarantor. The principal amount outstanding is not amortizing and is due in full on May 3, 2023. Interest is payable semi-annually in arrears on each of May 3 and November 3. Other than the 2023 Notes, as of the date of this Offering Memorandum, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued, or created but unused), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities.

The table below reflects the balance sheet of the Issuer as at March 31, 2014.

	As at March 31, 2014	
	(US$ '000)	(S$ '000)
ASSETS		
Current Assets		
Cash and cash equivalent	7,540	9,482
Other receivables	5,427	6,825
Total current assets	12,967	16,307
Non-current assets		
Loan receivables due from a related company	228,108	286,856
Derivate financial instruments	1,063	1,337
Total non-current assets	229,171	288,193
TOTAL ASSETS	242,138	304,500
LIABILITIES AND EQUITIES		
Current Liabilities		
Bank Overdrafts	—	*
Other payables	5,439	6,840
Tax payable	37	47
Total current liabilities	5,476	6,887
Non-current Liabilities		
Guaranteed notes	236,253	297,099
Deferred tax liability	17	21
Derivative financial instruments	7,761	9,760
Total non-current liabilities	244,031	306,880
Capital and accumulated losses		
Share capital	196	247
Accumulated losses	(7,565)	(9,514)
Net capital deficiency	(7,369)	(9,267)
TOTAL LIABILITY AND NET OF CAPITAL DEFICIENCY	**242,138**	**304,500**

* Amount less than S$1,000.

BUSINESS

Overview

The Group, as a leading global steel producer with over 100 years of operating history, has maintained financial prudence and judiciously maintained its debt level in recent years despite ongoing capital expenditure in India and Europe. The Group is one of the world's largest steel companies with a steel production capacity of approximately 29.3 mtpa. According to the World Steel Association ("WSA"), the Group was the world's 11th largest steel maker by crude steel production volume in 2013. The Group is also one of the most geographically diversified steel producers, with operations in 26 countries and a commercial presence in more than 50 countries. As of March 31, 2014, the Group had approximately 80,000 employees.

The Guarantor was established as India's first integrated steel company in 1907 by Jamsetji N. Tata, the founder of the Tata Group, and is one of the flagship companies of the Tata Group. The Group has a presence across the entire value chain of steel manufacturing, including producing and distributing finished products as well as mining and processing iron ore and coal for its steel production. The Group's operations are primarily focused in Europe, India and Southeast Asia. In the year ended March 31, 2014, the Group's operations in Europe and India represented 56.8% and 32.6%, respectively, of its total steel production.

The Group has grown significantly with its steel production capacity increasing from approximately 5.0 mtpa in the year ended March 31, 2006 to approximately 29.3 mtpa as of March 31, 2014. This growth was primarily due to the Group's acquisition in April 2007 of Corus and brownfield expansion of its Jamshedpur facility in India. As of March 31, 2014, the majority of the Group's steel production capacity was located in the United Kingdom and the Netherlands, where the Group has four facilities with a total steel production capacity of 17.4 mtpa. The Group also has significant operations in Jamshedpur, India, where the Group operates a 9.7 mtpa steel production plant and a variety of finishing plants. The Group's operations in India also include captive iron ore and coal mines. The remaining 2.2 mtpa of the Group's steel production capacity is located in Singapore and Thailand. The Group plans to further expand steel production capacity through greenfield investments including, but not limited to, a greenfield expansion project at Odisha, which is expected to add 6 mtpa of flat product production capacity.

The Group offers a broad range of steel products including a portfolio of high value added downstream products such as hot rolled, cold rolled and coated steel, sections, plates, rebars, wire rods, tubes, rails and wires. The Group is also a large producer of ferro chrome in India. According to the Group's own estimate, the Group was the fifth largest high carbon ferro chrome producer in the world, with a domestic market share of 22% and global market share of 7% in the year ended March 31, 2014.

The Group's main markets for its products are Europe and India, which accounted for approximately 76.5% of the Group's net sales in the year ended March 31, 2014, with the remaining sales primarily taking place in other markets in Asia and in North America. The Group's customers are primarily in the construction, infrastructure, automotive, consumer goods, material handling, aerospace and general engineering industries.

In the years ended March 31, 2012, 2013 and 2014, the Group recorded net sales of Rs.1,328,997 million, Rs.1,347,115 million and Rs.1,486,135 million, respectively. The Group recorded a profit after taxes, minority interests and share of profit of associates of Rs.53,898 million in the year ended March 31, 2012, a loss after taxes, minority interests and shares of profit of associates of Rs.70,576 million in the year ended March 31, 2013 and profit after taxes, minority interests and share of profit of associates of Rs.35,949 million in the year ended March 31, 2014. The Group had total assets of Rs.1,716,445 million as of March 31, 2014. For the years ended March 31, 2012, 2013 and 2014, the Group had total steel production of 24.0 million tons, 24.2 million tons and 27.4 million tons, respectively.

Key Strengths

Global scale

The Group is one of the world's largest steel companies and operates a global suite of integrated steel making facilities, mining complexes and distribution companies. It has the second highest geographically diversified presence among the steel makers with a presence in over 50 countries, including both developed and emerging markets and principal markets in Europe, India and Asia Pacific. The Group believes that its global scale and reach enhances its ability to service, retain and attract multi-national customers and, in particular, customers from the European and Asian automotive, packaging and construction industries. As major customers continue to globalize their operations and are increasingly relying on a select few global suppliers for their products (such as in the automotive sector), the Group believes it can attract new customers and better retain its existing customers through its diversified downstream operations, product range and strong product branding, as well as its extensive distribution and production capabilities. The Group is a major supplier to several leading global automotive companies and has been awarded the "Core Supplier" status by the French car manufacturer PSA Peugeot Citroën.

The Group also benefits from its global scale operations to achieve greater economies of scale and cost efficiencies. It has a large global network of procurement, production plants and distribution network, which allows the Group to improve its cost efficiencies across the supply chain, from raw material sourcing to product deliveries and support functions.

Leading position across operations

The Group is the world's 11th largest steel maker by crude steel production volume in 2013, according to the WSA. It has significant market positions in its principal markets of India and Europe across main areas of operations in upstream and downstream steel products.

In India, the Group produces flat products used in the automotive and engineering industries and long products used in the construction industry, including in the industrial, commercial, infrastructure and housing sectors. According to the Joint Plant Committee, the Group produced 11.2% of all the crude steel and 11% of all the finished steel in India for the period of April 2013 to March 2014. The Group's Indian operations were the third largest producer of crude steel in India. According to the Joint Plant Committee, for carbon steel the Guarantor had a market share of 18.6% in flat products and 4.5% in non-flat products in India for the period from April 2013 to March 2014, in each case based on sales volume.

In recent years, through continued investment in flat steel technologies, the Group has established itself as a major supplier of high-grade steel products to certain key segments in India, where the barriers to entry for other Indian producers are high. For example, the Guarantor is currently the largest supplier of steel products to the Indian automotive industry, with a market share of approximately 43%, according to the Group's own estimate. The Group has a wide range of accredited products with imported products representing most of the remaining markets in this industry.

Over the years, the Group has increased its market positioning by developing strong brands such as Tata Tiscon and Tata Shaktee and improving customer services in the flat product segment for the Indian retail segment. In India, the Group continues to focus on sales of its branded products and solutions, which are sold at a higher premium compared to unbranded products. The Group has seven brands in steel and three brands in ferro alloys. The branded turnover increased to 44% of total turnover in the year ended March 31, 2014, as compared to 41% in the year ended March 31, 2013. Total sales of branded products in India reached approximately 4.0 million tons in the year ended March 31, 2014, which is approximately 11% higher over the previous year and double the approximately 2.0 million tons sold in the year ended March 31, 2012. Emphasis on catering to the need of the small and medium enterprise sector resulted in a 31% increase in sales in the year ended March 31, 2014 of brands like Tata Astrum and Tiscon Ready Build over the previous year.

In addition, as a member company of the Tata Group, the Group also benefits from being identified with the Tata brand, which is a widely recognized brand in India.

Europe, principally the European Union, is the largest market for the Group's operations, and contributed approximately 47.5% of its total net sales in the year ended March 31, 2014. The Group's European operations consist of its principal production facilities in the United Kingdom and the Netherlands, and a wide sales and distribution network, with sales offices, stockholder wholesalers, service centers and joint venture and associate arrangements for distribution and further processing of steel products. The Group believes that its diversified customer sector portfolio and strategic focus on creating customer relationships will continue to generate customer loyalty and maintain its market share position in the construction, packaging, rail and automotive sectors. The Group further believes that the rebranding of Corus to Tata Steel Europe and individual product brands will continue to generate customer loyalty and help in maintaining market leadership.

In 2012, the Guarantor became the world's first integrated steel company to be awarded the Deming Grand Prize, a leading honor in quality awarded to a company for excellence in top quality management ("TQM"). The award is given by the Japanese Union of Scientists and Engineers to companies for demonstrating practicing TQM in the areas of production, customer service, safety, human resource, corporate social responsibility and environment etc.

Sustainable and highly cost efficient operations in India

The Group is one of the lowest cost steel producers in India and it has successfully maintained its cost leadership over several years. The Group's Indian operation's cost of production ranks among the lowest for hot rolled coils globally. The Group derives its competitive advantage through access to steel production raw materials from their captive mines and a highly skilled workforce with a relatively low cost of labor at its operations in India. This is reflected by the Group's compound annual growth rate of operating costs per ton India of 3.7% between the year ended March 31, 2009 and the year ended March 31, 2014, compared to an average inflation rate of 10.3% over the same period. This advantage is especially valuable given the difficulty of achieving raw materials cost pass through in the steel industry. In India, the Group has significant captive iron ore, coking coal, chrome ore and manganese ore mines that accommodate a majority of its existing and future production requirements. The table below indicates, for the periods presented, the ranking of the operators with the lowest cost for producing hot rolled coils.

Cost of Hot Rolled Coils

				Cost				
	Country	**Operation**	**Operating Company**	**2008**	**2009**	**2010**	**2011**	**2012**
						(US$/ton)		
1	India	Jamshedpur	Tata Steel	380	312	424	471	422
2	Brazil	Volta Redonda	CSN	505	361	472	584	488
3	China	Anshan	Anben Group	415	367	444	548	500
4	India	Rourkela	Steel Authority of India	492	373	486	573	516
5	China	Xinjiang Bayi	Baosteel Group	427	334	456	567	525
6	United States	Berkeley	Nucor Steel	611	353	476	564	547
7	South Korea	Gwangyang	POSCO	509	379	459	588	560
8	Japan	Oita	Nippon Steel	526	413	549	699	604
9	China	Liuzhou	Wuhan Steel Group	606	431	543	664	606
10	Japan	Fukuyama	JFE Steel	490	417	506	660	633
11	India	Vijayanagar	Jindal South West Steel	694	496	625	697	619
12	Spain	Gent	ArcelorMittal Gent	596	519	598	687	646
13	Germany	Duisburg	ThyssenKrupp Steel AG	571	482	572	706	665

Source: CRU 2012 Cost Model Data

Given the size of its captive iron ore and other raw materials mines, the Group expects to maintain its cost advantage even after its planned capacity expansions. These factors have allowed the Group's Indian operations to maintain significantly higher operating margins relative to its competitors in India benefiting from low production costs on a sustained basis over various price cycles in the steel industry. For the year ended March 31, 2014, with respect to its Indian operations, the Group obtained 100% of its iron ore requirements and approximately 44% of its coking coal requirements from captive mines leased by the Group.

With respect to the Group's new facility in Odisha, iron ore is expected to be completely sourced from captive mines. As a result, the Group expects that its exposure to commodity price volatility for its Indian operations is significantly more limited than for its competitors and for its non-Indian operations, thus providing relatively higher margin stability in steel production.

To maintain its cost-competitiveness, a Group wide initiative called KVHS was launched in 2010 to take up the challenge of identifying the improvement potential and improvement levers for each of the process KPIs. It is a multi-faceted improvement program focused on creating value in the small and medium enterprise market. KVHS focuses on cost savings on coal blending and transportation improving clean coal throughput yield at washeries.

KVHS is a fast-paced initiative covering the entire steel operations process. Its focus is to improve process efficiency, speed and throughput, reliability, energy efficiency, value-in-use, supply chain and logistics and other processes. Performance benchmarking at each of these processes allows the Group to readily identify areas in need of improvement. The ultimate goal of KVHS is to improve overall process efficiency that would translate into enhanced KPIs.

Diversified product base targeting multiple end user segments

The Group has a wide range of product offerings that cater to diversified end markets across geographies. Over the years, the Group has significantly expanded its product portfolio through a mix of acquisitions, downstream capacity expansions and joint ventures with other leading steel companies.

Through its acquisition of Corus and downstream capacity expansions in India, the Group has significantly enhanced its portfolio of downstream steel products to help differentiate itself from competitors. Historically, the Group's steel products included only flat and long products. The acquisition of Corus allowed the Group to add a portfolio of high value-added downstream products including advanced high strength steel, superior automotive steel, rods for tire cord, steel for high speed rail tracks, engineering steel and packaging steel to its pre-existing product mix. With its capacity expansions in India, the Group has further strengthened its ability to provide a greater variety of value-added products. It has entered into downstream finishing plant joint ventures with foreign steel specialist producers including Bluescope Steel Limited and Nippon Steel & Sumitomo Metal Corporation to produce color coated steel and automotive cold rolled flat products, respectively. In addition, the Group continues to invest in research and development and explore opportunities to further improve their product offerings to customers. For example, in 2012, in line with its tradition of innovation and to reach out to the rural masses in India, the Guarantor launched an affordable and high-quality construction solution called "Nest In", which is a light gauge steel frame construction solution made of high strength galvanized steel developed by the combined effort of the Group's global research and development team and marketing team.

The Group is a large producer of ferro alloys in India supplying to industries including the stainless steel producers. The Group's ferro alloy operations include the sale of charge chrome, high carbon ferro chrome, high carbon silico manganese and ferro manganese and chrome concentrate.

Efficient project implementation

The Group believes that it has a proven track record in implementing significant projects, including cost reduction plans and the expansion of its major production facilities. Recently the Group completed its 2.9 mtpa brownfield expansion at Jamshedpur, thereby increasing its crude steel capacity from 6.8 mtpa to 9.7 mtpa. In line with its growth plans the Group is undertaking a greenfield project of 6 mtpa in Odisha, work for which is underway and first phase of which is expected to be completed in the first half of 2015.

Further, the Group also recently undertook the rebuilding of its Blast Furnace No. 4 at Port Talbot. The project is expected to enhance the campaign life of Blast Furnace No. 4 by 15 years and to boost productivity at the site by an additional 500,000 tons, increasing the overall productivity to 2.5 mtpa.

Financial strength and flexibility

As a leading global steel producer with over 100 years of operating history, the Group has maintained financial prudence and judiciously maintained its debt level in the recent years despite ongoing capital expenditure in India and Europe. The Group is one of the world's largest steel companies that has weathered the recent global financial crisis. The Group attributes its success to its rigorous business and financial planning, conservative finance and accounting policies and continuous proactive measures to maintain its debt level. For example, the Group has maintained its debt level by proactively prepaying debt and limiting the incurrence of additional debt. After the rights offering, which raised Rs.91,346 million to acquire Corus, the Guarantor continued to obtain additional financing through the global capital markets through the issuance of Singapore dollar bonds, global depositary shares, issuance of preference shares and warrants to its promoters and a follow-on public offering of equity shares. The Group has established relationships with a large number of foreign and domestic financial institutions and has historically had ready access to a wide range of capital markets instruments including bonds, convertibles and equity capital markets.

Skilled workforce led by experienced management team

The Group's senior management team comprises members with extensive experience and professional qualifications in the steel industry. Their rich experience and understanding of the Group have been instrumental in building a sustainable global operation which employs over 80,000 individuals highly valued by the management. The employee policies and welfare programs have been instrumental in recruiting and retaining the high caliber workforce. The Group seeks to cultivate internal talent for senior management positions by hiring recent graduates from top universities as entry level employees and then identifying and promoting the more promising candidates through the management ranks. Centered on the philosophy of "People as its Greatest Asset", the employee welfare program is built on respect for a right to trade union representation and collective consultation, a just and fair workplace, work-life balance and most importantly provides managerial and functional training opportunities for all officers.

Strategy

Capacity Expansion in Growing Indian Steel Markets

The Group intends to continue increasing the size of its operations in India, where it maintains a competitive advantage as a low-cost producer, by increasing the capacity of its current production facilities and through brownfield and greenfield expansion projects. The Group completed a brownfield expansion of its Jamshedpur facility in December 2012 that increased capacity by 2.9 mtpa. The Group has commenced work to develop a

6.0 mtpa greenfield steel plant in the state of Odisha, India in two phases of 3.0 mtpa each. The Group has obtained the necessary land and construction approvals for the first and second phases of this new steel plant in Odisha with financial closure already being achieved for the first phase. The first phase is expected to commence commercial operations in the first half of 2015 and the second phase is expected to be commissioned in two to three years from the completion of the first phase. The Group is also reviewing a 5.0 mtpa greenfield steel plant in Chhattisgarh and a 6.0 mtpa greenfield steel plant in Karnataka. The Group's production expansion in India is expected to produce a mix of flat and long products. The Group believes that the increase in its Indian production capacity, from 17.8% of total capacity in 2008 to an expected 39.3% of total capacity in 2015, will enable it to take advantage of the growing demand in India for finished steel products.

The Guarantor's compound annual growth rate in sales was 3.3%, 12.8%, and 13.9% for years ended March 31, 2012, 2013 and 2014, respectively.

The Group expects continued growth in steel demand in India, spurred by the increasing local need for steel based products (construction and infrastructure, automobiles, appliances, etc.) and estimated GDP growth rates of 5.4% in 2014 and 6.4% in 2015, according to the World Economic Outlook (April 2014) published by the International Monetary Fund. According to the WSA, India's per capita steel consumption of finished steel is relatively low at 58 kg as compared to China at 515 kg, Japan at 516 kg, the United States at 300 kg, South Korea at 1,057 kg, Taiwan at 793 kg, the UK at 128 kg and a world average at 225 kg in 2013.

Increase Sales of High Value Added Products and Branded Sales

The Group plans to continue expanding its downstream operations with the objective of improving its product mix and generating higher and more stable margins. The Group is also expanding global product capabilities to enable it to focus on the most appropriate product mix in each of the regions where it operates. In India, the Group plans to continue increasing its production and sales of high value-added steel products such as cold rolled coil, automotive-grade sheets, coated products such as tinplate, color-coated steel and galvanized steel.

The Guarantor has a 50-50 joint venture, TBS, with BlueScope Steel Limited to manufacture and sell high-end building products. TBS has a production capacity of 148,000 tpa downstream facilities for the Indian construction industry and commenced commercial operations of a coated steel facility in Jamshedpur, which has an annual metallic coating capacity of 250,000 tons, including pre-painting capacity of 150,000 tons. In addition, TCIL, a subsidiary of the Guarantor, is the largest Indian producer of tin coated and tin free steel sheets and has a cold rolling and tin plate capacity of 379,000 tpa.

The Group has a 51-49 joint venture, JCAPCPL, with Nippon Steel and Sumitomo Metal Corporation for construction of a continuous annealing and processing line to produce automotive cold rolled flat products. The construction of the facility with a proposed capacity of 600,000 tpa is expected to be completed during the year ending March 31, 2015. The Group intends to market the products from this joint venture to automotive manufacturers in India, who will view it as a more attractive option to importing such products as is the current practice. The Group, through its subsidiary SIW, also has a 60:40 joint venture with NSW to foray into heavy coating, high value-added and zinc-aluminum coated wires and will include capacity of 36,000 tpa for galvanized wires. With NSW's world class technology for production of high-end galvanized wires and SIW's strong presence in Thailand as well as its extensive sales and distribution networks, the joint venture is expected to offer logistics cost advantages and lower labor, electricity and fuel factor costs to serve the ASEAN region and other export markets competitively.

The Group has formed TSPDL which is involved in value added services such as slitting, cut to length, pickling, roll forming, and rebar processing. TSPDL has five processing units and 15 sales locations across India, with a processing capacity of 2.5 mtpa. In an effort to continuously improve the Group's value propositions to its target segments, the Group also provides solutions such as Roof Junction (a roofing solution), Nest-In (affordable steel housing), Tata Tiscon Superlinks (stirrups for construction) and Tata Tiscon "ReadyBuild" (ready-to-use rebars for projects). The Group has seen significant interest among its customers for these solutions, which provide customers with access to "just in time" delivery of installation ready products. In particular, Superlinks sales increased by a factor of 5 in the year ended March 31, 2014, while the number of Nest-In units have increased by a factor of 3.5 in the same period, each as compared to the year ended March 31, 2013.

With respect to its existing asset base in Europe, the Group will seek to prioritize and attract customers of high value added products, especially those in the construction, packaging, automotive, energy, power and engineering sectors. Increasing sales of high value products is particularly important in Europe where margins are lower due to higher production costs. Currently, approximately 60% of TSE's sales are derived from the UK, Germany, Netherlands and the US. For example, at Scunthorpe, United Kingdom, efforts are underway to improve the Group's competitive position in the sale of structural sections used in the rail industry and wire rods used in the construction market. Since early 2013, the Group has also started up an advanced facility in IJmuiden to develop crash-resistant steels to make cars safer and more fuel-efficient. These investments are expected to allow the Group to develop new products, including advanced high strength steels, which would reinforce its existing market position in the automotive and construction markets.

The Group is also looking to increase the sale of branded products, which typically sell at a premium above non-branded products, particularly from its facilities in India. These branded products include steel hollow sections under the Tata Structura brand, cold rolled steel products under the Tata Steelium brand as well as galvanized sheets under the Tata Shaktee brand, rebars under the Tata Tiscon brand and wires under the Tata Wiron brand. Since the beginning of the year ended March 31, 2009, the Group has enhanced its brands in India to focus on providing customized solutions, including customized rebar solutions under the Tata Tiscon Readybuild brand, coated sheets and coils under the Galvano brand, readymade stirrups under the Tata Tiscon Superlinks brand and Durashine for color-coated steel. These products are tailored for the largely untapped market for retail and small and medium enterprises. The major product segments of the Group have developed a substantial proportion of branded products sales. In the year ended March 31, 2014, branded product sales represented 38% of total flat product sales, 70% of total long product sales, 69% of total tubes sales and 37% of total wires sales.

For its European production, the Group markets its products under the Tata Steel Europe brand (which was rebranded from Corus in September 2010).

Increase Raw Materials Security

The Group seeks proprietary access to raw materials in order to achieve economic returns and to optimize its costs by securing offtake rights. The Group believes that becoming increasingly self-sufficient in raw materials procurement, particularly with respect to its European and Southeast Asian operations, will enable the Group to better respond to cyclical fluctuations in the demand for its products and reduce volatility in production costs. In addition, the Group expects to benefit from the experience in raw material procurement that it has gained from its European operations.

In recent years, the Group has pursued a number of initiatives to gain access to coal and iron ore deposits around the world. For example the Group has commenced the following initiatives to support its European operations:

(1) In Mozambique, the Guarantor has a 35% equity interest in a coal joint venture with offtake rights for 40% of the coking coal production from this mine, which is held through its subsidiary, Tata Steel Global Minerals Holdings Pte. Ltd. This mine is in operation with a rated capacity of 5.3 mtpa, with plans for expansion. The coal produced from this mine is used in the Group's European operations.

(2) The Group acquired approximately 26.33% of the shares of NML, a company currently listed on the Toronto Stock Exchange. In Canada, the Group has an 80-20 joint venture, TSMC, with NML with offtake rights on 100% of the iron ore production from the Direct Shipping Ore Project (owned by TSMC). This project commenced production and has produced 1 mt thus far. It also made a shipment of 240,000 tons of iron in the year ended March 31, 2014. Iron ore produced from the joint venture is intended to be used primarily in the Group's European operations. On March 6, 2011, the Group signed a binding heads of agreement with NML to develop the LabMag and KéMag iron deposits, which consist of two large magnetite iron ore deposits in western Labrador and northern Quebec, Canada, respectively. The feasibility study for this is under progress. Further, TSMC, has entered into a multi-faceted definitive agreement with LIM which involves cooperation in transport and port infrastructure development.

(3) In South Africa, the Guarantor, through its subsidiary, Black Ginger 461 (Proprietary) Ltd., holds a 64% equity interest in an iron ore joint venture along with offtake rights for 74% of the production from this iron ore mine. This mine is in operation with potential to ramp up to 2.0 mtpa. The other joint venture parties are Industrial Development Corporation (10%) and Cape Gannet (26%).

For a further discussion and current status of these and other raw materials initiatives, see "Business — Raw Materials and Other Key Inputs — Raw Material Projects".

If all of the Group's initiatives with respect to raw material security come on line as scheduled, the Group is targeting 50% raw material security for iron ore and coal in the next five to eight years. The Group intends to continue to work with its partners to pursue its current initiatives and, if the opportunities arise and subject to market conditions, pursue new initiatives to become more self-sufficient in its raw materials procurement.

Enhance Competitiveness through Continuous Improvement

The Group continues to improve its competitiveness through a number of initiatives and programs aimed at enhancing operational efficiencies and optimizing asset and material flows. The Group seeks to benefit from sharing experiences and best operational practices across its business units in India, Europe and Asia.

Cost saving initiatives: The Group has implemented, and plans to continue to implement, strategic cost-saving measures to improve the long-term competitiveness of its business. Based on these initiatives, the Group believes it has saved a significant amount of costs and added value to its operations. Specifically, the Guarantor believes that it has been able to save costs of up to US$260 million and US$269 million in the year ended March 31, 2013 and 2014, respectively. In the year ended March 31, 2011, the Group introduced its an improvement initiative called 'Objectives, Goals, Strategy, Measures' ("OGSM"), for its European operations. The OGSM initiative is focused on improving employee health, safety and working environment, encouraging business excellence and people engagement and actively seeking opportunities to create value from business operations. TSE regularly undertakes a strategic review of its assets. In recent years this has culminated in restructuring of its production facilities, in particular in the UK in order to improve competitiveness. In addition, as part of streamlining its portfolio of assets, TSE has disposed of its interest in a number of subsidiary, joint venture and associate undertakings. The Group has also relocated selective production facilities in Europe to strategically better sites and rationalized steel finishing and processing operations with concentration of distribution and processing hubs.

Operational stability: The initiatives taken by the Group to enhance operational stability for European operations include rebuilding Blast Furnace No. 4 at Port Talbot, leading to an improved balance of iron and steel making capacities. The Group is leveraging its leading market position in downstream products to aid margin improvement. The Group is also focused on streamlining its logistical operations in Europe through a supply chain transformation ("SCT") improvement initiative.

Other restructuring initiatives: The Group has upgraded coilers at the hot strip mill in IJmuiden allowing development of heavier gauge strip products. The Group has also further invested in IJmuiden to focus on coated steel for the automotive industry. The Group has also made investment in Rail France to produce longer premium rails.

Rationalization through divestment: As part of the Group's portfolio rationalization effort and to improve liquidity, the Guarantor considers divestment of assets and businesses from time to time. These include some of its operating steel assets, logistics and downstream assets. Divestment of these assets and businesses could be significant. In the year ended March 31, 2012, the Group sold Teeside Cast Products to SSI, part of its interest in TRL Krosaki Refractories Limited to Krosaki Harima Corporation and its entire 27.1% stake in Riversdale Mining Limited to Rio Tinto Jersey Holdings Limited for GBP434 million, Rs.5,761 million and US$1,104 million, respectively. The Group also monetizes non-core assets from time to time to generate cash flow. Further, in March 2013, the Group sold a portion of its stake in Titan Industries Ltd for Rs.9,757 million to Tata Sons Limited. In the year ended March 31, 2014, the Guarantor agreed to sell its idle land in Borivali, Mumbai, which it viewed as a non-core asset, for Rs.11,550 million. The transaction is expected to close during the second quarter of the year ended March 31, 2015.

Strategic Control Over Logistics and Supply Chain

The Group continues to differentiate itself from competitors in India with various initiatives in logistics and supply chain management. With a particular focus on the automotive, construction and small/medium enterprise customer segments, the Group has enhanced its distribution channels. The principal goal was to be able to provide supplies on an "on time in full" or "OTIF" basis. In India, the Group has developed a nationwide network of exclusive distributors and dealers. Principally by redesigning the Group's supply network using the hub-and-spoke mode of operations and information technology enabled color-based dispatch priority systems, the Group has been able to increase its sales in the retail segment.

Other principal supply chain improvement initiatives include:

- Supply chain enhancements such as deploying theory of constraints; a steel service centre management has given improved delivery compliance; and the availability of ready to use material from certified service centers.

- Standardization and availability of information has resulted visibility of recommended consumer price for retail customers which has enhanced the brand value and improved sales.

- Convenience through the development of information technology systems across the distribution channel, channel authentication through authorized dealer network, conducive shopping experience through exclusive retail outlets and improved reach to maximum consumption centers.

The Group has enhanced its control over its distribution channels, improved supply chain processing, and turn arounds and reduced freight and logistics costs and plans to continue to increase its access to ports, shipping lines and other logistics in order to gain further control over its logistics. In December 2006, the Guarantor entered into a partnership with NYK Line to engage in the business of owning, operating, leasing, brokering and chartering ships and other vessels to carry dry bulk and break bulk cargo. The joint venture currently operates 18 chartered vessels and four owned vessels and assists the Group in shipping coal and limestone.

The Group has a joint venture with NYK Holding (Europe) B.V. and Martrade under the name of TMIL where the Guarantor has 51.0% stake in the project. TMIL has 24 logistics centers globally spread across five nations. TMIL is engaged in the business of port and terminal handling, maritime shipping, ship agency, custom clearance and freight forwarding.

Strategic Alliances with Joint Venture Partners

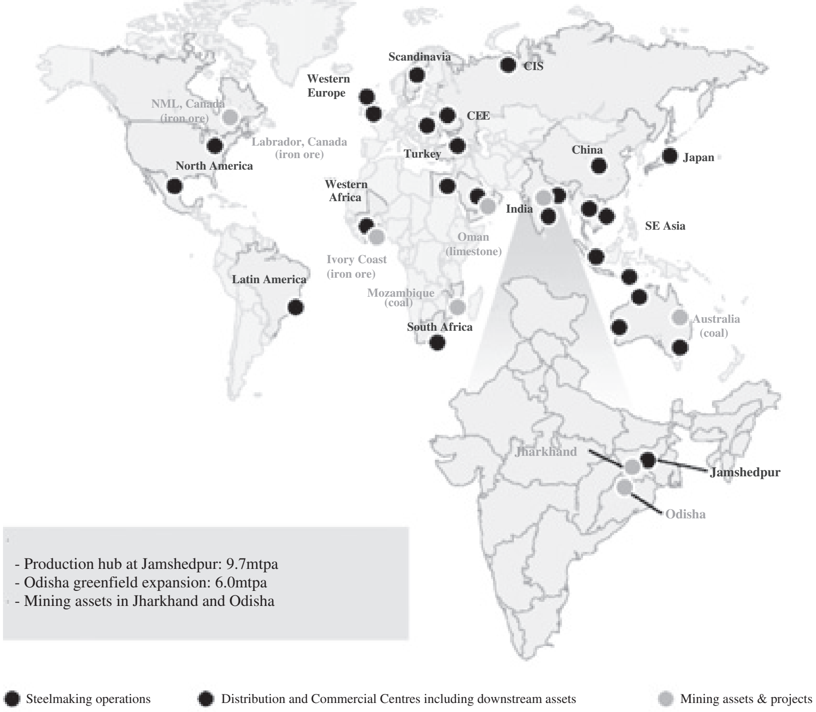
The Group's expansion plans have benefitted from strategic alliances with joint venture partners throughout its chain of operations, including for raw material procurement (primarily for mining), steel production, product diversification and shipping. For example, through its strategic partners the Group has developed:

- Mining operations together with NML, SODEMI, Vale, JFE Steel, Rio Tinto, POSCO, IDC, BEE, Government of Ivory Coast, Labrador Iron Mines Holdings Limited and SAIL;
- Steel production operations with VN Steel, Vicem, BlueScope and Nippon Steel and Sumitomo Metal Corporation;
- Product diversification with Krosaki Harima Corporation and Nippon Steel and Sumitomo Metal Corporation; and
- Shipping operations with NYK Line and Martrade.

Going forward, the Group plans to use joint ventures to procure raw materials and businesses in new geographic markets. When entering a new geographic market or business where the Group does not have substantial local experience and infrastructure, teaming up with a local partner enables the Group to reduce its capital investment by leveraging the pre-existing infrastructure of the local partner. In addition, local partners in these markets provide the Group with knowledge and insight into local customs and practices and access to local suppliers. These joint venture arrangements also allow the Group to create synergies with its partners reducing costs and increasing efficiencies. The Group continually evaluates its existing joint ventures and future opportunities. In the future, the Group may reduce or divest its economic interest in existing joint ventures as part of an overall strategy to maximize operational efficiencies.

Facilities

The following map illustrates the locations of the Group's main steel production facilities and sources of raw materials, including future facilities and raw material projects:



India	□ One production hub □ Capacity 9.7mtpa □ Distribution centres
UK	□ Three production hubs □ Capacity: 10.2 mtpa □ Distribution centres
Netherlands	□ One production hub □ Capacity: 7.2 mtpa □ Distribution centres
Singapore and South-East Asia	□ One production hub □ Capacity: 0.8mtpa □ 2 mtpa finishing capacity in 7 countries □ Distribution centres
Thailand	□ Three production hubs □ Capacity: 1.4 mt (finishing capacity 1.7mtpa) □ Distribution centres
EU (ex UK and Netherlands)	□ Distribution centres
US	□ Distribution centres

The Group's operations are primarily focused in Europe, India, and Southeast Asia. The majority of the Group's steel production capacity is located in the United Kingdom and the Netherlands, where it operates four facilities with a total production capacity of 17.4 mtpa. The Group also has significant operations in Jamshedpur, India, where the Group historically conducted the majority of its steel production and currently operates a facility with a steel production capacity of 9.7 mtpa. The Group's steel production facilities primarily consist of coke ovens, sinter and pellet plants, furnaces, converters, casters, rolling facilities and downstream facilities and also include support facilities such as captive power plants, power stations, boiler houses, repair and maintenance workshops, research, development and testing laboratories and harbors.

The Guarantor conducts its European operations through its wholly owned subsidiary TSE and its operations in India are primarily conducted directly by the Guarantor. The Group's remaining steel production capacity of 2.2 mtpa is located in Singapore and Thailand, with finishing capacity spread across China, Singapore, Thailand, Vietnam and Australia.

European Facilities

The Group currently has four principal operating sites in Europe, three in the United Kingdom and one in the Netherlands. These plants produced a total of 15.5 mt of steel products in the year ended March 31, 2014, representing approximately 58.8% of the Group's total steel production capacity over the period.

The following table sets forth the Group's principal operating facilities in Europe as of March 31, 2014:

	Steel production capacity*	Year ended March 31, 2013	Year ended March 31, 2014
IJmuiden steelworks, Netherlands	7.2	6.6	7.1
Port Talbot steelworks, West Glamorgan, Wales	4.9	3.0	4.5
Scunthorpe steelworks, South Humberside, England	4.5	3.1	3.2
Rotherham steelworks, South Yorkshire, England	0.8	0.8	0.7

* Production capacity is based on the maximum possible steel production in the year ended March 31, 2014 taking into account upstream and downstream bottlenecks, assuming full manning of facilities and including any plant mothballed. In practice, facilities may be manned only to the level required to provide semi finished materials for downstream finishing processes and for sale.

IJmuiden Steelworks Facility

The IJmuiden facility is the Group's second largest facility in terms of steel production. It was responsible for approximately 46% of total steel production for the Group's European operations in the year ended March 31, 2014. The facility produces a wide variety of steel products, which fall into five broad categories: hot rolled strip, cold rolled strip, hot dipped metallic coated and pre-painted and plastic coated tinplate. This facility makes direct mill sales mainly into the automotive, packaging and industry strip sectors, both domestically and in export markets (Germany, France, Turkey, USA and Spain). Sales are also made through other downstream tube-making facilities and coating lines into the construction, energy and building envelope sectors.

The IJmuiden facility comprises the following principal plants:

- *Blast furnaces:* Two operating blast furnaces, which produce hot metal, and related processing units such as coke oven batteries, a sinter plant and raw material storage and processing facilities.
- *Converters:* Three 325 ton oxygen converters, one 325 ton vacuum degasser, two 325 ton stirring stations and two 325 ton ladle furnaces.
- *Casters:* Two continuous slab casters used to produce semi-finished steel in the form of slabs and one direct sheet plant that combines casting and rolling into one line.
- *Rolling facilities:* Hot strip mill with two walking beam furnaces and two pusher reheating furnaces.

In 2009, the Group completed the installation of a new continuous galvanizing line, a three-stand cold rolling mill and a ladle furnace and the conversion of a seven-stand finishing mill with heavy bending and hydraulic gauge control. In September 2011, the Group proposed a five-year improvement plan, which includes (among others) ramp-up of its liquid steel production capacity from 7.2 mtpa to 7.7 mtpa, upgrading hot strip installation of dust filter and optimization programs and reducing the total number of full time employees. IJmuiden is expected to complete the installation of the new bag filter (waste gas cleaning) facility in IJmuiden's sinter plant more than a year ahead of the original 2015 completion date. TSE expects the facility to reduce emissions of fine particles, heavy metals and dioxins from the sintering process by at least 75%.

In order to achieve the desired operational efficiency and reliability, Ijmuiden is planning major investments in its coke ovens, blast furnaces and enhancing caster capabilities for advanced and new products.

Port Talbot Steelworks Facility

The Port Talbot facility, including its satellite site in Llanwern, Wales, is the Group's third largest facility in terms of steel production capacity and was responsible for approximately 29.0% of total steel production for the

Group's European operations in the year ended March 31, 2014. The facility produces a wide variety of steel products, which fall into three broad categories: hot rolled strip, cold rolled strip and hot dipped galvanized. This facility makes direct mill sales mainly into the automotive, packaging and industry strip sectors, both domestically and in export markets (the Netherlands, Spain, Germany, Belgium and France). Sales are also made through other downstream tube-making facilities and coating lines into the construction, energy and building envelope sectors.

The Port Talbot facility comprises the following principal plants:

- *Blast furnaces:* Two operating blast furnaces, which produce hot metal, and related processing units such as coke oven batteries, a sinter plant and raw material storage and processing facilities.
- *Converters:* Two 330 ton oxygen converters and two 330 ton degassing units to convert hot metal into steel.
- *Casters:* Three continuous slab casters used to produce semi-finished steel in the form of slabs.
- *Rolling facilities:* Two hot mills (one in Port Talbot and one in Llanwern), one cold mill (a continuous turbulent technology pickling line linked to a five stand tandem mill with wide strip capability), a continuous annealing process line for conversion of slabs into various finished steel products and a galvanizing line.

In 2010, the Group completed the installation of a gas recovery equipment and energy management system. In 2012, having considered the market conditions in Europe at the time and its long-term strategic objective, the Group decided to completely rebuild Blast Furnace No. 4 instead of relining it. In July 2012, Blast Furnace No. 4 was decommissioned before being completely rebuilt, incorporating the latest technology to improve energy efficiency, environmental performance, safety standards and capacity. The rebuild of Blast Furnace No. 4 was completed in December 2012 and it restarted commercial operations in February 2013. The rebuild has enhanced the life of the blast furnace by up to 15 years, boosted productivity at the site by an additional 500,000 tons and increased the blast furnace's overall productivity to 2.5 mtpa. In addition, the Group has also taken initiatives at the Port Talbot Basic Oxygen Steel ("BOS") plant to carry out essential replacement of the off gas ducting and to replace the 'open circuit' water-cooling system with a 'closed' evaporative cooling system that will also produce steam. This steam will be used to drive a turbine generator for generating electricity. Port Talbot is investing further in coke ovens and hot strip mill areas to improve its operational efficiency and reliability.

Scunthorpe Steelworks Facility

The Scunthorpe facility is the Group's fourth largest facility in terms of steel production capacity and was responsible for approximately 21% of total steel production for the Group's European operations in the year ended March 31, 2014. The facility produces a wide variety of finished steel products, which fall into five categories of long products: sections, rails, plates, rods and special profiles. Semi-finished steel (slab, bloom and billet) may also be sold to re-rolling customers, depending on market conditions. This facility makes direct mill sales mainly into the rail, construction structures and lifting and excavating sectors, both domestically and in export markets (Germany, Belgium, Hong Kong and the Netherlands).

The Scunthorpe facility comprises the following principal plants:

(1) *Blast furnaces*: Two operating blast furnaces which produce hot metal, and related processing units such as onsite coke oven batteries, a two strand sinter plant and raw material storage and processing facilities. There is a raw material receipt and storage area at the Immingham Bulk Terminal. The Scunthorpe facility comprises four blast furnaces, of which two are currently in operation. Furnaces are rotated and taken offline from time to time in order for their linings to be replaced. For instance, the Queen Anne furnace was taken offline at the end of the year ended March 31, 2013 for relining purposes, which is expected to take about six months to complete.

(2) *Converters*: Three 300 ton oxygen converters used to convert hot metal into steel. Secondary steelmaking facilities include three ladle arc furnaces and two vacuum degassers.

(3) *Casters*: Five casting machines: one slab caster, one billet caster, one bloom caster, one small bloom and large billet caster and a large bloom caster. The large bloom caster operates at significantly below capacity and all products from this machine are rerolled in the Scunthorpe Bloom Billet Mill (a primary mill) to billets or narrow slabs. The other casters produce semi-finished steel in the form of slabs, blooms and billets for long products. The steel output is produced through the continuous casting method.

(4) *Rolling facilities*: The casters support rolling operations at the medium section mill (sections and rail), rod mill and plate mill (reversing mill plate) all of which are on the Scunthorpe site. In addition, the caster output supports offsite rolling facilities at Skinningrove (special profiles), Hayange (rail), Teesside (Lackenby) (heavy sections), Dalzell and Clydebridge (heavy plate) and Thrybergh (bar). The semi-finished feed into the units at Teesside, Dalzell and Clydebridge and Thrybergh is supplemented by slab and billet supplied by other TSE facilities.

Rotherham Steelworks Facility

The Rotherham facility is the fifth largest facility in the Group's operations in terms of steel production capacity and is the Group's only electric arc furnace facility in the United Kingdom. The facility produced 0.7 mt of steel in the year ended March 31, 2014. The operations at the facility were restructured in the year ended March 31, 2010 to reduce production of low-margin products and increase production of high-margin, high-value products. The facility produces specialized, high-value steel products, which fall into three broad categories: steels for aerospace and power generation, steels for oil and gas exploration and steels for automotive and general engineering applications. These products are primarily sold domestically and exported to Germany, Romania, India, Italy and Dubai.

The Rotherham facility comprises the following principal plants:

- *Electric Arc Furnaces*: Two 160 ton electric arc furnace units, which produce liquid steel, and related raw material storage and processing facilities.
- *Ladle Furnaces*: Three 160 ton ladle furnaces for temperature and analysis control.
- *Casters*: Two bloom casters are used to produce semi-finished steel in the form of slabs for long products. 80% of the steel output at the facility is produced through the continuous casting method.
- *Ingot casting*: Ingot casting facilities for producing large section products and remelt feedstock.
- *Rolling facilities*: For conversion of slabs into various finished steel products.
- *Bar processing facilities*: For drawing, turning and heat treating bars for various end applications.

Indian Facilities

The Group's main facility in India is a vertically integrated 9.7 mtpa steel production facility at Jamshedpur, in the State of Jharkhand in east India. The Group also owns a number of other production facilities in India.

The following table sets forth the Group's principal facilities in India as of March 31, 2014:

Facility	Steel production capacity(1)	Actual output: Year ended March 31, 2013	Actual output: Year ended March 31, 2014
	(in mtpa)		(in mt)
Jamshedpur	9.7	8.1	9.2

(1) Production capacity is based on the maximum possible steel production in the year ended March 31, 2014, taking into account upstream and downstream bottlenecks, assuming full manning of facilities and including any plant mothballed. In practice, facilities may be manned only to the level required to provide semi-finished materials for downstream finishing processes and for sale.

Jamshedpur Facility

The Jamshedpur facility is the Group's largest in terms of steel production capacity and contributed approximately 35% of the Group's total production in both of the years ended March 31, 2013 and March 31, 2014, with production of 8.1 mt and 9.2 mt, respectively. The Group completed brownfield expansions of its Jamshedpur facility in May 2008 and in December 2012 that increased capacity by 1.8 mtpa and 2.9 mtpa, respectively. These two brownfield expansions have increased the Group's Indian steel production capacity to 9.7 mtpa (6.4 mtpa for flat products and 3.3 mtpa for long products) as of March 31, 2014. The facility manufactures a wide variety of steel products, which fall into two broad categories: flat products and long products. These products are primarily sold in the domestic market.

In addition to capacity expansion, the expansion program contributed to improvements in the quality of finished steel and increased the efficiency of the finished steel production process through the replacement of lumpy ore with sinter produced from iron ore fines, which is of lower cost, a reduction in coke consumption through higher injection of pulverized coal in the blast furnace, an improvement in the quality of hot metal due to lower silicone and sulfur content and a reduction in the usage of sponge iron and pig iron in the blast furnace.

The Jamshedpur facility comprises the following principal plants:

- *Blast furnaces*: Seven blast furnaces, which produce hot metal, and related processing units such as stamp charged coke oven batteries, four sinter plants, one pellet plant and raw material storage and processing facilities.
- *Converters*: Seven 160 ton oxygen converters to convert hot metal into steel.
- *Casters*: Three slab casters and three billet casters are used to produce semi-finished steel in the form of slabs and billets for flat and long products, respectively. The steel output is produced through the continuous casting method. Two thin slab casters producing thin slabs for continuous rolling in the mill.
- *Rolling facilities*: Consist of a hot strip mill, a cold rolling mill, a wire rod mill and bar mills for conversion of slabs and billets into various finished steel products. The two thin slab casters, as mentioned above, in combination with the rolling mill, produces hot rolled coils.

Other Steel Units

The Group owns and operates five large processing units located across India. As of March 31, 2014, the Group's processing capacity was approximately 2.5 mtpa. It is also engaged in the business of high-end plate fabrication for major equipment manufacturers including Caterpillar and JBP Group. The Group conducts these processing operations through TSPDL which became a wholly owned subsidiary in July 2009.

In addition, the Group produces metallic coated downstream products at four plants in Pune, Bhiwadi, Chennai and Adityapur with a combined installed capacity of approximately 148,000 tpa. These plants are operated pursuant to a 50-50 joint venture with an Australian steel producer, BlueScope Steel Limited, have a metal coating capacity of 250,000 tpa, including a pre-painting capacity of 150,000 tpa. and produce painted steel, coated steel products and steel building materials for the Indian construction industry.

The Group has a 51-49 joint venture, JCAPCPL, with Nippon Steel and Sumitomo Metal Corporation for construction of a continuous annealing and processing line to produce automotive cold rolled flat products. Construction of the facility with a proposed capacity of 600,000 tpa is expected to be completed during the year ending March 31, 2015.

TCIL, a subsidiary of the Group, is the largest Indian producer of tin coated and tin free steel sheets and has a cold rolling and tin plate capacity of 379,000 tpa. It manufactures various grades of electrolytic tinplates, tin free steel sheets and full hard cold rolled sheets used for metal packaging.

The Group's tube production facility is located in Jamshedpur. The tubes division had six mills with a combined capacity of 288,000 tpa as of March 31, 2014 for the production of welded tubes in the commercial, structural and precision tubes categories. The division has commissioned hydroforming facilities from which hydroformed tubes are being produced for use in the manufacture of Tata Nano automobiles by Tata Motors.

The Group also produces wires at its steelworks facility in Tarapur, Maharashtra and at the wire divisions of the Group's facilities in Indore and Bengaluru.

The products produced by the Group's downstream processing facilities are sold primarily to customers in the domestic market.

The Group also holds an approximately 95% equity interest in Indian Steel and Wire Products ("ISWP"), which engages in the business of manufacturing long products. ISWP has a wire rod mill with a capacity of 220,000 mt which produces low carbon wire rods and construction, a wire plant with a capacity of 50,000 mt which produces galvanized wires and a roll manufacturing unit with a capacity of 3,000 mt.

Non-Steel Indian Facilities

The Group's ferro alloy production facilities in India consist primarily of plants in the State of Odisha at Bamnipal and Joda. Chrome and manganese ores, which are used in the production of ferro alloys, are sourced from the Group's captive mines at Sukinda and Joda. As of March 31, 2014, the Bamnipal plant had a capacity of 50,000 tpa of charge chrome, the Joda plant had a capacity of approximately 50,400 tpa of ferro manganese and the Sukhinda plant had a capacity of 650,000 tpa. The Group also has a ferro alloy plant near Cuttack, India, with a production capacity of approximately 50,000 tpa of high carbon ferro chrome as of March 31, 2014.

Other Facilities

Through Natsteel Holdings Pte. Ltd. ("NSH") a wholly owned subsidiary, the Group owns an electric arc furnace based steel production plant in Singapore with a capacity of approximately 0.8 mtpa as of March 31, 2014. NSH has finishing plants in Singapore, China, Vietnam, Thailand, Malaysia and Australia with a combined rolling mill capacity of approximately 2.2 mtpa and downstream capacity of 1.4 mtpa as of March 31, 2014. NSH's products primarily consist of rebars and wire rods to be used predominantly in the construction industry in the domestic markets. As part of the global wires operations, it has a wire drawing unit in Thailand. Over the years, NSH has built a strong downstream business in Singapore and Australia, as a part of which they serve their customers with pre-fabricated ready to use products like mesh, cages and cut & bend bars. This has helped their customers in terms of superior productivity, lower wastages, faster construction cycles and much improves safety at the site. NSH currently runs one of the world's largest single location cut and bend facilities in Singapore.

Through Tata Steel Thailand, a subsidiary of the Guarantor in which it owns a 67.9% interest, the Group operates three steel plants in Thailand, at Saraburi, Rayong and Chonburi. These plants had a total steel production capacity of 1.5 mtpa and a finishing capacity of 1.7 mtpa as of March 31, 2014.

The Group completed construction of a greenfield ferro chrome plant in Richards Bay, South Africa, in April 2008 and production commenced the same month. The plant utilizes power, lumpy chrome ore and chrome concentrate sourced in South Africa, to produce ferro chrome for export to Europe and Asia.

Expansion and Development Projects

The Group is currently working on a number of expansion and development projects. The majority of these projects are aimed at increasing the size of its Indian operations through a number of greenfield and brownfield investments and debottlenecking certain aspects of its European operations.

India

Greenfield Projects

The Group is planning additional expansions of its Indian operations through a number of greenfield projects, including the construction of three new steel plants and an industrial park. The timing and feasibility of these greenfield projects depends on a number of factors, including receipt of governmental approvals, securing land leases and obtaining leases for new captive iron ore and coal mines to support the additional production.

Odisha Steel Project

In November 2004, the Guarantor entered into a memorandum of understanding with the Government of Odisha to develop a new steel plant at Kalinganagar, Odisha. This memorandum of understanding expired in November 2011 and the Guarantor has applied for an extension which is under consideration by the Government of Odisha. The plant is expected to have a total steel capacity of 6.0 mtpa which will consist solely of flat products and will be developed in two separate phases of 3.0 mtpa each. The first phase is expected to commence operation in the first half of 2015. The second phase is currently in the planning phase with commencement of operations planned for two to three years from the completion of the first phase. The facilities will consist of a blast furnace, coke oven battery, steel melting shop, a sinter plant, a pellet plant, a caster a hot strip mill, a pickling line and tandem cold rolling mill, an integrated captive power plant and other auxiliary facilities.

The Guarantor has executed a land lease deed for the location of the plant, obtained final environmental and statutory clearances for rail transportation, power and water, and has executed contracts for the construction of the iron and steelmaking facilities and the HSM. Physical possession of the 2,109 acres of land required for setting up the 6 mtpa project has been obtained and construction of the first phase is underway.

The project also contemplates development of townships for the employees of the plant. Any coal or iron requirements that are not met through the procurement from the captive mines will be sourced from third parties.

On completion, the greenfield expansion project at Odisha is expected to enrich the Group's product mix with the production of premium grades, auto advanced high strength steel, hot rolled steel used in the oil and gas industry, high end galvanized coil and cold rolled coils for general engineering, which will complement the value added steel grades currently being manufactured at Jamshedpur.

The Group is funding these expansion projects through a combination of external debt financings and internal cash flows. To date, the Group has not experienced any difficulties in funding the Odisha project and has not encountered any significant delays due to a lack of permits, approvals or licenses. See "Risk Factors — Risks Related to the Group — The Group is subject to certain restrictive covenants in its financing arrangements which may limit operational and financial flexibility, and failure to comply with these covenants may have a material adverse effect on the Group's future results of operations and financial condition."

The Group estimates that the total cost of the Odisha project will be approximately Rs.431,490 million. Phase one has a higher cost given there are a number of shared facilities (such as the hot strip mill, raw material handling, utilities and logistics facilities) that are being constructed as part of phase one. The capital expenditure of approximately Rs.162,870 million has been spent on phase one of this project as of March 31, 2014.

Chhattisgarh Steel Project

In June 2005, the Guarantor entered into a memorandum of understanding with the State of Chhattisgarh for the construction of a steel plant in the State of Chhattisgarh. The plant is expected to have a total capacity of 5.0 mtpa which is proposed to consist solely of long products. The Government of Chhattisgarh has granted the necessary approvals for this project and the Ministry of Railway of the Central Government has granted approval-in-principle for the railway corridor. Environmental clearance has been received and forest clearance is in advanced stages of approval.

The project also includes the leasing and the development of an iron ore mine to meet the iron ore requirements of the plant. The Guarantor has been granted the prospecting license for iron ore from the Bailadila Deposit 1 mine. The coal requirements for the new plant would have to be met either through the acquisition or lease of new mines, an increase in coal sourced from third parties or a combination of these sources.

Karnataka Steel Project

The Group obtained approval from the Government of Karnataka in February 2013 for the construction of a greenfield steel plant in Haveri, Karnataka with a planned capacity of 6.0 mtpa. The Government of Karnataka is currently in the iron ore lease allotment process in connection with setting up this steel plant.

Industrial Park at Gopalpur

The Group is planning to construct a multi-purpose industrial park at Gopalpur in the Ganjam district of Odisha through its subsidiary, Gopalpur Special Economic Zone Limited. The project is now in the feasibility stage and, based on the pre-feasibility study and discussions with consultants, the industrial park will consist primarily of office and industrial space and will plan to seek potential tenants engaged in the following industries: precision engineering, heavy machinery and equipment, power and processed food products and beverages. The Group is currently in possession of approximately 2,952 acres of land for which it has completed all the rehabilitation and resettlement activities. The Group plans to set up a ferro alloys facility with production capacity of 55,000 tpa, a long products steel facility with production capacity of 400,000 tpa at Gopalpur and a 1.2 million gallon per day desalination plant.

Nippon Steel Joint Venture

In January 2011, the Guarantor and Nippon Steel entered into a joint venture agreement relating to the construction of a continuous annealing and processing line to produce automotive cold-rolled flat products. Pursuant to the joint venture agreement, the Guarantor and Nippon Steel hold equity interests of 51% and 49%, respectively, in the joint venture. The processing line is located in Jamshedpur, India with completion scheduled for the year ending March 31, 2014 and with a planned capacity of 600,000 tpa in steady state.

Europe

The Group's investment plan in Europe includes the following:

(1) The Group invested €35 million to enhance the rail facility at Hayange, France in response to growing European demand for longer rolled rail lengths in support of future high-speed rail projects and, in particular, to support a six-year contract secured with France's national state-owned railway company, Société Nationale des Chemins de fer Français ("SNCF"). Following the upgrade, TSE secured an order to supply rail for a new high-speed track between the French cities of Bordeaux and Tours (the 302 km-long South Europe-Atlantique line). Further investments have been undertaken in the year ended March 31, 2014 to increase the capacity of heat treated rails and increase length of the rails to 108m.

(2) In February 2013, the Group completed the rebuild of Blast Furnace No.4 at Port Talbot steelworks. The rebuild of the blast furnace is expected to boost productivity at the site by an additional 500,000 tons, increasing the overall productivity to 2.5 mtpa, with an increased inner volume and hearth diameter. The rebuilt blast furnace is expected to ensure heavy end asset optimization, helping to make operations more competitive in Europe.

(3) In 2013, TSE approved the installation of a vacuum induction melting furnace including ancillary equipment (overhead cranes, raw material and refractory preparation facilities) for the production of high purity alloy steel ingots, primarily for the aerospace sector. The investment is part of the specialty steels aerospace strategy to grow high value sales.

Products

Products from European Operations

In the year ended March 31, 2014, about 75% of TSE's crude steel production was rolled into hot rolled coil. Most of the remainder was further processed into sections, plates, specialty steels or wire rod, or sold in semi-finished form. Approximately 30% of hot rolled coil was sold without further processing, approximately 65% was further processed in cold rolling mills and coating lines with the remainder being transferred to the Group's tube mills for the manufacture of welded tubes. Principal end markets for TSE's steel products are the construction, automotive, packaging, mechanical and electrical engineering, metal goods, and oil and gas industries.

TSE's strip products are produced in the United Kingdom at Port Talbot and in the Netherlands at IJmuiden. Uncoated strip products comprise hot rolled, cold reduced and electrical steels, which are sold both in coil form and, cut to length, in sheet form. TSE is one of the market leaders in the manufacture of coated strip products. Its coated strip product range comprises metallic coated products (e.g., zinc and alloy-coated), non-metallic coated products (e.g., painted and plastic coated steels) and tinplate. TSE is also one of the global market leaders in steel for packaging production.

TSE produces long products at Scunthorpe. Long products comprise sections and plates, and rods. Engineering steels are produced at Rotherham in the United Kingdom by the electric arc steelmaking method, as opposed to the basic oxygen steelmaking method. TSE's wide range of engineering steels products include free cutting, improved machining, spring, forging and general steel for the automotive and related markets, together with specialist steels for the aerospace, power generation, oil and gas exploration and engineering industries. TSE also produces a variety of other carbon steel products including semi-finished carbon steel products in the form of billets, blooms and slabs for re-rolling and subsequent processing for TSE's service centers and to third party service centers.

The following table lists the various TSE products, as well as their principal uses and principal markets:

Products	Types	Principal end usage	Principal market segments
Uncoated strip products	Hot rolled coil	Various uses including manufacture of welded tubes and as feedstock for downstream products (e.g. cold reduced coil, tinplate etc.)	Various industrial applications
	Cold reduced coil	Various uses including car body panels, domestic appliances and the manufacture of drums and radiators	Automotive industry and engineering and metal goods industries
Coated strip products	Hot dipped metallic coated products; pre-painted and plastic coated products	Roofing, side cladding and decking of buildings, body panels in motor vehicles and the casing of domestic appliances	Construction industry, automotive and domestic appliance manufacturers
	Tinplate	Used for packaging in the food and beverage industries and for other domestic and industrial applications	Food and beverage producers and packagers
Electrical steels	Non-oriented and grain oriented electrical steel	Electrical equipment including transformers, motors, generators and alternators	Manufacturers of electrical equipment
Plated and precision strip products	Range of nickel, zinc and other specialist plated products	Batteries, automotive components	The battery and automotive markets, and other specialist areas
Sections products	Products include beams, columns joists, channels and custom-designed special profiles.	Structural and other industrial applications.	The construction, engineering and mining industries. Special profiles are used as components in earthmoving equipment, materials handling, and the automotive, shipbuilding and mining industries.
Rail products	Rail products	Rails and sleepers	Railway and related sectors
Plates	Plates	Used in a broad range of applications	Offshore oil and gas production, renewable energy, power generation, mining, earth moving and mechanical handling equipment, shipbuilding, boiler and pressure vessels, and structural steelwork
Wire rod	Wire rod	Drawing into wire products	Construction and automotive industries

Products	Types	Principal end usage	Principal market segments
Bars	Hot rolled and bright bars in a wide range of grades and dimensions	Numerous applications in engineering industries.	Engineering industries, machining, forging, automotive and spring applications.
Specialty steels	Specialty grade carbon, alloy and stainless steel products (ingots, billets and bars)	Wide variety of industrial applications	Applications in aerospace, automotive industry and related markets, power generation, oil and gas exploration, forging and machining and engineering industries
Welded steel tubes	Hot finished and cold formed steel tubular products	Tubes and pipes for oil, gas, water and air transportation and structural applications	Various, including construction and the automotive, engineering and oil and gas industries
Semi-finished steel	Billets, blooms and slabs	Rerolling for downstream products	Third parties and other divisions of the Group.

Products from India and Asia

The Group's finished steel products are produced at its facilities located in India, Singapore, Thailand and various Asia Pacific countries. Production at the Indian facilities comprises primarily flat products and long products. In addition, the Indian facilities also produce relatively smaller quantities of semi-finished steel, bearings, agricultural tools, and steel equipment. The remaining facilities in Asia principally produce long products.

The following table lists the various finished and semi-finished products produced in Asia, as well as the principal uses for these products and their principal markets:

Products	Types	Principal market segments
Flat Products	Hot rolled coils and sheet	Automotive, consumer durables, construction and infrastructure, general engineering, packaging and capital goods industries
	Cold rolled coils and sheets	
	Coated coils and sheets (Tinplate/ Color-coated steel and galvanized steel)	
Long Products	Rebar	Construction, infrastructure and wire drawing industries
	Wire rods	
Wires	Coated and uncoated wires	Automotive, construction, infrastructure, agriculture
Tubes	Commercial tubes	Plumbing and irrigation industries
	Structural tubes	Architectural, industrial, general engineering and infrastructure industries
	Precision tubes	Automotive, boiler and general engineering industries
Intermediate products	Semi-finished steel (billets, slabs that can be made into flat or long products)	Re-rolling steel industry

In recent years, the Group has been expanding its Indian production of high value-added products, which generally command higher prices and margins than low value-added products. Within the flat product category, certain hot rolled products as well as cold rolled, coated products are considered to be high value added products, as are high-end wire rods in the long products category. Wires are also considered a high value added product. In recent years, the Group's production and sales of high value added products in India has generally increased at the expense of low value added products.

In the year ended March 31, 2014, finished steel production from Tata Steel India was 8.9 mt, compared to 7.9 mt in the year ended March 31, 2013, a growth of approximately 13%. This growth is indicative of the Group's efforts to increase production of high value added products, which has, in part, enabled the Group to increase sales of hot rolled high-end grades by approximately 54% over the past year.

Ferro Alloy

At its facilities in India, the Group produces and sells high carbon ferro chrome, charge chrome, high carbon silico manganese and ferro manganese and chrome concentrate. The Group also sells magnesium ore, dolomite and pyroxenite. The Group is a large manufacturer of ferro chrome in India and a supplier of high carbon ferro chrome and charge chrome internationally. According to the Group's own estimate, the Group was the fifth largest high carbon ferro chrome producer in the world, with a domestic market share of 22% and global market share of 7% in the year ended March 31, 2014. Chrome concentrate is primarily used for making ferro chrome and may also be used directly for making stainless steel. Ferro chrome, ferro manganese and silico manganese are used in the making of various kinds of steel, used in the construction and automotive industries, including stainless steels, high-strength-low-alloy steels and alloy steels. Manganese alloys produced in the Group's Indian facilities are used primarily by the Group for further production.

Going forward, the Group will strategically determine whether to produce ferro alloys depending on demand and regulatory restrictions.

Other Products

The Group's other products in Asia principally consist of tubes and bearings. The Group produces tube products mainly in the commercial tube and precision tube categories. Commercial tubes are used primarily for piping water, gas and steam for irrigation and other agricultural uses as well as for industrial purposes and are marketed primarily to builders, contractors and distributors. Precision tubes are sold primarily to automotive and bicycle manufacturers, boiler manufacturers, the fertilizer industry and to furniture manufacturers.

The Group also manufactures ball bearings and taper roller bearings which it sells primarily to companies in the automotive and engineering industries.

The Group also produces refractories products and steel mill rolls in Asia and sells a variety of services, including electricity, through its subsidiary, Jamshedpur Utilities Services Company Limited, and logistics services through its logistics unit. In April 2011, in an effort to further diversify its product offering and to gain access to latest technology, the Group inducted Krosaki Harima Corporation, which is a leading refractory player with global presence and advanced technology, as a strategic partner in TRL.

Sales

The Group sells a majority of its products to customers in the European and Indian markets. In the years ended March 31, 2012, 2013 and 2014, sales to customers in Europe and India accounted for approximately 72.6%, 71.6%, and 76.5%, respectively, of the Group's total net sales. The Group's remaining sales are to customers in Asia (excluding India) and other countries.

The following table sets forth the Group's net sales by destination for the periods indicated:

	Year ended March 31,		
	2012	**2013**	**2014**
		(Rs. million)	
Europe	612,754	576,921	705,444
India	351,561	388,044	431,037
Asia (excluding India)	180,767	184,786	207,645
Other[1]	183,915	197,364	142,009
Total	**1,328,997**	**1,347,115**	**1,486,135**

Sales in Europe

The Group's sales are primarily to customers of TSE located in Europe, which accounted for 47.5% of the Group's net sales in the year ended March 31, 2014. TSE's net sales to customers in Europe for the year ended March 31, 2014 increased 22.2% to Rs.705,444 million, compared to net sales of Rs.576,921 million for the year ended March 31, 2013.

The Group's largest customers in Europe are in the construction, automotive and packaging industries. The Group's customers in Europe also include those in energy and power, lifting and excavating, aerospace, rail, consumer goods and shipbuilding industries. Principal end markets for the Group's European sales are the construction, automotive, packaging, mechanical and electrical engineering, metal goods, and oil and gas industries. The Group's principal customers in the European construction and infrastructure industry include Klockner, Rainham and Severfield-Reeve and Barrett Steel Limited. The Group's principal customers in the European automotive industry include Renault-Nissan, Volkswagen, Peugeot and Becker.

Sales in India

A significant portion of TSL's sales are to customers in India, which accounted for approximately 29.0% of the Group's net sales in the year ended March 31, 2014. Net sales to customers in India during the year ended March 31, 2014, represent an increased percentage of the Group's total net sales compared to the years ended March 31, 2012 and 2013 as a result of increased production in India and decreased sales in Europe. Most of these sales consist of domestic sales by the Group's Indian operations, which accounted for approximately 92.0% of the Group's net sales in India in the year ended March 31, 2014. Sales by the Group's European operations exported to customers in India accounted for approximately 0.8% of the Group net sales in India in the year ended March 31, 2014.

In India, the Group sells the majority of its steel products to the construction, infrastructure, automotive and general engineering industries. In the year ended March 31, 2014, Tata Steel India supplied 4.4 mt of steel products to the Indian construction and infrastructure industries compared to 3.9 mt in the year ended March 31, 2013. The principal products for the Indian construction industry are rebars, hot rolled coils, and wire rods. The Group's principal customers in the Indian construction and infrastructure industry include Larsen & Toubro Limited, Afcons, Shapoorji Pallonji, and Tata Projects.

In the year ended March 31, 2014, Tata Steel India supplied 1.74 mt of steel products to the Indian automotive industry, compared to 1.53 mt in the year ended March 31, 2013. This increase was achieved despite a slowdown in the Indian automotive industry during the period. The principal products for the Indian automotive industry are hot rolled, cold rolled and galvanized steel. In the year ended March 31, 2014, high end steel sales (skin panel, high tensile & galvannealed) to automotive customers reached 226,000 tons, an increase of 18% over the previous year. The Group's key customers in the Indian automotive industry are Maruti Suzuki India Limited, Tata Motors, Toyota, Nissan, Hyundai Motor, Honda Motor, Ford, Mahindra & Mahindra, Bajaj Auto, and Hero MotoCorp.

Sales in Other Asian Markets

The Group's sales in markets in Asia excluding India accounted for 14.0% of the Group's net sales in the year ended March 31, 2014. These products consist primarily of industrial wires, wire rods and rebars, which are sold to customers in Southeast Asia.

Distribution and Marketing

The Group sells finished carbon steel products from its European facilities directly to end-users and through stockholding and service centers. Stockholders purchase steel from high-volume producers for subsequent resale, and service centers purchase steel stocks for further processing prior to selling to customers. The Group's European service center network includes centers in the United Kingdom, Ireland, France, Germany, Italy, the Netherlands, Poland and Spain. Typically, the large volume customers purchase directly from the Group's main hubs, while low volume customers purchase from stockholders and service centers, including those owned by the Group.

The Group delivers flat and long products to customers in India through direct supply channels, stockyards, consignment agents, external processing agents and a network of distributors and retailers. The Group had 62 distributors, approximately 6,000 dealers and 48 service partners in India as at March 31, 2014. The Group's Indian operations are located in eastern India while much of the market for steel is on the west coast of India. As a result, the Group incurs additional transportation costs relative to its competitors that are in closer proximity to the bulk of the Indian market.

The Group markets its products by closely monitoring its sales activities and catering to the customer's needs. As a global steel producer, the Group gathers marketing intelligence and experience from its sales offices in the respective regions where it conducts business. The Group has introduced a number of marketing initiatives in recent years. In 2006, the Group held sessions to train dealers on various selling techniques. In addition, in 2005, the Group inaugurated its Steeljunction store, India's first organized steel retail store selling a range of steel products. In 2012, in order to cater for the rural masses and the small and medium-sized enterprises in India, the Group launched affordable and high-quality construction solution called Nest In, which is a light gauge steel frame construction solution made of high strength galvanized steel.

The Group markets a number of its products under the Tata brand, which is a widely recognized brand in India. Tata Steel Limited is also using the Tata Shaktee brand for its corrugated galvanized sheets, the Tata Steelium brand for cold rolled sheets, the Tata Tiscon brand for rebars, the Tata Tiscon Readybuild brand for customized rebar solutions, the Tata Tiscon Superlinks brand for readymade stirrups and the Tata Wiron brand for wires. Products manufactured by Tata Steel Limited's tubes unit are marketed under three brands: Tata Pipes, Tata Structura and Tata Precision. For its European production, the Group is marketing its products under the Tata Steel Europe brand (which was rebranded from Corus in September 2010).

Raw Materials and Other Key Inputs

Steel production requires a substantial amount of raw materials and energy, including iron ore, coal and coke, scrap and energy. Raw materials comprise the single most significant percentage of the Group's manufacturing costs and in the years ended March 31, 2012, 2013 and 2014 accounted for 35.2%, 30.8% and 32.5%, respectively, of the Group's total expenditure. Iron ore and coal are the primary materials used in steel production and the prices of these commodities are subject to significant volatility. In recent years, the prices of most commodities used in the steelmaking process have risen sharply.

Energy costs in the years ended March 31, 2012, 2013 and 2014, accounted for approximately 11.5%, 13.9% and 13.4%, respectively, of the Group's raw material and energy costs. The Group's remaining raw material and energy costs consist of scrap, limestone, water and costs relating to ferro alloy operations.

See "Risk Factors — Risks Related to the Group — The steel industry is characterized by a high proportion of fixed costs and volatility in the prices of raw materials and energy, including mismatches between trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, which could adversely affect the Group's profitability".

Iron Ore and Coal

European Operations

The Group purchases all of its iron ore and coal requirements for its European operations from third parties and in the year ended March 31, 2014 the cost of such purchases accounted for 46% of the total raw material and energy costs of the Group's European operations. In the year ended March 31, 2014 the Group purchased approximately 19 mt of iron ore, and 8 mt of coal for its European operations. Iron ore was purchased principally from South America, Scandinavia and Russia, and coal principally from Australia, the United States, Russia, Mozambique and the UK.

The Group purchases iron ore and coal for its European operations at market prices under supply contracts that typically last between three and five years, with prices that historically were typically negotiated annually. Starting in 2010, a large number of suppliers of iron ore and metallurgical coal have moved to quarterly fixed-price schemes from annual fixed prices. This change in market conditions has exposed the Group to increased fluctuation of raw material prices despite the Group's strategy to secure supplies of iron ore and coal for its European operations under long-term supply arrangements. See "Risk Factors — Risks Related to the Group — The steel industry is characterized by a high proportion of fixed costs and volatility in the prices of raw materials and energy, including mismatches between trends in prices for raw materials and steel, as well as limitations on or disruptions in the supply of raw materials, which could adversely affect the Group's profitability".

Indian Operations

The Group obtains the majority of its iron and coal requirements for its Indian operations from its captive mines, with all of its iron ore requirements and approximately 44% of its coal requirements coming from the Group's captive mines in the year ended and March 31, 2014. The Group operates several iron ore and coal mines in India that are under long-term leases with the relevant state governments pursuant to which it pays royalties and other applicable taxes. The Group typically applies to the relevant state government for a renewal of its mining leases within 12 months prior to the lease's expiration. However, the renewal of a mining lease in India may take a number of years, during which time the Group, as a matter of practice, will continue to operate such mine. As a result, the Group may from time-to-time operate some of its mines under lease agreements that are expired but are in the process of being renewed. The iron ore found in the Group's captive iron ore mines in India contains medium-grade to high-grade iron ore, while coal from the Group's captive coal mines in India contains high levels of ash and other impurities and requires the blending of high grade imported coal for coke making. See "Risk Factors — Risks Related to the Group — The Group relies on leased mines and if it is unable to renew these leases, obtain new leases or is required to pay more royalties under these leases, it may be forced to purchase such minerals for higher prices in the open market, which may negatively impact its results of operations and financial condition".

Iron ore is obtained from the Noamundi and Joda iron mines in the form of lumps and small particles known as fines. After extraction and processing, the iron ore is transported by rail to Jamshedpur, which is approximately 200 kilometers from the mines. The lump ore is used directly in the blast furnaces while the fines must first be converted in the sinter plants before being used in the blast furnaces. All the iron mines are operated through opencast methods using excavator and dumper combination as well as crushers, screens, beneficiation plants, conveyors and loading facilities. In the years ended March 31, 2012, 2013 and 2014, the Group produced a total of 13.2 mt, 15.0 mt and 17.5 mt, respectively, of iron ore from these mines

Raw coal is obtained from the coal mines at West Bokaro and Jharia and is beneficiated to lower its high ash content. The coal is then transported by rail to the coke plant at Jamshedpur, which is approximately 200 kilometers from the mines. Coal is also transported to the coke plant in Haldia. At the coke plants, the coal is converted into coke for use in the blast furnaces. Even with treatment, given the high-ash characteristics of Indian coal, the Group must import clean coal to mix with its domestically sourced coal to produce a satisfactory blend of coal for coke-making. In the years ended March 31, 2012, 2013 and 2014, the Group produced 7.5 mt, 7.3 mt and 7.0 mt, respectively, of raw coal from the West Bokaro and Jharia coal mines, including 3.7 mt of clean coal in the year ended March 31, 2014.

In the years ended March 31, 2012, 2013 and 2014 the Guarantor imported a total of 3.4 mt, 3.4 mt and 4.2 mt, respectively, of clean coal, representing approximately, 54%, 53% and 56%, respectively, of the Guarantor's total coal requirements for its Indian operations. Historically, coal purchased from third parties was typically imported under one-year contracts. Beginning in 2010, the Guarantor's coal purchases are now based on quarterly contracts due to changes in industry standards.

Energy

During the years ended March 31, 2014, the Group's energy consumption at its European operations accounted for approximately 6.4% of its total raw materials and energy costs at its European operations. These costs primarily consisted of electricity costs, bulk gases, water, fuel oil, and climate change levy charges. The power needs for the Group's European facilities were primarily purchased from their respective national electricity grids and generated through power stations at the facilities. The IJmuiden facility also received power from three power plants at its site which are owned and operated by a third party.

During the years ended March 31, 2012, 2013 and 2014 Group's energy consumption at its Indian operations accounted for approximately 19.9%, 20.3%, 22.3%, respectively, of its total raw materials and energy costs at its Indian operations. These costs primarily consisted of electricity costs, furnace oil, and liquefied petroleum gas. The Group's Jamshedpur steel plant consumed 3.9 million kilowatt hours of power in the year ended March 31, 2014, approximately 29.5% of which was generated on-site. The Group purchased the plant's remaining power needs at market prices from its affiliate, Tata Power, under a thirty-year purchase agreement that expires in 2027 and also obtained power from a joint venture with Tata Power and from the national power grid. The Group also provides power to consumers in the city of Jamshedpur at market rates.

Scrap

The Group's European operations utilize scrap for steel production, which is primarily internally generated. However, where the grades of scrap required are not available internally, they are purchased primarily from Europe.

The Group's Indian operations consume scrap metal mainly generated as a by-product from its own operations while the Group's operations in Singapore and Thailand consume significant amounts of scrap metal sourced externally from companies that collect scrap metal.

Raw Material Projects

The Group is focused on seeking proprietary access to raw materials in order to optimize its costs and to achieve a higher level of self-sufficiency in raw materials, especially for its European operations, which would enable it to better respond to cyclical fluctuations in demand and reduce volatility in production costs. The Group has pursued, and plans to continue to pursue, a number of initiatives to gain access to coal and iron ore deposits around the world. The Group's raw material initiatives currently include the following projects:

Iron Projects

Joint Venture with New Millennium Capital Corporation

From October 2008 to June 2010, the Group, through Tata Steel Global Minerals Holdings Pte Limited., acquired approximately 27% of the common shares of NML, a publicly owned Canadian mining sponsor listed on the TSX Venture Exchange. NML engages in the exploration and development of iron ore properties and controls iron ore mineral resources.

In September 2010, the Group exercised its option to acquire an 80% interest in NML's Direct Shipping Ore Project ("DSO Project"). In accordance with the terms of the joint venture agreement, the Group incorporated a joint venture entity, Tata Steel Minerals Canada, with NML in October 2010. The Group owns 80% of the joint venture and NML the remaining 20%. Consequent to formation of the joint venture, NML has transferred the mining claims to the joint venture in December 2011. The project started production and made a shipment of 240,000 tons in the year ended March 31, 2014. Under the terms of the joint venture agreement, the Group has 100% of the offtake rights for the DSO Project. The Group expects production of approximately 1.8 mtpa in the 2014 calendar year.

On March 6, 2011, the Group, through Tata Steel Global Minerals Holdings Pte Limited., entered into a binding heads of agreement with NML and LabMag Limited Partnership to develop the LabMag and KéMag iron deposits, which consist of two world-class magnetite iron ore deposits in western Labrador and northern Quebec, Canada, respectively. The two deposits are estimated to contain 5.65 billion tons of proven and probable reserves and are expected to produce more than 20 million tons per year of concentrate, with a potential mine life of over 100 years.

It is intended that the iron ore from this project would be transported and used in our production facilities located in Europe.

Cote d'Ivoire Iron Ore, Mine Joint Venture

In December 2007, the Guarantor entered into a joint venture with SODEMI, a state owned company for the development of mineral resources, for an 85% stake in the development of an iron ore mine at Mount Nimba in Cote d'Ivoire, with SODEMI owning the remaining 15%. Upon a grant of a mining license to the joint venture, the Government of Cote d'Ivoire would own a 10% stake in the joint venture, as per local mining laws, and the stake of the Guarantor would be reduced to 75%. The Group has 100% of the offtake rights for the project.

In September 2009, in response to the Government of Cote d'Ivoire denying an application for an exploration license for Mount Nimba citing environmental concerns, the joint venture was modified to include the development of another iron ore deposit at Mount Gao and the joint venture procured an exploration license for Mount Gao.

Operations are currently in the pre-feasibility stage with exploratory activities taking place.

Coal Projects

Mozambique Coal Mine Joint Venture

In November 2007, the Group, through Tata Steel Global Minerals Holdings Pte. Limited, purchased a 35% stake in a coal venture owned by Riversdale Mining Limited in the Tete province of Mozambique for AUD 100 million. The Group has offtake rights for the output wherein the Group is entitled to purchase a minimum of 40% of the coking coal. Phase one of this project of 5.3 mtpa run of mine coal has been completed and the joint venture started shipments in June 2012 with 0.9 mt shipped in the 2013 calendar year. While the mine has experienced certain production delays due to logistics issues, it is scheduled to be ramped up to its capacity of 1.4 mtpa by the end of 2014.

It is intended that the coal from this project would be transported and used in our production facilities located in Europe.

Joint Venture with SAIL to Develop Coal Mines in India

In January 2008, the Guarantor entered into a joint venture with SAIL, a state-owned steel company, to acquire and develop coal mines. Pursuant to the joint venture agreement, SAIL and the Guarantor formed a 50-50 joint venture company, S&T Mining Co. ("S&T"), in September 2008. S&T has been working towards acquiring/developing several coal blocks and washery in India. It has also identified additional blocks for potential acquisition, and it is participating in tenders for coal blocks and exploring possible joint ventures for mining and selling coal. S&T intends to leverage the strengths of both SAIL and the Guarantor and acquire coal mines to fulfill the increased requirements of its promoters.

Others

The Group also has a 51.0% stake in the iron ore Howse Deposit in Canada, with a 70% offtake right, and a 5.0% stake in the coal CDJV in Australia, with a 20% offtake right.

Competition

The market for steel is very competitive with high levels of international trade. Despite the consolidation that has taken place in the steel industry in recent years, such as the consolidation of Mittal and Arcelor in 2006, levels of global industry concentration still remain well below those of other metals and mining sectors. According to the WSA, the fifteen largest steel producers represented approximately 36% of global steel production in 2013. As a global producer, the Group faces significant competition from other steel producers worldwide. The Group's competitors in the global steel market include ArcelorMittal, Baosteel Co., Ltd., Nippon Steel, JFE Steel Corporation, POSCO, Shagang Group and ThyssenKrupp AG.

In Europe, the Group operates in the strip products, long products and distribution and building systems products markets. Since Europe is the Group's biggest market, its main competitors are steel producers with significant European operation such as ArcelorMittal, ThyssenKrupp, Salzgitter AG, Voestalpine and Rautaruukki. In India, the Group operates in the flat product and the long product markets and faces competition from integrated and partially integrated steel producers such as SAIL, Vishakhapatnam Steel Plant (Rashtriya Ispat Nigam Limited), JSW Steel Ltd., ESSAR Steel Ltd. and Jindal Steel and Power Limited, as well as rerollers including, among others, imports from China.

Research and Development and Intellectual Property

As of March 31, 2014, the Group employed approximately 750 employees in its Global Research and Development Division spread over its European and Indian Operations. The Global Research and Development Division has embarked on "First in the World" technology development in the areas of reduction of ash content in captive coal sources without reducing yields and reduction of alumina in iron ore fines. The technology of using "lean" raw materials in the steel making process is important so as to extend the life of the captive mines in the group.

Several new infrastructure facilities have been installed and many more are in the process of commissioning. Prominent among these are an advanced crash testing facility, a state of the art Gleeble machine for developing new steel grades and an advanced welding laboratory for developing new joining techniques. This will enable the Group to address the needs of the major automotive engineering and manufacturing customers. In addition to these facilities, R&D also embarks on strategic value engineering and early vendor involvement with auto original equipment manufacturers including Volkswagen, Tata Motors, JLR, Nissan, Maruti and Honda so as to integrate the new steel grades into future vehicle platforms. Recently, R&D has initiated work on (a) alternate materials that can provide additional functionalities to steel, such as graphene and carbon nano-tubes; (b) waste and water management with a view of "zero discharge"; and (c) affordable construction solutions, such as Nest-In. The Group's Research and Development Department also collaborates with leading research institutions in the world to tap into promising research work that can shape the future technology of the steel business. The Group conducts its business using the Tata brand and licenses the use of the Tata brand name from Tata Sons, its principal shareholder, under the terms of a licensing agreement.

Insurance

The Group's operating assets, including its plants and facilities are insured through mega policy against a range of risks including fire, explosion, machinery breakdown and acts of nature such as storms, earthquakes and floods. Business interruption based on its gross profit is also covered by mega risk policy. Terrorism risk is covered by a separate policy. The Group maintains insurance against liability arising from third party property damage, death or bodily injuries due to its business operations or arising out of the use of the Group's products.

TSE maintains insurance cover through a combination of policies purchased largely from external insurers and self-funding. TSE, including its plants and facilities, is insured against a range of risks, including material damage and business interruption, public and products liability. UK employers' liability, professional indemnity, aviation products liability, marine cargo and charterers liability. In addition, TSE is covered by directors' and officers' liability insurance arranged by the Guarantor.

The Group also maintains Directors and Officers ("D&O") liability insurance covering the directors and officers of the Group.

Environmental Standards

The Group is committed to minimizing the environmental impact of its operations and its products through the adoption of sustainable practices and continuous improvement in environmental performance. The Group's Jamshedpur steelworks facility and certain of its mining operations in India and its manufacturing operations in Europe are certified to ISO-14001 standards.

The Group believes that it adheres to the statutory norms enforced by the relevant governmental bodies in the countries in which the Group's production facilities are located. The Group's operations, including steelmaking, in Europe are subject to the EU Emissions Trading Scheme ("EU ETS"), which came into force in January 2005 and focuses on carbon dioxide emissions. Each EU member state has its own nationally negotiated emission rights allowance, which is allocated back to carbon dioxide emitting sites. Sites have permission to emit carbon dioxide up to the value of their rights allocation. Any surplus can be sold and any deficit can be purchased on the emission rights market. The Group's operations in the United Kingdom and the Netherlands are also subject to the UK National Allocation Plan ("NAP") and the Dutch NAP, respectively, which have been prepared in order to implement the EU ETS. The Group believes that it has been in compliance with the EU ETS. See "Risk Factors — Risks Related to the Group — Environmental matters, including compliance with laws and regulations and remediation of contamination, could result in substantially increased capital requirements and operating costs".

In addition, the Group undertakes rehabilitation of areas that had already been mined, transforming them into forests, parks and recreational facilities. As part of its expansion program at Jamshedpur, the Group has also designed new air pollution control equipment to keep emission level below statutory standards.

Employees

As of March 31, 2014, the Group had approximately 80,000 employees worldwide including approximately 36,000 employees of the Guarantor in India and approximately 31,000 employees of TSE in Europe.

Europe

As of March 31, 2014, the Group had approximately 31,000 employees in Europe, compared to approximately 32,000 as of March 31, 2013. TSE has set up policies and procedures to provide information and to consult and negotiate with trade unions, works council and employee representatives on a regular basis, so that views of employees can be taken into account in making decisions that are likely to affect their interests. TSE has set up policies and procedures to provide information and to consult and negotiate with trade unions, works council and employee representatives on a regular basis, so that views of employees can be taken into account in making decisions that are likely to affect their interests.

The BSPS is the principal defined benefit pension scheme of the Group in the United Kingdom.

TSE conducts a triennial actuarial valuation of the BSPS, the most recent of which is currently ongoing. In preparation for the valuation, a joint Group/Trade Union working party was formed to examine the health and prospects of the Scheme. Following appropriate consultation with members, a package of changes to the BSPS contributions and benefits framework was implemented.

Additionally, with effect from March 31, 2014, new employees will be enrolled in a 'Nursery' pension arrangement on a defined contribution ("DC") basis with the option to accrue future service benefits on a defined benefit ("DB") basis only if the BSPS achieves a pre-agreed funding surplus.

The Stichting Pensioenfonds Hoogovens ("SPH") scheme is the principal defined benefit pension scheme of the Group in the Netherlands. The level of contributions into the SPH in 2014, which can vary according to the funding ratio of the scheme, was set at the maximum level permitted (122% of the basic contribution level), equating to 14.8% (compared to 14.4% in 2013) from the Group and 6.4% (compared to 6.1% in 2013) from members, both relative to gross pensionable earnings. The nominal funding level of the SPH as at March 31, 2014 was 118%, a 4% increase compared to 114% at March 31, 2013. This is above the level that the Dutch financial assessment framework requires for the SPH. For the sixth year in a row, no indexation was applied to pensions in payment or accrued pensions at January 1, 2014.

India

As of March 31, 2014, TSL had approximately 36,000 employees. TSL has undertaken a number of initiatives in recent years to increase the productivity of its Indian operations, including plant closures, retirement and early retirement schemes and outsourcing of non-core activities. Between the year ended March 31, 2000 and the year ended March 31, 2014, the number of Indian employees decreased by over 30% from approximately 52,000 to approximately 36,000, while Indian steel production increased from approximately 3.4 mt to 9.7 mt.

Each of the Group's production facilities in India enters into collective bargaining agreements with its trade unions which are renegotiated every four to seven years. The Group believes its relations with its Indian trade unions are strong. There have been no strikes or other cases of industrial action at any of the Group's production facilities in India in over 80 years.

Other

As of March 31, 2014, the Group's remaining employees of approximately 13,000 were located outside Europe and India and comprised of employees working for Tata Steel Thailand, Natsteel and other subsidiaries of the Group.

Health and Safety

Health and safety is a priority at all of the Group's facilities. Health and safety is reviewed regularly by the Group's board of directors and the Group has established a Health, Safety and Environment Committee to carry out more detailed reviews of the Group's overall performance in this category. As part of its commitment to create a safer work place, the Group has implemented a number of campaigns and initiatives including the 2010 Group-wide "Zero Harm" campaign to raise hazard awareness. As a result of these safety initiatives, the Group's combined lost time injury frequency rate ('LTIF') for employees and contractors fell by to 0.56 in the year ended March 31, 2014, compared to 3.06 in the year ended March 31, 2006.

Health and Safety Initiatives in Europe

The Group is committed to discharging its corporate responsibility to create a safer work place and supports the integrated and systemic Health and Safety Management System introduced in TSE in 2008. Regular safety tours are taken by TSE's board of directors and executive committee members to monitor TSE's performance in the category of health and safety.

Health and Safety Initiatives in India

The Group has adopted a behavior-based safety management system focusing on inculcating safe behavior among employees and achieving world-class safety and health performance. The Group has also implemented the Process Safety Management Program ("PSM"), through which it identifies process-related hazards and develops risk mitigation engineering solutions for existing facilities. In addition to PSM, the Group has instituted guidelines for handling major disasters and emergencies at both strategic and operational levels. Regular safety tours are taken by Tata Steel India's board of directors and executive committee members to monitor health and safety performance and the Safety, Health and Environment Committee apprises the board of ongoing processes and initiatives for increasing standards of health and safety. Despite the efforts of the Group, serious accidents occur at its operations from time to time. Most recently, there was a fatality involving a worker at the Odisha project site in April 2014.

In 2009, 2010 and 2011, the Group received the Safety and Health Excellence Recognition Award from the WSA for its operations in India.

Corporate and Social Responsibility

The Group recognizes its responsibilities to the communities in the regions where it operates. Many of its businesses have strong links to their neighboring towns and surrounding regions. In addition, donations have been made across a range of local organizations, including amateur sporting groups, local branches of national charities, youth clubs, hospitals, voluntary organizations and schools. In the year ended March 31, 2014, the Group's charitable donations in the United Kingdom amounted to approximately £170,000. Support is given for cultural, social, educational and sporting activities, both in the immediate vicinity of plants and elsewhere. For example, in September 2009, the Group held an event to introduce school children in the United Kingdom to the sport of triathlon. In the Netherlands, employees of the Group at IJmuiden applied their skills in practical ways for the community by refurbishing buildings and gardens at Hartekamp Groop — a local institute of people with learning difficulties. They also revamped a mini golf course to make it wheelchair accessible.

The Group also has a significant social outreach program in Eastern India, covering the city of Jamshedpur (with a population of approximately one million people), as well as over 800 villages in and around its manufacturing and mining operations. Through its subsidiary, JUSCO, the Group provides utilities and services to the city of Jamshedpur and is responsible for town planning and engineering, civil construction and maintenance, public health, education and wastewater management, electrical power distribution and other related activities.

In addition, the Group has continually supported community and social programs in the city of Jamshedpur and neighboring villages. Examples of such programs include dedicated agencies for community welfare work; HIV and AIDS awareness initiatives including adolescent and reproductive sexual health intervention; maternal and new born survival intervention ("MANSI"); family planning and free reproductive health services for women; rural development initiatives, including schooling, mobile medical centers and agricultural improvement programs to ensure that the broader local population benefits from the Group's operations in the area; and a number of sport initiatives, including the JRD Tata Sports Complex and 3 Academies of excellence — Tata Football Academy, Tata Archery Academy and Tata Athletics Academy. The Group has promoted adventure as a means of empowerment. In this regard the Group has lent its support and sponsored the 'Seven Summits' expedition by ace mountaineer, Premlata Aggarwal. With support from the Group, a tribal girl, Binita Soren, has conquered Mount Everest in 2012.

Deming Grand Prize 2012 assessors cited our efforts in MANSI project towards reducing infant mortality as a best practice.

Since 2012, the Group has started using Human Development Index as a measure to assess the impact of its interventions in the select villages of Jharkhand. This is to be adopted for assessment in Odisha as well.

Litigation

Except as described below, the Group not is involved in any legal proceedings or disputes, and no proceedings are threatened, which may have, or have had, a material adverse effect on the business, financial condition or operations of the Group. The Guarantor believes that the number of proceedings and disputes in which the Group is involved in is not unusual for a company of its size in the context of doing business in India and in the international market. Civil and tax related proceedings involving the Group, which involve a claim of Rs.2,500 million and more which have been individually described. With respect to the litigations involving Tata Steel Europe Limited and its subsidiaries, proceedings involving a claim of £10 million and more have been individually described.

Guarantor

Contribution to Steel Development Fund

The Guarantor filed a writ petition claiming a refund of balance of the contribution that was contributed by the Guarantor to the Steel Development Fund ("SDF") including the interest thereon against the Union of India, the Joint Plant Committee, the Steel Development Fund and others (the "Respondents"). The High Court has passed an interim order dated February 13, 2006 restraining the Respondents from utilizing any amounts from the contributions made by the Guarantor to the SDF, except for the use towards its members, including the Guarantor. The matter is currently pending. The amount involved in the matter is approximately Rs.21,255 million.

Entry tax in the State of Jharkhand

The Guarantor filed a writ petition challenging the constitutional validity of the Jharkhand Tax on Entry of Goods into Local Areas for Consumption, Use or Sale therein (Amendment) Act 2001 ("Entry Tax Act") under which entry tax was levied on several materials including imported coal for a period up to March 31, 2006. The High Court of Jharkhand held the Entry Tax Act to be ultra vires. The State of Jharkhand has filed an appeal before the Supreme Court against the order of the High Court. The matter is currently pending before the Supreme Court.

The Guarantor filed a writ petition challenging the validity of the Jharkhand Value Added Tax Act, 2005 (the "Jharkhand VAT Act"), under which the levy of entry tax was included under the Jharkhand VAT Act with effect from April 1, 2006. The High Court of Jharkhand held the provisions of the Jharkhand VAT Act under which entry tax was levied to be ultra vires. The State of Jharkhand has filed an appeal before the Supreme Court against the order of the High Court. The matter is currently pending before the Supreme Court.

The Guarantor filed a writ petition challenging the validity of Section 3 of the Jharkhand Entry Tax on Consumption or Use of Goods Act, 2011 (the "Jharkhand Entry Tax Act") under which entry tax was levied with effect from July 16, 2011. The High Court of Jharkhand held that Section 3 of the Jharkhand Entry Tax Act was unconstitutional on April 3, 2012. The State of Jharkhand has filed a special leave petition before the Supreme Court which is pending.

The consolidated value of the entry tax litigation in the State of Jharkhand is estimated to be Rs.6,220 million.

Indian Stamp (Odisha Amendment) Act, 2013

The Guarantor had filed a writ petition before the High Court of Odisha on July 5, 2013, challenging the constitutional validity of the Indian Stamp (Odisha Amendment) Act, 2013 ("Amendment Act") in relation to a new provision introduced by the said act with respect to introduction of stamp duty chargeable on grant/renewal of mining leases. The High Court has passed an order on July 9, 2013 granting an interim stay on the implementation of the provisions of the Amendment Act. The Government of Odisha is yet to file a response to the writ petition filed by the Guarantor. The matter is pending before the High Court of Odisha.

Orissa Rural Infrastructure and Socio-Economic Development Act, 2004

The Guarantor had filed a writ petition challenging the constitutional validity of the Orissa Rural Infrastructure and Socio-Economic Development Act, 2004 (the "Orissa Cess Act") before the High Court of Orissa. Under the Orissa Cess Act, tax is required to be paid on mineral bearing land and the annual value of such land is determined on the basis of average production of minerals in the last two financial years. The rate of tax on chrome ore and iron ore was prescribed at 15% and for dolomite at 10%. Eighty six other mine owners had also challenged the validity of the Orissa Cess Act by way of writ petitions before the High Court of Orissa. The High Court of Orissa by way of judgment dated December 5, 2005, has held the Orissa Cess Act and rules made thereunder unconstitutional. The State of Orissa has challenged the aforesaid judgment before the Supreme Court by way of a special leave petition. The aggregate amount involved is approximately Rs.39,470 million. This matter is currently pending before the Supreme Court.

Mining related show cause notice under Income Tax Act, 1961

The Guarantor had received demand notices in relation to excessive mining at its Odisha mines during the assessment year 2009-2010, as a result of which the assessments for certain previous years have been reopened. The Guarantor has filed appeals against the assessment orders. The amount involved in the matter is Rs.10,860 million. The matter is currently pending.

Writ Petition before the High Court of Odisha

Indian Metals & Ferro Alloys Limited has preferred a writ petition on June 5, 2014, before the High Court of Orissa, Cuttack against the State of Odisha and the Guarantor, challenging the third renewal of the Guarantor's chromite mining lease over 406 hectares in Odisha. The matter has been admitted by the High Court of Orissa, Cuttack and the matter is currently pending.

Disallowance of Interest expenditure for investment in Corus Group Plc

The Guarantor had received demand notices in relation to the disallowance of certain amounts classified as interest expenditure on certain amounts that were borrowed and invested by the Guarantor in Corus Group Plc during the financial year 2008 – 2009 with respect to the assessment years 2008 – 2009, 2009 – 2010 and 2010 – 2011. The Guarantor has filed appeals against the assessment orders. The demand that had been made for the assessment year 2008 – 2009 for Rs.4,470 million has been stayed to the extent of Rs.2,420 million until September 30, 2014 and the Guarantor paid Rs.2,000 million under protest. The demand made for the assessment year 2009 – 2010 for Rs.2,050 million has been stayed to the extent of Rs.1,050 million until September 30, 2014 and the Guarantor has paid Rs.1,000 million under protest with respect to such demand. The demand for the assessment year 2010 – 2011 is Rs.2,490 million. The matters are currently pending.

Royalties in West Bokaro and Jharia

The Guarantor has filed writ petitions before the High Court of Jharkhand challenging a demand raised by the State of Jharkhand towards royalty payment on processed coal instead of the coal that is extracted from the quarries. The demand raised by the State of Jharkhand has been confirmed by the High Court of Jharkhand by its judgment dated March 12, 2014. The Guarantor has filed a special leave petition on March 26, 2014 before the Supreme Court challenging the order of the High Court. The matter is currently pending. The principal amount with respect to the demand is approximately Rs.2,050 million of which the Guarantor has paid Rs.150 million. The Guarantor previously paid Rs.500 million under protest. With respect to the interest component, the High Court has held that the State of Jharkhand cannot claim the interest until the matter has been decided by the Supreme Court.

Criminal cases involving the Guarantor, its directors and its employees

In the ordinary course of business, there have been various criminal proceedings filed against the Guarantor, its directors or its employees, which are pending before various authorities, tribunals and courts and are at various stages of adjudication.

Cases in relation to new mining leases and prospecting licenses

The Guarantor is involved in certain disputes which are pending before the Mining Tribunal and some of the High Courts in relation to certain applications made for mining leases and prospecting licenses. These matters are currently pending.

CENVAT credit on iron ore concentrate

Iron ore and iron ore concentrate were initially exempted from excise duty. In 1996, iron-ore concentrate was deleted from the list of exempted items and became excisable. In 1997, the Excise Department issued a notice stating that grinding, crushing, screening and washing of iron ore amounted to ‘ore concentration’. The Guarantor started paying excise duty under protest and contested the notice of the Excise Department. In 2001, the Commissioner (Appeals) held that these processes amount to ore concentration. Thus, Guarantor paid excise duty and started availing central value added tax (“CENVAT”) credit. Pursuant to an observation by the audit wing, the Excise Department issued certain show-cause notices disallowing claim of CENVAT on inputs at Noamundi and Joda mines and also raised demand for availment of CENVAT of duty paid on iron ore at Jameshdpur on the grounds that iron ore is an exempted product. The Guarantor has been corresponding with the Commissioner, Central Excise at Bhubaneswar and Jamshedpur with respect to the contradictory views taken by the Excide Department. The Guarantor has been intimated in writing by each of the Commissioners that the process followed by the Guarantor at the mines amounts to ore concentration and that the Guarantor should continue to pay excise duty. The Guarantor has been accordingly paying the relevant excise duty amounts. However, the Excise Department has continued to issue show cause notices to the Guarantor for the period between February 2005 and June 2012. The amount involved in this regard is approximately Rs.5,830 million.

Disallowance of CENVAT credit

The Excise Department has issued several show cause notices to the Guarantor disallowing the CENVAT credit availed of by the Guarantor during the period of April 2006 to March 2013. In response to the show cause notices, the Guarantor has filed an appeal on May 21, 2013 before the Commissioner of Central Excise, Jamshedpur (“Excise Commissioner”). The Excise Commissioner has passed an order on July 26, 2013 requiring the Guarantor to pay an amount of Rs.96.3 million. The Guarantor has filed an appeal against the order of the Excise Commissioner before the Custom Excise and Service Tax Appellate Tribunal (“CESTAT”). The matter is currently pending before the CESTAT. The amount involved in the matter is approximately Rs.2,520 million.

Show cause notices issued to mines

In October and November 2012, the Government of Odisha issued show cause notices to the Guarantor in relation to eight of its iron ore and manganese ore mines located in Odisha. The demands are sought to be raised for Rs.72,960 million on the ground that the production in the mines has been in excess of the limits permitted under various statutory approvals including inter alia approvals obtained under the Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981. The Guarantor has filed a detailed reply in November, 2012. The Guarantor had filed appeals against such show cause notices before the Mines Tribunal and the demand has been stayed by the Mines Tribunal as indicated during the hearing on July 1, 2014. The formal order is awaited.

Excise duty on suppression of production of metal

The Guarantor has received certain show cause notices from the Commissioner Central Excise, Jamshedpur for alleged shortfall of payment of central excise duty during the period between 2011 – 2012 along on account of suppression of production of hot metal for the years 2005 – 06 to 2011 – 12. The matter is pending before the Commissioner Central Excise, Jamshedpur. The amount involved is approximately Rs.3,360 million.

Revenue Demand for water charges

In September 1993, the State of Jharkhand issued a bill for water usage by the Guarantor for an amount of Rs.31.4 million at the rate of Rs.3/- per thousand gallons. The bill was challenged by the Guarantor by way of a writ petition before the High Court. By way of an order dated August 20, 2004, the High Court held that the rate of Rs.3/- per thousand gallons for usage of water for industrial purposes was justified. The Guarantor has filed an appeal against the order of the High Court before the Supreme Court. On April 1, 2011, the State of Jharkhand issued a subsequent notification enhancing the water rates from Rs.4.50 to Rs.26 per thousand gallons. Further to the notification of the State of Jharkhand, the Guarantor has filed a new writ petition before the High Court. On December 16, 2011, the High Court passed an order for interim payment of Rs.10 million per month. The matter is currently pending. The amount involved is approximately Rs.4,710 million, of which Rs.2,000 million has been paid and kept in deposit.

Notices

The Enforcement Directorate issued a notice dated July 8, 2010 to the Guarantor under the Foreign Exchange Management Act, 1999 and the Income Tax Act, 1961, seeking details such as name, present residential address, contact numbers, and bank statements of the directors as on the date of the notice; the names and addresses of the directors who were responsible for conduct of business during 2008 and 2009; names and addresses of the bankers of the directors with updated statement of accounts, copies of contracts or agreements made with foreign suppliers for goods imported, particulars of outward remittance of foreign exchange for import of design and drawings in compact disks during the year ended March 31, 2009 and certified copies of import documents, such as purchase orders, bills of entries and bill of lading.

Subsidiaries of the Guarantor in Europe

ISCOR

Following a break-out at a blast furnace, ISCOR has made a claim against Danieli Corus Europe BV in connection with design and engineering work carried out in 1992. The claim is for Rs.327.94 million. Preliminary court proceedings were concluded in November 2006. It was expected that ISCOR would wish to resume negotiations towards a settlement, but to date they have not done so.

EU-ETS Industrial Cap

For the third trading period of EU ETS (2013-2020), the 'Direction on a scheme for greenhouse gas emission allowance trading' provides for a maximum annual volume of emission allowances that are available for industrial ETS installations. The Directive also provides for an industrial cap. If the total volume of emission allowances that Member States intend to allocate free of charge exceeds the industrial cap, the Commission applies a uniform correction factor (set out in a Commission Decision of September 5, 2013). The amount of the cap will diminish annually by 1.74% (CSCF) during 2013-20, resulting in a shortfall.

In a joint legal action with other Dutch entities, Tata Steel IJmuiden B.V. has filed an appeal against the Netherlands national allocation plan. In the UK, in January 2014, Tata Steel UK Limited submitted an application for judicial review of the September 2013 Decision. The grounds of appeal and judicial review application focus on a determination that the industrial cap and consequently the CSCF were determined, calculated and adopted incorrectly.

In the Dutch case, the Court of State decided in an intermediate ruling to ask preliminary questions to the European Court in Luxembourg. In a similar case in Austria the relevant Court also decided to ask preliminary questions to the European Court. The Dutch Council of State has requested consolidation of the two cases. In the UK, the Court has consolidated all cases on CSCF and a hearing will take place. The date of the hearing is not yet known.

Franked Investment Income

TSUKH has joined a group of litigants seeking a ruling regarding Inland Revenue treatment of dividends paid from foreign subsidiaries. The action is being taken jointly as part of a group litigation order ("GLO"). TSUKH's initial view of the position was that if its claim were successful, surplus ACT of GBP 8.3 million should be refunded. The GLO also covers claims that dividends received from non-UK subsidiaries/investments should have not been taxed in the UK. If this claim were successful, it is estimated that TSUKH could expect a tax refund of GBP 8.3 million, plus additional surplus ACT would arise (up to 1999) since ACT would no longer be required for offset against the UK tax liability on the dividends. In November 2008, the UK High Court gave its judgment (taking into consideration a ruling by the ECJ in November 2006) and an interim payment was received by TSUKH in June 2009. The decision was appealed and the Court of Appeal gave judgment in February 2010. TSUKH retained GBP13.5 million of the interim payment with GBP 6.4 million repaid in April 2010. The Court of Appeal's decision was appealed by both sides, with some key issues proceeding to the Supreme Court and others being returned to the ECJ (2nd reference).

Both Supreme Court and ECJ (2nd reference) hearings took place in February 2012. In May 2012, the Supreme Court found in favor of TSUKH by a majority of judges (5:2). However, because the decision was not unanimous, the court referred the question to the ECJ (3rd reference) for confirmation. A judgment was handed down in December 2013 in favor of TSUKH. On November 13, 2012, the ECJ gave its 2nd reference ruling, which was positive but left several issues outstanding. A quantification trial took place in the High Court on April 29, 2014 to address the issues arising from the 2nd reference ECJ ruling. A decision is expected in October 2014.

Dispute with Welsh Water re supplies to Llanwern, Shotton and Trostre

Welsh Water is the monopoly supplier of water at Llanwern, Shotton and Trostre. Until March 2004, all water supplies were made under special (individual, negotiated) agreements between TSUKH and Welsh Water at non-tariff prices. At the expiry of these agreements, a dispute arose as to the basis on, and price at which, water would continue to be supplied.

A calculation of the value of the dispute is difficult because there are a large number of variables. However, if (i) TSUKH's defense is unsuccessful and Welsh Water is entitled to continue charging TSUKH at its standard tariff and (ii) this tariff is increased annually by the maximum amounts permitted by the regulator, then the estimated costs of water supply to TSUKH from Welsh Water over the five years from April 2004 (based on present levels of consumption) would be between GBP 5 million and GBP 16 million more than the cost TSUKH would have incurred if the terms of the special agreements (which TSUKH argues should govern the supply to TSUKH) were held to apply.

The remaining issues in dispute between the parties (the price and certain terms and conditions of supply) were referred to the water industry regulator for determination. A draft determination from the regulator is now awaited. Once received, the parties will have 28 days to submit comments in writing.

MANAGEMENT

Board of Directors

The Board is responsible for the management and administration of the Guarantor's affairs, and the Board (and any committee which it appoints) is vested with all of the powers of the Guarantor. Directors are not required to hold any of the Guarantor's equity shares. The Board currently consists of 13 Directors out of which 6 are independent Directors.

The Guarantor's promoters and promoter group controlled approximately 31.35% of the Guarantor's issued equity shares as at March 31, 2014 (31.35% of the voting rights).

As of June 30, 2014, the Board consists of the following members:

Name	Age	Date appointed	Board Position	Committee Positions
Cyrus Pallonji Mistry	45	May 21, 2012	Chairman, Non-Independent Non-Executive Director	• Nomination & Remuneration Committee — Member • Executive Committee of the Board — Chairman • Committee of Directors — Chairman • Committee of Investments and Projects — Member
B. Muthuraman	69	August 1, 2000	Vice Chairman, Non-Independent Non-Executive Director	• Executive Committee of the Board — Vice Chairman • Committee of Directors — Vice Chairman • Safety, Health & Environment Committee — Member • Finance Sub-Committee of the Board — Vice Chairman
Nusli N. Wadia	70	August 29, 1979	Independent Non-Executive Director	• Nomination & Remuneration Committee — Chairman • Executive Committee of the Board — Member
Ishaat Hussain	66	July 15, 1999	Non-Independent Non-Executive Director	• Audit Committee — Member • Executive Committee of the Board — Member • Committee of Directors — Member • Stakeholders' Grievance Committee — Member • Ethics & Compliance Committee — Chairman • Corporate Social Responsibility Committee — Chairman • Finance Sub-Committee of the Board — Chairman

Name	Age	Date appointed	Board Position	Committee Positions
Subodh Bhargava	72	May 29, 2006	Independent Non-Executive Director	• Audit Committee — Chairman • Nomination & Remuneration Committee — Member • Stakeholders' Grievance Committee — Member • Safety, Health & Environment Committee — Member • Ethics & Compliance Committee — Member
Jacobus Schraven	72	May 17, 2007	Independent Non-Executive Director	• Safety, Health & Environment Committee — Chairman
Andrew Robb	71	November 22, 2007	Independent Non-Executive Director	• Audit Committee — Member • Executive Committee of the Board — Member • Ethics & Compliance Committee — Member • Finance Sub-Committee of the Board — Member
Mallika Srinivasan	54	May 21, 2012	Independent Non-Executive Director	N/A
D.K. Mehrotra	61	October 22, 2012	Non-Independent Non-Executive Director	• Audit Committee — Member • Stakeholders' Relationship Committee — Chairman • Committee of Investments and Projects — Member • Corporate Social Responsibility Committee — Member
O. P. Bhatt	63	June 10, 2013	Independent Non-Executive Director	• Audit Committee — Member • Nomination & Remuneration Committee — Member
Karl-Ulrich Köhler	58	November 12, 2010	Non-Independent Non-Executive Director	• Executive Committee of the Board — Member • Safety, Health & Environment Committee — Member • Finance Sub-Committee of the Board — Member
Koushik Chatterjee	45	November 9, 2012	Non-Independent, Executive Director	• Executive Committee of the Board Member • Committee of Directors — Member • Stakeholders' Grievance Committee — Member • Ethics & Compliance Committee — Member • Committee of Investments and Projects — Member • Corporate Social Responsibility Committee — Member • Finance Sub-Committee of the Board — Convenor

Name	Age	Date appointed	Board Position	Committee Positions
T. V. Narendran	49	September 19, 2013	Non-Independent, Managing Director	• Executive Committee of the Board — Member • Committee of Directors — Member • Ethics & Compliance Committee — Member • Safety, Health & Environment Committee — Member • Committee of Investments and Projects — Member • Corporate Social Responsibility Committee — Member

Cyrus Pallonji Mistry, *Chairman, Non-Independent Non-Executive Director*

Mr. Cyrus Pallonji Mistry is the chairman of the Board and has been a Director since May 21, 2012. In addition to being Chairman of the Guarantor, Mr. Mistry is also the Chairman of all major Tata Group companies, namely, Tata Sons Limited, Tata Industries Limited, Tata Motors Limited, Tata Consultancy Services Limited, The Tata Power Company Limited, Tata Teleservices Limited, The Indian Hotels Company Limited, Tata Global Beverages Limited and Tata Chemicals Limited.

Mr. Mistry is a graduate of Civil Engineering from Imperial College, UK and has a M.Sc. in Management from London Business School. He was also bestowed with the Alumni Achievement Award by the London Business School. Mr. Mistry is a fellow of the Institution of Civil Engineers, London. Mr. Mistry was earlier Managing Director of the Shapoorji Pallonji Group. Under his leadership, Shapoorji Pallonji's construction business grew into a billion dollar enterprise, evolving from pure-play construction to execution of complex projects in the marine, oil and gas and rail sectors, across a number of international geographies.

B. Muthuraman, *Vice Chairman, Non-Independent Non-Executive Director*

Mr. B. Muthuraman is the vice chairman of the Board and has been a Director since August 1, 2000. Mr. Muthuraman joined the Guarantor in 1966 and has held various positions at the Guarantor including as vice president (marketing & sales) and vice president (cold rolling mill projects). He was appointed as executive Director in 2000, managing Director in 2001 and non-executive vice chairman in 2009. He is also the Chairman of Tata International Limited, Tata Africa Holdings Limited and on the boards of Tata Industries and Strategic Energy Technology Systems Limited. Mr. Muthuraman received the prestigious "Padma Bhushan" award in 2012 from the Government of India for his significant contribution to Indian Trade & Industry; the Distinguished Alumnus Award from the Indian Institute of Technology, Madras in 1997 and the Tata Gold Medal from the Indian Institute of Metals in 2002. He has also been the recipient of the "CEO of the Year Award" from Business Standard, "CEO with HR Orientation Award" from World HRD Congress, Economic Times Award for Corporate Excellence and IIM JRD Tata Award from the Indian Institute of Metals.

Mr. Muthuraman holds degrees in Bachelor of Technology in Metallurgical Engineering from Indian Institute of Technology, Madras and a Masters of Business Administration from Xavier Labor Relations Institute, Jamshedpur. He also completed the Advanced Management Program at INSEAD, France. He was bestowed an honorary degree of Doctor of Humane Letters, Honoris Causa from Loyola University, Chicago; an honorary degree of Doctor of Science (Honoris Causa) from Indian Institute of Technology, Kharagpur; and the Lifetime Achievement Award from XLRI, Jamshedpur.

Nusli N. Wadia, *Independent Non-Executive Director*

Mr. Nusli N. Wadia is an independent non-executive Director and has been a Director since August 29, 1979. Mr. Wadia is a well-known Indian industrialist. He is the chairman of the Wadia Group companies and also director on the board of several Indian companies. Mr. Wadia has contributed actively in the deliberations of various organizations such as the Cotton Textiles Export Promotion Council ("TEXPROCIL"), Mill Owners' Association ("MOA"), and the Associated Chambers of Commerce & Industry. He is the former chairman of TEXPROCIL and MOA.

Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry during 1998 to 2004. He was the convener of the Special Group Task Force on Food and Agro Industries Management Policy in September 1998. He was previously a member of the Special Subject Group to review regulations and procedures to unshackle

Indian industry; Special Subject Group on Disinvestment; and ICMF. Currently, Mr. Wadia serves on the Managing Committee of the Nehru Centre, Mumbai. He has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions. Mr. Wadia was educated in the United Kingdom.

Ishaat Hussain, *Non-Independent Non-Executive Director*

Mr. Ishaat Hussain is a non-independent non-executive Director and has been a Director since July 15, 1999. Mr. Hussain has been with the Tata Group for more than 30 years. Prior to joining the board of directors of Tata Sons in 1999, he held various positions in the Guarantor and was the finance Director of the Guarantor for ten years from 1989. Mr. Hussain serves as a board member for several Tata companies and is the chairman of Voltas Limited and Tata Sky Limited. Mr. Hussain has been a member of the Board of Trade of India and is currently the chairman of SEBI's Committee on Disclosure and Accounting Standards. He is a member of The Committee for Reforming the Regulatory Environment for doing business in India (Damodaran Committee) and the Bihar State Industrial & Investment Advisory Committee. He is also a trustee of the India Foundation of the Arts, the Marg Foundation and the Pratham Education Foundation.

Mr. Hussain is a graduate in Economics from the Delhi University and a member of the Institute of Chartered Accountants in England and Wales. He has also attended the Advanced Management Program at the Harvard Business School.

Subodh Bhargava, *Independent Non-Executive Director*

Mr. Subodh Bhargava is an independent non-executive Director and has been a Director since May 29, 2006. Mr. Bhargava previously served as the group chairman and chief executive officer of the Eicher Group of companies. He was the president of the Confederation of Indian Industries, the president of the Association of Indian Automobile Manufacturers and the vice president of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees, including as a member of the Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan, Himachal Pradesh and Madhya Pradesh. Mr. Bhargava is currently a member of the boards of IIM, Kashipur, and XLRI Jamshedpur and chairman of Tata Communications Limited, TRF Limited, and GlaxoSmithKline Healthcare Limited. Mr. Bhargava also serves as a director on the boards of Tata Motors, Larsen & Toubro Limited, Tata Communications International Pte Limited and SunBorne Energy LLC. He is the recipient of the first Distinguished Alumnus Award in 2005 by the Indian Institute of Technology, Roorkee and the "Gaurav Shri Award" from Agra University in 2011. Mr. Bhargava has been recognized as the "Best Independent Director 2011" by Asian Centre for Corporate Governance & Sustainability and "Global India Business Leader of the Year — 2013" by Horasis (The Global Visions Community) for excellence in entrepreneurship, innovation and leadership. Mr. Bhargava obtained a degree of mechanical engineering from the University of Roorkee.

Jacobus Schraven, *Independent Non-Executive Director*

Mr. Jacobus Schraven is an independent non-executive Director and has been a Director since May 17, 2007. Mr. Schraven was appointed a non-executive director and deputy chairman of Corus Group plc. in December 2004. In 2005, he was appointed a member and chairman of the supervisory board of Corus Nederland BV (now renamed Tata Steel Nederland BV). He had an international career with the Royal Dutch Shell Group and served as chairman of the board of Shell Nederland BV. He was also president of the Confederation of The Netherlands Industry and Employers and a vice chairman of Business Europe. Currently, he serves as chairman of the board of each of Stork B.V.; Fokker Technologies Holding BV; Trust Foundation Unilever N.V. and the Trust Foundation Preference Shares B KPN. He is also a member of the supervisory board of BNP Paribas OBAM NV and treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is a Commander of the Order of Orange Nassau (Netherlands) and an Officer of the Légion d'Honneur (France). Mr. Schraven holds a Master of Laws degree.

Andrew Robb, *Independent Non-Executive Director*

Mr. Andrew Robb is an independent non-executive Director and has been a Director since November 22, 2007. Mr. Robb is a Fellow Member of the Chartered Institute of Management Accountants and holds a Joint Diploma in management accounting. He joined the board of Corus Group plc and became chairman of the audit committee in August 2003. Following the takeover of Corus by the Guarantor in March 2007, Mr. Robb remained on the board and in November 2007, he became an independent non-executive Director of the Guarantor. Mr. Robb was finance director of the Peninsular and Oriental Steam Navigation Co., between 1983 and 1989 and then became finance director of Pilkington Group PLC from 1989 to 2001. Mr. Robb remained a director of Pilkington until January 28, 2003. He has been chairman of the board of TSE since March 2009 and its independent director since August 1, 2003. He is also a non-executive director of Jaguar Land Rover Automotive Plc. and Paypoint Plc.

Mallika Srinivasan, *Independent Non-Executive Director*

Mrs. Mallika Srinivasan is an independent non-executive Director and has been a Director since May 21, 2012. She is the chairman and chief executive officer of Tractors and Farm Equipment Limited ("TAFE") and TAFE Motors and Tractors Limited and also serves on the board of Tata Global Beverages Limited. Mrs. Srinivasan is recognized for her professionalism, commitment to excellence and contributions to Indian industry and academia. She has been conferred the Business Woman of the Year Award by The Economic Times in 2005-2006, The IIM Lucknow-Lakshmipat Singhania Award for National Leadership in 2005, and was one of the 125 influential alumnae selected by the Wharton School of Business at its 125th anniversary in 2007. TAFE was awarded the Business Star Award for the best unlisted company by Business Standard in 2009 and 2010. Mrs. Srinivasan was also conferred the title of Entrepreneur of the Year — Manufacturing by Ernst & Young. More recently, she was ranked among India's 50 most powerful women in business by Fortune Magazine; one of Asia's 50 power business women by Forbes Asia magazine; and received the Padma Shri Award in 2014. She holds degrees of Master of Business Management from Wharton School of Business, University of Pennsylvania, USA and Master of Arts in Econometrics from the University of Madras.

D.K. Mehrotra, *Non-Independent Non-Executive Director*

Mr. D.K. Mehrotra is a non-independent non-executive Director and has been a Director since October 22, 2012. He is an honors graduate in science from the University of Patna. Mr. Mehrotra has attended several important knowledge forums in India and abroad and is associated with training institutes of insurance in India, such as the National Insurance Academy and the Insurance Institute of India. He previously served as chairman of Life Insurance Corporation of India.

O P Bhatt, *Independent Non-Executive Director*

Mr. O P Bhatt is an independent non-executive Director and has been a Director since June 10, 2013. Mr. Bhatt is a graduate in science and a post graduate in English literature. From July 1, 2006 to March 31, 2011, he was the chairman of State Bank Group, which includes State Bank of India, India's largest commercial bank; five associate banks in India; five overseas banks; SBI Life, the country's largest private life insurer; SBI Capital Markets, India's leading investment bank; SBI Fund Management; and other subsidiaries spanning diverse activities. Mr. Bhatt has served as chairman of Indian Banks' Association, the apex body of Indian banks. He also served as India's government nominee on the India-US CEO Forum, Indo-French CEO Forum and Indo-Russia CEO Forum.

Karl-Ulrich Köhler, *Non-Independent Non-Executive Director*

Dr. Karl-Ulrich Köhler is a non-independent non-executive Director and has been a Director since November 12, 2010. Dr. Köhler has been chief executive officer and managing director of TSE since October 1, 2010. He was appointed chief operating officer of Tata Steel Europe Limited in February 2010. Dr. Köhler studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Köhler is a member of the board of the World Steel Association and vice-president of Eurofer, the European Steel Association. During the majority of his 34-year steel industry career, Dr. Köhler has worked at the companies that comprise ThyssenKrupp Steel, where he was chairman of the executive board and a member of the board of the parent company, ThyssenKrupp AG. Dr. Köhler is based at IJmuiden in the Netherlands.

Koushik Chatterjee, *Non-Independent Executive Director*

Mr. Koushik Chatterjee is a non-independent executive Director and has been a Director since November 9, 2012. He is an honours Graduate in Commerce from Calcutta University and is a Fellow Member of the Institute of Chartered Accountants of India. He is currently Group Executive Director (Finance & Corporate) of the Guarantor. Mr. Chatterjee joined the Guarantor in 1995. Since joining, he has worked in the areas of Corporate Finance and Planning. In 1998, he was transferred to the Guarantor's Head Office in Mumbai and subsequently to Tata Sons Limited in the Group Executive Office (GEO). During his tenure in Tata Sons Limited, he was involved in Mergers & Acquisitions activities including privatisations and joint ventures and was also the lead facilitator in the Groupwide rollout of the Economic Value Added (EVA). Mr. Chatterjee re-joined the Guarantor on August 1, 2003 and was appointed the Vice President (Finance) with effect from August 1, 2004. During his tenure, he has led the first overseas acquisition of the Company — NatSteel Asia followed by Millennium Steel (now Tata Steel Thailand) in Thailand and acquisition of Corus Group plc (now Tata Steel Europe).

Mr. Chatterjee was appointed as Group Chief Financial Officer with effect from January 1, 2008. He has been responsible for Group Financial Reporting, Investor Relations, Financing Strategy including debt and equity raising, Corporate M&A, Risk Management and Compliance, Taxation Strategy and planning and co-ordination of statutory and management reporting. In November 2012, he was elevated to the Board of the Guarantor and appointed as Executive Director & Group CFO. In September 2013, he was appointed as the Group Executive Director (Finance and Corporate). In addition to leading the Guarantor's finance function, Mr. Chatterjee is also responsible for the Guarantor's Group Corporate functions including Legal and Regulatory Affairs, Corporate Communications, Strategic Procurement, Information Systems, Group Investments, Global Mining Projects and Assurance. He is on the Board of several of the Group's companies, in India and abroad, including Tata Steel Europe, NatSteel Asia Pte. Limited, Tata Steel (Thailand) Public Company Limited and others. He is also on the Board of the listed iron ore company in Canada, New Millennium Iron Corp.

Mr. Chatterjee was declared one of India's best CFOs by Business Today Magazine in 2005 and 2006 and by CNBC in 2007. In March 2012, he was awarded the Best Performing CFO in the Metals Sector by CNBC TV18. He was declared India's "Best Executive" for 2009 by Asia Money Magazine. He is a member of the Primary Market Advisory Committee on Capital Markets of SEBI and was a member of the Takeover Regulations Advisory Committee of SEBI, which drafted the new Takeover Code. He has recently been appointed as the first Indian on the Global Preparers Forum which is advisory body of the International Accounting Standards Board, London. He is also a member of the International Integrated Reporting Council and on the various committees of Confederation of Indian Industry (CII).

T. V. Narendran, *Non-Independent Managing Director*

Mr. T. V. Narendran is a non-independent managing Director of Tata Steel India and South East Asia and has been a Director since September 19, 2013. Mr. Narendran joined the Group after completing his master's degree in business administration from IIM Calcutta in 1988. He is a mechanical engineer with a degree from REC (NIT) Trichy, a Chevening Scholar and attended the Advanced Management Programme in CEDEP - INSEAD, Fontainebleau, France. From 1988 to 1997, Mr. Narendran worked in the International Trading Division of Tata Steel where he spent five years in Dubai overseeing the Guarantor's exports to the Middle East. From 1997 to 2003, he worked with the Guarantor's marketing and sales division, developing brands and distribution networks. Mr. Narendran then served as the principal executive officer under the leadership of Mr. Muthuraman, the then managing Director of the Guarantor. He was actively involved in the Guarantor's overseas acquisition of NatSteel. In 2005, Mr. Narendran was seconded to NatSteel as an executive vice president and eventually became president and chief executive officer in 2008. Prior to being appointed managing Director, Mr. Narendran served as the Vice President of the Safety, Flat Products & Long Products Divisions of the Guarantor. Currently, Mr. Narendran serves on the boards of Tata Steel Limited, Tata Steel Europe, CEDEP, XLRI and World Steel Association and as the chairman of CII, Jharkhand.

Responsibilities of the Board of Directors

The Board's role, functions, responsibility and accountability are defined under the Indian Companies Act and in the Guarantor's Articles of Association. In addition to its primary role of monitoring corporate performance, the functions of the Board include:

- providing overall direction to the Guarantor's corporate philosophy and mission;
- review of strategic and business plans;
- reviewing and approving financial plans and budgets;
- monitoring corporate performance in light of strategic and business plans, including reviewing operating results on a regular basis;
- ensuring ethical behavior and compliance with laws and regulations;
- approving borrowing limits;
- approving capital raising exercises;

- dividend declaration; and
- making of loans and investments, mergers and acquisitions, joint ventures and collaborations.

Committees of the Board of Directors

The Board has constituted nine committees and is authorized to constitute additional committees from time to time, depending on the business needs of the Guarantor.

Audit Committee

The Audit Committee is primarily responsible for reviewing compliance with internal control systems and the findings of the internal auditor relating to various functions of the Guarantor, holding periodic discussions with the Auditors and internal auditors of the Guarantor concerning the accounts of the Guarantor, internal control systems, scope of audit and observations of the Auditors/internal auditors. The Audit Committee is responsible for reviewing the quarterly, half-yearly and annual financial results of the Guarantor before submission to the Board. The Audit Committee also makes recommendations to the Board on any matter relating to the financial management of the Guarantor (including statutory and internal audit reports), the appointment of statutory auditors and branch auditors and fixation of their remuneration.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is primarily responsible for identifying persons qualified to become directors and/or senior management; recommending the appointment and/or removal of such persons to the Board; formulating evaluation criteria for review of such persons; and developing guidelines and policy on Board diversity. Additionally, the Nomination and Remuneration Committee is responsible for reviewing the performance of the managing Director and the Directors, after considering the Guarantor's performance; recommending to the Board remuneration including salary, perquisites and commission to be paid to the Guarantor's managing Director and Directors; finalizing the perquisites package of the managing Director and Directors within the overall ceiling fixed by the Board; and recommending to the Board, retirement benefits to be paid to the managing Director and Directors under the retirement benefit guidelines adopted by the Board.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted mainly to consider and resolve the concerns of all security holders of the Guarantor.

Executive Committee of the Board

The Executive Committee of the Board is primarily responsible for approving capital expenditures within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes; considering new businesses, acquisitions, divestments, changes in organizational structure; and also periodically reviewing the Guarantor's business plans and future strategies.

Committee of Directors

The Committee of Directors was constituted mainly to approve certain routine matters such as opening and closing of bank accounts of the Guarantor; to grant powers of attorney to the officers of the Guarantor; to appoint representatives; and to attend general meetings or through postal ballot on behalf of the Guarantor.

Ethics and Compliance Committee

The Ethics and Compliance Committee is primarily responsible for ensuring compliance and effective implementation of the India (Prohibition of Insider Trading) Regulations, 1992 and also the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices across the Guarantor. Additionally, the Ethics and Compliance Committee is responsible for overseeing the implementation of the Anti Sexual Harassment Policy of the Guarantor and guidelines issued thereunder.

Safety, Health and Environment Committee

The main responsibilities of the Safety, Health and Environment Committee are to review operational performance, anticipate potential issues and provide support in setting direction for improvements; and to reduce carbon emissions per ton of steel produced by 50% by 2050. The functional health, safety and environmental team would provide a coordinated and effective specialist advisory support to the said Committee.

Committee of Investments and Projects

The main responsibilities of the Committee of Investments and Projects is to consider and approve the placing of large orders of equipment, plant and machinery and to monitor the progress of projects.

Corporate Social Responsibility Committee

The main responsibilities of the Corporate Social Responsibility ("CSR") Committee are to formulate and recommend to the Board a Corporate Social Responsibility Policy; ensure that CSR activities are being undertaken as per the policy; and review and monitor the CSR policy on periodic intervals.

Management Organization Structure

In addition to Mr. T V Narendran, Managing Director, Mr. Koushik Chatterjee, Group Executive Director (Finance & Corporate) and Dr. Karl-Ulrich Köhler, Managing Director and Chief Executive Officer of Tata Steel Europe Limited ("TSE"), the Group's key management personnel are as follows:

Group Corporate Functions

- Paul Brooks, *Group Director, Environment*
- Andrew Page, *Director, Health & Safety*
- Dr. Debashish Bhattacharjee, *Director, Research, Development and Technology*
- Sandip Biswas, *Group Executive Vice President Finance*
- Rajiv Mukerji, *Group Director, Strategic Procurement*
- Amitabh Panda, *Group Head , Shipping and Logistics operations*
- Chanakya Chaudhary, *Group Director Corporate Communication & Regulatory Affairs*
- Dibyendu Bose, *Group Director Investments & New Ventures*

Executive Committee, TSE

- Dr. Henrik Adam, *Chief Commercial Officer, TSE*
- Dr. Hans Fischer, *Chief Technical Officer (and Strip Mainland Europe Hub Director), TSE*
- N K Misra, *Executive Director, Finance, TSE*
- Tor Farquhar, *Executive Director, Human Resources, TSE*
- Bimlendra Jha, *Executive Director, Group Strategy & Supply Chain, TSE*
- Helen Matheson, *Director Legal and Company Secretary, TSE*

INDIA & SOUTH EAST ASIA

Senior Management:

- Alok Kanagat, *Vice President (Engineering & Projects)*
- Anand Sen, President, *TQM & Steel Business*
- A.Anjeneyan, *Company Secretary & Chief of Compliance*
- Arun Misra, *Vice President — Gopalpur Project*
- Binod Kumar Das, *Vice President Coke, Sinter & Iron*
- Dr. T Venugopalan, *Chief Technology Officer (New Projects)*
- Dipali Talwar, Group General Counsel
- Mohan Lal, *Vice President Projects*
- Peeyush Gupta, *Vice President Steel Marketing & Sales*
- Rajeev Singhal, *Vice President Raw Material*
- Rajesh Ranjan Jha, *Vice-President Engineering — KPO*
- Rajiv Kumar, *Vice President Operation KPO*

- R. Ranganath, *Vice President Finance India & South East Asia*
- Sudhanshu Pathak, *Vice President Steel Manufacturing*
- Suresh Kumar, *Vice President Shared Services*
- Sunil Bhaskaran, *Vice-President Corporate Services*
- Suresh Dutt Tripathi, *Vice-President (Human Resource Management)*
- Vivek Kamra, *President and Chief Executive Officer, NatSteel Holdings*
- Rajiv Mangal, *President & Chief Executive Officer, Tata Steel Thailand*

TSE

Senior Management

- Jon Bolton, *Long Products Europe Hub Director*
- Hridayeshwar Jha, *Strip UK Hub Director*
- Karl Haider, *Director Downstream Operations*
- Jon Ferriman, *Technical Director*
- Lianne Deeming, *Chief Procurement Officer*
- Ernst Hoogenes, *Director Business Excellence*
- Sytske Seyffert, *Director Communications and Public Affairs*
- Peter Hogg, *Director Sales*
- Freek Schut, *Director Sales*
- Theo Henrar, *Director Sales*
- Anil Jhanji, *Director Regional Market Development*
- Andrew Black, *Director Customer and Sales Services*
- Terry Goodwin, *Director Marketing*
- Vipin Trehan, *Director Commercial Transformation Projects*
- Kees Gerretse , *Director Supply Chain & Global Transport*
- John Phillips, *Finance Director, Accounting & Transactions Centre of Excellence*
- Colin Gardner, *Finance Director, Sales & Marketing*
- Co van Dort, *Finance Director, Operations*

None of the key management personnel are related to each other.

SHARE OWNERSHIP OF THE GUARANTOR

As at March 31, 2014, the Guarantor's promoter, Tata Sons, together with Tata Motors and other Tata Group companies and related trusts (the "Promoter Group") held approximately 31.4% of the Guarantor's issued equity shares. A company's "promoters" under the SEBI regulations includes the person or persons who are in control of the company, the person or persons nominated as promoters in any offer document filed with the Indian stock exchanges and persons who are instrumental in the formulation of a plan or program pursuant to which securities are offered to public.

The directors of the Guarantor held 12,531 equity shares of the Guarantor as at March 31, 2014.

As at March 31, 2014, Tata Sons owns directly and indirectly 31.4% of the Guarantor's issued equity shares, while the Life Insurance Corporation of India, the largest public shareholder, owned, directly and indirectly, 14.9% of the Guarantor's issued equity shares.

Tata Sons

Tata Sons was set up in 1868 by Mr. Jamsetji Tata. It was incorporated as a private company under the Indian Companies Act, 1913 on November 8, 1917. Its registered office is located at Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001. Tata Sons became a deemed public company with effect from May 1, 1975. Tata Sons is the principal investment and holding company of various Tata companies and has a significant shareholding in the share capital of major operating companies which it has promoted, including Tata Consultancy Services, a provider of information technology and information technology-enabled services; Tata Motors, a leading automobile manufacturer in India which also owns Jaguar and Land Rover; and Tata Power, which is engaged in the generation, transmission and distribution of electrical energy.

In addition to its significant holdings in major operating companies, Tata Sons is the owner of the Tata brand name and the Tata trademarks, which are registered in India and several other countries and are used by most of the Tata companies in relation to their corporate names, products and services.

Tata Group

Founded by Jamsetji Tata in 1868, the Tata group is a global enterprise headquartered in India, and comprises over 100 operating companies in seven business sectors: communications and information technology, engineering, materials, services, energy, consumer products and chemicals.

The revenue of Tata companies, taken together, was approximately US$96.8 billion in the year ended March 31, 2013, with total assets of US$107.2 billion as at March 31, 2013. The combined market capitalization of the 32 publicly listed Tata enterprises was approximately US$135.4 billion as at July 3, 2014.

The Guarantor is the flagship company for the Tata group with significant contribution in terms of revenue and assets of the Tata group.

Brand Finance valued the Tata brand at US$21.1 billion and ranked it as the 34th most valuable global brand in their Global 500 2014 Report.

Since April 1, 2007, the Tata group has invested approximately US$1.4 billion into the Guarantor through a combination of rights issues, cumulative preference shares, preferential allotment of shares and warrants. The Guarantor also benefits from access to the Tata brand, group companies as stable customers as well as a shared pool of talented resources provided by Tata Administrative Services.

RELATED PARTY TRANSACTIONS

The Guarantor, in the ordinary course of business, enters into various sales, asset purchases, rent and service transactions with its subsidiaries, joint ventures and associates and others in which the Guarantor has a material interest. These transactions are pursuant to terms that are no less favorable than those arranged with third parties.

The following table summarizes related party transactions and balances included in the financial statements for the year ended and as at March 31, 2014. See Note 45 to the Group's Annual Financial Statements for further information on related party transactions determined in accordance with Indian GAAP.

	Associates and JVs	Promoter management personnel
	(Rs. million)	
Purchase of Goods	14,990.9	—
Sale of Goods	30,645.0	—
Receiving of Services	13,793.1	14.3
Rendering of Services	960.7	0.5
Dividend Paid	9.3	2,311.2
Dividend Income	973.3	99.0
Interest Income	536.0	—
Management contracts	—	1,450.0
Finance Provided	2,305.5	—
Purchase of Investments	320.6	—
Remuneration Paid	299.7	—
Guarantees Outstanding	1,797.0	—
Outstanding Receivables	12,245.6	12.5
Outstanding Payables	4,314.2	1,457.4

REGULATION

The following description is a summary of certain laws, regulations and policies in India, which are applicable to the Guarantor. The information provided below has been obtained from sources available in the public domain. The summary of the regulations set out below is not exhaustive, and is only intended to provide general information to potential investors and is neither designed nor intended to be a substitute for professional legal advice.

Mines and Minerals (Development and Regulations) Act, 1957 (the "MMDR Act")

The MMDR Act provides for the development and regulation of mines and minerals under the control of the Union of India and it lays down the substantive law pertaining to the grant, renewal and termination of reconnaissance permits, mining leases and prospecting licenses. The MMDR Act also governs the transportation and storing of any mineral. In 2010, the MMDR Act was amended to empower the Central Government of India to undertake selection of the company for the purpose of granting reconnaissance permit, prospecting licenses or mining lease in respect of an area containing coal or lignite through the process of auction by competitive bidding. On February 2, 2012, the Central Government of India notified the Auction by Competitive Bidding of Coal Mines Rules, 2012 which lays down the procedure for allocation of area containing coal through auction by competitive bidding.

Under the MMDR Act, the lessee is liable to pay royalties on minerals extracted or a dead rent component to the relevant state government. The royalty is payable in respect of any mineral removed or consumed by him or his agent, manager, employee, contractor or sub-lessee and is computed in accordance with a stipulated formula. The Central Government has broad powers to change the royalty scheme, but cannot increase the rate of royalty more than once in every three years.

Mineral Concession Rules, 1960, (the "MC Rules") and the Mineral Conservation and Development Rules, 1988 (the "MCD Rules")

The MC Rules outline the procedures for obtaining reconnaissance permit, prospecting license and mining lease, the terms and conditions in relation to the same, and the model form in which they are to be issued. In addition, the lessee will be liable to pay the occupier of the surface of the land over which it holds the mining lease an annual compensation determined by the relevant state government, which varies depending on whether the land is agricultural or non-agricultural.

The Central Government has also framed the MCD Rules which lays down guidelines in order to ensure that mining is carried out in a safe, scientific and environmentally friendly manner.

The Supreme Court of India has, in the matter of Common Cause v. Union of India & Ors., passed an interim order dated May 16, 2014, stating that the provision of deemed renewal under the MC Rules would not be available for second and subsequent renewals of mining leases (which is the case in all of the Group's current iron ore, manganese and chromium mining leases in the State of Odisha) and such leases cannot not be operated until the State Government passes orders under relevant provsions of the MMDR Act, to the effect that it is of the opinion that it is necessary for the relevant leases to be renewed. The Group has subsequently obtained orders from the Government of Odisha dated May 31, 2014 in respect of all its major iron ore mines in Odisha granting renewals of the relevant mining leases at these mines and permitting mining operations to continue at these locations. The final renewal of these leases is subject to compliance by the Group with certain conditions as well as the execution of a lease deed. The Group has accepted all such terms and conditions by its letters dated May 31, 2014.

The Group is in the process of obtaining a similar permission from the Government of Odisha in respect of its mine at Sukinda and consequently, mining operations at Sukinda have not yet recommenced.

Coal Mines (Nationalization) Act, 1973 (the "CMN Act")

The mining of coal is governed by the CMN Act, which provides that for a private entity, no person other than a company engaged in (i) the production of iron and steel, (ii) generation of power, (iii) washing of coal obtained from a mine, or (iv) such other end uses as the Central Government, may by notification specify, can be granted a lease for mining of coal.

Other mining laws and regulations that may be applicable to the Guarantor include the following: Mining Lease (Modification of Terms) Rules, 1956; The Mines Act, 1952 and Mines Rules, 1955; The Payment of Wages (Mines) Rules, 1956; and Metalliferous Mine Regulations, 1961. The Ministry of Coal has also issued various guidelines including Guidelines for Preparation of Mining Plan for the Coal and Lignite Blocks issued on April 4, 2011 and modified Guidelines for Preparation of Mine Closure Plan issued on January 7, 2013.

National Mineral Policy, 2008

The Central Government approved the National Mineral Policy, 2008, (the "NMP") for non-coal and non-fuel minerals on March 13, 2008, revisiting the previous National Mineral Policy, 1993, and has given its approval for setting up of the Mining Administrative Appellate Tribunal as an independent dispute resolution authority. The NMP seeks to streamline and simplify the procedures for grant of mineral concessions and develop a sustainable framework for optimum utilization of the country's natural mineral recourses. It also aims to provide a framework of sustainable development designed to take care of bio diversity issues, restoration of ecological balance, protection of environment and proper relief and rehabilitation of people displaced and affected by the mining process. The NMP proposes to facilitate financing and funding of mining activities and development of mining infrastructure based on the principle of user charges and public private partnerships.

Compliance with Other Applicable Laws

Environmental Laws

The Guarantor is also required to obtain clearances under the EPA, the Forest (Conservation) Act, 1980, if any forest land is involved, and other environmental laws such as the Water (Prevention and Control of Pollution) Act, 1974, the Water (Prevention and Control of Pollution) Cess Act, 1977 and the Air (Prevention and Control of Pollution) Act, 1981, before commencing mining operations. The Guarantor must also comply, at all times, with the provisions of the Hazardous Wastes Rules.

Other Laws

Additionally, the Guarantor is also required to comply with inter alia the following laws:

(i) Central Excise Act, 1944;

(ii) Contract Labor (Regulation and Abolition) Act, 1970;

(iii) Customs Act, 1962;

(iv) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(v) Employees' State Insurance Act, 1948;

(vi) Factories Act, 1948;

(vii) Foreign Trade (Development and Regulation) Act, 1992;

(viii) I D Act and Industrial Disputes (Central) Rules, 1957;

(ix) Industries (Development and Regulation) Act, 1951;

(x) Minimum Wages Act;

(xi) Payment of Bonus Act, 1965;

(xii) Payment of Gratuity Act, 1972;

(xiii) Payment of Wages Act, 1936; and

(xiv) Shops and Commercial Establishments Act applicable to relevant states.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following summary of certain provisions of the Group's loan facilities, bonds and other indebtedness does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying credit agreements, bonds and other documentation. Furthermore, this summary relates only to the Group's principal long-term indebtedness. The Group utilizes a variety of short-term debt instruments.

The Group's principal sources of external financing include both secured and unsecured short-term as well as long-term facilities (in both rupees and other currencies). As of March 31, 2014, the Group had total borrowings of Rs.816,086.6 million (US$13,626.4 million), compared to Rs.685,073.2 million as of March 31, 2013. As of March 31, 2014, the Group's borrowings by its European subsidiaries and the Guarantor accounted for approximately 35.4% and 34.2%, respectively, of its total borrowings. As of March 31, 2014, substantially all of the Group's borrowings by its non-Indian subsidiaries were denominated in foreign currency, principally in Euro, while approximately 65.7% of the Guarantor's borrowings, on a non-consolidated basis, were denominated in rupees.

The Group's long-term funding strategy is to continue to pay down debt from operating free cash flows and diversify sources of financing. In the near term, the Group's strategy is to reduce the total indebtedness in its European operations.

As of March 31, 2014, the Group had long term debt of Rs.655,825 million, which includes borrowings that mature in the year ending March 31, 2015.

Rupee Bank Loans

The Guarantor is party to facility agreements under which borrowings are denominated in Rupees ("Rupee Bank Loans") with various financial institutions, including the State Bank of India, Housing Development Finance Corporation Limited, and Infrastructure Development Finance Company Limited. As of March 31, 2014, the aggregate outstanding amount under these loans totaled approximately Rs.43,490 million.

While interest under some of the Rupee Bank Loans accrue at a fixed interest rate throughout the term of the loans, some other Rupee Bank Loans bear interest at floating rates calculated with reference to the base rate of the relevant lenders. Interest payments are generally payable monthly or quarterly and must be made on each payment date as provided in the particular facility agreement. As of March 31, 2014, the interest rate on the Rupee Bank Loans ranged from 11% to 11.35% per annum.

Each of the Rupee Bank Loans contains customary negative covenants, including restrictions, subject to certain exceptions, on the Guarantor's ability to incur secured indebtedness, sell or otherwise dispose of certain assets, effect a consolidation or merger or create liens on assets.

In addition, the Rupee Bank Loans require the Guarantor to maintain certain financial covenants, namely a minimum prospective debt service coverage ratio, maximum debt to tangible net worth ratio and maximum debt to EBITDA ratio.

The Rupee Bank Loans contain certain customary events of default, such as failure to pay the amount payable on the due date, material breach of the terms of the loan agreement and acceleration of repayment obligations under other loan or financing documents. The lenders are entitled to terminate their respective agreements and/or demand immediate repayment of the loans and any accrued interest and/or foreclose on secured assets under the respective agreements upon the occurrence of an event of default.

The Guarantor is party to a receivables purchase agreement with HDFC Bank Limited under which a Rs.7,500 million receivables financing program is documented. Under this agreement approved receivables are sold to HDFC Bank Limited on a non-recourse basis.

The Guarantor is also party to a secured loan denominated in Rupees from the Joint Plant Committee — Steel Development Fund, which is an Indian government body. As of March 31, 2014 the amount outstanding under this loan was Rs.21,255 million. This loan contains certain customary events of default, such as failure to pay the amount payable on the due date, material breach of the terms of the loan agreement and acceleration of repayment obligations under other loan or financing documents. The lender is also entitled to terminate their respective agreements and/or demand immediate repayment of the loan and any accrued interest and/or foreclose on secured assets under the respective agreements upon the occurrence of an event of default.

In December 2012, JCAPCPL entered into a Rs.4,050 million loan with Punjab National Bank for the construction of a production facility to produce high-grade automotive cold-rolled sheets.

In connection with the Odisha project, the Guarantor entered into long-term unsecured Rupee loan in the amount of Rs.228,000 million (US$3,807.0 million) in July 2014. The loan also provides for the issuance of letters of credit up to certain limits. The loan contains customary covenants, including certain restrictive covenants and financial covenants. It is split between two tranches, with the first tranche being repaid in installments between 2017 and 2025 and the second tranche being repayable in installments between 2019 and 2025.

Non-Rupee Loans

In March 2006, the Guarantor entered into two facility agreements with Deutsche Bank Aktiengesellschaft, for EUR 11.5 million and EUR 49.9 million, respectively, in relation to financing amounts due under specified commercial contracts related to the Guarantor's growth plan program at Jamshedpur. These are amortizing term loan facilities, with repayment in twenty (20) equal, consecutive, semi-annual installments starting from May 1, 2008 for the sinter plant financing and July 1, 2009 for the blast furnace financing.

In May 2009, the Guarantor entered into a EUR 264 million facility agreement with a consortium of lenders led by AKA Ausfuhrkredit-Gesellschaft mbH, Frankfurt (M) to finance certain contracts and associated costs. The facility agreement comprises of two facilities: (i) a EUR 218 million commercial interest reference rate facility and (ii) a EUR 46 million floating rate facility, under which export credit cover was provided by Euler Hermes Kreditversicherungs-Aktiengesellschaft, Hamburg and PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, acting jointly for and on behalf of the Federal Republic of Germany.

In January 2010, the Guarantor entered into a GBP 100 million and US$335 million facility agreement with Standard Chartered Bank to finance (i) capital expenditure permitted under the automatic route under the external commercial borrowing guidelines; (ii) international acquisitions; and (iii) investments in wholly owned subsidiaries or joint ventures.

In April 2010, the Guarantor entered into an unsecured EUR 72.9 million facility agreement with Credit Agricole Corporate and Investment Bank and BNP Paribas in relation to financing amounts due under specified commercial contracts to which it is a party with Paul Wurth Italia S.p.A and Paul Wurth India Pvt Ltd.

In September 2010, the 2007 Facility of TSE was refinanced in full with the proceeds of a new credit facility (the "2010 Facility") between subsidiaries of TSE (TSUKH and Tata Steel Netherlands Holdings (B.V.)) and a syndicate of 13 banks, including The Royal Bank of Scotland plc and Standard Chartered Bank. The terms of the 2010 Facility include a five-year term loan of EUR 2,210 million and seven-year term loans of EUR 900 million and US$402 million. The revolving credit facilities for working capital purposes were increased to GBP 690 million and have a tenor of five years. Obligations under the 2010 Facility are guaranteed by certain of the Group's European subsidiaries. The 2010 Facility is secured by a pledge of the shares of TSUKH, its material subsidiaries and its fixed assets, with limited exceptions. The five-year term loan is repayable on a quarterly basis starting December 31, 2010 to September 30, 2015 and the seven year term loans are repayable on a quarterly basis starting on December 31, 2015 to September 30, 2017. Under the 2010 Facility, the obligors are subject to maintain certain financial ratios linked to total net leverage and total net debt service. In addition, obligors are subject to limitations on the amount of total capital expenditure within each financial year and there is a prohibition on the payment of dividends, interest and repayments of any parent company subordinated loans by TSE while the 2010 Facility is outstanding. On January 31, 2011, the 2010 Facility was amended primarily to increase the obligor's flexibility to incur capital expenditure.

The current residual outstanding amount of the 5-year term loan is EUR 1,377 million, while the full amount of the seven year term loan is outstanding. In addition to the offering of the Notes, the Guarantor is considering other financing and refinancing transactions intended to diversify its obligations and lengthen the maturity profile of its indebtedness. This includes a replacement of the 2010 Facility with a new financing substantively on the same lines (a combination of term loans and a revolving credit facility) and secured by a similar security package, though the term loan amount would be lower than the current amount outstanding under the 2010 Facility. In order to achieve this, additional funds would be injected into TSUKH by way of unsecured debt or equity. The replacement of the 2010 Facility is sought to be completed prior to the maturity of Tranche A in September 2015, which has a final repayment installment of EUR 1.03 billion, and would be linked to negotiations with lenders and subject to market conditions.

TSGP entered into an unsecured syndicated facility agreement with The Hongkong and Shanghai Banking Corporation Limited; Citibank N.A., Singapore Branch; Australia and New Zealand Banking Group Limited, Singapore Branch; Credit Agricole Corporate and Investment Bank; BNP Paribas and Barclays Bank, covered by a letter of comfort provided by the Guarantor. The proceeds from the facility were used to finance the working capital requirements of the Group. The facility is comprised of two revolving credit facilities: (i) a SGD90 million revolving credit facility and (ii) a multicurrency revolving credit facility, including a letter of credit facility, which has been amended to increase the limit and add additional banks, including most recently in March 2014, when the facility was further increased to US$549.5 million.

In March 2012, Natsteel Asia Pte. Ltd entered into a US$100 million short term facility agreement with Standard Chartered Bank, the proceeds of which were to refinance the working capital requirements of the Group.

TSGP entered into a facility agreement with Deutsche Bank AG, Singapore Branch. The facility agreement comprises bills acceptances and financing facilities, which are used to meet TSGP's core working capital requirements. The facilities have no set term and expire upon the occurrence of a termination event, which includes, inter alia, expiry of the letter of comfort provided by the Guarantor, or, in Deutsche Bank's reasonable view, a material adverse change in TSGP or the Guarantor's ability to perform. Interest is charged at LIBOR plus a margin. These facilities are unsecured, although the Guarantor as sponsor thereunder was required to provide a letter of comfort as a condition precedent to the execution of the facility. The facility has been amended to change the amount, including most recently in March 2014, when the facility was changed to US$150 million.

TSGP entered into a JPY 8 billion facility agreement with Sumitomo Mitsui Banking Corporation, Singapore Branch, the proceeds of which were used to refinance the working capital requirements of the Group. The facility was amended to modify the amount and change the base currency. Under the latest amendment on July 31, 2013, the facility amount was reduced to US$75 million.

On June 20, 2012, TSGP entered into a master sale agreement with Standard Chartered Trade Services Corporation. Under the master sale agreement, Standard Chartered Trade Services Corporation agrees to provide a US$500 million trade revolving facility to TSGP to finance the purchase of raw materials in the ordinary course of business.

On September 11, 2012, the Guarantor entered into a JPY 1,198 million facility agreement with Japan Bank for International Cooperation and The Bank of Tokyo-Mitsubishi UFJ, Ltd in relation to the financing of a portion of the cost of Japanese goods payable pursuant to specified approved contracts required for the upgrade of the Jamshedpur Plant.

On November 9, 2012, JCAPCPL entered into a US$135 million facility agreement with Japan Bank for International Cooperation, Mizuho Corporate Bank, Ltd. and The Bank of Tokyo-Mitsubishi UFG, Ltd. for the construction of a production facility to produce high-grade automotive cold-rolled sheets.

On December 13, 2012, JCAPCPL entered into a US$100 million facility agreement with ICICI Bank Limited to finance the setting up of a continuous annealing and processing line at Jamshedpur.

On March 11, 2013, the Guarantor entered into an unsecured US$200 million facility agreement with Sumitomo Mitsui Banking Corporation, Singapore Branch and Export Development Canada, to finance the Guarantor's capital expenditure requirements in India.

In March 2014, TSGP entered into a US$50 million credit facility agreement with Bank of America and in May 2014, TSGP entered into a US$75 million revolving credit facility agreement with Westpac. All proceeds from each of these facilities are to be used towards financing the working capital requirements of the Group and each facility is covered by a letter of comfort provided by the Guarantor.

Most of the Group's non-Rupee loans bear interest at a floating rate linked to SIBOR, EURIBOR or LIBOR (depending on the currency) plus a margin. Interest payments on these loans are generally payable monthly or quarterly and must be made on each payment date as provided in the particular facility agreement. As of March 31, 2014, the aggregate outstanding amount under these loans totaled approximately Rs.525,995 million.

The Group's financing agreements and debt arrangements normally contain customary negative covenants that limit or require the Group to obtain lender consents before, among other things, changing the Group's business, conducting mergers and consolidations, selling significant assets beyond a certain limit, creating liens on assets or making certain acquisitions or investments. The financing agreements and debt arrangements also contain customary provisions in respect of events of default, including provisions whereby a default under one financing agreement may also result in cross-defaults under the other financing agreements and result in the outstanding amounts under each such financing agreement becoming immediately due and payable.

Some of the financing agreements and debt arrangements contain financial covenants that require the satisfaction and/or maintenance of financial tests and ratios (such as debt to equity ratio, debt coverage ratio and certain other liquidity ratios).

Deed of Undertaking

In connection with the 2010 Facility, the Guarantor has agreed, if requested by TSUKH, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level. As of March 31, 2014, the total outstanding net debt at TSUKH for the purpose of the deed of undertaking was £3,033 million. A significant portion of the proceeds from this offering of Notes is intended to prepay a portion of the outstanding net debt in TSUKH and its subsidiaries.

Hybrid Perpetual Securities

On March 18, 2011, the Guarantor raised Rs.15,000 million through the issuance of hybrid perpetual securities to fund its expansion plans. In May 2011, the Guarantor raised an additional Rs.7,750 million through the issuance of additional hybrid perpetual securities. These securities are perpetual in nature, with no maturity or redemption, and are callable only at the option of the Guarantor. In the years ended March 31, 2014, 2013 and 2012, the Guarantor made distributions of Rs.2,660.4 million, Rs.2,662.1 million and Rs.2,565.4 million on these securities.

Debentures

4.5% Foreign Currency Convertible Bonds

In the second half of the year ended March 31, 2010, as the global financial market recovered from the liquidity crisis, the Guarantor focused on restructuring its liabilities and prepaying a portion of its debt in order to reduce finance charge costs and repayment risks. In November 2009, the Guarantor launched an exchange offer of new foreign currency convertible bonds (the "FCCBs") for any or all of its existing CARS. The FCCBs have a coupon of 4.5%, mature in November 2014, and are convertible into equity shares of the Guarantor at Rs.592.0385 per share. CARS worth US$493 million were tendered for exchange into FCCBs worth US$546.9 million.

10.20% Non-Convertible Debentures

During the first quarter of the year ended March 31, 2009, the Guarantor raised Rs.6,200 million through the issuance of 7-year non-convertible debentures ("NCDs") at a fixed rate of 10.20% per annum. The NCDs will be redeemed as a bullet payment at the end of the 7th year in May 2015.

12.50% Non-Convertible Debentures

During the third quarter of the year ended March 31, 2009, the Guarantor raised Rs.12,500 million through the issuance of 8-year NCDs at a fixed rate of 12.50% per annum. The NCDs will be redeemed in equal installments at the end of years six, seven and eight.

10.40% Non-Convertible Debentures

During the first quarter of the year ended March 31, 2010, the Guarantor raised Rs.6,509 million through the issuance of 10-year NCDs at a fixed rate of 10.40% per annum. The NCDs will be redeemed as a bullet payment at the end of the 10th year in May 2019.

11.00% Non-Convertible Debentures

During the first quarter of the year ended March 31, 2010, the Guarantor raised Rs.15,000 million through the issuance of 10-year NCDs at a fixed rate of 11.00% per annum. The NCDs will be redeemed as a bullet payment at the end of the 10th year in May 2019.

10.25% Non-Convertible Debentures

During the first quarter of the year ended March 31, 2011, the Guarantor contracted to raise Rs.30,000 million through the issuance of 20-year NCDs. In December 2010, the Guarantor issued the first Rs.5,000 million of the NCDs at a fixed rate of 10.25% per annum. The NCDs will be redeemed in equal installments at the end of years 18, 19 and 20, and will have no coupon payable for the first three years after issuance. Interest for the first three years is accumulated into the principal of the NCDs and the remaining coupon payments are calculated based on the accumulated principal amount beginning after the completion of the fourth year. The Guarantor has the option to redeem the NCDs at the accumulated principal amount, either in part or full, at the end of tenth and fifteenth years, in each case, from the date of issuance. In January 2011, the Guarantor issued the remaining Rs.25,000 million of the NCDs on the same terms as those issued in December 2010.

2.0% Non-Convertible Debentures

During the first quarter of the year ended March 31, 2013, the Guarantor raised Rs.15,000 million through the issuance of 10-year NCDs at a fixed rate of 2.0% per annum. The NCDs will be redeemed as a bullet payment at the end of the 10th year in December 2023. The NCDs were issued at a discount of 15% to the face value of Rs.1,000,000 per debenture and will be redeemed at a premium of 85.03%. The yield to maturity of the NCDs is 9.80% per annum.

9.15% Non-Convertible Debentures

During the last quarter of the year ended March 31, 2013, the Guarantor raised Rs.10,000 million through the issuance of NCDs at a fixed rate of 9.15% per annum. The NCDs will be redeemed in equal installments in 2019 and 2021, respectively.

4.95% Guaranteed Notes due 2023

The Issuer issued S$300,000,000 4.95% Guaranteed Notes due 2023 (the "2023 Notes") on May 3, 2013, which are guaranteed by the Guarantor. The principal amount outstanding is not amortizing and is due in full on May 3, 2023. Interest is payable semi-annually in arrears on each of May 3 and November 3.

Debt and Debt Funding

The Group has stable relationships with a large variety of debt providers, principally commercial banks. As at March 31, 2014, approximately 27.7% of the Group's total debt carried a fixed interest rate. As at March 31, 2014, the proportion of the Group's short-term debt to total debt was 19.6%.

Maturity of Borrowings

The table below summarizes the maturity profile of the Group's borrowings based on contractual undiscounted payments. The details given below are gross of debt origination cost.

	Expected maturity as at March 31, 2014
	(Rs. million)
Within one year	292,422
Between one and two years	165,372
Between two and five years	158,394
Over five years	199,898
Total	**816,087**

Existing Foreign Currency Indebtedness

The following table sets forth information with regard to the Group's total debt by currency (gross of debt obligation costs), in terms of fixed or floating rate as at March 31, 2014:

	Currency of borrowings as at March 31, 2014		
	Total borrowings	Floating rate borrowings	Fixed rate borrowings
		(Rs. million)	
Rupee	212,243	64,472	147,771
Euro	274,940	261,224	13,716
U.S. Dollar	223,775	187,085	36,690
Others	105,129	77,686	27,443
Total	816,087	590,467	225,620

TERMS AND CONDITIONS OF THE 2020 NOTES

The following is the text of the Conditions of the Notes which (subject to completion and amendment and as supplemented or varied and except for the paragraphs in italics) will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Certificate representing the Notes. These terms and conditions as so amended, supplemented or varied shall be endorsed on the Certificates issued in respect of the Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 DEFINITIONS

The following definitions are used in these Terms and Conditions:

Issuer	ABJA Investment Co. Pte. Ltd., a company incorporated under the laws of Singapore with Unique Entity Number 201309883M with offices at 22 Tanjong Kling Road, Singapore 628048
Guarantor	Tata Steel Limited, a company incorporated under the laws of the Republic of India with registered number L27100MH1907PLC000260 with its registered address at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001, India
Guarantee	Guarantee contained in the Trust Deed pursuant to which the Guarantor guarantees in favour of the Noteholders the due and punctual payment of all amounts payable by the Issuer under the Notes up to the Guaranteed Amount (as defined below)
Trustee	Citicorp International Limited 50th Floor, Citibank Tower Citibank Plaza 3 Garden Road, Central Hong Kong Fax: +852 2323 0279 Attn: Agency and Trust
Principal Paying Agent	Citibank, N.A., London Branch c/o Citibank, N.A., Dublin Branch Ground Floor 1 North Wall Quay Dublin 1 Ireland Fax: +353 1 662 2212/2210 Attn: Agency and Trust
Paying Agents	The Principal Paying Agent and any other paying agent appointed by the Issuer and the Guarantor
Registrar	Citigroup Global Markets Deutschland AG Reuterweg 16 60323 Frankfurt Germany Fax: +49 69 1366 1429 Attn: Germany Agency and Trust Department
Notes	U.S.$500,000,000 4.85 per cent. Guaranteed Notes due 2020 (which term shall include, unless the context requires otherwise, any further Notes issued in accordance with Condition 20 and consolidated and forming a single series therewith)
2024 Notes	U.S.$1,000,000,000 5.95 per cent. Guaranteed Notes due 2024
Closing Date	July 31, 2014
Maturity Date	January 31, 2020
Noteholders	The holders of the Notes (each a "**Noteholder**")

2 RELATED AGREEMENTS

2.1 The Notes are constituted by a trust deed dated as of the Closing Date (the "**Trust Deed**") made between the Issuer, the Guarantor and the Trustee.

2.2 These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as amended and supplemented from time to time) which includes the form of the Notes. Copies of the Trust Deed and the agency agreement dated as of the Closing Date (the "**Agency Agreement**") made between the Issuer, the Guarantor, the Principal Paying Agent, the Registrar and the Trustee are available for inspection by the Noteholders, during normal business hours at the specified office for the time being of the Trustee and at the specified office of each of the Paying Agents (and, together with the Principal Paying Agent and the Registrar, the "**Agents**"). The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement. References in these Conditions to the Trustee, the Registrar or any Paying Agent include any successor appointed under the Trust Deed or Agency Agreement, respectively.

3 FORM, DENOMINATION AND TITLE

3.1 Form and denomination

The Notes are issued in registered form in the denomination of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof (referred to as the "**principal amount**" of each Note). A note certificate (each a "**Certificate**") will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders which the Issuer will procure to be kept by the Registrar.

*Notes will be traded on the Freiverkehr (Open Market) of the Frankfurter Wertpapierbörse (Frankfurt Stock Exchange) (the "**FWB**") in a board lot size of U.S.$200,000 or such other amount as may be allowed or required from time to time for so long as the Notes are listed on the FWB.*

*The Notes shall initially be represented by a Global Certificate in the aggregate principal amount of the Notes issued on the Closing Date registered in the name of a common nominee for, and held by or to the order of a depositary (the "**Common Depositary**") common to, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and as described in the section entitled "The Global Certificate". Except in the limited circumstances described in the section entitled "The Global Certificate", owners of interests in Notes represented by a Global Certificate will not be entitled to receive Definitive Notes in respect of their individual holdings of Notes.*

3.2 Title

Title to the Notes passes only by registration in the register of Noteholders. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or the theft or loss of the Certificate issued in respect of it) (other than a duly executed transfer thereof in the form endorsed thereon), and no person will be liable for so treating the holder.

4 TRANSFER OF NOTES AND ISSUE OF CERTIFICATES

4.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers of the Notes (the "**Register**").

Each Noteholder shall be entitled to receive only one Certificate in respect of its entire holding of Notes.

4.2 Transfers

Subject to Conditions 4.5 and 4.6 and the terms of the Agency Agreement, a Note may be transferred by depositing the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar or the Transfer Agent. No transfer of a Note will be valid unless and until entered into the Register.

Transfer of interests in the Notes evidenced by the Global Certificate will only be effected in accordance with the rules and procedures for the time being of the relevant clearing systems.

4.3 Delivery of new Certificates

Each new Certificate to be issued upon a transfer of Notes will, within five business days of receipt by the Registrar or the relevant Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail (at the cost of the Issuer and at the risk of the holder entitled to the Note) to the address specified in the form of transfer. For the purposes of this Condition, "**business day**" shall mean a day on which banks are open for business in the city in which the specified office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

Except in the limited circumstances described in the section of the Offering Circular entitled "The Global Certificate", owners of interests in the Notes will not be entitled to receive physical delivery of Certificates. Issues of Certificates upon a transfer of Notes are subject to compliance by the transferor and transferee with the certification procedures described above and in the Agency Agreement.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the Notes not so transferred will, within five business days of receipt by the Registrar or the relevant Agent of the original Certificate, be mailed by uninsured mail (at the cost of the Issuer and at the risk of the holder of the Notes not so transferred) to the address of such holder appearing on the register of Noteholders or as specified in the form of transfer.

4.4 Formalities free of charge

Registration of a transfer of Notes will be effected without charge by or on behalf of the Issuer or any Agent but upon payment (or the giving of such indemnity as the Issuer or any Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

4.5 Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on the due date for any payment of principal, premium or interest on that Note; or (ii) during a period of seven days ending on the date on which the Notes are exchanged for the New Notes (as defined herein) pursuant to Condition 10.4.

The Issuer shall not be required in the event of a partial redemption of Notes under Condition 10 (*Redemption and Purchase*):

4.5.1 to register the transfer of Notes (or parts of Notes) during the period beginning on the 65th day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive); or

4.5.2 to register the transfer of any Note, or part of a Note, called for redemption.

4.6 Regulations

All transfers of Notes and entries on the register of Noteholders will be made subject to the detailed regulations concerning a transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be mailed (at the cost of the Issuer and free of charge to the Noteholder) by the Registrar to any Noteholder who requests one.

5 STATUS OF THE NOTES

The Notes constitute (subject to Condition 7.1 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Issuer and will rank at all times *pari passu* without any preference among themselves and at least *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6 GUARANTEE

6.1 Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Notes up to the Guaranteed Amount (as defined below). The Guarantor's obligations in that respect are contained in the Trust Deed.

6.2 Status of the Guarantee

The payment obligations of the Guarantor under the Guarantee constitute (subject to Condition 7 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Guarantor and will rank at all times, *pari passu* with all other outstanding present and future unsecured and unsubordinated obligations of the Guarantor but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6.3 Limitation of the Guarantee

6.3.1 The aggregate amount payable by the Guarantor under the Guarantee shall not exceed 125 per cent. of the outstanding principal amount of the Notes which, on the Closing Date, shall be U.S.$625,000,000 (the "**Guaranteed Amount**").

6.3.2 No claim shall be made against the Guarantor in respect of its obligations under the Guarantee after the earlier of:

A. the date on which all amounts due and payable under the terms of the Notes have been unconditionally and irrevocably paid in full; and

B. the date falling one month after the Maturity Date of the Notes.

6.3.3 For the avoidance of doubt, any claim made against the Guarantor prior to the expiry of the period specified in Condition 6.3.2 above shall survive such expiry.

In relation to any rights of the holders of the Notes which have arisen or accrued under the Guarantee during the period specified in Condition 6.3.2 above and which are unpaid following the expiry of the Guarantee Period, in order to make such payment, the Guarantor will be required to comply with the Foreign Exchange Management (Transfer of Issue or Any Foreign Security) Regulations, 2004, as amended, and the relevant Reserve Bank of India regulations in place in India at such time in relation to overseas direct investment and the Guarantor covenants to use all reasonable endeavours thereto in order to make such payments.

7 COVENANTS

7.1 Negative Pledge

So long as any of the Notes remains outstanding:

7.1.1 the Issuer will not create or permit to subsist any Security (as defined below) upon the whole or any part of its property or assets, present or future, to secure any External Obligations (as defined below), unless the Issuer, in the case of the creation of the Security, at the same time or prior thereto takes any and all action necessary to ensure that:

A. all amounts payable by it under the Notes and the Trust Deed are secured by the Security equally and rateably with the External Obligations to the satisfaction of the Trustee; or

B. such other Security or other arrangement (whether or not it includes the giving of Security) is provided as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders; and

7.1.2 the Guarantor will not create or permit to subsist Security upon the whole or any part of its property or assets, present or future, to secure any External Obligation, unless the Guarantor, in the case of the creation of Security, at the same time or prior thereto takes any and all action necessary to ensure that:

A. amounts payable by it under the Guarantee are secured by the Security equally and rateably with the External Obligations to the satisfaction of the Trustee; or

B. such other Security or other arrangement (whether or not it includes the giving of Security) is provided as is approved by an Extraordinary Resolution of the Noteholders.

7.2 Limitations on Asset Sales

7.2.1 So long as any of the Notes remains outstanding the Guarantor shall apply any Net Cash Proceeds from an Asset Sale to:

(a) permanently repay unsubordinated Financial Indebtedness; or

(b) acquire properties and assets (other than current assets) that will be directly owned and used by the Guarantor in Permitted Businesses; or

(c) invest in subsidiaries involved in Permitted Businesses; provided that the amount of such investment, individually or when aggregated with all other investments in subsidiaries in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to such investment, does not exceed 3% of the Fixed Assets of the Guarantor on the immediately preceding balance sheet date (as stated in the Guarantor's most recent semi annual or annual financial statements); or

(d) pay a dividend, provided that, the Guarantor shall not pay any such dividend in respect of or otherwise distribute such Net Cash Proceeds to its shareholders if such dividend or distribution, individually or when aggregated with all other dividends or distributions in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to the date of the declaration of such dividend or distribution, exceeds US$200,000,000 or its equivalent in other currencies.

7.2.2 The Guarantor will not, directly or indirectly, consummate an Asset Sale unless the Guarantor receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to the Asset Sale (including as to the value of all non-cash consideration, such non-cash consideration shall, for the avoidance of doubt, not be subject to the restrictions under Condition 7.2.1) of the Fixed Assets sold or otherwise disposed of.

7.2.3 Pending application of Net Cash Proceeds as set out above, such Net Cash Proceeds may be placed in cash deposits or invested in short term money market instruments.

7.3 Limitation on Financial Indebtedness

So long as any of the Notes remains outstanding, the Guarantor shall not, and shall not permit the Issuer to, Incur, directly or indirectly any Financial Indebtedness, unless, after giving effect to the application of the proceeds thereof:

7.3.1 no Event of Default or Potential Event of Default would occur as a consequence of such Incurrence or be continuing following such Incurrence; and

7.3.2 the Financial Indebtedness to Tangible Net Worth ratio for the Guarantor's most recently ended semi-annual or annual period for which unconsolidated financial statements are available immediately preceding the date on which such Financial Indebtedness is incurred shall not be greater than 3.0 : 1.0.

Provided that this Condition 7.3 shall not apply to:

A. Financial Indebtedness of the Guarantor evidenced by the Notes and the Guarantee existing as at July 31, 2014, the 2024 Notes and the related guarantee (and any notes exchanged for the Notes and the 2024 Notes);

B. Financial Indebtedness existing as at July 31, 2014, and refinancing thereof; and

C. Financial Indebtedness used to refinance Financial Indebtedness properly Incurred under this Condition 7.3.

7.3.3 The Financial Indebtedness to Tangible Net Worth ratio shall be calculated and interpreted on an unconsolidated basis.

7.4 Suspension of Covenants

7.4.1 Following the first day (the "**Suspension Date**") that (a) the Notes have Notes Investment Grade Status from at least two Rating Agencies and (b) no Event of Default has occurred and is continuing, the Guarantor will not be subject to Condition 7.2 (*Limitation on Asset Sales*) and Condition 7.3 (*Limitation on Financial Indebtedness*) (the "**Suspended Covenants**"). In the event that the Guarantor is not subject to the Suspended Covenants for any period of time as a result of the preceding sentence and, on any subsequent date (the "**Reversion Date**"), either (i) two or more Rating Agencies have assigned ratings to the Notes below the required Notes Investment Grade

Status or (ii) a Event of Default occurs and is continuing, then the Guarantor will thereafter again be subject to the Suspended Covenants. The period of time between the Suspension Date and the Reversion Date is referred to in the covenant described hereunder as the "**Suspension Period**".

7.4.2 Notwithstanding that the Suspended Covenants may be reinstated, no Event of Default will be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period. On the Reversion Date, all Financial Indebtedness Incurred during a Suspension Period will be classified to have been Incurred pursuant to paragraph B of the proviso to Condition 7.3.2 and will be deemed to have been in existence on July 31, 2014 and therefore permitted. On the Reversion Date, for purposes of determining compliance with Condition 7.2, the amount of Net Cash Proceeds applied in the twelve month period prior to the Reversion Date under Condition 7.2.1(c) and 7.2.1(d) shall be deemed to be zero.

7.5 Interpretation

In these Conditions:

7.5.1 "**Asset Sale**" means the sale, lease, conveyance or other disposition of any Fixed Assets by the Guarantor;

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

A. any single transaction or series of related transactions that involves Fixed Assets having a Fair Market Value of less than US$ 100 million;

B. the sale, lease or other transfer of accounts receivable, inventory, trading stock and other assets in the ordinary course of business (including the abandonment, sale or other disposition of damaged, worn out or obsolete assets or assets or intellectual property that are, in the reasonable judgment of the Guarantor, no longer economically practicable to maintain or useful in the conduct of business of the Guarantor);

C. licences, sub-licences, subleases, assignments or other disposition by the Guarantor of software or intellectual property in the ordinary course of business;

D. any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

E. the sale or other disposition of cash or cash equivalents;

F. the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

G. the foreclosure, condemnation or any similar action with respect to any property or other assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

H. any unwinding or termination of hedging obligations not for speculative purposes;

I. the disposition of assets of the Guarantor which are seized, expropriated or compulsory purchased by or by the order of any central or local government authority;

J. the disposition of assets to another person whereby the Guarantor leases such assets back from such person; and

K. operating leases of Fixed Assets.

7.5.2 "**External Obligations**" means bonds, debentures, notes or other similar securities of the Issuer or the Guarantor which both: (a) are by their terms payable, or confer a right to receive payment, in, or by reference to, any currency other than Rupees, or which are denominated in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India by or with the authorisation of the Issuer or the Guarantor; and (b) are for the time being or are capable of being quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the- counter or other similar securities market outside India.

7.5.3 "**Fair Market Value**" means, with respect to any asset or property, the price which could be negotiated in an arm's length, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will be determined in good faith by the Board of Directors or any person(s) authorised by the Board of Directors, whose determination will be conclusive and evidenced by a certificate from the same.

7.5.4 "**Financial Indebtedness**" means any indebtedness Incurred by the Guarantor for or in respect of:

A. moneys borrowed;

B. any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

C. any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

D. the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;

E. receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

F. any amount raised under any other transaction having the commercial effect of a borrowing and required by GAAP to be shown as a borrowing in the balance sheet of the Guarantor;

G. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

H. shares which are expressed to be redeemable on or before January 31, 2020;

I. any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

J. the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (A) to (I) above.

7.5.5 "**Fixed Assets**" refers to assets classified as such in the Guarantor's unconsolidated financial statements prepared in accordance with GAAP.

7.5.6 "**GAAP**" means generally accepted accounting principles, standards and practices in India.

7.5.7 "***Incur***" means, with respect to any Financial Indebtedness, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Financial Indebtedness. The terms "Incurrence," "Incurred" and "Incurring" have meanings correlative with the foregoing.

7.5.8 "**Net Cash Proceeds**" with respect to any sale of any Fixed Assets of the Guarantor means the cash proceeds of such sale net of payments to repay Financial Indebtedness or any other obligation outstanding at the time that either (1) is secured by a lien on such Fixed Assets or (2) is required to be paid as a result of such sale, legal fees, accountants' fees, agents' fees, discounts or commissions and brokerage, consultant fees and other fees actually incurred in connection with such sale and net of taxes paid or payable as a result thereof.

7.5.9 "**Notes Investment Grade Status**" exists as of any time if at such time the Notes have been assigned at least two of the three following ratings: (x) "BBB-" or higher by Fitch; (y) "BBB-" or higher by S&P; or (z) "Baa3" or higher by Moody's.

7.5.10 "**Permitted Business**" means (i) any business, services or activities engaged in by the Guarantor and its Subsidiaries on the Closing Date and (ii) any business, services or activities engaged in by the Guarantor or any of its Subsidiaries that are related, complementary, incidental, ancillary or similar to any of the foregoing, or are extensions or developments of any thereof.

7.5.11 "**Rating Agency**" shall have the meaning given to such term in Condition 10.3.5(H).

7.5.12 "**Rupees**" means the lawful currency of the Republic of India.

7.5.13 "**Security**" means a mortgage, charge, pledge, lien, encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, including any mortgage, pledge, retention of title arrangement, right of retention, and, in general, any right in rem, created for the purpose of granting security.

7.5.14 "**Tangible Net Worth**" means the aggregate of:

A. the amount paid up or credited as paid up on the share capital of the Guarantor;

B. the amount standing to the credit of the reserves of the Guarantor (including, without limitation, any share premium account, capital redemption reserve funds and any credit balance on the accumulated profit and loss account);

C. if applicable, that part of the net results of operations and the net assets of any subsidiary of the Guarantor attributable to interests that are not owned, directly or indirectly, by the Guarantor; and

D. after deducting from that aggregate:

(i) any debit balance on the profit and loss account or impairment of the issued share capital of the Guarantor (except to the extent that deduction with respect to that debit balance or impairment has already been made);

(ii) amounts set aside for dividends or taxation (including deferred taxation); and

(iii) amounts attributable to capitalised items such as goodwill, trademarks, deferred charges, licenses, patents and other intangible assets.

8 INTEREST

8.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including the Closing Date at the rate of 4.85 per cent. per annum, payable semi-annually in arrear on January 31 and July 31 of each year (each, an "**Interest Payment Date**"). The first payment (for the period from and including July 31, 2014 to but excluding January 31, 2015) will be made on January 31, 2015.

If any Interest Payment Date falls on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition "**Business Day**" means in relation to any place a day (other than a Saturday or Sunday) on which commercial banks are open for business in London, Singapore, New York, Mumbai and, in the case of presentation of a Note Certificate, in the place in which the Note Certificate is presented.

8.2 Interest Accrual

Each Note will cease to bear interest from and including the Maturity Date or the date on which all amounts due in respect of such Note have been paid unless, upon due presentation, payment of principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

8.2.1 the date on which all amounts due in respect of such Note have been paid; and

8.2.2 seven days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*).

8.3 Calculation of Broken Interest

When interest is to be calculated in respect of a period of less than six months, the day-count fraction used will be the number of days in the relevant period, from (and including) the date from which interest begins to accrue to (but excluding) the date on which it falls due, divided by 360.

9 PAYMENTS

9.1 Method of Payments

9.1.1 Payment of principal, premium (if any) and interest will be made by transfer to the registered account of the Noteholder or, in the case of payments of interest due on an Interest Payment Date, by US dollar cheque drawn on a bank in New York City mailed to the registered address of the Noteholder if it does not have a registered account, in each case, in accordance with the provisions of the Agency Agreement. Payments of principal and premium (if any) and payments of interest due otherwise than on an Interest Payment Date will only be made against surrender of the relevant Certificate at the specified office of any of the Agents. Interest on Notes due on an Interest Payment Date will be paid to the holder shown on the register of Noteholders at the close of business on the date (the "**record date**") being the fifteenth day before the relevant Interest Payment Date.

9.1.2 For the purposes of this Condition, a Noteholder's registered account means the US dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the register of Noteholders at the close of business, in the case of principal and premium (if any) and interest due otherwise than on an Interest Payment Date, on the Business Day (as defined below) before the due date for payment and, in the case of interest due on an Interest Payment Date, on the relevant record date, and a Noteholder's registered address means its address appearing on the register of Noteholders at that time.

9.2 Partial Payments

If the amount of principal, premium (if any) or interest which is due on the Notes is not paid in full, the Principal Paying Agent or the Registrar, as the case may be, will annotate the register of Noteholders with a record of the amount of principal, premium (if any) or interest in fact paid.

9.3 Payments subject to Applicable Laws

All payments are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of any such payments.

9.4 Payment on Business Days

9.4.1 Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Business Day (as defined below), for value on the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a Business Day, the immediately following Business Day) or, in the case of payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of the Agent.

9.4.2 Noteholders will not be entitled to interest or other payment for any delay after the due date in receiving the amount due if (i) the due date is not a Business Day, (ii) the Noteholder is late in surrendering its Certificate (if required to do so) or (iii) a cheque mailed in accordance with this Condition arrives after the due date for payment.

In this Condition "**Business Day**" means in relation to any place a day (other than a Saturday or Sunday) on which commercial banks are open for business in London, Singapore, New York, Mumbai and, in the case of presentation of a Note Certificate, in the place in which the Note Certificate is presented.

9.5 Default Interest

9.5.1 If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum shall not be made against due presentation of the Certificates, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders (before and after judgment) at a rate per annum equal to 5.85 per cent. per annum. The Issuer shall pay any unpaid interest accrued on the amount so unpaid on the last Business Day of the calendar month in which such interest accrued and any interest payable under this Condition which is not paid on the last Business Day of the calendar month in which it accrued shall be added to the overdue sum and itself bear interest accordingly.

9.5.2 The Trustee and Agents shall not be liable for (i) any such payments of default interest pursuant to Condition 9.5.1 above which shall be made directly by the Issuer to the relevant Noteholders; (ii) any failure of the Issuer to make payments of any such default interest to the Noteholders; or (iii) any calculations in respect of such default interest which are carried out by any other party.

9.6 Agents

The name of the initial Paying Agents and their initial specified offices are set out at the front of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent at any time and to appoint additional or other Paying Agents provided that:

9.6.1 there is always a Principal Paying Agent;

9.6.2 there is always a Registrar; and

9.6.3 such other agents as may be required by any stock exchange on which the Notes may be listed. Notice of any termination or appointment and of any changes in specified offices shall be given to the Noteholders promptly by the Issuer in accordance with Condition 16 (*Notices*).

10 REDEMPTION AND PURCHASE

10.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount (together with unpaid accrued interest thereon (if any)) on the Maturity Date.

10.2 Redemption for Taxation Reasons

10.2.1 The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), at their principal amount (together with unpaid accrued interest thereon (if any)), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that (A) it has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) or (B) the Guarantor has or would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 11.2.2), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts where a payment in respect of the Notes (or the Guarantee, as the case may be) is then due.

10.2.2 Prior to the publication of any notice of redemption pursuant to Condition 10.2.1, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer (or the Guarantor, as the case may be) stating that the obligation referred to in Condition 10.2.1(ii) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in Condition 10.2.1(ii) above in which event it shall be conclusive and binding on the Noteholders and the Trustee shall not be liable to any person for doing so.

10.3 Redemption for Change of Control Triggering Event

10.3.1 If a Change of Control Triggering Event (as defined below) occurs with respect to the Guarantor, each Noteholder shall have the right (the "**Change of Control Redemption Right**"), at such Noteholder's option, to require the Issuer to redeem all of such Noteholder's Note(s) in whole, but not in part on the Change of Control Redemption Date (as defined below), at a price equal to the Change of Control Redemption Amount (as defined below). The Agents shall not be required to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred and shall not be liable to any person for any failure to do so.

10.3.2 To exercise the Change of Control Redemption Right attaching to a Note on the occurrence of a Change of Control Triggering Event, the holder thereof must complete, sign and deposit at its own expense at any time from 9.30 am to 5.30 pm (local time in the place of deposit) on any Business Day at the specified office of any Paying Agent a notice (a "**Change of Control Redemption Notice**") in the form (for the time being current) obtainable from the specified office of any Paying Agent together with the relevant Certificate evidencing the Notes to be redeemed. Such Change of Control Redemption Notice may be given on the earlier of the date on which the relevant Noteholder becomes aware of the occurrence of the Change of Control Triggering Event and the date on which the Change of Control Notice (as detailed below) delivered by the Issuer under Condition 10.3.4 is received by such Noteholder. No Change of Control Redemption Notice may be given after 90 days from the date of the Change of Control Notice.

10.3.3 A Change of Control Redemption Notice, once delivered, shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Redemption Notice and instead to give notice that the Note is immediately due and repayable under Condition 12.1 (*Events of Default*). The Issuer shall redeem the Notes (in whole but not in part) which form the subject of any Change of Control Redemption Notice which is not withdrawn on the Change of Control Redemption Date.

10.3.4 Not later than seven days after becoming aware of a Change of Control Triggering Event, the Issuer shall procure that notice (a "**Change of Control Notice**") regarding the Change of Control Triggering Event be delivered to the Trustee, the Agents and the Noteholders (in accordance with Condition 16 (*Notices*) stating:

A. that Noteholders may require the Issuer to redeem their Notes under Condition 10.3 (*Redemption for Change of Control Triggering Event*);

B. the date of such Change of Control Triggering Event and, briefly, the events causing such Change of Control Triggering Event;

C. the names and addresses of all relevant Paying Agents;

D. such other information relating to the Change of Control Triggering Event as any Noteholder may require; and

E. that the Change of Control Redemption Notice pursuant to Condition 10.3.2 once validly given, may not be withdrawn and the last day on which a Change of Control Redemption Notice may be given.

10.3.5 In this Condition:

A. "**Change of Control**" means the occurrence of any of the following:

1. a person or persons, acting together, other than the Tata Group, acquire Control, directly or indirectly, of the Guarantor;
2. the Guarantor consolidates with or merges into or sells or transfers all or substantially all of its assets to any other person or persons, acting together;
3. the adoption of a plan relating to the liquidation or dissolution of the Guarantor; or
4. the Guarantor ceases directly to own 100% of the share capital of the Issuer or adopts a plan relating to the liquidation or dissolution of the Issuer.

B. "**Change of Control Redemption Amount**" means an amount equal to 101 per cent. of the principal amount of the Notes redeemed plus unpaid accrued interest, if any, to and including the Change of Control Redemption Date.

C. "**Change of Control Redemption Date**" means the date specified in the Change of Control Redemption Notice, such date being not less than 30 nor more than 60 days after the date of the Change of Control Redemption Notice.

D. "**Change of Control Triggering Event**" means the occurrence of a Change of Control; provided, however, that if the Change of Control is an event described in clauses (1) and (2) of the definition thereof, it shall not constitute a Change of Control Triggering Event unless and until a Ratings Decline also shall have occurred.

E. "**Control**" means (a) the acquisition or control of more than 50 per cent. of the Voting Rights of the issued share capital of the Guarantor or (b) the right to appoint and/or remove all or the majority of the members of the Guarantor's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise, and "controlled" shall be construed accordingly.

F. "**Investment Grade Status**" exists as of any time if at such time the Guarantor's corporate credit rating has been assigned the two of the three following ratings: (x) "BBB-" or higher by Fitch; and (y) "BBB-" or higher by S&P; or (z) "Baa3" or higher by Moody's.

G. for the purposes of the Change of Control Redemption Right, a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing.

H. "**Rating Agency**" means any of Standard & Poor's Ratings Service, a division of the McGraw Hill Companies Inc. ("**S&P**") Moody's Investors Service, Inc. ("**Moody's**") or Fitch Inc., a subsidiary of Fimalac, S.A. ("**Fitch**"), and any of their successors, as applicable.

I. "**Rating Category**" means (i) with respect to S&P, any of the following categories: "BB", "B", "CCC", "CC", "C", and "D" (or equivalent successor categories); (ii) with respect to Moody's, any of the following categories: "Ba", "B", "Caa", "Ca", "C", and "D" (or equivalent successor categories); (iii) with respect to Fitch, any of the following categories: "BB", "B", "CCC", "CC", "C", and "D" (or equivalent successor categories) and (iv) the equivalent of any such category of S&P, Moody's and Fitch used by another Rating Agency. In determining whether the rating of the Guarantor has decreased by one or more gradations, gradations within Rating Categories ("+" and "-" for S&P and Fitch; "1", "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P and Fitch, a decline in a rating from "BB+" to "BB", as well as from "BB-" to "B+" will constitute a decrease of one gradation).

J. "**Rating Date**" means in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (a) a Change of Control, (b) the initial public notice of the occurrence of a Change of Control or of the intention by the Guarantor or any other Person or Persons to effect a Change of Control and (3) the date that the acquirer or prospective acquirer (i) has entered into one or more binding agreements with the Guarantor and/or shareholders of the Guarantor that would give rise to a Change of Control or (ii) has commenced an offer to acquire outstanding capital stock of the Guarantor.

K. "**Rating Decline**" means in connection with a Change of Control Triggering Event, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Guarantor or any other person or persons to effect a Change of Control (which period shall be extended so long as the corporate credit rating of the Guarantor or the Guarantor and its subsidiaries, is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

(i) in the event the Guarantor is rated by one or more Rating Agencies on the Rating Date as having Investment Grade Status, the rating of the Guarantor by any such Rating Agency shall be downgraded to below Investment Grade Status; or

(ii) in the event the Guarantor is rated below Investment Grade Status by one or more Rating Agencies on the Rating Date, the rating of the Guarantor by any such Rating Agency shall be withdrawn or decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

L. "**Tata Group**" means Tata Sons Limited, Tata Power Company Limited, Tata Steel Limited, Tata Industries Limited, Tata Motors Limited, Tata Chemicals Limited, Tata Tea Limited, The Indian Hotels Company Limited, Tata International Limited, Tata Consultancy Services Limited, Trent Limited, Tata Investment Corporation Limited and Panatone Finvest Limited (each of which is a company incorporated under the laws of India), their respective subsidiaries and holding companies and any other company which includes the word 'Tata' in its name pursuant to a brand equity promotion agreement with a member of the Tata Group.

M. "**Voting Rights**" means the right generally to vote at a general meeting of shareholders of the Guarantor (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

10.4 Mandatory exchange at the option of the Issuer:

10.4.1 The Notes may be exchanged for new notes issued directly by the Guarantor (the "**New Notes**"), at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving not less than 15 nor more than 30 days' notice to the Noteholders, the Trustee and the Principal Paying Agent in accordance with Condition 16 (Notices) (which notice shall be irrevocable) (the "**Exchange Notice**"). The terms and conditions of the New Notes will be as set out in schedule 7 to the Trust Deed and will contain the same terms as the Notes (including, but not limited to, principal, premium and interest payable, covenants, cross-acceleration, interest payment dates and the maturity date), except for the issue date and the substitution of the Guarantor for the Issuer and removal of the Guarantee. The exchange of the Notes for the New Notes (the "**Exchange**") will be done in such a manner that each Noteholder will receive an amount of New Notes equal in principal amount to the principal amount of the Notes then held by such Noteholder.

10.4.2 The Trustee shall not be liable for acting or refraining from acting in reliance on any purported Exchange Notice and shall not be responsible for checking that such Exchange Notice has been duly completed or properly delivered and any purported Exchange Notice which the Trustee accepts shall be conclusive and binding on the Issuer, the Trustee, the Agents and the Noteholders.

10.4.3 The Issuer shall be responsible for the payment of, and shall, in the relevant Exchange Notice, indemnify the Noteholders, the Trustee and the Principal Paying Agent in respect of, all stamp, stamp duty reserve, registration, documentary, transfer and other similar taxes or duties (including penalties) arising on the delivery of the New Notes to the relevant Noteholder.

So long as the New Notes are represented by a global certificate and such global certificate is held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, such delivery shall be made in respect of the New Notes by delivery through the relevant clearing system to the account of each Noteholder.

The Mandatory Exchange including issue of New Notes by the Guarantor will be subject to all applicable regulations.

10.5 Provisions relating to Partial Redemption

If fewer than all of the Notes are to be redeemed at any time, the selection of such Notes for redemption will be made by the Trustee in compliance with the rules, if any, of any stock exchange on which the Notes are listed or, if such Notes are not then listed or there are no such applicable rules, on a pro rata basis and in such manner as the Trustee may deem appropriate and fair, provided that no Notes shall be redeemed in part more than 30 days before the date fixed for redemption. Notice of any such selection will be given not less than 15 days before the date fixed for redemption. Each notice will specify the date fixed for redemption and the aggregate principal amount of the Notes to be redeemed, the serial numbers of the Notes called for redemption, the serial numbers of Notes previously called for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial redemption. Where some but not all of the Notes in respect of which a Certificate is issued are to be redeemed, the notice of redemption that relates to such Certificates shall state the portion of the principal amount of the Notes to be redeemed and, where applicable, a new Certificate in a principal amount equal to the unredeemed Notes will be issued in the name of the Noteholder thereof upon cancellation of the original Certificate. Any such new Certificate will be delivered to the specified office of a Paying Agent or (at the risk and, if mailed at the request of the Noteholder otherwise than by ordinary uninsured mail, at the expense of the Noteholder) sent by mail to the Noteholder.

10.6 Purchases

The Issuer and the Guarantor (and any other subsidiary of the Guarantor) may at any time purchase Notes in any manner and at any price. The Notes so acquired, while held on behalf of the Issuer or the Guarantor (or such other subsidiary of the Guarantor), shall not entitle the holders thereof to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders for the purposes of Condition 12 (*Events of Default*), Condition 14 (*Enforcement*) and Condition 17 (*Meetings of Noteholders, Modification, Waiver and Authorisation*). If purchases are made by tender, tenders must be available to all Noteholders alike except where it is not possible to do so in order to qualify for exemptions from any offering restrictions imposed by any jurisdiction.

10.7 Cancellations

All Notes which are (a) redeemed or exchanged (b) purchased by or on behalf of the Issuer, the Guarantor or any of the Guarantor's other subsidiaries will forthwith be cancelled, and accordingly may not be reissued or resold.

10.8 Notices Final

Upon the expiry of any notice as is referred to in Conditions 10.2 or 10.3 above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such Condition.

11 TAXATION

11.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any of the Relevant Jurisdictions, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will, subject to the Guaranteed Amount, pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the amounts which would have been received by them had no such withholding or deduction been required; except that no additional amounts shall be payable on any Note in relation to any payment in respect of:

11.1.1 any Taxes that would not have been withheld, deducted or imposed but for (A) the holder of the Notes, (B) the beneficial owner of the Notes or (C) a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the relevant holder, if the relevant holder is an estate, trust, partnership or corporation, being a citizen or resident or national of, incorporated in or carrying on a trade or business in or having a permanent establishment in the Relevant Jurisdiction in which such Taxes are imposed or having any other present or former connection with the Relevant Jurisdiction other than the mere acquisition, holding, enforcement or receipt of payment in respect of the Notes or the Guarantee;

11.1.2 any Taxes that are withheld, deducted or imposed as a result of the failure of the holder or beneficial owner of the Notes to comply, to the extent legally able, with any reasonable request, made to that holder or beneficial owner at least 60 days before any such withholding or deduction would be payable, by the Issuer or the Guarantor to provide timely and accurate information concerning the nationality, residence or identity of such holder or beneficial owner or to make any valid and timely declaration or similar claim or satisfy any certification, information or other reporting requirement, which is required or imposed by a statute, treaty, regulation or administrative practice of the Relevant Jurisdiction as a precondition to any exemption from or reduction in all or part of such Taxes to which such holder is entitled;

11.1.3 any Taxes that would not have been withheld, deducted or imposed but for the presentation of a Note for payment more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts (as defined below) had the Note been presented on the last day of such 30 day period);

11.1.4 any Taxes that are withheld, deducted or imposed on or with respect to any payment of principal or interest on such Note made to any holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Note;

11.1.5 any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

11.1.6 any Taxes withheld, deducted or imposed on or with respect to a payment to an individual and that are required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such Directive;

11.1.7 where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto.

11.1.8 any Taxes withheld, deducted or imposed on or with respect to any Note presented for payment by or on behalf of a holder of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent;

11.1.9 any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes or with respect to the Guarantee; or

11.1.10 any combination of items 11.1.1 through 11.1.9 above.

11.2 Interpretation

In these Conditions:

11.2.1 "**Relevant Date**" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by a Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*); and

11.2.2 "**Relevant Jurisdiction**" means Singapore or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or the Republic of India or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer or the Guarantor, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Notes.

11.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

12 EVENTS OF DEFAULT

12.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Guarantor that the Notes are, and shall immediately become, due and repayable at their principal amount, together with unpaid accrued interest as provided in the Trust Deed, if any of the following events occurs and is continuing ("**Events of Default**"):

12.1.1 **Non-payment**: If the Issuer fails to pay any principal, redemption amount or interest on any of the Notes when due and the default continues for a period of seven business days in the case of principal or 30 days in the case of interest; or

12.1.2 **Breach of other obligations**: If the Issuer or the Guarantor fails to perform or comply with any of its other obligations under these Conditions or the Trust Deed and (except where the Trustee considers the failure to be incapable of remedy, when no continuation nor notice mentioned below will be required) the failure continues for the period of 30 days following the service by the Trustee on the Issuer or the Guarantor (as the case may be) of notice requiring the default to be remedied; or

12.1.3 **Cross acceleration**: If (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or the Guarantor becomes due and repayable prior to its stated maturity by reason of an event of default or potential event of default (however described); (ii) the Issuer or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; (iii) any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable; or (iv) default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this Condition shall constitute an Event of Default unless the Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above which have occurred and are continuing, amounts to at least U.S.$75,000,000 (or its equivalent in any other currency); or

12.1.4 **Winding-up**: If any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or the Guarantor, save for the purposes of reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or

12.1.5 **Cessation of business**: If the Issuer or the Guarantor ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of any reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or

12.1.6 **Insolvency**: The Issuer or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

12.1.7 **Liquidation and insolvency proceedings**: If (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) unless initiated by the relevant company is not discharged or stayed within 60 days; or

12.1.8 Creditors arrangement: If the Issuer or the Guarantor (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or

12.1.9 Guarantee: If the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect; or

12.1.10 Nationalisation: Any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or the Guarantor; or

12.1.11 Validity: if the validity of the Notes or the Guarantee is contested by the Issuer or the Guarantor, or the Issuer or the Guarantor denies any of the Issuer's or the Guarantor's obligations under the Notes or the Guarantee or it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Guarantee or any of such obligations are or become unenforceable or invalid; or

12.1.12 Analogous event: if any event occurs which, under the laws of any Relevant Jurisdiction, has or may have, in the Trustee's opinion, an analogous effect to any of the events referred to in Conditions 12.1.4 to 12.1.10 above.

12.2 Interpretation

For the purposes of this Condition:

"**Indebtedness for Borrowed Money**" means any indebtedness (whether being principal, premium (if any), interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance under any credit facility.

13 PRESCRIPTION

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 9 (*Payments*) within 10 years (in the case of principal) and five years (in the case of interest) from the appropriate relevant due date.

14 ENFORCEMENT

14.1 The Trustee may at any time, at its discretion and without notice, take any proceedings or any other steps or actions (including lodging an appeal) against, in relation to or in connection with the Issuer and/or the Guarantor as it thinks fit to enforce the provisions of the Trust Deed and the Notes or otherwise, but it is not bound to take any such proceedings or steps or other action in relation to the Trust Deed or the Notes unless (a) it has been directed to do so by an Extraordinary Resolution of the Noteholders or requested to do so in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, and (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

14.2 No Noteholder will be entitled to take any steps, action or proceedings against the Issuer or the Guarantor to (i) enforce any of the provisions of the Trust Deed or the Notes or (ii) take any proceedings (including the lodging of an appeal in respect of or concerning the Issuer or the Guarantor) unless the Trustee, having become bound to do so itself, fails to do so within a reasonable period and the failure is continuing.

15 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

16 NOTICES

16.1 Notices to the Noteholders

16.1.1 Notices to Noteholders will be valid if published in a leading newspaper having general circulation in (i) Asia (which is expected to be the Asian Wall Street Journal) and (ii) Europe (which is expected to be the Financial Times) If at any time publication in such newspapers is not practicable, notices will be valid if published in such other manner as the Issuer shall determine. Notices will, if published more than once or on different dates, be deemed to have been given on the first date on which publication is made.

16.1.2 Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Noteholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.

16.2 Notices from the Noteholders

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Certificate, with the Registrar, or, if the Certificates are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedure.

17 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND AUTHORISATION

17.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or the Guarantee or any of the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting.

17.2 Modification, Waiver, Authorisation and Determination

The Trustee may agree, without the consent of the Noteholders, to any modification of (except as mentioned in Condition 17.1 above), or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification, authorisation or waiver shall be binding on the Noteholders and, unless Trustee otherwise agrees, such modification authorisation or waiver shall be notified to the Noteholders as soon as practicable in accordance with Condition 16.

17.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its functions (including, without limitation, any modification, waiver, authorisation, or determination), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

17.4 Notification to the Noteholders

Any modification, waiver, authorisation, or determination shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16 (*Notices*).

18 SUBSTITUTION

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of the Guarantor or certain other entities in place of the Issuer or of any previous substituted company, as principal debtor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

19 INDEMNIFICATION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER AND THE GUARANTOR

19.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Guarantor and the Noteholders including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

19.2 Trustee Contracting with the Issuer and the Guarantor

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or the Guarantor and/or any of the Guarantor's other subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or any of the Guarantor's other subsidiaries, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

19.3 Reliance

The Trustee may rely, without any liability to the Noteholders, on any certificate or report of, or confirmation, advice or information provided by the Issuer or the Guarantor or the Guarantor's auditors as sufficient and conclusive evidence of the facts stated therein, regardless of whether such certificate, report, or confirmation, advise or information is addressed to the Trustee, was made pursuant to any document, engagement letter or agreement to which the Trustee is a party, or regardless of any monetary or other limitation or exclusion of liability of any such person in respect thereof. The Trustee may accept and shall be entitled to rely on any such report, certificate confirmation, advice or information and such report, certificate or information shall be binding on the Issuer, the Guarantor and the Noteholders.

20 FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Noteholders to create and issue further Notes ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Notes constituted by the Trust Deed or any supplemental deed, subject to the receipt by the Trustee of a certificate signed by two authorised signatories or directors of the Issuer or the Guarantor and a legal opinion from an internationally recognised law firm, in each case in form and substance satisfactory to the Trustee. The Guaranteed Amount will be increased if any such further Notes are issued such that the aggregate Guaranteed Amount will be equal to 125% of the total aggregate principal amount of the Notes then outstanding, subject to compliance with applicable law and receipt of any necessary regulatory approvals. The issuance of further Notes will be subject to the condition precedent that the Guaranteed Amount is increased in accordance with the preceding sentence.

The Issuer will also be permitted to issue and incur indebtedness through the issuance of further notes or bonds.

21 GOVERNING LAW AND SUBMISSION TO JURISDICTION

21.1 Governing Law

The Trust Deed (including the Guarantee), the Agency Agreement and the Notes and any non- contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

21.2 Jurisdiction of English Courts

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably agreed for the benefit of the Trustee and the Noteholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Notes (including any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) and accordingly has submitted to the exclusive jurisdiction of the English courts.

Each of the Issuer and the Guarantor has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed or the Notes respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) (together referred to as "**Proceedings**") against the Issuer or the Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

20.3 Appointment of Process Agent

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably and unconditionally appointed Tata Limited, 18, Grosvenor Place, London SW1X 7HS (Attention: J.D. Contractor) as its agent for service of process in England in respect of any Proceedings and has undertaken that in the event of such agent ceasing so to act it will appoint such other person as the Trustee may approve as its agent for that purpose.

20.4 Sovereign Immunity

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably and unconditionally waived and agreed not to raise with respect to the Notes any right to claim sovereign or other immunity from jurisdiction or execution or any similar defence, and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

22 RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any term of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

TERMS AND CONDITIONS OF THE 2024 NOTES

The following is the text of the Conditions of the Notes which (subject to completion and amendment and as supplemented or varied and except for the paragraphs in italics) will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Certificate representing the Notes. These terms and conditions as so amended, supplemented or varied shall be endorsed on the Certificates issued in respect of the Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 DEFINITIONS

The following definitions are used in these Terms and Conditions:

Issuer	ABJA Investment Co. Pte. Ltd., a company incorporated under the laws of Singapore with Unique Entity Number 201309883M with offices at 22 Tanjong Kling Road, Singapore 628048
Guarantor	Tata Steel Limited, a company incorporated under the laws of the Republic of India with registered number L27100MH1907PLC000260 with its registered address at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001, India
Guarantee	Guarantee contained in the Trust Deed pursuant to which the Guarantor guarantees in favour of the Noteholders the due and punctual payment of all amounts payable by the Issuer under the Notes up to the Guaranteed Amount (as defined below)
Trustee	Citicorp International Limited 50th Floor, Citibank Tower Citibank Plaza 3 Garden Road, Central Hong Kong Fax: +852 2323 0279 Attn: Agency and Trust
Principal Paying Agent	Citibank, N.A., London Branch c/o Citibank, N.A., Dublin Branch Ground Floor 1 North Wall Quay Dublin 1 Ireland Fax: +353 1 662 2212/2210 Attn: Agency and Trust
Paying Agents	The Principal Paying Agent and any other paying agent appointed by the Issuer and the Guarantor
Registrar	Citigroup Global Markets Deutschland AG Reuterweg 16 60323 Frankfurt Germany Fax: +49 69 1366 1429 Attn: Germany Agency and Trust Department
Notes	U.S.$1,000,000,000 5.95 per cent. Guaranteed Notes due 2024 (which term shall include, unless the context requires otherwise, any further Notes issued in accordance with Condition 20 and consolidated and forming a single series therewith)
2020 Notes	U.S.$500,000,000 4.85 per cent. Guaranteed Notes due 2020
Closing Date	July 31, 2014
Maturity Date	July 31, 2024
Noteholders	The holders of the Notes (each a "**Noteholder**")

2 RELATED AGREEMENTS

2.1 The Notes are constituted by a trust deed dated as of the Closing Date (the "**Trust Deed**") made between the Issuer, the Guarantor and the Trustee.

2.2 These Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as amended and supplemented from time to time) which includes the form of the Notes. Copies of the Trust Deed and the agency agreement dated as of the Closing Date (the "**Agency Agreement**") made between the Issuer, the Guarantor, the Principal Paying Agent, the Registrar and the Trustee are available for inspection by the Noteholders, during normal business hours at the specified office for the time being of the Trustee and at the specified office of each of the Paying Agents (and, together with the Principal Paying Agent and the Registrar, the "**Agents**"). The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement. References in these Conditions to the Trustee, the Registrar or any Paying Agent include any successor appointed under the Trust Deed or Agency Agreement, respectively.

3 FORM, DENOMINATION AND TITLE

3.1 Form and denomination

The Notes are issued in registered form in the denomination of U.S.$200,000 each and integral multiples of U.S.$1,000 in excess thereof (referred to as the "**principal amount**" of each Note). A note certificate (each a "**Certificat**e") will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders which the Issuer will procure to be kept by the Registrar.

*Notes will be traded on the Freiverkehr (Open Market) of the Frankfurter Wertpapierbörse (Frankfurt Stock Exchange) (the "**FWB**") in a board lot size of U.S.$200,000 or such other amount as may be allowed or required from time to time for so long as the Notes are listed on the FWB.*

*The Notes shall initially be represented by a Global Certificate in the aggregate principal amount of the Notes issued on the Closing Date registered in the name of a common nominee for, and held by or to the order of a depositary (the "**Common Depositary**") common to, Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and as described in the section entitled "The Global Certificate". Except in the limited circumstances described in the section entitled "The Global Certificate", owners of interests in Notes represented by a Global Certificate will not be entitled to receive Definitive Notes in respect of their individual holdings of Notes.*

3.2 Title

Title to the Notes passes only by registration in the register of Noteholders. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or the theft or loss of the Certificate issued in respect of it) (other than a duly executed transfer thereof in the form endorsed thereon), and no person will be liable for so treating the holder.

4 TRANSFER OF NOTES AND ISSUE OF CERTIFICATES

4.1 Register

The Issuer will cause to be kept at the specified office of the Registrar and in accordance with the terms of the Agency Agreement a register on which shall be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and of all transfers of the Notes (the "**Register**").

Each Noteholder shall be entitled to receive only one Certificate in respect of its entire holding of Notes.

4.2 Transfers

Subject to Conditions 4.5 and 4.6 and the terms of the Agency Agreement, a Note may be transferred by depositing the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar or the Transfer Agent. No transfer of a Note will be valid unless and until entered into the Register.

Transfer of interests in the Notes evidenced by the Global Certificate will only be effected in accordance with the rules and procedures for the time being of the relevant clearing systems.

4.3 Delivery of new Certificates

Each new Certificate to be issued upon a transfer of Notes will, within five business days of receipt by the Registrar or the relevant Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail (at the cost of the Issuer and at the risk of the holder entitled to the Note) to the address specified in the form of transfer. For the purposes of this Condition, "**business day**" shall mean a day on which banks are open for business in the city in which the specified office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

Except in the limited circumstances described in the section of the Offering Circular entitled "The Global Certificate", owners of interests in the Notes will not be entitled to receive physical delivery of Certificates. Issues of Certificates upon a transfer of Notes are subject to compliance by the transferor and transferee with the certification procedures described above and in the Agency Agreement.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the Notes not so transferred will, within five business days of receipt by the Registrar or the relevant Agent of the original Certificate, be mailed by uninsured mail (at the cost of the Issuer and at the risk of the holder of the Notes not so transferred) to the address of such holder appearing on the register of Noteholders or as specified in the form of transfer.

4.4 Formalities free of charge

Registration of a transfer of Notes will be effected without charge by or on behalf of the Issuer or any Agent but upon payment (or the giving of such indemnity as the Issuer or any Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

4.5 Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on the due date for any payment of principal, premium or interest on that Note; or (ii) during a period of seven days ending on the date on which the Notes are exchanged for the New Notes (as defined herein) pursuant to Condition 10.4.

The Issuer shall not be required in the event of a partial redemption of Notes under Condition 10 (*Redemption and Purchase*):

4.5.1 to register the transfer of Notes (or parts of Notes) during the period beginning on the 65th day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Notes called (in whole or in part) for redemption (both inclusive); or

4.5.2 to register the transfer of any Note, or part of a Note, called for redemption.

4.6 Regulations

All transfers of Notes and entries on the register of Noteholders will be made subject to the detailed regulations concerning a transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be mailed (at the cost of the Issuer and free of charge to the Noteholder) by the Registrar to any Noteholder who requests one.

5 STATUS OF THE NOTES

The Notes constitute (subject to Condition 7.1 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Issuer and will rank at all times *pari passu* without any preference among themselves and at least *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6 GUARANTEE

6.1 Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Notes up to the Guaranteed Amount (as defined below). The Guarantor's obligations in that respect are contained in the Trust Deed.

6.2 Status of the Guarantee

The payment obligations of the Guarantor under the Guarantee constitute (subject to Condition 7 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Guarantor and will rank at all times, *pari passu* with all other outstanding present and future unsecured and unsubordinated obligations of the Guarantor but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

6.3 Limitation of the Guarantee

6.3.1 The aggregate amount payable by the Guarantor under the Guarantee shall not exceed 125 per cent. of the outstanding principal amount of the Notes which, on the Closing Date, shall be U.S.$1,250,000,000 (the "**Guaranteed Amount**").

6.3.2 No claim shall be made against the Guarantor in respect of its obligations under the Guarantee after the earlier of:

A. the date on which all amounts due and payable under the terms of the Notes have been unconditionally and irrevocably paid in full; and

B. the date falling one month after the Maturity Date of the Notes.

6.3.3 For the avoidance of doubt, any claim made against the Guarantor prior to the expiry of the period specified in Condition 6.3.2 above shall survive such expiry.

In relation to any rights of the holders of the Notes which have arisen or accrued under the Guarantee during the period specified in Condition 6.3.2 above and which are unpaid following the expiry of the Guarantee Period, in order to make such payment, the Guarantor will be required to comply with the Foreign Exchange Management (Transfer of Issue or Any Foreign Security) Regulations, 2004, as amended, and the relevant Reserve Bank of India regulations in place in India at such time in relation to overseas direct investment and the Guarantor covenants to use all reasonable endeavours thereto in order to make such payments.

7 COVENANTS

7.1 Negative Pledge

So long as any of the Notes remains outstanding:

7.1.1 the Issuer will not create or permit to subsist any Security (as defined below) upon the whole or any part of its property or assets, present or future, to secure any External Obligations (as defined below), unless the Issuer, in the case of the creation of the Security, at the same time or prior thereto takes any and all action necessary to ensure that:

A. all amounts payable by it under the Notes and the Trust Deed are secured by the Security equally and rateably with the External Obligations to the satisfaction of the Trustee; or

B. such other Security or other arrangement (whether or not it includes the giving of Security) is provided as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders; and

7.1.2 the Guarantor will not create or permit to subsist Security upon the whole or any part of its property or assets, present or future, to secure any External Obligation, unless the Guarantor, in the case of the creation of Security, at the same time or prior thereto takes any and all action necessary to ensure that:

A. amounts payable by it under the Guarantee are secured by the Security equally and rateably with the External Obligations to the satisfaction of the Trustee; or

B. such other Security or other arrangement (whether or not it includes the giving of Security) is provided as is approved by an Extraordinary Resolution of the Noteholders.

7.2 Limitations on Asset Sales

7.2.1 So long as any of the Notes remains outstanding the Guarantor shall apply any Net Cash Proceeds from an Asset Sale to:

(a) permanently repay unsubordinated Financial Indebtedness; or

(b) acquire properties and assets (other than current assets) that will be directly owned and used by the Guarantor in Permitted Businesses; or

(c) invest in subsidiaries involved in Permitted Businesses; provided that the amount of such investment, individually or when aggregated with all other investments in subsidiaries in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to such investment, does not exceed 3% of the Fixed Assets of the Guarantor on the immediately preceding balance sheet date (as stated in the Guarantor's most recent semi annual or annual financial statements); or

(d) pay a dividend, provided that, the Guarantor shall not pay any such dividend in respect of or otherwise distribute such Net Cash Proceeds to its shareholders if such dividend or distribution, individually or when aggregated with all other dividends or distributions in respect of the Net Cash Proceeds from any Asset Sales in the twelve month period prior to the date of the declaration of such dividend or distribution, exceeds US$200,000,000 or its equivalent in other currencies.

7.2.2 The Guarantor will not, directly or indirectly, consummate an Asset Sale unless the Guarantor receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to the Asset Sale (including as to the value of all non-cash consideration, such non-cash consideration shall, for the avoidance of doubt, not be subject to the restrictions under Condition 7.2.1) of the Fixed Assets sold or otherwise disposed of.

7.2.3 Pending application of Net Cash Proceeds as set out above, such Net Cash Proceeds may be placed in cash deposits or invested in short term money market instruments.

7.3 Limitation on Financial Indebtedness

So long as any of the Notes remains outstanding, the Guarantor shall not, and shall not permit the Issuer to, Incur, directly or indirectly any Financial Indebtedness, unless, after giving effect to the application of the proceeds thereof:

7.3.1 no Event of Default or Potential Event of Default would occur as a consequence of such Incurrence or be continuing following such Incurrence; and

7.3.2 the Financial Indebtedness to Tangible Net Worth ratio for the Guarantor's most recently ended semi-annual or annual period for which unconsolidated financial statements are available immediately preceding the date on which such Financial Indebtedness is incurred shall not be greater than 3.0 : 1.0.

Provided that this Condition 7.3 shall not apply to:

A. Financial Indebtedness of the Guarantor evidenced by the Notes and the Guarantee existing as at July 31, 2014, the 2020 Notes and the related guarantee (and any notes exchanged for the Notes and the 2020 Notes);

B. Financial Indebtedness existing as at July 31, 2014 and refinancing thereof; and

C. Financial Indebtedness used to refinance Financial Indebtedness properly Incurred under this Condition 7.3.

7.3.3 The Financial Indebtedness to Tangible Net Worth ratio shall be calculated and interpreted on an unconsolidated basis.

7.4 Suspension of Covenants

7.4.1 Following the first day (the "**Suspension Date**") that (a) the Notes have Notes Investment Grade Status from at least two Rating Agencies and (b) no Event of Default has occurred and is continuing, the Guarantor will not be subject to Condition 7.2 (*Limitation on Asset Sales*) and Condition 7.3 (*Limitation on Financial Indebtedness*) (the "**Suspended Covenants**"). In the event that the Guarantor is not subject to the Suspended Covenants for any period of time as a result of the preceding sentence and, on any subsequent date (the "**Reversion Date**"), either (i) two or more Rating Agencies have assigned ratings to the Notes below the required Notes Investment Grade

Status or (ii) a Event of Default occurs and is continuing, then the Guarantor will thereafter again be subject to the Suspended Covenants. The period of time between the Suspension Date and the Reversion Date is referred to in the covenant described hereunder as the "**Suspension Period**".

7.4.2 Notwithstanding that the Suspended Covenants may be reinstated, no Event of Default will be deemed to have occurred as a result of a failure to comply with the Suspended Covenants during the Suspension Period. On the Reversion Date, all Financial Indebtedness Incurred during a Suspension Period will be classified to have been Incurred pursuant to paragraph B of the proviso to Condition 7.3.2 and will be deemed to have been in existence on July 31, 2014 and therefore permitted. On the Reversion Date, for purposes of determining compliance with Condition 7.2, the amount of Net Cash Proceeds applied in the twelve month period prior to the Reversion Date under Condition 7.2.1(c) and 7.2.1(d) shall be deemed to be zero.

7.5 Interpretation

In these Conditions:

7.5.1 "**Asset Sale**" means the sale, lease, conveyance or other disposition of any Fixed Assets by the Guarantor;

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

A. any single transaction or series of related transactions that involves Fixed Assets having a Fair Market Value of less than US$ 100 million;

B. the sale, lease or other transfer of accounts receivable, inventory, trading stock and other assets in the ordinary course of business (including the abandonment, sale or other disposition of damaged, worn out or obsolete assets or assets or intellectual property that are, in the reasonable judgment of the Guarantor, no longer economically practicable to maintain or useful in the conduct of business of the Guarantor);

C. licences, sub-licences, subleases, assignments or other disposition by the Guarantor of software or intellectual property in the ordinary course of business;

D. any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

E. the sale or other disposition of cash or cash equivalents;

F. the disposition of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

G. the foreclosure, condemnation or any similar action with respect to any property or other assets or a surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind;

H. any unwinding or termination of hedging obligations not for speculative purposes;

I. the disposition of assets of the Guarantor which are seized, expropriated or compulsory purchased by or by the order of any central or local government authority;

J. the disposition of assets to another person whereby the Guarantor leases such assets back from such person; and

K. operating leases of Fixed Assets.

7.5.2 "**External Obligations**" means bonds, debentures, notes or other similar securities of the Issuer or the Guarantor which both: (a) are by their terms payable, or confer a right to receive payment, in, or by reference to, any currency other than Rupees, or which are denominated in Rupees and more than 50% of the aggregate principal amount thereof is initially distributed outside India by or with the authorisation of the Issuer or the Guarantor; and (b) are for the time being or are capable of being quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the- counter or other similar securities market outside India.

7.5.3 "**Fair Market Value**" means, with respect to any asset or property, the price which could be negotiated in an arm's length, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will be determined in good faith by the Board of Directors or any person(s) authorised by the Board of Directors, whose determination will be conclusive and evidenced by a certificate from the same.

7.5.4 "**Financial Indebtedness**" means any indebtedness Incurred by the Guarantor for or in respect of:

A. moneys borrowed;

B. any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

C. any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

D. the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;

E. receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);

F. any amount raised under any other transaction having the commercial effect of a borrowing and required by GAAP to be shown as a borrowing in the balance sheet of the Guarantor;

G. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

H. shares which are expressed to be redeemable on or before July 31, 2024;

I. any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

J. the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (A) to (I) above.

7.5.5 "**Fixed Assets**" refers to assets classified as such in the Guarantor's unconsolidated financial statements prepared in accordance with GAAP.

7.5.6 "**GAAP**" means generally accepted accounting principles, standards and practices in India.

7.5.7 "***Incur***" means, with respect to any Financial Indebtedness, to incur, create, issue, assume, guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Financial Indebtedness. The terms "Incurrence," "Incurred" and "Incurring" have meanings correlative with the foregoing.

7.5.8 "**Net Cash Proceeds**" with respect to any sale of any Fixed Assets of the Guarantor means the cash proceeds of such sale net of payments to repay Financial Indebtedness or any other obligation outstanding at the time that either (1) is secured by a lien on such Fixed Assets or (2) is required to be paid as a result of such sale, legal fees, accountants' fees, agents' fees, discounts or commissions and brokerage, consultant fees and other fees actually incurred in connection with such sale and net of taxes paid or payable as a result thereof.

7.5.9 "**Notes Investment Grade Status**" exists as of any time if at such time the Notes have been assigned at least two of the three following ratings: (x) "BBB-" or higher by Fitch; (y) "BBB-" or higher by S&P; or (z) "Baa3" or higher by Moody's.

7.5.10 "**Permitted Business**" means (i) any business, services or activities engaged in by the Guarantor and its Subsidiaries on the Closing Date and (ii) any business, services or activities engaged in by the Guarantor or any of its Subsidiaries that are related, complementary, incidental, ancillary or similar to any of the foregoing, or are extensions or developments of any thereof.

7.5.11 "**Rating Agency**" shall have the meaning given to such term in Condition 10.3.5(H).

7.5.12 "**Rupees**" means the lawful currency of the Republic of India.

7.5.13 "**Security**" means a mortgage, charge, pledge, lien, encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, including any mortgage, pledge, retention of title arrangement, right of retention, and, in general, any right in rem, created for the purpose of granting security.

7.5.14 "**Tangible Net Worth**" means the aggregate of:

A. the amount paid up or credited as paid up on the share capital of the Guarantor;

B. the amount standing to the credit of the reserves of the Guarantor (including, without limitation, any share premium account, capital redemption reserve funds and any credit balance on the accumulated profit and loss account);

C. if applicable, that part of the net results of operations and the net assets of any subsidiary of the Guarantor attributable to interests that are not owned, directly or indirectly, by the Guarantor; and

D. after deducting from that aggregate:

(i) any debit balance on the profit and loss account or impairment of the issued share capital of the Guarantor (except to the extent that deduction with respect to that debit balance or impairment has already been made);

(ii) amounts set aside for dividends or taxation (including deferred taxation); and

(iii) amounts attributable to capitalised items such as goodwill, trademarks, deferred charges, licenses, patents and other intangible assets.

8 INTEREST

8.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including the Closing Date at the rate of 5.95 per cent. per annum, payable semi-annually in arrear on January 31 and July 31 of each year (each, an "**Interest Payment Date**"). The first payment (for the period from and including July 31, 2014 to but excluding January 31, 2015) will be made on January 31, 2015.

If any Interest Payment Date falls on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition "**Business Day**" means in relation to any place a day (other than a Saturday or Sunday) on which commercial banks are open for business in London, Singapore, New York, Mumbai and, in the case of presentation of a Note Certificate, in the place in which the Note Certificate is presented.

8.2 Interest Accrual

Each Note will cease to bear interest from and including the Maturity Date or the date on which all amounts due in respect of such Note have been paid unless, upon due presentation, payment of principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

8.2.1 the date on which all amounts due in respect of such Note have been paid; and

8.2.2 seven days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 16 (*Notices*).

8.3 Calculation of Broken Interest

When interest is to be calculated in respect of a period of less than six months, the day-count fraction used will be the number of days in the relevant period, from (and including) the date from which interest begins to accrue to (but excluding) the date on which it falls due, divided by 360.

9 PAYMENTS

9.1 Method of Payments

9.1.1 Payment of principal, premium (if any) and interest will be made by transfer to the registered account of the Noteholder or, in the case of payments of interest due on an Interest Payment Date, by US dollar cheque drawn on a bank in New York City mailed to the registered address of the Noteholder if it does not have a registered account, in each case, in accordance with the provisions of the Agency Agreement. Payments of principal and premium (if any) and payments of interest due otherwise than on an Interest Payment Date will only be made against surrender of the relevant Certificate at the specified office of any of the Agents. Interest on Notes due on an Interest Payment Date will be paid to the holder shown on the register of Noteholders at the close of business on the date (the "**record date**") being the fifteenth day before the relevant Interest Payment Date.

9.1.2 For the purposes of this Condition, a Noteholder's registered account means the US dollar account maintained by or on behalf of it with a bank in New York City, details of which appear on the register of Noteholders at the close of business, in the case of principal and premium (if any) and interest due otherwise than on an Interest Payment Date, on the Business Day (as defined below) before the due date for payment and, in the case of interest due on an Interest Payment Date, on the relevant record date, and a Noteholder's registered address means its address appearing on the register of Noteholders at that time.

9.2 Partial Payments

If the amount of principal, premium (if any) or interest which is due on the Notes is not paid in full, the Principal Paying Agent or the Registrar, as the case may be, will annotate the register of Noteholders with a record of the amount of principal, premium (if any) or interest in fact paid.

9.3 Payments subject to Applicable Laws

All payments are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of any such payments.

9.4 Payment on Business Days

9.4.1 Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Business Day (as defined below), for value on the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the due date for payment (or, if it is not a Business Day, the immediately following Business Day) or, in the case of payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of the Agent.

9.4.2 Noteholders will not be entitled to interest or other payment for any delay after the due date in receiving the amount due if (i) the due date is not a Business Day, (ii) the Noteholder is late in surrendering its Certificate (if required to do so) or (iii) a cheque mailed in accordance with this Condition arrives after the due date for payment.

In this Condition "**Business Day**" means in relation to any place a day (other than a Saturday or Sunday) on which commercial banks are open for business in London, Singapore, New York, Mumbai and, in the case of presentation of a Note Certificate, in the place in which the Note Certificate is presented.

9.5 Default Interest

9.5.1 If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum shall not be made against due presentation of the Certificates, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders (before and after judgment) at a rate per annum equal to 6.95 per cent. per annum. The Issuer shall pay any unpaid interest accrued on the amount so unpaid on the last Business Day of the calendar month in which such interest accrued and any interest payable under this Condition which is not paid on the last Business Day of the calendar month in which it accrued shall be added to the overdue sum and itself bear interest accordingly.

9.5.2 The Trustee and Agents shall not be liable for (i) any such payments of default interest pursuant to Condition 9.5.1 above which shall be made directly by the Issuer to the relevant Noteholders; (ii) any failure of the Issuer to make payments of any such default interest to the Noteholders; or (iii) any calculations in respect of such default interest which are carried out by any other party.

9.6 Agents

The name of the initial Paying Agents and their initial specified offices are set out at the front of these Conditions. The Issuer and the Guarantor reserve the right, subject to the prior written approval of the Trustee, to vary or terminate the appointment of any Paying Agent at any time and to appoint additional or other Paying Agents provided that:

9.6.1 there is always a Principal Paying Agent;

9.6.2 there is always a Registrar; and

9.6.3 such other agents as may be required by any stock exchange on which the Notes may be listed. Notice of any termination or appointment and of any changes in specified offices shall be given to the Noteholders promptly by the Issuer in accordance with Condition 16 (*Notices*).

10 REDEMPTION AND PURCHASE

10.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount (together with unpaid accrued interest thereon (if any)) on the Maturity Date.

10.2 Redemption for Taxation Reasons

10.2.1 The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable), at their principal amount (together with unpaid accrued interest thereon (if any)), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that (A) it has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) or (B) the Guarantor has or would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 11.2.2), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Closing Date, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts where a payment in respect of the Notes (or the Guarantee, as the case may be) is then due.

10.2.2 Prior to the publication of any notice of redemption pursuant to Condition 10.2.1, the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer (or the Guarantor, as the case may be) stating that the obligation referred to in Condition 10.2.1(ii) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it and the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in Condition 10.2.1(ii) above in which event it shall be conclusive and binding on the Noteholders and the Trustee shall not be liable to any person for doing so.

10.3 Redemption for Change of Control Triggering Event

10.3.1 If a Change of Control Triggering Event (as defined below) occurs with respect to the Guarantor, each Noteholder shall have the right (the "**Change of Control Redemption Right**"), at such Noteholder's option, to require the Issuer to redeem all of such Noteholder's Note(s) in whole, but not in part on the Change of Control Redemption Date (as defined below), at a price equal to the Change of Control Redemption Amount (as defined below). The Agents shall not be required to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred and shall not be liable to any person for any failure to do so.

10.3.2 To exercise the Change of Control Redemption Right attaching to a Note on the occurrence of a Change of Control Triggering Event, the holder thereof must complete, sign and deposit at its own expense at any time from 9.30 am to 5.30 pm (local time in the place of deposit) on any Business Day at the specified office of any Paying Agent a notice (a "**Change of Control Redemption Notice**") in the form (for the time being current) obtainable from the specified office of any Paying Agent together with the relevant Certificate evidencing the Notes to be redeemed. Such Change of Control Redemption Notice may be given on the earlier of the date on which the relevant Noteholder becomes aware of the occurrence of the Change of Control Triggering Event and the date on which the Change of Control Notice (as detailed below) delivered by the Issuer under Condition 10.3.4 is received by such Noteholder. No Change of Control Redemption Notice may be given after 90 days from the date of the Change of Control Notice.

10.3.3 A Change of Control Redemption Notice, once delivered, shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Redemption Notice and instead to give notice that the Note is immediately due and repayable under Condition 12.1 (*Events of Default*). The Issuer shall redeem the Notes (in whole but not in part) which form the subject of any Change of Control Redemption Notice which is not withdrawn on the Change of Control Redemption Date.

10.3.4 Not later than seven days after becoming aware of a Change of Control Triggering Event, the Issuer shall procure that notice (a "**Change of Control Notice**") regarding the Change of Control Triggering Event be delivered to the Trustee, the Agents and the Noteholders (in accordance with Condition 16 (*Notices*) stating:

A. that Noteholders may require the Issuer to redeem their Notes under Condition 10.3 (*Redemption for Change of Control Triggering Event*);

B. the date of such Change of Control Triggering Event and, briefly, the events causing such Change of Control Triggering Event;

C. the names and addresses of all relevant Paying Agents;

D. such other information relating to the Change of Control Triggering Event as any Noteholder may require; and

E. that the Change of Control Redemption Notice pursuant to Condition 10.3.2 once validly given, may not be withdrawn and the last day on which a Change of Control Redemption Notice may be given.

10.3.5 In this Condition:

A. "**Change of Control**" means the occurrence of any of the following:

1. a person or persons, acting together, other than the Tata Group, acquire Control, directly or indirectly, of the Guarantor;
2. the Guarantor consolidates with or merges into or sells or transfers all or substantially all of its assets to any other person or persons, acting together;
3. the adoption of a plan relating to the liquidation or dissolution of the Guarantor; or
4. the Guarantor ceases directly to own 100% of the share capital of the Issuer or adopts a plan relating to the liquidation or dissolution of the Issuer.

B. "**Change of Control Redemption Amount**" means an amount equal to 101 per cent. of the principal amount of the Notes redeemed plus unpaid accrued interest, if any, to and including the Change of Control Redemption Date.

C. "**Change of Control Redemption Date**" means the date specified in the Change of Control Redemption Notice, such date being not less than 30 nor more than 60 days after the date of the Change of Control Redemption Notice.

D. "**Change of Control Triggering Event**" means the occurrence of a Change of Control; provided, however, that if the Change of Control is an event described in clauses (1) and (2) of the definition thereof, it shall not constitute a Change of Control Triggering Event unless and until a Ratings Decline also shall have occurred.

E. "**Control**" means (a) the acquisition or control of more than 50 per cent. of the Voting Rights of the issued share capital of the Guarantor or (b) the right to appoint and/or remove all or the majority of the members of the Guarantor's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise, and "controlled" shall be construed accordingly.

F. "**Investment Grade Status**" exists as of any time if at such time the Guarantor's corporate credit rating has been assigned the two of the three following ratings: (x) "BBB-" or higher by Fitch; and (y) "BBB-" or higher by S&P; or (z) "Baa3" or higher by Moody's.

G. for the purposes of the Change of Control Redemption Right, a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing.

H. "**Rating Agency**" means any of Standard & Poor's Ratings Service, a division of the McGraw Hill Companies Inc. ("**S&P**") Moody's Investors Service, Inc. ("**Moody's**") or Fitch Inc., a subsidiary of Fimalac, S.A. ("**Fitch**"), and any of their successors, as applicable.

I. "**Rating Category**" means (i) with respect to S&P, any of the following categories: "BB", "B", "CCC", "CC", "C", and "D" (or equivalent successor categories); (ii) with respect to Moody's, any of the following categories: "Ba", "B", "Caa", "Ca", "C", and "D" (or equivalent successor categories); (iii) with respect to Fitch, any of the following categories: "BB", "B", "CCC", "CC", "C", and "D" (or equivalent successor categories) and (iv) the equivalent of any such category of S&P, Moody's and Fitch used by another Rating Agency. In determining whether the rating of the Guarantor has decreased by one or more gradations, gradations within Rating Categories ("+" and "-" for S&P and Fitch; "1", "2" and "3" for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P and Fitch, a decline in a rating from "BB+" to "BB", as well as from "BB-" to "B+" will constitute a decrease of one gradation).

J. "**Rating Date**" means in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (a) a Change of Control, (b) the initial public notice of the occurrence of a Change of Control or of the intention by the Guarantor or any other Person or Persons to effect a Change of Control and (3) the date that the acquirer or prospective acquirer (i) has entered into one or more binding agreements with the Guarantor and/or shareholders of the Guarantor that would give rise to a Change of Control or (ii) has commenced an offer to acquire outstanding capital stock of the Guarantor.

K. "**Rating Decline**" means in connection with a Change of Control Triggering Event, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Guarantor or any other person or persons to effect a Change of Control (which period shall be extended so long as the corporate credit rating of the Guarantor or the Guarantor and its subsidiaries, is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

(i) in the event the Guarantor is rated by one or more Rating Agencies on the Rating Date as having Investment Grade Status, the rating of the Guarantor by any such Rating Agency shall be downgraded to below Investment Grade Status; or

(ii) in the event the Guarantor is rated below Investment Grade Status by one or more Rating Agencies on the Rating Date, the rating of the Guarantor by any such Rating Agency shall be withdrawn or decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

L. "**Tata Group**" means Tata Sons Limited, Tata Power Company Limited, Tata Steel Limited, Tata Industries Limited, Tata Motors Limited, Tata Chemicals Limited, Tata Tea Limited, The Indian Hotels Company Limited, Tata International Limited, Tata Consultancy Services Limited, Trent Limited, Tata Investment Corporation Limited and Panatone Finvest Limited (each of which is a company incorporated under the laws of India), their respective subsidiaries and holding companies and any other company which includes the word 'Tata' in its name pursuant to a brand equity promotion agreement with a member of the Tata Group.

M. "**Voting Rights**" means the right generally to vote at a general meeting of shareholders of the Guarantor (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

10.4 Mandatory exchange at the option of the Issuer:

10.4.1 The Notes may be exchanged for new notes issued directly by the Guarantor (the "**New Notes**"), at the option of the Issuer in whole, but not in part, at any time or on any Interest Payment Date, on giving not less than 15 nor more than 30 days' notice to the Noteholders, the Trustee and the Principal Paying Agent in accordance with Condition 16 (Notices) (which notice shall be irrevocable) (the "**Exchange Notice**"). The terms and conditions of the New Notes will be as set out in schedule 7 to the Trust Deed and will contain the same terms as the Notes (including, but not limited to, principal, premium and interest payable, covenants, cross-acceleration, interest payment dates and the maturity date), except for the issue date and the substitution of the Guarantor for the Issuer and removal of the Guarantee. The exchange of the Notes for the New Notes (the "**Exchange**") will be done in such a manner that each Noteholder will receive an amount of New Notes equal in principal amount to the principal amount of the Notes then held by such Noteholder.

10.4.2 The Trustee shall not be liable for acting or refraining from acting in reliance on any purported Exchange Notice and shall not be responsible for checking that such Exchange Notice has been duly completed or properly delivered and any purported Exchange Notice which the Trustee accepts shall be conclusive and binding on the Issuer, the Trustee, the Agents and the Noteholders.

10.4.3 The Issuer shall be responsible for the payment of, and shall, in the relevant Exchange Notice, indemnify the Noteholders, the Trustee and the Principal Paying Agent in respect of, all stamp, stamp duty reserve, registration, documentary, transfer and other similar taxes or duties (including penalties) arising on the delivery of the New Notes to the relevant Noteholder.

So long as the New Notes are represented by a global certificate and such global certificate is held on behalf of Euroclear or Clearstream, Luxembourg or an alternative clearing system, such delivery shall be made in respect of the New Notes by delivery through the relevant clearing system to the account of each Noteholder.

The Mandatory Exchange including issue of New Notes by the Guarantor will be subject to all applicable regulations.

10.5 Provisions relating to Partial Redemption

If fewer than all of the Notes are to be redeemed at any time, the selection of such Notes for redemption will be made by the Trustee in compliance with the rules, if any, of any stock exchange on which the Notes are listed or, if such Notes are not then listed or there are no such applicable rules, on a pro rata basis and in such manner as the Trustee may deem appropriate and fair, provided that no Notes shall be redeemed in part more than 30 days before the date fixed for redemption. Notice of any such selection will be given not less than 15 days before the date fixed for redemption. Each notice will specify the date fixed for redemption and the aggregate principal amount of the Notes to be redeemed, the serial numbers of the Notes called for redemption, the serial numbers of Notes previously called for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial redemption. Where some but not all of the Notes in respect of which a Certificate is issued are to be redeemed, the notice of redemption that relates to such Certificates shall state the portion of the principal amount of the Notes to be redeemed and, where applicable, a new Certificate in a principal amount equal to the unredeemed Notes will be issued in the name of the Noteholder thereof upon cancellation of the original Certificate. Any such new Certificate will be delivered to the specified office of a Paying Agent or (at the risk and, if mailed at the request of the Noteholder otherwise than by ordinary uninsured mail, at the expense of the Noteholder) sent by mail to the Noteholder.

10.6 Purchases

The Issuer and the Guarantor (and any other subsidiary of the Guarantor) may at any time purchase Notes in any manner and at any price. The Notes so acquired, while held on behalf of the Issuer or the Guarantor (or such other subsidiary of the Guarantor), shall not entitle the holders thereof to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders for the purposes of Condition 12 (*Events of Default*), Condition 14 (*Enforcement*) and Condition 17 (*Meetings of Noteholders, Modification, Waiver and Authorisation*). If purchases are made by tender, tenders must be available to all Noteholders alike except where it is not possible to do so in order to qualify for exemptions from any offering restrictions imposed by any jurisdiction.

10.7 Cancellations

All Notes which are (a) redeemed or exchanged (b) purchased by or on behalf of the Issuer, the Guarantor or any of the Guarantor's other subsidiaries will forthwith be cancelled, and accordingly may not be reissued or resold.

10.8 Notices Final

Upon the expiry of any notice as is referred to in Conditions 10.2 or 10.3 above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such Condition.

11 TAXATION

11.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer or the Guarantor shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of any of the Relevant Jurisdictions, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer or, as the case may be, the Guarantor will, subject to the Guaranteed Amount, pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the amounts which would have been received by them had no such withholding or deduction been required; except that no additional amounts shall be payable on any Note in relation to any payment in respect of:

11.1.1 any Taxes that would not have been withheld, deducted or imposed but for (A) the holder of the Notes, (B) the beneficial owner of the Notes or (C) a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over, the relevant holder, if the relevant holder is an estate, trust, partnership or corporation, being a citizen or resident or national of, incorporated in or carrying on a trade or business in or having a permanent establishment in the Relevant Jurisdiction in which such Taxes are imposed or having any other present or former connection with the Relevant Jurisdiction other than the mere acquisition, holding, enforcement or receipt of payment in respect of the Notes or the Guarantee;

11.1.2 any Taxes that are withheld, deducted or imposed as a result of the failure of the holder or beneficial owner of the Notes to comply, to the extent legally able, with any reasonable request, made to that holder or beneficial owner at least 60 days before any such withholding or deduction would be payable, by the Issuer or the Guarantor to provide timely and accurate information concerning the nationality, residence or identity of such holder or beneficial owner or to make any valid and timely declaration or similar claim or satisfy any certification, information or other reporting requirement, which is required or imposed by a statute, treaty, regulation or administrative practice of the Relevant Jurisdiction as a precondition to any exemption from or reduction in all or part of such Taxes to which such holder is entitled;

11.1.3 any Taxes that would not have been withheld, deducted or imposed but for the presentation of a Note for payment more than 30 days after the relevant payment is first made available for payment to the holder (except to the extent that the holder would have been entitled to Additional Amounts (as defined below) had the Note been presented on the last day of such 30 day period);

11.1.4 any Taxes that are withheld, deducted or imposed on or with respect to any payment of principal or interest on such Note made to any holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Note;

11.1.5 any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

11.1.6 any Taxes withheld, deducted or imposed on or with respect to a payment to an individual and that are required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such Directive;

11.1.7 where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto.

11.1.8 any Taxes withheld, deducted or imposed on or with respect to any Note presented for payment by or on behalf of a holder of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent;

11.1.9 any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes or with respect to the Guarantee; or

11.1.10 any combination of items 11.1.1 through 11.1.9 above.

11.2 Interpretation

In these Conditions:

11.2.1 "**Relevant Date**" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by a Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*); and

11.2.2 "**Relevant Jurisdiction**" means Singapore or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or the Republic of India or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer or the Guarantor, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Notes.

11.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition or under any undertakings given in addition to, or in substitution for, this Condition pursuant to the Trust Deed.

12 EVENTS OF DEFAULT

12.1 Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Guarantor that the Notes are, and shall immediately become, due and repayable at their principal amount, together with unpaid accrued interest as provided in the Trust Deed, if any of the following events occurs and is continuing ("**Events of Default**"):

12.1.1 **Non-payment**: If the Issuer fails to pay any principal, redemption amount or interest on any of the Notes when due and the default continues for a period of seven business days in the case of principal or 30 days in the case of interest; or

12.1.2 **Breach of other obligations**: If the Issuer or the Guarantor fails to perform or comply with any of its other obligations under these Conditions or the Trust Deed and (except where the Trustee considers the failure to be incapable of remedy, when no continuation nor notice mentioned below will be required) the failure continues for the period of 30 days following the service by the Trustee on the Issuer or the Guarantor (as the case may be) of notice requiring the default to be remedied; or

12.1.3 **Cross acceleration**: If (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer or the Guarantor becomes due and repayable prior to its stated maturity by reason of an event of default or potential event of default (however described); (ii) the Issuer or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; (iii) any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable; or (iv) default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this Condition shall constitute an Event of Default unless the Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above which have occurred and are continuing, amounts to at least U.S.$75,000,000 (or its equivalent in any other currency); or

12.1.4 **Winding-up**: If any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer or the Guarantor, save for the purposes of reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or

12.1.5 **Cessation of business**: If the Issuer or the Guarantor ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of any reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or

12.1.6 **Insolvency**: The Issuer or the Guarantor stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

12.1.7 **Liquidation and insolvency proceedings**: If (i) proceedings are initiated against the Issuer or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or the Guarantor or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them, and (ii) in any such case (other than the appointment of an administrator) unless initiated by the relevant company is not discharged or stayed within 60 days; or

12.1.8 Creditors arrangement: If the Issuer or the Guarantor (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or

12.1.9 Guarantee: If the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect; or

12.1.10 Nationalisation: Any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer or the Guarantor; or

12.1.11 Validity: if the validity of the Notes or the Guarantee is contested by the Issuer or the Guarantor, or the Issuer or the Guarantor denies any of the Issuer's or the Guarantor's obligations under the Notes or the Guarantee or it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes or the Guarantee or any of such obligations are or become unenforceable or invalid; or

12.1.12 Analogous event: if any event occurs which, under the laws of any Relevant Jurisdiction, has or may have, in the Trustee's opinion, an analogous effect to any of the events referred to in Conditions 12.1.4 to 12.1.10 above.

12.2 Interpretation

For the purposes of this Condition:

"**Indebtedness for Borrowed Money**" means any indebtedness (whether being principal, premium (if any), interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance under any credit facility.

13 PRESCRIPTION

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 9 (*Payments*) within 10 years (in the case of principal) and five years (in the case of interest) from the appropriate relevant due date.

14 ENFORCEMENT

14.1 The Trustee may at any time, at its discretion and without notice, take any proceedings or any other steps or actions (including lodging an appeal) against, in relation to or in connection with the Issuer and/or the Guarantor as it thinks fit to enforce the provisions of the Trust Deed and the Notes or otherwise, but it is not bound to take any such proceedings or steps or other action in relation to the Trust Deed or the Notes unless (a) it has been directed to do so by an Extraordinary Resolution of the Noteholders or requested to do so in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, and (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

14.2 No Noteholder will be entitled to take any steps, action or proceedings against the Issuer or the Guarantor to (i) enforce any of the provisions of the Trust Deed or the Notes or (ii) take any proceedings (including the lodging of an appeal in respect of or concerning the Issuer or the Guarantor) unless the Trustee, having become bound to do so itself, fails to do so within a reasonable period and the failure is continuing.

15 REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

16 NOTICES

16.1 Notices to the Noteholders

16.1.1 Notices to Noteholders will be valid if published in a leading newspaper having general circulation in (i) Asia (which is expected to be the Asian Wall Street Journal) and (ii) Europe (which is expected to be the Financial Times) If at any time publication in such newspapers is not practicable, notices will be valid if published in such other manner as the Issuer shall determine. Notices will, if published more than once or on different dates, be deemed to have been given on the first date on which publication is made.

16.1.2 Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Noteholders shall be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions.

16.2 Notices from the Noteholders

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Certificate, with the Registrar, or, if the Certificates are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedure.

17 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND AUTHORISATION

17.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or the Guarantee or any of the provisions of the Trust Deed. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting.

17.2 Modification, Waiver, Authorisation and Determination

The Trustee may agree, without the consent of the Noteholders, to any modification of (except as mentioned in Condition 17.1 above), or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed or the Agency Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification, authorisation or waiver shall be binding on the Noteholders and, unless Trustee otherwise agrees, such modification authorisation or waiver shall be notified to the Noteholders as soon as practicable in accordance with Condition 16.

17.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its functions (including, without limitation, any modification, waiver, authorisation, or determination), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Guarantor, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

17.4 Notification to the Noteholders

Any modification, waiver, authorisation, or determination shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 16 (*Notices*).

18 SUBSTITUTION

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of the Guarantor or certain other entities in place of the Issuer or of any previous substituted company, as principal debtor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

19 INDEMNIFICATION OF THE TRUSTEE AND ITS CONTRACTING WITH THE ISSUER AND THE GUARANTOR

19.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Guarantor and the Noteholders including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

19.2 Trustee Contracting with the Issuer and the Guarantor

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (i) to enter into business transactions with the Issuer and/or the Guarantor and/or any of the Guarantor's other subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or any of the Guarantor's other subsidiaries, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

19.3 Reliance

The Trustee may rely, without any liability to the Noteholders, on any certificate or report of, or confirmation, advice or information provided by the Issuer or the Guarantor or the Guarantor's auditors as sufficient and conclusive evidence of the facts stated therein, regardless of whether such certificate, report, or confirmation, advise or information is addressed to the Trustee, was made pursuant to any document, engagement letter or agreement to which the Trustee is a party, or regardless of any monetary or other limitation or exclusion of liability of any such person in respect thereof. The Trustee may accept and shall be entitled to rely on any such report, certificate confirmation, advice or information and such report, certificate or information shall be binding on the Issuer, the Guarantor and the Noteholders.

20 FURTHER ISSUES

The Issuer is at liberty from time to time without the consent of the Noteholders to create and issue further Notes ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) and so that the same shall be consolidated and form a single series with the outstanding Notes constituted by the Trust Deed or any supplemental deed, subject to the receipt by the Trustee of a certificate signed by two authorised signatories or directors of the Issuer or the Guarantor and a legal opinion from an internationally recognised law firm, in each case in form and substance satisfactory to the Trustee. The Guaranteed Amount will be increased if any such further Notes are issued such that the aggregate Guaranteed Amount will be equal to 125% of the total aggregate principal amount of the Notes then outstanding, subject to compliance with applicable law and receipt of any necessary regulatory approvals. The issuance of further Notes will be subject to the condition precedent that the Guaranteed Amount is increased in accordance with the preceding sentence.

The Issuer will also be permitted to issue and incur indebtedness through the issuance of further notes or bonds.

21 GOVERNING LAW AND SUBMISSION TO JURISDICTION

21.1 Governing Law

The Trust Deed (including the Guarantee), the Agency Agreement and the Notes and any non- contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

21.2 Jurisdiction of English Courts

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably agreed for the benefit of the Trustee and the Noteholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Notes (including any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) and accordingly has submitted to the exclusive jurisdiction of the English courts.

Each of the Issuer and the Guarantor has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed or the Notes respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) (together referred to as "**Proceedings**") against the Issuer or the Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

20.3 Appointment of Process Agent

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably and unconditionally appointed Tata Limited, 18, Grosvenor Place, London SW1X 7HS (Attention: J.D. Contractor) as its agent for service of process in England in respect of any Proceedings and has undertaken that in the event of such agent ceasing so to act it will appoint such other person as the Trustee may approve as its agent for that purpose.

20.4 Sovereign Immunity

Each of the Issuer and the Guarantor has, in the Trust Deed, irrevocably and unconditionally waived and agreed not to raise with respect to the Notes any right to claim sovereign or other immunity from jurisdiction or execution or any similar defence, and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

22 RIGHTS OF THIRD PARTIES

No person shall have any right to enforce any term of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

THE GLOBAL CERTIFICATE

The Global Certificate

The Global Certificate contains provisions which apply to the Notes in respect of which the Global Certificate is issued, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Memorandum. The following is a summary of certain of those provisions:

Exchange for definitive Notes and purchases

The Global Certificate will be exchangeable in whole but not in part (free of charge to the holder) for definitive Notes only upon happening of any of the events defined in the Trust Deed as Events of Default, if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or if Euroclear or Clearstream announces an intention permanently to cease business or does in fact do so and no alternative clearing system is available.

Cancellation

Cancellation of any Notes following its redemption, exchange or purchase by the Issuer or the Guarantor will be effected by reduction in the aggregate principal amount of the Notes in the register of Noteholders and by the annotation of the appropriate schedule to the relevant Global Certificate.

Trustee's Powers

In considering the interests of holders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, without being obliged to do so, have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to Notes and may consider such interests as if such accountholders were the holders of the Notes in respect of which the Global Certificate is issued.

Payments

Payments of principal, premium (if any) and interest in respect of Notes represented by a Global Certificate will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of the Global Certificate to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the holders for such purposes. A record of each payment made will be endorsed on the appropriate schedule to the relevant Global Certificate by or on behalf of the Registrar and shall be prima facie evidence that payment has been made.

Notices

So long as the Notes are represented by a Global Certificate and such Global Certificate is held on behalf of Euroclear or Clearstream, Luxembourg, notices to holders may be given by delivery of the relevant notice to Euroclear or Clearstream, Luxembourg rather than by publication as required by Condition 16.

Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 9 (Payments) within 10 years (in the case of principal) and five years (in the case of interest) from the appropriate relevant due date.

INDIAN GOVERNMENT FILINGS/APPROVALS

The primary exchange control legislation in India is the Foreign Exchange Management Act, 1999 ("FEMA"). Pursuant to the FEMA, the Central Government and the RBI have promulgated various regulations, rules, circulars and press notes in connection with various aspects of foreign exchange control. The Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 (as amended, the "FEMA ODI Regulations"), the Foreign Exchange Management (Guarantees) Regulations, 2000 (as amended, the "FEMA Guarantees Regulations"), as well as the provisions of the RBI's Master Circulars on Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary Abroad that are periodically updated by the RBI, with the latest master circular dated July 1, 2014 (the "Master Circular"). These regulators are the primary regulations governing overseas direct investments outside India by Indian residents as well as issuances of guarantees by Indian companies in favor of their overseas subsidiaries.

Under the FEMA Guarantees Regulations, an Indian company can provide a guarantee on behalf of its non-Indian wholly owned subsidiaries or joint ventures if it is in connection with its business and provided that it is in compliance with the FEMA ODI Regulations. Pursuant to the FEMA ODI Regulations and the Master Circular, an Indian company is permitted to provide a guarantee on behalf of its non-Indian wholly owned subsidiaries or joint ventures without the prior approval of the RBI under the automatic route, subject to certain conditions including such Indian company's total financial commitment does not exceed 400% of its net worth (being the aggregate of the paid-up capital and free reserves) set forth in its last audited balance sheet at the time of issuance of any such guarantee. For the purpose of determining the "net worth" of an Indian company, the net worth of the holding company (which holds a minimum 51.00% interest in such Indian company) or its Indian subsidiary (in which such Indian company holds a minimum 51.00% interest) may be taken into account to the extent such net worth has not been otherwise used by the holding company or the subsidiary and subject to a letter of disclaimer from the holding company and the subsidiary.

For purposes of the FEMA ODI Regulations, "total financial commitment" includes the aggregate of 100% of the amount of equity shares, 100% of the amount of compulsorily and mandatorily convertible preference shares, 100% of the amount of other preference shares, 100% of the amount of loan, 100% of the amount of guarantee (other than performance guarantee) issued by the Indian company, 100% of the amount of bank guarantees issued by a resident bank on behalf of joint venture or non-Indian wholly owned subsidiaries of the Indian company provided the bank guarantee is backed by a counter guarantee / collateral by the Indian company, and 50% of the amount of performance guarantee issued by the Indian company.

By a circular dated July 3, 2014, the RBI has imposed an annual limit of US$1 billion (or its equivalent) on the financial commitment of an Indian company in one financial year. Any financial commitment in excess of such limit in a financial year, even if within the overall 400% net worth limit, will require the prior approval of the RBI.

The FEMA ODI Regulations do not clearly specify the point of time at which the net worth of the Indian company must be taken into account in the event of invocation of the guarantee but the market practice is to take into account the net worth as set out in the last audited balance sheet of the Indian company at the time of issuance of the guarantee, rather than at the time of invocation. This is consistent with the requirement that the Form ODI to be filed within 30 days of issuing the guarantee must include a certificate from the statutory auditors of the Indian company certifying that the guarantee is within 400% of the net worth of the Indian company. It is worth noting, however, that in the case of performance guarantees, the RBI has specified that where invocation of the performance guarantee breaches the ceiling of 400% of the net worth of the Indian company, the India company must seek the prior approval of the RBI before remitting funds on account of such invocation.

In addition to the above, the Indian company (which is providing the guarantee outside India) should not be on the RBI's exporters' caution list or list of defaulters to the system circulated by specified entities or under investigation by any investigative or enforcement agency or regulatory body. In order to meet the requirement of the aforesaid automatic route, the guarantees must specify a maximum amount and duration of the guarantee upfront (i.e. no guarantee can be open-ended or unlimited). The Indian company may extend the guarantee only to a joint venture or non-Indian wholly-owned subsidiaries in which it has equity participation.

Following the issue of the Guarantee, the Guarantor will be required to disclose certain terms of the Guarantee to the RBI, in Form ODI — Part II through an authorized dealer (bank) in India within 30 days from the date of issue of the Guarantee.

Generally, under Section 186 of the Companies Act, an Indian company is required to obtain by special resolution the approval of 75% of its shareholders entitled and voting on the matter prior to issuing a guarantee which, together with existing loans, investments and guarantees, exceeds the greater of (i) 60% of the aggregate paid up share capital and free reserves or (ii) all of its free reserves. Section 186 does not apply, namely, to any guarantee given by a "holding company" (as defined in the Companies Act) in respect of a loan made to its wholly owned subsidiary.

Further, in accordance with the FEMA and the regulations framed thereunder, a person resident in India will be required to obtain the approval of the RBI for any payment in respect of any indemnities, that may be required to be made by such person to, or for the credit of, any person resident outside India, in rupees or foreign currency, before any such payment is made. Consequently an indemnity payment by the Issuer to Noteholders will require a prior RBI approval.

TAXATION

The information provided below does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase Notes. In particular, the information does not consider any specific facts or circumstances that may apply to a particular purchaser. Neither these statements nor any other statements in this Offering Memorandum are to be regarded as advice on the tax position of any holder of Notes or of any person acquiring, selling or otherwise dealing in securities or on any tax implications arising from the acquisition, sale of or other dealings in Notes. The statements do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in Notes) may be subject to special rules.

Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any applicable U.S. federal, state or local taxes as well as the tax laws of India or any political sub division thereof. Additionally, in view of the number of different jurisdictions where local laws may apply, this Offering Memorandum does not discuss the local tax consequences to a potential holder arising from the acquisition, holding or disposition of the Notes. Prospective investors must, therefore, inform themselves as to any tax laws and regulations in force relating to the purchase, holding or disposition of the Notes in their country of residence and in the countries of which they are citizens or in which they purchase, hold or dispose of Notes.

Indian Taxation

The following summary describes certain Indian tax consequences applicable to the ownership and disposal of Notes by persons who are not resident for tax purposes in India and who do not hold Notes in connection with an Indian trade, business or permanent establishment.

It is not intended to constitute a complete analysis of all the Indian tax consequences that may be relevant to a holder of the Notes. It does not cover all tax matters that may be of importance to a particular purchaser. Prospective investors should consult their own tax advisors about the tax consequences of purchasing, holding and disposing of an investment in the Notes. This summary is based on Indian tax law and practice as at the date of this Offering Memorandum.

Income and withholding taxes

Holders of the Notes should not be subject to income or withholding taxes in India in connection with payments of interest made by the Issuer on the Notes in the manner set out in "Terms and Conditions of the 2020 Notes" and "Terms and Conditions of the 2024 Notes", provided, as the Issuer intends, all the proceeds of issue of the Notes are used by the Issuer for the purposes of its business carried on outside India. Payments of principal made by the Issuer on the Notes should also not be subject to Indian income or withholding taxes.

Although the position is not free from doubt because the Guarantor is an Indian company, payments by the Guarantor in respect of interest and principal on the Notes should also not be subject to withholding tax in India. If investors are held to be liable to tax on interest in India, then payments in respect of interest will be subject to withholding tax at the rate of 20% (plus applicable surcharge and education cess and secondary and higher education cess). However, it is possible that withholding tax at a higher rate of 40% (plus applicable surcharge and education cess and secondary and higher education cess) could apply if the holder is a foreign company and in other cases at the rate of 30% (plus applicable surcharge and education cess and secondary and higher education cess). If the foreign company creates a Permanent Establishment ("PE") in India and the said interest is effectively connected to the PE then the rate of 40% (plus applicable surcharge and education cess and secondary and higher education cess) could apply. The rate of tax will be reduced if the beneficial recipient is a resident of a country with which the Central Government has entered into a Double Taxation Avoidance Agreement ("DTAA") and the provisions of such DTAA provide for taxation of such income at a reduced rate, subject to the requsite documentation being fulfilled.

Taxation of gains arising on disposal of the Notes (including redemption)

Subject to any relief available under a DTAA, gains arising on disposals of capital assets situated in India are subject to income tax in India. Since the Notes would be issued by the Issuer and the Issuer is an overseas entity, the capital assets would be regarded as situated outside of India and consequently, the capital gains should not be taxable in India provided the Notes continue to be maintained at all times in registered form on a register outside India.

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the Inland Revenue Authority of Singapore and the Monetary Authority of Singapore ("MAS") in force as of the date of this Offering Memorandum and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that none of the Issuer, the Guarantor, the Joint Lead Managers and any other persons involved in the issuance of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, Chapter 134 of Singapore ("ITA"), the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is 17% with effect from the year of assessment 2010. The applicable rate for non-resident individuals is 20%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from December 29, 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness, where: (i) the arrangement, management or service is performed outside Singapore; or (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:

(i) is not an individual, is not incorporated, formed or registered in Singapore; and

(ii) (A) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or

(B) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or that permanent establishment.

Interest derived overseas and received in Singapore by Singapore tax resident individuals (excluding interest received through a partnership in Singapore) would be exempt from Singapore income tax provided that the Comptroller of Income Tax in Singapore (the "Comptroller") is satisfied that such tax exemption would be beneficial to the individual. Interest derived overseas and received in Singapore by Singapore tax resident companies would generally be subject to income tax at a rate of 17%, subject to any claims for foreign tax credits where applicable.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after January 1, 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms "break cost", "prepayment fee" and "redemption premium" are defined in the ITA as follows:

"break cost", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"prepayment fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "break cost", "prepayment fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

In addition, as the issue of the Notes is jointly lead-managed by Australia and New Zealand Banking Group Limited, BNP Paribas, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd., Crédit Agricole Corporate and Investment Bank, Singapore Branch, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., The Royal Bank of Scotland plc, Singapore Branch, Standard Chartered Bank, Singapore Branch, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch and SBICAP (Singapore) Limited, each of which (save for SBICAP (Singapore) Limited and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch) is a Financial Sector Incentive (Bond Market) Company, a Financial Sector Incentive (Standard Tier) Company or a Financial Sector Incentive (Capital Market) Company (as defined in the ITA), and more than half of these lead managers for the issue of the Notes is each a Financial Sector Incentive (Bond Market) Company, a Financial Sector Incentive (Standard Tier) Company or a Financial Sector Incentive (Capital Market) company (as defined in the ITA), and the Notes are issued as debt securities before December 31, 2018, the Notes would be "qualifying debt securities" for the purposes of the ITA, to which the following treatments shall apply:

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller) may direct, of a return on debt securities for the Notes within such period as the Comptroller may specify and such other particulars in connection with such Notes as the Comptroller may require to the MAS and the inclusion by the Issuer in all offering documents relating to the Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "Specified Income") from the Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in

Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(ii) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities for the Notes within such period as the Comptroller may specify and such other particulars in connection with the Notes as the Comptroller may require to the MAS), Specified Income from the Notes derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10%; and

(iii) subject to:

(aa) the Issuer including in all offering documents relating to the Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

(bb) the Issuer, or such other person as the Comptroller may direct, furnishing to the Comptroller and MAS a return on debt securities for the Notes within such period as the Comptroller may specify and such other particulars in connection with the Notes as the Comptroller may require,

Specified Income derived from the Notes is not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

(A) if during the primary launch of the Notes, the Notes are issued to fewer than four persons and 50% or more of the issue of the Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, the Notes would not qualify as "qualifying debt securities"; and

(B) even though the Notes are "qualifying debt securities", if, at any time during the tenure of the Notes, 50% or more of the issue of the Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from the Notes held by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire the Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "related party", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who are adopting Singapore Financial Reporting Standard 39 — Financial Instruments: Recognition and Measurement ("FRS 39"), may for Singapore income tax purposes, be required to recognize gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 Treatment for Singapore Income Tax Purposes".

Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition and Measurement" (the "FRS 39 Circular"). Legislative amendments to give effect to the FRS 39 Circular have been enacted in Section 34A of the ITA.

The FRS 39 Circular and Section 34A of the ITA generally apply, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular and Section 34A of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

CLEARANCE AND SETTLEMENT

See "Definitions" in "Terms and Conditions of the 2020 Notes" and "Terms and Conditions of the 2024 Notes" for the definitions of certain capitalized terms used in this section.

Investors in the Notes may hold Notes through Euroclear or Clearstream, Luxembourg. Initial settlement and all secondary trades will settle as described below. Although the Issuer understands that Euroclear and Clearstream, Luxembourg will comply with the procedures provided below in order to facilitate transfers of Notes among participants of Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be modified or discontinued at any time. None of the Issuer, the Guarantor, the Trustee, the Registrar, the Transfer Agents, the Paying Agents or any other agent of any of them will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations. With respect to clearance and settlement through Euroclear and Clearstream, Luxembourg, the Issuer understands as follows:

THE CLEARING SYSTEMS

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg interface with domestic securities markets.

Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Initial Settlement

The Notes will be issued initially in the form of a Global Certificate in book-entry form and will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Investors' interests in Notes held in book-entry form by Euroclear or Clearstream, Luxembourg, as the case may be, will be represented through financial institutions acting on their behalf as direct and indirect participants in Euroclear or Clearstream, Luxembourg, as the case may be. In addition, Euroclear and Clearstream, Luxembourg may hold positions in the Notes on behalf of their participants through their respective depositories.

Investors electing to hold their Notes through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional notes. Notes will be credited to the accounts of depositories and will be processed by Euroclear or Clearstream, Luxembourg in accordance with usual new issue procedures.

Because the purchaser determines the place of delivery, it is important to establish at the time of trading of any Notes where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between Euroclear and/or Clearstream, Luxembourg participants

Secondary market trading between Euroclear participants and/or Clearstream, Luxembourg participants will be settled using the procedures applicable to conventional notes in same-day funds.

SUBSCRIPTION AND SALE

Each of the Joint Lead Managers has, pursuant to the Subscription Agreement dated July 24, 2014 (the "Subscription Agreement"), severally agreed, subject to the provisions of the Subscription Agreement, to subscribe and pay for, or to procure subscribers to subscribe and pay for, the respective principal amount of Notes of each Series set out opposite its name below:

Joint Lead Managers Principal Amount of Notes.

Joint Lead Managers	Principal Amount of 2020 Notes	Principal Amount of 2024 Notes
Australia and New Zealand Banking Group Limited	US$ 42,000,000	US$ 83,000,000
BNP Paribas, Singapore Branch	US$ 42,000,000	US$ 83,000,000
Citigroup Global Markets Singapore Pte. Ltd.	US$ 42,000,000	US$ 83,000,000
Crédit Agricole Corporate and Investment Bank, Singapore Branch	US$ 42,000,000	US$ 83,000,000
Deutsche Bank AG, Singapore Branch	US$ 42,000,000	US$ 83,000,000
The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch	US$ 42,000,000	US$ 83,000,000
Merrill Lynch (Singapore) Pte. Ltd.	US$ 42,000,000	US$ 83,000,000
Morgan Stanley Asia (Singapore) Pte.	US$ 42,000,000	US$ 83,000,000
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch	US$ 42,000,000	US$ 83,000,000
The Royal Bank of Scotland plc, Singapore Branch	US$ 42,000,000	US$ 83,000,000
SBICAP (Singapore) Limited	US$ 35,000,000	US$ 70,000,000
Standard Chartered Bank	US$ 45,000,000	US$ 100,000,000
Total	US$500,000,000	US$1,000,000,000

The Joint Lead Managers initially propose to offer the Notes at the issue prices listed on the cover page of this Offering Memorandum. The Issuer will be paying a combined management and underwriting commission to the Joint Lead Managers and the Issuer and the Guarantor, jointly and severally, will reimburse the Joint Lead Managers in respect of certain of their expenses. The Issuer and the Guarantor, jointly and severally, have also agreed to indemnify the Joint Lead Managers against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreements may be terminated in certain circumstances prior to payment of the issue price to the Issuer.

The Joint Lead Managers and some of their respective affiliates have, from time to time, performed, and may in the future perform certain commercial banking, investment banking and advisory and other banking services for the Issuer, the Guarantor and/or their respective affiliates for which they have received or will receive customary fees and expenses. The Joint Lead Managers and their respective affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. In the ordinary course of their various business activities, the Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and instruments of the Issuer and the Guarantor, including the Notes. Certain of the Joint Lead Managers or their affiliates that have a lending relationship with the Issuer and/or the Guarantor routinely hedge their credit exposure to the Issuer and/or the Guarantor consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's and/or the Guarantor's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Joint Lead Managers and their affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Notes or other financial instruments of the Issuer or the Guarantor, and may recommend to their clients that they acquire long and/or short positions in the Notes or other financial instruments.

The Issuer may use some or all of the net proceeds from the sale of the Notes pursuant to this Offering Memorandum for the full or partial repayment, or refinancing, of loans to its lenders, some of whom include Australia and New Zealand Banking Group Limited, BNP Paribas, Singapore Branch, Citigroup Global Markets Singapore Pte. Ltd., Crédit Agricole Corporate and Investment Bank, Singapore Branch, Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Morgan Stanley Asia (Singapore) Pte., The Royal Bank of Scotland plc, Singapore Branch, SBICAP (Singapore) Limited, Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (also known as Rabobank International), Hong Kong Branch and Standard Chartered Bank who are also Joint Lead Managers, or their affiliates.

The Joint Lead Managers and/or their respective affiliates may purchase the Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of the Issuer, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Memorandum relates (notwithstanding that such selected counterparties may also be purchasers of the Notes).

Each Joint Lead Manager or its affiliates may also purchase Notes for asset management and/or proprietary purposes but not with a view to distribution or may hold Notes on behalf of clients or in the capacity of investment advisors. While each Joint Lead Manager and its affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause a Joint Lead Manager or its affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. Each Joint Lead Manager may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective investor in the Notes.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

Selling Restrictions

Singapore

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore, and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, the Notes may not be offered or sold, nor may this Offering Memorandum or any document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, be circulated or distributed, whether directly or indirectly, to any persons in Singapore other than (a) to an institutional investor pursuant to Section 274 of the SFA, (b) to a relevant person under Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased in reliance of an exemption under Sections 274 or 275 of the SFA, the Notes shall not be sold within the period of six months from the date of the Initial acquisition of the Notes, except to any of the following persons:

- an institutional investor (as defined in Section 4A of the SFA);
- a relevant person (as defined in Section 275(2) of the SFA); or
- any person pursuant to an offer referred to in Section 275(1)(A) of the SFA, unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers and Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor (as defined in Section 4A of the SFA), or to a relevant person (as defined in Section 275(2) of the SFA), and in accordance with the conditions specified in Section 275 of the (as defined in Section 275(2) of the SFA;

(2) (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of a trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

(3) where no consideration is or will be given for the transfer;

(4) where the transfer is by operation of law;

(5) as specified in Section 276(7) of the SFA; or

(6) as specified in Regulation 32 of the Securities and Futures (Offers and Investments) (Shares and Debentures) Regulations 2005 of Singapore.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), an offer to the public of any Notes which are the subject of the offering contemplated by this Offering Memorandum may not be made in that Relevant Member State other than: (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Lead Managers; or (c) in any other communications falling within Article 3(2) of the Prospective Directive, provided that no such offer of Notes shall require the Issuer or any Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each Joint Lead Manager has represented, warranted and agreed that (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and (ii) it has complied, and will comply with, all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

India

This Offering Memorandum has not been, nor will it be, registered, produced or published as an offer document (whether a prospectus in respect of a public offer or information memorandum or other offering material in respect of any private placement under the Companies Act or any other applicable Indian laws) with any Registrar of Companies, the Securities and Exchange Board of India or any other statutory or regulatory body of like nature in India, and the Notes will not be offered or sold, and have not been offered or sold, in India by means of any document, whether as a principal or agent nor have the Initial Purchasers circulated or distributed, nor will they circulate or distribute, the Offering Memorandum or any other offering document or material relating to the Notes, directly or indirectly, to any person or the public or any member of the public in India or otherwise generally distributed or circulated in India. The Notes have not been offered or sold, and will not be offered or sold, in India in circumstances which would constitute an offer of securities (whether to the public or by way of private placement) within the meaning of the Companies Act or any other applicable Indian laws for the time being in force.

Hong Kong

The Notes may not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “Companies Ordinance”) or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and no person has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes that are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Act No. 25 of 1948, as amended; the “FIEL”) and may not be offered or sold directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEL and any other relevant laws and regulations of Japan.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on, and in compliance with, Regulation S. Each Joint Lead Manager has represented and agreed that it has offered and sold, and will offer and sell, the Notes only in accordance with Rule 903 of Regulation S. Accordingly, no Joint Lead Manager nor their respective affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Notes.

Terms used in the above paragraphs have the meanings given to them by Regulation S under the Securities Act.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Notes.

Each purchaser of the Notes and Guarantees, by accepting the delivery of this Offering Memorandum, will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

1. it is purchasing the Notes and Guarantees for its own account or an account with respect to which it exercises sole investment discretion, and it and any such account is outside the United States (as defined in Regulation S);
2. it understands and acknowledges that the Notes and Guarantees have not been and will not be registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the United States except as set forth below;
3. agree that the Notes are being offered and sold only outside the United States in an offshore transaction in compliance with Rule 903 under the Securities Act;
4. agree that it will inform each person to whom it transfers the Notes of any restrictions on transfer of such Notes; and
5. acknowledge that each of Notes will be represented by a Global Certificate and that transfers thereto are restricted as described under “Terms and Conditions of the 2020 Notes — Transfer of Notes and Issue of Certificates” and “Terms and Conditions of the 2024 Notes — Transfer of Notes and Issue of Certificates”.

INDEPENDENT AUDITORS

The Annual Financial Statements included in this Offering Memorandum have been audited by Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, as stated in their reports.

GENERAL INFORMATION

1. The creation and issue of the Notes has been authorized by resolutions of the Issuer's board of directors dated July 23, 2014.

2. The issue of the Guarantee has been authorized by the resolutions of the Guarantor's committee of directors dated April 11, 2014.

3. Save as disclosed in this Offering Memorandum, there are no, nor have there been any, litigation or arbitration proceedings, including those which are pending or threatened, of which the Guarantor is aware, which may have, or have had during the 12 months prior to the date of this Offering Memorandum, a material adverse effect on the Guarantor's financial position.

4. Save as disclosed in this Offering Memorandum, there has been no material change in the Guarantor's financial or trading position since March 31, 2014 and, since such date, save as disclosed in this Offering Memorandum, there has been no material adverse change in the Guarantor's financial position or prospects.

5. Copies of the following documents, all of which are published in English, may be inspected during normal business hours at the offices of the Paying Agent after the date of this Offering Memorandum for so long as any of the Notes remains outstanding:

   (a) the Guarantor's Memorandum and Articles of Association;

   (b) the Issuer's Memorandum and Articles of Association;

   (c) the Trust Deeds; and

   (d) the Agency Agreements.

6. The International Securities Identification Number (ISIN) in respect of the 2020 Notes is XS1092182606.

   The International Securities Identification Number (ISIN) in respect of the 2024 Notes is XS1090889947.

7. Application will be made for the trading of the Notes on the Freiverkehr (Open Market) of the FWB. The Open Market is not a regulated market for purposes of EU Directive 2004/39/EC (MiFID). The FWB assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Memorandum.

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN INDIAN GAAP AND IFRS

The Annual Financial Statements are prepared in conformity with Indian GAAP, which differ in certain significant respects from IFRS. Such differences involve methods for measuring amounts in the Annual Financial Statements, as well as additional disclosures required by IFRS.

The following summarizes certain general differences between Indian GAAP and IFRS that could have a significant impact on the financial position and operations of each of the Group and Guarantor if its financial statements were prepared under IFRS. The summary below should not be considered exhaustive, as no attempt has been made by the Group to quantify the effects of those differences, nor has a reconciliation of Indian GAAP to IFRS been undertaken by the Group. Had any such quantification or reconciliation been undertaken, other potential significant accounting and disclosure differences may have come to its attention, which are not identified below.

Prospective investors should consult their own professional advisors for an understanding of the principal differences between Indian GAAP and IFRS and how these differences might affect the Annual Financial Statements beginning on page F-2 of this Offering Memorandum.

Summary of Certain Differences

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 1, Presentation of Financial Statements — Components of financial statements	IAS 1 sets out the requirements for presentation of financial statements and the guidelines for their structure and content. As per IFRS, a complete set of financials comprises: (a) a statement of financial position; (b) a statement of comprehensive income/ a statement displaying components of profit or loss (separate income statement) and a second statement beginning with profit or loss and displaying components of other comprehensive income; (c) statement of cash flow; (d) statement of changes in equity; and (e) notes including summary of accounting policies and explanatory notes.	AS 1, Disclosure of Accounting Policies	The requirements for the presentation of financial statements are set out in Schedule VI to the Companies Act and the Accounting Standards notified under Companies (Accounting Standards) Amendment Rules (together with the Companies Act, collectively referred to as "Indian GAAP") issued by the Institute of Chartered Accountants of India. The components of financial statements are (a) balance sheet (b) statement of profit and loss (c) cash flow statement (d) explanatory notes including a summary of accounting policies.
IAS 1, Presentation of Financial Statements — Fair presentation	Fair presentation as per IFRS means faithful representation of the effects of the transactions, other events and conditions in accordance with the definitions and recognition of criteria for assets, liabilities, income and expenses set out in the Framework. If management concludes that compliance with requirements of a Standard or Interpretation is so misleading then in extremely rare circumstances, it may depart from the Standard or the	AS 1, Disclosure of Accounting Policies	Fair presentation means compliance with the applicable requirements of the Companies Act, application of the qualitative characteristics of the Accounting Standards Framework. Indian GAAP prohibits departures from the principles of Accounting Standards or the Companies Act unless permitted by another regulatory framework; for example, the Insurance Regulatory and Development Authority.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	Interpretation. If there is departure from any Interpretation or Standard, a disclosure has to be given stating reasons for departure and why application of the Standard or the Interpretation would have been misleading and the financial impact of applying the standard are required to be disclosed.		
IAS 1, Presentation of Financial Statements — Presentation of income statement	An analysis of expenses is presented using a classification based on either the nature of expenses or their function whichever provides information that is reliable and more relevant. If presented by function, specific disclosures by nature are provided in the notes. Profit or loss attributable to minority interests and equity holders of the parent are disclosed in the statement of comprehensive income/income statement (if presented separately) as allocations of profit or loss for the period.		Schedule VI to the Companies Act, 1956 permits only an analysis of expense by nature. Profit or loss attributable to minority interests is disclosed as a deduction from the profit or loss for the period as an item of income or expense.
IAS 1, Presentation of Financial Statements — Statement of changes in equity	A statement of changes in equity is presented showing: a) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to equity holders. b) The total comprehensive income for the period. Amounts attributable to owners of the parent and non-controlling interests are to be shown separately. c) Effects of retrospective application or restatement on each component of equity. d) For each component of equity, a reconciliation between the opening and closing balances separately disclosing each change.	AS 1, Disclosure of Accounting Policies	A statement of changes in equity is not required. Movements in share capital, retained earnings and other reserves are presented in the Schedules to Financial Statements.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 1, Presentation of Financial Statements — Extraordinary items	IFRS prohibits the presentation of any items of income or expense as extraordinary.	AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Extraordinary items are to be disclosed separately in the statement of profit and loss and are included in determination of net profit or loss. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.
IAS 2, Inventories — Deferred settlement terms	Difference between the purchase price of inventories for normal credit terms and the amount paid for deferred settlement terms is recognized as interest expense.	AS 2, Valuation of Inventories	AS-2 does not deal with the Inventories which are purchased on deferred settlement terms. The cost of inventories generally will be the purchase price for deferred credit terms unless the contract states interest payable for deferred terms.
IAS 2, Inventories — Reversal of write-down	A new assessment of net realizable value is required to be made in each subsequent period. Write-down of inventory is reversed if circumstances that previously caused inventories to be written down below cost no longer exist or when there is a clear evidence of an increase in the net realizable value because of changes in economic circumstances.	AS 2, Valuation of Inventories	No specific guidance in AS 2. However reversals may be permitted as AS 5, Net Profit or Loss for the period, Prior Period items and Changes in Accounting Policies requires this to be disclosed as a separate line item in the statement of profit or loss.
IAS 3, Cash Flow Statement — Bank overdrafts	Included if they form an integral part of an entity's cash management. Usually, these bank balances often fluctuate from being positive to overdrawn. In such cases, bank overdrafts form a part of cash and cash equivalents.	AS 3, Cash Flow Statements	Bank overdrafts are considered to be financing activities.
IAS 3, Cash Flow Statement — Cash flows from extraordinary items	As presentation of items as extraordinary is not permitted in accordance with IAS 1, cash flow statement does not reflect any items of cash flow as extraordinary.	AS 3, Cash Flow Statements	Cash flows from items disclosed as extraordinary are classified as arising from operating, investing or financing activities and separately disclosed.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 3, Cash Flow Statement — Interest and dividend	May be classified as operating, investing or financing activities in a manner consistent from period to period.	AS 3, Cash Flow Statements	Interest and dividends received are required to be classified as investing activities. Interest and dividends paid are required to be classified as financing activities.
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors — Changes in accounting policies	Retrospective application of changes in accounting policies is done by adjusting the opening balance of the affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy were always applied. If retrospective application is impracticable for a particular prior period, or for a period before those presented, the circumstances that led to the existence of that condition and a description of how and from when the change in accounting policy has been applied needs to be stated.	AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Changes in accounting policies are not applied retrospectively. The cumulative impact arising from such change is made in the financial statements in the period of change. If the impact of the change is not ascertainable, this should be disclosed.
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors — Errors	Material prior year errors are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.	AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Material prior year errors are included in determination of profit or loss in the period in which the error is discovered and are separately presented in the profit and loss, so that the impact can be perceived.
IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors — New accounting pronouncements	New accounting pronouncements that have been issued but not effective on the balance sheet date are disclosed. Known or reasonably estimable information relevant to assessing the possible impact of the new accounting pronouncements on initial application on the financial statements is disclosed.	AS 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies	Not required to be disclosed.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 10, Events after balance sheet date — Dividends	Liability for dividends declared to holders of equity instruments are recognized in the period when declared.	AS 4, Contingencies and Events Occurring After the Balance Sheet Date	Dividends are recognized as an appropriation from profits and recorded as liability at the balance sheet date, if proposed or declared subsequent to the reporting period but before approval of the financial statements.
IAS 12, Income Taxes — Recognition of deferred tax liabilities	Deferred income taxes are recognized for all taxable temporary differences between accounting and tax base of assets and liabilities except to the extent they arise from (a) initial recognition of goodwill or (b) of asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither the accounting nor the tax profit.	AS-22, Accounting for Taxes on Income	Deferred income taxes are recognized for all timing differences in respect of recognition of items of profit or loss for the purposes of financial reporting and for income taxes.
IAS 12, Income Taxes — Recognition of deferred tax assets	Deferred tax asset is recognized for carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and tax credits can be utilized.	AS-22, Accounting for Taxes on Income	Deferred tax asset for unused tax losses and unabsorbed depreciation is recognized only to the extent that there is virtual certainty supported by evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset for all other unused credits is recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
IAS 12, Income Taxes — recognition of taxes on items recognized in other comprehensive income or directly in equity	Current tax and deferred tax is recognized outside profit or loss if the tax relates to items that are recognized in the same or a different period, outside profit or loss. Therefore the tax on items recognized in other comprehensive income, or directly in equity, is also recorded in other comprehensive income or in equity, as appropriate.	AS-22, Accounting for Taxes on Income	No specific guidance in AS 22. However, an announcement made by the Institute of Chartered Accountants of India (the "ICAI") requires any expense charged directly to reserves and/or securities premium account to be net of tax benefits expected to arise from the admissibility of such expenses for tax purposes. Similarly, any income credited directly to a reserve account or a similar account should be net of its tax effect.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 12, Income Taxes — Investments in subsidiaries, branches and associates, and interests in joint ventures	Deferred tax liability for all taxable temporary differences are recognized except to the extent that: (a) the parent, investor or the venturer is able to control timing of the reversal of the temporary difference, and (b) it is probable that the temporary difference will not reverse in the foreseeable future.	AS-22, Accounting for Taxes on Income	No deferred tax liability is recognized.
IAS 12, Income Taxes — Deferred tax on business combinations	If the potential benefit of the acquiree's income tax loss, carry forward or other deferred tax assets did not satisfy the criteria in IFRS 3 for separate recognition when the business combination is initially accounted for, and is subsequently realized, goodwill is reduced to record pre-acquisition deferred tax assets which are recognized within 12 months of the acquisition date as a result of new information on facts and circumstances that existed on the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefit is recognized in profit or loss. All other deferred tax benefits are recognized in profit or loss.	AS-22, Accounting for Taxes on Income	Unrecognized tax assets of the acquirer which satisfy the recognition criteria by the first annual balance sheet date subsequent to an amalgamation (merger) in the nature of purchase are recognized as an asset with a corresponding effect to goodwill. If the recognition criteria are not satisfied by the first annual balance sheet date, any subsequent recognition of deferred tax assets are credited to the statement of profit and loss.
IAS 12, Income Taxes — deferred tax on unrealized intra-group profits	Deferred tax is to be recognized on unrealized intra-group profits at the buyer's rate.	AS-22, Accounting for Taxes on Income	No adjustments for deferred tax are made on consolidation. It is an aggregation from separate financial statements of each group entity.
IAS 16, Property, Plant and Equipment — cost of major inspection	Costs of major inspections and overhauls are recognized in the carrying amount of property, plant and equipment.	AS 10, Accounting for Fixed Assets	Costs of major inspections are expensed when incurred.
IAS 16, Property, Plant and Equipment — revaluation	If an entity adopts the revaluation model, revaluations are required to be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.	AS 10, Accounting for Fixed Assets	No specific requirement on frequency of revaluation.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 16, Property, Plant and Equipment — depreciation	Property, plant and equipment are componentized and are depreciated separately.	AS 10, Accounting for Fixed Assets & AS 6, Depreciation Accounting	Fixed assets are not required to be componentized and depreciated separately, although AS 10 states that such an approach may improve the accounting for an item of fixed asset. The proposed revised standard also permits, but does not mandate a component approach. Schedule XIV to the Companies Act specifies the minimum depreciation rates to be used for different categories of assets.
IAS 16, Property, Plant and — compensation for impairment	Compensation from third parties for impairment or loss of items of property, plant and equipment is included in the statement of profit and loss when the compensation becomes receivable.	AS 28, Impairment of Assets	No specific requirement. In practice compensation is offset against items of property, plant and equipment which are replaced.
IAS 16, Property, Plant and — change in method of depreciation	Changes in depreciation method are considered as change in accounting estimate and applied prospectively.	AS 10, Accounting for Fixed Assets	Requires retrospective re-computation of depreciation and any excess or deficit on such re-computation is required to be adjusted in the period in which such change is effected. Such a change is treated as change in accounting policy and its effect is quantified and disclosed.
IAS 16, Property, Plant and — Change in existing Decommissioning, Restoration and Similar Liabilities	Provision for decommissioning, restoration and similar liabilities that have previously been recognized as part of the cost of an item of property, plant and equipment are adjusted for changes in the amount or timing of future costs and for changes in market-based discount rates.	AS 10, Accounting for Fixed Assets	No specific guidance.
IAS 17, Leases — interest in leasehold land	Recognized as operating lease (i.e., prepayment) unless the leasehold interest is accounted for as investment property in accordance with IAS 40 and the fair value model is adopted.	AS 19, Leases	Leasehold land is recorded and classified as fixed assets.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 17, Leases — initial direct costs of lessors for assets under a finance lease	For finance leases other than those involving manufacturer or dealer lessors, initial direct costs are included in the measurement of the finance lease receivable and reduce the amount of income recognized over the lease term. Initial lease costs incurred by manufacturer or dealer lessors are recognized as expense when selling profit is recognized.	AS 19, Leases	Initial direct costs are either recognized immediately in the statement of profit and loss or allocated against the finance income over the lease term. Initial lease costs incurred by manufacturer or dealer lessors are recognized as expense at the inception of the lease.
IAS 17, Leases — initial direct costs of lessors for assets under operating leases	Initial direct costs incurred by lessors are added to the carrying amount of the leased asset and recognized as expense over the lease term on the same basis as lease income.	AS 19, Leases	Initial direct costs incurred by lessors are either deferred and allocated to income over the lease term in proportion to the recognition of rent income, or are recognized as an expense in the statement of profit and loss in the period in which they are incurred.
IFRIC 4 — Determining whether an arrangement contains a lease	An arrangement that does not take the legal form of a lease but fulfillment of which is dependent on the use of specific assets and which conveys the right to use the assets is accounted for as a lease in accordance with lAS 17.	AS 19, Leases	There is no such requirement.
SIC 15 — Lease incentives	The lessor and lessee recognize lease incentives as an increase or reduction of rental expense over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the lessee's benefit from use of the leased asset.	AS 19, Leases	There is no specific guidance.
SIC 27 — Evaluating the Substance of transactions involving the legal form of a lease	If a series of transactions involves the legal form of a lease and the economic effect can only be understood with reference to the series as a whole, then the series is accounted for as a single transaction.	AS 19, Leases	No specific guidance.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 18, Revenues — definition	Revenue is the gross inflow of economic benefits arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants. Amounts collected on behalf of third parties such as sales and service taxes and value added taxes are excluded from revenues.	AS 9, Revenue Recognition	Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities. Revenue is measured by the charges made to customers for goods supplied and services rendered to them and by the charges and rewards arising from the use of resources by them. Revenue is presented as under: Turnover xxx Less: Excise Duty xx Turnover (Net) xxx
IAS 18, Revenues — measurement	Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.	AS 9, Revenue Recognition	Revenue is recognized at the nominal amount of consideration receivable.
IAS 18, Revenues — exchange transactions	When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, revenue is not recognized. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a revenue generating transaction. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.	AS 9, Revenue Recognition	No specific guidance.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 18, Revenues — interest	Interest income is recognized using the effective interest method.	AS 9, Revenue Recognition	Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
IAS 18, Revenues — Dividend recognition out in separate financial statements	Entire dividend income should be recognized in the statement of profit or loss irrespective of whether it is declared out of pre-acquisition or post-acquisition profits, though it may, in some situations, be necessary to test the investment for impairment.	AS 9, Revenue Recognition	Dividend income declared out of post-acquisition profits should be recognized in the statement of profit and loss. Dividend declared out of pre-acquisition profits will go to reduce the cost of investment.
IAS 19, Employee Benefits — Actuarial valuation	Detailed actuarial valuation to determine the present value of defined benefit obligation and the fair value of plan assets are performed with sufficient regularity so that the amounts recognized in the financial statements do not differ materially from the amounts that would have been determined at the balance sheet date. IAS 19 does not define sufficient regularity.	AS 15, Employee Benefits	Similar to IFRS, except that detailed actuarial valuation to determine present value of the benefit obligation is carried out at least once every three years and fair value of plan assets are determined at each balance sheet date.
IAS 19, Employee Benefits — Discount rate	Market yields at the reporting period on high quality corporate bonds are used as discount rates. In countries where there are no deep markets for such bonds, market yields on government bonds are used.	AS 15, Employee Benefits	Market yields at the balance sheet date on government bonds are used as discount rates.
IAS 19, Employee Benefits — Actuarial gains and losses	Actuarial gains and losses forms part of re-measurement of net defined benefit liability (asset) and recognized in other comprehensive income.	AS 15, Employee Benefits	Actuarial gains and losses should be recognized immediately in the statement of profit or loss as income or expense.
IAS 19, Employee Benefits — Interest expense (income) on defined benefit plans	Interest expense/(income) is determined by applying the discount rate as specified above on net defined benefit liability/ (asset) and recognized in profit or loss. Net defined benefit liability/ (asset) is the present value of the defined benefit obligation less the fair value of plan assets (if any). The difference between the return on plan assets and amounts considered in net interest is included in the re-measurement of the net defined	AS 15, Employee Benefits	Interest expense and expected return on plan are to be computed separately. Interest expense is determined by applying the discount rate as specified above on defined benefit obligation and recognized in profit or loss. The expected return on plan assets is computed based on market expectation and recognized in the statement of profit or loss. The difference between the expected return on plan assets and the actual return on plan

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	benefit liability/ (asset) and recognized in other comprehensive income.		assets is an actuarial gain or loss and recognized in profit or loss.
IAS 19, Employee Benefits —	Plan administration costs which relate to costs of managing plan assets form part of remeasurements and are charged to other comprehensive income. Administration costs other than the costs of managing plan assets are charged to profit or loss.	AS 15, Employee Benefits	Plan administration costs are either charged to profit or loss or they are included in determining the defined benefit obligation/asset.
IAS 20, Government Grants — recognition	Government grants are recognized as income to match them with related costs which they are intended to compensate on a systematic basis. Government grants are not directly credited to shareholders' interests. Government grants related to assets are presented in the Balance Sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.	AS 12, Accounting for Government Grants	Two approaches may be followed: (i) The capital approach; or (ii) the income approach. Government grants towards total capital investments where no repayment is ordinarily expected is credited directly to shareholders' interest. Grants related to revenue are recognized in the Statement of profit or loss on a systematic and rational basis over the periods necessary to match them with the related costs. Grants related to non-depreciable assets are credited to capital reserve. Grants related to depreciable assets are either treated as deferred income and transferred to the statement of Profit or loss in proportion to depreciation, or deducted from the cost of the asset.
IAS 20, Government Grants — non-monetary assets	The asset and the grant may be accounted at fair value. Alternatively, these can be accounted at nominal value.	AS 12, Accounting for Government Grants	If the asset is given by the government at a discounted price, the asset and the grant is accounted at the discounted purchase price. All other non-monetary grants are accounted at nominal values.
IAS 21, Effects of Changes in Foreign Exchange Rates — functional and presentation currency	Functional currency is the currency of primary economic environment in which the entity operates. Foreign currency is a currency other than the functional currency. Presentation currency is the	AS 11, The Effects of Changes in foreign Exchange Rates	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	currency in which the financial statements are presented.		
IAS 21, Effects of Changes in Foreign Exchange Rates — exchange differences	Exchange differences arising on translation or settlement of foreign currency monetary items are recognized in profit or loss in the period in which they arise.	AS 11, The Effects of Changes in foreign Exchange Rates	Similar to IFRS. However, as per the Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 (AS-11) notified by Indian Government on March 31, 2009, exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, can be added to or deducted from the cost of the asset and shall be depreciated over the balance life of the asset and, in other cases, can be accumulated in a “Foreign Currency Monetary Item Translation Difference Account” and amortized over the balance period of such long term asset/liability by recognition as income or expense in each of such periods.
IAS 21, Effects of Changes in Foreign Exchange Rates — change in functional currency	Change in functional currency is applied prospectively.	AS 11, The Effects of Changes in foreign Exchange Rates	Change in reporting currency is not dealt with in the Indian Accounting Standard (AS 11), though reason for change is required to be disclosed.
IAS 21, Effects of Changes in Foreign Exchange Rates — translation in consolidated financial statements	Assets and liabilities should be translated from functional to presentation currency at the closing rate at the date of the balance sheet; income and expenses at average rate for the period; exchange differences are recognized as a separate component of equity and recycled to income statement on disposal of investment/ operation.	AS 11, The Effects of Changes in foreign Exchange Rates	Translation of financial statements to the reporting currency of the parent depends on the classification of that operation as integral or non-integral. Integral Operation: monetary assets are translated at closing rate; non-monetary items are translated at historical rate if they are valued at cost and if they are valued on another other valuation basis, at the exchange rates that existed when the values were determined. Income and expense items are translated at average rate. Exchange differences are taken to statement of Profit or loss.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
			For non-integral operations, the closing rate method should be followed i.e., assets and liabilities are translated at closing rate while Profit and Loss items are translated at actual/average rates. The resulting exchange difference is taken to reserve and is recycled to statement of profit or loss on the disposal of the non-integral foreign operation.
IAS 24, Related Party Disclosures, identification	Related party includes post-employment benefit plans for the benefit of employees of the reporting entity or any entity that is a related party of the reporting entity.	AS 18, Related Party Disclosure	Post-employment benefit plans are not included as related parties.
IAS 27, Separate Financial Statements — Accounting for investments in subsidiaries in separate financial statements	Accounted either at cost less impairment loss or as available for sale in accordance with IAS 39.	AS 13, Accounting for Investments	Accounted at cost less impairment loss.
IAS 28, Investments in Associates and Joint Ventures — Separate financial statements of the investor	Accounted either at cost less impairment loss or as available for sale in accordance with IAS 39.	AS 13, Accounting for Investments	Accounted at cost less impairment loss.
IAS 28, Investments in Associates and Joint Ventures — in consolidated financial statements — Potential voting rights	The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by another entity, are considered when assessing significant influence.	AS 23, Accounting for Investments in Associates in Consolidated Financial Statements & AS 27, Financial Reporting of Interests in Joint Ventures	Potential voting rights are not considered in assessing significant influence.
IAS 28, Investments in Associates and Joint Ventures — in consolidated financial statements — Goodwill	Negative goodwill is excluded from the carrying amount of investment and is included as income in determination of the investor's share of associate's profit or loss.	AS 23, Accounting for Investments in Associates in Consolidated Financial Statements & AS 27, Financial Reporting of Interests in Joint Ventures	Negative goodwill (Capital Reserve) is included in the carrying amount of investment in the associate but is disclosed separately.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 28, Investments in Associates and Joint Ventures — in consolidated financial statements — Reporting date	The difference between the reporting date of the associate and that of the parent shall be no more than three months.	AS 23, Accounting for Investments in Associates in Consolidated Financial Statements & AS 27, Financial Reporting of Interests in Joint Ventures	The maximum difference between the reporting date of the associate and that of the parent is not specified.
IAS 28, Investments in Associates and Joint Ventures — in consolidated financial statements — Uniform accounting policies	Associate's accounting policies should be uniform with the investor's for the purposes of equity accounting.	AS 23, Accounting for Investments in Associates in Consolidated Financial Statements & AS 27, Financial Reporting of Interests in Joint Ventures	Similar to IFRS, the fact and a brief description of the differences should be disclosed, except if it is impracticable.
IAS 28, Investments in Associates and Joint Ventures — in consolidated financial statements — Disposals	On disposal resulting in loss of significant influence, the remaining investment is remeasured at fair value, with gain or loss recognized in profit or loss.	AS 23, Accounting for Investments in Associates in Consolidated Financial Statements & AS 27, Financial Reporting of Interests in Joint Ventures	No specific guidance.
IAS 32, Financial Instruments: Presentation — classification of convertible debts	Split the instrument in liability and equity component at issuance.		Classified as debt based on its legal form and any interest expense is recognized based on the coupon rate.
IAS 33, Earnings Per Share — Extraordinary items	Since IAS 1 prohibits presentation of any item as extra ordinary, no consideration is given to such items for calculating EPS.	AS 20, Earnings Per Share	Earnings Per Share ("EPS") with and without extraordinary items is to be presented.
IAS 36, Impairment of Assets — reversal of impairment loss for goodwill	Impairment loss recognized for goodwill is prohibited from reversal in a subsequent period.	AS 28, Impairment of Assets	Impairment loss for goodwill is reversed if the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur and subsequent external events have occurred that reverse the effect of that event.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 37, Provisions, Contingent liabilities and Contingent Assets — Recognition of provisions	A provision is recognized when an entity has a present obligation (legal or constructive) as a result of a past event.	AS 29, Provisions, Contingent Liabilities and Contingent Assets	Provisions are not recognized based on constructive obligations though some provisions may be needed in respect of obligations arising from normal practice, custom and a desire to maintain good business relations or to act in an equitable manner.
IAS 37, Provisions, Contingent Liabilities and Contingent Assets — discounting	Where the effect of time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and risks specific to the liability. The discount rate does not reflect risk for which future cash flow estimates have been adjusted.	AS 29, Provisions, Contingent Liabilities and Contingent Assets	Discounting of liabilities is not permitted and provisions are carried at their full values.
IAS 37, Provisions, Contingent Liabilities and Contingent Assets — contingent assets	Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.	AS 29, Provisions, Contingent Liabilities and Contingent Assets	Contingent assets are not disclosed in the financial statements.
IAS 38, Intangible assets — measurement	Intangible assets can be measured at either cost or revalued amount.	AS 26, Intangible Assets	Measured only at cost.
IAS 38, Intangible assets — useful life	Useful life may be finite or indefinite.	AS 26, Intangible Assets	Useful life may not be indefinite. There is a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.
IAS 39, Financial Instruments: Recognition and Measurement — general recognition principle	All financial assets and financial liabilities are recognized in the statement of financial position when these meet the definition and recognition criteria of a financial instrument. A financial instrument is a contract to that give rise to a financial asset of one entity and a financial liability or equity in another entity.		There is no definition of financial instrument. Currently, derivatives are recognized in the balance sheet except for certain forward contracts within the scope of AS 11.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IAS 39, Financial Instruments: Recognition and Measurement — investments, and loans and receivables	Financial instruments are classified as at fair value through Profit and Loss, held-to-maturity, loans and receivable and available-for-sale. Financial instruments are classified as held for trading if these are acquired principally for the purpose of selling and are part of a portfolio that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. Held-to-maturity investments are investments with fixed or determinable payments and fixed maturity for which an entity has positive intent and ability to hold to maturity. Held to maturity investments are measured at amortized cost using effective interest method. Loans and receivables have fixed or determinable payments that are not quoted in active market. Loans and receivables are measured at amortized cost using the effective interest method. Available-for-sale investments are those that do not qualify as at fair value through profit or loss, held-to-maturity investments or loans and receivables. Changes in fair value of available-for-sale investments are recognized as part of equity and recycled to statement of profit or loss on disposal of investments. Unquoted investments whose fair values cannot be reliably measured are measured at cost.	AS 13, Accounting for Investments	Investments are classified as long-term or current. Long-term investments are carried at cost less provision for diminution in value, which is other than temporary. Current investments carried at lower of cost and fair value. Loans and receivables are measured at cost less valuation allowance.
IAS 39, Financial Instruments: Recognition and Measurement — impairment	Impairment is recognized if, and only if, • there is an objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (referred to as "loss event"), and		An enterprise should assess the provision for doubtful debts at each period end which, in practice, is based on relevant information such as: • past experience • actual financial position and • cash flows of the debtors

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	• the loss has an impact on the estimated cash flows that can be reliably estimated. Impairment losses recognized in profit or loss for equity investments classified as 'available for sale' cannot be reversed through profit or loss.		Impairment losses recognized in profit or loss for equity investments are reversed through profit or loss.
IAS 39, Financial Instruments: Recognition and Measurement — derivatives and embedded derivatives	Measured at fair values.		Currently there is no equivalent standard on derivatives except for certain forward exchange contracts within the scope of AS 11, and ICAI announcement for losses in respect of all outstanding derivative contracts not covered by AS 11.
IAS 39, Financial Instruments: Recognition and Measurement — derivatives and hedge accounting	Hedge accounting (recognizing the offsetting effects of fair value changes of both the hedging instrument and the hedged item in the same period's profit or loss) is permitted in certain circumstances, provided that the hedging relationship is clearly defined, measurable, and actually effective. IAS 39 provides for three types of hedges: • fair value hedge: if an entity hedges a change in fair value of a recognized asset or liability or firm commitment, the change in fair values of both the hedging instrument and the hedged item are recognized in profit or loss when they occur; • cash flow hedge: if an entity hedges changes in the future cash flows relating to a recognized asset or liability or a highly probable forecast transaction, then the change in fair value of the hedging instrument is recognized in other comprehensive income until such time as those future cash flows occur. The ineffective portion of the gain or loss on the hedging instrument is recognized in		Currently there is no equivalent standard on hedge accounting except in the case of forward exchange contracts within the scope of AS 11 and an announcement made by the ICAI on March 29, 2008 and applicable to financial statements for the period ending March 31, 2008 or thereafter requires an entity to provide for losses in respect of all outstanding derivative contracts not covered by AS 11 by marking them to market at the balance sheet date.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	profit or loss in the period of such change; and • hedge of a net investment in a foreign entity: this is treated as a cash flow hedge. A hedge of foreign currency risk in a firm commitment may be accounted for as a fair value hedge or as a cash flow hedge.		
IAS 39, Financial Instruments: Recognition and Measurement — changes in value of financial liabilities due to changes in credit risk	In determining the fair value of the financial liabilities designated at FVTPL upon initial recognition, any change in fair value due to changes in the entity's own credit risk are recognized.		No specific guidance.
IAS 40, Investment Property — measurement	Investment properties can be measured using the cost or the fair value model, with changes in fair value recognized in the statement of profit and loss.		There is no specific standard dealing with investment properties. At present, covered by AS 13 — Accounting for Investments. They are classified as long-term investments and measured at cost less impairment.
IFRS 2, Share based payments — recognition	Goods and services in a share-based transaction are recognized when goods are received or as services are rendered. A corresponding increase in equity is recognized if goods and services were received in an equity settled share based payment transaction, or a liability if these were acquired in cash settled share transaction.		There is no equivalent standard. However the ICAI has issued a guidance note on "Accounting for Employee Share based Payments" which calls for the same treatment. The Securities and Exchange Board of India has also issued the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (the "SEBI Guidelines").
IFRS 2, Share based payments — measurement	For equity settled share based transactions with non-employees, goods and services received and the corresponding increase in equity is measured at the fair value of the goods and services received. If the fair value of the goods and services cannot be estimated reliably, then the value is measured with reference to the fair value of the equity instruments granted. In case of equity settled		Both the guidance note and the SEBI Guidelines permit the use of either the intrinsic value method or the fair value method for determining the costs of benefits arising from employee share based compensation plans. The guidance note recommends the use of fair value of the instruments granted.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
	transactions with employees and others providing similar services, fair value of the equity instrument should be used.		
IFRS 3, Business Combinations — cost allocations	All business combinations, other than those between entities under common control, are accounted for by applying the purchase method. An acquirer is identified for all business combinations, which is that entity that obtains control of the other combining entity. As at the effective date of the business combination, each identifiable asset and liability are recorded at the acquisition date fair value. Pooling of interests method to record business combinations within the scope of IFRS 3 is prohibited.	AS 14, Accounting for Amalgamations	Amalgamations in the nature of purchase are accounted for by recording the identifiable assets and liabilities of the acquiree at their fair values or at book values. Amalgamations in the nature of merger are accounted for in a manner consistent with the pooling of interest method. Identifiable assets and liabilities of subsidiaries acquired by purchase of shares which are not amalgamations are recorded at the carrying amounts stated in the acquired subsidiary's financial statements on the date of acquisition.
IFRS 3, Business Combinations — goodwill	Goodwill is not amortized but tested for impairment on an annual basis or more frequently if events or changes in circumstances indicate impairment.	AS 14, Accounting for Amalgamations	Any excess of the amount of the consideration over the value of the net assets of the transferor company acquired by the transferee company is recognized in the transferee's financial statements as goodwill arising on amalgamation. Goodwill arising on amalgamations in the nature of purchase is amortized over a period not exceeding five years. There is no specific guidance on goodwill arising on acquisition of a subsidiary. In practice such goodwill is not amortized but tested for impairment on an annual basis or more frequently if events or changes in circumstances indicate impairment.
IFRS 3, Business Combinations — bargain purchase	If the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of business combination, the fair value and the cost of net assets acquired is reassessed and any excess remaining is recognized immediately in the statement of profit and loss.	AS 14, Accounting for Amalgamations	If the amount of the consideration is lower than the value of the net assets acquired, the difference is recognized as capital reserve, a component of shareholder's reserve.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IFRS 3, Business Combinations — acquisition related costs	The acquirer is required to recognize acquisition-related costs as expenses in the periods in which the costs are incurred and the services are received.		No specific guidance.
IFRS 3, Business Combinations — non-controlling interest	At the date of acquisition, an entity may elect to measure, on a transaction by transaction basis, the non-controlling interest at (a) fair value or (b) the non-controlling interest's proportionate share of the fair value of the identifiable net assets of the acquire.	AS 14, Accounting for Amalgamations	At the time of acquisition, minority interests in the net assets consist of the amount of equity attributable to minorities at the date on which investment in the acquiree is made.
IFRS 3, Business Combinations — business combinations achieve in stages	For business combinations achieved in stages, if the acquirer increases an existing equity interest so as to achieve control of the acquire, the previously held interest is remeasured at acquisition date fair value and any resulting gain or loss is recognized in profit or loss.	AS 21, Consolidated Financial Statements	If two or more investments are made over a period of time, the equity of the subsidiary at the date of investment is generally determined on a step-by step basis; however, if small investments are made over a period of time and then an investment is made that results in control, the date of the latest investment, may be considered as the date of investment.
IFRS 5, Non-current assets held for sale — recognition and measurement	Non-current assets to be disposed of are classified as held for sale when the asset is available for immediate sale and the sale is highly probable. Depreciation ceases on the date when the assets are classified as held for sale. Non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell.		There is no standard dealing with non-current assets held for sale, though AS 10 deals with assets held for disposal Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the statement of profit and loss.
IFRS 5, Non-current assets held for sale — discontinued operations	An operation is classified as discontinued when it has either been disposed of or is classified as held for sale.	AS 24, Discontinuing Operations	An operation is classified as discontinuing at the earlier of (a) a binding sale agreement for sale of the operation; and (b) on approval by the board of directors of a detailed formal plan and announcement of the plan.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IFRS 6, Exploration for and evaluation of mineral resources	Exploration and evaluation assets are measured at cost or revaluation less accumulated amortization and impairment loss. An entity determines the policy specifying which expenditures are recognized as exploration and evaluation assets.		There is no equivalent standard. However, there is a Guidance Note on Accounting for Oil and Gas Producing Activities. As per this note, there are two alternative methods for acquisition, exploration and development costs, viz. the Successful Efforts Method or the Full Cost Method. The Guidance Note recommends the former one. AS 28, Impairment of Assets is applicable irrespective of the method of accounting used.
IFRS 8, Operating Segments — determination of segments	Operating segments are identified based on the financial information that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.	AS 17, Segment Reporting	AS 17 requires an enterprise to identify two sets of segments (business and geographical), using a risks and rewards approach, with the enterprise's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.
IFRS 8, Operating Segments — measurement	Segment profit or loss is reported on the same measurement basis as that used by the chief operating decision maker. There is no definition of segment revenue, segment expense, segment result, segment asset or segment liability. Requires reconciliation of segment performance measures, and segment assets and liabilities with the corresponding amounts reported in the financial statements.	AS 17, Segment Reporting	Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole. Segment revenue, segment expense, segment result, segment asset and segment liability have been defined.
IFRS 8, Operating Segments — entity-wide disclosures	Requires disclosure of (a) external revenues from each product or service; (b) revenues from customers in the country of domicile and from foreign countries; and (c) geographical information on non-current assets located in the country of domicile and foreign countries. Information on major customers including total revenues from each major customer is disclosed if revenues from each customer is 10% or more of total segment revenues.	AS 17, Segment Reporting	Disclosures are required based on classification of segment as primary or secondary. Disclosure requirements for secondary reporting format are less detailed than those required for primary reporting segments.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IFRS 10 Consolidated Financial Statements — Scope	Required for all parent entities unless specific exemptions in IFRS 10 apply. A parent need not prepare consolidated financial statements only if all the following conditions are met: • the entity is itself a wholly owned subsidiary or a partially owned subsidiary and its other owners have not objected to the entity not presenting consolidated financial statements; • the entity's debt or equity instruments are not traded in a public market; • the entity is not in a process of filing its financial statements for the purposes of issuing any class of instruments in a public market; and the ultimate or any intermediate parent of the entity produces consolidated financial statements available for public use that comply with IFRSs.	AS 21, Consolidated Financial Statements	Indian GAAP does not specify entities that are required to present consolidated financial statements. The accounting standard is required to be followed if consolidated financial statements are presented. The Securities Exchange Board of India (Indian Market Regulator) requires entities whose equity shares or debt are listed or to be listed to present consolidated financial statements.
IFRS 10 Consolidated Financial Statements — definition of Control	An investor controls an investee if and only if the investor has all the following: (a) power over the investee (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns	AS 21, Consolidated Financial Statements	Control is: (a) The ownership, directly or indirectly through a subsidiary (or subsidiaries) of more than one-half of the voting power of an enterprise; or (b) Control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other enterprise so as to obtain economic benefits from its activities.
IFRS 10 Consolidated Financial Statements — Potential voting rights	The existence and effect of substantive potential voting rights including potential voting rights held by another entity, are considered when assessing control.	AS 21, Consolidated Financial Statements	Potential voting rights are not considered in assessing control.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IFRS 10 Consolidated Financial Statements — Exclusion of subsidiaries, associates and joint ventures	If the acquisition of a subsidiary meets the criteria to be classified as held for sale in accordance with IFRS 5, it is included in the consolidation but is accounted for under that standard.	AS 21, Consolidated Financial Statements	Excluded from consolidation, if the subsidiary was acquired with intent to dispose of it within twelve months or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent.
IFRS 10 Consolidated Financial Statements — Reporting dates	The difference between the reporting date of the subsidiary and that of the parent shall be no more than three months.	AS 21, Consolidated Financial Statements	The difference between the reporting date of the subsidiary and that of the parent shall be no more than six months.
IFRS 10 Consolidated Financial Statements — Uniform accounting policies	Consolidated financial statements are prepared using uniform accounting policies. No exception is provided.	AS 21, Consolidated Financial Statements	Similar to IFRS except if it is impracticable to use uniform accounting policies, that fact should be disclosed together with the proportions of the items in the consolidated financial statements to which different accounting policies have been applied.
IFRS 10 Consolidated Financial Statements — Non-controlling interests	Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent.	AS 21, Consolidated Financial Statements	Minority interests are presented in the consolidated balance sheet separately from liabilities and the equity of the parent's shareholders.
IFRS 10 Consolidated Financial Statements — Allocation of losses to non-controlling interests	Total comprehensive income/ net income or loss, if presented separately is allocated to owners of the parent and the non-controlling interest even though this results in non-controlling interest having a deficit balance.	AS 21, Consolidated Financial Statements	Excess of loss applicable to minority over the minority interest in the equity of the subsidiary and any further losses applicable to minority are adjusted against minority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses.
IFRS 10 Consolidated Financial Statements — Disposals	Partial disposal of subsidiary where control is retained is accounted for as an equity transaction, and gain or loss is not recognized. Partial disposal of subsidiary resulting in loss of control triggers re-measurement of the residual holding to fair value. Any difference between the fair value and the carrying value is recognized as gain or loss in profit or loss.	AS 21, Consolidated Financial Statements	No specific guidance.

Topic	IFRS	Indian Accounting Standards	Indian GAAP
IFRS 11, Joint Arrangements — Form	A joint arrangement is either a joint operation or a joint venture. Such classification of joint arrangement depends upon the rights and obligations of the parties to the arrangement and disregards the legal structure. The accounting for joint ventures in the consolidated financial statements is guided by IAS 28, Investments in Associates and Joint Ventures	AS 27, Financial reporting of interests in joint venture	AS 27 recognizes three forms of joint venture namely: a) jointly controlled operations, b) jointly controlled assets and c) jointly controlled entities
IFRS 11, Joint Arrangements — Applicability	Specifies proportionate consolidation for joint operations and equity accounting for joint ventures consolidated financial statements.	AS 27, Financial Reporting of Interests in Joint Ventures	Specifies equity accounting for all types of joint ventures.
IFRS 12, Disclosure of Interests in Other Entities	IFRS 12 sets out the disclosures required for entities adopting IFRS 10, Consolidated Financial Statements and IFRS 11, Joint Arrangements. It requires entities to disclose information that helps users to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements (JAs) and unconsolidated structured entities.		No specific guidance. However, AS 21 Consolidated Financial Statements, AS 23, Accounting for Investments in Associates in Consolidated Financial Statements and AS 27, Financial reporting of interests in joint venture require certain disclosures to be made.
IFRS 13, Fair Value Measurement	IFRS 13 establishes a single source of guidance for all fair value measurements. It provides guidance on how to measure fair value under IFRS when fair value is required or permitted by IFRS.		There is no equivalent standard in IGAAP.
IFRS 13, Fair Value Measurement — Fair Value definition	Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date	AS 11, The Effects of Changes in foreign Exchange Rates	Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
IFRS 13, Fair Value Measurement — Fair value hierarchy	IFRS 13 establishes a fair value hierarchy that categorizes all the financial assets and financial liabilities into three categories (level 1, level 2 and level 3) based on the inputs to valuation techniques used to measure fair value of the financial asset or financial liability.		No specific guidance.

INDEX TO FINANCIAL STATEMENTS AND AUDITORS' REPORTS

REPORT OF THE INDEPENDENT AUDITOR ON THE UNCONSOLIDATED SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of TATA STEEL LIMITED

1. The accompanying unconsolidated summary financial statements of **Tata Steel Limited**(the "Company") which comprise the unconsolidated summary balance sheets as at March 31, 2014, March 31, 2013 and March 31, 2012, the unconsolidated summary Statements of Profit and Loss and cash flows for each of the years then ended and the related schedules and explanatory notes (referred to as the "Unconsolidated Summary Financial Statements") are derived from the audited unconsolidated financial statements (the "Audited Unconsolidated Financial Statements") of the Company for the years ended March 31, 2014,2013 and 2012. We expressed an unmodified audit opinion on each of those financial statements in our reports dated May 14, 2014, May 23, 2013 and May 18, 2012. These summary financial statements do not reflect the events that occurred subsequent to the date of our reports

2. **Management's Responsibility for the Unconsolidated Summary Financial Statements**

   Management is responsible for the preparation of the Unconsolidated Summary Financial Statements from the audited unconsolidated financial statements of the Company the years ended March 31, 2014,2013 and 2012 on the basis described in Note 51 to the Unconsolidated Summary Financial Statements.

3. **Auditor's Responsibility**

   Our responsibility is to express an opinion on the Unconsolidated Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

4. **Opinion**

   In our opinion, the Unconsolidated Summary Financial Statements for the years ended March 31, 2014, 2013 and 2012 which have been derived from the Audited Unconsolidated Financial Statements of the Company for the years ended March 31, 2014, 2013 and 2012 are consistent, in all material respects, with each of those financial statements..

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

N. Venkatram
(Partner)
(Membership No.71387)

MUMBAI, July 21, 2014

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Unconsolidated Summary Statement of Assets and Liabilities

Note		As at March 31, 2014	2014	2013	2012
		US $ million	**₹ million**		
	EQUITY AND LIABILITIES				
	(1) SHAREHOLDERS' FUNDS				
2	(a) Share capital	**162.2**	**9,714.1**	*9,714.1*	*9,714.1*
3	(b) Reserves and surplus	**10,047.9**	**601,765.8**	*542,382.7*	*512,450.5*
		10,210.1	**611,479.9**	*552,096.8*	*522,164.6*
4	(2) HYBRID PERPETUAL SECURITIES	**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
	(3) NON-CURRENT LIABILITIES				
5	(a) Long-term borrowings	**3,975.3**	**238,080.9**	*235,655.7*	*213,532.0*
6	(b) Deferred tax liabilities (net)	**340.4**	**20,389.8**	*18,437.4*	*9,705.1*
7	(c) Other long-term liabilities	**164.2**	**9,835.2**	*3,808.7*	*2,980.3*
8	(d) Long-term provisions	**318.1**	**19,050.5**	*21,134.2*	*18,513.0*
		4,798.0	**287,356.4**	*279,036.0*	*244,730.4*
	(4) CURRENT LIABILITIES				
5	(a) Short-term borrowings	**7.3**	**436.9**	*709.4*	*656.2*
9	(b) Trade payables	**1,379.8**	**82,636.1**	*63,636.6*	*58,839.2*
10	(c) Other current liabilities	**1,447.9**	**86,716.7**	*85,097.9*	*87,165.7*
8	(d) Short-term provisions	**317.7**	**19,028.1**	*15,442.6*	*21,723.8*
		3,152.7	**188,817.8**	*164,886.5*	*168,384.9*
		18,540.7	**1,110,404.1**	*1,018,769.3*	*958,029.9*
	ASSETS				
	(5) NON-CURRENT ASSETS				
	(a) Fixed assets				
11	(i) Tangible assets	**4,018.1**	**240,644.3**	*246,505.4*	*111,423.6*
12	(ii) Intangible assets	**33.6**	**2,013.2**	*2,245.1*	*2,239.0*
	(iii) Capital work-in-progress	**3,090.6**	**185,094.0**	*87,222.9*	*160,467.5*
		7,142.3	**427,751.5**	*335,973.4*	*274,130.1*
13	(b) Non-current investments	**8,735.8**	**523,185.6**	*499,848.0*	*490,783.5*
14	(c) Long-term loans and advances	**681.3**	**40,800.7**	*65,741.5*	*63,010.8*
15	(d) Other non-current assets	**50.4**	**3,020.3**	*2,157.9*	*2,167.3*
		16,609.8	**994,758.1**	*903,720.8*	*830,091.7*
	(6) CURRENT ASSETS				
16	(a) Current investments	**391.3**	**23,432.4**	*4,340.0*	*12,041.7*
17	(b) Inventories	**1,003.1**	**60,078.1**	*52,579.4*	*48,589.9*
18	(c) Trade receivables	**128.7**	**7,708.1**	*7,969.2*	*9,040.8*
19	(d) Cash and bank balances	**160.5**	**9,611.6**	*21,923.6*	*39,212.4*
14	(e) Short-term loans and advances	**216.9**	**12,992.0**	*22,078.3*	*18,292.5*
20	(f) Other current assets	**30.4**	**1,823.8**	*6,158.0*	*760.9*
		1,930.9	**115,646.0**	*115,048.5*	*127,938.2*
		18,540.7	**1,110,404.1**	*1,018,769.3*	*958,029.9*

1-49 Notes to Statement of Assets and Liabilities and of Profit and Loss

Unconsolidated Summary Statement of Profit and Loss

Note				2014	2014	2013	2012
				For the year ended March 31,			
				US $ million	₹ million		
Note	**(1)**	**REVENUE**					
21		(a)	Revenue from operations	**7,732.4**	**463,093.4**	*423,172.4*	*370,057.1*
			Less: Excise duty	**767.8**	**45,983.1**	*41,178.1*	*30,722.5*
				6,964.6	**417,110.3**	*381,994.3*	*339,334.6*
22		(b)	Other income	**131.5**	**7,876.4**	*9,020.4*	*8,864.3*
	TOTAL REVENUE			**7,096.1**	**424,986.7**	*391,014.7*	*348,198.9*
	(2)	**EXPENSES**					
23		(a)	Raw materials consumed	**1,615.9**	**96,777.1**	*98,774.0*	*80,143.7*
24		(b)	Purchase of finished, semi-finished and other products	**58.9**	**3,526.3**	*4,533.4*	*2,095.2*
25		(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(25.9)**	**(1,551.8)**	*(4,046.0)*	*(2,207.2)*
26		(d)	Employee benefits expense	**613.3**	**36,730.8**	*36,022.7*	*30,472.6*
27		(e)	Depreciation and amortisation expense	**322.0**	**19,287.0**	*16,403.8*	*11,514.4*
28		(f)	Finance costs	**304.0**	**18,205.8**	*18,767.7*	*19,254.2*
29		(g)	Other expenses	**2,734.3**	**163,758.1**	*144,209.1*	*118,244.9*
				5,622.5	**336,733.3**	*314,664.7*	*259,517.8*
		(h)	Less: Expenditure (other than interest) transferred to capital and other accounts	**172.0**	**10,299.2**	*8,761.3*	*4,782.3*
	TOTAL EXPENSES			**5,450.5**	**326,434.1**	*305,903.4*	*254,735.5*
	(3)	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**		**1,645.6**	**98,552.6**	*85,111.3*	*93,463.4*
30	**(4)**	**EXCEPTIONAL ITEMS**					
		(a)	Profit on sale of non-current investments	**–**	**–**	*123.3*	*5,110.1*
		(b)	Provision for diminution in the value of investments/ doubtful advances	**(23.7)**	**(1,417.6)**	*(6,868.6)*	*–*
				(23.7)	**(1,417.6)**	*(6,745.3)*	*5,110.1*
	(5)	**PROFIT BEFORE TAX**		**1,621.9**	**97,135.0**	*78,366.0*	*98,573.5*
	(6)	**TAX EXPENSE**					
		(a)	Current tax	**517.3**	**30,980.2**	*17,705.4*	*31,151.1*
		(b)	MAT credit	**–**	**–**	*(3,998.4)*	*–*
		(c)	Deferred tax	**33.9**	**2,032.9**	*14,029.3*	*458.2*
				551.2	**33,013.1**	*27,736.3*	*31,609.3*
	(7)	**PROFIT AFTER TAX**		**1,070.7**	**64,121.9**	*50,629.7*	*66,964.2*
	(8)	**NOMINAL VALUE PER SHARE (₹)**		**10.0**	**10.0**	*10.0*	*10.0*
				US $	**₹**	*₹*	*₹*
31	**(9)**	**BASIC EARNINGS PER SHARE**		**1.1**	**64.21**	*50.28*	*67.84*
31	**(10)**	**DILUTED EARNINGS PER SHARE**		**1.1**	**64.21**	*50.28*	*66.62*

1-49 Notes to Statement of Assets and Liabilities and of Profit and Loss

Unconsolidated Summary Statement of Cash Flow

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
A.	**Cash Flow from Operating Activities:**				
	Profit before tax	**1,621.9**	**97,135.0**	*78,366.0*	*98,573.5*
	Adjustments for:				
	Depreciation and amortisation expense	**322.0**	**19,287.0**	*16,403.8*	*11,514.4*
	Impairment of fixed assets	**0.1**	**3.3**	*40.1*	*69.0*
	(Profit)/Loss on assets sold/discarded	**8.1**	**486.1**	*30.0*	*529.8*
	Provision for diminution in the value of investments	**23.7**	**1,417.6**	*901.3*	–
	Provision for doubtful advances in the nature of loans	**9.5**	**566.9**	*6,106.3*	–
	Profit on sale of non-current investments	**(4.1)**	**(247.8)**	*(123.3)*	*(5,110.1)*
	(Gain)/Loss on cancellation of forwards, swaps and options	**3.0**	**180.1**	*1,279.3*	*419.2*
	Interest and income from current investments	**(58.2)**	**(3,484.6)**	*(3,306.2)*	*(8,638.3)*
	Income from non-current investments	**(80.3)**	**(4,810.2)**	*(7,023.5)*	*(1,175.0)*
	Finance costs	**303.9**	**18,205.8**	*18,767.7*	*19,254.2*
	Provision for wealth tax	**0.3**	**20.0**	*20.0*	*17.0*
	Exchange (gain)/loss on revaluation of foreign currency loans and swaps	**60.2**	**3,605.1**	*4,407.5*	*2,835.9*
		588.2	**35,229.3**	*37,503.0*	*19,716.1*
	Operating Profit before Working Capital Changes	**2,210.1**	**132,364.3**	*115,869.0*	*118,289.6*
	Adjustments for:				
	Trade and other receivables	**125.6**	**7,523.2**	*8,733.3*	*15,127.9*
	Inventories	**(125.2)**	**(7,498.7)**	*(3,989.5)*	*(9,052.3)*
	Trade payables and other liabilities	**274.0**	**16,411.6**	*9,873.3*	*11,065.8*
		274.4	**16,436.1**	*14,617.1*	*17,141.4*
	Cash Generated from Operations	**2,484.5**	**148,800.4**	*130,486.1*	*135,431.0*
	Direct tax paid	**(408.6)**	**(24,472.4)**	*(19,799.4)*	*(31,192.5)*
	Net Cash Flow from/(used in) Operating Activities	**2,075.9**	**124,328.0**	*110,686.7*	*104,238.5*
B.	**Cash Flow from Investing Activities:**				
	Purchase of fixed assets[(1)]	**(1,594.4)**	**(95,491.3)**	*(75,085.5)*	*(70,592.0)*
	Sale of fixed assets	**4.1**	**245.0**	*145.1*	*91.9*
	Advance received against sale of asset	**22.6**	**1,355.0**	–	–
	Purchase of investments in subsidiaries[(2)]	**(15.8)**	**(943.5)**	*(21,238.1)*	*(25,419.7)*
	Purchase of other non-current investments	**(75.4)**	**(4,513.7)**	*(2,554.1)*	*(553.6)*
	Sale of non-current investments	**207.3**	**12,415.2**	*8.7*	–
	Sale/Redemption of investments in subsidiaries	**9.2**	**549.5**	*2,313.2*	*5,761.0*
	(Purchase)/Sale of current investments (net)	**(283.4)**	**(16,974.4)**	*9,917.0*	*22,261.9*
	Inter-corporate deposits/Shareholders' loan given	**(21.9)**	**(1,314.0)**	*(1,273.0)*	*(5,859.3)*
	Repayment of inter-corporate deposits/shareholders' loan	**7.5**	**450.0**	*500.0*	*40,068.7*
	Interest received	**15.5**	**930.2**	*590.9*	*4,475.0*
	Dividend received	**82.1**	**4,917.8**	*1,451.8*	*1,175.0*
	Net Cash Flow from/(used in) Investing Activities	**(1,642.6)**	**(98,374.2)**	*(85,224.0)*	*(28,591.1)*

Unconsolidated Summary Statement of Cash Flow

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
C. Cash Flow from Financing Activities:				
Issue of Equity Shares	**0.0**	**0.1**	*0.2*	*5,346.0*
Capital contributions received	**0.4**	**27.4**	*55.8*	*130.2*
Proceeds from Hybrid Perpetual Securities	**–**	**–**	*–*	*7,750.0*
Proceeds from borrowings	**889.2**	**53,254.6**	*60,876.1*	*23,174.3*
Repayment of borrowings	**(1,080.3)**	**(64,699.4)**	*(71,810.0)*	*(82,125.6)*
Amount received/(paid) on cancellation of forwards, swaps and options	**(3.0)**	**(180.4)**	*(1,228.1)*	*(318.2)*
Expenses (incurred)/reimbursed on issue of equity instruments	**0.6**	**38.7**	*24.0*	*(167.9)*
Distribution on Hybrid Perpetual Securities	**(44.4)**	**(2,661.3)**	*(2,657.6)*	*(2,224.7)*
Interest paid[1]	**(251.0)**	**(15,034.1)**	*(14,564.2)*	*(15,928.5)*
Dividend paid	**(129.7)**	**(7,769.7)**	*(11,654.6)*	*(11,510.6)*
Tax on dividend paid	**(20.6)**	**(1,235.7)**	*(1,857.5)*	*(1,792.3)*
Net Cash Flow from/(used in) Financing Activities	**(638.8)**	**(38,259.8)**	*(42,815.9)*	*(77,667.3)*
Net increase/(decrease) in Cash and Cash Equivalents	**(205.5)**	**(12,306.0)**	*(17,353.2)*	*(2,019.9)*
Opening Cash and Cash Equivalents	**357.3[3]**	**21,399.3[3]**	*38,747.8*	*40,767.7*
Closing Cash and Cash Equivalents	**151.8**	**9,093.3**	*21,394.6*	*38,747.8*

Additional information:

(1) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised **₹ 3,106.6** million [**US $ 51.9** million] *(2012-13: ₹ 1,741.3 million, 2011-12: ₹ 2,844.9 million).*

(2) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the year and includes application money on investments **₹ 48.5** million [**US $ 0.8** million] *(2012-13: ₹ 13,181.5 million, 2011-12: ₹ 9,811.8 million).*

(3) Includes **₹ 4.7** million [**US $ 0.1** million] of Kalimati Investment Company Limited on amalgamation with Tata Steel Limited.

(4) Previous years' figures have been recast/restated where necessary.

NOTES TO STATEMENT OF ASSETS AND LIABILITIES AND OF PROFIT AND LOSS

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) Use of Estimates and Judgements

In preparation of the financial statements, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying asumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(c) Revenue Recognition

(i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.

(ii) Export incentive under various schemes notified by the Government has been recognised on the basis of amount received.

(d) Employee Benefits

(i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee has rendered services.

(ii) For defined-benefit plans, the amount recognised in the Balance Sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognised. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yields on government bonds at the Balance Sheet date with remaining terms to maturity approximating those of the Company's obligations.

(iii) Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present 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 Statement of Profit and Loss.

(v) In respect of the Employee Separation Scheme, 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 Statement of Profit and Loss.

(e) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. 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 tangible assets.

Major expenses on relining of furnace are 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.

(f) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

(g) Depreciation and Amortisation

(i) Capital assets whose ownership does not vest with the Company are depreciated over their estimated useful life or five years, whichever is less.

(ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life whichever is higher. However, asset value upto ₹ 25,000 is fully depreciated in the year of acquisition. The details of estimated life for each category of asset are as under:

- (a) Buildings and Roads — 30 to 62 years
- (b) Plant and Machinery — 3 to 30 years
- (c) Railway Sidings — 21 years
- (d) Vehicles and Aircraft — 5 to 18 years
- (e) Furniture, Fixtures and Office Equipments — 5 years
- (f) Intangibles (Computer Softwares) — 5 to 10 years
- (g) Development of property for development of mines and collieries are amortised over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
- (h) Major furnace relining expenses are depreciated over a period of 10 years (average expected life).
- (i) Freehold land is not depreciated.
- (j) Leasehold land and other leasehold assets are amortised over the life of the lease.

(h) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(i) Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.

The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). 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 Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

Exchange differences 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.

Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments.

(j) Derivative Financial Instruments

i) The Company uses derivative financial instruments such as Forwards, Swaps, Options, etc. to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.

ii) Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard - 11 "The effects of changes in Foreign Rates".

iii) For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value changes of the derivative financial instruments are recognised in Cash Flow Hedge Reserve and reclassified in the period in which the Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a 'basis adjustment' and recycled to the Statement of Profit and Loss when the respective non-financial asset affects the Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognised in the Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained their until the forecasted transaction occurs.

   If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss.

iv) If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Statement of Profit and Loss.

(k) 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.

(l) Inventories

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

Work-in-progress is carried at lower of cost and net realisable value.

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

Stores and spare parts are carried at cost. Necessary provision is made and expensed 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.

(m) Relining Expenses

Relining expenses other than major expenses of furnace relining are charged as an expense in the Statement of Profit and Loss in the year in which they are incurred.

(n) Research and Development

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

(o) Deferred Tax

Deferred tax is accounted for by computing the tax effect of timing differences, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date.

2. SHARE CAPITAL

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
Authorised:					
1,75,00,00,000	Ordinary Shares of ₹ 10 each *(31.03.2013: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)* *(31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)*	**292.2**	**17,500.0**	*17,500.0*	*17,500.0*
35,00,00,000	"A" Ordinary Shares of ₹ 10 each *(31.03.2013: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)* *(31.03.2012: 35,00,00,000 Ordinary Shares of ₹ 10 each)*	**58.4**	**3,500.0**	*3,500.0*	*3,500.0*
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each *(31.03.2013: 2,50,00,000 Shares of ₹ 100 each)* *(31.03.2012: 2,50,00,000 Ordinary Shares of ₹ 100 each)*	**41.7**	**2,500.0**	*2,500.0*	*2,500.0*
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each *(31.03.2013: 60,00,00,000 Shares of ₹ 100 each)* *(31.03.2012: 60,00,00,000 Ordinary Shares of ₹ 100 each)*	**1,001.9**	**60,000.0**	*60,000.0*	*60,000.0*
		1,394.2	**83,500.0**	*83,500.0*	*83,500.0*
Issued:					
97,21,26,020	Ordinary Shares of ₹ 10 each *(31.03.2013: 97,21,26,020 Ordinary Shares of ₹ 10 each)* *(31.03.2012: 97,21,26,020 Ordinary Shares of ₹ 10 each)*	**162.3**	**9,721.3**	*9,721.3*	*9,721.3*
Subscribed and Paid up:					
97,12,15,405	Ordinary Shares of ₹ 10 each fully paid up *(31.03.2013:* 97,12,15,229 *Ordinary Shares of ₹ 10 each)* *(31.03.2012: 97,12,14,450 Ordinary Shares of ₹ 10 each)*	**162.2**	**9,712.1**	*9,712.1*	*9,712.1*
	Amount paid up on 3,89,516 Ordinary Shares forfeited *(31.03.2013: 3,89,516 Ordinary Shares of ₹ 10 each)* *(31.03.2012: 3,89,516 Ordinary Shares of ₹ 10 each)*	**0.0**	**2.0**	*2.0*	*2.0*
		162.2	**9,714.1**	*9,714.1*	*9,714.1*

Additional information:

(1) The movement in subscribed and paid up share capital is set out below:

	As at March 31,						
	2014			*2013*		*2012*	
Ordinary Shares of ₹ 10 each	**No. of shares**	**US $ million**	**₹ million**	*No. of shares*	*₹ million*	*No. of shares*	*₹ million*
At beginning of the year	**97,12,15,299**	**162.2**	**9,712.1**	*97,12,14,450*	*9,712.1*	*95,92,14,450*	*9,592.1*
Shares allotted during the year[(a) (b)]	**176[(a)]**	**–**	**–**	*779[(b)]*	–	*1,20,00,000[(c)]*	*120.0*
	97,12,15,405	**162.2**	**9,712.1**	*97,12,15,229*	*9,712.1*	*97,12,14,450*	*9,712.1*

(a) **176** Ordinary Shares of face value of **₹ 10** per share allotted on 11th March, 2014 at a premium of **₹ 290** per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(b) (i) **73** Ordinary Shares of face value of **₹ 10** per share allotted on 22nd October, 2012 at a premium of **₹ 290** per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(ii) **22** Ordinary Shares of face value of **₹ 10** per share allotted on 22nd October, 2012 at a premium of **₹ 590** per share to holders of Cumulative Convertible Preference Shares in the ratio of 6:1 on conversion whose shares were kept in abeyance in the Rights issue made in 2007.

(iii) **684** Ordinary Shares of face value of **₹ 10** per share allotted on 1st March, 2013 at a premium of **₹ 290** per share to shareholders whose shares were kept in abeyance in the Rights issue made in 2007.

(c) 1,20,00,000 Ordinary Share of face value of ₹ 10 per share were allotted on 20th January 2012 to Tata Sons Limited on preferential basis on conversion of warrants at a price of ₹ 594 per share.

(d) The balance Ordinary Shares kept in abeyance are **3,01,218** *(31.03.2013: 3,06,482, 31.03.2012: 3,07,807)* in respect of Rights issue of 2007.

(2) Shareholders holding more than 5 percent shares in the Company:

	As at March 31,					
	2014		*2013*		*2012*	
	No. of Ordinary shares	**%**	*No. of Ordinary shares*	*%*	*No. of Ordinary shares*	*%*
Name of shareholders						
(a) Tata Sons Limited	**28,88,98,245**	**29.75**	*28,88,98,245*	*29.75*	*28,88,98,245*	*29.75*
(b) Life Insurance Corporation of India	**14,44,93,458**	**14.88**	*14,54,67,247*	*14.98*	*14,57,09,733*	*15.00*

(3) Particulars of securities convertible into Ordinary Shares:

In November 2009, the Company had issued 5,469.35 numbers of 4.5% Foreign Currency Convertible Bonds (FCCBs) of face value USD 0.1 million each aggregating to USD 546.935 million. These represent **4,28,28,141** *(31.03.2013: 4,25,96,510, 31.03.2012: 4,21,12,300)* underlying shares and are convertible at any time on or after 31st December, 2009 and upto 11th November, 2014 by the holders of such FCCBs at a conversion price of ₹ **592.0385** per share (31.03.2013: 595.2578 per share, 31.03.2012: ₹ 602.1022 per share) and at a fixed USD/INR conversion rate of 46.36.

(4) **2,88,75,320** shares *(31.03.2013: 2,17,38,923 per share, 31.03.2012: 1,80,91,089 shares)* of face value of ₹ 10 per share represent the shares underlying GDRs which were issued during 2010. Each GDR represents one underlying Ordinary Share.

(5) The rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principle rights are as follows:

A. Ordinary Shares of ₹ 10 each

(a) In respect of every Ordinary Share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such Ordinary Share bears to the total paid up Ordinary Capital of the Company.

(b) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(c) In the event of liquidation, the shareholders of Ordinary Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

B. 'A' Ordinary Shares of ₹ 10 each

(a) (i) The holders of 'A' Ordinary Shares shall be entitled to such rights of voting and/or dividend and such other rights as per the terms of the issue of such shares, provided always that:

– in the case where a resolution is put to vote on a poll, such differential voting entitlement (excluding fractions, if any) will be applicable to holders of 'A' Ordinary Shares.

– in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of 'A' Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares.

(ii) The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted for voting by shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such shares including in relation to any scheme under Sections 391 to 394 of the Act.

(b) The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

C. Preference Shares

The Company has two classes of preference shares i.e. Cumulative Redeemable Preference Shares (CRPS) of ₹ 100 per share and Cumulative Convertible Preference Shares (CCPS) of ₹ 100 per share.

(a) Such shares shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid up or credited as paid up thereon.

(b) Such shares shall rank for capital and dividend (including all dividend undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company, but shall not confer any further or other right to participate either in profits or assets. However, in case of CCPS, such preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.

(c) The holders of such shares shall have the right to receive all notices of general meetings of the Company but shall not confer on the holders thereof the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956, or any re-enactment thereof.

(d) CCPS shall be converted into Ordinary Shares as per the terms, determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects.

3. RESERVES AND SURPLUS

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Capital Reserve				
	Balance as per last account	**0.2**	**14.9**	*14.9*	*14.9*
(b)	Capital Redemption Reserve				
	Balance as per last account	**0.2**	**8.3**	*8.3*	*8.3*
	Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**3.3**	**199.5**	–	–
		3.5	**207.8**	*8.3*	*8.3*
(c)	Securities Premium Reserve				
	Balance as per last account	**2,978.5**	**178,384.9**	*188,779.1*	*182,117.2*
	Premium on issue of Ordinary Shares	**0.0**	**0.1**	*0.2*	–
	Premium on conversion of warrants	**–**	**–**	–	*7,008.0*
	Expenses/Reimbursement related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	**0.7**	**38.7**	*(79.9)*	*(93.9)*
	Exchange difference on redemption premium of CARS	**–**	**–**	*(410.1)*	*(252.2)*
	Discount/Premium on non-convertible debenture	**–**	**–**	*(9,904.4)*	–
		2,979.2	**178,423.7**	*178,384.9*	*188,779.1*
(d)	Debenture Redemption Reserve				
	Balance as per last account	**341.6**	**20,460.0**	*20,460.0*	*20,460.0*
(e)	Amalgamation Reserve				
	Balance as per last account	**0.1**	**4.3**	*4.3*	*4.3*
	Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**(0.0)**	**(1.7)**	–	–
		0.1	**2.6**	*4.3*	*4.3*
(f)	Export Profits Reserve				
	Balance as per last account	**0.2**	**12.5**	*12.5*	*12.5*
(g)	Foreign Exchange Fluctuation Reserve				
	Balance as per last account	**2.3**	**140.0**	*140.0*	*140.0*
(h)	Contributions for Capital Expenditure				
	Balance as per last account	**9.2**	**549.2**	*462.6*	*447.4*
	Received/Capitalised during the year	**0.8**	**50.3**	*86.6*	*15.2*
		10.0	**599.5**	*549.2*	*462.6*
(i)	Contingency Reserve				
	Balance as per last account	**16.7**	**1,000.0**	*1,000.0*	*1,000.0*
(j)	Debenture Forfeiture Reserve				
	Balance as per last account	**0.0**	**0.4**	*0.4*	*0.4*
(k)	Special Reserve				
	Balance as per last account	**–**	**–**	–	–
	Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**16.3**	**977.5**	–	–
	Transferred from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	**26.8**	**1,603.6**	–	–
	Transferred to General Reserve	**(43.1)**	**(2,581.1)**	–	–
		–	**–**	–	–
(l)	Cash Flow Hedge Reserve[1]				
	Balance as per last account	**–**	**–**	–	–
	Fair value changes recognised (net of tax)	**(2.6)**	**(158.4)**	–	–
		(2.6)	**(158.4)**	–	–
(m)	General Reserve				
	Balance as per last account	**1,656.9**	**99,230.0**	*94,167.0*	*87,470.6*
	Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**8.3**	**499.4**	–	–
	Transferred from Surplus in Statement of Profit and Loss of Kalimati Investment Company Limited during Jan'13-Mar'13	**13.4**	**801.8**	–	–
	Transferred from Special Reserve	**43.1**	**2,581.1**	–	–
	Transferred from Statement of Profit and Loss	**107.1**	**6,412.2**	*5,063.0*	*6,696.4*
		1,828.8	**109,524.5**	*99,230.0*	*94,167.0*

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(n) Foreign Currency Monetary Item Translation Difference Account[1]				
Balance as per last account	**(59.8)**	**(3,583.5)**	*(4,049.0)*	*–*
Exchange gain/(loss) during the year	**(66.0)**	**(3,952.4)**	*(4,596.2)*	*(6,854.4)*
Amortisation during the year	**79.6**	**4,768.4**	*5,061.7*	*2,805.4*
	(46.2)	**(2,767.5)**	*(3,583.5)*	*(4,049.0)*
(o) Surplus in the Statement of Profit and Loss				
Balance as per last account	**4,110.2**	**246,161.7**	*211,450.4*	*166,394.6*
Balance of Centennial Steel Company Limited on amalgamation	**–**	**–**	*–*	*(8.7)*
Addition on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**25.2**	**1,507.8**	*–*	*–*
Profit of Kalimati Investment Company Limited during Jan'13-Mar'13	**128.8**	**7,712.9**	*–*	*–*
Adjustment of unrecognised MAT asset in the books of Kalimati Investment Company Limited	**37.2**	**2,225.8**	*–*	*–*
Adjustment of unrecognised deferred tax liability in the books of Kalimati Investment Company Limited	**(0.0)**	**(1.0)**	*–*	*–*
Profit for the year	**1,070.7**	**64,121.9**	*50,629.7*	*66,964.2*
Distribution on Hybrid Perpetual Securities [net of tax of ₹ **904.3** million [**US $ 15.1** million] *(2012-13: ₹ 863.7 million, 2011-12: ₹ 832.4 million)*]	**(29.3)**	**(1,756.1)**	*(1,798.4)*	*(1,733.0)*
Proposed dividend on Ordinary Shares	**(162.2)**	**(9,712.1)**	*(7,769.7)*	*(11,654.6)*
Tax on dividend	**(11.1)**	**(661.9)**	*(1,287.3)*	*(1,815.7)*
Proposed dividend (including tax on dividend ₹ **903.9** million [**US $ 15.1** million]) for 2012-13 of Kalimati Investment Company Limited	**(108.1)**	**(6,475.6)**	*–*	*–*
Transfer to Special Reserve by Kalimati Investment Company Limited during Jan'13-Mar'13	**(26.8)**	**(1,603.6)**	*–*	*–*
Transfer to General Reserve by Kalimati Investment Company Limited during Jan'13-Mar'13	**(13.4)**	**(801.8)**	*–*	*–*
Transfer to General Reserve	**(107.1)**	**(6,412.2)**	*(5,063.0)*	*(6,696.4)*
	4,914.1	**294,305.8**	*246,161.7*	*211,450.4*
	10,047.9	**601,765.8**	*542,382.7*	*512,450.5*

Additional information:

	2013-14	
	US $ million	**₹ million**
(1) (a) **Opening Balance of Cash Flow Hedge Reserve**	**–**	**–**
Add: Effective portion of changes in fair value of cash flow hedges	**(4.4)**	**(260.8)**
Less: Amount subsqently adjusted against cost of inventory	**0.4**	**20.9**
Gross balance of Cash Flow Hedge Reserve	**(4.0)**	**(239.9)**
Add: Deferred tax on above	**1.4**	**81.5**
Net balance of Cash Flow Hedge Reserve	**(2.6)**	**(158.4)**

(b) The amount recognised in Cash Flow Hedge Reserve is expected to impact Statement of Profit and Loss within the next one year.

(c) Ineffective portion taken to Statement of Profit and Loss during the year ₹ **2.1** million [**US $ 0.0** million].

(2) The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

As on 31st March, 2014, a debit of ₹ **2,767.5** million [**US $ 46.2** million] *(31.03.2013: ₹ 3,583.5 million, 31.03.2012: ₹ 4,049.0 million)* remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account".

4. HYBRID PERPETUAL SECURITIES

	As at March 31,			
	2014	**2014**	*2013*	2012
	US $ million		**₹ million**	
Hybrid Perpetual Securities	**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
	379.9	**22,750.0**	*22,750.0*	*22,750.0*

Additional information:

(1) The Company had issued Hybrid Perpetual Securities of ₹ 7,750.0 million and ₹ 15,000.0 million in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these securities are 11.50% p.a. and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Company if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are not classified as 'debt'.

5. BORROWINGS

	As at March 31,	Long-Term	Short-Term	Total	Total
			₹ million		US $ million
A. Secured Borrowings					
(a) Term loan					
(i) Joint Plant Committee – Steel Development Fund[1(a)]	**2014**	**21,255.5**	**–**	**21,255.5**	**354.9**
	2013	*20,360.2*	–	*20,360.2*	
	2012	*19,154.7*	–	*19,154.7*	
	2014	**21,255.5**	**–**	**21,255.5**	**354.9**
	2013	*20,360.2*	–	*20,360.2*	
	2012	*19,154.7*	–	*19,154.7*	
B. Unsecured Borrowings					
(a) Bonds/Debentures[2(a)]					
(i) Non-convertible debentures	**2014**	**113,999.7**	**–**	**113,999.7**	**1,903.5**
	2013	*114,428.7*	–	*114,428.7*	
	2012	*73,284.0*	–	*73,284.0*	
(ii) 4.5% Foreign Currency Convertible Bonds	**2014**	**–**	**–**	**–**	**–**
	2013	*29,690.4*	–	*29,690.4*	
	2012	*27,828.1*	–	*27,828.1*	
(b) Term loans					
(i) From banks[2(b)]	**2014**	**94,335.7**	**–**	**94,335.7**	**1,575.1**
	2013	*62,686.4*	–	*62,686.4*	
	2012	*84,737.2*	–	*84,737.2*	
(ii) From financial institutions and others[2(c)]	**2014**	**8,490.0**	**–**	**8,490.0**	**141.8**
	2013	*8,490.0*	–	*8,490.0*	
	2012	*8,490.0*	–	*8,490.0*	
(c) Deferred payment liabilities	**2014**	**–**	**–**	**–**	**–**
	2013	–	–	–	
	2012	*38.0*	–	*38.0*	
(d) Other loans	**2014**	**–**	**436.9**	**436.9**	**7.3**
	2013	–	*709.4*	*709.4*	
	2012	–	*656.2*	*656.2*	
	2014	**216,825.4**	**436.9**	**217,262.3**	**3,627.7**
	2013	*215,295.5*	*709.4*	*216,004.9*	
	2012	*194,377.3*	*656.2*	*195,033.5*	
	2014	**238,080.9**	**436.9**	**238,517.8**	**3,982.6**
	2013	*235,655.7*	*709.4*	*236,365.1*	
	2012	*213,532.0*	*656.2*	*214,188.2*	

Additional information:

(1) Details of outstanding secured borrowings are as follows:

(a) Loan from Joint Plant Committee – Steel Development Fund which includes funded interest ₹ **4,883.2** million [**US $ 81.5** million] *(31.03.2013: ₹ 4,064.5 million,* 31.03.2012: ₹ 3,161.3 million*)*. It is repayable in 16 equal semi-annual installments after completion of 4 years from the date of receipt of the last tranche.

It is secured by mortgages on, all present and future immovable properties wherever situated and hypothecation of movable assets, excluding land and building mortgaged in favour of Government of India under the deed of mortgage dated 13th April, 1967 and in favour of Government of Bihar under two deeds of mortgage dated 11th May, 1963, immovable properties and movable assets of the Tube Division, Bearing Division, Ferro Alloys Division and Cold Rolling Complex (West) at Tarapur and all investments and book debts of the Company subject to the prior charges created and/or to be created in favour of the bankers for securing borrowing for the working capital requirement and charges created and/or to be created on specific items of machinery and equipment procured/to be procured under Deferred Payment schemes/Bill Re-discounting schemes/Asset Credit schemes.

The Company has filed a writ petition before the High Court at Kolkata in February 2006 claiming waiver of the outstanding loan and interest and refund of the balance lying with Steel Development Fund and the matter is sub-judice.

Loan from the Joint Plant Committee-Steel Development Fund includes ₹ **15,997.3** million [**US $ 267.1** million] *(31.03.2013: ₹ 15,170.7 million,* 31.03.2012: ₹ 14,118.4 million*)* representing repayments and interest on earlier loans for which applications of funding are awaiting sanction is not secured by charge on movable assets of the Company.

(2) Terms of repayment of outstanding unsecured borrowings are as follows:

(a) Bonds/Debentures

(i) 10.25% p.a. interest bearing 25,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 6th January, 2029.

(ii) 10.25% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 22nd December, 2028.

(iii) 2.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at a premium of 85.03% of the face value on 23rd April, 2022.

(iv) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2021.

(v) 11.00% p.a. interest bearing 15,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 19th May, 2019.

(vi) 10.40% p.a. interest bearing 6,509 debentures of face value ₹ 10,00,000 each are redeemable at par on 15th May, 2019.

(vii) 9.15% p.a. interest bearing 5,000 debentures of face value ₹ 10,00,000 each are redeemable at par on 24th January, 2019.

(viii) 10.20% p.a. interest bearing 6,200 debentures of face value ₹ 10,00,000 each are redeemable at par on 7th May, 2015.

(ix) 12.50% p.a. interest bearing 12,500 debentures of face value ₹ 10,00,000 each are redeemable at par in 3 equal annual installments commencing from 19th November, 2014.

(b) Term loans from banks

(i) USD **200.00** million equivalent to ₹ **11,980.0** million *(31.03.2013: Nil, 31.03.2012: Nil)* loan is repayable in 3 equal annual installments commencing from 11th March, 2018.

(ii) Indian rupee loan amounting ₹ **20,000.0** million [**US $ 334.0** million] *(31.03.2013: Nil, 31.03.2012: Nil)* is repayable in 34 quartely installments commencing from 31st December, 2016 subject to achievement of financial closure of Kalinganagar project debt within 12 months from the date of first disbursement.

(iii) USD **335.00** million equivalent to ₹ **20,066.5** million (*31.03.2013: USD 335 million equivalent to ₹ 18,185.5 million, 31.03.2012: USD 335 million equivalent to ₹ 17,044.8 million)* loan is repayable on 10th June, 2015.

(iv) Indian rupee loan amounting ₹ **15,000.0** million [**US $ 250.5** million] *(31.03.2013: ₹ 20,000.0 million, 31.03.2012: ₹ 5,000.0 million)* is repayable in 5 semi-annual installments commencing from 30th April, 2015.

(v) GBP **100.00** million equivalent to ₹ **9,983.5** million [**US $ 166.7** million] *(31.03.2013: GBP 100 million equivalent to ₹ 8,221.4 million, 31.03.2012: GBP 100 million equivalent to ₹ 8,150.5 million)* loan is repayable on 4th April, 2015.

(vi) JPY **1097.9** million equivalent to ₹ **637.1** million [**US $ 10.6** million] *(31.03.2013:JPY 4.5 million equivalent to ₹ 2.6 million, 31.03.2012: Nil)* loan is repayable in 20 equal semi-annual installments commencing from 27th July, 2014.

(vii) Euro **43.23** million equivalent to ₹ **3,566.8** million [**US $ 59.6** million] *(31.03.2013: Euro 48.63 million equivalent to ₹ 3,384.6 million, 31.03.2012: Euro 54.04 million equivalent to ₹ 3,670.3 million)* loan is repayable in 16 equal semi-annual installments; the next installment is due on 6th July, 2014.

(viii) Euro **23.46** million equivalent to ₹ **1,935.9** million [**US $ 32.3** million] *(31.03.2013: Euro 28.16 million equivalent to ₹ 1,959.5 million, 31.03.2012: Euro 32.85 million equivalent to ₹ 2,231.1 million)* loan is repayable in 10 equal semi-annual installments; the next installment is due on 1st July, 2014.

(ix) USD **19.59** million equivalent to ₹ **1,173.6** million [**US $ 19.6** million] *(31.03.2013: USD 19.59 million equivalent to ₹ 1,063.6 million, 31.03.2012: Nil)* loan is repayable on 4th June,2014.

(x) Euro **3.88** million equivalent to ₹ **320.1** million [**US $ 5.3** million] *(31.03.2013: Euro 4.85 million equivalent to ₹ 337.5 million, 31.03.2012: Euro 5.82 million equivalent to ₹ 395.2 million)* loan is repayable in 8 equal semi-annual installments; the next installment is due on 2nd May, 2014.

(xi) Euro **162.40** million equivalent to ₹ **13,398.9** million [**US $ 223.7** million] *(31.03.2013: Euro 181.50 million equivalent to ₹ 12,631.5 million, 31.03.2012: Euro 183.01 million equivalent to ₹ 12,430.3 million)* loan is repayable in 17 equal semi-annual installments; the next installment is due on 30th April, 2014.

(c) Term loans from financial institutions and others

(i) Indian rupee loan amounting **₹ 6,500.0** million [**US $ 108.5** million] *(31.03.2013: ₹ 6,500.0 million, 31.03.2012: ₹ 6,500.0 million)* is repayable on 16th June, 2019.

(ii) Indian rupee loan amounting **₹ 1,990.0** million [**US $ 33.2** million] *(31.03.2013: ₹ 1,990.0 million, 31.03.2012: ₹ 1,990.0 million)* is repayable on 30th June, 2016.

6. DEFERRED TAX LIABILITIES (NET)

		2012			2013				2014
		Deferred tax (asset)/ liability as at 01.04.2012	*Adjustment through Reserve*	*Current year charge/ (credit)*	*Deferred tax (asset)/ liability as at 31.03.2013*	**Adjustment through Reserve**	**Current year charge/ (credit)**	**Deferred tax (asset)/ liability as at 31.03.2014**	**Deferred tax (asset)/ liability as at 31.03.2014**
					₹ million				**US $ million**
Deferred tax liabilities									
(a)	Differences in depreciation and amortisation for accounting and income tax purposes	*19,100.5*	–	*14,738.8*	*33,839.3*	**1.0**	**1,382.3**	**35,222.6**	**588.1**
(b)	Prepaid expenses	*777.3*	–	*(133.3)*	*644.0*	**–**	**184.3**	**828.3**	**13.8**
		19,877.8	–	*14,605.5*	*34,483.3*	**1.0**	**1,566.6**	**36,050.9**	**601.9**
Deferred tax assets									
(a)	Employee separation compensation	*(3,968.7)*	–	*175.6*	*(3,793.1)*	**–**	**474.7**	**(3,318.4)**	**(55.4)**
(b)	Provision for doubtful debts and advances	*(300.4)*	–	*(328.7)*	*(629.1)*	**–**	**(165.5)**	**(794.6)**	**(13.3)**
(c)	Disallowance under Section 43B of Income Tax Act, 1961	*(2,144.5)*	–	*(703.2)*	*(2,847.7)*	**–**	**(227.6)**	**(3,075.3)**	**(51.3)**
(d)	Provision for employee benefits	*(2,243.1)*	–	*(1,469.3)*	*(3,712.4)*	**–**	**(54.5)**	**(3,766.9)**	**(62.9)**
(e)	Redemption Premium on issue of non-convertible debenture	–	*(4,335.3)*	*407.4*	*(3,927.9)*	**–**	**433.5**	**(3,494.4)**	**(58.3)**
(f)	Discount on issue of non-convertible debenture	–	*(764.8)*	*71.9*	*(692.9)*	**–**	**76.5**	**(616.4)**	**(10.3)**
(g)	Premium paid on CARS redeemed during the year	*(1,411.2)*	*(196.9)*	*1,608.1*	–				
(h)	Fair value changes of cash flow hedges	–	–	–	–	**(81.5)**	**–**	**(81.5)**	**(1.4)**
(i)	Others	*(104.8)*	–	*(338.0)*	*(442.8)*	**–**	**(70.8)**	**(513.6)**	**(8.6)**
		(10,172.7)	*(5,297.0)*	*(576.2)*	*(16,045.9)*	**(81.5)**	**466.3**	**(15,661.1)**	**(261.5)**
		9,705.1	*(5,297.0)*	*14,029.3*	*18,437.4*	**(80.5)**	**2,032.9**	**20,389.8**	**340.4**
	Net amount charged to Statement of Profit and Loss			*14,029.3*			**2,032.9**		
	Deferred tax liabilities (net)	*9,705.1*			*18,437.4*			**20,389.8**	**340.4**

7. OTHER LONG-TERM LIABILITIES

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(a)	Creditors for capital supplies/services	**164.2**	**9,832.9**	*2,897.8*	*2,101.1*
(b)	Others	**0.0**	**2.3**	*910.9*	*879.2*
		164.2	**9,835.2**	*3,808.7*	*2,980.3*

8. PROVISIONS

		As at March 31,	Long-Term	Short-Term	Total	Total
				₹ million		US $ million
(a)	Provision for employee benefits[1]	**2014**	**14,505.3**	**862.2**	**15,367.5**	**256.6**
		2013	*15,707.4*	*793.5*	*16,500.9*	
		2012	*12,544.0*	*765.8*	*13,309.8*	
(b)	Provision for employee separation compensation[2]	**2014**	**4,545.2**	**1,425.5**	**5,970.7**	**99.7**
		2013	*5,426.8*	*1,550.9*	*6,977.7*	
		2012	*5,969.0*	*1,678.3*	*7,647.3*	
(c)	Provision for taxation[3]	**2014**	**–**	**6,981.0**	**6,981.0**	**116.5**
		2013	*–*	*5,281.2*	*5,281.2*	
		2012	*–*	*7,577.8*	*7,577.8*	
(d)	Provision for fringe benefit tax	**2014**	**–**	**47.3**	**47.3**	**0.8**
		2013	*–*	*47.3*	*47.3*	
		2012	*–*	*47.3*	*47.3*	
(e)	Proposed dividend	**2014**	**–**	**9,712.1**	**9,712.1**	**162.2**
		2013	*–*	*7,769.7*	*7,769.7*	
		2012	*–*	*11,654.6*	*11,654.6*	
		2014	**19,050.5**	**19,028.1**	**38,078.6**	**635.8**
		2013	*21,134.2*	*15,442.6*	*36,576.8*	
		2012	*18,513.0*	*21,723.8*	*40,236.8*	

Additional information:

(1) Includes provision for leave salaries **₹ 5,759.8** million [**US $ 96.2** million] (31.03.2013: ₹ 5,599.3 million, 31.03.2012: ₹ 4,950.0 million).

(2) 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 **₹ 248.4** million [**US $ 4.1** million] *(2012-13: ₹ 236.8 million, 2011-12: ₹ 182.3 million)* in respect of schemes introduced during the year.

(3) Provision for taxation is after yearwise set off against advance payment against taxes.

9. TRADE PAYABLES

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Creditors for supplies/services	**1,111.1**	**66,542.4**	*51,884.5*	*50,217.6*
(b)	Creditors for accrued wages and salaries	**268.7**	**16,093.7**	*11,752.1*	*8,621.6*
		1,379.8	**82,636.1**	*63,636.6*	*58,839.2*

10. OTHER CURRENT LIABILITIES

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Current maturities of long-term borrowings	**678.8**	**40,654.8**	*38,712.8*	*47,534.3*
(b)	Interest accrued but not due on borrowings	**112.1**	**6,712.6**	*5,868.1*	*6,015.1*
(c)	Unpaid dividend	**8.2**	**492.0**	*482.8*	*458.1*
(d)	Application money received due for refund and interest accrued thereon	**0.0**	**1.6**	*1.6*	*1.7*
(e)	Unpaid matured deposits and interest accrued thereon	**0.0**	**1.4**	*2.0*	*3.3*
(f)	Advances received from customers	**43.8**	**2,619.8**	*3,224.6*	*3,334.7*
(g)	Creditors for capital supplies/services	**308.6**	**18,481.6**	*22,825.8*	*18,580.7*
(h)	Creditors for other liabilities[(1) (2)]	**296.4**	**17,752.9**	*13,980.2*	*11,237.8*
		1,447.9	**86,716.7**	*85,097.9*	*87,165.7*

Additional information:

(1) Includes liability for employee family benefit scheme **₹ 782.7** million [**US $ 13.1** million] (31.03.2013: ₹ 826.4 million, 31.03.2012: ₹765.4 million)

(2) Includes liabilty for VAT, Sales tax, Excise duty, etc.

11. TANGIBLE ASSETS

Tangible Assets		Freehold Land and Roads	Leasehold Land	Buildings[4]	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total	Total
		₹ million										US $ million
Gross block as at April 1,	2014	5,331.0	1,916.5	27,471.4	9.0	335,419.9	476.9	1,358.0	2,278.8	4,056.2	378,317.7	6,316.9
	2013	4,677.9	1,916.5	12,620.8	9.0	203,846.2	387.6	1,131.8	1,953.8	2,033.2	228,576.8	
	2012	4,400.2	1,916.5	11,751.1	9.0	199,006.9	361.3	967.2	1,937.5	1,903.4	222,253.1	
Additions relating to acquisitions [1]	2014	–	–	4.6	–	0.1	–	–	–	–	4.7	0.1
	2013	–	–	–	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	–	–	–	
Additions during the year[2]	2014	268.8	31.2	1,010.6	–	7,877.2	26.1	148.0	197.4	471.8	10,031.1	167.5
	2013	653.6	–	14,850.8	–	131,872.4	90.8	238.2	402.6	2,023.0	150,131.4	
	2012	281.0	–	898.8	–	5,208.1	33.1	199.3	110.9	129.8	6,861.0	
Deductions during the year[3]	2014	–	–	(15.1)	–	(2,589.4)	(11.2)	(9.7)	(193.9)	–	(2,819.3)	(47.1)
	2013	(0.5)	–	(0.2)	–	(1,076.6)	(1.5)	(12.0)	(77.6)	–	(1,168.4)	
	2012	(3.3)	–	(29.1)	–	(696.4)	(6.8)	(34.7)	(94.6)	–	(864.9)	
Exchange fluctuations capitalised during the year	2014	–	–	–	–	2,649.8	–	–	–	–	2,649.8	44.2
	2013	–	–	–	–	777.9	–	–	–	–	777.9	
	2012	–	–	–	–	327.6	–	–	–	–	327.6	
Gross block as at March 31,	2014	5,599.8	1,947.7	28,471.5	9.0	343,357.6	491.8	1,496.3	2,282.3	4,528.0	388,184.0	6,481.6
	2013	5,331.0	1,916.5	27,471.4	9.0	335,419.9	476.9	1,358.0	2,278.8	4,056.2	378,317.7	
	2012	4,677.9	1,916.5	12,620.8	9.0	203,846.2	387.6	1,131.8	1,953.8	2,033.2	228,576.8	
Impairment as at April 1,	2014	1,359.6	–	12.5	–	–	–	–	–	–	1,372.1	22.9
	2013	1,319.5	–	12.5	–	–	–	–	–	–	1,332.0	
	2012	1,250.5	–	12.5	–	–	–	–	–	–	1,263.0	
Impairment during the year	2014	3.3	–	–	–	–	–	–	–	–	3.3	0.1
	2013	40.1	–	–	–	–	–	–	–	–	40.1	
	2012	69.0	–	–	–	–	–	–	–	–	69.0	
Impairment as at March 31,	2014	1,362.9	–	12.5	–	–	–	–	–	–	1,375.4	23.0
	2013	1,359.6	–	12.5	–	–	–	–	–	–	1,372.1	
	2012	1,319.5	–	12.5	–	–	–	–	–	–	1,332.0	
Accumulated depreciation as at April 1,	2014	352.1	154.5	4,829.6	7.4	121,487.8	434.0	1,021.2	1,037.1	1,116.5	130,440.2	2,178.0
	2013	298.3	132.7	4,137.9	7.2	108,133.6	363.0	862.8	935.8	949.9	115,821.2	
	2012	254.7	110.9	3,798.8	6.9	98,628.2	332.2	794.9	876.1	861.6	105,664.3	
Additions relating to acquisitions	2014	–	–	1.7	–	0.1	–	–	–	–	1.8	0.0
	2013	–	–	–	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	–	–	–	
Depreciation during the year	2014	59.5	21.9	847.1	0.2	16,304.9	31.4	149.6	196.1	189.3	17,800.0	297.2
	2013	54.1	21.8	691.9	0.2	14,337.9	72.4	170.1	173.0	166.6	15,688.0	
	2012	43.7	21.8	349.6	0.3	10,161.3	38.1	109.7	145.5	88.3	10,958.3	
Depreciation on assets written off during the year[2]	2014	–	–	(8.9)	–	(1,892.7)	(11.1)	(9.6)	(155.4)	–	(2,077.7)	(34.7)
	2013	(0.3)	–	(0.2)	–	(983.7)	(1.4)	(11.7)	(71.7)	–	(1,069.0)	
	2012	(0.1)	–	(10.5)	–	(655.9)	(7.3)	(41.8)	(85.8)	–	(801.4)	
Accumulated depreciation as at March 31,	2014	411.6	176.4	5,669.5	7.6	135,900.1	454.3	1,161.2	1,077.8	1,305.8	146,164.3	2,440.5
	2013	352.1	154.5	4,829.6	7.4	121,487.8	434.0	1,021.2	1,037.1	1,116.5	130,440.2	
	2012	298.3	132.7	4,137.9	7.2	108,133.6	363.0	862.8	935.8	949.9	115,821.2	
Total accumulated depreciation and impairment as at March 31,	2014	1,774.5	176.4	5,682.0	7.6	135,900.1	454.3	1,161.2	1,077.8	1,305.8	147,539.7	2,463.5
	2013	1,711.7	154.5	4,842.1	7.4	121,487.8	434.0	1,021.2	1,037.1	1,116.5	131,812.3	
	2012	1,617.8	132.7	4,150.4	7.2	108,133.6	363.0	862.8	935.8	949.9	117,153.2	
Net block as at March 31,	2014	3,825.3	1,771.3	22,789.5	1.4	207,457.5	37.5	335.1	1,204.5	3,222.2	240,644.3	4,018.1
	2013	3,619.3	1,762.0	22,629.3	1.6	213,932.1	42.9	336.8	1,241.7	2,939.7	246,505.4	
	2012	3,060.1	1,783.8	8,470.4	1.8	95,712.6	24.6	269.0	1,018.0	1,083.3	111,423.6	

Additional information:

(1) Additions relating to acquisitions represents addition on amalgamation of Kalimati Investment Company Limited.

(2) Additions and depreciation on assets written off during the year include adjustments for inter se transfers.

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

(4) Buildings include **₹ 23.2** million [**US $ 0.4** million] *(31.03.2013: ₹ 23.2 million 31.03.2012: ₹ 23.2 million)* being cost of shares in Co-operative Housing Societies and Limited Companies.

(5) Rupee liability has increased by **₹ 2,649.8** million [**US $ 44.2** million] (net) (2012-13: ₹ 777.9 million, 2011-12: ₹ 327.6 million) arising out of realignment of the value of long-term foreign currency loans for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by **₹ 151.1** million [**US $ 2.5** million] *(2012-13: ₹ 35.4 million 2011-12: ₹ 20.4 million)* arising on account of this adjustment.

11. TANGIBLE ASSETS (continued)

(6) Tangible assets schedule includes the capital cost of in-house research recognised facility as under:

Tangible Assets		Freehold Land and Roads	Leasehold Land	Buildings(3)	Leasehold Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Railway Sidings	Total	Total
		₹ million										US $ million
Gross block as at April 1,	**2014**	**–**	**–**	**0.2**	**–**	**474.8**	**19.2**	**2.4**	**0.9**	**–**	**497.5**	**8.3**
	2013	–	–	*0.2*	–	*423.7*	*18.7*	*0.7*	*0.3*	–	*443.6*	
	2012	–	–	*0.2*	–	*382.9*	*18.3*	–	*0.3*	–	*401.7*	
Additions during the year(1)	**2014**	**–**	**–**	**–**	**–**	**68.1**	**1.2**	**19.6**	**–**	**–**	**88.9**	**1.5**
	2013	–	–	–	–	*51.1*	*0.5*	*1.8*	*0.6*	–	*54.0*	
	2012	–	–	–	–	*41.8*	*0.6*	*0.7*	–	–	*43.1*	
Deductions during the year	**2014**	**–**	**–**	**–**	**–**	**(0.3)**	**–**	**(0.3)**	**–**	**–**	**(0.6)**	**0.0**
	2013	–	–	–	–	–	–	*(0.1)*	–	–	*(0.1)*	
	2012	–	–	–	–	*(1.0)*	*(0.2)*	–	–	–	*(1.2)*	
Gross block as at March 31,	**2014**	**–**	**–**	**0.2**	**–**	**542.6**	**20.4**	**21.7**	**0.9**	**–**	**585.8**	**9.8**
	2013	–	–	*0.2*	–	*474.8*	*19.2*	*2.4*	*0.9*	–	*497.5*	
	2012	–	–	*0.2*	–	*423.7*	*18.7*	*0.7*	*0.3*	–	*443.6*	
Capital work-in-progress	**2014**										**61.1**	**1.0**
	2013										*6.0*	
	2012										*20.4*	

Additional information:

(1) Includes ₹ **26.1** million [**US $ 0.4** million] *(2012-13: Nil, 2011-12: Nil)* being capitalised out of opening work-in-progress of automation division. This has been not considered in claiming research and development expenditure.

12. INTANGIBLE ASSETS

Intangible Assets		Software Costs	Development of property(2)	Total	Total
		₹ million			US $ million
Gross block as at April 1,	**2014**	**1,190.9**	**5,810.5**	**7,001.4**	**116.9**
	2013	*815.2*	*5,464.3*	*6,279.5*	
	2012	*800.9*	*5,408.6*	*6,209.5*	
Additions during the year(1)(3)	**2014**	**229.7**	**1,025.4**	**1,255.1**	**20.9**
	2013	*375.7*	*346.2*	*721.9*	
	2012	*14.7*	*55.7*	*70.4*	
Deductions during the year(5)	**2014**	**–**	**–**	**–**	**–**
	2013	–	–	–	
	2012	*0.4*	–	*0.4*	
Gross block as at March 31,(3)	**2014**	**1,420.6**	**6,835.9**	**8,256.5**	**137.8**
	2013	*1,190.9*	*5,810.5*	*7,001.4*	
	2012	*815.2*	*5,464.3*	*6,279.5*	
Accumulated amortisation as at April 1,	**2014**	**799.7**	**3,956.6**	**4,756.3**	**79.4**
	2013	*710.8*	*3,329.7*	*4,040.5*	
	2012	*644.6*	*2,839.7*	*3,484.3*	
Amortisation during the year	**2014**	**121.6**	**1,365.4**	**1,487.0**	**24.8**
	2013	*88.9*	*626.9*	*715.8*	
	2012	*66.1*	*490.0*	*556.1*	
Amortisation on assets written off during the year(1)	**2014**	**–**	**–**	**–**	**–**
	2013	–	–	–	
	2012	*0.1*	–	*0.1*	
Accumulated amortisation as at March 31,	**2014**	**921.3**	**5,322.0**	**6,243.3**	**104.2**
	2013	*799.7*	*3,956.6*	*4,756.3*	
	2012	*710.8*	*3,329.7*	*4,040.5*	
Net block as at March 31,	**2014**	**499.3**	**1,513.9**	**2,013.2**	**33.6**
	2013	*391.2*	*1,853.9*	*2,245.1*	
	2012	*104.4*	*2,134.6*	*2,239.0*	

Additional information:

(1) Additions and amortisation on assets written off during the year include adjustments for inter se transfers.
(2) Development of property represents expenditure incurred on development of mines/collieries.
(3) Addition and gross block of software costs includes cost of software purchased for in-house research recognised facility ₹ **2.7** million [**US $ 0.1** million] *(2012-13: Nil, 2011-12: Nil).*
(4) The above intangible assets do not include any internally generated assets.
(5) Deductions include cost of assets scrapted/surrendered during the year.

13. NON-CURRENT INVESTMENTS

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31,			
		2014	2014	*2013*	*2012*
		US $ million	₹ million		
A. Trade investments					
(I) Investments in Equity Instruments					
(a) Investments in Subsidiary Companies					
(i) Quoted					
(1) Tata Metaliks Ltd. (8,67,598 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,26,67,590	**4.4**	**263.0**	*118.0*	*118.0*
(2) Tayo Rolls Limited	55,87,372	**8.1**	**485.7**	*485.7*	*485.7*
(3) Tata Sponge Iron Limited (5,39,554 shares acquired on amalgamation of Kalimati Investment Company Limited)	83,93,554	**14.4**	**865.4**	*730.1*	*–*
(4) The Tinplate Company of India Limited (15,84,948 shares acquired on amalgamation of Kalimati Investment Company Limited)	7,84,57,640	**66.0**	**3,950.2**	*3,887.8*	*3,010.9*
		92.9	**5,564.3**	*5,221.6*	*3,614.6*
(ii) Unquoted					
(1) ABJA Investment Co. Pte Ltd. (Face value of USD 1 each) (2,00,000 shares acquired during the year)	2,00,000	**0.2**	**10.8**	*–*	*–*
(2) Adityapur Toll Bridge Company Limited	1,50,00,000	**2.4**	**144.4**	*144.4*	*144.4*
(3) Bangla Steel & Mining Co. Ltd.* (Face value of TK 100 each) (9,998 shares acquired on amalgamation of Kalimati Investment Company Limited)	9,998	**–**	**–**	*–*	*–*
(4) Indian Steel & Wire Products Ltd. (1,46,763 shares acquired during the year)	56,89,401	**0.5**	**30.4**	*9.6*	*–**
(5) Gopalpur Special Economic Zone Limited	10,00,000	**0.2**	**10.0**	*10.0*	*10.0*
(6) Jamshedpur Continuous Annealing and Processing Company Private Limited	44,57,40,000	**74.5**	**4,457.4**	*4,457.4*	*0.5*
(7) Jamshedpur Utilities & Services Company Limited	2,03,50,000	**3.4**	**203.5**	*203.5*	*203.5*
(8) Kalimati Investment Company Limited (Amalgamated with the Company)	–	**–**	**–**	*866.8*	*866.8*
(9) Lanka Special Steels Ltd. (Face value of LKR 10 each)	25,00,000	**0.2**	**11.6**	*11.6*	*11.6*
(10) NatSteel Asia Pte. Ltd. (Face value of SGD 1 each)	28,14,37,128	**129.2**	**7,738.6**	*7,738.6*	*7,738.6*
(11) Sila Eastern Ltd. (Face value of THB 100 each) (9,800 shares sold during the year FY 12-13)	–	**–**	**–**	*–*	*1.0*
(12) T M International Logistics Limited	91,80,000	**1.5**	**91.8**	*91.8*	*91.8*
(13) T M Mining Company Limited (37,000 shares acquired during the year)	1,11,000	**0.0**	**1.1**	*0.7*	*0.7*
(14) Tata Incorporated (Face value of USD 1,000 each)	1,500	**0.3**	**16.4**	*16.4*	*16.4*
(15) Tata Korf Engineering Services Ltd.* (1,59,600 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,99,986	**–**	**–**	*–*	*–*
(16) Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	**14.1**	**847.0**	*847.0*	*847.0*
(17) Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each) (27,27,15,598 shares acquired during the year)	5,93,17,67,688	**7,993.9**	**478,753.3**	*455,885.0*	*455,885.0*
(18) Tata Steel Processing and Distribution Limited	6,82,50,000	**45.8**	**2,744.5**	*2,744.5*	*2,744.5*
(19) Tata Steel Odisha Limited	50,000	**0.0**	**0.5**	*0.5*	*–*
(20) The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	**0.1**	**7.0**	*7.0*	*7.0*
(21) TS Alloys Limited (12,80,353 shares acquired during the year)	4,95,34,284	**10.4**	**624.7**	*611.8*	*562.4*
		8,276.7	**495,693.0**	*473,646.6*	*469,131.2*

13. NON-CURRENT INVESTMENTS (continued)

			No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31,			
				2014	2014	*2013*	*2012*
				US $ million	₹ million		
(b)	**Investments in Joint Ventures**						
	(i)	**Unquoted**					
		(1) Bhubaneshwar Power Private Limited (15,47,233 shares acquired during the year)	1,32,13,373	**2.2**	**132.2**	*116.7*	*56.9*
		(2) Himalaya Steel Mills Services Pvt. Ltd.	36,19,945	**0.6**	**36.1**	*36.1*	*36.1*
		(3) mjunction services ltd.	40,00,000	**0.7**	**40.0**	*40.0*	*40.0*
		(4) S & T Mining Company Private Limited (18,45,000 shares acquired during the year)	92,91,400	**1.6**	**92.9**	*74.5*	*59.5*
		(5) Tata BlueScope Steel Limited (7,50,00,000 shares acquired during the year)	43,30,00,000	**72.2**	**4,330.0**	*3,580.0*	*3,280.0*
		(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each) (17,07,500 shares acquired during the year)	3,02,07,500	**23.0**	**1,376.4**	*1,272.8*	*1,272.8*
		(7) The Dhamra Port Company Limited	32,40,00,000	**54.1**	**3,240.0**	*3,240.0*	*3,240.0*
				154.4	**9,247.6**	*8,360.1*	*7,985.3*
(c)	**Investments in Associate Companies**						
	(i)	**Quoted**					
		(1) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	**–**	**–**	–	–
		(2) TRF Ltd. (1,87,586 shares acquired on amalgamation of Kalimati Investment Company Limited)	37,73,014	**0.9**	**58.2**	*43.8*	*43.8*
		(3) Tata Sponge Iron Ltd. (Became subsidiary during the year FY 12-13)	–	**–**	**–**	–	*72.0*
				0.9	**58.2**	*43.8*	*115.8*
	(ii)	**Unquoted**					
		(1) Industrial Energy Ltd.	8,65,80,000	**14.5**	**865.8**	*865.8*	*865.8*
		(2) Jamipol Ltd. (5,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	36,75,000	**1.4**	**83.9**	*31.8*	*31.8*
		(3) Kalinga Aquatics Ltd.*	10,49,920	**–**	**–**	–	–
		(4) Kumardhubi Metal Casting & Engineering Ltd.*	10,70,000	**–**	**–**	–	–
		(5) Nicco Jubilee Park Limited *	3,40,000	**–**	**–**	–	–
		(6) Rujuvalika Investments Ltd. (3,20,467 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,20,467	**0.1**	**6.0**	–	–
		(7) Strategic Energy Technology Systems Private Limited	2,47,09,500	**4.1**	**247.1**	*247.1*	*221.6*
		(8) Tata Construction & Projects Ltd.* (6,36,364 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,97,699	**–**	**–**	–	–
		(9) TRL Krosaki Refractories Ltd. (13,24,504 shares acquired on amalgamation of Kalimati Investment Company Limited)	55,63,864	**7.1**	**423.8**	*258.8*	*258.8*
		(10) Indian Steel Rolling Mills Ltd.*◆		**–**	**–**	–	–
				27.2	**1,626.6**	*1,403.5*	*1,378.0*
				28.1	**1,684.8**	*1,447.3*	*1,493.8*

13. NON-CURRENT INVESTMENTS (continued)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(d) Investments in Others					
(i) Quoted					
(1) Steel Strips Wheels Limited (12,55,856 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,55,856	**3.6**	**213.5**	–	–
(2) Tata Investment Corporation Limited (2,46,018 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,46,018	**1.1**	**65.1**	–	–
(3) Tata Motors Ltd. (Face value of ₹ 2 each) (38,76,820 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,16,87,515	**49.3**	**2,953.5**	*2,614.3*	*2,614.3*
(4) The Tata Power Company Ltd. (Face value of ₹ 1 each)	3,43,18,180	**32.8**	**1,962.5**	*1,962.5*	*304.8*
(5) Titan Company Limited (Face value of ₹ 1 each) (3,87,75,840 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,87,75,840	**2.2**	**133.6**	–	–
(6) Others **₹ 47,834** [**US $ 798.7**] *(31.03.2013: ₹ 40,270) (31.03.2012: ₹ 40,270)*[3]		**0.0**	**0.1**	*0.1*	*0.1*
		89.0	**5,328.3**	*4,576.9*	*2,919.2*
(ii) Unquoted					
(1) Panatone Finvest Ltd.	45,000	**0.0**	**0.5**	*0.5*	*0.5*
(2) Steelscape Consultancy Pvt. Ltd.	50,000	**0.0**	**0.3**	*0.3*	*0.5*
(3) Taj Air Limited (42,00,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	42,00,000	**0.7**	**42.0**	–	–
(4) Tata Industries Ltd. (Face value of ₹ 100 each) (15,37,854 shares acquired on amalgamation of Kalimati Investment Company Limited)	99,80,436	**33.8**	**2,021.9**	*1,496.2*	*1,496.2*
(5) Tata International Ltd. (Face value of ₹ 1,000 each) (19,136 shares acquired on amalgamation of Kalimati Investment Company Limited)	28,616	**5.2**	**311.9**	*62.3*	*62.3*
(6) Tata Projects Ltd. (Face value of ₹ 100 each) (1,28,250 shares acquired during the year)	2,18,250	**5.4**	**323.6**	*1.8*	*1.8*
(7) Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	**0.0**	**1.6**	*1.6*	*1.6*
(8) Tata Sons Ltd. (Face value of ₹ 1,000 each) (12,375 shares acquired on amalgamation of Kalimati Investment Company Limited)	12,375	**11.5**	**687.5**	–	–
(9) Tata Teleservices Ltd. (15,38,672 shares acquired on amalgamation of Kalimati Investment Company Limited)	6,46,92,310	**23.2**	**1,386.8**	*1,340.6*	*1,340.6*
(10) Tarapur Environment Protection Society	30,424	**0.0**	**3.1**	*3.1*	*3.1*
(11) Others **₹ 99,517** [**US $ 1,661.7**] *(31.03.2013: ₹ 32,496) (31.03.2012: ₹ 32,496)*[4]		**0.0**	**0.1**	–	–
		79.8	**4,779.3**	*2,906.4*	*2,906.6*
		168.8	**10,107.6**	*7,483.3*	*5,825.8*

13. NON-CURRENT INVESTMENTS (continued)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31, 2014 US $ million	2014 ₹ million	*2013* ₹ million	*2012* ₹ million
(II) Investments in Preference Shares					
(a) Investments in Subsidiary Companies					
(i) Unquoted					
(1) Tata Metaliks Ltd. 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	1,00,00,000	**16.7**	**1,000.0**	*1,000.0*	*1,000.0*
(2) Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each) (87,00,000 shares acquired during the year)	1,52,00,000	**25.4**	**1,520.0**	*650.0*	*650.0*
(3) The Tinplate Company of India Limited 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (17,29,000 shares redeemed during the year) (92,61,000 shares partly redeemed during the year)	92,61,000	**7.5**	**445.8**	*995.3*	*1,081.7*
		49.6	**2,965.8**	*2,645.3*	*2,731.7*
		49.6	**2,965.8**	*2,645.3*	*2,731.7*
(III) Investments in Debentures/Bonds					
(a) Investments in Subsidiary Companies					
(i) Unquoted					
(1) Kalimati Investment Company Limited 2% Fully Convertible Debentures of ₹ 100 each (Amalgamated with the Company)	–	**–**	**–**	*1,900.0*	–
		–	**–**	*1,900.0*	–
(b) Investments in Associate Companies					
(i) Unquoted					
(1) Tata Construction & Projects Ltd.* 10% Convertible debentures of ₹ 100 each (54,000 debentures acquired on amalgamation of Kalimati Investment Company Limited)	97,000	**–**	**–**	–	–
		–	**–**	–	–
		–	**–**	*1,900.0*	–
Provision for diminution in the value of investments					
(i) Investment in Equity Instruments		**(26.5)**	**(1,590.1)**	*(857.3)*	–
(ii) Investment in Preference Shares		**(8.2)**	**(489.5)**	–	–
		(34.7)	**(2,079.6)**	*(857.3)*	–
Total trade investments		**8,735.8**	**523,183.5**	*499,846.9*	*490,782.4*
B. Other investments					
(I) Investments in Equity Instruments					
(a) Investments in Others					
(i) Quoted					
(1) Credit Analysis & Research Limited (3,54,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,54,000	**0.0**	**1.0**	–	–
(2) Housing Development Finance Corporation Ltd. (Face value of ₹ 2 each)	7,900	**0.0**	**0.1**	*0.1*	*0.1*
(3) Others **₹ 2.00** [**US $ 0.0**] *(31.03.2013: ₹ 2.00) (31.03.2012: ₹ 2.00)*[(5)]		**–**	**–**	–	–
		0.0	**1.1**	*0.1*	*0.1*
(i) Unquoted					
(1) IFCI Venture Capital Funds Ltd.	1,00,000	**0.0**	**1.0**	*1.0*	*1.0*
(2) Others **₹ 47,486** [**US $ 792.8**] *(31.03.2013: ₹ 3.00) (31.03.2012: ₹ 3.00)*[(6)]		**–**	**–**	–	–
		0.0	**1.0**	*1.0*	*1.0*
Total trade investments		**0.0**	**2.1**	*1.1*	*1.1*
Total non-current investments		**8,735.8**	**523,185.6**	*499,848.0*	*490,783.5*

* These investments are carried at a book value of ₹ 1.00

◆ Dissolved during the year FY 2012-13

13. NON-CURRENT INVESTMENTS (continued)

Additional information:

		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31,			
			2014	**2014**	*2013*	*2012*
			US $ million	**₹ million**		
(1)	Carrying value of Quoted Investments Market Value as at 31st March, 2014 **₹ 83,907.2** million [**US $ 1401.0** million] *(31.03.2013: ₹ 49,805.6 million, 31.03.2012: ₹ 49,114.3 million)*		**174.8**	**10,466.2**	*9,842.4*	*6,649.7*
(2)	Carrying value of Unquoted Investments		**8,561.0**	**512,719.4**	*490,005.6*	*484,133.8*
			8,735.8	**523,185.6**	*499,848.0*	*490,783.5*
			US $	**₹**	*₹*	*₹*
(3)	Trade investments - Equity instruments (Others) - Quoted include:					
	(a) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	**672.2**	**40,260**	*40,260*	*40,260*
	(b) Tata Consultancy Services Limited (Face Value of ₹ 1 each) (24,400 shares acquired on amalgamation of Kalimati Investment Company Limited)	24,400	**126.3**	**7,564**	–	–
	(c) Timken India Ltd.	1	**0.2**	**10**	*10*	*10*
			798.7	**47,834**	*40,270*	*40,270*
(4)	Trade investments - Equity instruments (Others) - Unquoted include:					
	(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face Value of ₹ 25 each)	200	**83.5**	**5,000**	*5,000*	*5,000*
	(b) Bokaro and Ramgarh Ltd.	100	**271.0**	**16,225**	*16,225*	*16,225*
	(c) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	**41.7**	**2,500**	*2,500*	*2,500*
	(d) Jamshedpur Co-operative House Building Society Ltd. (Face Value of ₹ 100 each)	10	**16.7**	**1,000**	*1,000*	*1,000*
	(e) Jamshedpur Co-operative Stores Ltd. (Face Value of ₹ 5 each)	50	**4.2**	**250**	*250*	*250*
	(f) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face Value of ₹ 100 each)	50	**83.5**	**5,000**	*5,000*	*5,000*
	(g) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	**41.7**	**2,500**	*2,500*	*2,500*
	(h) Malusha Travels Pvt. Ltd. (3,350 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	**559.7**	**33,520**	*20*	*20*
	(i) Mohar Exports Services Pvt. Limited (3,352 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,352	**559.7**	**33,520**	–	–
	(j) TBW Publishing and Media Pvt. Limited (100 shares acquired on amalgamation of Kalimati Investment Company Limited)	100	**0.0**	**1**	–	–
	(k) Woodland Multispeciality Hospital Ltd.	1,25,000	**0.0**	**1**	*1*	*1*
			1,661.7	**99,517**	*32,496*	*32,496*

13. NON-CURRENT INVESTMENTS (continued)

		No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	As at March 31,			
			2014	2014	*2013*	*2012*
			US $	₹	*₹*	*₹*
(5)	Other investments - Equity instruments (Others) - Quoted include:					
(a)	Reliance Firebrick and Pottery Company Ltd. (Partly paid-up)	16,800	**0.0**	**1**	*1*	*1*
(b)	Reliance Firebrick and Pottery Company Ltd.	2,400	**0.0**	**1**	*1*	*1*
			0.0	2	2	2
(6)	Other investments - Equity instruments (Others) - Unquoted include:					
(a)	Eastern Synpacks Limited (1,50,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,50,000	**0.0**	**1**	–	–
(b)	Investech Advisory Services (India) Limited (Face Value of ₹ 100 each) (1,680 shares acquired on amalgamation of Kalimati Investment Company Limited)	1,680	**0.0**	**1**	–	–
(c)	Namtech Electronic Devices Limited (48,026 shares acquired on amalgamation of Kalimati Investment Company Limited)	48,026	**0.0**	**1**	–	–
(d)	Sanderson Industries Ltd. (1,06,234 shares acquired on amalgamation of Kalimati Investment Company Limited)	3,33,876	**0.0**	**2**	*1*	*1*
(e)	Standard Chrome Ltd. (5,58,000 shares acquired on amalgamation of Kalimati Investment Company Limited)	11,16,000	**0.0**	**2**	*1*	*1*
(f)	Wellman Incandescent India Ltd. (6,22,134 shares acquired on amalgamation of Kalimati Investment Company Limited)	15,21,234	**0.0**	**2**	*1*	*1*
(g)	Unit Trust of India – Mastershares (2,229 shares acquired on amalgamation of Kalimati Investment Company Limited)	2,229	**792.8**	**47,477**	–	–
			792.8	**47,486**	*3*	*3*

14. LOANS AND ADVANCES

	As at March 31,	Long-Term	Short-Term	Total	Total
			₹ million		US $ million
(a) Capital advances[1]					
Unsecured and considered good	**2014**	**13,994.7**	**–**	**13,994.7**	**233.7**
	2013	*25,091.6*		*25,091.6*	
	2012	*24,598.8*	*–*	*24,598.8*	
(b) Security deposits					
Unsecured and considered good	**2014**	**1,090.1**	**–**	**1,090.1**	**18.2**
	2013	*1,044.2*		*1,044.2*	
	2012	*837.2*	*–*	*837.2*	
Unsecured and considered doubtful	**2014**	**16.7**	**–**	**16.7**	**0.3**
	2013	*15.6*	*–*	*15.6*	
	2012	*14.5*	*–*	*14.5*	
Less: Provision for bad & doubtful loans and advances	**2014**	**16.7**	**–**	**16.7**	**0.3**
	2013	*15.6*	*–*	*15.6*	
	2012	*14.5*	*–*	*14.5*	
	2014	**1,090.1**	**–**	**1,090.1**	**18.2**
	2013	*1,044.2*	*–*	*1,044.2*	
	2012	*837.2*	*–*	*837.2*	
(c) Advance with public bodies					
Unsecured and considered good	**2014**	**6,506.8**	**8,026.2**	**14,533.0**	**242.7**
	2013	*4,316.1*	*6,932.0*	*11,248.1*	
	2012	*2,688.2*	*5,890.6*	*8,578.8*	
Unsecured and considered doubtful	**2014**	**132.0**	**18.5**	**150.5**	**2.5**
	2013	*130.9*	*18.7*	*149.6*	
	2012	*164.5*	*18.7*	*183.2*	
Less: Provision for bad & doubtful loans and advances	**2014**	**132.0**	**18.5**	**150.5**	**2.5**
	2013	*130.9*	*18.7*	*149.6*	
	2012	*164.5*	*18.7*	*183.2*	
	2014	**6,506.8**	**8,026.2**	**14,533.0**	**242.7**
	2013	*4,316.1*	*6,932.0*	*11,248.1*	
	2012	*2,688.2*	*5,890.6*	*8,578.8*	
(d) Loans and advances to related parties[2]					
Unsecured and considered good	**2014**	**5,866.5**	**2,338.8**	**8,205.3**	**137.0**
	2013	*27,966.0*	*1,241.8*	*29,207.8*	
	2012	*19,072.8*	*1,752.1*	*20,824.9*	
Unsecured and considered doubtful	**2014**	**5,510.6**	**1,401.7**	**6,912.3**	**115.4**
	2013	*5,001.9*	*1,148.4*	*6,150.3*	
	2012	*–*	*–*	*–*	
Less: Provision for bad & doubtful loans and advances	**2014**	**5,510.6**	**1,401.7**	**6,912.3**	**115.4**
	2013	*5,001.9*	*1,148.4*	*6,150.3*	
	2012	*–*	*–*	*–*	
	2014	**5,866.5**	**2,338.8**	**8,205.3**	**137.0**
	2013	*27,966.0*	*1,241.8*	*29,207.8*	
	2012	*19,072.8*	*1,752.1*	*20,824.9*	
(e) MAT credit entitlement					
Unsecured and considered good	**2014**	**–**	**–**	**–**	**–**
	2013	*–*	*3,998.4*	*3,998.4*	
	2012	*–*	*–*	*–*	
(f) Advance payment against taxes[3]					
Unsecured and considered good	**2014**	**6,028.6**	**–**	**6,028.6**	**100.7**
	2013	*4,053.3*	*–*	*4,053.3*	
	2012	*2,791.9*	*–*	*2,791.9*	
(g) Other loans and advances[4]					
Unsecured and considered good	**2014**	**7,314.0**	**2,627.0**	**9,941.0**	**165.9**
	2013	*3,270.3*	*9,906.1*	*13,176.4*	
	2012	*13,021.9*	*10,649.8*	*23,671.7*	
Unsecured and considered doubtful	**2014**	**33.0**	**337.8**	**370.8**	**6.2**
	2013	*10.0*	*340.0*	*350.0*	
	2012	*3.9*	*276.1*	*280.0*	
Less: Provision for bad & doubtful loans and advances	**2014**	**33.0**	**337.8**	**370.8**	**6.2**
	2013	*10.0*	*340.0*	*350.0*	
	2012	*3.9*	*276.1*	*280.0*	
	2014	**7,314.0**	**2,627.0**	**9,941.0**	**165.9**
	2013	*3,270.3*	*9,906.1*	*13,176.4*	
	2012	*13,021.9*	*10,649.8*	*23,671.7*	
	2014	**40,800.7**	**12,992.0**	**53,792.7**	**898.2**
	2013	*65,741.5*	*22,078.3*	*87,819.8*	
	2012	*63,010.8*	*18,292.5*	*81,303.3*	

Additional information:

(1) Include capital advance in respect of research and development activities of **₹ 127.8** million [**US $ 2.1** million] *(31.03.2013: ₹ 7.9 million, 31.03.2012: ₹ 0.9 million).*

(2) Loans and advances to related parties include:

(a) Advance against equity for purchase of shares in subsidiaries, joint ventures and associate **₹ 1,407.9** million [**US $ 23.5** million] *(31.03.2013: ₹ 23,852.5 million, 31.03.2012: ₹ 10,211.0 million).*

(b) Loans and advances in the nature of loans given to subsidiaries and associate **₹ 7,128.4** million [**US $ 119.0** million] *(31.03.2013: ₹ 5,950.9 million, 31.03.2012: ₹ 5,710.7 million).*

Disclosure as per clause 32 of the listing agreement:

Name of the Company	Relationship	As at March 31,	US $ million	₹ million	Maximum balance outstanding during the year US $ million	₹ million	Investment by the loanee in the shares of parent company No. of Shares
Tata Korf Engineering Services Ltd.	Subsidiary	**2014**	**–**	**–**	**–**	**–**	**–**
		2013		*–*		*–*	*–*
		2012		*–*		*8.4*	*–*
Indian Steel & Wire Products Ltd.	Subsidiary	**2014**	**–**	**–**	**–**	**–**	**–**
		2013		*–*		*80.9*	*–*
		2012		*80.9*		*115.0*	*–*
Tata Steel (KZN) (Pty) Ltd.	Subsidiary	**2014**	**88.0**	**5,271.4**	**93.1**	**5,577.3**	**–**
		2013		*4,957.9*		*5,251.0*	*–*
		2012		*4,909.8*		*5,033.4*	*–*
Tata Metaliks Ltd.	Subsidiary	**2014**	**3.7**	**220.0**	**3.7**	**220.0**	**–**
		2013		*220.0*		*720.0*	*–*
		2012		*720.0*		*720.0*	*–*
Adityapur Toll Bridge Company Limited	Subsidiary	**2014**	**2.2**	**130.0**	**2.2**	**130.0**	**–**
		2013		*106.0*		*106.0*	*–*
		2012		*–*		*220.0*	*–*
Tata Steel Holdings Pte. Ltd.	Subsidiary	**2014**	**–**	**–**	**–**	**–**	**–**
		2013		*–*		*–*	*–*
		2012		*–*		*37,203.8*	*–*
Tayo Rolls Limited	Subsidiary	**2014**	**–**	**–**	**3.8**	**230.0**	**–**
		2013		*–*		*–*	*–*
		2012		*–*		*250.0*	*–*
Industrial Energy Ltd.	Associate	**2014**	**23.2**	**1,392.0**	**23.2**	**1,392.0**	**–**
		2013		*432.0*		*432.0*	*–*
		2012		*–*		*–*	*–*
Jamshedpur Utilities & Services Company Limited	Subsidiary	**2014**	**1.9**	**115.0**	**1.9**	**115.0**	**–**
		2013		*115.0*		*115.0*	*–*
		2012		*–*		*–*	*–*
TS Alloys Ltd.	Subsidiary	**2014**	**–**	**–**	**2.0**	**120.0**	**–**
		2013		*120.0*		*120.0*	*–*
		2012		*–*		*–*	*–*

(c) Intercorporate deposits ₹ **5,857.0** million [**US $ 97.8** million] *(31.03.2013: ₹ 4,993.0 million, 31.03.2012: ₹ 4,220.0 million)*

(3) Advance payment against taxes is after year wise set off against provision for taxation.

(4) Other loans and advances include:

(a) Loan due by an officer of the Company ₹ **81,250** [**US $ 1,356.7**] *(31.03.2013: ₹ 96,250, 31.03.2012: ₹ 1,11,250)*

(b) Intercorporate deposits ₹ **20.0** million [**US $ 0.3** million] *(31.03.2013: ₹ 20.0 million, 31.03.2012: ₹ 20.0 million)*

15. OTHER NON-CURRENT ASSETS

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Balances with banks[(1)(2)]	**4.8**	**285.9**	*285.1*	*285.1*
(b) Unamortised loan issue expenses	**32.6**	**1,955.8**	*1,476.0*	*1,882.2*
(c) Others	**13.0**	**778.6**	*396.8*	*–*
	50.4	**3,020.3**	*2,157.9*	*2,167.3*

Additional information:

(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.

(2) Balances with banks held as security against guarantees **₹ 284.6** million [**US $ 4.8** million] (31.03.2013: ₹ 284.6 million, 31.03.2012: ₹ 284.6 million).

16. CURRENT INVESTMENTS

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
Investments in Mutual Funds – Unquoted				
Liquid Funds	**391.3**	**23,432.4**	*4,340.0*	*12,041.7*
	391.3	**23,432.4**	*4,340.0*	*12,041.7*

17. INVENTORIES

(At lower of cost and net realisable value)

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Raw materials	**339.9**	**20,357.8**	*16,859.9*	*22,419.6*
(b) Work-in-progress	**6.0**	**359.9**	*658.8*	*538.3*
(c) Finished and semi-finished goods	**370.0**	**22,161.4**	*20,323.4*	*16,398.3*
(d) Stock-in-trade of goods acquired for trading	**0.4**	**20.7**	*8.0*	*7.6*
(e) Stores and spares	**286.8**	**17,178.3**	*14,729.3*	*9,226.1*
	1,003.1	**60,078.1**	*52,579.4*	*48,589.9*
Included above, goods-in-transit:				
(i) Raw materials	**89.6**	**5,364.6**	*3,064.2*	*4,624.0*
(ii) Finished and semi-finished goods	**0.1**	**6.9**	*7.5*	*15.5*
(iii) Stock-in-trade of goods acquired for trading	**0.0**	**0.3**	*–*	*–*
(iv) Stores and spares	**21.9**	**1,314.2**	*1,116.1*	*981.9*
	111.6	**6,686.0**	*4,187.8*	*5,621.4*

18. TRADE RECEIVABLES

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(a) More than six months	**4.2**	**252.5**	*329.4*	*345.1*
(b) Others	**127.1**	**7,614.7**	*7,783.2*	*8,809.1*
	131.3	**7,867.2**	*8,112.6*	*9,154.2*
Less: Provision for doubtful trade receivables – More than six months	**2.6**	**159.1**	*143.4*	*113.4*
	128.7	**7,708.1**	*7,969.2*	*9,040.8*
Unsecured and considered good	**128.7**	**7,708.1**	*7,969.2*	*9,040.8*
Doubtful	**2.6**	**159.1**	*143.4*	*113.4*
	131.3	**7,867.2**	*8,112.6*	*9,154.2*

19. CASH AND BANK BALANCES

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(a) Cash in hand	**0.1**	**3.4**	*3.9*	*3.6*
(b) Cheques, drafts on hand	**30.3**	**1,818.3**	*1,488.9*	*227.6*
(c) Remittances in-transit	**0.2**	**10.7**	*257.7*	*77.0*
(d) Balances with banks	**121.2**	**7,260.9**	*19,644.1*	*38,439.6*
Total cash and cash equivalents	**151.8**	**9,093.3**	*21,394.6*	*38,747.8*
(e) Earmarked balances with banks	**8.7**	**518.3**	*529.0*	*464.6*
	160.5	**9,611.6**	*21,923.6*	*39,212.4*

20. OTHER CURRENT ASSETS

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(a) Interest accrued on deposits, loans and advances	**1.2**	**72.5**	*98.8*	*247.3*
(b) Others	**29.2**	**1,751.3**	*6,059.2*	*513.6*
	30.4	**1,823.8**	*6,158.0*	*760.9*

Additional information:

(1) Includes ₹ **490.0** million [**US $ 8.2** million] *(31.03.13: ₹ 487.5 million, 31.03.12: ₹ 513.6 million)* on account of loan issue expenses, ₹ **1,232.5** million [**US $ 20.6** million] *(31.03.13: Nil, 31.03.12: Nil)* on account of receivables for sale of investments and ₹ **28.8** million [**US $ 0.5** million] *(31.03.13: ₹ 5,571.7 million, 31.03.12: Nil)* on account of dividend receivable.

21. REVENUE FROM OPERATIONS

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Sale of products[1]	**7,494.5**	**448,846.0**	*410,139.0*	*356,955.9*
(b) Sale of power and water	**150.0**	**8,979.9**	*8,752.9*	*9,804.4*
(c) Income from town, medical and other services	**14.5**	**869.6**	*756.0*	*767.8*
(d) Other operating income[2]	**73.4**	**4,397.9**	*3,524.5*	*2,529.0*
	7,732.4	**463,093.4**	*423,172.4*	*370,057.1*

Additional information:

(1) Details of products sold:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
Class of Products				
(i) Saleable Steel (Finished)	**6,020.5**	**360,565.7**	*318,177.9*	*275,875.3*
(ii) Agrico Products	**26.6**	**1,595.2**	*1,660.4*	*1,561.4*
(iii) Semi-finished Steel and Scrap	**229.8**	**13,762.0**	*16,476.1*	*14,278.4*
(iv) Welded Steel Tubes {includes tubular steel structures **₹ 6,928.3** million [**US $ 115.7** million] *(2012-13: ₹ 5,825.7 million) (2011-12: ₹ 4,955.8 million)*}	**349.9**	**20,955.6**	*19,333.4*	*18,952.8*
(v) By-Products, etc.	**71.3**	**4,270.2**	*3,331.4*	*3,466.3*
(vi) Raw Materials:				
– Ferro Manganese	**35.2**	**2,109.5**	*1,861.0*	*1,406.9*
– Charge Chrome/Ferro Chrome	**184.3**	**11,037.2**	*15,238.1*	*11,576.1*
– Other Raw Materials	**529.8**	**31,729.8**	*31,305.2*	*26,776.8*
(vii) Bearings	**31.4**	**1,877.7**	*1,801.4*	*1,939.0*
(viii) Metallurgical Machinery	**6.1**	**362.7**	*912.3*	*675.5*
(ix) Sale of Purchased Materials:				
– Salable Steel (Finished/Converted)	**8.6**	**518.9**	–	–
– Raw Materials/Scrap/Other Materials	**1.0**	**61.5**	*41.8*	*51.4*
	7,494.5	**448,846.0**	*410,139.0*	*356,559.9*

(2) Includes lease rentals of **₹ 2.0** million [**US $ 0.0** million] *(2012-13: ₹ 2.0 million, 2011-12: ₹ 2.0 million)* on wagons leased to railways under Own Your Wagon Scheme.

22. OTHER INCOME

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Dividend income				
	(i) Investment in subsidiaries	**58.9**	**3,529.7**	*6,276.0*	*461.8*
	(ii) Investment in joint ventures and associates	**11.6**	**693.6**	*125.1*	*91.1*
	(iii) Other non-current investments	**9.8**	**586.9**	*622.4*	*622.1*
	(iv) From current investments	**2.2**	**134.2**	–	–
(b)	Interest income	**25.7**	**1,536.4**	*1,090.9*	*4,332.6*
(c)	Net gain/(loss) on sale of investments				
	(i) On sale of other non-current investments	**4.1**	**247.8**	–	–
	(ii) On sale of current investments	**30.3**	**1,814.0**	*2,215.3*	*4,305.7*
(d)	Profit on sale of capital assets (net of loss on assets sold/written off)	**(8.1)**	**(486.1)**	*(30.0)*	*(529.8)*
(e)	Gain/(Loss) on cancellation of forwards, swaps and options (net)	**(3.0)**	**(180.1)**	*(1,279.3)*	*(419.2)*
		131.5	**7,876.4**	*9,020.4*	*8,864.3*

23. RAW MATERIALS CONSUMED

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Iron Ore	**330.2**	**19,775.1**	*17,462.1*	*12,038.3*
(b)	Coal [excluding ₹ **47,248.4** million [**US $ 788.9** million] *(2012-13: ₹ 44,848.7 million, 2011-12: ₹ 46,986.7 million)* used for manufacturing coke]	**206.8**	**12,385.1**	*11,452.6*	*13,822.7*
(c)	Coke	**941.4**	**56,378.9**	*63,978.5*	*52,344.8*
(d)	Limestone and Dolomite	**123.2**	**7,380.0**	*6,639.3*	*5,106.3*
(e)	Ferro Manganese	**30.2**	**1,811.4**	*1,322.1*	*1,092.8*
(f)	Zinc and Zinc Alloys	**44.7**	**2,675.6**	*2,595.9*	*2,513.5*
(g)	Spelter, Sulphur and Other Materials	**364.3**	**21,817.7**	*18,342.1*	*14,094.5*
		2,040.8	**122,223.8**	*121,792.6*	*101,012.9*

Additional information:

(1) The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.

(2) Raw materials consumed includes ₹ **25,446.7** million [**US $ 424.9** million] *(2012-13: ₹ 23,018.6 million, 2011-12: ₹ 20,869.2 million)* charged to wages and salaries and other revenue accounts.

24. PURCHASE OF FINISHED, SEMI-FINISHED AND OTHER PRODUCTS

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	For Resale:				
	(i) Finished/Semi-finished steel materials	**8.8**	**523.4**	*33.0*	*43.5*
	(ii) Finished/Semi-finished steel materials - Agrico and Tubes	**5.6**	**334.1**	*206.0*	*166.0*
(b)	For Own Consumption:				
	(i) Finished/Semi-finished steel materials[1]	**42.1**	**2,523.6**	*4,186.5*	*1,780.3*
	(ii) Others	**2.4**	**145.2**	*107.9*	*105.4*
		58.9	**3,526.3**	*4,533.4*	*2,095.2*

Additional information:

(1) Includes components for manufacture of metallurgical machinery ₹ **1,384.8** million [**US $ 23.1** million] *(2012-13: ₹ 2,061.8 million, 2011-12: ₹ 692.4 million).*

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Inventories at the end of the year				
(a) Work-in-progress	**6.0**	**359.9**	*658.8*	*538.3*
(b) Finished and semi-finished goods	**370.0**	**22,161.4**	*20,323.4*	*16,398.3*
(c) Stock-in-trade of goods acquired for trading	**0.4**	**20.7**	*8.0*	*7.6*
	376.4	**22,542.0**	*20,990.2*	*16,944.2*
Inventories at the beginning of the year				
(a) Work-in-progress	**11.0**	**658.8**	*538.3*	*811.9*
(b) Finished and semi-finished goods	**339.4**	**20,323.4**	*16,398.3*	*13,919.1*
(c) Stock-in-trade of goods acquired for trading	**0.1**	**8.0**	*7.6*	*6.0*
	350.5	**20,990.2**	*16,944.2*	*14,737.0*
	25.9	**1,551.8**	*4,046.0*	*2,207.2*

Additional information:

(1) Details of finished and semi-finished goods, stock-in-trade of goods acquired for trading:

		For the year ended March 31,	Closing Stock		Opening Stock	
			US $ million	**₹ million**	**US $ million**	**₹ million**
(a)	Saleable Steel (Finished)	**2014**	**199.6**	**11,956.5**	**189.3**	**11,337.5**
		2013		*11,337.5*		*8,322.0*
		2012		*8,322.0*		*8,294.0*
(b)	Agrico Products	**2014**	**1.8**	**110.8**	**1.9**	**111.5**
		2013		*111.5*		*142.5*
		2012		*142.5*		*115.5*
(c)	Semi-finished Steel and Scrap	**2014**	**127.2**	**7,616.6**	**109.8**	**6,577.9**
		2013		*6,577.9*		*5,914.2*
		2012		*5,914.2*		*3,456.8*
(d)	Welded Steel Tubes	**2014**	**15.6**	**935.4**	**13.0**	**778.9**
		2013		*778.9*		*681.7*
		2012		*681.7*		*805.9*
(e)	By-Products, etc.	**2014**	**2.6**	**157.9**	**1.6**	**93.8**
		2013		*93.8*		*91.4*
		2012		*91.4*		*56.1*
(f)	Other Products	**2014**	**19.4**	**1,159.7**	**19.1**	**1,142.9**
		2013		*1,142.9*		*1,055.4*
		2012		*1,055.4*		*1,033.8*
(g)	Bearings	**2014**	**3.7**	**219.7**	**4.7**	**279.0**
		2013		*279.0*		*187.2*
		2012		*187.2*		*152.3*
(h)	Sale of Purchased Materials - Salable Steel (Finished/Converted)	**2014**	**0.1**	**4.8**	**0.0**	**1.9**
		2013		*1.9*		*3.9*
		2012		*3.9*		*4.7*
	Raw Materials/Scrap/Other Materials	**2014**	**0.4**	**20.7**	**0.1**	**8.0**
		2013		*8.0*		*7.6*
		2012		*7.6*		*6.0*
		2014	**370.4**	**22,182.1**	**339.5**	**20,331.4**
		2013		*20,331.4*		*16,405.9*
		2012		*16,405.9*		*13,925.1*

26. EMPLOYEE BENEFITS EXPENSE

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Salaries and wages, including bonus	**539.4**	**32,306.0**	*29,166.9*	*26,462.1*
(b)	Contribution to provident and other funds	**61.1**	**3,659.0**	*4,189.0*	*2,992.9*
(c)	Staff welfare expenses	**12.8**	**765.8**	*2,666.8*	*1,017.6*
		613.3	**36,730.8**	*36,022.7*	*30,472.6*

27. DEPRECIATION AND AMORTISATION EXPENSE

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Depreciation on tangible assets	**297.2**	**17,800.0**	*15,688.0*	*10,958.3*
(b)	Amortisation of intangible assets	**24.8**	**1,487.0**	*715.8*	*556.1*
		322.0	**19,287.0**	*16,403.8*	*11,514.4*

28. FINANCE COSTS

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Interest expense				
	(i) Debentures/bonds and fixed loans	**325.0**	**19,464.6**	*18,460.0*	*19,936.1*
	(ii) Others[1]	**16.7**	**996.6**	*1,193.8*	*1,105.5*
(b)	Other borrowing costs	**14.2**	**851.2**	*855.2*	*1,057.5*
		355.9	**21,312.4**	*20,509.0*	*22,099.1*
	Less: Interest capitalised	**51.9**	**3,106.6**	*1,741.3*	*2,844.9*
		304.0	**18,205.8**	*18,767.7*	*19,254.2*

Additional information:

(1) Includes interest on income tax assessment for earlier years **Nil** *(2012-13: ₹ 412.8 million, 2011-12: ₹ 417.0 million).*

29. OTHER EXPENSES

		For the year ended March 31,			
		2014	**2014**	2013	2012
		US $ million	**₹ million**		
(a)	Consumption of stores and spares	**436.0**	**26,112.3**	*20,908.9*	*16,934.8*
(b)	Repairs to buildings	**12.4**	**744.6**	*854.2*	*610.8*
(c)	Repairs to machinery	**289.5**	**17,339.2**	*13,810.8*	*11,629.5*
(d)	Relining expenses	**7.4**	**440.6**	*384.9*	*288.7*
(e)	Fuel oil consumed	**34.7**	**2,077.0**	*1,890.6*	*1,864.4*
(f)	Purchase of power	**428.2**	**25,646.1**	*23,211.1*	*18,037.2*
(g)	Conversion charges	**334.5**	**20,036.3**	*19,551.9*	*15,139.7*
(h)	Freight and handling charges	**460.0**	**27,550.8**	*22,607.6*	*17,039.8*
(i)	Rent	**7.7**	**460.4**	*336.3*	*308.8*
(j)	Royalty	**188.7**	**11,298.0**	*11,524.3*	*9,124.3*
(k)	Rates and taxes	**84.9**	**5,086.1**	*4,231.8*	*3,717.1*
(l)	Insurance	**7.4**	**440.6**	*417.7*	*364.8*
(m)	Commission, discounts and rebates	**27.4**	**1,639.8**	*1,426.7*	*1,284.2*
(n)	Provision for wealth tax	**0.3**	**20.0**	*20.0*	*17.0*
(o)	Provision for doubtful debts and advances	**10.1**	**605.3**	*111.5*	*(54.1)*
(p)	Excise duty	**13.4**	**803.2**	*1349.7*	*949.5*
(q)	Others[(1)]	**391.7**	**23,457.8**	*21,571.1*	*20,988.4*
		2,734.3	**163,758.1**	*144,209.1*	*118,244.9*

Additional information:

			For the year ended March 31,			
			2014	**2014**	*2013*	*2012*
			US $ million	**₹ million**		
(1)	Others include:					
	(a)	Adjustment to the carrying amount of investments	–	–	*10.3*	–
	(b)	Provision for impairment of fixed assets	**0.1**	**3.3**	*40.1*	*69.0*
	(c)	Net loss/(gain) on foreign currency transactions	**77.4**	**4,637.7**	*5,369.0*	*4,671.2*
	(d)	Auditors remuneration and out-of-pocket expenses				
		(i) As auditors {includes ₹ **0.2** million [**US $ 0.0** million] (2012-13: Nil, 2011-12: Nil) of Kalimati Investment Company Limited}	**0.7**	**40.2**	*40.0*	*40.0*
		(ii) For taxation matters {includes ₹ **22,472** [**US $ 375.2**] (2012-13: Nil, 2011-12: Nil) of Kalimati Investment Company Limited}	**0.1**	**3.7**	*3.7*	*3.7*
		(iii) For other services [excluding **Nil** *(2012-13: ₹ 0.6 million, 2011-12: ₹ 1.0 million) being expenses relating to issue of Equity/Hybrid instruments adjusted against the Securities Premium Reserve*]	**0.4**	**22.7**	*4.3*	*5.0*
		(iv) Auditors out-of-pocket expenses	**0.0**	**1.1**	*1.8*	*0.4*
	(e)	Cost audit fees {including expenses ₹ **21,578** [**US $ 360.3**] *(2012-13: ₹ 85,231, 2011-12: ₹ 79,462)*}	**0.0**	**1.2**	*1.3*	*0.7*

30. EXCEPTIONAL ITEMS

a) During the year, the Company carried out impairment testing of its exposure in some of its affiliate companies due to the existence of factors indicating probable impairment.

Consequently, an amount of ₹ **1,222.4** million [**US $ 20.4** million] on account of investment exposure in Tayo Rolls Limited (a subsidiary) and Strategic Energy Technology Systems Private Limited (an associate) and ₹ **195.2** million [**US $ 3.3** million] on account of advances paid to be converted into equity in Gopalpur Special Economic Zone Limited (a subsidiary) have been provided for.

The previous year amount of ₹ *6,868.6 million* relate to provision on account of the Company's exposure in one of its subsidiary Tata Steel (KZN) Pty. Ltd.

b) Profit on sale of non-current investments relates to the disposal of equity stake made by the Company in its subsidiaries Jamshedpur Continuous Annealing and Processing Company Private Limited at a profit of *₹ 96.0 million* [*US $ 1.6 million*] and in Sila Eastern Ltd. at a profit of *₹ 27.3 million* [*US $ 0.5 million*] during the FY 2012-13 and in TRL Krosaki Refractories Limited (formerly Tata Refractories Limited) at a profit of *₹ 5,110.1 million* [*US $ 85.3 million*] during the FY 2011-12.

31. EARNINGS PER SHARE (EPS)

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Profit after tax	**1,070.6**	**64,121.9**	*50,629.7*	*66,964.2*
	Less: Distribution on Hybrid Perpetual Securities (net of tax)	**29.3**	**1,756.1**	*1,798.4*	*1,733.0*
	Profit attributable to Ordinary Shareholders – for Basic EPS	**1,041.3**	**62,365.8**	*48,831.3*	*65,231.2*
	Add: Adjustment for **5,469.35** *(31.03.2013: 5,469.35, 31.03.2012: 5,469.35)* 4.5% Foreign Currency Convertible Bonds	**–**	**–**	–	*1,629.7*
	Profit attributable to Ordinary Shareholders – for Diluted EPS	**1,041.3**	**62,365.8**	*48,831.3*	*66,860.9*
		Nos.	**Nos.**	*Nos.*	*Nos.*
(b)	Weighted average no. of Ordinary Shares for Basic EPS	**97,12,15,239**	**97,12,15,239**	*97,12,14,550*	*96,15,75,106*
	Add: Adjustment for **5,469.35** *(31.03.2013: 5,469.35, 31.03.2012: 5,469.35)* 4.5% Foreign Currency Convertible Bonds	**–**	**–**	–	*4,21,12,297*
	Weighted average no. of Ordinary Shares for Basic EPS	**97,12,15,239**	**97,12,15,239**	*97,12,14,550*	*1,003,687,403*
	Weighted average no. of Ordinary Shares for Diluted EPS	**97,12,15,239**	**97,12,15,239**	*97,12,14,550*	*1,00,36,87,403*
(c)	Nominal value per Ordinary Share	**₹ 10**	**₹ 10**	*₹ 10*	*₹ 10*
		US $	**₹**	*₹*	*₹*
(d)	Basic Earnings per Ordinary Share	**1.1**	**64.21**	*50.28*	*67.84*
(e)	Diluted Earnings per Ordinary Share	**1.1**	**64.21**	*50.28*	*66.62*

Additional information:

(1) 4.5% Foreign Currency Convertible Bonds are anti-dilutive.

32. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Company

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(i)	Excise and Service Tax	**69.3**	**4,152.7**	*4,662.1*	*3,208.1*
(ii)	Customs	**2.3**	**137.1**	*137.0*	*136.9*
(iii)	Sales Tax and VAT	**47.3**	**2,832.5**	*3,866.8*	*4,022.9*
(iv)	State Levies	**45.4**	**2,717.3**	*2,681.4*	*1,497.1*
(v)	Suppliers and Service Contract	**13.4**	**803.8**	*775.2*	*743.1*
(vi)	Labour Related	**8.2**	**488.5**	*452.3*	*416.9*
(vii)	Income Tax	**18.0**	**1,075.5**	*81.1*	*179.2*
(viii)	Royalty	**2.3**	**140.1**	*140.1*	*140.1*

(b) The Company has given guarantees aggregating ₹ **22,243.8** million [**US $ 371.4** million] *(31.03.2013: ₹ 5,799.1 million, 31.03.2012: ₹ 3,915.8 million)* on behalf of others. As at 31st March, 2014, the contingent liabilities under these guarantees amounts to ₹ **22,243.8** million [**US $ 371.4** million] *(31.03.2013: ₹ 5,799.1 million, 31.03.2012: ₹ 3,915.8 million)*.

(c) Claim by a party arising out of conversion arrangement - ₹ **1,958.2** million [**US $ 32.7** million] *(31.03.2013: ₹ 1,958.2 million, 31.03.2012: ₹ 1,958.2 million)*. The Company has not acknowledged this claim and has instead filed a claim of ₹ **1,396.5** million [**US $ 23.3** million] *(31.03.2013: ₹ 1,396.5 million, 31.03.2012: ₹ 1,396.5 million)* on the party. The matter is pending before the Calcutta High Court.

(d) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act, 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of 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 Odisha moved to the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The potential liability, as of 31st March, 2014 would be approximately ₹ **39,466.5** million [**US $ 659.0** million] *(31.03.2013: ₹ 30,064.6 million, 31.03.2012: ₹ 20,858.8 million)*.

(e) Interest expenditure on loans taken and deployed for Corus acquisition has been disallowed in assessments with total demand raised for ₹ **4,530.0** million [**US $ 75.6** million]. Company has deposited ₹ **3,000.0** million [**US $ 50.1** million] as a precondition to prefer appeals and is reasonably confident of succeeding in litigation, on due consideration of facts and legal position.

(f) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgment and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty 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 demand of the state mining authority has been confirmed by High Court vide its Judgment dated 12th March, 2014. High Court has concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending SLP's filed by State and Company in the year 2004. Company has filed SLP before Supreme Court against the order of the High Court dated 12th March, 2014. In the hearing held on 2nd May, 2014, the case has been referred to the Larger Bench of the Supreme Court. Principal demand amount have been provided in the books. Interest amount of ₹ **3,018.3** million [**US $ 50.4** million] *(31.03.2013: ₹ 4,539.1 million including principal demand of ₹ 1,900.0 million, 31.03.2012: ₹ 4,249.5 million including principal demand of ₹ 1,900.0 million)* has been considered as contingent liability.

(g) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.

An additional demand of ₹ 1,481.5 million has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on 14th November, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Accordingly, the demand of ₹ **1,481.5** million [**US $ 24.7** million] *(31.03.2013: ₹ 790.8 million, 31.03.2012: ₹ 775.2 million)* has been considered as a contingent liability.

(h) In terms of Agreements entered into in 2008-09 between Tata Teleservices Ltd. (TTSL), Tata Sons Limited (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company sold to the SP, 52,46,590 equity shares of Tata Teleservices Ltd. ("TTSL") at ₹ 116.09 per share which resulted in a profit of ₹ 497.7 million [US $ 8.3 million] in the same year. Tata Sons Limited is party to a Shareholders Agreement with NTT DoCoMo, Inc. of Japan (Strategic Partner – SP) dated 25th March, 2009 and amended on 21st May, 2010.

The Company has an "inter se" agreement with Tata Sons Limited and other Tata Group companies. Tata Sons Limited has informed the Company as follows:

(i) Under the terms of the Shareholders Agreement if certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 the SP has an option to divest its entire shareholdings in TTSL at a price being the higher of fair value or ₹ 58.05 per share (i.e. 50 percent of the subscription price) ("Sale Price"), subject to compliance with applicable law and regulations ("Sale Option").

(ii) Tata Sons Limited had offered other shareholders of TTSL, including the Company, the option in 2008-09 to sell to the SP. If Tata Sons Limited becomes obliged to acquire the Sale Shares under the Sale Option the Company can be nominated by it to acquire pro-rated proportions of the Sale Shares based on the number of shares sold by the Company to the SP. On a pro-rated bases the number of shares would be 2,58,83,846 shares out of the Sale Shares. The Company has further agreed to reimburse Tata Sons Limited for any other indemnification claim made on Tata Sons Limited by SP on a similar proportionate basis.

(iii) In the wake of recent regulatory developments in India, Tata Sons Limited has considered its position relating to the possible exercise of the Sale Option under the Shareholders Agreement.

(iv) The Shareholders Agreement obliges Tata Sons Limited to find a buyer for the shares at the Sale Price.

(v) If there is no buyer at the Sale Price, then Tata Sons Limited is obliged to acquire or procure the acquisition of such shares. These obligations are subject to compliance with applicable law and regulations.

(vi) No notice of exercise of the Sale Option has been received although the SP has communicated its board decision to exercise the Sale Option.

(vii) Pending receipt of a notice exercising the Sale Option and in view of applicable law and regulations, the exposure of the Company (if any) cannot be ascertained.

The aforementioned agreements are governed by Indian Law.

(i) Bills discounted ₹ **3,695.9** million [**US $ 61.7** million] *(31.03.2013: ₹ 4,695.8 million, 31.03.2012: ₹ 1,747.8 million)*.

B. Commitments

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: ₹ **88,309.3** million [**US $ 1,474.5** million] *(31.03.2013: ₹ 119,956.0 million, 31.03.2012: ₹ 131,781.1 million).*

(b) Uncalled liability on partly paid shares and debentures ₹ **0.1** million [**US $ 0.0** million] *(31.03.2013: ₹ 0.1 million, 31.03.2012: ₹ 0.1 million).*

33. The Company has given undertakings to: (a) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (b) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (c) Standard Chartered Bank, State Bank of India not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd.,(d) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, 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), (e) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Limited and Tata Steel Netherlands Holdings B.V. and other companies (the borrower group), (f) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Ltd., (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Limited, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing and Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge of lien or in any way encumber its holding in Taj Air Limited, (j) Sumitomo Mitsui Banking Corporation not to dispose of the management control in Tata Metaliks Di Pipes Limited (Formerly known as Tata Metaliks Kubota Pipes Limited) held through Tata Metaliks Ltd. so long as the dues to Sumitomo Mitsui Banking Corporation is subsisting by Tata Metaliks Di Pipes Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/banks to these companies remains outstanding.

The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 200.0 million [US $ 3.3 million] in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Steel Ltd. (TBSSL) (i.e. BlueScope Steel Asia Holdings Pty Limited, Australia and Tata Steel Limited) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to reduce collective shareholding in TBSSL, below 51%.

In addition to the above undertakings, the Promoters of The Dhamra Port Company Limited (DPCL) i.e. Tata Steel Limited and L&T Infrastructure Development Projects Limited (L&TIDPL) have given an undertaking to a consortium of lenders of DPCL not to reduce collective shareholding in DPCL, held directly or indirectly, below 51%, to retain majority representation on the board of directors and to remain the Promoters of DPCL until the loans are fully repaid.

The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Limited) combined investments in Industrial Energy Ltd. (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).

The Company has agreed, if requested by Tata Steel UK Holdings Limited (TSUKH), an indirect wholly owned subsidiary of Tata Steel Limited, to procure an injection of funds to reduce the outstanding net debt in TSUKH and its subsidiaries, to a mutually accepted level.

The Company has agreed, if requested by Tayo Rolls Limited to extend support in operational and financial matters subject to the condition that the financial support will not exceed ₹ 790.0 million [US $ 13.2 million].

The Company has agreed, if requested by Jamshedpur Utilities & Services Company Limited to extend continued support in operational and financial matters for the next twelve months ending 31st March, 2015 subject to the condition that the financial support extended will not exceed ₹ 800.0 million [US $ 13.4 million] at any point of time during the twelve months period.

34. 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 ₹ **250.0** million [**US $ 4.2** million] annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. The matter is under discussion and no contribution has been made till 31st March, 2014.

35. Odisha Legislative Assembly issued an amendment to Indian Stamp Act on 9th May, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company filed a writ petition challenging the constitutionality of the Act on 5th July, 2013. The Hon'ble High Court, Cuttack has passed an order on 9th July, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company has received demand notices for the various mines at Odisha totalling to ₹ **55,790.0** million [**US $ 931.5** million]. The Company on the basis of external legal opinion has concluded that it is remote that the claim will sustain against the Company on ultimate resolution of the legal case by the Courts. Liability has been provided in the books of accounts as per the existing provisions of the Stamp Act, 1899.

36. Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹ **38,280.0** million [**US $ 639.2** million] for the excess extraction over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done under the approval of the State Government and accordingly the Company has filed revision petitions.

An unconditional stay has been granted by the Mines Tribunal against one of the demand notices, which directed the State that no coercive action should be taken for recovery of demand. The hearing of the balance revision petitions is yet to take place.

37. Tax department raised demand on account of Excess mining in the assessment for assessment year 2009-10, subsequently quashed by the Dispute Resolution Panel. Tax department reopened assessments of the earlier years on the same ground and raised cumulative demand of ₹ **10,860.0** million [**US $ 181.3** million]. The Company has obtained stay on the demand raised, with expectation of succeeding in appeals preferred with the higher appellate authorities.

38. STATEMENT OF PROFIT AND LOSS

(a) Value of direct imports (C.I.F. Value):

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(i)	Raw materials	**1,003.7**	**60,111.7**	*56,895.6*	*59,121.4*
(ii)	Semi-finished products	**15.3**	**915.5**	*1,328.0*	*358.5*
(iii)	Components, stores and spare parts	**145.2**	**8,695.9**	*8,806.6*	*4,663.4*
(iv)	Capital goods	**479.4**	**28,712.4**	*16,544.6*	*14,252.3*
		1,643.6	**98,435.5**	*83,574.8*	*78,395.6*

(b) 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:

		For the year ended March 31,						
		2014			*2013*		*2012*	
		US $ million	**₹ million**	**%**	*₹ million*	*%*	*₹ million*	*%*
(i)	Raw materials							
	– Directly imported	**1,092.0**	**65,399.3**	**53.51**	*70,358.3*	*57.77%*	*61,168.7*	*60.56%*
	– Indigenously obtained	**948.8**	**56,824.5**	**46.49**	*51,434.3*	*42.23%*	*39,844.2*	*39.44%*
		2,040.8	**122,223.8**	**100.00%**	*121,792.6*	*100.00%*	*101,012.9*	*100.00%*
(ii)	Components, stores and spare parts							
	– Directly imported	**265.3**	**15,892.0**	**33.88%**	*8,305.2*	*21.25%*	*4,973.6*	*15.33%*
	– Indigenously obtained	**517.9**	**31,014.8**	**66.12%**	*30,778.7*	*78.75%*	*27,461.7*	*84.67%*
		783.2	**46,906.8**	**100.00%**	*39,083.9*	*100.00%*	*32,435.3*	*100.00%*
	Less: Consumption charged to other revenue accounts	**280.3**	**16,789.1**		*14,402.2*		*12,341.9*	
		502.9	**30,117.7**		*24,681.7*		*20,093.4*	

Additional information:

(1) The consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.

(2) 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.

(3) Raw materials consumed includes **₹ 25,446.7** million [**US $ 424.9** million] *(2012-13: ₹ 23,018.6 million, 2011-12: ₹ 20,869.2 million)* charged to wages and salaries and other revenue accounts.

(4) Stores and spares consumed (including write-off of obsolete spares, if any) includes **₹ 1,928.4** million [**US $ 32.2** million] *(2012-13: ₹ 1,882.2 million, 2011-12: ₹ 1,294.2 million)* being cost of stores manufactured departmentally and charged to wages and salaries and other revenue accounts.

(c) Expenditure in foreign currency:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(i) Technical know-how and technical consultant's fees (net of taxes) [including **₹ 1,222.6** million [**US $ 20.4** million] *(2012-13: ₹ 2,661.3 million, 2011-12: ₹ 1,644.6 million)* on capital account]	**28.9**	**1,732.9**	*3,062.0*	*2,064.9*
(ii) Interest, commitment and bank charges	**86.3**	**5,168.2**	*5,817.4*	*7,088.6*
(iii) Commission	**11.5**	**687.9**	*282.7*	*393.5*
(iv) Payable on other accounts	**7.6**	**456.8**	*1,537.8*	*544.0*

(d) Remittance in foreign currencies for dividend:

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

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
(i)	Number of non-resident shareholders	**13,963**	**13,963**	*13,225*	*11,863*
(ii)	Number of Ordinary Shares held by them	**15,77,59,375**	**15,77,59,375**	*16,12,43,287*	*19,63,74,449*
(iii)	Gross amount of dividend	**US $ 21.1 million**	**₹ 1,262.0 million**	*₹ 1,934.9 million*	*₹ 2,356.4 million*

Gross amount of dividend declared in current and previous year pertain to FY 2012-13 and FY 2011-12 respectively.

(e) Earnings in foreign exchange:

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(i)	Export of steel and other materials (F.O.B.) (including value of exports through export houses)	**335.7**	**20,105.3**	*23,410.8*	*18,048.7*
(ii)	Interest received	**4.2**	**250.3**	*251.7*	*755.5*
(iii)	Others	**57.3**	**3,434.3**	*72.0*	*59.7*

(f) Revenue expenditure charged to Statement of Profit and Loss in respect of research and development activities undertaken during the year is **₹ 684.5** million [**US $ 11.4** million] *(2012-13: ₹ 557.7 million, 2011-12: ₹ 523.0 million)* including depreciation of **₹ 20.7** million [**US $ 0.4** million] *(2012-13: ₹ 13.3 million, 2011-12: ₹ 10.8 million).* Capital expenditure in respect of research and development activities undertaken during the year is **₹ 120.6** million [**US $ 2.0** million] *(2012-13: ₹ 39.6 million, 2011-12: ₹ 7.1 million)*

39. (a) Pursuant to the sanction of the Honourable High Court of Bombay to the Scheme of Amalgamation, the assets and liabilities of the erstwhile Kalimati Investment Company Limited whose principal business was of carrying on the business of investment and finance, and registered as a non-banking financial company with the Reserve Bank of India has been merged with the Company with effect from the appointed date of 1st January, 2013 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) notified by the Government of India. Accordingly, the assets, liabilities and reserves of the erstwhile Kalimati Investment Company Limited as on the appointed date have been merged with the Company at their book values. The net impact of the merger on assets, liabilities and reserves as on the appointed date is as below:

Particulars	**US $ million**	**₹ million**
Share capital(1)	**2.7**	**163.9**
Securities Premium(1)	**11.7**	**701.3**
Capital Redemption reserve	**3.3**	**199.5**
General Reserve	**8.3**	**499.4**
Special Reserve	**16.3**	**977.5**
Surplus in the Statement of Profit & Loss	**25.2**	**1,507.8**
Trade Payables	**0.0**	**0.2**
Other Curent Liabilities	**0.1**	**5.0**
Short term provisions	**0.1**	**2.2**
Total Equity & Liabilities	**67.7**	**4,056.8**
Tangible Assets	**0.1**	**2.9**
Non Current Investments	**61.7**	**3,698.1**
Long term Loans & Advances	**0.1**	**3.8**
Current Investments	**5.8**	**351.4**
Cash & Bank balances	**0.0**	**0.6**
Total Assets	**67.7**	**4,056.8**

(1) On amalgamation these have been eliminated against investments held by the Company in erstwhile Kalimati Investment Company Limited and the difference of ₹ **1.7** million [**US $ 0.0** million] has been accounted for under Amalgamation Reserve.

(2) The Company has also recognised ₹ **2,225.8** million [**US $ 37.2** million] on account of MAT asset and ₹ **1.0** million [**US $ 0.0** million] on account of Deferred tax liability which were not recognised in the books of erstwhile Kalimati Investment Company Limited.

(3) Net profit/loss of Kalimati Investment Company Limited from the appointed date till 31st March, 2013 has been accounted for in the Surplus in the Statement of Profit and Loss in reserves.

(b) The figures for the previous year do not include figures for the erstwhile Kalimati Investment Company Limited and accordingly the current year's figures are not comparable to those of the previous year.

40. The Committee of Directors in their meeting held on 10th April, 2013 approved the scheme of amalgamation of Tata Metaliks Ltd. and Tata Metaliks Kubota Pipes Limited with an appointed date of 1st April, 2013. The Scheme is subject to the approval of the High Courts of Judicature at Bombay and Calcutta.

41. 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, 2014 are as under:

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
Description		**US $ million**	₹ **million**		
(i)	The principal amount remaining unpaid to supplier as at the end of the year	**4.2**	**248.9**	*165.1*	*74.6*
(ii)	The interest due thereon remaining unpaid to supplier as at the end of the year	**0.1**	**8.4**	*5.5*	*1.0*
(iii)	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	**0.7**	**39.1**	*13.4*	*4.1*
(iv)	The amount of interest accrued during the year and remaining unpaid at the end of the year	**0.8**	**47.5**	*18.9*	*5.1*

42. EMPLOYEE BENEFITS

(a) The Company has recognised, in the Statement of Profit and Loss for the year ended 31st March, 2014, an amount of ₹ **2,517.1** million [**US $ 42.0** million] *(2012-13: ₹ 2,310.9 million, 2011-12: ₹ 2,177.9 million)* as expenses under the following defined contribution plans.

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
Benefit (Contribution to)	**US $ million**	₹ **million**		
Provident Fund	**31.1**	**1,858.3**	*1,657.0*	*1,496.2*
Superannuation Fund	**4.4**	**268.0**	*306.7*	*349.2*
Employees Pension Scheme/Coal Mines Pension Scheme/ National Pension Scheme	**3.8**	**227.6**	*195.5*	*190.6*
TISCO Employees Pension Scheme	**2.7**	**163.2**	*151.7*	*141.9*
	42.0	**2,517.1**	*2,310.9*	*2,177.9*

The Company's Provident Fund is exempted under Section 17 of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

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

(i) Funded

- Post Retirement Gratuity

(ii) Unfunded

- Post Retirement Medical Benefits
- Pensions to Directors
- Farewell Gifts
- Packing and Transportation Costs on Retirement

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

Description		2014	2014	*2013*	*2012*
		For the year ended March 31,			
		US $ million		**₹ million**	
(i)	**Reconciliation of opening and closing balances of obligation**				
	Obligation as at beginning of the year	**315.2**	**18,882.2**	*16,355.7*	*15,366.9*
	Current service cost	**14.8**	**884.3**	*759.9*	*721.2*
	Interest cost	**24.3**	**1,452.9**	*1,340.3*	*1,186.6*
	Actuarial (gain)/loss	**4.3**	**254.9**	*1,602.7*	*150.0*
	Benefits paid	**(24.1)**	**(1,442.7)**	*(1,176.4)*	*(1,069.0)*
	Obligation as at end of the year	**334.5**	**20,031.6**	*18,882.2*	*16,355.7*
(ii)	**Reconciliation of opening and closing balances of plan assets**				
	Fair value of plan assets as at beginning of the year	**283.9**	**17,004.4**	*15,546.1*	*11,738.6*
	Expected return on plan assets	**23.0**	**1,377.8**	*1,229.1*	*1,041.5*
	Actuarial gain/(loss)	**1.2**	**72.4**	*595.7*	*206.5*
	Contributions	**31.4**	**1,877.7**	*809.9*	*3,628.5*
	Benefits paid	**(24.1)**	**(1,442.7)**	*(1,176.4)*	*(1,069.0)*
	Fair value of plan assets as at end of the year	**315.4**	**18,889.6**	*17,004.4*	*15,546.1*
(iii)	**Reconciliation of fair value of assets and obligations**				
	Fair value of plan assets as at end of the year	**315.4**	**18,889.6**	*17,004.4*	*15,546.1*
	Present value of obligation as at end of the year	**334.5**	**20,031.6**	*18,882.2*	*16,355.7*
	Net obligation/(asset) recognised in the balance sheet (included in the line item - Provision for employee benefits)	**19.1**	**1,142.0**	*1,877.8*	*809.6*
(iv)	**Expenses recognised during the year**				
	Current service cost	**14.8**	**884.3**	*759.9*	*721.2*
	Interest cost	**24.3**	**1,452.9**	*1,340.3*	*1,186.6*
	Expected return on plan assets	**(23.0)**	**(1,377.8)**	*(1,229.1)*	*(1,041.5)*
	Actuarial (gain)/loss	**3.0**	**182.5**	*1,007.0*	*(56.5)*
	Expense recognised during the year (included in the line item - Employee benefits expense)	**19.1**	**1,141.9**	*1,878.1*	*809.8*

		31.03.2014	*31.03.2013*	*31.03.2012*
(v)	**Investment details**	**%**	*%*	*%*
	GOI securities	**10.65**	*12.39*	*14.97*
	Public sector unit bonds	**9.31**	*11.14*	*15.18*
	Central/State Government guaranteed securities	**6.47**	*5.49*	*6.11*
	Private sector unit bonds	**8.91**	*8.56*	*10.47*
	Deposit with LIC	**56.90**	*53.25*	*49.97*
	Others (including bank balances)	**7.76**	*9.17*	*3.30*
		100.00	*100.00*	*100.00*
(vi)	**Assumptions**			
	Discount rate (per annum)	**9.25%**	*8.00%*	*8.50%*
	Expected return on plan assets (per annum)	**8.00%**	*8.00%*	*8.00%*
	Rate of escalation in salary (per annum)	**7.5% to 10.00%**	*7.5% to 10.00%*	*7.5% to 10.00%*

The long-term estimate of the expected rate of return on the plan 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 GOI Securities, 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 the unfunded post retirement defined benefit obligation are as follows:

Description	For the year ended March 31, 2014 Medical	2014 Others	2014 Medical	2014 Others	2013 Medical	2013 Others	2012 Medical	2012 Others
	US $ million		₹ million					
(i) Reconciliation of opening and closing balances of obligation								
Obligation as at beginning of the year	**138.9**	**10.4**	**8,322.5**	**625.4**	*6,958.0*	*541.3*	*7,182.6*	*495.3*
Current service cost	**2.1**	**0.6**	**126.3**	**35.5**	*98.1*	*27.7*	*80.3*	*15.1*
Interest cost	**10.9**	**0.8**	**649.8**	**48.4**	*576.0*	*44.5*	*562.0*	*38.2*
Actuarial (gain)/loss	**(15.7)**	**(0.6)**	**(941.4)**	**(33.9)**	*1,050.8*	*46.1*	*(550.7)*	*28.6*
Benefits paid	**(6.7)**	**(0.6)**	**(400.5)**	**(39.2)**	*(360.4)*	*(34.2)*	*(316.2)*	*(35.9)*
Obligation as at end of the year	**129.5**	**10.6**	**7,756.7**	**636.2**	*8,322.5*	*625.4*	*6,958.0*	*541.3*
(ii) Expenses recognised during the year								
Current service cost	**2.1**	**0.5**	**126.3**	**35.5**	*98.1*	*27.7*	*80.3*	*15.1*
Interest cost	**10.9**	**0.8**	**649.8**	**48.4**	*576.0*	*44.5*	*562.0*	*38.2*
Actuarial (gain)/loss	**(15.7)**	**(0.6)**	**(941.4)**	**(33.9)**	*1,050.8*	*46.1*	*(550.7)*	*28.6*
Expense recognised during the year (included in the line item -Employee benefits expense)	**(2.7)**	**0.7**	**(165.3)**	**50.0**	*1,724.9*	*118.3*	*91.6*	*81.9*
(iii) Assumptions								
Discount rate (per annum) as at the beginning of the year			**8.00%**	**8.00%**	*8.50%*	*8.50%*	*8.00%*	*8.00%*
Discount rate (per annum) as at the end of the year			**9.25%**	**9.25%**	*8.00%*	*8.00%*	*8.50%*	*8.50%*
Medical costs inflation rate			**8.00%**		*8.00%*		*8.00%*	
Effect of a 1% change in health care cost on								
Increase			**9% p.a.**		*9% p.a.*		*9% p.a.*	
– aggregate current service and interest cost			**14.36**		*12.17*		*7.98*	
– closing balance of obligation			**108.20**		*131.33*		*109.01*	
Decrease			**7% p.a.**		*7% p.a.*		*7% p.a.*	
– aggregate current service and interest cost			**(11.24)**		*(9.63)*		*(0.84)*	
– closing balance of obligation			**(88.22)**		*(105.35)*		*(88.06)*	

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

(f) Other disclosures:

Benefits	**2013-14**	**2013-14**	*2012-13*	*2011-12*	*2010-11*	*2009-10*
	US $ million	**₹ million**				
				Retiring Gratuity		
Present value of defined benefit obligation	**334.5**	**20,031.6**	*18,882.2*	*16,355.7*	*15,366.9*	*11,733.4*
Fair value of plan assets	**315.4**	**18,889.6**	*17,004.4*	*15,546.1*	*11,738.6*	*10,445.9*
Surplus/(Deficit) in plan assets	**(19.1)**	**(1,142.0)**	*(1,877.8)*	*(809.6)*	*(3,628.3)*	*(1,287.5)*
Experience adjustment on obligation - (gain)/loss	**34.9**	**2,088.7**	*923.3*	*780.4*	*1,836.7*	*981.5*
Experience adjustment on plan assets - gain/(loss)	**1.2**	**72.4**	*595.7*	*206.5*	*69.4*	*56.1*
Expected contribution (best estimate) to funded plans in subsequent finance year	**19.1**	**1,142.0**	*1,877.8*	*809.6*	*3,628.3*	*1,287.5*
				Medical		
Present value of defined benefit obligation	**129.5**	**7,756.7**	*8,322.5*	*6,958.0*	*7,182.6*	*6,007.2*
Experience adjustment on obligation - (gain)/loss	**7.5**	**448.9**	*485.3*	*1,043.9*	*1,136.8*	*702.7*
				Others		
Present value of defined benefit obligation	**10.7**	**636.2**	*625.4*	*541.3*	*495.3*	*450.2*
Experience adjustment on obligation - (gain)/loss	**0.6**	**37.9**	*19.2*	*53.2*	*26.7*	*77.0*

43. SEGMENT REPORTING

Primary Segment Information (Business Segment)

Particulars		Steel	Ferro Alloys and Minerals	Others	Unallocable	Eliminations	Total	Total
		₹ million						US $ million
Segment revenue								
External revenue	**2014**	**370,117.7**	**25,938.5**	**21,054.1**	**–**	**–**	**417,110.3**	**6,964.6**
	2013	*337,048.2*	*25,441.1*	*19,505.0*	–	–	*381,994.3*	
	2012	*298,746.2*	*20,995.7*	*19,592.7*	–	–	*339,334.6*	
Inter segment revenue	**2014**	**16,765.8**	**3,278.1**	**1,041.7**	**–**	**(21,085.6)**	**–**	**–**
	2013	*15,653.9*	*3,655.1*	*964.8*	–	*(20,273.8)*	–	
	2012	*14,570.9*	*3,744.1*	*431.5*	–	*(18,746.5)*	–	
Total revenue	**2014**	**386,883.5**	**29,216.6**	**22,095.8**	**–**	**(21,085.6)**	**417,110.3**	**6,964.6**
	2013	*352,702.1*	*29,096.2*	*20,469.8*	–	*(20,273.8)*	*381,994.3*	
	2012	*313,317.1*	*24,739.8*	*20,024.2*	–	*(18,746.5)*	*339,334.6*	
Segment results before finance costs, exceptional items and tax	**2014**	**107,249.5**	**8,007.4**	**432.5**	**1,069.0**	**–**	**116,758.4**	**1,949.6**
	2013	*95,415.3*	*6,282.4*	*349.3*	*1,832.0*	–	*103,879.0*	
	2012	*102,762.9*	*5,304.5*	*636.1*	*4,014.1*	–	*112,717.6*	
Less: Finance costs	**2014**						**18,205.8**	**304.0**
	2013						*18,767.7*	
	2012						*19,254.2*	
Profit before exceptional items and tax	**2014**						**98,552.6**	**1,645.6**
	2013						*85,111.3*	
	2012						*93,463.4*	
Exceptional items								
(a) Profit on sale of non-current investments	**2014**						**–**	**–**
	2013						*123.3*	
	2012						*5,110.1*	
(b) Provision for diminution in the value of investment/doubtful advances	**2014**						**(1,417.6)**	**(23.7)**
	2013						*(6,868.6)*	
	2012						–	
Profit before tax	**2014**						**97,135.0**	**1,621.9**
	2013						*78,366.0*	
	2012						*98,573.5*	
Tax expense	**2014**						**33,013.1**	**551.2**
	2013						*27,736.3*	
	2012						*31,609.3*	
Profit after tax	*2014*						**64,121.9**	**1,070.7**
	2013						*50,629.7*	
	2012						*66,964.2*	
Segment assets	**2014**	**522,071.5**	**6,568.8**	**3,646.3**	**30,330.8**	**–**	**562,617.4**	**9,394.2**
	2013	*430,491.2*	*6,497.5*	*3,993.9*	*49,790.2*	–	*490,772.8*	
	2012	*360,845.5*	*5,425.6*	*4,170.0*	*74,552.6*	–	*444,993.7*	
Segment liabilities	**2014**	**133,466.8**	**3,679.2**	**2,332.7**	**31,162.4**	**–**	**170,641.1**	**2,849.2**
	2013	*113,123.4*	*3,896.1*	*1,977.1*	*24,432.9*	–	*143,429.5*	
	2012	*99,369.3*	*3,471.3*	*1,736.1*	*29,463.7*	–	*134,040.4*	
Capital expenditure	**2014**	**111,254.8**	**521.1**	**20.8**	**–**	**–**	**111,796.7**	**1,866.7**
	2013	*80,277.6*	*156.9*	*180.9*	–	–	*80,615.4*	
	2012	*74,778.5*	*53.5*	*17.4*	–	–	*74,849.4*	
Segment depreciation	**2014**	**18,790.1**	**277.6**	**219.3**	**–**	**–**	**19,287.0**	**322.0**
	2013	*15,960.8*	*223.8*	*219.2*	–	–	*16,403.8*	
	2012	*11,060.1*	*231.3*	*223.0*	–	–	*11,514.4*	
Non-cash expenditure other than depreciation	**2014**	**762.4**	**4.3**	**6.1**	**–**	**–**	**772.8**	**12.9**
	2013	*208.2*	*(1.3)*	*0.1*	*54.3*	–	*261.3*	
	2012	*110.3*	*(38.3)*	*6.7*	–	–	*78.7*	

Secondary Segment Information (Geographical Segment)

	For the year ended March 31,			
	2013-14	**2013-14**	*2012-13*	*2011-12*
	US $ million		**₹ million**	
Segment Revenue				
– Within India	**6,622.1**	**396,598.7**	*358,067.5*	*321,178.3*
– Outside India	**342.5**	**20,511.6**	*23,926.8*	*18,156.3*
	6,964.6	**417,110.3**	*381,994.3*	*339,334.6*
Capital Expenditure				
– Within India	**1,866.7**	**111,796.7**	*80,615.4*	*74,849.4*
– Outside India	**–**	**–**	*–*	*–*
	1,866.7	**111,796.7**	*80,615.4*	*74,849.4*
Segment Assets				
– Within India	**9,394.2**	**562,617.4**	*490,772.8*	*444,993.7*
– Outside India	**–**	**–**	*–*	*–*
	9,394.2	**562,617.4**	*490,772.8*	*444,993.7*

Additional information:

(1) 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.

(2) 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.

(3) Unallocable Assets and Liabilities exclude:

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
Assets:				
Non-current investments	**8,735.8**	**523,185.6**	*499,848.0*	*490,783.5*
Current investments	**391.3**	**23,432.4**	*4,340.0*	*12,041.7*
Advance against equity	**19.5**	**1,168.7**	*23,808.5*	*10,211.0*
	9,146.6	**547,786.7**	*527,996.5*	*513,036.2*
Liabilities:				
Long-term borrowings	**3,975.3**	**238,080.9**	*235,655.7*	*213,532.0*
Short-term borrowings	**7.3**	**436.9**	*709.4*	*656.2*
Current maturities of long-term borrowings	**678.8**	**40,654.8**	*38,712.8*	*47,534.3*
Hybrid perpetual securities	**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
Provision for employee separation compensation	**99.7**	**5,970.7**	*6,977.7*	*7,647.3*
Deferred tax liabilities (net)	**340.4**	**20,389.8**	*18,437.4*	*9,705.1*
	5,481.4	**328,283.1**	*323,243.0*	*301,824.9*

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

44. RELATED PARTY TRANSACTIONS

(a) List of Related Parties and Relationships

	Name of the Party	Country
A.	**Subsidiaries:**	
i)	**ABJA Investment Co. Pte. Ltd.***	Singapore
ii)	**Adityapur Toll Bridge Company Limited**	India
iii)	**Bangla Steel & Mining Co. Ltd.**	Bangladesh
iv)	**Gopalpur Special Economic Zone Limited**	India
v)	**Indian Steel & Wire Products Ltd.**	India
vi)	**Jamshedpur Continuous Annealing and Processing Company Private Limited**	India
vii)	**Jamshedpur Utilities & Services Company Limited**	India
	1. Haldia Water Management Limited	India
	2. Naba Diganta Water Management Limited	India
	3. SEZ Adityapur Limited	India
viii)	**Kalimati Investment Company Limited▲**	India
ix)	**Lanka Special Steels Ltd.**	Sri Lanka
x)	**NatSteel Asia Pte. Ltd.**	Singapore
	1. Tata Steel Asia (Hong Kong) Ltd.	Hong Kong SAR
	2. Tata Steel Resources Australia Pty. Ltd.	Australia
xi)	**Sila Eastern Ltd.** ☼**	Thailand
xii)	**T M Mining Company Limited**	India
xiii)	**T S Alloys Limited**	India
xiv)	**Tata Incorporated**	USA
xv)	**Tata Korf Engineering Services Ltd.**	India
xvi)	**Tata Metaliks Ltd.**	India
	1. Tata Metaliks Di Pipes Limited	India
xvii)	**Tata Sponge Iron Limited#**	India
	1. TSIL Energy Limited	India
xviii)	**Tata Steel (KZN) (Pty) Ltd.**	South Africa
xix)	**Tata Steel Holdings Pte. Ltd.**	Singapore
	1. Tata Steel Global Holdings Pte Ltd.	Singapore
	I. Orchid Netherlands (No.1) B.V.	Netherlands
	II. NatSteel Holdings Pte. Ltd.	Singapore
	1. Best Bar Pty. Ltd.	Australia
	2. Bestbar (Vic) Pty. Ltd.	Australia
	3. Burwill Trading Pte. Ltd.	Singapore
	4. Easteel Construction Services Pte. Ltd.	Singapore
	5. Easteel Services (M) Sdn. Bhd.	Malaysia
	6. Eastern Steel Fabricators Phillipines, Inc.	Phillipines
	7. Eastern Steel Services Pte. Ltd.	Singapore
	8. Eastern Wire Pte. Ltd.	Singapore
	9 NatSteel (Xiamen) Ltd.	China
	10. NatSteel Asia (S) Pte. Ltd.	Singapore
	11. NatSteel Australia Pty. Ltd.	Australia
	12. NatSteel Equity IV Pte. Ltd.	Singapore
	13. NatSteel Recycling Pte Ltd.	Singapore
	14. NatSteel Trade International (Shanghai) Company Ltd.	China
	15. NatSteel Trade International Pte. Ltd.	Singapore
	16. NatSteel Vina Co. Ltd.	Vietnam
	17. PT Material Recycling Indonesia*	Indonesia
	18. The Siam Industrial Wire Company Ltd.	Thailand
	19. TSN Wires Co., Ltd.	Thailand
	20. Wuxi Jinyang Metal Products Co. Ltd.**	China
	III. Tata Steel Europe Limited	UK
	1. Almana Steel Dubai (Jersey) Limited	Jersey
	2. Apollo Metals Ltd.	USA
	3. Ashorne Hill Management College	UK
	4. Augusta Grundstucks GmbH	Germany
	5. Automotive Laser Technologies Limited	UK
	6. B S Pension Fund Trustee Ltd.	UK
	7. Bailey Steels Limited*	UK
	8. Beheermaatschappij Industriele Produkten B.V.	Netherlands
	9. Belfin Beheermaatschappij B.V.	Netherlands
	10. Bell & Harwood Limited	UK
	11. Blastmega Limited	UK
	12. Blume Stahlservice GmbH	Germany
	13. Blume Stahlservice Polska Sp.Z.O.O	Poland
	14. Bore Samson Group Ltd	UK
	15. Bore Steel Ltd.	UK
	16. British Guide Rails Ltd.	UK
	17. British Steel Corporation Ltd	UK
	18. British Steel De Mexico S.A. de C.V.	Mexico
	19. British Steel Directors (Nominees) Limited	UK
	20. British Steel Employee Share Ownership Trustees Ltd.	UK
	21. British Steel Engineering Steels (Exports) Limited	UK
	22. British Steel Nederland International B.V.	Netherlands
	23. British Steel Samson Limited	UK
	24. British Steel Service Centres Ltd.	UK
	25. British Steel Tubes Exports Ltd.*	UK
	26. British Tubes Stockholding Ltd.	UK
	27. Bs Quest Trustee Limited	UK
	28. Burgdorfer Grundstuecks GmbH	Germany
	29. C V Benine	Netherlands
	30. C Walker & Sons Ltd.	UK
	31. Catnic GmbH	Germany
	32. Catnic Limited	UK
	33. Cbs Investissements SAS	France
	34. Cladding & Decking (UK) Limited	UK
	35. Cogent Power Inc.	Canada
	36. Cogent Power SA DE CV	Mexico
	37. Cogent Power Inc.	USA
	38. Cogent Power Limited	UK
	39. Color Steels Limited	UK
	40. Corbeil Les Rives SCI	France
	41. Corby (Northants) & District Water Co.	UK
	42. Cordor (C& B) Limited	UK
	43. Corus Aluminium Verwaltungsgesellschaft Mbh	Germany
	44. Corus Beteiligungs GmbH	Germany
	45. Corus Building Systems Bulgaria AD	Bulgaria
	46. Corus Building Systems N.V.	Belgium
	47. Corus Building Systems SAS	France
	48. Corus CNBV Investments	UK
	49. Corus Coatings Usa Inc.	USA
	50. Corus Cold drawn Tubes Limited	UK
	51. Corus Engineering Steels (UK) Limited	UK
	52. Corus Engineering Steels Holdings Limited	UK
	53. Corus Engineering Steels Limited	UK
	54. Corus Engineering Steels Overseas Holdings Limited	UK
	55. Corus Engineering Steels Pension Scheme Trustee Limited	UK
	56. Corus Group Limited	UK
	57. Corus Holdings Ltd.	UK
	58. Corus International (Overseas Holdings) Limited	UK

Name of the Party	Country
59. Corus International Limited	UK
60. Corus International Romania SRL.	Romania
61. Corus Investments Ltd.	UK
62. Corus Ireland Ltd.	Ireland
63. Corus Large Diameter Pipes Limited	UK
64. Corus Liaison Services (India) Limited	UK
65. Corus Management Limited	UK
66. Corus Packaging Plus Norway AS	Norway
67. Cogent Power Electrical Steels Limited*	UK
68. Corus Primary Aluminium B.V.	Netherlands
69. Corus Properties (Germany) Limited	UK
70. Corus Property	UK
71. Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	Ireland
72. Corus Service Center Milano Spa*	Italy
73. Corus Service Centre Limited	N Ireland
74. Corus Sheet & Tube Inc.	USA
75. Corus Steel Service STP LLC	Russia
76. Corus Trico Holdings Inc.	USA
77. Corus Tubes Poland Spolka Z.O.O	Poland
78. Corus UK Healthcare Trustee Limited	UK
79. Corus Ukraine LLC	Ukraine
80. Cpn (85) Limited	UK
81. Crucible Insurance Company Ltd.	I of Man
82. Degels GmbH	Germany
83. Demka B.V.	Netherlands
84. Dsrm Group Plc.	UK
85. Eric Olsson & Soner Forvaltnings AB	Sweden
86. Esmil B.V.	Netherlands
87. Euro-Laminations Limited*	UK
88. Europressings Limited	UK
89. Firsteel Group Limited	UK
90. Firsteel Holdings Limited	UK
91. Firsteel Strip Mill Products Limited	UK
92. Fischer Profil GmbH	Germany
93. Gamble Simms Metals Ltd.	Ireland
94. Grant Lyon Eagre Ltd.	UK
95. H E Samson Ltd.	UK
96. Hadfields Holdings Ltd.	UK
97. Hammermega Limited	UK
98. Harrowmills Properties Ltd.	UK
99. Hille & Muller GmbH	Germany
100. Hille & Muller Usa Inc.	USA
101. Hoogovens (UK) Limited	UK
102. Hoogovens Aluminium UK Limited	UK
103. Hoogovens Finance B.V.	Netherlands
104. Hoogovens Usa Inc.	USA
105. Huizenbezit “Breesaap” B.V.	Netherlands
106. Ickles Cottage Trust	UK
107. Immobilliere De Construction De Maubeuge Et Louvroil SAS	France
108. Inter Metal Distribution SAS	France
109. Kalzip Asia Pte Limited	Singapore
110. Kalzip FZE	UAE
111. Kalzip GmbH	Germany
112. Kalzip GmbH	Austria
113. Kalzip Guangzhou Limited	China
114. Kalzip Inc	USA
115. Kalzip India Private Limited	India
116. Kalzip Italy SRL	Italy
117. Kalzip Limited	UK

Name of the Party	Country
118. Kalzip Spain S.L.U.	Spain
119. Layde Steel S.L.	Spain
120. Lister Tubes Ltd.	Ireland
121. London Works Steel Company Ltd.	UK
122. Midland Steel Supplies Ltd.	UK
123. Mistbury Investments Limited	UK
124. Montana Bausysteme AG	Switzerland
125. Myriad Deutschland GmbH	Germany
126. Myriad Espana Sl	Spain
127. Myriad Nederland B.V.	Netherlands
128. Namascor B.V.	Netherlands
129. Nationwide Steelstock Limited	UK
130. Oostflank B.V.*	Netherlands
131. Orb Electrical Steels Limited	UK
132. Ore Carriers Ltd.	UK
133. Oremco Inc.	USA
134. Plated Strip International Limited	UK
135. Precoat International Limited	UK
136. Precoat Limited	UK
137. Rafferty-Brown Steel Co Inc Of Conn.	USA
138. Richard Thomas And Baldwins 1978.Limited*	New Zealand
139. Round Oak Steelworks Ltd.	UK
140. Runblast Limited	UK
141. Runmega Limited	UK
142. S A B Profiel B.V.	Netherlands
143. S A B Profil GmbH	Germany
144. Scrap Processing Holding B.V.	Netherlands
145. Seamless Tubes Ltd.	UK
146. Service Center Gelsenkirchen GmbH	Germany
147. Service Centre Maastricht B.V.	Netherlands
148. SIA Corus Building Systems	Latvia
149. Simiop Investments Ltd.*	UK
150. Simiop Ltd.*	UK
151. Skruv Erik AB	Sweden
152. Societe Europeenne De Galvanisation (Segal) Sa	Belgium
153. Staalverwerking En Handel B.V.	Netherlands
154. Stainless Velsen-Noord BV	Netherlands
155. Steel StockHoldings Ltd.	UK
156. Steelstock Ltd.	UK
157. Stewarts & Lloyds Of Ireland Ltd.	Ireland
158. Stewarts And Lloyds (Overseas) Ltd.	UK
159. Stocksbridge Works Cottage Trust Limited	UK
160. Stuwadoorsbedrijf Velserkom B.V.*	Netherlands
161. Surahammar Bruks AB	Sweden
162. Swinden Housing Association	UK
163. Tata Steel Belgium Packaging Steels N.V.	Belgium
164. Tata Steel Belgium Services N.V.	Belgium
165. Tata Steel Denmark Byggsystemer A/S	Denmark
166. Tata Steel Europe Distribution BV	Netherlands
167. Tata Steel Europe Metals Trading BV	Netherlands
168. Tata Steel France Batiment et Systemes SAS	France
169. Tata Steel France Holdings SAS	France
170. Tata Steel France Rail SA	France
171. Tata Steel Germany GmbH	Germany
172. Tata Steel Hungary LLC*	Hungary
173. Tata Steel Ijmuiden BV	Netherlands
174. Tata Steel International (Americas) Holdings Inc	USA
175. Tata Steel International (Americas) Inc	USA
176. Tata Steel International (Australasia) Limited	New Zealand

Name of the Party	Country
177. Tata Steel International (Benelux) BV	Netherlands
178. Tata Steel International (Canada) Holdings Inc	Canada
179. Tata Steel International (Czech Republic) S.R.O	Czech Republic
180. Tata Steel International (Denmark) A/S	Denmark
181. Tata Steel International (Finland) OY	Finland
182. Tata Steel International (France) SAS	France
183. Tata Steel International (Germany) GmbH	Germany
184. Tata Steel International (South America) Representações LTDA	Brazil
185. Tata Steel International Hellas SA	Greece
186. Tata Steel International (Italia) SRL	Italy
187. Tata Steel International (Middle East) FZE	UAE
188. Tata Steel International (Nigeria) Ltd.	Nigeria
189. Tata Steel International (Poland) sp Zoo	Poland
190. Tata Steel International (Schweiz) AG	Switzerland
191. Tata Steel International (Sweden) AB	Sweden
192. Tata Steel International (India) Limited	India
193. Tata Steel International Iberica SA	Spain
194. Tata Steel Istanbul Metal Sanayi ve Ticaret AS	Turkey
195. Tata Steel Logistics and Shipping BV	Netherlands
196. Tata Steel Maubeuge SAS	France
197. Tata Steel Nederland BV	Netherlands
198. Tata Steel Nederland Consulting & Technical Services BV	Netherlands
199. Tata Steel Nederland Investment BV	Netherlands
200. Tata Steel Nederland Perfo BV	Netherlands
201. Tata Steel Nederland Services BV	Netherlands
202. Tata Steel Nederland Star-Frame BV	Netherlands
203. Tata Steel Nederland Technology BV	Netherlands
204. Tata Steel Nederland Tubes BV	Netherlands
205. Tata Steel Netherlands Holdings B.V.	Netherlands
206. Tata Steel Norway Byggsystemer A/S	Norway
207. Tata Steel Speciality Service Centre Suzhou Co. Ltd	China
208. Tata Steel Sweden Byggsystem AB	Sweden
209. Tata Steel Speciality Service Centre Xian Co. Ltd	China
210. Tata Steel UK Consulting Limited	UK
211. Tata Steel UK Holdings Limited	UK
212. Tata Steel UK Limited	UK
213. Tata Steel UK Rail Consultancy Limited	UK
214. Tata Steel Usa Inc.	USA
215. The Newport And South Wales Tube Company Ltd.	UK
216. The Stanton Housing Company Ltd.	UK
217. The Steel Company Of Ireland Limited	Ireland
218. The Templeborough Rolling Mills Ltd.	UK
219. Thomas Processing Company	USA
220. Thomas Steel Strip Corp.	USA
221. Tinsley Trailers Limited*	UK
222. Toronto Industrial Fabrications Ltd.	UK
223. Trierer Walzwerk GmbH	Germany
224. Tulip UK Holdings (No.2) Ltd.	UK
225. Tulip UK Holdings (No.3) Ltd.	UK
226. Tuscaloosa Steel Corporation	USA
227. U.E.S. Bright Bar Limited	UK
228. UK Steel Enterprise Ltd.	UK
229. Ukse Fund Managers (General Partner) Limited	UK
230. Ukse Fund Managers Limited	UK
231. Unitol SAS	France
232. Walker Manufacturing And Investments Ltd.	UK
233. Walkersteelstock Ireland Limited	Ireland
234. Walkersteelstock Ltd.	UK
235. Westwood Steel Services Ltd.	UK
236. Whitehead (Narrow Strip) Ltd.	UK
237. Cold drawn Tubes Ltd.**	UK
238. Corus Consulting B.V.**	Netherlands
239. Corus Finance Limited**	UK
240. Corus International Bulgaria Limited**	Bulgaria
241. Corus Norge A/S**	Norway
242. Hoogovens Technical Services Mexico De S. De R.L. De CV**	Mexico
243. Industrial Steels Limited**	UK
244. Tata Steel International (North America) Ltd.**	USA
245. Tata Steel International (UK) Ltd.**	UK
246. Vlietonge BV**	Netherlands
IV. **Tata Steel Global Minerals Holdings Pte Ltd.**	Singapore
1. Al Rimal Mining LLC	Oman
2. Black Ginger 461 (Proprietary) Ltd	South Africa
3. Howse Minerals Ltd. *	Canada
4. Kalimati Coal Company Pty. Ltd.	Australia
5. Sedibeng Iron Ore Pty. Ltd.	South Africa
6. Tata Steel Cote D' Ivoire S.A	Ivory Coast
7. Tata Steel Minerals UK Limited	UK
8. Tata Steel Minerals Canada Limited	Canada
9. T S Canada Capital Ltd	Canada
V. **Tata Steel International (Singapore) Holdings Pte. Ltd.**	Singapore
1. TSIA Holdings (Thailand) Limited	Thailand
2. Tata Steel International (Shanghai) Ltd.	China
3. Tata Steel International (Malaysia) Sdn. Bhd.	Malaysia
4. Tata Steel International (Thailand) Limited	Thailand
5. Tata Steel International (Singapore) Pte. Ltd.	Singapore
6. Tata Steel International (Asia) Limited	Hong Kong SAR
7. Tata Steel International (Guangzhou) Ltd.**	China
8. Tata Steel International (Hong Kong) Limited.**	Hong Kong SAR
VI. **Tata Steel (Thailand) Public Company Ltd.**	Thailand
1. N.T.S Steel Group Plc.	Thailand
2. The Siam Construction Steel Co. Ltd.	Thailand
3. The Siam Iron And Steel (2001) Co. Ltd.	Thailand
VII. **Tata Steel Global Procurement Company Pte. Ltd.**	Singapore
1. ProCo Issuer Pte. Ltd.	Singapore
xx) **Tata Steel Odisha Limited**	India
xxi) **Tata Steel Processing and Distribution Limited**	India
xxii) **Tayo Rolls Limited**	India
xxiii) **TM International Logistics Limited**	India
1. International Shipping and Logistics FZE	UAE
2. TKM Global China Ltd	China
3. TKM Global GmbH	Germany
4. TKM Global Logistics Limited	India
5. TM Harbour Services Private Limited	India

Name of the Party	Country
xxiv) **The Tata Pigments Limited**	India
xxv) **The Tinplate Company of India Limited**	India
B. Joint Ventures of:	
i) **Tata Steel Limited**	
1. Bhubaneshwar Power Private Limited	India
2. Himalaya Steel Mills Services Pvt. Ltd.	India
3. mjunction services ltd.	India
4. S & T Mining Company Private Limited	India
5. Tata BlueScope Steel Ltd.	India
6. Tata NYK Shipping Pte Ltd.	Singapore
7. The Dhamra Port Company Limited	India
ii) **Tata Steel Holdings Pte. Ltd.**	
a) **Tata Steel Global Holdings Pte Ltd.**	
I. **Tata Steel Europe Limited**	
1. Afon Tinplate Company Limited	UK
2. Air Products Llanwern Limited	UK
3. Bsr Pipeline Services Limited	UK
4. Caparo Merchant Bar Plc	UK
5. Corus Kalpinis Simos Cladding Industry SA	Greece
6. Danieli Corus Technical Services B.V.	Netherlands
7. Fabsec Limited	UK
8. Industrial Rail Services Ijmond B.V.	Netherlands
9. Laura Metaal Holding B.V.	Netherlands
10. Norsk Stal AS	Norway
11. Norsk Stal Tynnplater AS	Norway
12. Ravenscraig Limited	UK
13. Redcar Bulk Terminal Limited	UK
14. Tata Elastron Steel Service Center SA	Greece
15. Tata Steel Ticaret AS	Turkey
16. Texturing Technology Limited	UK
17. B V Ijerleew**	Netherlands
18. Corus Cogifer Switches And Crossings Limited**	UK
19. Hks Scrap Metals B.V.**	Netherlands
20. Ijzerhandel Geertsema Staal B.V.**	Netherlands
II. **Tata Steel Global Minerals Holdings Pte. Ltd.**	
1. Rio Tinto Benga (Mauritius) Limited	Mauritius
C. Associate of:	
i) **NatSteel Asia Pte. Ltd.**	
1. SteelAsia Development and Management Corp.*	Philippines
2. SteelAsia Industries Inc.*	Philippines
3. SteelAsia Manufacturing Corporation*	Philippines
ii) **Tata Incorporated**	
1. TKM Overseas Ltd.*	UK
iii) **Tata Steel Limited**	
1. Industrial Energy Ltd.	India
2. Jamipol Ltd.	India
3. Kalinga Aquatics Ltd.	India
4. Kumardhubi Fireclay & Silica Works Ltd.	India
5. Kumardhubi Metal Casting & Engineering Ltd.	India
6. Nicco Jubilee Park Limited	India
7. Rujuvalika Investments Ltd.	India
8. Strategic Energy Technology Systems Private Limited	India
9. Tata Construction & Projects Ltd.	India
10. TRL Krosaki Refractories Ltd.	India
11. TRF Ltd.	India
12. Indian Steel Rolling Mills Ltd.**	India
13. Tata Sponge Iron Ltd.#	India
iv) **Tata Steel Holdings Pte. Ltd.**	
a) **Tata Steel Global Holdings Pte Ltd.**	
I. **Tata Steel International (Singapore) Holdings Pte. Ltd.**	
1. European Profiles (M) Sdn. Bhd.	Malaysia
II. **Tata Steel Europe Limited**	
1. Ab Norskstal AS	Norway
2. Albi Profils SRL	France
3. Appleby Frodingham Cottage Trust Limited	UK
4. Combulex B.V.*	Netherlands
5. Cv Gasexpansie Ijmond	Netherlands
6. Danieli Corus Canada Inc.*	Canada
7. Danieli Corus Asia B.V.	Netherlands
8. Danieli Corus Braseq Ltda.*	Brazil
9. Danieli Corus Construction Services B.V.	Netherlands
10. Danieli Corus Construction Services Usa Inc.*	USA
11. Danieli Corus Do Brasil Ltda.*	Brazil
12. Danieli Corus Inc.*	USA
13. Danieli Corus Services Usa Inc.*	USA
14. Danieli Corus India Private Limited	India
15. European Profiles (Marketing) Sdn. Bhd.	Malaysia
16. Galvpro LP.	USA
17. Gietwalsonderhoudcombinatie B.V.	Netherlands
18. Hoogovens Court Roll Service Technologies Vof:	Netherlands
19. Hoogovens Gan Multimedia S.A. De C.V.	Mexico
20. Isolation Du Sud SA	France
21. Issb Limited	UK
22. MDC Sublance Probe Technology	Shanghai
23. Richard Lees Steel Decking Asia Snd. Bhd.	Malaysia
24. Schreiner Fleischer AS*	Norway
25. Thoresen & Thorvaldsen AS*	Norway
26. Trico LLC	USA
27. Weirton/Hoogovens GP	USA
28. Wupperman Staal Nederland B.V.	Netherlands
29. Rsp Holding B.V.**	Netherlands
30. Shanghai Bao Yi Beverage Can Making Co. Ltd.**	China
III. **Tata Steel Global Minerals Holdings Pte Ltd.**	
1. New Millennium Iron Corp.	Canada
v) **Indian Steel & Wire Products Ltd.**	
1. Metal Corporation of India	India

D. Promoters holding together with its subsidiary is more than 20%

Tata Sons Limited

E. Key Management Personnel

Mr. H. M. Nerurkar* – Managing Director

Mr. T. V. Narendran* – Managing Director

Mr. Koushik Chatterjee – Group Executive Director - Finance & Corporate

* Part of FY 2013-14.
** Part of FY 2012-13.
✡ By virtue of management control.
\# Earlier an associate, became subsidiary during the FY 2012-13.
▲ Amalgamated with Tata Steel Limited.

(b) Related Party Transactions

Transactions		Amount (million)	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of Goods	**2014**	**USD**	**842.1**	**86.2**	**–**	**–**	**–**	**928.3**
	2014	**INR**	**50,432.2**	**5,165.6**	**–**	**–**	**–**	**55,597.8**
	2013	*INR*	*39,140.8*	*4,431.6*	*–*	*–*	*–*	*43,572.4*
	2012	*INR*	*49,344.2*	*2,548.1*	*–*	*–*	*–*	*51,892.3*
Sale of Goods	**2014**	**USD**	**555.7**	**154.8**	**–**	**–**	**–**	**710.5**
	2014	**INR**	**33,282.7**	**9,268.3**	**–**	**–**	**–**	**42,551.0**
	2013	*INR*	*31,110.5*	*9,395.1*	*–*	*–*	*–*	*40,505.6*
	2012	*INR*	*26,930.8*	*3,411.3*	*–*	*–*	*–*	*30,342.1*
Receiving of Services	**2014**	**USD**	**273.6**	**117.2**	**–**	**–**	**0.2**	**391.0**
	2014	**INR**	**16,383.1**	**7,017.6**	**–**	**–**	**9.7**	**23,410.4**
	2013	*INR*	*14,438.4*	*6,604.9*	*–*	*–*	*11.1*	*21,054.4*
	2012	*INR*	*12,361.9*	*5,357.8*	*–*	*–*	*16.4*	*17,736.1*
Rendering of Services	**2014**	**USD**	**35.3**	**3.7**	**–**	**–**	**0.0**	**39.0**
	2014	**INR**	**2,113.5**	**220.0**	**–**	**–**	**0.5**	**2,334.0**
	2013	*INR*	*1,862.8*	*263.0*	*–*	*–*	*0.9*	*2,126.7*
	2012	*INR*	*1,692.0*	*159.1*	*–*	*–*	*1.6*	*1,852.7*
Purchase of Fixed Assets	**2014**	**USD**	**–**	**–**	**–**	**–**	**–**	**–**
	2014	**INR**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*INR*	*–*	*20.6*	*–*	*–*	*–*	*20.6*
	2012	*INR*	*0.7*	*542.0*	*–*	*–*	*–*	*542.7*
Sale of Fixed Assets	**2014**	**USD**	**–**	**–**	**–**	**–**	**–**	**–**
	2014	**INR**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*INR*	*3.6*	*–*	*–*	*–*	*–*	*3.6*
	2012	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
Dividend Paid	**2014**	**USD**	**–**	**0.2**	*****	********	**38.6**	**38.8**
	2014	**INR**	**–**	**9.3**	*****	********	**2,311.2**	**2,320.5**
	2013	*INR*	*–*	*14.0*	****	*–*	*3,466.8*	*3,480.8*
	2012	*INR*	*8.1*	*14.0*	*****	*–*	*3,281.1*	*3,303.2*
Dividend Income	**2014**	**USD**	**58.9**	**11.6**	**–**	**–**	**1.7**	**72.2**
	2014	**INR**	**3,529.8**	**693.6**	**–**	**–**	**99.0**	**4,322.4**
	2013	*INR*	*6,288.4*	*125.1*	*–*	*–*	*–*	*6,413.5*
	2012	*INR*	*461.8*	*91.1*	*–*	*–*	*–*	*552.9*
Interest Income	**2014**	**USD**	**4.9**	**9.0**	**–**	**–**	**–**	**13.9**
	2014	**INR**	**291.0**	**536.0**	**–**	**–**	**–**	**827.0**
	2013	*INR*	*301.7*	*445.3*	*–*	*–*	*–*	*747.0*
	2012	*INR*	*840.6*	*24.8*	*–*	*–*	*–*	*865.4*
Management contracts	**2014**	**USD**	**–**	**–**	**–**	**–**	**12.5**	**12.5**
	2014	**INR**	**–**	**–**	**–**	**–**	**750.0**	**750.0**
	2013	*INR*	*–*	*–*	*–*	*–*	*500.0*	*500.0*
	2012	*INR*	*–*	*–*	*–*	*–*	*500.0*	*500.0*
Finance Provided	**2014**	**USD**	**21.7**	**37.1**	**–**	**–**	**–**	**58.8**
	2014	**INR**	**1,296.6**	**2,222.9**	**–**	**–**	**–**	**3,519.5**
	2013	*INR*	*22,188.3*	*1,773.2*	*–*	*–*	*–*	*23,961.5*
	2012	*INR*	*27,829.3*	*3,994.8*	*–*	*–*	*–*	*31,824.1*

Transactions		Amount (million)	Subsidiaries	Associates and JVs#	Key Management Personnel	Relatives of Key Management Personnel	Promoter	Grand Total
Purchase of investments	**2014**	**USD**	**–**	**5.4**	**–**	**–**	**–**	**5.4**
	2014	**INR**	**–**	**320.6**	**–**	**–**	**–**	**320.6**
	2013	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
	2012	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
Remuneration	**2014**	**USD**	**–**	**–**	**2.3**	**–**	**–**	**2.3**
	2014	**INR**	**–**	**–**	**136.8**	**–**	**–**	**136.8**
	2013	*INR*	*–*	*–*	*91.7*	*–*	*–*	*91.7*
	2012	*INR*	*–*	*–*	*64.2*	*–*	*–*	*64.2*
Provision for receivables made during the year	**2014**	**USD**	**12.7**	**–**	**–**	**–**	**–**	**12.7**
	2014	**INR**	**762.1**	**–**	**–**	**–**	**–**	**762.1**
	2013	*INR*	*6,150.3*	*–*	*–*	*–*	*–*	*6,150.3*
	2012	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
Guarantees and collaterals given	**2014**	**USD**	**298.3**	**–**	**–**	**–**	**–**	**298.3**
	2014	**INR**	**17,862.8**	**–**	**–**	**–**	**–**	**17,862.8**
	2013	*INR*	*1,675.5*	*–*	*–*	*–*	*–*	*1,675.5*
	2012	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
Guarantees outstanding	**2014**	**USD**	**327.8**	**30.0**	**–**	**–**	**–**	**357.8**
	2014	**INR**	**19,634.6**	**1,797.0**	**–**	**–**	**–**	**21,431.6**
	2013	*INR*	*3,358.3*	*1,628.6*	*–*	*–*	*–*	*4,986.9*
	2012	*INR*	*1,577.3*	*1,526.4*	*–*	*–*	*–*	*3,103.7*
Outstanding Receivables	**2014**	**USD**	**166.0**	**131.5**	**–**	**–**	**0.2**	**297.7**
	2014	**INR**	**9,938.8**	**7,876.0**	**–**	**–**	**12.5**	**17,827.3**
	2013	*INR*	*36,667.8*	*5,654.0*	*–*	*–*	*12.5*	*42,334.3*
	2012	*INR*	*17,899.3*	*4,370.6*	*–*	*–*	*40.1*	*22,310.0*
Provision for Outstanding Receivables	**2014**	**USD**	**115.4**	**–**	**–**	**–**	**–**	**115.4**
	2014	**INR**	**6,912.4**	**–**	**–**	**–**	**–**	**6,912.4**
	2013	*INR*	*6,150.3*	*–*	*–*	*–*	*–*	*6,150.3*
	2012	*INR*	*–*	*–*	*–*	*–*	*–*	*–*
Outstanding Payables	**2014**	**USD**	**560.9**	**32.8**	**–**	**–**	**12.2**	**605.9**
	2014	**INR**	**33,594.9**	**1,965.3**	**–**	**–**	**732.3**	**36,292.5**
	2013	*INR*	*23,187.4*	*1,381.5*	*–*	*–*	*503.1*	*25,072.0*
	2012	*INR*	*26,129.1*	*1,190.5*	*–*	*–*	*558.6*	*27,878.2*
Bad Debts Recovered	**2014**	**USD**	**–**	**–**	**–**	**–**	**–**	**–**
	2014	**INR**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*INR*	*17.6*	*–*	*–*	*–*	*–*	*17.6*
	2012	*INR*	*30.7*	*–*	*–*	*–*	*–*	*30.7*

Transaction with Joint Ventures have been disclosed at full value
* ₹ 16,456.00 [US $ 274.8]
** ₹ 8,844.00
*** ₹ 8,844.00
**** ₹ 448.00 [US $ 7.5]

45. The Company has the following Joint Ventures as on 31st March, 2014 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Ventures is given below:

	As at 31st March,	Amount (million)	Country of Incorporation	Percentage of Holding	Assets	Liabilities	Contingent Liabilities	Capital Commitment	Income	Expenditure
mjunction services ltd.	**2014**	**USD**	India	50%	**19.7**	**7.9**	**–**	**0.6**	**11.4**	**7.1**
	2014	**INR**			**1,182.4**	**473.1**	**–**	**35.5**	**682.4**	**422.6**
	2013	*INR*			*1,634.9*	*637.3*	*–*	*0.8*	*643.7*	*370.8*
	2012	*INR*			*1,460.4*	*569.0*	*6.0*	*3.0*	*683.6*	*326.4*
The Dhamra Port Company Limited	**2014**	**USD**	India	50%	**302.2**	**326.2**	**0.5**	**0.4**	**64.4**	**75.6**
	2014	**INR**			**18,097.6**	**19,532.9**	**28.2**	**21.4**	**3,859.5**	**4,528.6**
	2013	*INR*			*17,898.6*	*18,664.7*	*15.2*	*85.5*	*2,522.7*	*4,222.5*
	2012	*INR*			*17,920.4*	*16,986.8*	*–*	*241.8*	*988.8*	*3,279.2*
Tata BlueScope Steel Ltd.	**2014**	**USD**	India	50%	**137.2**	**109.7**	**5.0**	**0.1**	**114.2**	**123.5**
	2014	**INR**			**8,219.1**	**6,569.0**	**297.4**	**3.4**	**6,840.5**	**7,393.8**
	2013	*INR*			*9,081.0*	*6,877.6*	*315.2*	*19.9*	*5,239.5*	*6,159.7*
	2012	*INR*			*8,518.3*	*6,144.7*	*257.4*	*176.6*	*3,589.6*	*4,040.4*
Tata NYK Shipping Pte Ltd.	**2014**	**USD**	Singapore	50%	**123.9**	**122.0**	**–**	**15.2**	**132.7**	**158.4**
	2014	**INR**			**7,417.9**	**7,308.7**	**–**	**908.5**	**7,949.1**	**9,484.6**
	2013	*INR*			*6,591.5*	*6,306.0*	*–*	*–*	*5,448.1*	*6,073.6*
	2012	*INR*			*4,294.0*	*3,443.2*	*2,198.5*	*1,858.1*	*3,489.7*	*4,059.6*
Bhubaneshwar Power Private Limited	**2014**	**USD**	India	14%	**10.2**	**8.1**	**0.1**	**8.9**	**0.4**	**0.4**
	2014	**INR**			**613.1**	**484.0**	**3.9**	**530.5**	**20.8**	**21.7**
	2013	*INR*			*219.9*	*105.1*	*3.9*	*542.2*	*1.1*	*0.8*
	2012	*INR*			*57.1*	*1.1*	*3.9*	*380.2*	*1.6*	*0.5*
S & T Mining Company Private Limited	**2014**	**USD**	India	50%	**0.6**	**0.2**	**–**	**0.1**	**0.2**	**0.5**
	2014	**INR**			**37.6**	**11.8**	**–**	**6.3**	**13.8**	**31.9**
	2013	*INR*			*51.2*	*16.8*	*–*	*0.7*	*3.3*	*19.8*
	2012	*INR*			*32.5*	*5.8*	*–*	*1.3*	*1.0*	*15.1*
Himalaya Steel Mills Services Pvt. Ltd.	**2014**	**USD**	India	26%	**1.3**	**0.8**	**–**	**–**	**0.6**	**0.8**
	2014	**INR**			**74.8**	**46.6**	**–**	**–**	**38.5**	**47.7**
	2013	*INR*			*85.7*	*51.2*	*–*	*–*	*31.4*	*34.4*
	2012	*INR*			*85.4*	*48.3*	*–*	*–*	*4.6*	*4.3*

46. DERIVATIVE INSTRUMENTS

(a) The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per Accounting Policies stated in Note 1 annexed to Balance Sheet and Statement of Profit and Loss.

(i) 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 and option contracts entered into by the Company on account of payables including forecast payables:

	As at March 31,		
	2014	*2013*	*2012*
No. of contracts	**172**	*90*	*64*
US Dollar equivalent (million)	**794.3**	*746.8*	*527.2*
INR equivalent (million)	**47,577.4**	*40,539.5*	*26,821.2*

Outstanding short-term forward exchange contracts and option contracts entered into by the Company on account of receivables:

	As at March 31,		
	2014	*2013*	*2012*
No. of contracts	**9**	*21*	*3*
US Dollar equivalent (million)	**11.2**	*75.5*	*4.0*
INR equivalent (million)	**671.4**	*4,097.2*	*201.4*

Outstanding long-term forward exchange contracts entered into by the Company:

	As at March 31,		
	2014	*2013*	*2012*
No. of contracts	**11**	*28*	*27*
	16*	*16**	*5**
US Dollar equivalent (million)	**404.6**	*734.3*	*1,207.2*
INR equivalent (million)	**24,235.1**	*39,862.1*	*61,421.2*

* Represents outstanding long-term forward exchange contracts used to hedge currency risk of Euro and GBP against USD. The corresponding USD exposure has been disclosed under unhedged loans payable.

(Long-term Forward Exchange Contracts outstanding as on 31st March, 2013 have been used to hedge the foreign currency risk on repayment of External Commercial Borrowings and Export Credit Agency Borrowings of the Company).

(ii) 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 provides 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 March 31,		
	2014	*2013*	*2012*
No. of contracts	**8***	*8**	*8**
US Dollar equivalent (million)	**335.0**	*335.0*	*335.0*
INR equivalent (million)	**20,066.5**	*18,185.5*	*17,044.8*

(* The above interest rate swap is part of full currency swap and the number of contract is also reflected in the outstanding long-term forward exchange contract as part of hedging the exchange risk).

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

	As at March 31,					
	2014		2013		2012	
	US $ equivalent million	**INR equivalent ₹ million**	*US $ equivalent million*	*INR equivalent ₹ million*	*US $ equivalent million*	*INR equivalent ₹ million*
Amounts receivable in foreign currency on account of the following:						
(i) Loans receivable	**88.0**	**5,271.4**	*91.4*	*4,957.8*	*96.5*	*4,909.8*
(ii) Interest receivable	**23.4**	**1,401.7**	*21.2*	*1,148.4*	*19.2*	*974.5*
(iii) Debtors outstanding	**18.2**	**1,089.3**	*22.8*	*1,237.8*	*1.3*	*65.2*
Amounts payable in foreign currency on account of the following:						
(i) Import of goods and services	**143.1**	**8,571.8**	*72.5*	*3,933.1*	*119.8*	*6,094.1*
(ii) Capital imports	**47.7**	**2,857.8**	*78.7*	*4,273.2*	*105.7*	*5,377.0*
(iii) Interest and commitment charges payable	**21.5**	**1,286.0**	*20.7*	*1,123.9*	*23.8*	*1,210.1*
(iv) Loans payable	**1,158.3**	**69,382.9**	*1,045.5*	*56,755.9*	*1,543.8*	*78,550.8*

47. The Board recommended dividend of **₹ 10** per Ordinary Share *(2012-13: ₹ 8 per Ordinary Share, 2011-12: ₹ 12 per Ordinary Share)* of ₹ 10 each for the year ended 31st March, 2014. The dividend is subject to the approvals of the shareholders at the Annual General Meeting. The total dividend payout (including tax on dividend) works out to **₹ 10,374.0** million [**US $ 173.2** million] *(2012-13: ₹ 9,057.0 million, 2011-12: ₹ 13,470.3 million)* for the Company.

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

49. Figures in italics are in respect of the previous years.

50. For the reader's convenience, US $ translation of INR amount as at March 31, 2014 have been provided at the rate of US $ 1.00 = INR 59.89

51. As the figures disclosed in the unconsolidated summary financial statements are extracted from the audited Indian Statutory Accounts for the years ended 31 March 2014, 2013 and 2012, approved by the Board of Directors on May 14, 2014, May 23, 2013 and May 18, 2012 respectively, on which auditors have issued their opinion dated May 14, 2014, May 23, 2013 and May 18, 2012 respectively, any event subsequent to the said dates has not been considered / adjusted.

REPORT OF THE INDEPENDENT AUDITOR ON THE CONSOLIDATED SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of TATA STEEL LIMITED

1. The accompanying consolidated summary financial statements of **Tata Steel Limited** (the "Company") which comprise the consolidated summary balance sheet as at March 31, 2014, 2013 and 2012, the consolidated summary statements of profit and Loss and cash flows for each of the years then ended, and the related Schedules and explanatory notes (referred to herein as the "Consolidated Summary Financial Statements") are derived from the audited consolidated financial statements (the "Audited Consolidated Financial Statements) of the Company for the years ended March 31, 2014, 2013 and 2012, respectively. Our audit reports dated May 14, 2014, May 23, 2013 and May 18, 2012 on each of the consolidated financial statements for the years ended March 31, 2014, 2013 and 2012, respectively, expressed an unqualified opinion and include an emphasis of matter paragraph on recognition of actuarial valuation changes. These consolidated summary financial statements do not reflect the events that occurred subsequent to the date of our reports.

2. **Management's Responsibility for the Consolidated Summary Financial Statements**

   Management is responsible for the preparation of the consolidated summary financial statements from the audited consolidated financial statements of the Company the years ended March 31, 2014, 2013 and 2012 on the basis described in Note 50 to the consolidated summary Financial Statements.

3. **Auditor's Responsibility**

   Our responsibility is to express an opinion on the Consolidated Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

4. **Opinion**

   In our opinion, the consolidated summary financial statements derived from the audited consolidated financial statements for the years ended March 31, 2014, 2013 and 2012 are consistent, in all material respects, with each of those financial statements.

5. **Emphasis of Matter**

Attention is drawn to note 43(e)(i) to the consolidated summary financial statements regarding the accounting policy for recognition of actuarial valuation change (net of tax) of Rs. 6,282 million, Rs.3,173 million and Rs.23,723 million for each of the years ended March 31, 2014, 2013 and 2012, respectively, in the pension and other post- retirement benefit plans of Tata Steel Europe Limited, a subsidiary, for the reasons specified therein. Had the Company recognized actuarial valuation changes in the consolidated summary statement of profit and loss, deferred tax expense would have been lower/(higher) by Rs.2,894 million, Rs.898 million and (Rs.795 million) and the profit/(loss) after taxes, minority interest and share of profits of associates would have been lower/(higher) by Rs. 6,282 million, (Rs.3,173 million) and Rs.23,723 million for each of the years ended March 31, 2014, 2013 and 2012, respectively.

6. **Other Matters**

As described in our audit reports for the years ended March 31, 2014, 2013 and 2012:

(a) we did not audit the financial statements of certain subsidiaries and jointly controlled entities whose financial statements / information reflect total assets (net) of Rs. 932,339 million, Rs. 214,103 million and Rs. 443,113 million, total revenues of Rs. 1,050,786 million, Rs. 945,096 million and Rs. 975,841 million, and net cash outflows amounting to Rs. 16,699 million, Rs. 1,808 million and Rs. 10,976 million in each of the years ended March 31, 2014, 2013 and 2012, respectively.

(b) the consolidated financial statements include the Group's share of net profit/(loss) of Rs. 2 million, (Rs. 24 million) and Rs. 14 million in each of the years ended March 31, 2014, 2013 and 2012, respectively, in respect of certain associates whose financial statements have not been audited by us.

(c) the financial statements described in 6(a) and 6(b) have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

(d) the consolidated financial statements include the unaudited financial statements of certain subsidiaries, whose financial statements reflect total assets/(liabilities) (net) of Rs. 23 million, (Rs. 17 million) and Rs. NIL and net cash out flows amounting to Rs. 0.1 million, Rs. 24 million and Rs. NIL in each of the years ended March 31, 2014, 2013 and 2012, respectively. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such unaudited financial statements.

(e) the consolidated financial statements also include the Group's share of net profit/(loss) of (Rs. 97 million), (Rs. 312 million) and Rs. 152 million in each of the years ended March 31, 2014, 2013 and 2012, respectively in respect of an associate, based on their unaudited financial statements as at and for the period ended December 31, 2013, 2012 and 2011, respectively. Our opinion, in so far as it relates to the amounts included in respect of these associate, is based solely on such unaudited financial statements.

(f) in respect of investments in certain associates valued at Re. 1 each in the financial statements of the Company no adjustments have been made in the consolidated financial statements as at March 31, 2014, 2013 and 2012.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

N. Venkatram
(Partner)
(Membership No.71387)

Date: MUMBAI, July 21, 2014

Consolidated Summary Statement of Assets and Liabilities

Note				As at March 31, 2014 US $ million	2014 ₹ million	*2013* ₹ million	*2012* ₹ million
	EQUITY AND LIABILITIES						
	(1)	SHAREHOLDERS' FUNDS					
3		(a)	Share capital	**162.2**	**9,714.1**	*9,714.1*	*9,714.1*
4		(b)	Reserves and surplus	**6,605.5**	**395,605.5**	*332,008.3*	*416,448.1*
				6,767.7	**405,319.6**	*341,722.4*	*426,162.2*
5	(2)	PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES		**3.3**	**200.0**	*212.1*	*224.3*
	(3)	WARRANTS ISSUED BY A SUBSIDIARY COMPANY		**–**	**–**	*–*	*174.6*
6	(4)	HYBRID PERPETUAL SECURITIES		**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
	(5)	MINORITY INTEREST		**290.2**	**17,377.2**	*16,693.6*	*10,911.5*
	(6)	NON-CURRENT LIABILITIES					
7		(a)	Long-term borrowings	**8,743.8**	**523,664.1**	*468,576.2*	*452,382.4*
8		(b)	Deferred tax liabilities	**433.4**	**25,957.7**	*31,549.8*	*25,038.5*
9		(c)	Other long-term liabilities	**306.9**	**18,379.7**	*11,205.2*	*8,898.6*
10		(d)	Long-term provisions	**1,027.9**	**61,564.8**	*53,564.4*	*47,150.5*
				10,512.0	**629,566.3**	*564,895.6*	*533,470.0*
	(7)	CURRENT LIABILITIES					
7		(a)	Short-term borrowings	**2,675.9**	**160,261.8**	*105,475.6*	*70,446.5*
11		(b)	Trade payables	**3,824.4**	**229,043.7**	*193,395.9*	*181,829.8*
12		(c)	Other current liabilities	**3,672.5**	**219,948.5**	*194,549.8*	*187,790.1*
10		(d)	Short-term provisions	**534.0**	**31,977.4**	*29,432.9*	*34,761.9*
				10,706.8	**641,231.4**	*522,854.2*	*474,828.3*
				28,659.9	**1,716,444.5**	*1,469,127.9*	*1,468,520.9*
	ASSETS						
	(8)	NON-CURRENT ASSETS					
		(a)	Fixed assets				
13			(i) Tangible assets	**9,225.1**	**552,493.7**	*519,775.4*	*390,809.3*
14			(ii) Intangible assets	**652.7**	**39,087.6**	*29,590.8*	*28,513.3*
			(iii) Capital work-in-progress	**4,334.0**	**259,563.5**	*137,861.5*	*200,279.7*
			(iv) Intangible assets under development	**144.6**	**8,661.0**	*4,904.7*	*1,680.6*
				14,356.4	**859,805.8**	*692,132.4*	*621,282.9*
		(b)	Goodwill on consolidation	**2,629.6**	**157,488.0**	*130,649.8*	*173,546.1*
15		(c)	Non-current investments	**404.9**	**24,250.7**	*24,973.7*	*26,228.8*
8		(d)	Deferred tax assets	**6.8**	**407.7**	*364.9*	*614.4*
16		(e)	Long-term loans and advances	**1,466.3**	**87,817.3**	*70,976.5*	*68,371.2*
17		(f)	Other non-current assets	**113.2**	**6,780.9**	*7,782.9*	*10,651.7*
				18,977.2	**1,136,550.4**	*926,880.2*	*900,695.1*
	(9)	CURRENT ASSETS					
15		(a)	Current investments	**445.6**	**26,684.0**	*7,602.9*	*13,983.7*
18		(b)	Inventories	**4,488.2**	**268,800.0**	*240,911.9*	*255,980.0*
19		(c)	Trade receivables	**2,672.5**	**160,057.7**	*139,939.6*	*148,784.8*
20		(d)	Cash and bank balances	**1,436.7**	**86,045.0**	*98,339.2*	*107,730.6*
16		(e)	Short-term loans and advances	**533.2**	**31,929.9**	*40,605.4*	*37,174.2*
21		(f)	Other current assets	**106.5**	**6,377.5**	*14,848.7*	*4,172.5*
				9,682.7	**579,894.1**	*542,247.7*	*567,825.8*
				28,659.9	**1,716,444.5**	*1,469,127.9*	*1,468,520.9*

1-48 Notes to Consolidated Statement of Assets and Liabilities and of Profit and Loss

Consolidated Summary Statement of Profit and Loss

Note			For the year ended March 31, 2014 US $ million	2014 ₹ million	*2013* ₹ million	*2012* ₹ million
	(1)	**REVENUE**				
22		(a) Revenue from operations	**25,582.4**	**1,532,127.9**	*1,388,211.4*	*1,359,755.6*
		Less: Excise duty	**768.0**	**45,992.4**	*41,096.0*	*30,758.6*
			24,814.4	**1,486,135.5**	*1,347,115.4*	*1,328,997.0*
23		(b) Other income	**86.3**	**5,168.1**	*4,791.5*	*15,730.3*
		TOTAL REVENUE	**24,900.7**	**1,491,303.6**	*1,351,906.9*	*1,344,727.3*
	(2)	**EXPENSES**				
		(a) Raw materials consumed	**7,721.3**	**462,429.8**	*406,434.6*	*454,575.4*
		(b) Purchase of finished, semi-finished and other products	**2,839.9**	**170,082.1**	*184,738.7*	*210,734.3*
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**(85.9)**	**(5,146.7)**	*14,189.2*	*(7,859.3)*
24		(d) Employee benefits expense	**3,390.1**	**203,034.1**	*189,120.0*	*172,286.4*
25		(e) Depreciation and amortisation expense	**975.3**	**58,412.2**	*55,753.2*	*45,166.5*
26		(f) Finance costs	**724.1**	**43,368.3**	*39,681.1*	*42,501.1*
27		(g) Other expenses	**8,463.8**	**506,894.0**	*442,590.7*	*383,668.6*
			24,028.6	**1,439,073.8**	*1,332,507.5*	*1,301,073.0*
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	**254.9**	**15,267.9**	*13,169.9*	*8,576.3*
		TOTAL EXPENSES	**23,773.7**	**1,423,805.9**	*1,319,337.6*	*1,292,496.7*
	(3)	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**	**1,127.0**	**67,497.7**	*32,569.3*	*52,230.6*
28	(4)	**EXCEPTIONAL ITEMS**				
		(a) Provision for diminution in value of investments	**(0.1)**	**(4.2)**	–	–
		(b) Profit/(Loss) on sale of non-current investments	**3.1**	**182.0**	*9,660.3*	*33,619.2*
		(c) Provision for impairment of non-current assets	**(7.6)**	**(454.2)**	*(83,559.1)*	–
			(4.6)	**(276.4)**	*(73,898.8)*	*33,619.2*
	(5)	**PROFIT/(LOSS) BEFORE TAX**	**1,122.4**	**67,221.3**	*(41,329.5)*	*85,849.8*
	(6)	**TAX EXPENSE**				
		(a) Current tax [includes a credit of ₹ **1,013.5** million [**US $ 16.9** million] (2012-13: debit of ₹ 766.3 million, 2011-12: Nil)]	**581.5**	**34,826.4**	*23,254.0*	*35,176.5*
		(b) MAT credit	**(0.0)**	**(2.1)**	*(4,101.2)*	*(54.1)*
		(c) Deferred tax	**(70.9)**	**(4,242.7)**	*13,141.6*	*1,242.2*
			510.6	**30,581.6**	*32,294.4*	*36,364.6*
	(7)	**PROFIT/(LOSS) AFTER TAX**	**611.8**	**36,639.7**	*(73,623.9)*	*49,485.2*
	(8)	**MINORITY INTEREST**	**(11.7)**	**(699.2)**	*2,144.6*	*1,731.4*
	(9)	**SHARE OF PROFIT OF ASSOCIATES**	**0.1**	**8.4**	*903.1*	*2,681.1*
	(10)	**PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES**	**600.2**	**35,948.9**	*(70,576.2)*	*53,897.7*
	(11)	**NOMINAL VALUE PER SHARE (₹)**	**10.0**	**10.0**	*10.0*	*10.0*
			US $	**₹**	*₹*	*₹*
29	(12)	**BASIC EARNINGS PER SHARE**	**0.6**	**35.19**	*(74.54)*	*54.27*
29	(13)	**DILUTED EARNINGS PER SHARE**	**0.6**	**35.19**	*(74.54)*	*53.61*

1-48 Notes to Consolidated Statement of Assets and Liabilities and of Profit and Loss

Consolidated Summary Statement of Cash Flow

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
A.	**Cash Flow from Operating Activities:**				
	Profit/(Loss) before tax	**1,122.4**	**67,221.3**	*(41,329.5)*	*85,849.8*
	Adjustments for:				
	Depreciation and amortisation expense	**975.3**	**58,412.2**	*55,753.2*	*45,166.5*
	Income from non-current investments	**(11.0)**	**(659.4)**	*(952.4)*	*(974.1)*
	(Profit)/Loss on sale of non-current investments	**(7.2)**	**(429.8)**	*(9,675.2)*	*(33,619.2)*
	(Profit)/Loss on assets sold/discarded	**7.9**	**470.2**	*(745.2)*	*74.1*
	Provision for impairment of non-current assets	**7.6**	**454.2**	*83,559.1*	–
	Interest and income from current investments	**(80.5)**	**(4,822.1)**	*(4,513.9)*	*(8,981.0)*
	Finance costs	**724.1**	**43,368.3**	*39,681.1*	*42,501.1*
	(Gain)/Loss on cancellation of forwards, swaps and options	**1.5**	**91.0**	*1,434.9*	*430.6*
	Exchange (gain)/loss on revaluation of foreign currency loans and swaps	**138.2**	**8,277.7**	*1,853.1*	*6,256.1*
	Provision for wealth tax	**0.4**	**21.1**	*21.9*	*18.0*
	Other non-cash expenditure	**31.3**	**1,877.3**	*2,549.0*	*1,067.5*
		1,787.6	**107,060.7**	*168,965.6*	*51,939.6*
Operating Profit before Working Capital Changes		**2,910.0**	**174,282.0**	*127,636.1*	*137,789.4*
	Adjustments for:				
	Trade and other receivables	**(234.4)**	**(14,037.3)**	*13,423.1*	*9,811.9*
	Inventories	**64.9**	**3,889.2**	*19,153.7*	*4,077.2*
	Trade payables and other liabilities	**(42.5)**	**(2,547.6)**	*5,829.8*	*(4,463.6)*
		(212.0)	**(12,695.7)**	*38,406.6*	*9,425.5*
Cash Generated from Operations		**2,698.0**	**161,586.3**	*166,042.7*	*147,214.9*
	Direct tax paid	**(503.0)**	**(30,127.4)**	*(25,689.8)*	*(34,666.4)*
Net Cash Flow from/(used in) Operating Activities		**2,195.0**	**131,458.9**	*140,352.9*	*112,548.5*
B.	**Cash Flow from Investing Activities:**				
	Purchase of fixed assets[(1)]	**(2,741.7)**	**(164,200.9)**	*(154,715.1)*	*(120,777.0)*
	Sale of fixed assets	**49.2**	**2,945.7**	*2491.2*	*1,773.9*
	Purchase of non-current investments	**(80.0)**	**(4,790.4)**	*(3,022.4)*	*(3,011.1)*
	Acquisition of subsidiaries/joint ventures/undertakings	**(0.0)**	**(1.0)**	*(1,557.0)*	–
	Disposal of subsidiaries/joint ventures/undertakings	**9.9**	**593.7**	*9,015.7*	*7,214.7*
	Sale of non-current investments	**260.6**	**15,607.2**	*2,327.4*	*51,367.5*
	(Purchase)/sale of current investments (net)	**(287.6)**	**(17,224.8)**	*9,869.0*	*21,933.8*
	Inter-corporate deposits (net)	**(16.0)**	**(960.0)**	*(953.4)*	*(1,750.0)*
	Interest and income from current investments received	**44.2**	**2,651.1**	*2,111.9*	*4,921.3*
	Dividend received	**14.5**	**868.3**	*1,464.1*	*1,272.6*
Net Cash Flow from/(used in) Investing Activities		**(2,746.9)**	**(164,511.1)**	*(132,968.6)*	*(37,054.3)*

Consolidated Summary Statement of Cash Flow

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
C. Cash Flow from Financing Activities:				
Issue of equity shares	**0.0**	**0.1**	*0.2*	*5,346.0*
Proceeds from sale of cross holdings	**–**	**–**	*–*	*312.2*
Issue/(Redemption) of Preference Shares	**(0.2)**	**(12.1)**	*(12.2)*	*200.0*
Capital contributions received	**1.9**	**113.4**	*208.0*	*286.3*
Contribution received from minority	**0.3**	**21.2**	*2,426.3*	*183.0*
Proceeds from issue of Hybrid Perpetual Securities	**–**	**–**	*–*	*7,750.0*
Proceeds from borrowings	**6,438.1**	**385,575.9**	*301,286.2*	*189,565.0*
Repayment of borrowings	**(5,457.1)**	**(326,827.0)**	*(272,106.3)*	*(235,490.4)*
Amount received/(paid) on cancellation of forwards, swaps and options	**(1.5)**	**(91.3)**	*(1,383.7)*	*(329.6)*
Distribution on Hybrid Perpetual Securities	**(44.4)**	**(2,661.3)**	*(2,657.6)*	*(2,224.7)*
Expenses (incurred)/reimbursed on issue of equity instruments	**0.5**	**33.5**	*24.0*	*(167.9)*
Interest paid(1)	**(613.8)**	**(36,763.0)**	*(31,998.9)*	*(35,253.5)*
Dividend paid	**(131.4)**	**(7,867.2)**	*(11,691.3)*	*(11,638.3)*
Tax on dividend paid	**(23.0)**	**(1,376.6)**	*(1,898.8)*	*(1,857.3)*
Net Cash Flow from/(used in) Financing Activities	**169.4**	**10,145.6**	*(17,804.1)*	*(83,319.2)*
Net increase/(decrease) in Cash and Cash Equivalents	**(382.5)**	**(22,906.6)**	*(10,419.8)*	*(7,825.0)*
Opening Cash and Cash Equivalents	**1,614.5**	**96,691.0**	*10,5131.1*	*108,057.7*
Effect of exchange rate on translation of foreign currency Cash and Cash Equivalents	**179.1**	**10,728.6**	*1,979.7*	*6,338.7*
Closing Cash and Cash Equivalents	**1,411.1**	**84,513.0**	*96,691.0*	*106,571.4*

Additional information:

(1) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capatalised ₹ **4,352.9** million [**US $ 72.7** million] *(2012-13: ₹ 2,318.1 million, 2011-12: ₹ 3,362.2 million)*

(2) Previous years' figures have been recast/restated where necessary.

NOTES TO CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AND OF PROFIT AND LOSS

1. PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements consist of Tata Steel Limited (“the Company”) and its subsidiary companies (collectively referred to as "the Group"). 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 statements 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'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 Group 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 Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

— The difference between the cost of investment in the associates and the Group'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, 2013, except for certain associates (indicated as $ below) for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements.

— In the absence of financial statements as on the reporting date for certain associates (indicated as # below), no adjustment has been made in the consolidated financial statements. These investments are carried at ₹ 1 in the financial statements.

— Unaudited financial statement of Orchid Netherlands (No. 1) B.V., Tata Korf Engineering Services Ltd. being subsidiaries, have been considered for consolidation.

The list of subsidiary companies, joint ventures and associates which are included in the consolidation and the Group's holdings therein are as under:

		Name of the Company	Ownership in % either directly or through Subsidiaries@			Country of Incorporation
			2013-14	*2012-13*	*2011-12*	
A.	**Subsidiaries:**					
	i)	**ABJA Investment Co. Pte. Ltd.***	**100.00**	–	–	Singapore
	ii)	**Adityapur Toll Bridge Company Limited**	**73.63**	*73.63*	*73.63*	India
	iii)	**Bangla Steel & Mining Co. Ltd.**	**100.00**	*100.00*	*100.00*	Bangladesh
	iv)	**Gopalpur Special Economic Zone Limited**	**100.00**	*100.00*	*100.00*	India
	v)	**Indian Steel & Wire Products Ltd.**	**94.95**	*92.50*	*91.36*	India
	vi)	**Jamshedpur Continuous Annealing and Processing Company Private Limited**	**51.00**	*51.00*	*100.00*	India
	vii)	**Jamshedpur Utilities & Services Company Limited**	**100.00**	*100.00*	*100.00*	India
		1. Haldia Water Management Limited	**60.00**	*60.00*	*60.00*	India
		2. Naba Diganta Water Management Limited	**74.00**	*74.00*	*74.00*	India
		3. SEZ Adityapur Limited	**51.00**	*51.00*	*51.00*	India

	Name of the Company	Ownership in % either directly or through Subsidiaries@ 2013-14	2012-13	2011-12	Country of Incorporation
viii)	**Kalimati Investment Company Limited ▲**	**–**	*100.00*	*100.00*	India
ix)	**Lanka Special Steels Ltd.**	**100.00**	*100.00*	*100.00*	Sri Lanka
x)	**NatSteel Asia Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
	1. Tata Steel Asia (Hong Kong) Ltd.	**100.00**	*100.00*	*100.00*	Hong Kong SAR
	2. Tata Steel Resources Australia Pty. Ltd.	**100.00**	*100.00*	*100.00*	Australia
xi)	**Sila Eastern Ltd.**** ☼	**–**	*–*	*49.00*	Thailand
xii)	**T M Mining Company Limited**	**74.00**	*74.00*	*74.00*	India
xiii)	**T S Alloys Limited**	**100.00**	*100.00*	*100.00*	India
xiv)	**Tata Incorporated**	**100.00**	*100.00*	*100.00*	USA
xv)	**Tata Korf Engineering Services Ltd.**	**100.00**	*100.00*	*100.00*	India
xvi)	**Tata Metaliks Ltd.**	**50.09**	*50.09*	*50.09*	India
	1. Tata Metaliks Di Pipes Limited	**100.00**	*51.17*	*51.17*	India
xvii)	**Tata Sponge Iron Limited~**	**54.50**	*54.50*	*–*	India
	1. TSIL Energy Limited	**100.00**	*100.00*	*–*	India
xviii)	**Tata Steel (KZN) (Pty) Ltd.**	**90.00**	*90.00*	*90.00*	South Africa
xix)	**Tata Steel Holdings Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
	1. **Tata Steel Global Holdings Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
	I. **Orchid Netherlands (No.1) B.V.**	**100.00**	*100.00*	*100.00*	Netherlands
	II. **NatSteel Holdings Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
	1. Best Bar Pty. Ltd.	**71.00**	*71.00*	*71.00*	Australia
	2. Bestbar (Vic) Pty. Ltd.	**71.00**	*71.00*	*71.00*	Australia
	3. Burwill Trading Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	4. Easteel Construction Services Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	5. Easteel Services (M) Sdn. Bhd.	**100.00**	*100.00*	*100.00*	Malaysia
	6. Eastern Steel Fabricators Phillipines, Inc.	**67.00**	*67.00*	*67.00*	Phillipines
	7. Eastern Steel Services Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	8. Eastern Wire Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	9 NatSteel (Xiamen) Ltd.	**100.00**	*100.00*	*100.00*	China
	10. NatSteel Asia (S) Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	11. NatSteel Australia Pty. Ltd.	**100.00**	*100.00*	*100.00*	Australia
	12. NatSteel Equity IV Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	13. NatSteel Recycling Pte Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	14. NatSteel Trade International (Shanghai) Company Ltd.	**100.00**	*100.00*	*100.00*	China
	15. NatSteel Trade International Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
	16. NatSteel Vina Co. Ltd.	**56.50**	*56.50*	*56.50*	Vietnam
	17. PT Material Recycling Indonesia*	**–**	*100.00*	*100.00*	Indonesia
	18. The Siam Industrial Wire Company Ltd.	**100.00**	*100.00*	*100.00*	Thailand
	19. TSN Wires Co., Ltd.	**60.00**	*60.00*	*–*	Thailand
	20. Wuxi Jinyang Metal Products Co. Ltd.**	**–**	*–*	*95.00*	China
	III. **Tata Steel Europe Limited**	**100.00**	*100.00*	*100.00*	UK
	1. Almana Steel Dubai (Jersey) Limited	**100.00**	*100.00*	*100.00*	Jersey
	2. Apollo Metals Ltd.	**100.00**	*100.00*	*100.00*	USA
	3. Ashorne Hill Management College	**100.00**	*100.00*	*100.00*	UK
	4. Augusta Grundstucks GmbH	**100.00**	*100.00*	*100.00*	Germany
	5. Automotive Laser Technologies Limited	**100.00**	*100.00*	*100.00*	UK
	6. B S Pension Fund Trustee Ltd.	**100.00**	*100.00*	*100.00*	UK
	7. Bailey Steels Limited*	**–**	*100.00*	*100.00*	UK
	8. Beheermaatschappij Industriele Produkten B.V.	**100.00**	*100.00*	*100.00*	Netherlands
	9. Belfin Beheermaatschappij B.V.	**100.00**	*100.00*	*100.00*	Netherlands
	10. Bell & Harwood Limited	**100.00**	*100.00*	*100.00*	UK
	11. Blastmega Limited	**100.00**	*100.00*	*100.00*	UK
	12. Blume Stahlservice GmbH	**100.00**	*100.00*	*100.00*	Germany
	13. Blume Stahlservice Polska Sp.Z.O.O	**100.00**	*100.00*	*100.00*	Poland

	Name of the Company	Ownership in % either directly or through Subsidiaries@			Country of Incorporation
		2013-14	*2012-13*	*2011-12*	
14.	Bore Samson Group Ltd	**100.00**	*100.00*	*100.00*	UK
15.	Bore Steel Ltd.	**100.00**	*100.00*	*100.00*	UK
16.	British Guide Rails Ltd.	**100.00**	*100.00*	*100.00*	UK
17.	British Steel Corporation Ltd	**100.00**	*100.00*	*100.00*	UK
18.	British Steel De Mexico S.A. de C.V.	**100.00**	*100.00*	*100.00*	Mexico
19.	British Steel Directors (Nominees) Limited	**100.00**	*100.00*	*100.00*	UK
20.	British Steel Employee Share Ownership Trustees Ltd.	**100.00**	*100.00*	*100.00*	UK
21.	British Steel Engineering Steels (Exports) Limited	**100.00**	*100.00*	*100.00*	UK
22.	British Steel Nederland International B.V.	**100.00**	*100.00*	*100.00*	Netherlands
23.	British Steel Samson Limited	**100.00**	*100.00*	*100.00*	UK
24.	British Steel Service Centres Ltd.	**100.00**	*100.00*	*100.00*	UK
25.	British Steel Tubes Exports Ltd.*	**–**	*100.00*	*100.00*	UK
26.	British Tubes Stockholding Ltd.	**100.00**	*100.00*	*100.00*	UK
27.	Bs Quest Trustee Limited	**100.00**	*100.00*	*100.00*	UK
28.	Burgdorfer Grundstuecks GmbH	**100.00**	*100.00*	*100.00*	Germany
29.	C V Benine	**76.92**	*76.92*	*76.92*	Netherlands
30.	C Walker & Sons Ltd.	**100.00**	*100.00*	*100.00*	UK
31.	Catnic GmbH	**100.00**	*100.00*	*100.00*	Germany
32.	Catnic Limited	**100.00**	*100.00*	*100.00*	UK
33.	Cbs Investissements SAS	**100.00**	*100.00*	*100.00*	France
34.	Cladding & Decking (UK) Limited	**100.00**	*100.00*	*100.00*	UK
35.	Cogent Power Inc.	**100.00**	*100.00*	*100.00*	Canada
36.	Cogent Power SA DE CV	**100.00**	*100.00*	*100.00*	Mexico
37.	Cogent Power Inc.	**100.00**	*100.00*	*100.00*	USA
38.	Cogent Power Limited	**100.00**	*100.00*	*100.00*	UK
39.	Color Steels Limited	**100.00**	*100.00*	*100.00*	UK
40.	Corbeil Les Rives SCI	**67.30**	*67.30*	*67.30*	France
41.	Corby (Northants) & District Water Co.	**100.00**	*100.00*	*100.00*	UK
42.	Cordor (C& B) Limited	**100.00**	*100.00*	*100.00*	UK
43.	Corus Aluminium Verwaltungsgesellschaft Mbh	**100.00**	*100.00*	*100.00*	Germany
44.	Corus Beteiligungs GmbH	**100.00**	*100.00*	*100.00*	Germany
45.	Corus Building Systems Bulgaria AD	**100.00**	*100.00*	*100.00*	Bulgaria
46.	Corus Building Systems N.V.	**100.00**	*100.00*	*100.00*	Belgium
47.	Corus Building Systems SAS	**100.00**	*100.00*	*100.00*	France
48.	Corus CNBV Investments	**100.00**	*100.00*	*100.00*	UK
49.	Corus Coatings Usa Inc.	**100.00**	*100.00*	*100.00*	USA
50.	Corus Cold drawn Tubes Limited	**100.00**	*100.00*	*100.00*	UK
51.	Corus Engineering Steels (UK) Limited	**100.00**	*100.00*	*100.00*	UK
52.	Corus Engineering Steels Holdings Limited	**100.00**	*100.00*	*100.00*	UK
53.	Corus Engineering Steels Limited	**100.00**	*100.00*	*100.00*	UK
54.	Corus Engineering Steels Overseas Holdings Limited	**100.00**	*100.00*	*100.00*	UK
55.	Corus Engineering Steels Pension Scheme Trustee Limited	**100.00**	*100.00*	*100.00*	UK
56.	Corus Group Limited	**100.00**	*100.00*	*100.00*	UK
57.	Corus Holdings Ltd.	**100.00**	*100.00*	*100.00*	UK
58.	Corus International (Overseas Holdings) Limited	**100.00**	*100.00*	*100.00*	UK
59.	Corus International Limited	**100.00**	*100.00*	*100.00*	UK
60.	Corus International Romania SRL.	**100.00**	*100.00*	*100.00*	Romania
61.	Corus Investments Ltd.	**100.00**	*100.00*	*100.00*	UK
62.	Corus Ireland Ltd.	**100.00**	*100.00*	*100.00*	Ireland
63.	Corus Large Diameter Pipes Limited	**100.00**	*100.00*	*100.00*	UK
64.	Corus Liaison Services (India) Limited	**100.00**	*100.00*	*100.00*	UK
65.	Corus Management Limited	**100.00**	*100.00*	*100.00*	UK
66.	Corus Packaging Plus Norway AS	**100.00**	*100.00*	*100.00*	Norway
67.	Cogent Power Electrical Steels Limited*	**–**	*100.00*	*100.00*	UK
68.	Corus Primary Aluminium B.V.	**100.00**	*100.00*	*100.00*	Netherlands
69.	Corus Properties (Germany) Limited	**100.00**	*100.00*	*100.00*	UK

	Name of the Company	Ownership in % either directly or through Subsidiaries@ 2013-14	2012-13	2011-12	Country of Incorporation
70.	Corus Property	**100.00**	*100.00*	*100.00*	UK
71.	Corus Republic Of Ireland Subsidiaries Pension Scheme Trustee Limited	**100.00**	*100.00*	*100.00*	Ireland
72.	Corus Service Center Milano Spa*	**–**	*100.00*	*100.00*	Italy
73.	Corus Service Centre Limited	**100.00**	*100.00*	*100.00*	N Ireland
74.	Corus Sheet & Tube Inc.	**100.00**	*100.00*	*100.00*	USA
75.	Corus Steel Service STP LLC	**100.00**	*100.00*	*100.00*	Russia
76.	Corus Trico Holdings Inc.	**100.00**	*100.00*	*100.00*	USA
77.	Corus Tubes Poland Spolka Z.O.O	**100.00**	*100.00*	*100.00*	Poland
78.	Corus UK Healthcare Trustee Limited	**100.00**	*100.00*	*100.00*	UK
79.	Corus Ukraine LLC	**100.00**	*100.00*	*100.00*	Ukraine
80.	Cpn (85) Limited	**100.00**	*100.00*	*100.00*	UK
81.	Crucible Insurance Company Ltd.	**100.00**	*100.00*	*100.00*	I of Man
82.	Degels GmbH	**100.00**	*100.00*	*100.00*	Germany
83.	Demka B.V.	**100.00**	*100.00*	*100.00*	Netherlands
84.	Dsrm Group Plc.	**100.00**	*100.00*	*100.00*	UK
85.	Eric Olsson & Soner Forvaltnings AB	**100.00**	*100.00*	*100.00*	Sweden
86.	Esmil B.V.	**100.00**	*100.00*	*100.00*	Netherlands
87.	Euro-Laminations Limited*	**–**	*100.00*	*100.00*	UK
88.	Europressings Limited	**100.00**	*100.00*	*100.00*	UK
89.	Firsteel Group Limited	**100.00**	*100.00*	*100.00*	UK
90.	Firsteel Holdings Limited	**100.00**	*100.00*	*100.00*	UK
91.	Firsteel Strip Mill Products Limited	**100.00**	*100.00*	*100.00*	UK
92.	Fischer Profil GmbH	**100.00**	*100.00*	*100.00*	Germany
93.	Gamble Simms Metals Ltd.	**100.00**	*100.00*	*100.00*	Ireland
94.	Grant Lyon Eagre Ltd.	**100.00**	*100.00*	*100.00*	UK
95.	H E Samson Ltd.	**100.00**	*100.00*	*100.00*	UK
96.	Hadfields Holdings Ltd.	**62.50**	*62.50*	*62.50*	UK
97.	Hammermega Limited	**100.00**	*100.00*	*100.00*	UK
98.	Harrowmills Properties Ltd.	**100.00**	*100.00*	*100.00*	UK
99.	Hille & Muller GmbH	**100.00**	*100.00*	*100.00*	Germany
100.	Hille & Muller Usa Inc.	**100.00**	*100.00*	*100.00*	USA
101.	Hoogovens (UK) Limited	**100.00**	*100.00*	*100.00*	UK
102.	Hoogovens Aluminium UK Limited	**100.00**	*100.00*	*100.00*	UK
103.	Hoogovens Finance B.V.	**100.00**	*100.00*	*100.00*	Netherlands
104.	Hoogovens Usa Inc.	**100.00**	*100.00*	*100.00*	USA
105.	Huizenbezit “Breesaap” B.V.	**100.00**	*100.00*	*100.00*	Netherlands
106.	Ickles Cottage Trust	**100.00**	*100.00*	*100.00*	UK
107.	Immobilliere De Construction De Maubeuge Et Louvroil SAS	**100.00**	*100.00*	*100.00*	France
108.	Inter Metal Distribution SAS	**100.00**	*100.00*	*100.00*	France
109.	Kalzip Asia Pte Limited	**100.00**	*100.00*	*100.00*	Singapore
110.	Kalzip FZE	**100.00**	*100.00*	–	UAE
111.	Kalzip GmbH	**100.00**	*100.00*	*100.00*	Germany
112.	Kalzip GmbH	**100.00**	*100.00*	*100.00*	Austria
113.	Kalzip Guangzhou Limited	**100.00**	*100.00*	*100.00*	China
114.	Kalzip Inc	**100.00**	*100.00*	*100.00*	USA
115.	Kalzip India Private Limited	**100.00**	*100.00*	*100.00*	India
116.	Kalzip Italy SRL	**100.00**	*100.00*	*100.00*	Italy
117.	Kalzip Limited	**100.00**	*100.00*	*100.00*	UK
118.	Kalzip Spain S.L.U.	**100.00**	*100.00*	*100.00*	Spain
119.	Layde Steel S.L.	**100.00**	*100.00*	*100.00*	Spain
120.	Lister Tubes Ltd.	**100.00**	*100.00*	*100.00*	Ireland
121.	London Works Steel Company Ltd.	**100.00**	*100.00*	*100.00*	UK
122.	Midland Steel Supplies Ltd.	**100.00**	*100.00*	*100.00*	UK
123.	Mistbury Investments Limited	**100.00**	*100.00*	*100.00*	UK
124.	Montana Bausysteme AG	**100.00**	*100.00*	*100.00*	Switzerland
125.	Myriad Deutschland GmbH	**100.00**	*100.00*	*100.00*	Germany

Name of the Company		Ownership in % either directly or through Subsidiaries@			Country of Incorporation
		2013-14	2012-13	2011-12	
126.	Myriad Espana Sl	**100.00**	*100.00*	*100.00*	Spain
127.	Myriad Nederland B.V.	**100.00**	*100.00*	*100.00*	Netherlands
128.	Namascor B.V.	**100.00**	*100.00*	*100.00*	Netherlands
129.	Nationwide Steelstock Limited	**100.00**	*100.00*	*100.00*	UK
130.	Oostflank B.V.*	**–**	*100.00*	*100.00*	Netherlands
131.	Orb Electrical Steels Limited	**100.00**	*100.00*	*100.00*	UK
132.	Ore Carriers Ltd.	**100.00**	*100.00*	*100.00*	UK
133.	Oremco Inc.	**100.00**	*100.00*	*100.00*	USA
134.	Plated Strip International Limited	**100.00**	*100.00*	*100.00*	UK
135.	Precoat International Limited	**100.00**	*100.00*	*100.00*	UK
136.	Precoat Limited	**100.00**	*100.00*	*100.00*	UK
137.	Rafferty-Brown Steel Co Inc Of Conn.	**100.00**	*100.00*	*100.00*	USA
138.	Richard Thomas And Baldwins 1978. Limited*	**–**	*100.00*	*100.00*	New Zealand
139.	Round Oak Steelworks Ltd.	**100.00**	*100.00*	*100.00*	UK
140.	Runblast Limited	**100.00**	*100.00*	*100.00*	UK
141.	Runmega Limited	**100.00**	*100.00*	*100.00*	UK
142.	S A B Profiel B.V.	**100.00**	*100.00*	*100.00*	Netherlands
143.	S A B Profil GmbH	**100.00**	*100.00*	*100.00*	Germany
144.	Scrap Processing Holding B.V.	**100.00**	*100.00*	*100.00*	Netherlands
145.	Seamless Tubes Ltd.	**100.00**	*100.00*	*100.00*	UK
146.	Service Center Gelsenkirchen GmbH	**100.00**	*100.00*	*100.00*	Germany
147.	Service Centre Maastricht B.V.	**100.00**	*100.00*	*100.00*	Netherlands
148.	SIA Corus Building Systems	**100.00**	*100.00*	*100.00*	Latvia
149.	Simiop Investments Ltd.*	**–**	*100.00*	*100.00*	UK
150.	Simiop Ltd.*	**–**	*100.00*	*100.00*	UK
151.	Skruv Erik AB	**100.00**	*100.00*	*100.00*	Sweden
152.	Societe Europeenne De Galvanisation (Segal) Sa	**100.00**	*100.00*	*100.00*	Belgium
153.	Staalverwerking En Handel B.V.	**100.00**	*100.00*	*100.00*	Netherlands
154.	Stainless Velsen-Noord BV	**100.00**	*100.00*	*100.00*	Netherlands
155.	Steel StockHoldings Ltd.	**100.00**	*100.00*	*100.00*	UK
156.	Steelstock Ltd.	**100.00**	*100.00*	*100.00*	UK
157.	Stewarts & Lloyds Of Ireland Ltd.	**100.00**	*100.00*	*100.00*	Ireland
158.	Stewarts And Lloyds (Overseas) Ltd.	**100.00**	*100.00*	*100.00*	UK
159.	Stocksbridge Works Cottage Trust Limited	**100.00**	*100.00*	*100.00*	UK
160.	Stuwadoorsbedrijf Velserkom B.V.*	**–**	*100.00*	*100.00*	Netherlands
161.	Surahammar Bruks AB	**100.00**	*100.00*	*100.00*	Sweden
162.	Swinden Housing Association	**100.00**	*100.00*	*100.00*	UK
163.	Tata Steel Belgium Packaging Steels N.V.	**100.00**	*100.00*	*100.00*	Belgium
164.	Tata Steel Belgium Services N.V.	**100.00**	*100.00*	*100.00*	Belgium
165.	Tata Steel Denmark Byggsystemer A/S	**100.00**	*100.00*	*100.00*	Denmark
166.	Tata Steel Europe Distribution BV	**100.00**	*100.00*	*100.00*	Netherlands
167.	Tata Steel Europe Metals Trading BV	**100.00**	*100.00*	*100.00*	Netherlands
168.	Tata Steel France Batiment et Systemes SAS	**100.00**	*100.00*	*100.00*	France
169.	Tata Steel France Holdings SAS	**100.00**	*100.00*	*100.00*	France
170.	Tata Steel France Rail SA	**100.00**	*100.00*	*100.00*	France
171.	Tata Steel Germany GmbH	**100.00**	*100.00*	*100.00*	Germany
172.	Tata Steel Hungary LLC*	**–**	*100.00*	*100.00*	Hungary
173.	Tata Steel Ijmuiden BV	**100.00**	*100.00*	*100.00*	Netherlands
174.	Tata Steel International (Americas) Holdings Inc	**100.00**	*100.00*	*100.00*	USA
175.	Tata Steel International (Americas) Inc	**100.00**	*100.00*	*100.00*	USA
176.	Tata Steel International (Australasia) Limited	**100.00**	*100.00*	*100.00*	New Zealand
177.	Tata Steel International (Benelux) BV	**100.00**	*100.00*	*100.00*	Netherlands
178.	Tata Steel International (Canada) Holdings Inc	**100.00**	*100.00*	*100.00*	Canada
179.	Tata Steel International (Czech Republic) S.R.O	**100.00**	*100.00*	*100.00*	Czech Republic
180.	Tata Steel International (Denmark) A/S	**100.00**	*100.00*	*100.00*	Denmark
181.	Tata Steel International (Finland) OY	**100.00**	*100.00*	*100.00*	Finland

Name of the Company		Ownership in % either directly or through Subsidiaries@ 2013-14	2012-13	2011-12	Country of Incorporation
182.	Tata Steel International (France) SAS	**100.00**	*100.00*	*100.00*	France
183.	Tata Steel International (Germany) GmbH	**100.00**	*100.00*	*100.00*	Germany
184.	Tata Steel International (South America) Representações LTDA	**100.00**	*100.00*	*100.00*	Brazil
185.	Tata Steel International Hellas SA	**100.00**	*100.00*	*100.00*	Greece
186.	Tata Steel International (Italia) SRL	**100.00**	*100.00*	*100.00*	Italy
187.	Tata Steel International (Middle East) FZE	**100.00**	*100.00*	*100.00*	UAE
188.	Tata Steel International (Nigeria) Ltd.	**100.00**	*100.00*	*100.00*	Nigeria
189.	Tata Steel International (Poland) sp Zoo	**100.00**	*100.00*	*100.00*	Poland
190.	Tata Steel International (Schweiz) AG	**100.00**	*100.00*	*100.00*	Switzerland
191.	Tata Steel International (Sweden) AB	**100.00**	*100.00*	*100.00*	Sweden
192.	Tata Steel International (India) Limited	**100.00**	*100.00*	*100.00*	India
193.	Tata Steel International Iberica SA	**100.00**	*100.00*	*100.00*	Spain
194.	Tata Steel Istanbul Metal Sanayi ve Ticaret AS	**100.00**	*88.00*	*88.00*	Turkey
195.	Tata Steel Logistics and Shipping BV	**100.00**	*100.00*	*100.00*	Netherlands
196.	Tata Steel Maubeuge SAS	**100.00**	*100.00*	*100.00*	France
197.	Tata Steel Nederland BV	**100.00**	*100.00*	*100.00*	Netherlands
198.	Tata Steel Nederland Consulting & Technical Services BV	**100.00**	*100.00*	*100.00*	Netherlands
199.	Tata Steel Nederland Investment BV	**100.00**	*100.00*	*100.00*	Netherlands
200.	Tata Steel Nederland Perfo BV	**100.00**	*100.00*	*100.00*	Netherlands
201.	Tata Steel Nederland Services BV	**100.00**	*100.00*	*100.00*	Netherlands
202.	Tata Steel Nederland Star-Frame BV	**100.00**	*100.00*	*100.00*	Netherlands
203.	Tata Steel Nederland Technology BV	**100.00**	*100.00*	*100.00*	Netherlands
204.	Tata Steel Nederland Tubes BV	**100.00**	*100.00*	*100.00*	Netherlands
205.	Tata Steel Netherlands Holdings B.V.	**100.00**	*100.00*	*100.00*	Netherlands
206.	Tata Steel Norway Byggsystemer A/S	**100.00**	*100.00*	*100.00*	Norway
207.	Tata Steel Speciality Service Centre Suzhou Co. Ltd	**100.00**	*100.00*	*100.00*	China
208.	Tata Steel Sweden Byggsystem AB	**100.00**	*100.00*	*100.00*	Sweden
209.	Tata Steel Speciality Service Centre Xian Co. Ltd	**100.00**	*100.00*	–	China
210.	Tata Steel UK Consulting Limited	**100.00**	*100.00*	*100.00*	UK
211.	Tata Steel UK Holdings Limited	**100.00**	*100.00*	*100.00*	UK
212.	Tata Steel UK Limited	**100.00**	*100.00*	*100.00*	UK
213.	Tata Steel UK Rail Consultancy Limited	**100.00**	*100.00*	*100.00*	UK
214.	Tata Steel Usa Inc.	**100.00**	*100.00*	*100.00*	USA
215.	The Newport And South Wales Tube Company Ltd.	**100.00**	*100.00*	*100.00*	UK
216.	The Stanton Housing Company Ltd.	**100.00**	*100.00*	*100.00*	UK
217.	The Steel Company Of Ireland Limited	**100.00**	*100.00*	*100.00*	Ireland
218.	The Templeborough Rolling Mills Ltd.	**100.00**	*100.00*	*100.00*	UK
219.	Thomas Processing Company	**100.00**	*100.00*	*100.00*	USA
220.	Thomas Steel Strip Corp.	**100.00**	*100.00*	*100.00*	USA
221.	Tinsley Trailers Limited*	**–**	*100.00*	*100.00*	UK
222.	Toronto Industrial Fabrications Ltd.	**100.00**	*100.00*	*100.00*	UK
223.	Trierer Walzwerk GmbH	**100.00**	*100.00*	*100.00*	Germany
224.	Tulip UK Holdings (No.2) Ltd.	**100.00**	*100.00*	*100.00*	UK
225.	Tulip UK Holdings (No.3) Ltd.	**100.00**	*100.00*	*100.00*	UK
226.	Tuscaloosa Steel Corporation	**100.00**	*100.00*	*100.00*	USA
227.	U.E.S. Bright Bar Limited	**100.00**	*100.00*	*100.00*	UK
228.	UK Steel Enterprise Ltd.	**100.00**	*100.00*	*100.00*	UK
229.	Ukse Fund Managers (General Partner) Limited	**100.00**	*100.00*	*100.00*	UK
230.	Ukse Fund Managers Limited	**100.00**	*100.00*	*100.00*	UK
231.	Unitol SAS	**100.00**	*100.00*	*100.00*	France
232.	Walker Manufacturing And Investments Ltd.	**100.00**	*100.00*	*100.00*	UK
233.	Walkersteelstock Ireland Limited	**100.00**	*100.00*	*100.00*	Ireland
234.	Walkersteelstock Ltd.	**100.00**	*100.00*	*100.00*	UK
235.	Westwood Steel Services Ltd.	**100.00**	*100.00*	*100.00*	UK
236.	Whitehead (Narrow Strip) Ltd.	**100.00**	*100.00*	*100.00*	UK
237.	Cold drawn Tubes Ltd.**	**–**	–	*100.00*	UK

			Name of the Company	Ownership in % either directly or through Subsidiaries@ 2013-14	2012-13	2011-12	Country of Incorporation
		238.	Corus Consulting B.V.**	**–**	*–*	*100.00*	Netherlands
		239.	Corus Finance Limited**	**–**	*–*	*100.00*	UK
		240.	Corus International Bulgaria Limited**	**–**	*–*	*100.00*	Bulgaria
		241.	Corus Norge A/S**	**–**	*–*	*100.00*	Norway
		242	Hoogovens Technical Services Mexico De S. De R.L. De CV**	**–**	*–*	*100.00*	Mexico
		243	Industrial Steels Limited**	**–**	*–*	*100.00*	UK
		244.	Tata Steel International (North America) Ltd.**	**–**	*–*	*100.00*	USA
		245.	Tata Steel International (UK) Ltd.**	**–**	*–*	*100.00*	UK
		246.	Vlietonge BV**	**–**	*–*	*100.00*	Netherlands
	IV.		**Tata Steel Global Minerals Holdings Pte Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
		1.	Al Rimal Mining LLC	**70.00**	*70.00*	*70.00*	Oman
		2.	Black Ginger 461 (Proprietary) Ltd	**100.00**	*100.00*	*100.00*	South Africa
		3.	Howse Minerals Ltd. *	**100.00**	*–*	*–*	Canada
		4.	Kalimati Coal Company Pty. Ltd.	**100.00**	*100.00*	*100.00*	Australia
		5.	Sedibeng Iron Ore Pty. Ltd.	**64.00**	*64.00*	*64.00*	South Africa
		6.	Tata Steel Cote D' Ivoire S.A	**85.00**	*85.00*	*85.00*	Ivory Coast
		7.	Tata Steel Minerals UK Limited	**100.00**	*100.00*	*100.00*	UK
		8.	Tata Steel Minerals Canada Limited	**80.00**	*80.00*	*80.00*	Canada
		9.	T S Canada Capital Ltd	**100.00**	*100.00*	*–*	Canada
	V.		**Tata Steel International (Singapore) Holdings Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
		1.	TSIA Holdings (Thailand) Limited	**100.00**	*100.00*	*100.00*	Thailand
		2.	Tata Steel International (Shanghai) Ltd.	**100.00**	*100.00*	*100.00*	China
		3.	Tata Steel International (Malaysia) Sdn. Bhd.	**100.00**	*100.00*	*100.00*	Malaysia
		4.	Tata Steel International (Thailand) Limited	**100.00**	*100.00*	*100.00*	Thailand
		5.	Tata Steel International (Singapore) Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
		6.	Tata Steel International (Asia) Limited	**100.00**	*100.00*	*100.00*	Hong Kong SAR
		7.	Tata Steel International (Guangzhou) Ltd.**	**–**	*–*	*100.00*	China
		8.	Tata Steel International (Hong Kong) Limited.**	**–**	*–*	*100.00*	Hong Kong SAR
	VI.		**Tata Steel (Thailand) Public Company Ltd.**	**67.90**	*67.90*	*67.90*	Thailand
		1.	N.T.S Steel Group Plc.	**99.76**	*99.76*	*99.66*	Thailand
		2.	The Siam Construction Steel Co. Ltd.	**99.99**	*99.99*	*99.99*	Thailand
		3.	The Siam Iron And Steel (2001) Co. Ltd.	**99.99**	*99.99*	*99.99*	Thailand
	VII.		**Tata Steel Global Procurement Company Pte. Ltd.**	**100.00**	*100.00*	*100.00*	Singapore
		1.	ProCo Issuer Pte. Ltd.	**100.00**	*100.00*	*100.00*	Singapore
xx)	**Tata Steel Odisha Limited**			**100.00**	*100.00*	*–*	India
xxi)	**Tata Steel Processing and Distribution Limited**			**100.00**	*100.00*	*100.00*	India
xxii)	**Tayo Rolls Limited**			**54.45**	*54.45*	*54.45*	India
xxiii)	**TM International Logistics Limited**			**51.00**	*51.00*	*51.00*	India
	1.		International Shipping and Logistics FZE	**100.00**	*100.00*	*100.00*	UAE
	2.		TKM Global China Ltd	**100.00**	*100.00*	*100.00*	China
	3.		TKM Global GmbH	**100.00**	*100.00*	*100.00*	Germany
	4.		TKM Global Logistics Limited	**100.00**	*100.00*	*100.00*	India
	5.		TM Harbour Services Private Limited	**100.00**	*100.00*	*100.00*	India
xxiv)	**The Tata Pigments Limited**			**100.00**	*100.00*	*100.00*	India
xxv)	**The Tinplate Company of India Limited**			**74.96**	*74.96*	*60.96*	India
B.	**Joint Ventures of:**						
i)	**Tata Steel Limited**						
	1.		Bhubaneshwar Power Private Limited	**26.00**	*26.00*	*26.00*	India
	2.		Himalaya Steel Mills Services Pvt. Ltd.	**26.00**	*26.00*	*26.00*	India
	3.		mjunction services ltd.	**50.00**	*50.00*	*50.00*	India
	4.		S & T Mining Company Private Limited	**50.00**	*50.00*	*50.00*	India
	5.		Tata BlueScope Steel Ltd.	**50.00**	*50.00*	*50.00*	India
	6.		Tata NYK Shipping Pte Ltd.	**50.00**	*50.00*	*50.00*	Singapore
	7.		The Dhamra Port Company Limited	**50.00**	*50.00*	*50.00*	India

	Name of the Company	Ownership in % either directly or through Subsidiaries@ 2013-14	2012-13	2011-12	Country of Incorporation
ii)	**Tata Steel Holdings Pte. Ltd.**				
a)	**Tata Steel Global Holdings Pte Ltd.**				
I.	**Tata Steel Europe Limited**				
1.	Afon Tinplate Company Limited	**64.00**	*64.00*	*64.00*	UK
2.	Air Products Llanwern Limited	**50.00**	*50.00*	*50.00*	UK
3.	Bsr Pipeline Services Limited	**50.00**	*50.00*	*50.00*	UK
4.	Caparo Merchant Bar Plc	**25.00**	*25.00*	*25.00*	UK
5.	Corus Kalpinis Simos Cladding Industry SA	**50.00**	*50.00*	*50.00*	Greece
6.	Danieli Corus Technical Services B.V.	**50.00**	*50.00*	*50.00*	Netherlands
7.	Fabsec Limited	**25.00**	*25.00*	*25.00*	UK
8.	Industrial Rail Services Ijmond B.V.	**50.00**	*50.00*	*50.00*	Netherlands
9.	Laura Metaal Holding B.V.	**49.00**	*49.00*	*49.00*	Netherlands
10.	Norsk Stal AS	**50.00**	*50.00*	*50.00*	Norway
11.	Norsk Stal Tynnplater AS	**50.00**	*50.00*	*50.00*	Norway
12.	Ravenscraig Limited	**33.33**	*33.33*	*33.33*	UK
13.	Redcar Bulk Terminal Limited	**50.00**	*50.00*	*50.00*	UK
14.	Tata Elastron Steel Service Center SA	**50.00**	*50.00*	*50.00*	Greece
15.	Tata Steel Ticaret AS	**50.00**	*50.00*	*50.00*	Turkey
16.	Texturing Technology Limited	**50.00**	*50.00*	*50.00*	UK
17.	B V Ijerleew**	**–**	–	*50.00*	Netherlands
18.	Corus Cogifer Switches And Crossings Limited**	**–**	–	*50.00*	UK
19.	Hks Scrap Metals B.V.**	**–**	–	*50.00*	Netherlands
20.	Ijzerhandel Geertsema Staal B.V.**	**–**	–	*50.00*	Netherlands
II.	**Tata Steel Global Minerals Holdings Pte. Ltd.**				
1.	Rio Tinto Benga (Mauritius) Limited	**35.00**	*35.00*	*35.00*	Mauritius
C.	**Associate of:**				
i)	**NatSteel Asia Pte. Ltd.**				
1.	SteelAsia Development and Management Corp.*	**–**	*40.00*	*40.00*	Philippines
2.	SteelAsia Industries Inc.*	**–**	*50.00*	*50.00*	Philippines
3.	SteelAsia Manufacturing Corporation*	**–**	*40.00*	*40.00*	Philippines
ii)	**Tata Incorporated**				
1.	TKM Overseas Ltd.*	**–**	*49.00*	*49.00*	UK
iii)	**Tata Steel Limited**				
1.	Industrial Energy Ltd.	**26.00**	*26.00*	*26.00*	India
2.	Jamipol Ltd.	**39.78**	*39.78*	*32.67*	India
3.	Kalinga Aquatics Ltd.#	**30.00**	*30.00*	*30.00*	India
4.	Kumardhubi Fireclay & Silica Works Ltd.#	**27.78**	*27.78*	*27.78*	India
5.	Kumardhubi Metal Casting & Engineering Ltd.#	**49.31**	*49.31*	*49.31*	India
6.	Nicco Jubilee Park Limited#	**23.46**	*23.46*	*23.46*	India
7.	Rujuvalika Investments Ltd.	**34.46**	*34.46*	*34.46*	India
8.	Strategic Energy Technology Systems Private Limited	**25.00**	*25.00*	*25.00*	India
9.	Tata Construction & Projects Ltd.#	**27.19**	*27.19*	*27.19*	India
10.	TRL Krosaki Refractories Ltd.	**26.62**	*26.62*	*26.62*	India
11.	TRF Ltd.	**34.29**	*34.29*	*34.29*	India
12.	Indian Steel Rolling Mills Ltd.**	**–**	–	*20.56*	India
13.	Tata Sponge Iron Ltd.~	**–**	–	*43.24*	India
iv)	**Tata Steel Holdings Pte. Ltd.**				
a)	**Tata Steel Global Holdings Pte Ltd.**				
I.	**Tata Steel International (Singapore) Holdings Pte. Ltd.**				
1.	European Profiles (M) Sdn. Bhd.	**20.00**	*20.00*	*20.00*	Malaysia

		Name of the Company	Ownership in % either directly or through Subsidiaries@			Country of Incorporation
			2013-14	*2012-13*	*2011-12*	
II.		**Tata Steel Europe Limited**				
	1.	Ab Norskstal AS†	**50.00**	*50.00*	*50.00*	Norway
	2.	Albi Profils SRL†	**30.00**	*30.00*	*30.00*	France
	3.	Appleby Frodingham Cottage Trust Limited†	**33.30**	*33.30*	*33.30*	UK
	4.	Combulex B.V.*	**–**	*50.00*	*50.00*	Netherlands
	5.	Cv Gasexpansie Ijmond	**50.00**	*50.00*	*50.00*	Netherlands
	6.	Danieli Corus Canada Inc.*	**–**	*50.00*	*50.00*	Canada
	7.	Danieli Corus Asia B.V.†	**50.00**	*50.00*	*50.00*	Netherlands
	8.	Danieli Corus Braseq Ltda.*	**–**	*50.00*	*50.00*	Brazil
	9.	Danieli Corus Construction Services B.V.†	**50.00**	*50.00*	*50.00*	Netherlands
	10.	Danieli Corus Construction Services Usa Inc.*	**–**	*50.00*	*50.00*	USA
	11.	Danieli Corus Do Brasil Ltda.*	**–**	*50.00*	*50.00*	Brazil
	12.	Danieli Corus Inc.*	**–**	*50.00*	*50.00*	USA
	13.	Danieli Corus Services Usa Inc.*	**–**	*50.00*	*50.00*	USA
	14.	Danieli Corus India Private Limited†	**50.00**	*50.00*	*50.00*	India
	15.	European Profiles (Marketing) Sdn.Bhd.†	**10.20**	*10.20*	*10.20*	Malaysia
	16.	Galvpro LP.†	**45.50**	*45.50*	*45.50*	USA
	17.	Gietwalsonderhoudcombinatie B.V.	**50.00**	*50.00*	*50.00*	Netherlands
	18.	Hoogovens Court Roll Service Technologies Vof:	**50.00**	*50.00*	*50.00*	Netherlands
	19.	Hoogovens Gan Multimedia S.A. De C.V.†	**50.00**	*50.00*	*50.00*	Mexico
	20.	Isolation Du Sud SA†	**0.33**	*0.33*	*0.33*	France
	21.	Issb Limited†	**50.00**	*50.00*	*50.00*	UK
	22.	MDC Sublance Probe Technology†	**50.00**	*50.00*	*50.00*	Shanghai
	23.	Richard Lees Steel Decking Asia Snd. Bhd.†	**10.00**	*10.00*	*10.00*	Malaysia
	24.	Schreiner Fleischer AS*	**–**	*50.00*	*50.00*	Norway
	25.	Thoresen & Thorvaldsen AS*	**–**	*50.00*	*50.00*	Norway
	26.	Trico LLC†	**25.00**	*25.00*	*25.00*	USA
	27.	Weirton/Hoogovens GP†	**50.00**	*50.00*	*50.00*	USA
	28.	Wupperman Staal Nederland B.V.	**30.00**	*30.00*	*30.00*	Netherlands
	29.	Rsp Holding B.V.† **	**–**	*–*	*13.19*	Netherlands
	30.	Shanghai Bao Yi Beverage Can Making Co. Ltd.**	**–**	*–*	*12.50*	China
III.		**Tata Steel Global Minerals Holdings Pte Ltd.**				
	1.	New Millennium Iron Corp.$	**26.33**	*26.31*	*26.62*	Canada
v)		**Indian Steel & Wire Products Ltd.**				
	1.	Metal Corporation of India#	**42.05**	*42.05*	*42.05*	India

@ Represents the holding percentage of the respective companies and does not indicate the effective percentage holding of the Group.

* Part of FY 2013-14.

** Part of FY 2012-13.

✡ By virtue of management control.

~ Earlier an associate, became subsidiary during the FY 2012-13.

▲ Amalgamated with Tata Steel Limited.

† Investments in these associates are reported at nil value in the consolidated financial statements.

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) Use of Estimates and Judgements

In preparation of the financial statements, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying asumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(c) Revenue Recognition

(i) Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised gross of excise duty but net of sales tax and value added tax.

(ii) Revenue from services rendered is recognised on pro-rata basis in proportion to the stage of completion of the related transaction.

(iii) Export incentive under various schemes notified by the Government has been recognised on the basis of amount received.

(d) Employee Benefits

(i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the employee has rendered services.

(ii) For defined-benefit plans, the amount recognised in the balance sheet is the present value of the defined-benefit obligation less the fair value of any plan assets and any past service costs not yet recognised. The present value of the defined-benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The discount rate used is the market yields on government bonds at the Balance Sheet date with remaining terms to maturity approximating those of the Group's obligations. 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 Consolidated Statement of Profit and Loss of the year in which the employee has rendered services. Estimated liability on account of long-term benefits is discounted to the present 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 charged in the Consolidated Statement of Profit and Loss. However, in one of the subsidiaries (Tata Steel Europe Limited) because of volatility caused by periodic changes in the assumptions underlying the computation of the pension and other post retirement benefit liabilities, it is not considered practicable to adopt a common accounting policy for accounting for these liabilities of the Company and Tata Steel Europe Limited. The actuarial gains and losses for these liabilities of Tata Steel Europe Limited have been accounted in Reserves and Surplus.

(v) In respect of the Employee Separation Scheme, 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 Consolidated Statement of Profit and Loss.

(e) Exploration for and evaluation of mineral resources

Expenditures associated with search for specific mineral resources are recognized as an asset within fixed assets. The following expenditure generally comprises cost of exploration and evaluation:

- obtaining of the rights to explore and evaluate mineral reserves and resources including costs directly related to this acquisition
- researching and analyzing existing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling prefeasibility and feasibility studies
- activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource.

Administration and other overhead costs are charged to the cost of exploration and evaluation only if directly related to an exploration and evaluation project.

If a project does not prove viable, all irrecoverable exploration and evaluation expenditure associated with the project net of any related impairment allowances is written off to the Consolidated Statement of Profit and Loss.

The Group measures such assets at cost and classifies as tangible or intangible according to the nature of the assets acquired and applies the classification consistently. Exploration and evaluation expenditure considered to be tangible are recorded as a component of fixed assets at cost less impairment charges, otherwise, they are recorded as intangible assets. To the extent that tangible asset is consumed in developing an intangible asset, the amount reflecting that consumption is capitalized as a part of the cost of the intangible asset.

As the asset is not available for use, it is not depreciated. All exploration and evaluation expenditures are monitored for indications of impairment.

(f) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and net of impairments, if any. 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 assets.

Major expenses on furnace relining are 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.

(g) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

(h) Depreciation and Amortisation

(i) Capital assets whose ownership does not vest with the Group are 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. The details of estimated life for each category of asset are as under:

(a) Buildings and Roads — 30 to 62 years
(b) Plant and Machinery — 3 to 30 years
(c) Railway Sidings/Lines — 21 years
(d) Vehicles and Aircraft — 5 to 18 years
(e) Furniture, Fixtures and Office Equipments — 5 years
(f) Intangibles (Computer Software) — 5 to 10 years
(g) Development of property for development of mines and collieries are amortised over the useful life of the mine or lease period whichever is less, subject to maximum of 10 years.
(h) Major furnace relining expenses are depreciated over a period of 5 to 10 years (average expected life).
(i) Freehold land is not depreciated.
(j) Leasehold land and other leasehold assets are amortised over the life of the lease.

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.

(i) Impairment

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

(j) Government Grants

Government Grants are recognized when there is a reasonable assurance that the same will be received. Revenue grants are recognized in the Consolidated Statement of Profit and Loss. Government grants related to expenditure on capital assets are credited to Consolidated Statement of Profit and Loss over the useful lives of capital assets. Total grants received less the amounts credited to Consolidated Statement of Profit and Loss at the Balance Sheet date are included in the Balance Sheet as deferred income. Other capital grants are credited to Reserves.

(k) Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.

The Company and some of its subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the Group 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 Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

Exchange differences 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.

Foreign currency monetary items that are used as hedge instruments or hedged items are accounted as per accounting policy on derivative financial instruments.

(l) Derivative Financial Instruments

i) The Group uses derivative financial instruments such as Forwards, Swaps, Options, etc. to hedge its risks associated with foreign exchange fluctuations. Such derivative financial instruments are used as risk management tools and not for speculative purposes.

ii) Derivative financial instruments entered into for hedging foreign exchange risks of recognised foreign currency monetary items are accounted for as per the principles laid down in Accounting Standard 11 "The effects of changes in Foreign Rates".

iii) For derivative financial instruments and foreign currency monetary items designated as Cash Flow hedges, the effective portion of the fair value changes of the derivative financial instruments are recognised in Cash Flow Hedge Reserve and reclassified in the period in which the Consolidated Statement of Profit and Loss is impacted by the hedged items. In cases where the exposure gives rise to a non-financial asset, the effective portion is reclassified from Hedging Reserve to the initial carrying amount of the non-financial asset as a 'basis adjustment' and recycled to the Consolidated Statement of Profit and Loss when the respective non-financial asset affects the Consolidated Statement of Profit and Loss in future periods. The ineffective portion of the change in fair value of such instruments is recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Cash Flow Hedge Reserve is retained their until the forecasted transaction occurs.

   If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the Statement of Profit and Loss.

iv) If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through the Consolidated Statement of Profit and Loss.

(m) 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.

(n) Inventories

Finished and semi-finished products produced and purchased by the Group 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 Group are carried at lower of cost and net realisable value.

Stores and spare parts are carried at cost. Necessary provision is made and expensed 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.

(o) Relining Expenses

Relining expenses other than major expenses on furnace relining are charged as an expense in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

(p) Research and Development

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

(q) Deferred Tax

Deferred tax is accounted for by computing the tax effect of timing differences, subject to the consideration of prudence in respect of deferred tax assets, which arise during the year and reverse in subsequent periods. Deferred tax is measured at substantively enacted tax rates by the Balance Sheet date.

(r) Tax on Income

Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of applicable tax laws of the respective countries.

Foreign Companies recognise tax liabilities and assets in accordance with the applicable local laws.

3. SHARE CAPITAL

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
Authorised:					
1,75,00,00,000	Ordinary Shares of ₹ 10 each	**292.2**	**17,500.0**	*17,500.0*	*17,500.0*
	(31.03.2013: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)				
	(31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)				
35,00,00,000	"A" Ordinary Shares of ₹ 10 each	**58.5**	**3,500.0**	*3,500.0*	*3,500.0*
	(31.03.2013: 35,00,00,000 Ordinary Shares of ₹ 10 each)				
	(31.03.2012: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)				
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each	**41.7**	**2,500.0**	*2,500.0*	*2,500.0*
	(31.03.2013: 2,50,00,000 Ordinary Shares of ₹ 100 each)				
	(31.03.2012: 2,50,00,000 Shares of ₹ 100 each)				
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each	**1,001.8**	**60,000.0**	*60,000.0*	*60,000.0*
	(31.03.2013: 60,00,00,000 Ordinary Shares of ₹ 100 each)				
	(31.03.2012: 60,00,00,000 Shares of ₹ 100 each)				
		1,394.2	**83,500.0**	*83,500.0*	*83,500.0*
Issued:					
97,21,26,020	Ordinary Shares of ₹ 10 each	**162.3**	**9,721.3**	*9,721.3*	*9,721.3*
	(31.03.2013: 97,21,26,020 Ordinary Shares of ₹ 10 each)				
	(31.03.2012: 97,21,26,020 Ordinary Shares of ₹ 10 each)				
Subscribed and Paid-up:					
97,12,15,405	Ordinary Shares of ₹ 10 each fully paid up	**162.2**	**9,712.1**	*9,712.1*	*9,712.1*
	(31.03.2013: 97,12,15,229 Ordinary Shares of ₹ 10 each)				
	(31.03.2012: 97,12,14,450 Ordinary Shares of ₹ 10 each)				
	Add: Amount paid-up on 3,89,516 Ordinary Shares forfeited	**0.0**	**2.0**	*2.0*	*2.0*
	(31.03.2012: 3,89,516 Ordinary Shares of ₹ 10 each)				
		162.2	**9,714.1**	*9,714.1*	*9,714.1*

4. RESERVES AND SURPLUS

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Capital Reserve				
	Balance as per last account	**8.2**	**492.6**	*318.8*	*223.1*
	Equity accounting of associates	**0.9**	**54.4**	*55.0*	*94.5*
	Share warrants expired during the year	**–**	**–**	*118.6*	*–*
	Received during the year	**–**	**–**	*0.2*	*1.2*
		9.1	**547.0**	*492.6*	*318.8*
(b)	Capital Redemption Reserve				
	Balance as per last account	**6.2**	**371.9**	*273.3*	*207.8*
	Transfer from Surplus in Consolidated Statement of Profit and Loss	**8.3**	**496.2**	*98.6*	*65.5*
		14.5	**868.1**	*371.9*	*273.3*
(c)	Securities Premium Reserve				
	Balance as per last account	**2,978.3**	**178,369.8**	*188,764.0*	*182,104.2*
	Premium on issue of Ordinary Shares	**0.0**	**0.1**	*0.2*	*–*
	Discount/Premium on non-convertible debenture	**–**	**–**	*(9,904.4)*	*–*
	Expenses/Reimbursement related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	**0.5**	**33.6**	*(79.9)*	*(93.9)*
	Premium on conversion of warrants	**–**	**–**	*–*	*7,008.0*
	Effect of change in cross holdings	**–**	**–**	*–*	*(2.1)*
	Exchange difference on redemption premium of CARS	**–**	**–**	*(410.1)*	*(252.2)*
		2,978.8	**178,403.5**	*178,369.8*	*188,764.0*
(d)	Debenture Redemption Reserve				
	Balance as per last account	**342.8**	**20,532.6**	*20,532.6*	*20,532.6*
	Transfer to General Reserve	**(1.2)**	**(72.6)**	*–*	
		341.6	**20,460.0**	*20,532.6*	*20,532.6*
(e)	Amalgamation Reserve				
	Balance as per last account	**0.1**	**4.3**	*4.3*	*4.3*
	Adjusted on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**(0.0)**	**(1.7)**	*–*	
		0.1	**2.6**	*4.3*	*4.3*
(f)	Export Profits Reserve				
	Balance as per last account	**0.2**	**12.5**	*12.5*	*12.5*
(g)	Foreign Exchange Fluctuation Reserve				
	Balance as per last account	**2.3**	**140.0**	*140.0*	*140.0*
(h)	Contributions for Capital Expenditure				
	Balance as per last account	**19.3**	**1,157.8**	*946.3*	*800.0*
	Received/capitalised during the year	**2.4**	**145.6**	*238.5*	*169.7*
	Released to Consolidated Statement of Profit and Loss	**(0.5)**	**(35.1)**	*(27.0)*	*(23.4)*
		21.2	**1,268.3**	*1,157.8*	*946.3*
(i)	Contingency Reserve				
	Balance as per last account	**16.7**	**1,000.0**	*1,000.0*	*1,000.0*
(j)	Debenture Forfeiture Reserve				
	Balance as per last account	**0.0**	**0.4**	*0.4*	*0.4*
(k)	Capital Reserve on Consolidation				
	Balance as per last account	**3.0**	**177.1**	*177.1*	*193.0*
	Adjustment on amalgamation of Kalimati Investment Company Limited as on 1st January, 2013	**0.0**	**1.7**	*–*	*–*
	Effect of changes in the Group's interest	**–**	**–**	*–*	*(15.9)*
		3.0	**178.8**	*177.1*	*177.1*
(l)	Investment Allowance/(Utilised) Reserve				
	Balance as per last account	**0.0**	**2.3**	*2.3*	*2.3*
(m)	Foreign Currency Translation Reserve				
	Balance as per last account	**262.3**	**15,707.8**	*3,864.2*	*(46,588.0)*
	Translation of Non Integral Foreign Operations	**731.3**	**43,799.8**	*11,843.6*	*50,452.2*
		993.6	**59,507.6**	*15,707.8*	*3,864.2*

4. RESERVES AND SURPLUS (continued)

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(n)	Special Reserve				
	Balance as per last account	**43.6**	**2,610.7**	*997.9*	*880.2*
	Transfer from Surplus in Consolidated Statement of Profit and Loss	**0.3**	**16.0**	*1612.8*	*117.7*
	Transfer to General Reserve	**(43.1)**	**(2,581.1)**	*–*	
		0.8	**45.6**	*2,610.7*	*997.9*
(o)	Statutory Reserve				
	Balance as per last account	**31.4**	**1,878.1**	*1,795.2*	*1,795.2*
	Transfer from Surplus in Consolidated Statement of Profit and Loss	**–**	**–**	*82.9*	*–*
		31.4	**1,878.1**	*1,878.1*	*1,795.2*
(p)	Actuarial Gain/(Loss) Reserve				
	Balance as per last account	**(1,039.1)**	**(62,233.0)**	*(59,060.4)*	*(35,337.8)*
	Actuarial gain/(loss) (net of tax) during the year	**(104.9)**	**(6,282.3)**	*(3,172.6)*	*(23,722.6)*
		(1,144.0)	**(68,515.3)**	*(62,233.0)*	*(59,060.4)*
(q)	Cash Flow Hedge Reserve				
	Balance as per last account	**4.2**	**251.2**	*1,408.1*	*(2,245.3)*
	Fair value changes recognised (net of tax)	**(4.8)**	**(285.3)**	*(1,156.9)*	*3,653.4*
		(0.6)	**(34.1)**	*251.2*	*1,408.1*
(r)	General Reserve				
	Balance as per last account	**1,748.6**	**104,721.9**	*98,066.3*	*90,953.6*
	Effect of change in cross holdings	**–**	**–**	*–*	*307.6*
	Transfer from Special Reserve	**43.1**	**2581.1**	*–*	*–*
	Transfer from Debenture Redemption Reserve	**1.2**	**72.6**	*–*	*–*
	Transfer from Surplus in Consolidated Statement of Profit and Loss	**121.9**	**7,301.6**	*6,655.6*	*6,805.1*
		1,914.8	**114,677.2**	*104,721.9*	*98,066.3*
(s)	Foreign Currency Monetary Item Translation Difference Account[(1)]				
	Balance as per last account	**(59.8)**	**(3,583.5)**	*(4,049.0)*	*–*
	Exchange gain/(loss) during the year	**(75.9)**	**(4,545.1)**	*(4,596.2)*	*(6,854.4)*
	Amortisation during the year	**80.3**	**4,809.2**	*5,061.7*	*2,805.4*
		(55.4)	**(3,319.4)**	*(3,583.5)*	*(4,049.0)*
(t)	Surplus in the Consolidated Statement of Profit and Loss				
	Balance as per last account	**1,175.4**	**70,393.8**	*161,254.2*	*129,591.6*
	Adjustment for unrecognised MAT asset in the books of Kalimati Investment Company Limited	**37.1**	**2,225.8**	*–*	*–*
	Adjustment for unrecognised Deferred tax liability in the books of Kalimati Investment Company Limited	**(0.0)**	**(1.0)**	*–*	*–*
	Profit/(Loss) for the year	**600.3**	**35,948.9**	*(70,576.2)*	*53,897.7*
	Distribution on Hybrid Perpetual Securities {net of tax of ₹ **904.3** million [**US $ 15.1** million] *(2012-13: ₹ 863.7 million, 2011-12: ₹ 832.4 million)*]}	**(29.3)**	**(1,756.1)**	*(1,798.4)*	*(1,733.0)*
	Dividend on Preference Shares	**(0.0)**	**(1.0)**	*(2.1)*	*(2.1)*
	Proposed dividend on Ordinary Shares	**(162.2)**	**(9,712.1)**	*(7,769.7)*	*(11,654.6)*
	Tax on dividend	**(13.4)**	**(802.2)**	*(2,264.1)*	*(1,857.1)*
	Transfers to Reserves				
	General Reserve	**(121.9)**	**(7,301.6)**	*(6,655.6)*	*(6,805.1)*
	Special Reserve	**(0.3)**	**(16.0)**	*(1,612.8)*	*(117.7)*
	Capital Redemption Reserve	**(8.3)**	**(496.2)**	*(98.6)*	*(65.5)*
	Statutory Reserve	**–**	**–**	*(82.9)*	*–*
		1,477.4	**88,482.3**	*70,393.8*	*161,254.2*
		6,605.5	**395,605.5**	*332,008.3*	*416,448.1*

Additional information:

(1) The Company and some of its subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period to maturity of the respective monetary items.

As on 31st March, 2014, a debit of **₹ 3,319.4** million [**US $ 55.4** million] *(31.03.2013: ₹ 3,583.5 million, 31.03.2012: ₹ 4,049.0 million)* remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account". During the year an amount of **₹ 4,809.2** million [**US $ 80.3** million] *(2012-13: debit of ₹ 4,449.3 million, 2011-12: debit of ₹ 2,432.1 million)* has been amortised in the Consolidated Statement of Profit and Loss. Further an amount of **Nil** (net of deferred tax **Nil**) *[2012-13: ₹ 413.7 million (net of deferred tax ₹ 198.7 million), 2011-12: ₹ 252.2 million (net of deferred tax ₹ 121.1 million)]* has been amortised and adjusted against Securities Premium Reserve. The Depreciation for the year ended 31st March, 2014 is higher by **₹ 227.5** million [**US $ 3.8** million] *(2012-13: higher by ₹ 63.5 million, 2011-12: higher by ₹ 23.7 million)* and the Profit after tax, minority interest and share of profit of associates for the year ended 31st March, 2014 is higher by **₹ 4,015.5** million [**US $ 67.0** million] *(2012-13: Loss after tax, minority interest and share of profit of associates is lower by ₹ 400.5 million, 2011-12: Profit after tax, minority interest and share of profit of associates is higher by ₹ 4,364.1 million)*.

5. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Preference Shares issued by subsidiary companies	**3.3**	**200.0**	*212.1*	*224.3*
	3.3	**200.0**	*212.1*	*224.3*

Additional information:

(1) 8.50% – 20,00,000 non-cumulative Redeemable Preference Shares (RPS) of ₹ 100 each were issued by Tayo Rolls Limited, a subsidiary of the Company in March 2012. These RPS are redeemable in 3 equal annual installments with all arrears of dividend, if any, commencing from 1st April, 2020. The subsidiary may exercise its call option by giving 30 days clear notice at the expiry of 36 months from the date of allotment thereof.

(2) 8.50% – 2,43,000 non-cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100 each were issued by The Tinplate Company of India Limited, the subsidiary of the Company in the financial year 1999-2000 and 2000-2001. As per the terms of the subscription agreements, the outstanding shares were redeemed during the year.

6. HYBRID PERPETUAL SECURITIES

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Hybrid Perpetual Securities	**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
	379.9	**22,750.0**	*22,750.0*	*22,750.0*

Additional information:

(1) The Company issued Hybrid Perpetual Securities of ₹ 7,750.0 million [US $ 129.4 million] and ₹ 15,000.0 million [US $ 250.5 million] in May 2011 and March 2011 respectively. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these securities are 11.50% p.a and 11.80% p.a. respectively, with a step up provision if the securities are not called after 10 years. The distribution on the securities may be deferred at the option of the Company, if in the six months preceding the relevant distribution payment date, the Company has not made payment on, or repurchased or redeemed, any securities ranking pari passu with, or junior to the instrument. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are not classified as 'debt'.

7. BORROWINGS

		As at March 31,	Long-Term	Short-Term	Total	Total
			₹ million			US $ million
A.	**Secured Borrowings**					
(a)	Bonds/Debentures					
	(i) Non-convertible bonds/debentures	**2014**	**2,500.0**	**–**	**2,500.0**	**41.7**
		2013	*2,500.0*	*–*	*2,500.0*	
		2012	*2,680.0*	*–*	*2,680.0*	
(b)	Term loans					
	(i) From banks	**2014**	**251,861.1**	**21.2**	**251,882.3**	**4,205.8**
		2013	*217,062.6*	*116.3*	*217,178.9*	
		2012	*223,110.8*	*381.6*	*223,492.4*	
	(ii) From financial institutions and others[1]	**2014**	**22,102.3**	**185.2**	**22,287.5**	**372.1**
		2013	*20,790.4*	*–*	*20,790.4*	
		2012	*19,288.0*	*–*	*19,288.0*	
(c)	Repayable on demand					
	(i) From banks	**2014**	**–**	**3,275.2**	**3,275.2**	**54.7**
		2013	*–*	*3,529.4*	*3,529.4*	
		2012	*–*	*3,361.8*	*3,361.8*	
(d)	Finance lease obligations	**2014**	**3,262.7**	**–**	**3,262.7**	**54.5**
		2013	*2,983.7*	*–*	*2,983.7*	
		2012	*3,216.4*	*–*	*3,216.4*	
(e)	Other loans	**2014**	**–**	**–**	**–**	**–**
		2013	*35.7*	*–*	*35.7*	
		2012	*38.8*	*–*	*38.8*	
		2014	**279,726.1**	**3,481.6**	**283,207.7**	**4,728.8**
		2013	*243,372.4*	*3,645.7*	*247,018.1*	
		2012	*248,334.0*	*3,743.4*	*252,077.4*	
B.	**Unsecured Borrowings**					
(a)	Bonds/Debentures					
	(i) Non-convertible bonds/debentures	**2014**	**128,281.9**	**–**	**128,281.9**	**2,142.0**
		2013	*114,428.7*	*–*	*114,428.7*	
		2012	*73,284.0*	*–*	*73,284.0*	
	(ii) 4.5% Foreign Currency Convertible Bonds	**2014**	**–**	**–**	**–**	**–**
		2013	*29,690.4*	*–*	*29,690.4*	
		2012	*27,828.1*	*–*	*27,828.1*	
(b)	Term loans					
	(i) From banks	**2014**	**96,353.0**	**103,591.8**	**199,944.8**	**3,338.5**
		2013	*64,606.6*	*82,833.8*	*147,440.4*	
		2012	*86,572.9*	*65,918.2*	*152,491.1*	
	(ii) From financial institutions and others	**2014**	**8,519.6**	**51,208.8**	**59,728.4**	**997.3**
		2013	*8,543.6*	*17,188.1*	*25,731.7*	
		2012	*8,565.6*	*–*	*8,565.6*	
(c)	Deferred payment liabilities	**2014**	**25.6**	**–**	**25.6**	**0.4**
		2013	*–*	*–*	*–*	
		2012	*38.0*	*–*	*38.0*	
(d)	Fixed deposits	**2014**	**10.6**	**–**	**10.6**	**0.2**
		2013	*10.0*	*–*	*10.0*	
		2012	*19.1*	*–*	*19.1*	
(e)	Finance lease obligations	**2014**	**5,053.1**	**–**	**5,053.1**	**84.4**
		2013	*4,767.8*	*–*	*4,767.8*	
		2012	*5,454.1*	*–*	*5,454.1*	
(f)	Other loans	**2014**	**5,694.2**	**1,979.6**	**7,673.8**	**128.1**
		2013	*3,156.7*	*1,808.0*	*4,964.7*	
		2012	*2,286.6*	*784.9*	*3,071.5*	
		2014	**243,938.0**	**156,780.2**	**400,718.2**	**6,690.9**
		2013	*225,203.8*	*101,829.9*	*327,033.7*	
		2012	*204,048.4*	*66,703.1*	*270,751.5*	
		2014	**523,664.1**	**160,261.8**	**683,925.9**	**11,419.7**
		2013	*468,576.2*	*105,475.6*	*574,051.8*	
		2012	*452,382.4*	*70,446.5*	*522,828.9*	

Additional information:

(1) Includes loan from Joint Plant Committee – Steel Development Fund of ₹ **21,255.5** million [**US $ 354.9** million] *(31.03.2013: ₹ 20,360.2 million, 31.03.2012: ₹ 19,154.7 million)* which also includes funded interest ₹ **4,883.2** million [**US $ 81.5** million] *(31.03.2013: ₹ 4,064.5 million, 31.03.2012: ₹ 3,161.3 million).*

8. DEFERRED TAX LIABILITIES/(ASSETS)

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
Deferred tax liabilities				
(a) Differences in depreciation and amortisation for accounting and income tax purposes	**745.5**	**44,650.0**	*42,105.4*	*32,627.5*
(b) Prepaid expenses	**13.8**	**827.4**	*643.0*	*776.2*
(c) Actuarial gain/(loss)	**79.8**	**4,778.6**	*4,296.5*	*3,081.9*
(d) Others	**111.7**	**6,686.8**	*7,073.1*	*13,168.0*
	950.8	**56,942.8**	*54,118.0*	*49,653.6*
Deferred tax assets				
(a) Unabsorbed losses	**(226.8)**	**(13,584.9)**	*(5,181.6)*	*(13,244.5)*
(b) Employee separation compensation	**(56.1)**	**(3,359.8)**	*(3,816.8)*	*(3,994.5)*
(c) Provision for doubtful debts and advances	**(16.3)**	**(974.7)**	*(809.1)*	*(478.8)*
(d) Disallowance under Section 43B of Income Tax Act, 1961	**(54.4)**	**(3,259.6)**	*(2,979.4)*	*(1,847.8)*
(e) Provision for employee benefits	**(65.9)**	**(3,943.5)**	*(3,899.0)*	*(2,478.4)*
(f) Redemption premium on CARS	**–**	**–**	*–*	*(1,411.2)*
(g) Redemption premium on issue of non-convertible debenture	**(58.4)**	**(3,494.4)**	*(3,927.9)*	*–*
(h) Discount on issue of non-convertible debenture	**(10.3)**	**(616.4)**	*(692.9)*	*–*
(i) Others	**(36.0)**	**(2,159.5)**	*(1,626.4)*	*(1,774.3)*
	(524.2)	**(31,392.8)**	*(22,933.1)*	*(25,229.5)*
Deferred tax liabilities/(assets)	**426.6**	**25,550.0**	*31,184.9*	*24,424.1*
Amount recognised in Balance Sheet				
Deferred tax liabilities	**433.4**	**25,957.7**	*31,549.8*	*25,038.5*
Deferred tax assets	**(6.8)**	**(407.7)**	*(364.9)*	*(614.4)*
	426.6	**25,550.0**	*31,184.9*	*24,424.1*

9. OTHER LONG-TERM LIABILITIES

	As at March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Creditors for capital supplies/services	**174.1**	**10,424.1**	*3,879.7*	*2,289.8*
(b) Deferred income	**38.5**	**2,306.5**	*1,622.2*	*1,813.3*
(c) Creditors for other liabilities	**94.3**	**5,649.1**	*5,703.3*	*4,795.5*
	306.9	**18,379.7**	*11,205.2*	*8,898.6*

10. PROVISIONS

		As at March 31,	Long-Term	Short-Term	Total	Total
			₹ million			US $ million
(a)	Provision for employee benefits	**2014**	**41,764.9**	**2,188.7**	**43,953.6**	**733.9**
		2013	*34,379.3*	*1,793.8*	*36,173.1*	
		2012	*28,556.7*	*1,843.2*	*30,399.9*	
(b)	Provision for employee separation compensation [(1)]	**2014**	**4,584.6**	**1,441.4**	**6,026.0**	**100.6**
		2013	*5,477.8*	*1,567.8*	*7,045.6*	
		2012	*6,030.3*	*1,696.5*	*7,726.8*	
(c)	Provision for taxation	**2014**	**–**	**11,013.4**	**11,013.4**	**183.9**
		2013	–	*11,290.6*	*11,290.6*	
		2012	–	*13,198.1*	*13,198.1*	
(d)	Provision for fringe benefits tax	**2014**	**–**	**50.5**	**50.5**	**0.8**
		2013	–	*50.3*	*50.3*	
		2012	–	*78.4*	*78.4*	
(e)	Proposed dividend	**2014**	**–**	**9,713.1**	**9,713.1**	**162.2**
		2013	–	*7,771.8*	*7,771.8*	
		2012	–	*11,656.7*	*11,656.7*	
(f)	Other provisions[(2)]	**2014**	**15,215.3**	**7,570.3**	**22,785.6**	**380.5**
		2013	*13,707.3*	*6,958.6*	*20,665.9*	
		2012	*12,563.5*	*6,289.0*	*18,852.5*	
		2014	**61,564.8**	**31,977.4**	**93,542.2**	**1,561.9**
		2013	*53,564.4*	*29,432.9*	*82,997.3*	
		2012	*47,150.5*	*34,761.9*	*81,912.4*	

Additional information:

(1) 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 ₹ **248.4** million [**US $ 4.1** million] *(2012-13: ₹ 236.8 million, 2011-12: ₹ 182.3 million)* in respect of schemes introduced during the year.

(2) Includes provision for rationalisation and redundancy.

11. TRADE PAYABLES

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(a)	Creditors for supplies/services	**3,134.2**	**187,708.2**	*160,172.6*	*152,740.7*
(b)	Creditors for accrued wages and salaries	**690.2**	**41,335.5**	*33,223.3*	*29,089.1*
		3,824.4	**229,043.7**	*193,395.9*	*181,829.8*

12. OTHER CURRENT LIABILITIES

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(a)	Current maturities of long-term borrowings	**2,186.2**	**130,929.3**	*110,008.9*	*98,595.5*
(b)	Current maturities of finance lease obligations	**20.6**	**1,231.3**	*1,012.5*	*999.0*
(c)	Interest accrued but not due on borrowings	**137.8**	**8,256.0**	*6,945.1*	*7,036.3*
(d)	Unpaid dividend	**10.3**	**619.2**	*665.4*	*582.2*
(e)	Advances received from customers	**51.8**	**3,101.2**	*5,564.3*	*5,119.1*
(f)	Creditors for capital supplies/services	**631.4**	**37,816.7**	*38,649.2*	*34,494.1*
(g)	Creditors for other liabilities[(1)]	**634.4**	**37,994.8**	*31,704.4*	*40,963.9*
		3,672.5	**219,948.5**	*194,549.8*	*187,790.1*

Additional information:

(1) Includes liability for VAT, Sales tax, Excise duty, etc.

13. TANGIBLE ASSETS

Tangible Assets		Freehold Land and Roads	Leasehold Land	Buildings[3]	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE and Vehicles	Railway Sidings/ Lines	Total	Total
		₹ million												US $ million
Gross block as at April 1,	**2014**	**16,115.3**	**9,011.8**	**124,608.2**	**5,988.4**	**1,097,750.5**	**16,191.9**	**8,965.8**	**3,354.1**	**3,079.2**	**98.4**	**12,339.2**	**1,297,502.8**	**21,664.7**
	2013	*15,900.8*	*9,032.5*	*103,809.1*	*6,107.8*	*911,564.1*	*16,017.6*	*8,783.6*	*3,035.6*	*2,715.7*	*99.0*	*10,132.0*	*1,087,197.8*	
	2012	*14,185.5*	*3,154.9*	*87,412.9*	*5,081.1*	*803,605.3*	*15,094.0*	*10,625.0*	*2,295.2*	*2,592.9*	*33.1*	*6,516.9*	*950,596.8*	
Assets of new companies	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*12.2*	*4.3*	*365.1*	*–*	*3,103.8*	*–*	*25.8*	*3.5*	*31.0*	*1.8*	*36.4*	*3,583.9*	
	2012	*9.0*	*–*	*1,320.9*	*–*	*6,451.5*	*62.1*	*15.1*	*21.6*	*23.1*	*–*	*3.7*	*7,907.0*	
Additions during the year [1]	**2014**	**365.6**	**115.2**	**3,456.4**	**632.8**	**36,979.1**	**234.0**	**261.2**	**521.5**	**497.2**	**–**	**495.2**	**43,558.2**	**727.3**
	2013	*982.8*	*12.0*	*19,675.1*	*38.2*	*189,886.3*	*69.1*	*221.2*	*413.8*	*526.4*	*0.7*	*2,083.8*	*213,909.4*	
	2012	*980.2*	*5725.7*	*8,192.6*	*329.7*	*43,456.9*	*231.8*	*(79.7)*	*640.9*	*221.5*	*78.5*	*3,265.8*	*63,043.9*	
Deductions during the year [2]	**2014**	**(1.2)**	**–**	**(289.0)**	**(5.1)**	**(14,396.3)**	**(291.0)**	**(44.2)**	**(109.6)**	**(231.1)**	**(4.1)**	**(35.0)**	**(15,406.6)**	**(257.2)**
	2013	*(7.2)*	*(0.2)*	*(320.8)*	*(61.8)*	*(14,961.6)*	*(110.0)*	*(150.1)*	*(132.6)*	*(179.6)*	*(3.5)*	*(4.7)*	*(15.932.1)*	
	2012	*(90.3)*	*–*	*(215.5)*	*(0.7)*	*(7,301.2)*	*(1,099.5)*	*(2,441.0)*	*(73.3)*	*(137.2)*	*(14.0)*	*(33.3)*	*(11,406.0)*	
Disposal of group undertakings	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*(1,204.4)*	*(89.2)*	*(877.4)*	*(313.9)*	*(4,116.1)*	*–*	*(139.4)*	*(66.0)*	*(36.1)*	*–*	*–*	*(6,842.5)*	
	2012	*(80.8)*	*(46.8)*	*(836.6)*	*–*	*(3,514.4)*	*–*	*(95.0)*	*(3.0)*	*(48.3)*	*–*	*(24.7)*	*(4,649.6)*	
Transfers and other movements[1]	**2014**	**442.6**	**–**	**518.8**	**–**	**3,864.1**	**(34.4)**	**(4.1)**	**15.2**	**(10.1)**	**–**	**395.5**	**5,187.6**	**86.6**
	2013	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
	2012	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
Exchange fluctuations capitalised during the year	**2014**	**–**	**–**	**34.4**	**–**	**2,720.1**	**–**	**–**	**–**	**–**	**–**	**–**	**2,754.5**	**46.0**
	2013	*–*	*–*	*8.8*	*–*	*813.8*	*–*	*–*	*–*	*–*	*–*	*–*	*822.6*	
	2012	*–*	*–*	*22.2*	*–*	*409.5*	*–*	*–*	*–*	*–*	*–*	*–*	*431.7*	
Exchange difference on consolidation	**2014**	**1,337.4**	**195.2**	**15,524.6**	**940.9**	**137,922.7**	**3,303.6**	**1,461.4**	**65.5**	**66.0**	**0.1**	**968.3**	**161,785.7**	**2,701.4**
	2013	*431.1*	*52.4*	*1,948.3*	*218.1*	*11,460.2*	*215.2*	*224.7*	*99.8*	*21.8*	*0.4*	*91.7*	*14,763.7*	
	2012	*897.2*	*198.7*	*7,912.6*	*697.7*	*68,456.5*	*1,729.2*	*759.2*	*154.2*	*63.7*	*1.4*	*403.6*	*81,274.0*	
Gross block as at March 31,	**2014**	**18,259.7**	**9,322.2**	**143,853.4**	**7,557.0**	**1,264,840.2**	**19,404.1**	**10,640.1**	**3,846.7**	**3,401.2**	**94.4**	**14,163.2**	**1.495,382.2**	**24,968.8**
	2013	*16,115.3*	*9,011.8*	*124,608.2*	*5,988.4*	*1.097,750.5*	*16,191.9*	*8,965.8*	*3,354.1*	*3,079.2*	*98.4*	*12,339.2*	*1.297,502.8*	
	2012	*15,900.8*	*9,032.5*	*103,809.1*	*6,107.8*	*911,564.1*	*16,017.6*	*8,783.6*	*3,035.6*	*2,715.7*	*99.0*	*10,132.0*	*1.087,197.8*	
Impairment as at April 1,	**2014**	**2,027.8**	**6.0**	**3,026.0**	**323.0**	**63,439.5**	**870.8**	**–**	**–**	**–**	**–**	**10.5**	**69,703.6**	**1,163.9**
	2013	*2,066.9*	*5.9*	*682.3*	*251.0*	*31,431.0*	*863.3*	*–*	*–*	*–*	*–*	*–*	*35,300.4*	
	2012	*1,943.3*	*5.2*	*604.0*	*147.3*	*27,536.2*	*759.6*	*–*	*–*	*–*	*–*	*–*	*30,995.6*	
Impairment during the year	**2014**	**42.1**	**–**	**123.3**	**–**	**1,964.0**	**–**	**0.5**	**–**	**0.5**	**–**	**–**	**2,129.4**	**35.5**
	2013	*40.1*	*–*	*2,247.3*	*72.7*	*32,929.5*	*–*	*–*	*–*	*–*	*–*	*10.5*	*35,300.1*	
	2012	*69.0*	*–*	*1.4*	*78.8*	*244.4*	*–*	*–*	*–*	*–*	*–*	*–*	*393.6*	
Reversal during the year	**2014**	**–**	**–**	**–**	**–**	**(3.8)**	**–**	**–**	**–**	**–**	**–**	**–**	**(3.8)**	**(0.1)**
	2013	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
	2012	*(16.6)*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*(16.6)*	
Deduction on disposals[1]	**2014**	**–**	**–**	**(17.0)**	**(1.1)**	**(453.0)**	**–**	**–**	**–**	**–**	**–**	**(10.5)**	**(481.6)**	**(8.0)**
	2013	*(23.3)*	*–*	*–*	*–*	*(300.3)*	*–*	*–*	*–*	*–*	*–*	*–*	*(323.6)*	
	2012	*–*	*–*	*–*	*–*	*(85.4)*	*–*	*–*	*–*	*–*	*–*	*–*	*(85.4)*	
Disposal of group undertaking	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*(72.4)*	*–*	*(1.5)*	*–*	*(36.9)*	*–*	*–*	*–*	*–*	*–*	*–*	*(110.8)*	
	2012	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
Transfers and other movements[1]	**2014**	**311.6**	**–**	**4,355.8**	**–**	**(4,787.1)**	**5.6**	**12.0**	**0.2**	**–**	**–**	**–**	**(101.9)**	**(1.7)**
	2013	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
	2012	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	
Exchange difference on consolidation	**2014**	**135.0**	**1.2**	**328.1**	**69.1**	**11,779.9**	**186.9**	**0.2**	**–**	**–**	**–**	**–**	**12,500.4**	**208.7**
	2013	*16.5*	*0.1*	*97.9*	*(0.7)*	*(583.8)*	*7.5*	*–*	*–*	*–*	*–*	*–*	*(462.5)*	
	2012	*71.2*	*0.7*	*76.9*	*24.9*	*3,735.8*	*103.7*	*–*	*–*	*–*	*–*	*–*	*4,013.2*	
Impairment as at March 31,	**2014**	**2,516.5**	**7.2**	**7,815.2**	**391.0**	**71,939.5**	**1,063.3**	**12.7**	**0.2**	**0.5**	**–**	**–**	**83,746.1**	**1,398.3**
	2013	*2,027.8*	*6.0*	*3,026.0*	*323.0*	*63,439.5*	*870.8*	*–*	*–*	*–*	*–*	*10.5*	*69,703.6*	
	2012	*2,066.9*	*5.9*	*682.3*	*251.0*	*31,431.0*	*863.3*	*–*	*–*	*–*	*–*	*–*	*35,300.4*	
Accumulated depreciation as at April 1,	**2014**	**1,903.8**	**1,173.2**	**65,637.1**	**3,196.0**	**607,470.9**	**10,716.5**	**8,300.4**	**2,260.5**	**1,530.9**	**26.8**	**5,807.7**	**708,023.8**	**11,822.1**
	2013	*2,336.9*	*919.6*	*61,611.3*	*2,994.4*	*566,709.0*	*9,826.7*	*8,043.7*	*1,912.2*	*1,428.5*	*21.0*	*5,284.8*	*661,088.1*	
	2012	*2,108.4*	*628.4*	*52,916.8*	*2,315.0*	*487,531.2*	*9,023.7*	*9,773.2*	*1,526.6*	*1,295.1*	*30.3*	*4,671.2*	*571,819.9*	
Depreciation of new companies	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*–*	*1.3*	*97.9*	*–*	*1,721.0*	*–*	*23.1*	*1.4*	*15.8*	*1.8*	*36.4*	*1,898.7*	
	2012	*–*	*–*	*368.6*	*–*	*2,849.4*	*5.7*	*10.6*	*16.5*	*13.4*	*–*	*3.6*	*3,267.8*	
Depreciation during the year	**2014**	**158.8**	**242.4**	**3,863.5**	**282.8**	**47,942.8**	**900.1**	**235.5**	**470.6**	**291.1**	**5.6**	**477.5**	**54,870.7**	**916.2**
	2013	*141.3*	*252.1*	*3,687.0*	*310.6*	*45,717.1*	*880.9*	*301.0*	*468.5*	*265.1*	*6.6*	*413.4*	*52,443.6*	
	2012	*127.0*	*220.8*	*3,013.5*	*291.5*	*37,279.8*	*945.6*	*259.3*	*360.5*	*226.0*	*3.3*	*314.8*	*43,042.1*	

13. TANGIBLE ASSETS (Continued)

Tangible Assets		Freehold Land and Roads	Leasehold Land	Buildings[3]	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE and Vehicles	Railway Sidings/ Lines	Total	Total
		₹ million												US $ million
Depreciation on assets written off during the year [1]	**2014**	**(0.9)**	**–**	**(233.5)**	**(5.1)**	**(11,990.6)**	**(283.8)**	**(41.8)**	**(98.7)**	**(183.2)**	**(4.1)**	**(24.5)**	**(12,866.2)**	**(214.8)**
	2013	*(6.8)*	–	*(273.8)*	*(34.4)*	*(11,245.7)*	*(110.6)*	*(144.2)*	*(125.0)*	*(162.9)*	*(3.0)*	*(4.0)*	*(12,110.4)*	
	2012	*(87.1)*	–	*(175.0)*	–	*(5,850.6)*	*(1,160.0)*	*(2,618.6)*	*(70.6)*	*(115.5)*	*(13.8)*	*(33.2)*	*(10,124.4)*	
Disposal of group undertakings	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	*(662.7)*	*(25.5)*	*(682.4)*	*(188.7)*	*(3,147.4)*	–	*(126.0)*	*(54.3)*	*(30.4)*	–	–	*(4,917.4)*	
	2012	–	*(4.9)*	*(164.9)*	–	*(2,046.0)*	–	*(66.8)*	*(1.8)*	*(29.2)*	–	*(9.7)*	*(2,323.3)*	
Transfers and other movements[1]	**2014**	**136.9**	**1.5**	**40.6**	**–**	**173.0**	**(34.4)**	**(0.5)**	**(1.0)**	**(2.9)**	**–**	**23.3**	**336.5**	**5.6**
	2013	–	–	–	–	–	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	–	–	–	–	–	
Exchange difference on consolidation	**2014**	**186.0**	**99.1**	**11,106.0**	**503.6**	**92,379.6**	**2,194.4**	**1,383.6**	**32.6**	**51.0**	**0.1**	**841.6**	**108,777.6**	**1,816.3**
	2013	*95.1*	*25.7*	*1,197.1*	*114.1*	*7,716.9*	*119.5*	*202.8*	*57.7*	*14.8*	*0.4*	*77.1*	*9,621.2*	
	2012	*188.6*	*75.3*	*5,652.3*	*387.9*	*46,945.2*	*1,011.7*	*686.0*	*81.0*	*38.7*	*1.2*	*338.1*	*55,406.0*	
Accumulated depreciation as at March 31,	**2014**	**2,384.6**	**1,516.2**	**80,413.7**	**3,977.3**	**735,975.7**	**13,492.8**	**9,877.2**	**2,664.0**	**1,686.9**	**28.4**	**7,125.6**	**859,142.4**	**14,345.4**
	2013	*1,903.8*	*1,173.2*	*65,637.1*	*3,196.0*	*607,470.9*	*10,716.5*	*8,300.4*	*2,260.5*	*1,530.9*	*26.8*	*5,807.7*	*708,023.8*	
	2012	*2,336.9*	*919.6*	*61,611.3*	*2,994.4*	*566,709.0*	*9,826.7*	*8,043.7*	*1,912.2*	*1,428.5*	*21.0*	*5,284.8*	*661,088.1*	
Total accumulated depreciation and impairment as at March 31,	**2014**	**4,901.1**	**1,523.4**	**88,228.9**	**4,368.3**	**807,915.2**	**14,556.1**	**9,889.9**	**2,664.2**	**1,687.4**	**28.4**	**7,125.6**	**942,888.5**	**15,743.7**
	2013	*3,931.6*	*1,179.2*	*68,663.1*	*3,519.0*	*670,910.4*	*11,587.3*	*8,300.4*	*2,260.5*	*1,530.9*	*26.8*	*5,818.2*	*777,727.4*	
	2012	*4,403.8*	*925.5*	*62,293.6*	*3,245.4*	*598,140.0*	*10,690.0*	*8,043.7*	*1,912.2*	*1,428.5*	*21.0*	*5,284.8*	*696,388.5*	
Net book value as at March 31,	**2014**	**13,358.6**	**7,798.8**	**55,624.5**	**3,188.7**	**456,925.0**	**4,848.0**	**750.2**	**1,182.5**	**1,713.8**	**66.0**	**7,037.6**	**552,493.7**	**9,225.1**
	2013	*12,183.7*	*7,832.6*	*55,945.1*	*2,469.4*	*426,840.1*	*4,604.6*	*665.4*	*1,093.6*	*1,548.3*	*71.6*	*6,521.0*	*519,775.4*	
	2012	*11,497.0*	*8,107.0*	*41,515.5*	*2,862.4*	*313,424.1*	*5,327.6*	*739.9*	*1,123.4*	*1,287.2*	*78.0*	*4,847.2*	*390,809.3*	

Additional information:

(1) Includes adjustments for inter se transfers and reclassification between tangible assets and intangible assets.

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

(3) Buildings include ₹ **23.2** million [**US $ 0.4** million] *(31.03.2013: ₹ 23.2 million, 31.03.2012: ₹ 23.2 million)* being cost of shares in Co-operative Housing Societies and Limited Companies.

(4) Rupee liability has increased by a net amount of ₹ **2,754.5** million [**US $ 46.0** million] *(2012-13: ₹ 822.6 million, 2011-12: ₹ 431.7 million)* arising out of realignment of the value of long-term foreign currency loans for procurement of tangible assets. This increase has been adjusted in the carrying cost of respective tangible assets and has been depreciated over their remaining depreciable life. The depreciation for the current year has increased by ₹ **155.4** million [**US $ 2.6** million] *(2012-13: ₹ 37.2 million, 2011-12: ₹ 22.8 million)* arising on account of this adjustment.

14. INTANGIBLE ASSETS

Intangible Assets		Patents	Development Costs	Software Costs	Mining Rights	Development of Property[3]	Other Intangible Assets	Total	Total
		₹ million							US $ million
Gross block as at April 1,	**2014**	**894.2**	**3,382.4**	**16,441.0**	**5,112.9**	**23,471.7**	**939.9**	**50,242.1**	**838.9**
	2013	*857.5*	*2,832.5*	*15,202.3*	*5,249.4*	*19,142.2*	*884.3*	*44,168.2*	
	2012	*734.9*	*2,639.6*	*13,552.2*	*2,876.6*	*9,889.2*	*724.5*	*30,417.0*	
Assets of new companies	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	–	–	*18.2*	–	–	*46.9*	*65.1*	
	2012	–	–	*11.4*	–	–	–	*11.4*	
Additions during the year [1]	**2014**	**20.1**	**461.3**	**1,398.2**	**1,727.5**	**12,232.8**	**0.2**	**15,840.1**	**264.5**
	2013	*20.9*	*488.9*	*1,054.9*	–	*4,869.3*	*8.7*	*6,442.7*	
	2012	*70.7*	–	*339.2*	*2,178.9*	*7,590.1*	*165.8*	*10,344.7*	
Deductions during the year [2]	**2014**	**(0.2)**	**–**	**(137.7)**	**–**	**(9.0)**	**–**	**(146.9)**	**(2.5)**
	2013	–	–	*(43.8)*	–	–	–	*(43.8)*	
	2012	–	–	*(207.1)*	–	–	*(6.0)*	*(213.1)*	
Disposal of group undertakings	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013	–	–	*(6.5)*	–	–	–	*(6.5)*	
	2012	*(14.8)*	–	–	–	–	–	*(14.8)*	
Transfers and other movements[1]	**2014**	**–**	**–**	**(3.0)**	**–**	**(4,782.9)**	**–**	**(4,785.9)**	**(79.9)**
	2013	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	
Exchange differences capitalised	**2014**	**–**	**–**	**–**	**44.4**	**786.5**	**–**	**830.9**	**13.9**
	2013	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	

14. INTANGIBLE ASSETS (Continued)

Intangible Assets		Patents	Development Costs	Software Costs	Mining Rights	Development of Property[3]	Other Intangible Assets	Total	Total
		₹ million							US $ million
Exchange difference on consolidation	2014	175.5	647.3	2,982.0	(172.5)	430.9	–	4,063.2	67.9
	2013	15.8	61.0	215.9	(136.5)	(539.8)	–	(383.6)	
	2012	66.7	192.9	1,506.6	193.9	1,662.9	–	3,623.0	
Gross block as at March 31,	2014	1,089.6	4,491.0	20,680.5	6,712.3	32,130.0	940.1	66,043.5	1,102.8
	2013	894.2	3,382.4	16,441.0	5,112.9	23,471.7	939.9	50,242.1	
	2012	857.5	2,832.5	15,202.3	5,249.4	19,142.2	884.3	44,168.2	
Impairment as at April 1,	2014	–	–	263.9	461.1	791.7	–	1,516.7	25.3
	2013	–	–	254.1	–	–	–	254.1	
	2012	–	–	223.5	–	–	–	223.5	
Impairment during the year	2014	–	–	–	–	23.9	–	23.9	0.4
	2013	–	–	7.7	456.2	783.2	–	1,247.1	
	2012	–	–	–	–	–	–	–	
Transfers and other movements[1]	2014	–	–	0.5	–	–	–	0.5	0.0
	2013	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	
Exchange difference on consolidation	2014	–	–	56.4	(8.0)	(14.0)	–	34.4	0.6
	2013	–	–	2.1	4.9	8.5	–	15.5	
	2012	–	–	30.6	–	–	–	30.6	
Impairment as at March 31,	2014	–	–	320.8	453.1	801.6	–	1,575.5	26.3
	2013	–	–	263.9	461.1	791.7	–	1,516.7	
	2012	–	–	254.1	–	–	–	254.1	
Accumulated amortisation as at April 1,	2014	768.0	2,534.0	10,554.7	160.0	4,855.0	262.9	19,134.6	319.5
	2013	737.5	2,032.1	8,980.1	86.7	3,398.2	166.2	15,400.8	
	2012	686.3	1,461.3	7,101.8	50.6	2,873.9	124.6	12,298.5	
Amortisation of new companies	2014	–	–	–	–	–	–	–	–
	2013	–	–	17.0	–	–	46.8	63.8	
	2012	–	–	9.7	–	–	–	9.7	
Amortisation during the year	2014	18.0	489.4	1,747.8	9.9	1,698.2	50.4	4,013.7	67.0
	2013	16.3	458.9	1,497.8	70.4	1,470.8	49.9	3,564.1	
	2012	9.0	452.1	1,303.3	27.7	520.3	38.0	2,350.4	
Amortisation on assets written off during the year[1]	2014	(0.2)	–	(129.6)	–	(6.0)	–	(135.8)	(2.3)
	2013	–	–	(38.6)	–	–	–	(38.6)	
	2012	–	–	(199.2)	–	–	3.6	(195.6)	
Disposal of group undertakings	2014	–	–	–	–	–	–	–	–
	2013	–	–	(3.9)	–	–	–	(3.9)	
	2012	(14.8)	–	–	–	–	–	(14.8)	
Transfers and other movements[1]	2014	0.8	–	(1.5)	–	(252.5)	–	(253.2)	(4.2)
	2013	–	–	–	–	–	–	–	
	2012	–	–	–	–	–	–	–	
Exchange difference on consolidation	2014	149.4	488.4	1,931.0	(3.9)	56.2	–	2,621.1	43.8
	2013	14.2	43.0	102.3	2.9	(14.0)	–	148.4	
	2012	57.0	118.7	764.5	8.4	4.0	–	952.6	
Accumulated amortisation as at March 31,	2014	936.0	3,511.8	14,102.4	166.0	6,350.9	313.3	25,380.4	423.8
	2013	768.0	2,534.0	10,554.7	160.0	4,855.0	262.9	19,134.6	
	2012	737.5	2,032.1	8,980.1	86.7	3,398.2	166.2	15,400.8	
Total accumulated amortisation and impairment as at March 31,	2014	936.0	3,511.8	14,423.2	619.1	7,152.5	313.3	26,955.9	450.1
	2013	768.0	2,534.0	10,818.6	621.1	5,646.7	262.9	20,651.3	
	2012	737.5	2,032.1	9,234.2	86.7	3,398.2	166.2	15,654.9	
Net book value as at March 31,	2014	153.6	979.2	6,257.3	6,093.2	24,977.5	626.8	39,087.6	652.7
	2013	126.2	848.4	5,622.4	4,491.8	17,825.0	677.0	29,590.8	
	2012	120.0	800.4	5,968.1	5,162.7	15,744.0	718.1	28,513.3	

Additional information:

(1) Includes adjustments for inter se transfers and reclassification between intangible assets and tangible assets.

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

(3) Development of property represents expenditure incurred on development of mines/collieries.

(4) Rupee liability has increased by a net amount of **₹ 830.9** million [**US $ 13.9** million] *(2012-13: Nil, 2011-12: Nil)* arising out of realignment of the value of long-term foreign currency loans taken for development of mining assets and has been adjusted against the carrying cost of assets.

15. INVESTMENTS

		As at March 31,	Non-current	Current	Total ₹ million	Total US $ million
(a)	Investments in equity instruments	**2014**	**18,238.0**	**–**	**18,238.0**	**304.5**
		2013	*19,695.5*	*14.0*	*19,709.5*	
		2012	*20,736.4*	*14.2*	*20,750.6*	
(b)	Investments in government or trust securities	**2014**	**0.2**	**–**	**0.2**	**0.0**
		2013	*0.2*	*–*	*0.2*	
		2012	*0.2*	*–*	*0.2*	
(c)	Investments in debentures and bonds	**2014**	**4,300.0**	**–**	**4,300.0**	**71.8**
		2013	*3,783.9*	*–*	*3,783.9*	
		2012	*3,959.3*	*–*	*3,959.3*	
(d)	Investments in partnership firms	**2014**	**210.5**	**–**	**210.5**	**3.5**
		2013	*172.7*	*–*	*172.7*	
		2012	*163.6*	*–*	*163.6*	
(e)	Investment properties	**2014**	**1,502.0**	**–**	**1,502.0**	**25.1**
		2013	*1,301.3*	*–*	*1,301.3*	
		2012	*1,281.8*	*–*	*1,281.8*	
(f)	Investments in mutual funds	**2014**	**–**	**26,684.0**	**26,684.0**	**445.6**
		2013	*20.1*	*7,588.9*	*7,609.0*	
		2012	*87.5*	*13,969.5*	*14,057.0*	
		2014	**24,250.7**	**26,684.0**	**50,934.7**	**850.5**
		2013	*24,973.7*	*7,602.9*	*32,576.6*	
		2012	*26,228.8*	*13,983.7*	*40,212.5*	

Additional information:

		As at March 31,	Non-current	Current	Total ₹ million	Total US $ million
(1)	Aggregate amount of quoted investments	**2014**	**13,503.5**	**100.9**	**13,604.4**	**227.2**
		2013	*14,012.0*	*121.4*	*14,133.4*	
		2012	*15,207.3*	*49.6*	*15,256.9*	
(2)	Aggregate amount of unquoted investments	**2014**	**9,245.2**	**26,583.1**	**35,828.3**	**598.2**
		2013	*9,660.4*	*7,481.5*	*17,141.9*	
		2012	*9,739.7*	*13,934.1*	*23,673.8*	
		2014	**22,748.7**	**26,684.0**	**49,432.7**	**825.4**
		2013	*23,672.4*	*7,602.9*	*31,275.3*	
		2012	*24,947.0*	*13,983.7*	*38,930.7*	
(3)	Equity accounted associates					
	(i) Cost of investment [including **₹ 1,299.6** million [**US $ 21.7** million] *(31.03.2013: ₹ 1,179.0 million, 31.03.2012: ₹ 1,233.4 million)* of goodwill (net of capital reserve) arising on consolidation]	**2014**			**6,985.9**	**116.6**
		2013			*6,549.9*	
		2012			*6,585.0*	
	(ii) Share of post acquisition profit (net of losses)	**2014**			**1,176.8**	**19.7**
		2013			*2,582.4*	
		2012			*5,201.9*	
		2014			**8,162.7**	**136.3**
		2013			*9,132.3*	
		2012			*11,786.9*	

(4) Details of equity accounted associates are as follows:

Name of the Company		Original cost of investment[(a)] US $ million	Original cost of investment[(a)] ₹ million	Goodwill/ (Capital Reserve)[(a)] US $ million	Goodwill/ (Capital Reserve)[(a)] ₹ million	Accumulated profit/(loss) as at 31.03.2014[(a) (b)] US $ million	Accumulated profit/(loss) as at 31.03.2014[(a) (b)] ₹ million	Carrying amount of investments as at 31.03.2014[(a) (b)] US $ million	Carrying amount of investments as at 31.03.2014[(a) (b)] ₹ million
Combulex B.V.*	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013		*105.8*		*–*		*(20.4)*		*85.4*
	2012		*104.9*		*–*		*15.0*		*119.9*
Cv Gasexpansie Ijmond	**2014**	**0.1**	**3.1**	**–**	**–**	**0.0**	**0.6**	**0.1**	**3.7**
	2013		*2.5*		*–*		*0.7*		*3.2*
	2012		*2.5*		*–*		*0.6*		*3.1*
European Profiles (M) Sdn. Bhd.	**2014**	**1.4**	**86.4**	**–**	**–**	**0.2**	**9.8**	**1.6**	**96.2**
	2013		*71.2*		*–*		*4.6*		*75.8*
	2012		*70.6*		*–*		*(2.1)*		*68.5*
Gietwalsonderhoudcombinatie B.V.	**2014**	**1.9**	**113.1**	**–**	**–**	**1.8**	**105.5**	**3.7**	**218.6**
	2013		*93.1*		*–*		*80.7*		*173.8*
	2012		*92.3*		*–*		*83.8*		*176.1*
Hoogovens Court Roll Service Technologies Vof:	**2014**	**1.9**	**115.4**	**–**	**–**	**1.7**	**100.7**	**3.6**	**216.1**
	2013		*95.0*		*–*		*63.9*		*158.9*
	2012		*94.2*		*–*		*70.8*		*165.0*
Industrial Energy Ltd.	**2014**	**14.5**	**865.8**	**–**	**–**	**8.3**	**500.6**	**22.8**	**1,366.4**
	2013		*865.8*		*–*		*472.8*		*1,338.6*
	2012		*865.8*		*–*		*292.2*		*1,158.0*
Jamipol Ltd.	**2014**	**1.7**	**104.0**	**0.1**	**3.2**	**4.5**	**266.6**	**6.2**	**370.6**
	2013		*104.0*		*3.2*		*205.6*		*309.6*
	2012		*52.9*		*3.2*		*170.8*		*223.7*
Nicco Jubilee Park Limited (₹ 1/-)	**2014**	**0.1**	**3.8**	**–**	**–**	**(0.1)**	**(3.8)**	**–**	**–**
	2013		*3.8*		*–*		*(3.8)*		*–*
	2012		*3.8*		*–*		*(3.8)*		*–*
New Millennium Iron Corp.	**2014**	**65.5**	**3,922.2**	**21.3**	**1,276.9**	**(2.8)**	**(168.2)**	**62.7**	**3,754.0**
	2013		*3,554.5*		*1,156.3*		*80.0*		*3,634.5*
	2012		*3,331.5*		*1,096.5*		*198.8*		*3,530.3*
Rujuvalika Investments Ltd.	**2014**	**0.6**	**32.5**	**(0.1)**	**(2.9)**	**0.9**	**58.5**	**1.5**	**91.0**
	2013		*32.5*		*(2.9)*		*50.8*		*83.3*
	2012		*32.5*		*(2.9)*		*40.0*		*72.5*
Shanghai Bao Yi Beverage Can Making Co. Ltd.**	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013		*–*		*–*		*–*		*–*
	2012		*123.0*		*–*		*0.2*		*123.2*
SteelAsia Manufacturing Corporation*	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013		*–*		*–*		*1,257.0*		*1,257.0*
	2012		*–*		*–*		*1,233.4*		*1,233.4*
Strategic Energy Technology Systems Private Limited	**2014**	**4.1**	**247.1**	**–**	**–**	**(4.1)**	**(247.1)**	**–**	**–**
	2013		*247.1*		*–*		*(230.4)*		*16.7*
	2012		*234.1*		*–*		*(202.2)*		*31.9*
Tata Sponge Iron Limited ▲	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013		*–*		*–*		*–*		*–*

Name of the Company		Original cost of investment[(a)] US $ million	Original cost of investment[(a)] ₹ million	Goodwill/ (Capital Reserve)[(a)] US $ million	Goodwill/ (Capital Reserve)[(a)] ₹ million	Accumulated profit/(loss) as at 31.03.2014[(a) (b)] US $ million	Accumulated profit/(loss) as at 31.03.2014[(a) (b)] ₹ million	Carrying amount of investments as at 31.03.2014[(a) (b)] US $ million	Carrying amount of investments as at 31.03.2014[(a) (b)] ₹ million
	2012		*207.4*		*114.2*		*2,400.7*		*2,608.1*
TKM Overseas Ltd.*	**2014**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2013		*11.3*		*–*		*(11.3)*		*–*
	2012		*11.3*		*–*		*(11.3)*		*–*
TRF Ltd.	**2014**	**0.9**	**58.2**	**0.2**	**14.3**	**2.5**	**149.4**	**3.4**	**207.6**
	2013		*58.2*		*14.3*		*413.5*		*471.7*
	2012		*58.2*		*14.3*		*530.0*		*588.2*
TRL Krosaki Refractories Ltd.	**2014**	**11.7**	**702.4**	**0.2**	**8.1**	**0.5**	**27.6**	**12.2**	**730.0**
	2013		*702.4*		*8.1*		*13.7*		*716.1*
	2012		*702.4*		*8.1*		*22.0*		*724.4*
Wupperman Staal Nederland B.V.	**2014**	**12.2**	**731.9**	**–**	**–**	**6.3**	**376.6**	**18.5**	**1,108.5**
	2013		*602.7*		*–*		*205.0*		*807.7*
	2012		*597.6*		*–*		*363.0*		*960.6*
	2014	**116.6**	**6,985.9**	**21.7**	**1,299.6**	**19.7**	**1,176.8**	**136.3**	**8,162.7**
	2013		*6,549.9*		*1,179.0*		*2,582.4*		*9,132.3*
	2012		*6,585.0*		*1,233.4*		*5,201.9*		*11,786.9*

(a) Includes impact of exchange rate changes on translation.
(b) Includes other adjustments to carrying value accounted through reserves.
* Part of FY 2013-14.
** Part of FY 2012-13.
▲ Earlier an associate, became a subsidiary during the FY 2012-13. Carrying value of investment on the date of becoming a subsidiary **₹ 2,769.5** million [**US $ 46.2** million].

16. LOANS AND ADVANCES

		As at March 31,	Long-Term	Short-Term	Total	Total
				₹ million		US $ million
(a)	Capital advances					
	Unsecured and considered good	**2014**	**16,508.4**	**–**	**16,508.4**	**275.7**
		2013	*27,949.2*	*–*	*27,949.2*	
		2012	*25,473.5*	*–*	*25,473.5*	
	Unsecured and considered doubtful	**2014**	**7.4**	**–**	**7.4**	**0.1**
		2013	*10.9*	*–*	*10.9*	
		2012	*9.9*	*–*	*9.9*	
	Less: Provision for bad & doubtful loans and advances	**2014**	**7.4**	**–**	**7.4**	**0.1**
		2013	*10.9*	*–*	*10.9*	
		2012	*9.9*	*–*	*9.9*	
		2014	**16,508.4**	**–**	**16,508.4**	**275.7**
		2013	*27,949.2*	*–*	*27,949.2*	
		2012	*25,473.5*	*–*	*25,473.5*	
(b)	Security deposits					
	Unsecured and considered good	**2014**	**1,534.5**	**549.6**	**2,084.1**	**34.8**
		2013	*1,397.5*	*514.2*	*1,911.7*	
		2012	*1,107.0*	*460.8*	*1,567.8*	
	Unsecured and considered doubtful	**2014**	**16.7**	**5.0**	**21.7**	**0.4**
		2013	*15.5*	*5.0*	*20.5*	
		2012	*14.5*	*0.3*	*14.8*	
	Less: Provision for bad & doubtful loans and advances	**2014**	**16.7**	**5.0**	**21.7**	**0.4**
		2013	*15.5*	*5.0*	*20.5*	
		2012	*14.5*	*0.3*	*14.8*	
		2014	**1,534.5**	**549.6**	**2,084.1**	**34.8**
		2013	*1,397.5*	*514.2*	*1,911.7*	
		2012	*1,107.0*	*460.8*	*1,567.8*	
(c)	Advance with public bodies					
	Unsecured and considered good	**2014**	**7,921.6**	**14,562.6**	**22,484.2**	**375.4**
		2013	*5,069.9*	*12,611.3*	*17,681.2*	
		2012	*3,169.1*	*11,722.2*	*14,891.3*	
	Unsecured and considered doubtful	**2014**	**134.7**	**58.8**	**193.5**	**3.2**
		2013	*148.6*	*53.2*	*201.8*	
		2012	*182.2*	*23.2*	*205.4*	
	Less: Provision for bad & doubtful loans and advances	**2014**	**134.7**	**58.8**	**193.5**	**3.2**
		2013	*148.6*	*53.2*	*201.8*	
		2012	*182.2*	*23.2*	*205.4*	
		2014	**7,921.6**	**14,562.6**	**22,484.2**	**375.4**
		2013	*5,069.9*	*12,611.3*	*1,7681.2*	
		2012	*3,169.1*	*11,722.2*	*1,4891.3*	
(d)	Loans and advances to related parties					
	Unsecured and considered good	**2014**	**556.0**	**1,392.0**	**1,948.0**	**32.5**
		2013	*12.5*	*432.0*	*444.5*	
		2012	*48.6*	*126.6*	*175.2*	
(e)	Advance payment against taxes					
	Unsecured and considered good	**2014**	**7,336.2**	**716.2**	**8,052.4**	**134.5**
		2013	*4,702.0*	*1,101.1*	*5,803.1*	
		2012	*4,049.0*	*1,124.3*	*5,173.3*	
(f)	MAT credit entitlement					
	Unsecured and considered good	**2014**	**346.4**	**–**	**346.4**	**5.8**
		2013	*347.7*	*3,998.4*	*4,346.1*	
		2012	*248.4*	*–*	*248.4*	
(g)	Other loans and advances[(1)]					
	Unsecured and considered good	**2014**	**53,614.2**	**14,709.5**	**68,323.7**	**1,140.8**
		2013	*31,497.7*	*21,948.4*	*53,446.1*	
		2012	*34,275.6*	*23,740.3*	*58,015.9*	
	Unsecured and considered doubtful	**2014**	**1,745.8**	**332.7**	**2,078.5**	**34.7**
		2013	*1,429.4*	*601.5*	*2,030.9*	
		2012	*1,365.5*	*350.0*	*1,715.5*	
	Less: Provision for bad & doubtful loans and advances	**2014**	**1,745.8**	**332.7**	**2,078.5**	**34.7**
		2013	*1,429.4*	*601.5*	*2,030.9*	
		2012	*1,365.5*	*350.0*	*1,715.5*	
		2014	**53,614.2**	**14,709.5**	**68,323.7**	**1,140.8**
		2013	*31,497.7*	*21,948.4*	*53,446.1*	
		2012	*34,275.6*	*23,740.3*	*58,015.9*	
		2014	**87,817.3**	**31,929.9**	**119,747.2**	**1,999.5**
		2013	*70,976.5*	*40,605.4*	*111,581.9*	
		2012	*68,371.2*	*37,174.2*	*105,545.4*	

Additional information:

(1) Includes **₹ 1,459.9** million [**US $ 24.4** million] *(31.03.2013: ₹ 1,323.0 million, 31.03.2012: ₹ 457.9 million)* on account of exploration and evaluation activities.

17. OTHER NON-CURRENT ASSETS

		As at March 31,			
		2014	2014	*2013*	*2012*
		US $ million	₹ million		
(a)	Balances with banks[(1)(2)]	**16.7**	**1,000.0**	*582.3*	*679.1*
(b)	Unamortised loan issue expenses	**89.1**	**5,334.8**	*6,995.3*	*9,972.6*
(c)	Others	**7.4**	**446.1**	*205.3*	*–*
		113.2	**6,780.9**	*7,782.9*	*10,651.7*

Additional information:
(1) Represents bank deposits not due for realisation within 12 months of the balance sheet date.
(2) Includes balances with banks held as security against guarantees.

18. INVENTORIES

(At lower of cost and net realisable value)

		As at March 31,			
		2014	2014	*2013*	*2012*
		US $ million	₹ million		
(a)	Raw materials	**1,284.9**	**76,954.5**	*78,894.0*	*89,956.3*
(b)	Work-in-progress	**963.2**	**57,684.0**	*49,458.4*	*56,791.2*
(c)	Finished and semi-finished goods	**1,603.2**	**96,017.9**	*79,991.7*	*82,628.4*
(d)	Stock-in-trade of goods acquired for trading	**69.1**	**4,138.5**	*2,921.3*	*3,943.2*
(e)	Stores and spares	**567.8**	**34,005.1**	*29,646.5*	*22,660.9*
		4,488.2	**268,800.0**	*240,911.9*	*255,980.0*
Included above, goods-in-transit:					
(i)	Raw materials	**247.5**	**14,822.1**	*12,694.0*	*10,927.1*
(ii)	Finished and semi-finished goods	**10.1**	**601.8**	*1,806.0*	*1,671.5*
(iii)	Stock-in-trade of goods acquired for trading	**0.0**	**0.3**	*–*	*–*
(iv)	Stores and spares	**27.9**	**1,672.4**	*1,224.1*	*1,137.3*
		285.5	**17,096.6**	*15,724.1*	*13,735.9*

19. TRADE RECEIVABLES

		As at March 31,			
		2014	2014	*2013*	*2012*
		US $ million	₹ million		
(a)	More than six months	**73.5**	**4,404.1**	*6,147.3*	*6,840.5*
(b)	Others	**2,658.6**	**159,225.1**	*137,470.2*	*147,787.2*
		2,732.1	**163,629.2**	*143,617.5*	*154,627.7*
Less: Provision for bad and doubtful debts					
(i)	More than six months	**41.0**	**2,453.5**	*2,375.0*	*5,842.9*
(ii)	Others	**18.6**	**1,118.0**	*1,302.9*	*–*
		2,672.5	**160,057.7**	*139,939.6*	*148,784.8*
Unsecured and considered good		**2,672.5**	**160,057.7**	*139,939.6*	*148,784.8*
Doubtful		**59.6**	**3,571.5**	*3,677.9*	*5,842.9*
		2,732.1	**163,629.2**	*143,617.5*	*154,627.7*

20. CASH AND BANK BALANCES

		As at March 31,			
		2014	2014	*2013*	*2012*
		US $ million	₹ million		
(a)	Cash in hand	**0.2**	**12.4**	*12.6*	*12.2*
(b)	Cheques, drafts on hand	**33.0**	**1,975.6**	*1,540.8*	*281.9*
(c)	Remittances in-transit	**6.2**	**373.2**	*2,350.2*	*148.3*
(d)	Balances with banks	**1,371.7**	**82,151.8**	*92,787.4*	*105,871.5*
Total cash and cash equivalents		**1,411.1**	**84,513.0**	*96,691.0*	*106,313.9*
(e)	Earmarked balances with banks	**25.6**	**1,532.0**	*1,648.2*	*1,416.7*
		1,436.7	**86,045.0**	*98,339.2*	*107,730.6*

21. OTHER CURRENT ASSETS

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Interest accrued on investments	**2.2**	**130.5**	*56.8*	*47.1*
(b)	Interest accrued on deposits, loans and advances	**3.1**	**184.9**	*168.4*	*262.4*
(c)	Others[(1)]	**101.2**	**6,062.1**	*14,623.5*	*3,863.0*
		106.5	**6,377.5**	*14,848.7*	*4,172.5*

Additional information:

(1) Includes **₹ 3,928.9** million [**US $ 65.6** million] *(31.03.2013: ₹ 3,310.1 million, 31.03.2012: ₹ 3,301.6 million)* on account of loan issue expenses and **₹ 1,232.5** million [**US $ 20.6** million] *(31.03.2013: ₹ 9,756.9 million, 31.03.2012: Nil)* on account of receivables for sale of investments.

22. REVENUE FROM OPERATIONS

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Sale of products	**24,903.8**	**1,491,486.2**	*1,351,725.6*	*1,330,643.2*
(b)	Sale of power and water	**165.2**	**9,895.5**	*10,102.1*	*11,272.3*
(c)	Income from town, medical and other services	**302.0**	**18,083.5**	*14,649.5*	*12,073.5*
(d)	Other operating income	**211.4**	**12,662.7**	*11,734.2*	*5,766.6*
		25,582.4	**1,532,127.9**	*1,388,211.4*	*1,359,755.6*

23. OTHER INCOME

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Dividend income				
	(i) Non-current investments	**11.0**	**659.4**	*952.4*	*908.9*
	(ii) Current investments	**4.7**	**280.9**	*148.2*	*103.6*
(b)	Interest income	**44.8**	**2,684.9**	*2,038.7*	*4,552.7*
(c)	Net gain/(loss) on sale of				
	(i) Other non-current investments	**4.1**	**247.8**	*14.9*	*65.2*
	(ii) Current investments	**31.0**	**1,856.3**	*2,327.0*	*4,324.7*
(d)	Profit on sale of capital assets (net of loss on assets sold/written off)	**(7.8)**	**(470.2)**	*745.2*	*(74.1)*
(e)	Gain/(Loss) on cancellation of forwards, swaps and options (net)	**(1.5)**	**(91.0)**	*(1,434.9)*	*(430.6)*
(f)	Other miscellaneous income	**–**	**–**	*–*	*6,279.9*
		86.3	**5,168.1**	*4,791.5*	*15,730.3*

24. EMPLOYEE BENEFITS EXPENSE

		For the year ended March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million		**₹ million**	
(a)	Salaries and wages, including bonus	**2,895.3**	**173,401.0**	*155,944.8*	*144,533.8*
(b)	Contribution to provident and other funds	**428.2**	**25,643.8**	*27,565.7*	*23,724.4*
(c)	Staff welfare expenses	**66.6**	**3,989.3**	*5,609.5*	*4,028.2*
		3,390.1	**203,034.1**	*189,120.0*	*172,286.4*

25. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Depreciation on tangible assets	**916.2**	**54,870.7**	*52,443.6*	*43,042.1*
(b) Amortisation of intangible assets	**67.0**	**4,013.7**	*3,564.1*	*2,350.4*
	983.2	**58,884.4**	*56,007.7*	*45,392.5*
Less: Amount released from specific grants	**7.9**	**472.2**	*254.5*	*226.0*
	975.3	**58,412.2**	*55,753.2*	*45,166.5*

26. FINANCE COSTS

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million		**₹ million**	
(a) Interest expense				
(i) Debentures/bonds and fixed loans	**676.7**	**40,525.3**	*35,135.4*	*39,751.0*
(ii) Others	**36.0**	**2,157.0**	*2,292.1*	*1,813.5*
(b) Finance charges on finance leases	**73.0**	**664.3**	*656.6*	*643.7*
(c) Other borrowing costs	**11.1**	**4,374.6**	*3,915.1*	*3,655.1*
	796.8	**47,721.2**	*41,999.2*	*45,863.3*
Less: Interest capitalised	**72.7**	**4,352.9**	*2,318.1*	*3,362.2*
	724.1	**43,368.3**	*39,681.1*	*42,501.1*

27. OTHER EXPENSES

	For the year ended March 31,			
	2014	**2014**	2013	2012
	US $ million		**₹ million**	
(a) Consumption of stores and spares	**2,002.8**	**119,950.1**	*98,379.8*	*80,240.5*
(b) Repairs to buildings	**84.1**	**5,033.9**	*5,123.8*	*4,860.3*
(c) Repairs to machinery	**989.3**	**59,251.6**	*51,520.1*	*52,440.6*
(d) Relining expenses	**22.9**	**1,371.9**	*1,308.9*	*1,164.4*
(e) Fuel oil consumed	**181.9**	**10,894.3**	*9,903.7*	*10,200.3*
(f) Purchase of power(1)	**1,007.8**	**60,357.7**	*55,540.1*	*49,154.5*
(g) Conversion charges	**338.6**	**20,279.5**	*19,309.2*	*11,683.6*
(h) Freight and handling charges	**1,504.1**	**90,079.2**	*74,342.7*	*66,595.4*
(i) Rent	**671.1**	**40,192.1**	*33,863.6*	*33,770.8*
(j) Royalty	**202.2**	**12,109.7**	*11,988.6*	*9,277.4*
(k) Rates and taxes	**182.8**	**10,950.0**	*9,800.3*	*8,301.1*
(l) Insurance	**79.4**	**4,753.9**	*3,323.6*	*2,487.3*
(m) Commission, discounts and rebates	**48.8**	**2,921.1**	*2,711.7*	*2,571.2*
(n) Provision for wealth tax	**0.4**	**21.1**	*21.9*	*18.0*
(o) Provision for doubtful debts and advances	**13.2**	**789.8**	*1,156.0*	*816.3*
(p) Excise duty	**12.3**	**736.6**	*1,421.0*	*947.0*
(q) Others(2)	**1,122.1**	**67,201.5**	*62,875.7*	*49,139.9*
	8,463.8	**506,894.0**	*442,590.7*	*383,668.6*

Additional information:

(1) Includes a credit of ₹ **2,203.6** million [**US $ 36.8** million] *(2012-13: Nil, 2011-12: Nil)* in respect of claim for electricity cost previously overchagred by a supplier.

(2) (i) Includes provision for impairment losses on fixed assets ₹ **1,879.5** million [**US $ 31.4** million] *(2012-13: ₹ 2,531.6 million, 2011-12: ₹ 1,049.5 million).*

(ii) Includes a credit of ₹ **603.6** million [**US $ 10.1** million] *(2012-13: Nil, 2011-12: Nil)* received from UK tax authorities in relation to research and development expenditure.

28. EXCEPTIONAL ITEMS

Exceptional items as shown in the Consolidated Statement of Profit and Loss represent:

a) Provision of ₹ **4.2** million [**US $ 0.1** million] on account of investment exposure in Strategic Energy Technology Systems Private Limited (an associate).

b) Profit on sale of investments in subsidiaries, joint ventures, associates and other non-current investments by the Group of **₹ 182.0** million [**US $ 3.1** million] *(2012-13: ₹ 9,660.3 million, 2011-12: ₹ 33,619.2 million).*

(c) Impairment loss recognised in the Consolidated Statement of Profit and Loss is in respect of:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(i) Goodwill on consolidation	**1.1**	**63.8**	*47,514.0*	–
(ii) Fixed assets	**6.5**	**390.4**	*36,045.1*	–
Total disclosed as exceptional items	**7.6**	**454.2**	*83,559.1*	–

The impairment loss on fixed assets relate to the following primary business reportable segments, however the same has been shown as an exceptional item and does not form part of segment result for the purpose of segment reporting:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Steel	**3.3**	**196.5**	*32,546.1*	–
Others	**3.2**	**193.9**	*3,499.0*	–
	6.5	**390.4**	*36,045.1*	–

Impairment on goodwill recognised during the year relates to goodwill allocated to CGUs forming part of the steel business segment. Previous year figures relates to goodwill allocated to CGUs forming part of the steel business segment within Tata Steel Europe Limited.

29. EARNINGS PER SHARE (EPS)

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(a) Profit/(Loss) after tax, minority interest and share of profit of associates	**600.2**	**35,948.9**	*(70,576.2)*	*53,897.7*
Less: Dividend on Preference Shares (including tax on dividend)	**0.2**	**14.9**	*17.3*	*17.6*
Less: Distribution on Hybrid Perpetual Securities (net of tax)	**29.3**	**1,756.1**	*1,798.4*	*1,733.0*
Profit attributable to Ordinary Shareholders – for Basic EPS	**570.7**	**34,177.9**	*(72,391.9)*	*52,147.1*
Add: Adjustment for **5,469.35** *(31.03.2013: 5,469.35, 31.03.2012: 5,469.35)* 4.5% Foreign Currency Convertible Bonds	**–**	**–**	*–*	*1,629.7*
Profit attributable to Ordinary Shareholders – for Diluted EPS	**570.7**	**34,177.9**	*(72,391.9)*	*53,776.8*
	Nos.	**Nos.**	*Nos.*	*Nos.*
(b) Weighted average no. of Ordinary Shares for Basic EPS	**97,12,15,239**	**97,12,15,239**	*97,12,14,550*	*96,09,56,853*
Add: Adjustment for **5,469.35** *(31.03.2013: 5,469.35, 31.03.2012: 5,469.35)* 4.5% Foreign Currency Convertible Bonds	**–**	**–**	*–*	*4,21,12,297*
Weighted average no. of Ordinary Shares for Diluted EPS	**97,12,15,239**	**97,12,15,239**	*97,12,14,550*	*1,00,30,69,150*
(c) Nominal value per Ordinary Share	**₹ 10**	**₹ 10**	*₹ 10*	*₹ 10*
	US $	**₹**	*₹*	*₹*
(d) Basic earnings per Ordinary Share	**0.6**	**35.19**	*(74.54)*	*54.27*
(e) Diluted earnings per Ordinary Share	**0.6**	**35.19**	*(74.54)*	*53.61*

Additional information:

(1) 4.5% Foreign Currency Convertible Bonds are anti-dilutive in FY 2013-14 and FY 2012-13.

30. CONTINGENT LIABILITIES AND COMMITMENTS

A. Contingent Liabilities

(a) Claims not acknowledged by the Group

		As at March 31,			
		2014	**2014**	*2013*	*2012*
		US $ million	**₹ million**		
(i)	Excise and Service Tax	**106.4**	**6,373.6**	*6,831.6*	*5,215.2*
(ii)	Customs	**2.8**	**165.3**	*165.2*	*165.1*
(iii)	Sales Tax and VAT	**56.5**	**3,381.9**	*4,475.0*	*4,458.2*
(iv)	State Levies	**99.0**	**5,930.4**	*2,900.1*	*1,669.0*
(v)	Suppliers and Service Contract	**13.4**	**803.8**	*775.2*	*746.3*
(vi)	Labour Related	**8.5**	**510.1**	*462.1*	*426.6*
(vii)	Income Tax	**25.9**	**1,553.0**	*214.9*	*270.5*
(viii)	Royalty	**2.3**	**140.1**	*140.1*	*140.1*
(ix)	Others	**171.3**	**10,255.9**	*7,771.5*	*9,960.6*

(b) The Company has given guarantees aggregating **₹ 6,032.2** million [**US $ 100.7** million] *(31.03.2013: ₹ 5,989.7 million, 31.03.2012: ₹ 6,820.7 million)* on behalf of others. As at 31st March, 2014, the contingent liabilities under these guarantees amounts to **₹ 6,032.2** million [**US $ 100.7** million] *(31.03.2013: ₹ 5,989.7 million, 31.03.2012: ₹ 6,820.7 million)*.

(c) Claim by a party arising out of conversion arrangement - **₹ 1,958.2** million [**US $ 32.7** million] *(31.03.2013: ₹ 1,958.2 million, 31.03.2012: ₹ 1,958.2 million)*. The Company has not acknowledged this claim and has instead filed a claim of ₹ **1,396.5** million [**US $ 23.3** million] *(31.03.2013: ₹ 1,396.5 million, 31.03.2012: ₹ 1,396.5 million)* on the party. The matter is pending before the Calcutta High Court.

(d) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act, 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of 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 Odisha moved to the Supreme Court against the order of Orissa High Court and the case is pending with Supreme Court. The potential liability, as of 31st March, 2014 would be approximately **₹ 39,466.5** million [**US $ 659.0** million] *(31.03.2013: ₹ 30,064.6 million, 31.03.2012: ₹ 20,858.8 million)*.

(e) Interest expenditure on loans taken and deployed for Corus acquisition has been disallowed in assessments with total tax demand raised for ₹ **4,530.0** million [**US $ 75.6** million]. Company has deposited ₹ **3,000.0** million [**US $ 50.1** million] as a precondition to prefer appeals and is reasonably confident of succeeding in litigation, on due consideration of facts and legal position.

(f) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgment and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty 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 demand of the state mining authority has been confirmed by High Court vide its Judgment dated 12th March, 2014. High Court has concluded that the State cannot claim interest till the Hon'ble Supreme Court decides the pending SLP's filed by State and Company in the year 2004. Company has filed SLP before Supreme Court against the order of the High Court dated 12th March, 2014. In the hearing held on 2nd May, 2014, the case has been referred to the Larger Bench of the Supreme Court. Principal demand amount is ₹ 2050.0 million out of which ₹ 150.0 million has been paid under protest and ₹1900.0 million have been provided in the books. Interest amount of **₹ 3,018.3** million [**US $ 50.4** million] *(31.03.2013: ₹ 4,539.1 million including principal demand of ₹ 1,900.0 million, 31.03.2012: ₹ 4,249.5 million including principal demand of ₹ 1,900.0 million)* has been considered as contingent liability.

(g) The Company pays royalty on ore on the basis of quantity removed from the leased area at the rates based on notification by the Ministry of Mines, Government of India and the price published by India Bureau of Mines (IBM) on a monthly basis.

An additional demand of ₹ 1,481.5 million has been raised by Deputy Director of Mines, Joda, claiming royalty at sized ore rates on despatches of ore fines. The Company has filed a revision petition on 14th November, 2013 before the Mines Tribunal, Government of India, Ministry of Mines, New Delhi, challenging the legality and validity of the demand raised and also to grant refund of royalty excess paid by the Company. Accordingly, the demand of **₹ 1,481.5** million [**US $ 24.7** million] *(31.03.2013: ₹ 790.8 million, 31.03.2012: ₹ 775.2 million)* has been considered as a contingent liability.

(h) In terms of Agreements entered into in 2008-09 between Tata Teleservices Ltd. (TTSL), Tata Sons Limited (TSL) and NTT DoCoMo, Inc. of Japan (Strategic Partner-SP), the Company sold to the SP, 52,46,590 equity shares of Tata Teleservices Ltd. ("TTSL") at ₹ 116.09 per share which resulted in a profit of ₹ 497.7 million [US $ 8.3 million] in the same year. Tata Sons Limited is party to a Shareholders Agreement with NTT DoCoMo, Inc. of Japan (Strategic Partner – SP) dated 25th March, 2009 and amended on 21st May, 2010.

The Company has an "inter se" agreement with Tata Sons Limited and other Tata Group companies. Tata Sons Limited has informed the Company as follows:

(i) Under the terms of the Shareholders Agreement if certain performance parameters and other conditions are not met by TTSL by 31st March, 2014 the SP has an option to divest its entire shareholdings in TTSL at a price being the higher of fair value or ₹ 58.05 per share (i.e. 50 percent of the subscription price) ("Sale Price"), subject to compliance with applicable law and regulations ("Sale Option").

(ii) Tata Sons Limited had offered other shareholders of TTSL, including the Company, the option in 2008-09 to sell to the SP. If Tata Sons Limited becomes obliged to acquire the Sale Shares under the Sale Option the Company can be nominated by it to acquire pro-rated proportions of the Sale Shares based on the number of shares sold by the Company to the SP. On a pro-rated bases the number of shares would be 2,58,83,846 shares out of the Sale Shares. The Company has further agreed to reimburse Tata Sons Limited for any other indemnification claim made on Tata Sons Limited by SP on a similar proportionate basis.

(iii) In the wake of recent regulatory developments in India, Tata Sons Limited has considered its position relating to the possible exercise of the Sale Option under the Shareholders Agreement.

(iv) The Shareholders Agreement obliges Tata Sons Limited to find a buyer for the shares at the Sale Price.

(v) If there is no buyer at the Sale Price, then Tata Sons Limited is obliged to acquire or procure the acquisition of such shares. These obligations are subject to compliance with applicable law and regulations.

(vi) No notice of exercise of the Sale Option has been received although the SP has communicated its board decision to exercise the Sale Option.

(vii) Pending receipt of a notice exercising the Sale Option and in view of applicable law and regulations, the exposure of the Company (if any) cannot be ascertained.

The aforementioned agreements are governed by Indian Law.

(i) Bills discounted **₹ 4,976.8** million [**US $ 83.1** million] *(31.03.2013: ₹ 5,787.6 million, 31.03.2012: ₹ 2,252.9 million).*

B. Commitments

(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: **₹ 104,857.4** million [**US $ 1,750.8** million] *(31.03.2013: ₹ 145,018.2 million, 31.03.2012: ₹ 162,576.1 million).*

(b) Uncalled liability on partly paid shares and debentures **₹ 0.1** million [**US $ 0.0** million] *(31.03.2013: ₹ 0.1 million, 31.03.2012: ₹ 0.1 million).*

31. The Company has given undertakings to: (a) IDBI not to dispose of its investment in Wellman Incandescent India Ltd., (b) IDBI and ICICI Bank Ltd. (formerly ICICI) not to dispose of its investment in Standard Chrome Ltd., (c) Standard Chartered Bank, State Bank of India not to dispose of majority stake in Tata Steel (KZN) (Pty) Ltd., (d) Mizuho Corporate Bank Limited and Japan Bank of International Co-operation, 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), (e) State Bank of India not to dispose of the management control (indirectly held) in Tata Steel UK Holdings Limited and Tata Steel Netherlands Holdings B.V. and other companies (the borrower group), (f) Standard Chartered Bank, Singapore not to dispose of the management control (directly held) in NatSteel Asia Pte. Ltd., (g) Sumitomo Mitsui Banking Corporation not to dispose of the management control (indirectly held) in Tata Steel Global Procurement Company Pte. Ltd, (h) ICICI Bank Limited not to dispose of its investment in the Jamshedpur Continuous Annealing and Processing Company Private Limited, (i) IL&FS Trust Company Limited, not to transfer, dispose off, assign, charge of lien or in any way encumber its holding in Taj Air Limited, (j) Sumitomo Mitsui Banking Corporation not to dispose of the management control in Tata Metaliks Di Pipes Limited (Formerly known as Tata Metaliks Kubota Pipes Limited) held through Tata Metaliks Ltd. so long as the dues to Sumitomo Mitsui Banking Corporation is subsisting by Tata Metaliks Di Pipes Limited, without the prior consent of the respective financial institutions/banks so long as any part of the loans/facilities sanctioned by the institutions/ banks to these companies remains outstanding.

The Company has furnished a security bond in respect of its immovable property to the extent of ₹ 200.0 million [US $ 3.3 million] in favour of the Registrar of the Delhi High Court and has given an undertaking not to sell or otherwise dispose of the said property.

The Promoters of Tata BlueScope Steel Ltd. (TBSSL) (i.e. BlueScope Steel Asia Holdings Pty Limited, Australia and Tata Steel Limited) have given an undertaking to IDBI Trusteeship Services Ltd., Debenture Trustees, not to reduce collective shareholding in TBSSL, below 51%.

In addition to the above undertakings, the Promoters of The Dhamra Port Company Limited (DPCL) i.e. Tata Steel Limited and L&T Infrastructure Development Projects Limited (L&TIDPL) have given an undertaking to a consortium of lenders of DPCL not to reduce collective shareholding in DPCL, held directly or indirectly, below 51%, to retain majority representation on the board of directors and to remain the Promoters of DPCL until the loans are fully repaid.

The Promoters' (i.e. The Tata Power Company Limited and Tata Steel Limited) combined investments in Industrial Energy Ltd. (IEL) representing 51% of IEL's paid-up equity share capital are pledged with Infrastructure Development Finance Corporation Limited (IDFC).

Tata Steel Global Minerals Holdings Pte. Ltd. (TSGMH), a subsidiary and Rio Tinto Coal Mozambique (formerly Riversdale Mining Limited), 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 Rio Tinto Benga (Mauritius) Limited (RTBML) (formerly Riversdale Energy Limited) upto a maximum amount of USD 100 million on the shares of RTBML and all of its present and future benefits and rights under the Joint Venture agreement.

32. 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 ₹ **250.0** million [**US $ 4.2** million] annually for a period of 30 years or upto the year of operation of the scheme whichever is lower. The matter is under discussion and no contribution has been made till 31st March, 2014.

33. Odisha Legislative Assembly issued an amendment to Indian Stamp Act on 9th May, 2013 and inserted a new provision (Section 3A) in respect of stamp duty payable on grant/renewal of mining leases. As per the amended provision, stamp duty is levied equal to 15% of the average royalty that would accrue out of the highest annual extraction of minerals under the approved mining plan multiplied by the period of such mining lease. The Company filed a writ petition challenging the constitutionality of the Act on 5th July, 2013. The Hon'ble High Court, Cuttack has passed an order on 9th July, 2013 granting interim stay on the operation of the Amendment Act, 2013. As a result of the stay, as on date, the Act is not enforceable and any demand received by the Company is not liable to be proceeded with. Meanwhile, the Company has received demand notices for the various mines at Orissa totalling to ₹ **55,790.0** million [**US $ 931.5** million]. The Company on the basis of external legal opinion has concluded that it is remote that the claim will sustain against the Company on ultimate resolution of the legal case by the Courts. Liability has been provided in the books of accounts as per the existing provisions of the Stamp Act, 1899.

34. Demand notices have been raised by Deputy Director of Mines, Odisha amounting to ₹ **38,280.0** million [**US $ 639.2** million] for the excess extraction over the quantity permitted under the mining plan scheme, environment clearance or consent to operate, during the period 2000-01 to 2009-10. The demand notices have been raised under Section 21(5) of the Mines & Minerals (Development and Regulations) Act (MMDR). However, the Act specifies that demand can be raised only when the land is occupied without lawful authority. The Company is of the view that Section 21(5) of the MMDR Act is not applicable as the mining is done under the approval of the State Government and accordingly the Company has filed revision petitions.

An unconditional stay has been granted by the Mines Tribunal against one of the demand notices, which directed the State that no coercive action should be taken for recovery of demand. The hearing of the balance revision petitions is yet to take place.

35. Tax department raised demand on account of Excess mining in the assessment for assessment year 2009-10, subsequently quashed by the Dispute Resolution Panel. Tax department reopened assessments of the earlier years on the same ground and raised cumulative demand of ₹ **10,860.0** million [**US $ 181.3** million]. The Company has obtained stay on the demand raised, with expectation of succeeding in appeals preferred with the higher appellate authorities.

36. Indian Steel & Wire Products Ltd. (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. The Board for Industrial and Financial Reconstruction (BIFR) sanctioned a scheme vide its Orders dated 22nd October, 2003, 21st November, 2003 and 18th December, 2003 for rehabilitation of ISWPL by takeover of its management by Tata Steel Limited. As per the Rehabilitation scheme approved by the BIFR, it was envisaged that ISWPL's net worth would become positive by the end of financial year 2012-13. By enhancing its capabilities in the production of TMT Bars and Galvanised Wires, the net worth of ISWPL became positive in financial year 2011-12, much before the target set in the said scheme. ISWPL has been delisted from BIFR as per its order dated 29th October, 2013.

The significant notes appearing in the accounts of Indian Steel & Wire Products Ltd. are given below:

As per clause 6.12(xiii) of BIFR Order dated 21st November, 2003, for 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 years 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14.

	US $ million	**₹ million**		
Particulars	**31.03.2014**	**31.03.2014**	*31.03.2013*	*31.03.2012*
Show cause notices/Demand raised by Central Excise Authorities (Under Appeal)*	**0.1**	**2.9**	*2.9*	*2.9*
Demands raised by Sales Tax Authorities (Under Appeal)	**0.8**	**47.2**	*47.2*	*47.2*
Employee State Insurance demand (Under Appeal)	**0.3**	**14.9**	*14.9*	*14.9*
Leave liability for ex-employees	**0.1**	**3.3**	*3.3*	*3.3*
Labour court cases	**0.0**	**0.1**	*0.1*	*0.1*
Railway dues	**0.0**	**0.4**	*0.4*	*0.4*
Power dues	**1.0**	**62.1**	*62.1*	*62.1*
Liability for loan for Learjet Aircraft purchase	**0.3**	**14.9**	*14.9*	*14.9*
Wealth tax	**0.7**	**39.0**	*39.0*	*39.0*
Liability for security services**	**–**	**–**	*–*	*3.2*

* Demand amounting to ₹ 1.3 million had been dropped as per order of CEGAT and amounting to ₹ 2.9 million had been dropped as per order of Additional Commissioner Appeal during March, 2009.

Demand amounting to ₹ 26.9 million had been dropped as per order of Central Excise Authorities during March, 2010.

The items of contingent liability indicated above are not exhaustive and any other liability which may come to the notice of the present management would also be the personal liability of the erstwhile promoters.

** This demand has been dropped during Financial Year 2012-13.

37. The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements are given below:

₹ million

	2013		2012	
	Acquisition	Disposal	Acquisition	Disposal
EQUITY AND LIABILITIES				
Share capital	154.0	2,399.3	2,171.3	209.0
Reserves and surplus	6,240.0	2,421.4	3,894.6	2,398.8
Minority interest	–	–	–	52.5
Borrowings	–	–	1,010.2	1,709.6
Deferred tax liability	298.0	–	647.0	155.2
Other non-current liabilities	54.6	102.5	245.5	135.0
Current liabilities	1,401.2	6,033.7	2,017.1	2,100.2
ASSETS				
Fixed assets	1,772.9	760.3	7,890.4	2,589.9
Investments	1,276.3	–	2.7	10.1
Loans and advances	1,917.4	361.4	1,212.3	488.4
Deferred tax asset	–	11.7	–	–
Other non-current assets	0.2	–	–	–
Inventories	586.4	2,059.9	525.5	1,622.9
Trade receivables	203.6	4,830.0	341.0	1,938.3
Cash and bank balances	2,345.4	2,933.6	13.8	110.9
Other current assets	45.6	–	–	–
REVENUE				
Revenue from operations	4,764.9	33,411.6	6,411.8	1,507.0
Other income	176.2	84.2	48.3	1.7
EXPENSES				
Manufacturing and other expenses	4,168.4	33,405.5	5,530.7	1,414.1
Depreciation and amortisation expense	103.5	77.6	481.9	49.5
Finance costs	77.8	88.2	168.3	28.8
PROFIT/(LOSS) BEFORE TAX	591.4	(75.5)	279.2	16.3

38. In one of the subsidiaries, in terms of the License Agreement dated 29th January, 2002 with Board of Trustees for the Port of Kolkata, the subsidiary is required to invest in equipment and infrastructure as follows:

	Purpose of Investment		**Amount (million)**	**Phasing of Investment** Within 18 months	Within 24 months	Within 36 months	**Total (million)**
1.	For procurement of equipment for ship to shore	**2014**	**USD**	**3.8**	**0.5**	**–**	**4.3**
		2014	**INR**	**230.6**	**28.5**	**–**	**259.1**
		2013	INR	230.6	28.5	–	260.1
		2012	INR	230.6	28.5	–	261.1
2.	Storage of cargo	**2014**	**USD**	**–**	**0.3**	**0.2**	**0.5**
		2014	**INR**	**–**	**17.4**	**12.0**	**29.4**
		2013	INR	–	17.4	12.0	29.4
		2012	INR	–	17.4	12.0	29.4
3.	Office building, workshop, etc.	**2014**	**USD**	**–**	**0.1**	**0.1**	**0.2**
		2014	**INR**	**–**	**7.5**	**2.5**	**10.0**
		2013	INR	–	7.5	2.5	10.0
		2012	INR	–	7.5	2.5	10.0
4.	Utility Services	**2014**	**USD**	**–**	**0.0**	**–**	**0.0**
		2014	**INR**	**–**	**2.2**	**–**	**2.2**
		2013	INR	–	2.2	–	2.2
		2012	INR	–	2.2	–	2.2
	Total	**2014**	**USD**	**3.8**	**0.9**	**0.3**	**5.0**
		2014	**INR**	**230.6**	**55.6**	**14.5**	**300.7**
		2013	INR	230.6	55.6	14.5	300.7
		2012	INR	230.6	55.6	14.5	300.7

As at 31st March, 2014, the subsidiary's investments in equipments and infrastructure aggregate to **₹ 258.0** million [**US $ 4.3** million] *(31.03.2013: ₹ 258.0 million, 31.03.2012: ₹ 258.0 million).* 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 Government of India approved the changes proposed by the subsidiary in the specifications of the equipments and other required infrastructure.

39. In respect of joint ventures directly owned by the Company, the contingent liabilities and capital commitments are as follows:

Name of the Joint Ventures		Country of Incorporation	Percentage of Holding	Contingent Liabilities		Capital Commitment	
				US $ million	₹ million	US $ million	₹ million
mjunction services ltd.	**2014**	India	50%	**–**	**–**	**0.6**	**35.5**
	2013				*–*		*0.8*
	2012				*6.0*		*3.0*
The Dhamra Port Company Limited	**2014**	India	50%	**0.5**	**28.2**	**0.4**	**21.4**
	2013				*15.2*		*85.5*
	2012				*–*		*241.8*
Tata BlueScope Steel Limited	**2014**	India	50%	**5.0**	**297.4**	**0.1**	**3.4**
	2013				*315.2*		*19.9*
	2012				*257.4*		*176.6*
Tata NYK Shipping Pte Ltd.	**2014**	Singapore	50%	**–**	**–**	**15.2**	**908.5**
	2013				*–*		*–*
	2012				*2,198.5*		*1,858.1*
Bhubaneshwar Power Private Limited	**2014**	India	26%	**0.1**	**7.3**	**16.5**	**985.2**
	2013				*7.3*		*1,007.0*
	2012				*7.3*		*706.0*
S & T Mining Company Private Limited	**2014**	India	50%	**–**	**–**	**0.1**	**6.3**
	2013				*–*		*0.7*
	2012				*–*		*1.3*
Himalaya Steel Mills Services Pvt. Ltd.	**2014**	India	26%	**–**	**–**	**–**	**–**
	2013				*–*		*–*
	2012				*–*		*–*

40. Revenue expenditure charged to Consolidated Statement of Profit and Loss in respect of research and development activities undertaken during the year is ₹ **5,425.9** million [**US $ 90.6** million] *(2012-13: ₹ 5,859.2 million, 2011-12: ₹ 5,059.9 million).*

41. Goodwill, tangible and intangible assets include ₹ **20,000.0** million [**US $ 334.0** million] in respect of an overseas mining joint venture which the Company is in the process of undertaking a strategic evaluation including divestment.

42. LEASES

The break-up of total minimum lease payments for operating lease due as on 31st March, 2014, entered into by the Company, its subsidiaries and joint ventures are as follows:

	As at March 31,			
	2014	**2014**	2013	2012
	US $ million	**₹ million**		
Period				
Not later than one year	**215.9**	**12,932.4**	*11,580.2*	*13,235.3*
Later than one year but not later than five years	**646.2**	**38,701.5**	*31,997.7*	*32,913.2*
Later than five years	**771.1**	**46,177.9**	*34,738.9*	*35,641.2*
Total	**1,633.2**	**97,811.8**	*78,316.8*	*81,789.7*

The total charge to the Statement of Profit and Loss for the year on account of operating lease is ₹ **14,419.8** million [**US $ 240.8** million] *(2012-13: ₹ 12,948.5 million, 2011-12: ₹ 11,235.2 million).*

The Group and its joint ventures have taken certain plant and machinary on finance lease, having an aggregate cost of ₹ **19,404.1** million [**US $ 324.0** million] *(31.03.2013: ₹ 16,191.9 million, 31.03.2012: ₹ 16,017.6 million)*. The break-up of total minimum lease payments for finance lease due as on 31st March, 2014 and their corresponding present value are as follows:

	As at March 31,	Minimum Lease Payments US $ million	Minimum Lease Payments ₹ million	Present Value US $ million	Present Value ₹ million
Period					
Not later than one year	**2014**	**30.8**	**1,847.2**	**20.6**	**1,231.3**
	2013		*1,580.5*		*1,012.5*
	2012		*1,599.4*		*999.0*
Later than one year but not later than five years	**2014**	**102.5**	**6,136.7**	**70.6**	**4,230.4**
	2013		*5,309.9*		*3,566.4*
	2012		*5,536.6*		*3,625.7*
Later than five years	**2014**	**84.5**	**5,062.1**	**68.2**	**4,085.4**
	2013		*5,103.4*		*4,185.1*
	2012		*6,720.7*		*5,044.8*
Total	**2014**	**217.8**	**13,046.0**	**159.4**	**9,547.1**
	2013		*11,993.8*		*8,764.0*
	2012		*13,856.7*		*9,669.5*

43. EMPLOYEE BENEFITS

(a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of **₹ 3,867.4** million [**US $ 64.6** million] *(2012-13: ₹ 3,554.8 million, 2011-12: ₹ 3,458.1 million)* as expenses under the following defined contribution plans:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Benefit (Contribution to)				
Provident Fund	**42.3**	**2,531.8**	*2,279.5*	*2,016.6*
Superannuation Fund	**7.8**	**469.5**	*511.1*	*557.5*
Employees Pension Scheme/Coal Mines Pension Scheme	**11.5**	**687.0**	*597.7*	*727.1*
TISCO Employees Pension Scheme	**2.9**	**174.7**	*162.9*	*152.7*
Employees State Insurance	**0.1**	**4.4**	*3.6*	*4.2*
	64.6	**3,867.4**	*3,554.8*	*3,458.1*

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

Funded

- Post Retirement Gratuity
- Post Retirement Pension Plan

Unfunded

- Post Retirement Medical Benefits
- Other Post Retirement Benefits
  (include Pension to Directors, Farewell Gifts, Packing and Transportation Expenses etc.)

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

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Description				
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at the beginning of the year	**342.7**	**20,525.0**	*17,629.9*	*16,427.4*
Current service cost	**17.2**	**1,029.2**	*877.4*	*848.4*
Interest cost	**26.1**	**1,562.0**	*1,435.4*	*1,259.6*
Plan Amendments	–	–	*(0.4)*	*0.8*
Settlement and curtailment	–	–	*4.6*	–
Obligation of new companies	–	–	*85.5*	*237.4*
Actuarial (gain)/loss	**6.4**	**384.1**	*1,775.1*	*244.5*
Exchange rate difference	**0.1**	**5.9**	*35.6*	*36.0*
Obligation of companies sold	–	–	–	*(170.6)*
Benefits paid	**(27.2)**	**(1,626.6)**	*(1,318.1)*	*(1,257.1)*
Obligation as at the end of the year	**365.3**	**21,879.6**	*20,525.0*	*17,626.4*

The defined benefit obligation as at 31.03.2014 is funded except in the case of Tata BlueScope Steel Ltd., Bhubaneshwar Power Private Limited, S & T Mining Company Private Limited, NatSteel Holdings Pte. Ltd., Himalaya Steel Mills Services Pvt. Ltd., Jamshedpur Continuous Annealing and Processing Company Private Limited, Tata Steel (Thailand) Public Company Ltd. and Lanka Special Steels Ltd.

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
(ii) Reconciliation of opening and closing balances of plan assets				
Fair value of plan assets as at the beginning of the year	**302.1**	**18,095.9**	*16,349.1*	*12,289.5*
Expected return on plan assets	**24.6**	**1,473.8**	*1,308.2*	*1,096.3*
Assets of new companies	–	–	*86.4*	*224.6*
Actuarial gain/(loss)	**1.2**	**72.8**	*609.0*	*207.8*
Employers' Contributions	**35.3**	**2,112.1**	*1,008.9*	*3,855.2*
Plan assets of companies sold	–	–	–	*(161.2)*
Benefits paid	**(26.3)**	**(1,577.7)**	*(1,265.7)*	*(1,166.6)*
Fair value of plan assets as at the end of the year	**336.9**	**20,176.9**	*18,095.9*	*16,345.6*
(iii) Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at the end of the year	**336.9**	**20,176.9**	*18,095.9*	*16,345.6*
Present value of obligation as at the end of the year	**365.3**	**21,879.6**	*20,525.0*	*17,626.4*
Unrecognised past service cost	–	–	–	*0.7*
Amount recognised in the balance sheet	**28.4**	**1,702.7**	*2,429.1*	*1,280.1*
– Provisions	**28.6**	**1,716.7**	*2,441.4*	*1,286.7*
– Loans and advances	**(0.2)**	**(14.0)**	*(12.3)*	*(6.6)*

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Description				
(iv) Expenses recognised in the year				
Current service cost	**17.2**	**1,029.2**	*877.4*	*848.4*
Interest cost	**26.1**	**1,562.0**	*1,435.4*	*1,259.6*
Expected return on plan assets	**(24.6)**	**(1,473.8)**	*(1,308.2)*	*(1,096.3)*
Actuarial (gain)/loss	**5.2**	**311.3**	*1,166.1*	*36.7*
Past Service Cost	**–**	**–**	*0.7*	*–*
Expense recognised during the year	**23.9**	**1,428.7**	*2,171.4*	*1,048.4*

	31.03.2014	**31.03.2014**	**31.03.2013**	**31.03.2012**
(v) Investment details	**%**	**%**	*%*	*%*
Government securities	**11.00**	**11.00**	*13.00*	*15.00*
Public Sector unit bonds	**10.00**	**10.00**	*12.00*	*16.00*
Central/State Government Guaranteed securities	**6.00**	**6.00**	*5.00*	*6.00*
Private sector unit bonds	**9.00**	**9.00**	*8.00*	*10.00*
Others (including funds with LIC and bank balances)	**64.00**	**64.00**	*62.00*	*53.00*
	100.00	**100.00**	*100.00*	*100.00*
(vi) Assumptions				
Discount rate (per annum)	**0.51-9.25%**	**0.51-9.25%**	*0.30-8.20%*	*0.45-8.90%*
Expected Return on Plan Assets (per annum)	**8.00-9.40%**	**8.00-9.40%**	*7.50-9.40%*	*7.50-9.25%*
Rate of escalation in salary (per annum)	**5.00-10.00%**	**5.00-10.00%**	*4.00-10.00%*	*4.00-10.00%*

	US $ million	**₹ million**		
(vii) Other Disclosures				
Experience adjustment on plan liabilities - gain/(loss)	**(37.7)**	**(2,258.5)**	*(1,023.3)*	*(899.5)*
Experience adjustment on plan assets - gain/(loss)	**1.2**	**72.8**	*609.0*	*207.8*

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 funded with LIC, invested in PSU bonds and Government securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long-term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government bonds.

(d) Details of post retirement pension plans are as follows:

	For the year ended March 31,			
	2014	**2014**	*2013*	*2012*
	US $ million	**₹ million**		
Description				
(i) Reconciliation of opening and closing balances of obligation				
Obligation as at the beginning of the year	**25,519.6**	**1,528,371.4**	*1,395,087.8*	*1,137,622.2*
Current service cost	**286.4**	**17,149.4**	*12,640.2*	*13,095.8*
Interest cost	**1,182.2**	**70,801.2**	*66,348.4*	*63,105.0*
Obligation of companies sold	**–**	**–**	*(684.9)*	*–*
Actuarial (gain)/loss	**(383.5)**	**(22,966.9)**	*105,947.8*	*100,812.9*
Exchange rate difference	**5,231.4**	**313,306.9**	*15,038.1*	*139,115.0*
Settlements and curtailments	**(44.8)**	**(2,682.6)**	*(1,541.0)*	*(765.8)*
Benefits paid	**(1,339.0)**	**(80,190.2)**	*(70,200.9)*	*(62,798.7)*
Employee contribution	**107.2**	**6,419.0**	*5,735.9*	*4,901.4*
Past service cost	**(49.6)**	**(2,970.0)**	*–*	*–*
Obligation as at the end of the year	**30,509.9**	**1,827,238.2**	*1,528,371.4*	*1,395,087.8*
(ii) Reconciliation of opening and closing balances of plan assets				
Fair value of plan assets as at the beginning of the year	**25,775.6**	**1,543,702.9**	*1,406,881.6*	*1,160,487.8*
Expected return on plan assets	**1,324.6**	**79,327.9**	*70,800.1*	*69,626.1*
Actuarial gain/(loss)	**(535.9)**	**(32,095.2)**	*102,818.7*	*78,498.4*
Plan assets of companies sold	**–**	**–**	*(599.3)*	*–*
Employees' Contributions	**107.2**	**6,419.0**	*5,735.9*	*4,901.4*
Employers' Contributions	**278.4**	**16,670.4**	*13,269.7*	*15,087.0*
Benefits paid	**(1,339.0)**	**(80,190.2)**	*(70,200.9)*	*(62,798.7)*
Exchange rate difference	**5,297.4**	**317,260.4**	*14,997.1*	*141,079.6*
Net fair value of plan assets as at the end of the year	**30,908.3**	**1,851,095.2**	*1,543,702.9*	*1,406,881.6*
(iii) Reconciliation of fair value of assets and obligations				
Fair value of plan assets as at the end of the year	**30,908.3**	**1,851,095.2**	*1,543,702.9*	*1,406,881.6*
Present value of obligation as at the end of the year	**30,509.9**	**1,827,238.2**	*1,528,371.4*	*1,395,087.8*
Amount recognised in the balance sheet - asset	**398.4**	**23,857.0**	*15,331.5*	*11,793.8*
- Provisions	**(182.4)**	**(10,924.5)**	*(4,669.5)*	*(4,184.4)*
- Loans and advances	**580.8**	**34,781.5**	*20,001.0*	*15,978.2*
(iv) Expenses recognised in the year				
Current service cost	**286.4**	**17,149.4**	*12,640.2*	*13,095.8*
Interest cost	**1,182.2**	**70,801.2**	*66,348.4*	*63,105.0*
Expected return on plan assets	**(1,324.6)**	**(79,327.9)**	*(70,800.1)*	*(69,626.1)*
Actuarial (gain)/loss(1)	**152.4**	**9,128.3**	*3,129.1*	*22,314.5*
Past service cost	**(49.6)**	**(2,970.0)**	*–*	*–*
Settlements and curtailments	**(44.8)**	**(2,682.6)**	*(1,541.0)*	*(765.8)*
Expense recognised during the year	**202.0**	**12,098.4**	*9,776.6*	*28,123.4*
	31.03.2014	**31.03.2014**	*31.03.2013*	*31.03.2012*
	%	**%**	*%*	*%*
(v) Investment details				
Equities	**26.00**	**26.00**	*27.00*	*27.00*
Bonds	**61.00**	**61.00**	*62.00*	*63.00*
Property	**8.00**	**8.00**	*7.00*	*7.00*
Others (including bank balances)	**5.00**	**5.00**	*4.00*	*3.00*
	100.00	**100.00**	*100.00*	*100.00*
(vi) Assumptions				
Discount rate (per annum)	**3.25-4.50%**	**3.25-4.50%**	*2.00-4.30%*	*2.50-4.80%*
Expected Return on Plan Assets (per annum)	**2.25-7.00%**	**2.25-7.00%**	*2.00-8.90%*	*2.00-9.60%*
Rate of escalation in salary (per annum)	**1.00-3.85%**	**1.00-3.85%**	*1.00-3.85%*	*1.00-4.20%*
(vii) Other Disclosures				
Experience adjustment on plan liabilities - gain/(loss)	**420.7**	**25,197.2**	*7,020.1*	*2,067.8*
Experience adjustment on plan assets - gain/(loss)	**(535.9)**	**(32,095.2)**	*102,818.7*	*78,498.4*

(e) Details of the unfunded post retirement defined benefit obligation are as follows:

	Description	2014		2014		*2013*		*2012*	
		Medical	**Others**	**Medical**	**Others**	*Medical*	*Others*	*Medical*	*Others*
		US $ million	**US $ million**	**₹ million**	**₹ million**	*₹ million*	*₹ million*	*₹ million*	*₹ million*
(i)	**Reconciliation of opening and closing balances of obligation**								
	Obligation as at the beginning of the year	**143.2**	**146.8**	**8,577.9**	**8,795.6**	*7,175.5*	*7,316.7*	*7,316.2*	*5,995.4*
	Current/Employer service cost	**2.3**	**3.9**	**134.8**	**231.7**	*106.4*	*203.0*	*84.1*	*173.0*
	Interest cost	**11.2**	**4.3**	**669.8**	**255.1**	*594.1*	*225.1*	*577.8*	*276.0*
	Obligation of new companies	**–**	**–**	**–**	**–**	*3.2*	*20.3*	*114.2*	*12.7*
	Actuarial (gain)/loss	**(16.0)**	**(0.6)**	**(955.5)**	**(36.7)**	*1,079.0*	*1,071.0*	*(526.1)*	*630.6*
	Exchange rate difference	**–**	**25.1**	**–**	**1,505.2**	*–*	*263.4*	*–*	*538.2*
	Obligation of companies sold	**–**	**–**	**–**	**–**	*–*	*–*	*(58.3)*	*(36.8)*
	Benefits paid	**(7.0)**	**(8.9)**	**(420.7)**	**(532.5)**	*(380.3)*	*(303.9)*	*(332.4)*	*(272.4)*
	Obligation as at the end of the year	**133.7**	**170.6**	**8,006.3**	**10,218.4**	*8,577.9*	*8,795.6*	*7,175.5*	*7,316.7*
(ii)	**Expenses recognised in the year**								
	Current/Employer service cost	**2.3**	**3.9**	**134.8**	**231.7**	*106.4*	*203.0*	*84.1*	*173.0*
	Interest cost	**11.2**	**4.2**	**669.8**	**255.1**	*594.1*	*225.1*	*577.8*	*276.0*
	Actuarial (gain)/loss	**(16.0)**	**(0.6)**[(1)]	**(955.5)**	**(36.7)**[(1)]	*1,079.0*	*1,071.0*[(1)]	*(526.1)*	*630.6*[(1)]
	Expense recognised during the year	**(2.5)**	**7.5**	**(150.9)**	**450.1**	*1,779.5*	*1,499.1*	*135.8*	*1,079.6*
(iii)	**Assumptions**								
	Discount rate (per annum) as at the beginning of the year	**8.00-8.20%**	**4.30-8.20%**	**8.00-8.20%**	**4.30-8.20%**	*8.00-8.70%*	*4.20-8.70%*	*8.00-8.40%*	*3.30-8.00%*
	Discount rate (per annum) as at the end of the year	**8.10-9.25%**	**3.75-9.25%**	**8.10-9.25%**	**3.75-9.25%**	*8.00-8.20%*	*4.30-8.20%*	*8.00-8.70%*	*4.20-8.70%*
	Medical costs inflation rate	**5.00-9.25%**		**5.00-9.25%**		*5.00-8.00%*		*5.00-8.00%*	
		US $		**₹**		*₹*		*₹*	
	Average medical cost (per person) at the beginning of the year	**118.9**		**7,118.0**		*6,257.0*		*3,230.0*	
	Average medical cost (per person) at the end of the year	**132.4**		**7,927.0**		*7,118.0*		*6,257.0*	
		US $ million		**₹ million**		*₹ million*		*₹ million*	
	Effect of a 1% change in health care cost on								
	Increase								
	- aggregate current service and interest cost	**2.6**		**156.1**		*134.0*		*87.2*	
	- closing balance of obligation	**31.2**		**1,868.4**		*1,393.9*		*1,155.1*	
	Decrease								
	- aggregate current service and interest cost	**(1.8)**		**(107.0)**		*(90.5)*		*(3.5)*	
	- closing balance of obligation	**(14.3)**		**(855.9)**		*(1,020.7)*		*(834.8)*	
		US $ million	**US $ million**	**₹ million**	**₹ million**	*₹ million*	*₹ million*	*₹ million*	*₹ million*
(iv)	**Other Disclosures**								
	Experience adjustment on plan liabilities - gain/(loss)	**(7.8)**	**(0.1)**	**(467.3)**	**(46.4)**	*(461.4)*	*(325.8)*	*(1,062.6)*	*(658.0)*

(1) The consolidated Statement of Profit and Loss includes the consolidated results of Tata Steel Europe Limited and its subsidiaries whose income contributes 56% of the consolidated total revenue. The pension and other post retirement defined benefit liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS)/IND AS. IFRS/IND AS 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 Accounting Standard (AS-15) – "Employee Benefits" is different from the above and requires such changes to be accounted for in the Statement of Profit and Loss. Given the large share of Tata Steel Europe Limited in the consolidated Statement of Profit and Loss of the Company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the liabilities, it is not considered practicable to adopt a common accounting policy for accounting of the actuarial gains/losses in respect of the pension and other post retirement defined benefit liability of the Company and Tata Steel Europe Limited. Accordingly the actuarial loss of **₹ 6,282.3** million [**US $ 104.9** million] *(2012-13: ₹ 3,172.6 million, 2011-12: ₹ 23,722.6 million)* (net of tax) recognised in Tata Steel Europe Limited has been accounted in "Reserves and Surplus" in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – "Consolidated Financial Statements". Had the Company followed the practice of recognising changes in actuarial valuations in respect of the pension and other post retirement benefit plans of Tata Steel Europe Limited, in the Consolidated Statement of Profit and Loss, the Profit after tax, minority interest and share of profit of associates would have been lower by **₹ 6,282.3** million [**US $ 104.9** million] *(2012-13:* the Loss after tax, minority interest and share of profit of associates would have been higher by *₹ 3,172.6 million, 2011-12:* the Profit after tax, minority interest and share of profit of associates would have been lower by *₹ 23,722.6 million).*

44. SEGMENT REPORTING

Primary Segment Information (Business Segment)

Particulars		₹ million					US $ million
		Business Segments		Unallocable	Eliminations	Total	Total
		Steel	Others				
Segment revenue							
External revenue	**2014**	**1,369,359.4**	**111,393.3**	**5,382.8**	**–**	**1,486,135.5**	**24,814.4**
	2013	*1,231,047.2*	*111,496.2*	*4,572.0*	*–*	*1,347,115.4*	
	2012	*1,220,182.0*	*105,349.2*	*3,465.8*	*–*	*1,328,997.0*	
Inter segment revenue	**2014**	**51,799.3**	**32,072.3**	**5,826.6**	**(89,698.2)**	**–**	**–**
	2013	*45,161.1*	*33,914.5*	*5,358.9*	*(84,434.5)*	*–*	
	2012	*52,483.0*	*29,616.6*	*13,172.4*	*(95,272.0)*	*–*	
Total revenue	**2014**	**1,421,158.7**	**143,465.6**	**11,209.4**	**(89,698.2)**	**1,486,135.5**	**24,814.4**
	2013	*1,276,208.3*	*145,410.7*	*9,930.9*	*(84,434.5)*	*1,347,115.4*	
	2012	*1,272,665.0*	*134,965.8*	*16,638.2*	*(95,272.0)*	*1,328,997.0*	
Segment results before finance costs, exceptional items and tax	**2014**	**124,707.0**	**8,297.4**	**18,355.9**	**(40,494.3)**	**110,866.0**	**1,851.1**
	2013	*82,256.8*	*5,781.5*	*22,014.4*	*(37,802.3)*	*72,250.4*	
	2012	*95,758.3*	*1,022.1*	*44,316.5*	*(46,365.2)*	*94,731.7*	
Less: Finance costs	**2014**					**43,368.3**	**724.1**
	2013					*39,681.1*	
	2012					*42,501.1*	
Profit before tax and exceptional items	**2014**					**67,497.7**	**1,127.0**
	2013					*32,569.3*	
	2012					*52,230.6*	
Exceptional Items							
(a) Provision for diminution in value of investments	**2014**					**(4.2)**	**(0.1)**
	2013					*–*	
	2012					*–*	
(b) Profit on sale of non-current investments	**2014**					**182.0**	**3.1**
	2013					*9,660.3*	
	2012					*33,619.2*	
(c) Provision for impairment of non-current assets	**2014**					**(454.2)**	**(7.6)**
	2013					*(83,559.1)*	
	2012					*–*	
Profit before tax	**2014**					**67,221.3**	**1,122.4**
	2013					*(41,329.5)*	
	2012					*85,849.8*	
Tax expense	**2014**					**30,581.6**	**510.6**
	2013					*32,294.4*	
	2012					*36,364.6*	
Profit after tax	**2014**					**36,639.7**	**611.8**
	2013					*(73,623.9)*	
	2012					*49,485.2*	
Segment assets	**2014**	**1,685,260.1**	**81,677.2**	**219,398.6**	**(478,721.8)**	**1,507,614.1**	**25,173.1**
	2013	*1,372,438.7*	*92,299.6*	*209,626.1*	*(364,925.2)*	*1,309,439.2*	
	2012	*1,283,549.2*	*80,702.8*	*205,954.8*	*(312,272.3)*	*1,257,934.5*	
Segment liabilities	**2014**	**629,719.8**	**38,609.3**	**233,154.3**	**(478,755.9)**	**422,727.5**	**7,058.4**
	2013	*512,540.2*	*41,063.1*	*175,203.7*	*(364,725.8)*	*364,081.2*	
	2012	*483,770.3*	*38,067.2*	*139,129.5*	*(307,857.4)*	*353,109.6*	
Capital expenditure	**2014**	**179,917.0**	**2,875.6**	**383.2**	**–**	**183,175.8**	**3,058.5**
	2013	*158,508.1*	*4,336.7*	*256.8*	*–*	*163,101.6*	
	2012	*127,416.7*	*2,708.9*	*1,594.2*	*(21.5)*	*131,698.3*	
Segment depreciation	**2014**	**53,157.9**	**3,198.7**	**2,055.7**	**–**	**58,412.3**	**975.3**
	2013	*51,008.8*	*3,067.6*	*1,676.8*	*–*	*55,753.2*	
	2012	*40,677.2*	*2,876.1*	*1,613.2*	*–*	*45,166.5*	
Non-cash expenditure other than depreciation	**2014**	**3,269.9**	**130.6**	**(6.3)**	**–**	**3,394.2**	**56.7**
	2013	*3,569.9*	*202.9*	*71.4*	*–*	*3,844.2*	
	2012	*1,287.6*	*769.0*	*25.0*	*–*	*2,081.6*	

Secondary Segment Information (Geographical Segment)

	For the year ended March 31,			
	2013-14	**2013-14**	*2012-13*	*2011-12*
	US $ million		**₹ million**	
Segment Revenue				
– Within India	**7,197.1**	**431,037.7**	*388,044.7*	*351,560.8*
– Outside India	**17,617.3**	**1,055,097.8**	*959,070.7*	*977,436.2*
	24,814.4	**1,486,135.5**	*1,347,115.4*	*1,328,997.0*
Capital Expenditure				
– Within India	**2,038.5**	**122,084.6**	*96,807.5*	*79,153.3*
– Outside India	**1,020.0**	**61,091.2**	*66,294.1*	*52,545.0*
	3,058.5	**183,175.8**	*163,101.6*	*131,698.3*
Segment Assets				
– Within India	**10,862.1**	**650,531.6**	*582,970.6*	*501,430.9*
– Outside India	**14,311.0**	**857,082.5**	*726,468.6*	*756,503.6*
	25,173.1	**1,507,614.1**	*1,309,439.2*	*1,257,934.5*

Additional information:

(1) The Group 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 comprise of Tubes, Bearings, Refractories, Pigments, Port operations, Town services etc.

(2) 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.

(3) Unallocable assets and liabilities exclude.

	As at March 31,			
	2014	**2014**	2013	2012
	US $ million		**₹ million**	
Assets:				
Non-current investments	**404.9**	**24,250.7**	*21,375.1*	*22,599.8*
Current investments	**445.6**	**26,684.0**	*7,298.9*	*13,817.6*
Advance against equity	**–**	**–**	*–*	*8.5*
Goodwill on consolidation	**2,629.6**	**157,488.0**	*130,649.8*	*173,546.1*
Deferred tax assets	**6.8**	**407.7**	*364.9*	*614.4*
	3,486.9	**208,830.4**	*159,688.7*	*210,586.4*
Liabilities:				
Long-term borrowings	**8,743.8**	**523,664.1**	*468,576.2*	*452,382.4*
Short-term borrowings	**2,675.9**	**160,261.8**	*105,475.6*	*70,446.5*
Current maturities of long-term borrowings	**2,206.8**	**132,160.6**	*111,021.4*	*99,594.5*
Hybrid perpetual securities	**379.9**	**22,750.0**	*22,750.0*	*22,750.0*
Provision for employee separation compensation	**100.6**	**6,026.0**	*7,045.6*	*7,726.8*
Deferred tax liabilities	**433.4**	**25,957.7**	*31,549.8*	*25,038.5*
Preference shares issued by subsidiary companies	**3.3**	**200.0**	*212.1*	*224.3*
Share warrants issued by a subsidiary company	**–**	**–**	*–*	*174.6*
Minority interest	**290.2**	**17,377.2**	*16,693.6*	*10,911.5*
	14,833.9	**888,397.4**	*763,324.3*	*689,249.1*

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

45. RELATED PARTY DISCLOSURES

List of Related Parties and Relationships

Associate of:

i) **NatSteel Asia Pte. Ltd.**
1. SteelAsia Development and Management Corp.*
2. SteelAsia Industries Inc.*
3. SteelAsia Manufacturing Corporation*

ii) **Tata Incorporated**
1. TKM Overseas Ltd.*

iii) **Tata Steel Limited**
1. Industrial Energy Ltd.
2. Jamipol Ltd.
3. Kalinga Aquatics Ltd.
4. Kumardhubi Fireclay & Silica Works Ltd.
5. Kumardhubi Metal Casting & Engineering Ltd.
6. Nicco Jubilee Park Limited
7. Rujuvalika Investments Ltd.
8. Strategic Energy Technology Systems Private Limited
9. Tata Construction & Projects Ltd.
10. TRL Krosaki Refractories Ltd.
11. TRF Ltd.
12. Indian Steel Rolling Mills Ltd.**
13. Tata Sponge Iron Ltd.#

iv) **Tata Steel Holdings Pte. Ltd.**

a) **Tata Steel Global Holdings Pte Ltd.**

I. **Tata Steel International (Singapore) Holdings Pte. Ltd.**
1. European Profiles (M) Sdn. Bhd.

II. **Tata Steel Europe Limited**
1. Ab Norskstal AS
2. Albi Profils SRL
3. Appleby Frodingham Cottage Trust Limited
4. Combulex B.V.*
5. Cv Gasexpansie Ijmond
6. Danieli Corus Canada Inc.*
7. Danieli Corus Asia B.V.
8. Danieli Corus Braseq Ltda.*
9. Danieli Corus Construction Services B.V.
10. Danieli Corus Construction Services Usa Inc.*
11. Danieli Corus Do Brasil Ltda.*
12. Danieli Corus Inc.*
13. Danieli Corus Services Usa Inc.*
14. Danieli Corus India Private Limited
15. European Profiles (Marketing) Sdn. Bhd.
16. Galvpro LP.
17. Gietwalsonderhoudcombinatie B.V.
18. Hoogovens Court Roll Service Technologies Vof:
19. Hoogovens Gan Multimedia S.A. De C.V.
20. Isolation Du Sud SA
21. Issb Limited
22. MDC Sublance Probe Technology
23. Richard Lees Steel Decking Asia Snd. Bhd.
24. Schreiner Fleischer AS*
25. Thoresen & Thorvaldsen AS*
26. Trico LLC
27. Weirton/Hoogovens GP
28. Wupperman Staal Nederland B.V.
29. Rsp Holding B.V.**
30. Shanghai Bao Yi Beverage Can Making Co. Ltd.**

III. **Tata Steel Global Minerals Holdings Pte Ltd.**
1. New Millennium Iron Corp.

v) **Indian Steel & Wire Products Ltd.**
1. Metal Corporation of India

Joint Ventures of:

i) **Tata Steel Limited**
1. Bhubaneshwar Power Private Limited
2. Himalaya Steel Mills Services Pvt. Ltd.
3. mjunction services ltd.
4. S & T Mining Company Private Limited
5. Tata BlueScope Steel Ltd.
6. Tata NYK Shipping Pte Ltd.
7. The Dhamra Port Company Limited

ii) **Tata Steel Holdings Pte. Ltd.**

a) **Tata Steel Global Holdings Pte Ltd.**

I. **Tata Steel Europe Limited**
1. Afon Tinplate Company Limited
2. Air Products Llanwern Limited
3. Bsr Pipeline Services Limited
4. Caparo Merchant Bar Plc
5. Corus Kalpinis Simos Cladding Industry SA
6. Danieli Corus Technical Services B.V.
7. Fabsec Limited
8. Industrial Rail Services Ijmond B.V.
9. Laura Metaal Holding B.V.
10. Norsk Stal AS
11. Norsk Stal Tynnplater AS
12. Ravenscraig Limited
13. Redcar Bulk Terminal Limited
14. Tata Elastron Steel Service Center SA
15. Tata Steel Ticaret AS
16. Texturing Technology Limited
17. B V Ijerleew**
18. Corus Cogifer Switches And Crossings Limited**
19. Hks Scrap Metals B.V.**
20. Ijzerhandel Geertsema Staal B.V.**

II. **Tata Steel Global Minerals Holdings Pte. Ltd.**
1. Rio Tinto Benga (Mauritius) Limited

Promoters' holding together with its Subsidiaries is more than 20%

(i) Tata Sons Limited

Key Management Personnel

(i) Mr. H. M. Nerurkar* - Managing Director, Tata Steel Limited

(ii) Mr. T. V. Narendran* - Managing Director, Tata Steel Limited

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

(iv) Mr. Koushik Chatterjee - Group Executive Director (Finance & Corporate), Tata Steel Limited

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* Part of FY 2013-14.
** Part of FY 2012-13.
\# Earlier an associate, became subsidiary during the FY 2012-13.

Related Party Transactions

Transactions		Amount (million)	Associates	Key and JVs #	Relatives of Key Management Personnel	Promoter Management Personnel	Total
Purchase of Goods	**2014**	**USD**	**250.3**	**–**	**–**	**–**	**250.3**
	2014	**INR**	**14,990.9**	**–**	**–**	**–**	**14,990.9**
	2013	*INR*	*12,191.2*	–	–	–	*12,191.2*
	2012	*INR*	*10,216.6*	–	–	–	*10,216.6*
Sale of Goods	**2014**	**USD**	**511.7**	**–**	**–**	**–**	**511.7**
	2014	**INR**	**30,645.0**	**–**	**–**	**–**	**30,645.0**
	2013	*INR*	*24,829.1*	–	–	–	*24,829.1*
	2012	*INR*	*21,678.4*	–	–	–	*21,678.4*
Receiving of Services	**2014**	**USD**	**230.3**	**–**	**–**	**0.2**	**230.5**
	2014	**INR**	**13,793.1**	**–**	**–**	**14.3**	**13,807.4**
	2013	*INR*	*12,516.1*	–	–	*14.9*	*12,531.0*
	2012	*INR*	*8,069.5*	–	–	*78.9*	*8,148.4*
Rendering of Services	**2014**	**USD**	**16.0**	**–**	**–**	**0.0**	**16.0**
	2014	**INR**	**960.7**	**–**	**–**	**0.5**	**961.2**
	2013	*INR*	*1,234.4*	–	–	*0.9*	*1,235.3*
	2012	*INR*	*765.1*	–	–	*1.6*	*766.7*
Purchase of Fixed Assets	**2014**	**USD**	**–**	**–**	**–**	**–**	**–**
	2014	**INR**	**–**	**–**	**–**	**–**	**–**
	2013	*INR*	*20.6*	–	–	–	*20.6*
	2012	*INR*	*542.0*	–	–	–	*542.0*
Dividend paid	**2014**	**USD**	**0.2**	*	****	**38.6**	**38.8**
	2014	**INR**	**9.3**	*	****	**2,311.2**	**2,320.5**
	2013	*INR*	*14.0*	**	–	*3,466.8*	*3,480.8*
	2012	*INR*	*14.0*	***	–	*3,281.1*	*3,295.1*
Dividend income	**2014**	**USD**	**16.3**	**–**	**–**	**1.6**	**17.9**
	2014	**INR**	**973.3**	**–**	**–**	**99.0**	**1,072.3**
	2013	*INR*	*996.9*	–	–	*99.0*	*1,095.9*
	2012	*INR*	*1,288.6*	–	–	–	*1,288.6*
Interest Income	**2014**	**USD**	**9.0**	**–**	**–**	**–**	**9.0**
	2014	**INR**	**536.0**	**–**	**–**	**–**	**536.0**
	2013	*INR*	*559.0*	–	–	–	*559.0*
	2012	*INR*	*24.8*	–	–	–	*24.8*
Management contracts	**2014**	**USD**	**–**	**–**	**–**	**24.2**	**24.2**
	2014	**INR**	**–**	**–**	**–**	**1,450.0**	**1,450.0**
	2013	*INR*	–	–	–	*898.3*	*898.3*
	2012	*INR*	–	–	–	*739.7*	*739.7*
Finance Provided	**2014**	**USD**	**38.5**	**–**	**–**	**–**	**38.5**
	2014	**INR**	**2,305.5**	**–**	**–**	**–**	**2,305.5**
	2013	*INR*	*2,352.1*	–	–	–	*2,352.1*
	2012	*INR*	*4,130.4*	–	–	–	*4,130.4*
Purchase of investments	**2014**	**USD**	**5.4**	**–**	**–**	**–**	**5.4**
	2014	**INR**	**320.6**	**–**	**–**	**–**	**320.6**
	2013	*INR*	–	–	–	–	–
	2012	*INR*	–	–	–	–	–
Remuneration	**2014**	**USD**	**–**	**5.0**	**–**	**–**	**5.0**
	2014	**INR**	**–**	**299.7**	**–**	**–**	**299.7**
	2013	*INR*	–	*228.7*	–	–	*228.7*
	2012	*INR*	–	*200.0*	–	–	*200.0*
Guarantees outstanding	**2014**	**USD**	**30.0**	**–**	**–**	**–**	**30.0**
	2014	**INR**	**1,797.0**	**–**	**–**	**–**	**1,797.0**
	2013	*INR*	*1,628.6*	–	–	–	*1,628.6*
	2012	*INR*	*1,526.4*	–	–	–	*1,526.4*
Outstanding Receivables	**2014**	**USD**	**204.5**	**–**	**–**	**0.2**	**204.7**
	2014	**INR**	**12,245.6**	**–**	**–**	**12.5**	**12,258.1**
	2013	*INR*	*8,713.9*	–	–	*144.3*	*8,858.2*
	2012	*INR*	*6,180.9*	–	–	*40.1*	*6,221.0*
Outstanding Payables	**2014**	**USD**	**72.0**	**–**	**–**	**24.3**	**96.3**
	2014	**INR**	**4,314.2**	**–**	**–**	**1,457.4**	**5,771.6**
	2013	*INR*	*3,020.7*	–	–	*957.3*	*3,978.0*
	2012	*INR*	*2,772.2*	–	–	*924.9*	*3,697.1*

Transaction with Joint Ventures have been disclosed at full value
* ₹ 16,456.00 [US $ 274.8]
** ₹ 8,844.00
*** ₹ 8,844.00
**** ₹ 448.00 [US $ 7.5]

46. Figures pertaining to the subsidiaries and joint ventures have been reclassified where necessary to bring them in line with the Group's financial statements.

47. Previous years' figures have been recast/restated where necessary.

48. Figures in italics are in respect of the previous years.

49. For the reader's convenience, US $ translation of INR amount as at March 31, 2014 have been provided at the rate of US $ 1.00 = INR 59.89

50. As the figures disclosed in the consolidated summary financial statements are extracted from the audited Indian Statutory Accounts for the years ended 31 March 2014, 2013 and 2012, approved by the Board of Directors on May 14, 2014, May 23, 2013 and May 18, 2012 respectively, on which auditors have issued their opinion dated May 14, 2014, May 23, 2013 and May 18, 2012 respectively, any event subsequent to the said dates has not been considered / adjusted.

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