



TML: 4114 : 2018

4 July, 2018

Manager - Listing
The National Stock Exchange of India Ltd.
5 Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

DGM- Listing
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001.

Stock Code - TATAMETALI

Stock Code - 513434

Dear Sir/ Madam,

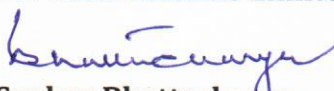
Re: Integrated Report and Annual Accounts for FY 2017-18

In compliance with Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Integrated Report and Annual Accounts for FY 2017-18 (Report). The Report contains, *inter-alia*, the Reports of the Board of Directors and the Auditors along with the Annual Accounts for FY 2017-18, which were duly approved and adopted by the Members of the Company at its meeting, held on 2 July, 2018.

The Report is also available on the website of the Company at www.tatametaliks.com.

Thanking you,

Yours faithfully,
For Tata Metaliks Limited

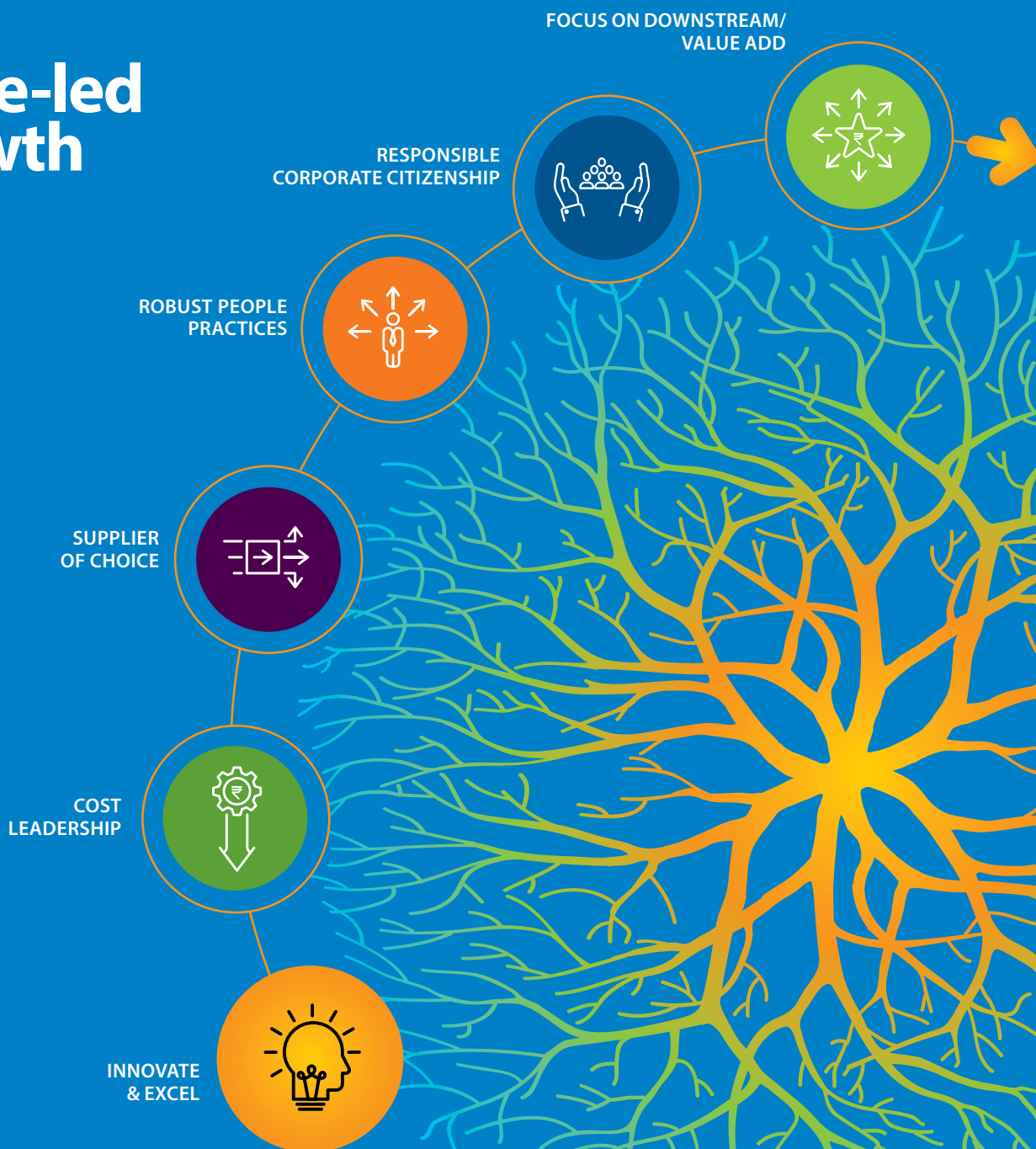

Sankar Bhattacharya
Chief - Corporate Governance &
Company Secretary

Encl : As above

TATA METALIKS LIMITED

Tata Centre 43 Jawaharlal Nehru Road Kolkata 700 071 India
Tel 91 33 66134205 Fax 91 33 2288 4372 e-mail tml@tatametaliks.co.in
CIN L27310WB1990PLC050000

Value-led Growth



About this report

Tata Metaliks Ltd. presents its first Integrated Report and Annual Accounts 2017-18. Through this Report, the Company highlights to all its stakeholders a narrative on its financial and non-financial performance during the Financial Year 2017-18, along with information on its governance, strategy and its outlook. The key non-financial aspects include the Company's operations and its environmental and social performance.

This Integrated Report aims to provide an account of the material issues that the Company faced during the year under review and their impact on its value-creation process and outcomes, in a balanced and concise manner.

Standards and Framework

The non-statutory sections of the Report follow the International Integrated Reporting Council (IIRC) recommended International Integrated Reporting <IR> Framework. The other statutory reports, including the Directors' Report, Management Discussion and Analysis (MDA) and the Corporate Governance Report, are as per the Companies Act, 2013 (including the rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by The Institute of Company Secretaries of India. The Sustainability information in the Report is based on the GRI G4 guidelines. The financial statements are as per the Indian Accounting Standards.

Scope and Boundary of the Report

The reported information for the Financial Year 2017-18 covers the Company's manufacturing operations at Village Maheshpur, P.O. Samraipur, District Paschim Medinipur, West Bengal and its corporate office at Tata Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata-700071. The Report also covers

the Company's sales and marketing activities, as well as other community initiatives. Comparative figures for the last 3 years have been incorporated, wherever thought fit, in the Report to provide a holistic view to the stakeholders.

Materiality

The Report presents information on all the issues that are identified as material by the stakeholders and the Company. These issues have significant business impacts and are key to the Company's value-creation process. The Report discloses information on those material matters, which will enable investors and other interested stakeholders to make informed decisions about their engagement with the Company.

Leadership Responsibility

The Company's Senior Management, under the Managing Director's supervision, have reviewed the Report content and ensured the accuracy of the information disclosed. The Board Members of the Company have provided the required governance oversight and ensured risk management and controls.

Welcome to our integrated report

Integrated Report

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For further information, log on to
www.tatametaliks.com

For over two decades, we are pursuing value and volume-led growth by offering innovative products and services to our discerning customers across geographies.

Focus on meeting changing customer and market requirements, meticulous attention to product quality, continuous improvement on materials and process efficiency along with manufacturing excellence have contributed significantly to our growth story in FY 2017-18.

We are continuously offering value-added products developed to meet customers' specific requirements. Our differentiated product and service offerings in the market,

reinforced through our '3-D Customer Promise' (**Develop** deep insight, **Deliver** outstanding products and services, **Delight** customers at all touch points), have demonstrated our customer-centric culture and enriched customer experiences.

Our growth aspirations are underpinned by the time-honoured ethics and values of the Tata Group and we will continue to nurture our core values as we look forward to the future.

With supportive Government policies and a thrust on infrastructure development in India and many other parts of the world, we are seeing a larger opportunity landscape unfolding before us.

We are driving value-led growth with focus and fortitude for all stakeholders for today, tomorrow and beyond.

Key highlights of FY 2017-18

Turnover

₹ 1,894 Crore

34%
y-o-y growth ↑

Profit after tax

₹ 159 Crore

37%
y-o-y growth ↑

Hot Metal production

4,99,540 MT

31%
y-o-y growth ↑

Ductile Iron (DI) pipe production

2,08,355 MT

11%
y-o-y growth ↑



AT A GLANCE

Our value-creation highlights

Refer page 14

Financial Capital

We judiciously deploy the funds that we raise and ensure that we enhance and add value to the financial resources that our business generates for our stakeholders.

Turnover

₹ 1,894 Crore

EBITDA

₹ 297 Crore

PAT

₹ 159 Crore

Manufactured Capital

We optimally use manufacturing assets for our production processes and add value through the products we manufacture.

Hot Metal production

4,99,540 MT

Ductile Iron (DI) pipe production

2,08,355 MT

Pig Iron (PI) sales

2,90,902 MT

DI pipe sales

2,09,475 MT

Intellectual Capital

With the proprietary knowledge we possess and the innovations we drive to improve our processes and products, we add value to our business outcomes.

Number of Business Excellence Projects

154

Estimated cost savings through improvement projects

₹ 40 Crore

Increase in number of Business Excellence projects from FY 2016-17

19%

Human Capital

Collective skills and experience of our workforce add value to our business outcomes.

0.11

Lost Time Injury
Frequency Rate
(LTIFR)

59%

Decrease in
LTIFR since
FY 2015-16

Zero

Fatalities

4%

Health Index
improvement
since FY 2015-16

6%

Women
officers in
our workforce

21%

Improvement
in employee
engagement
score since
FY 2015-16

Social and Relationship Capital

Our relationships with our stakeholders in the value-chain and communities around us ensure long-term value-creation and our social license to operate.

Supplier base

PI division

1,291

DI pipes division

1,618

Customer satisfaction index

PI division

90

DI pipes division

88*

Natural Capital

While we depend on the raw-materials sourced from nature, we ensure that through our efficient operations, we impact the natural environment minimally.

91%

Materials
recycled back
into process

181%

Increase in
amount of water
recycled since
FY 2015-16

CSR spend

₹ 3.24 Crore

CSR beneficiaries

10,000+

*For FY 2016-17

AT A GLANCE

Strengthening a value-smart enterprise

Tata Metaliks is one of India's leading producers of high-quality Pig Iron (PI) and Ductile Iron (DI) pipes. We are a subsidiary of Tata Steel Limited and operate our state-of-the-art manufacturing plant near Kharagpur, West Bengal.

We produce hot metal using iron ore lumps, sinter, coke and fluxes, of which approximately 40% is converted to DI pipes through a series of value adding processes and the balance is cast into foundry grade PI.

Our manufacturing location is equidistant from Tata Steel's iron ore mines in Odisha and Jharkhand (which are the primary sources of iron ore), Haldia port (mainly used for import of coal and coke, principal raw materials), Howrah foundry belt (key market for pig iron)

and DI pipes markets of East (about 50% of sales). This strategic benefit reduces logistics costs for production and sale of PI and DI pipes.

We remain focussed on consistent growth and improving cost competitiveness. We have implemented multiple improvement projects during the reporting period to increase productivity, optimise costs and reduce overall carbon footprint.

We offer innovative products to our customers and are setting industry benchmarks through quality products and service offerings. We offer a variety of branded products customised to meet specific user needs.

1994

Commencement of Pig Iron production

Tata eFee

World's first branded Pig Iron - 47% of turnover

2009

Commencement of DI pipe production

Tata Ductura

Value-added product DI pipe - 53% of turnover



Our vision

Reaching Tomorrow First

Our mission

Sustainability of Purpose

We strive to become a sustainable organisation through significant contribution to India's foundry, water and sanitation sectors through optimum utilisation of men, material and assets, responsible use of energy and water resource, being guided by our values.

Our values

Our guiding force

Pioneering

We will be bold and agile, courageously taking on challenges, using deep customer insight to develop innovative solutions.

Integrity

We will be fair, honest, transparent and ethical in our conduct; everything we do must stand the test of public scrutiny.

Excellence

We will be passionate about achieving the highest standards of quality, always promoting meritocracy.

Unity

We will invest in our people and partners, enable continuous learning, and build caring and collaborative relationships based on trust and mutual respect.

Responsibility

We will integrate environmental and social principles in our businesses, ensuring that what comes from the people goes back to the people many times over.

Our presence



1. Algeria
2. Bahrain
3. Bahrain
4. Bangladesh
5. Cameroon
6. Croatia
7. Egypt
8. Ethiopia
9. France
10. Italy
11. Ivory Coast
12. Jordan
13. Kenya
14. Kuwait
15. La Reunion
16. Lebanon
17. Malta
18. Mauritius
19. Morocco
20. Nepal
21. Oman
22. Pakistan
23. Philippines
24. Qatar
25. Seychelles
26. Sierra Leone
27. Singapore
28. Spain
29. Sri Lanka
30. Switzerland
31. Taiwan
32. Tanzania
33. Turkey
34. UAE
35. Vietnam
36. Zambia

AT A GLANCE



Our quality accreditation

Our products and processes are certified by industry-recognised bodies.

Pig Iron

- > ISO 9001, ISO 14001, OHSAS 18001
- > NABL Certificate for QA lab

DI pipes

- > ISO 9001, ISO 14001 and OHSAS 18001
- > NABL Certificate for QA lab
- > IS 8329
- > Certificate of Product Conformity - BS EN 545 and BS EN 598
- > Kite Mark Certification - BS EN 545
- > Kite Mark Certification - BS ISO 2531
- > WRAS Approved Concrete, Cement and Mortar - Pressure Pipes
- > WRAS Approved Coatings, Paints & Linings - Factory Applied Pipe & Fittings Coatings

Our products and brands

We manufacture and market a range of high-quality branded products in Pig Iron and DI pipes, backed by end-to-end customised service support for customers. Our brand promise is guided by three essential elements

Develop, Deliver and Delight.



Our product is suitable for various kinds of castings in industries like:

- > Automobile
- > Agriculture and tractor
- > Engineering and industrial
- > Power generation
- > DI pipes and fittings
- > Sanitary and decorative
- > Railways and other castings
- > Aluminium smelters

Pig Iron

Range: 14 primary grades and few customised options for different types of casting applications

We developed the world's first branded Pig Iron, 'Tata eFee'. The USP of Tata eFee is its unique shape and size that reduces energy consumption in foundries. Ever since its launch in 2011, we have been a supplier of choice of foundries all across the country due to its superior value-in-use.

'e'

Energy efficient

'Fe'

Iron

'e'

Environment friendly



DI Pipes are used for diverse applications:

- > Distribution of potable water
- > Sewage and waste water
- > Irrigation
- > Industrial usage in power plants

DI Pipes

Range: Diameter - 80 mm to 800 mm

DI pipe production at our Kharagpur plant commenced in the year 2009. Since, then Tata Ductura has been offering solutions to its customers across the world, in terms of superior product quality, supply and service, helping them transform possibilities into business with the brand promise of Delivering the Best – Any time, Every time. The combination of the latest technology, with a dedicated and competent workforce, ensures that customer requirements are specifically met in every aspect.

'Duct'

Ductile Iron

'ura'

Ventura, which means happiness and contentment



MILESTONES

Our value creation journey



Capacity building

Enhancing resilience

Consolidation drive

Turnaround period

1990-92

- > Incorporated as Tata Korf Metals West Bengal Limited
- > Plant construction commenced at Kharagpur
- > The Company's name changed to Tata Metaliks

1994

- > Plant commissioned with an initial capacity of ~0.9 LTPA

2005

- > Commissioned the 2nd Mini Blast Furnace (MBF) (installed capacity increased to 3.45 LTPA)

2006

- > Bought PI plant at Redi, Maharashtra (installed capacity increased to 6.5 LTPA)

2007

- > Entered into a joint venture with Kubota for DI pipe business

2008

- > Amid global financial crisis, the Company booked significant mark-to-market losses in raw materials and finished goods

2009

- > Commissioned DI pipe plant at Kharagpur (1 LTPA). However, there was delay in obtaining requisite approvals for commercial operation

2011

- > Pig Iron plant at Redi, Maharashtra was shut down

2013

- > DI pipe business became a wholly owned subsidiary of the Company
- > Commissioned Sinter Plant

2014

- > Improved DI pipe production and optimised manufacturing process parameters



Value-led transformation

Growing sustainably

2016-17

- > DI pipe business amalgamated with the Company
- > Increased DI pipe capacity from 1.3 LTPA to 1.8 LTPA
- > Installed coke plant (1.2 LTPA)
- > Commissioned a 10 MW captive power plant
- > Upgraded MBF#1

2017-18

- > Coal injection project kicked-off

Awards & Recognition

1999-01

- > Won the Golden Peacock National Quality Award
- > Golden Peacock Innovative Management Award

2002-03

Won the Golden Peacock Environment Management Quality Award and the TPM Award Category 1 (by JIPM)

2003-04

Won the active promotion award by CII Exim Bank

2005-06

TPM Consistency Award Category 1

2007-08

Won the JRD QV Award on Business Excellence

2016-17

Received the National Sustainability Award from Indian Institute of Metals

2017-18

Received the ICC Corporate Governance and Sustainability Vision Awards, 2018

MATERIALITY ASSESSMENT

Addressing relevant issues for sustainable value creation

Stakeholders' interests are of utmost importance to our business and they form part of the material issues that our strategies address. These material issues are revisited and prioritised based on their business implications.

During FY 2015-16, we conducted a comprehensive profiling exercise to identify material sustainability issues from stakeholders and business associates. These issues were revisited with relevance to the current context and further refined through peer review and sector analysis.

Following prioritisation and deliberation by the Senior Management, the list of material sustainability aspects in focus are identified. The following section represents the outcome of our materiality assessment:





Management of business ethics



Our pursuit for growth is based on our operational excellence and emphasis on the standards of ethical business practice, while adhering to the Tata Code of Conduct.



Safety and health of employees / workers



As a people-centric organisation, we are concerned about the safety and health of our people and ensure operations without any disruption.



Capability building needs of employees



Acquiring and managing talent is one of the key drivers for business success. Providing learning and development opportunities to employees remains a priority for the organisation.



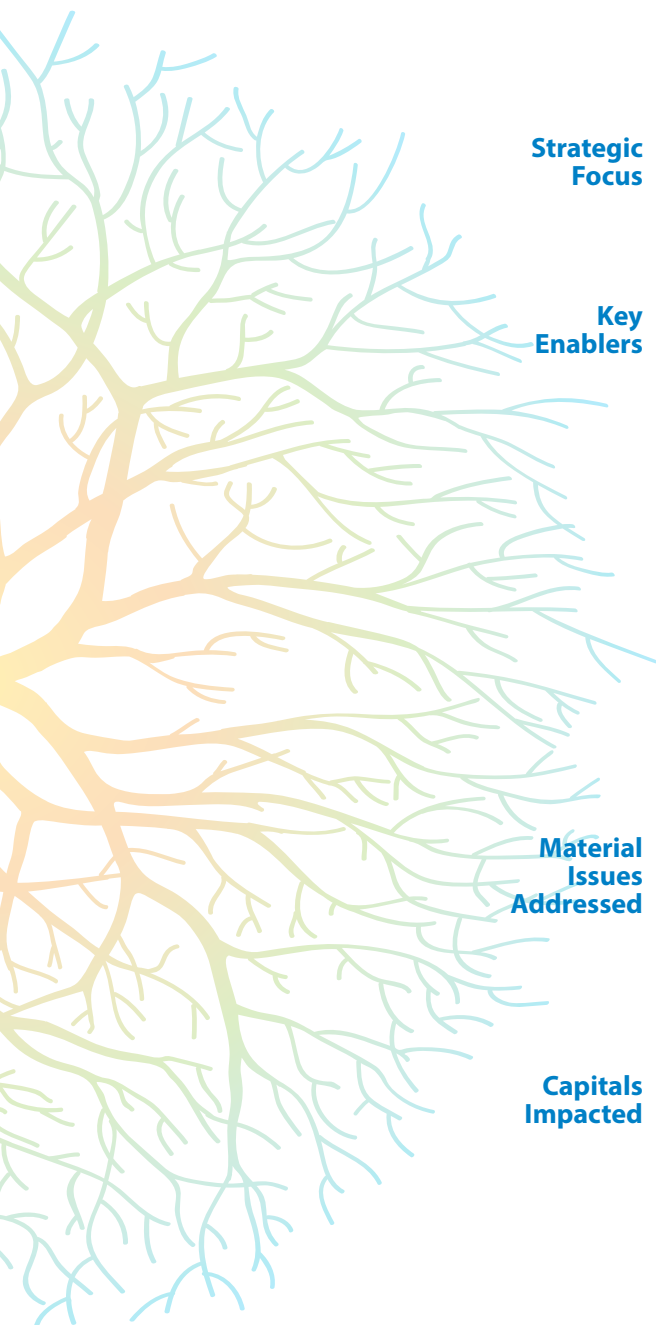
Inclusive community wellbeing



Social inclusion is important for business sustainability. We continually work towards empowerment of communities around us.

OUR STRATEGY

Priorities on our radar



Strategic Focus →

Key Enablers →

Material Issues Addressed →

Capitals Impacted →

Innovate and excel

Refer page 20

**Cost leadership**

Refer page 22



Nurturing a culture of innovation for constant improvements and achieving business excellence through programmes such as:

SHIKHAR – an improvement initiative for impacting the bottom line.

Adoption of TPM practices in the shop floor.

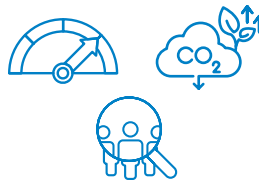
Automation for improved safety of employees and productivity.

Use of digital technologies.

The Company's constant focus on operational excellence for improving cost base.









Structural cost reduction ideas on the radar include:

Coal injection project (under implementation), increase in coke making and power capacity and captive sources of raw materials are also being explored.



- Intellectual
- Human
- Manufactured
- Financial

- Financial
- Manufactured
- Intellectual
- Natural
- Human
- Social and Relationship

<p><i>Supplier of choice</i></p> <p>Refer page 24</p> 	<p><i>Robust people practices</i></p> <p>Refer page 26</p> 	<p><i>Responsible corporate citizenship</i></p> <p>Refer page 28</p> 	<p><i>Focus on downstream / value add</i></p> <p>Refer page 32</p> 
<p>Focus on creating value for customers through:</p> <p>Superior and differentiated offerings.</p> <p>Enhanced customer centricity.</p>	<p>Concerted efforts towards:</p> <p>Building a robust safety culture.</p> <p>Focus on managing talent including Learning and Development.</p> <p>Improving employee engagement.</p>	<p>Impact-based CSR with focus on Essential amenities and Education while sustaining efforts on Employability, Entrepreneurship and Employment.</p> <p>Focus on sustainable operations by ensuring:</p> <p>Reduced emissions and energy intensity, zero discharge and increased green cover.</p> <p>Ensuring compliance to applicable standards and laws, while adhering to ethical practices guided by the Tata Code of Conduct.</p>	<p>Organisation is committed to be a leading player in its areas of business by seizing suitable growth opportunities specially in downstream business.</p>
			
<ul style="list-style-type: none"> Financial Manufactured Intellectual Social and Relationship 	<ul style="list-style-type: none"> Financial Intellectual Human 	<ul style="list-style-type: none"> Financial Natural Social and Relationship 	<ul style="list-style-type: none"> Financial Intellectual Manufactured Social and Relationship

BUSINESS MODEL

Our value creation paradigm

OUR RESOURCES

→ **Financial capital**

The financial resources that we depend on are based on the funds we raise from investors, promoters, banks and other financial institutions in the form of debt or equity. We also deploy back a part of our revenue in the business.

→ **Manufactured capital**

Our manufacturing assets, the technologies deployed there-in and the machinery installed for production constitute our manufactured capital. The logistics for freight of raw materials and finished products are also integral to our manufacturing competence.

→ **Human capital**

Our management, employee base and contract workers, all form a part of our workforce. Their skills and collective experience are major contributors to our value-creation.

→ **Intellectual capital**

A major differentiator for our business is our innovation capabilities. Our constant efforts on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, all form part of our intellectual resources.

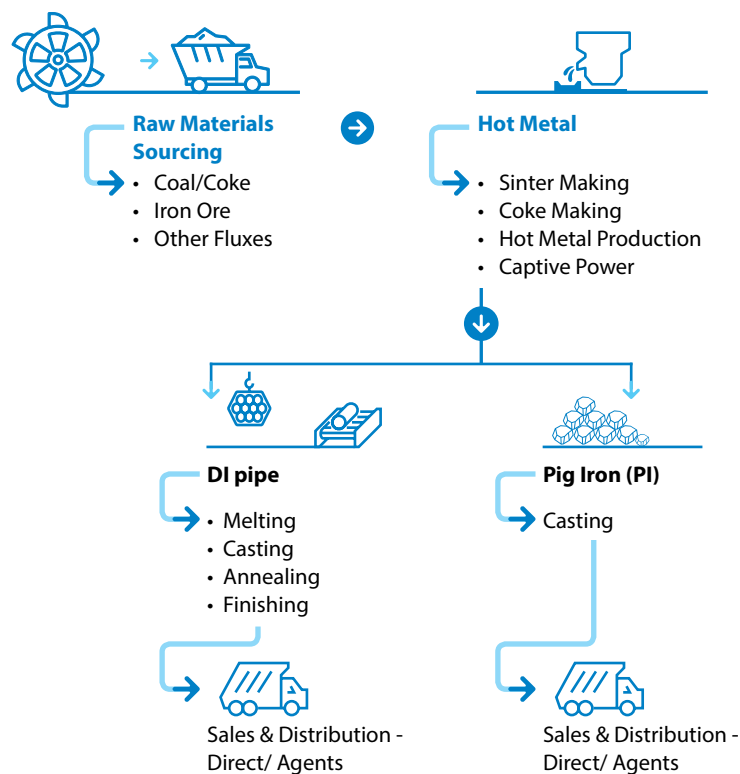
→ **Natural capital**

While we depend on raw materials that are sourced from the nature, including minerals such as coal, iron ore and other fluxes, we reckon that our operations have a significant impact on the natural environment.

→ **Social and relationship capital**

Our relationships with communities and our business partners, including vendors, suppliers and customers, all play a key role in ensuring our social license to operate and making us a responsible corporate citizen.

KEY BUSINESS ACTIVITIES



OUR BUSINESS FUNDAMENTALS ARE SHAPED BY:

Our Vision, Mission and Values. *(refer page 5 of this report)*

A robust governance framework, which involves the senior leadership in envisioning the future, charting out the future roadmap, setting goals, policies and strategies.

(refer our Corporate Governance Report for knowing more)

Our strong adherence to ethical business practices, enshrined in the form of the Tata Code of Conduct.

(refer the <http://www.tatametaliks.com/static-files/pdf/TCOC.pdf>)

→ VALUE-CREATED....

→ Financial capital

Turnover ₹ **1,894 Crore**
Earnings per share ₹ **63**
Contribution to the exchequer
₹ **169.89 Crore**

→ Manufactured capital

Sales of PI **2,90,902 MT**
Sales of DI **2,09,475 MT**
Hot Metal production **4,99,540 MT**
DI pipe production **2,08,355 MT**

→ Human capital

No. of employees **1,183**
LTIFR **0.11**
Total hours of training imparted **14,542**

→ Intellectual capital

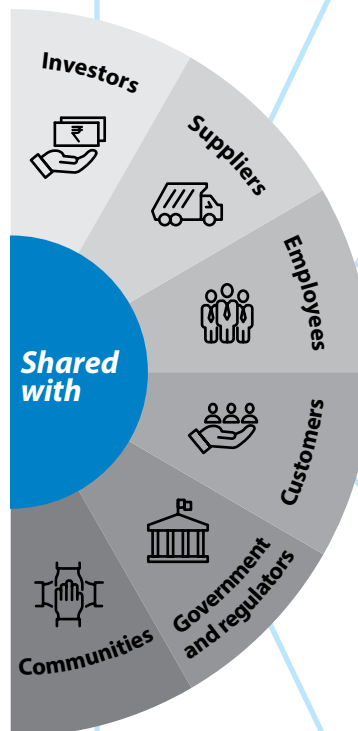
No. of Business Excellence projects **154**
Estimated cost savings through improvement projects ₹ **40 Crore**

→ Natural capital

Specific carbon emissions reduction since FY 2015-16 **2% for Pig Iron, 42% for DI pipes**
Materials recycled back into process **91%**
Reduction in specific water consumption since FY 2015-16 **4% for PI division, 20% for DI pipe division**

→ Social and relationship capital

No. of CSR beneficiaries **10,000+**
No. of beneficiaries of TML Skill Development Centre ~ **1,000 youths**
Increase in AA vendors since FY 2015-16 **70%**
No. of suppliers **2,909**



Our performance with a constant focus on cost reduction, managing operations to safeguard against market dynamics and a balanced approach for all the capitals have improved our earnings, resulting in higher shareholder returns.

Know more on page 22 & 32

Besides sourcing majority of raw materials from Tata Steel, we have a large vendor base, with whom we share a longstanding business relationship and engage closely for mutual development and improving operational efficiencies.

Know more on page 32

With our focus on developing the skills and knowledge of our workforce, we are preparing our future leaders. Apart from providing remuneration and other benefits, we ensure safety and health as a priority area.

Know more on page 26

Quality is important in our product delivery and we ensure that our customers' requirements are incorporated in product development. We engage with our customers to 'Delight' them with our services at every stage.

Know more on page 24

We are a responsible corporate citizens following ethical conduct and the highest standards of corporate governance. Through our business, we support sustainable and responsible economic growth.

Know more on page 28

We believe in building long-term harmonious relationships with the communities where we operate and our efforts are concerted towards collective upliftment and improvement of these communities.

Know more on page 28

CHAIRMAN'S STATEMENT

Creating Sustainable Growth



The Company recorded a 34% growth in turnover with increased market share, despite a relatively sluggish industry growth. Earnings before interest, depreciation and taxes (EBITDA) increased by 31% to ₹ 297 crores from ₹ 226 crores in the previous year, primarily on account of increase in sales volumes and improved cost efficiencies as a result of structural cost reduction projects.

Koushik Chatterjee
Chairman

Dear Shareholders,

It is my pleasure to present to you the Company's 1st Integrated Report and the Annual Report for the financial year ended March 31, 2018. During the last financial year, the global economy experienced a cyclical recovery with a rebound in investment, manufacturing activity and trade, in the backdrop of benign global financing conditions, accommodative monetary policies and higher commodity prices. However, increased protectionism, rising geopolitical & trade tensions and higher crude oil prices pose risks to global growth.

In this context, India continues to remain as one of the world's fastest growing economies with a projected growth rate of 7.4% in 2018. The year 2017-18 was marked by a number of key structural reforms such as the Goods and Services Tax (GST), which aims to build strength across macro-economic parameters for sustainable growth. The Insolvency & Bankruptcy Code brought by the Government and passed by the Parliament is a bold step to provide a transparent framework for resolution of distressed assets. These reform measures are expected to have a positive impact on the economy in the long term.

Global crude steel output picked-up significantly in 2017 to a record 1.69 billion tonnes, up 5.4% from 2016. This was driven by sustained production across both developed and developing economies. India's steel production rose by 6.2% in 2017 to a record 101 million tonnes, making the country the world's third-largest steel producer. The growth in the Indian steel sector was driven by improving domestic demand spurred by Government investment in infrastructure. India's demand for Pig Iron also remained satisfactory owing to growing industrial activity.



During FY 2017-18, the Company achieved 100% capacity utilisation in hot metal, driven by modernisation of one of our blast furnaces.

The demand for Ductile Iron (DI) pipes has been witnessing consistent growth owing to several flagship programs of the government including Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart Cities, Swachh Bharat Abhiyan and Government's water grid projects for improving water supply and sanitation infrastructure in both urban and rural areas. However, GST implementation caused temporary uncertainties which slowed down projects and consequently the demand for DI pipes during the year grew by 4-5% against an expected growth rate of 10-12%.

Encouraging performance

I am happy to report to you another successful year for Tata Metaliks. The Company recorded a 34% growth in turnover with increased market share, despite a relatively sluggish industry growth. Earnings before interest, depreciation and taxes (EBITDA) increased by 31% to ₹ 297 crores from ₹ 226 crores in the previous year, primarily on account of increase in sales volumes and improved cost efficiencies as a result of structural cost reduction projects. The net profit after tax grew by 37% to ₹ 159 crores from ₹ 116 crores in the previous year.

During FY 2017-18, the Company achieved 100% capacity utilisation in hot metal, driven by modernisation of one of our blast furnaces. Your Company also entered into long-term supply arrangement for coke, which along with its captive sources covers nearly 80% of its total requirement.

Pig Iron sales volume showed a robust growth of 46% amid positive market sentiments and has retained its leadership in the principal markets of East and North India. The DI pipe business recorded a 15% increase in sales volume over the previous fiscal by improving market share and increased clarity on water projects in second half of the year post GST implementation.

The Board of your Company has proposed a dividend of ₹ 3 per equity share for the year under review, which is 20% higher than the previous year. As part of its journey towards achieving cost leadership, your Company has initiated an organizational restructuring exercise to achieve enterprise-wide synergies and process efficiencies. We also expect to benefit from continued investment in cost reduction projects such as coal injection, automation and digitization which are under implementation.

Your Company has identified six strategic pillars in its journey towards achieving its long-term objective of 'Value-led Growth', viz; cost leadership, being the supplier of choice, robust people practices, responsible corporate citizenship, focus on downstream/value added products along with fostering a culture of innovation and excellence. Our strategic objectives can be achieved through the 'integrated thinking' process, which focuses on all resources and helps in creating long-term value for the Company's stakeholders.

Sustainability Matters

In line with the Tata Group ethos and with an objective to give back to the society, the Company strives to work for the socio-economic upliftment of communities near the Kharagpur plant. Your Company undertakes several CSR interventions classified under 5 Es - Essential amenities, Education, Employability, Employment and Entrepreneurship. Your Company's CSR initiatives has touched the lives of around 10,000 beneficiaries in 15 villages. We also encourage our employees to participate in various community development activities and I am happy to share that this year we clocked 6,169 employee volunteering hours.

As a part of our commitment to reduce the carbon footprint and help combat climate change, your Company has significantly increased captive power generation through waste gas/heat, thereby reducing consumption of grid power which is generated through fossil fuels. Further, we are undertaking a major drive towards improving fuel efficiency (coke and coal consumption) and target to reduce the same as compared to financial year 2017-18.

I would like to take this opportunity to thank all our shareholders for their continued support and confidence in the Company and the management. I also express my sincere gratitude to our customers and suppliers for their trust and support towards the Company. I am also thankful to the unions for maintaining cordial industrial relations, the employees, the management team and my colleagues on the Board of Directors and all other stakeholders for their significant contribution to the Company.

Warm regards,

Koushik Chatterjee

Chairman

DIN:00004989

Date: April 26, 2018

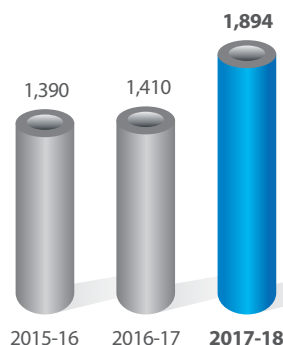
KEY PERFORMANCE INDICATORS

Delivering measurable outcomes

Our performance is assessed against the following key performance indicators, which are aligned to our long-term strategy.

Turnover

(₹ Crore)



Relevance to strategy

This demonstrates our experience and expertise in understanding markets and customer requirements and efficiently cater to those requirements.

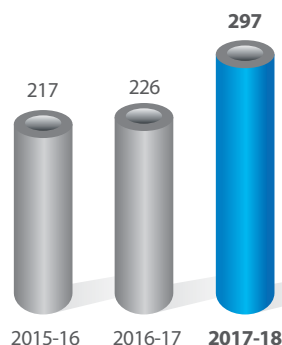
Performance

Our turnover increased following enhanced volume and increased market penetration.

34%
y-o-y growth ↑

EBITDA

(₹ Crore)



Relevance to strategy

EBITDA is a valuable indicator of our ability to generate operating cash flow to fund working capital and capital expenditures and to service debt obligations.

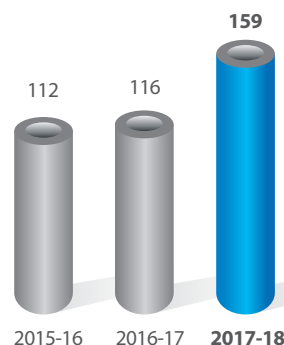
Performance

We reported a strong EBITDA owing to economies of scale, better efficiencies and prudent cost management.

31%
y-o-y growth ↑

Profit After Tax (PAT)

(₹ Crore)



Relevance to strategy

PAT highlights the strength in our business model in generating value for our shareholders.

Performance

Our PAT growth is attributed to higher sales (judicious mix of repeat business and new orders) and enhanced portfolio of value-added products.

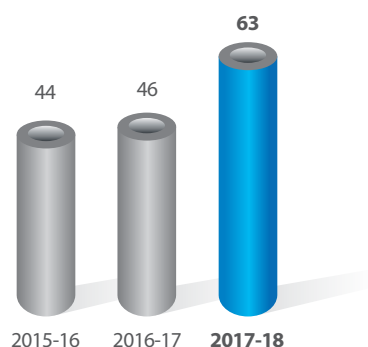
37%
y-o-y growth ↑

Key ratios

	2015-16	2016-17	2017-18
Profitability ratios			
EBITDA margin (%)	16	16	16
Net profit margin (%)	8.08	8.23	8.40
Leverage ratios			
Net Debt-Equity ratio (Times)	4.13	2.59	1.29
Net-Debt/ EBITDA (Times)	1.88	2.38	1.56
Liquidity ratios			
Current ratio (Times)	0.77	0.88	1.00
Inventory turnover ratio (Times)	11.58	8.80	9.53

Earnings Per Share (EPS)

(₹)



Relevance to strategy

EPS shows the Company's equity efficiency i.e. whether the profits filter down to shareholders.

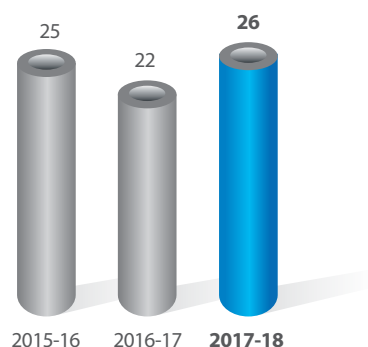
Performance

The increasing trend in EPS indicated that the Company has been consistently enhancing shareholder value.

37%
y-o-y growth ↑

ROCE

(%)



Relevance to strategy

ROCE measures the Company's profitability and the efficiency with which its capital is employed in the business.

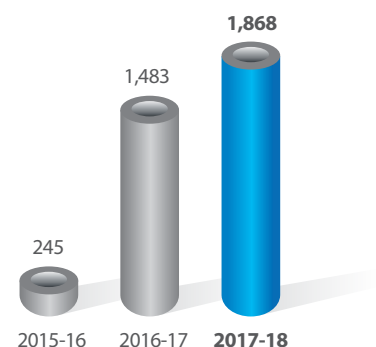
Performance

The increase in ROCE over last year shows how prudently we have invested every rupee in a profitable business, that generates higher returns for shareholders.

18%
y-o-y growth ↑

Market Capitalisation

(₹ Crore)



Relevance to strategy

Market capitalisation shows the Company's total market value as per the current market price of all its equity shares listed on the stock exchanges at the close of the financial year.

Performance

The last two years reflect the improved business performance and growing confidence of investors.

26%
y-o-y growth ↑



Innovate and Excel

Innovation driving excellence

One of our most important business objectives is to 'innovate and excel' – a strategic priority that forms the foundation for our other strategic priorities. For us, a culture of innovation is paramount to drive excellence across our operations. Innovation is embedded in the way we conduct our business, including strategic thinking, process improvements, resource deployment, adopting advanced technologies and achieving higher performance standards. Innovation being one of the pre-requisites of our excellence journey, we have approached Innovation involving our employees. This subsequently enables and ensures the accomplishment of the Vision and Mission of this value-smart enterprise.

Working towards this strategic objective is linked to the expectations of



Employees | Suppliers | Customers

People driving impactful innovation

Our people carry forward the culture of innovation through their collective experience, sharing of ideas and a problem-solving attitude.

Apart from the continual process and system improvement, a platform 'Shikhar 5000' has been launched to drive improvements positively impacting the bottom line with improvised rigour and to drive ideas in a fast-tracked manner. Total Productive Maintenance (TPM) in the shop floor is also an important activity under this umbrella for improvements. Performance is driven by the engagement and involvement of employees in a structured manner to brainstorm and fructify ideas into tangible business results.

No. of Business Excellence projects

FY 2016-17 FY 2017-18
130 154

TATA METALIKS IS DRIVING GROWTH WITH EXCELLENCE. THE COMPANY HAS BEEN INTO ITS EXCELLENCE JOURNEY UNDER THE FRAMEWORK OF TATA BUSINESS EXCELLENCE MODEL (TBEM). TBEM HAS BEEN ADAPTED FROM THE RENOWNED MALCOLM BALDRIDGE (USA) PERFORMANCE EXCELLENCE CRITERIA.

Making excellence process-driven

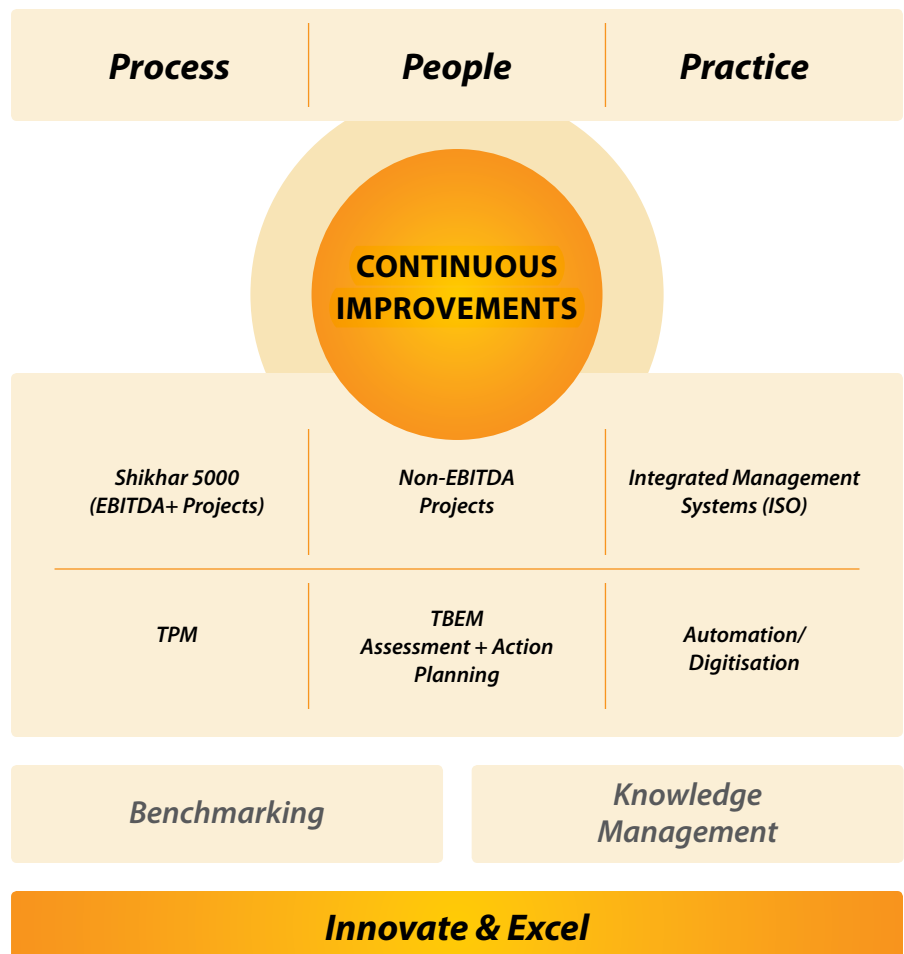
Preparing our business for the future, we are moving ahead with digitisation and automation initiatives across processes.

Institutionalising innovative practices is possible through systematic knowledge management and benchmarking with industry-wide best practices. The Business Excellence process, in line with the Tata Business Excellence Model (TBEM), encompasses and provides the overall and holistic excellence map of the organisation.

Practice for future

Going forward, digitisation and automation related initiatives will be focussed upon to improve the productivity and agility of the processes, gearing the Company to the next level of growth as planned and envisaged.

In the long-term, the culture of continuous improvements will help scale newer heights, while achieving leadership and benchmark standards.





Cost Leadership

Our operational excellence drives our future growth

At Tata Metaliks, we focus on raising the bar of our operational capabilities to create value sustainably. A large part of the business value we create depends on how efficiently we operate. For both our business divisions – PI and DI pipes – we have the long-term strategic objective of cost leadership that we plan to achieve through collective initiatives of all business functions --- starting from procuring quality raw materials, meeting logistical challenges, upgrading technology and driving marketing initiatives.

The key determinants of operational excellence are safety of workers, productivity, yield, costs and managing environmental footprint.

Working towards this strategic objective is linked to expectations of



Investors | Suppliers | Customers

Pig Iron business

Being the 'best-in-class'

For attaining cost leadership and improving productivity in our PI business, we have streamlined our efforts for continuing with incremental changes as well as bringing about structural changes for breakthrough improvements in our performance.

Elevating blast furnace performance

To improve productivity, we introduced best-in-class technology to enhance hot metal capacity from the blast furnaces. At the same time, we focussed on consistency of quality for raw material inputs such as procuring higher value-in-use coke and optimisation of

hot metal silicon to lower coke rates. This has also reduced our carbon footprint and aided energy conservation.

Improving sinter plant performance

We adopted various initiatives such as reducing coke consumption by using additives such as Pyroxenite, increasing productivity of sintering process with quick lime, decreasing fuel rate using anthracite coal and improving quality and efficiency through the use of air pre-heaters. At the same time, we have worked closely with our vendors for improving plant availability.

Reduction in specific grid power consumption since FY 2015-16

100%

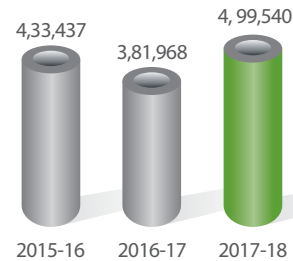
entire operations on captive power

Sinter plant productivity

1.91 t/m²/hr

Hot metal production

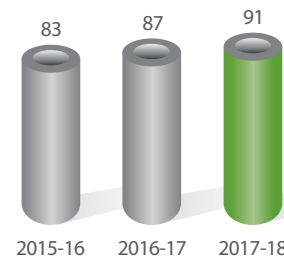
(MT)



Low hot metal production in FY 2016-17 was due to the 91 days shutdown of one of the blast furnaces.

Materials recycled back into process

(%)



Ductile Iron pipe business

Towards the next growth frontier

Our strategic focus on enhancing the Company's value-added product footprint continued through the Tata Ductura brand promise. We are also customising our DI pipe products according to the various application requirements of our Engineering, Procurement, Construction (EPC) customers.

We have undertaken the following improvement initiatives to address the productivity issues of each process step involved in production:

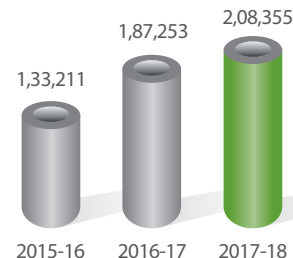
- > Upgraded productivity of melting section by reducing the cycle time and heat loss, expanding ladle capacity and reducing skull generation.

- > Achieved excellence in casting area through process debottlenecking and improving the availability of the Centrifugal Casting Machines (CCMs) by better planning, design modifications and addition of CCM to enhance capacity.
- > Lower energy consumption in the annealing process by maintaining lower temperature and uniform loading.
- > Debottlenecking the finishing process to enhance productivity, while reducing the consumption of cement, paints and zinc used for coating.

These improvement steps helped us attain the lowest ever rejection rate, translating into significant reduction in conversion cost.

DI pipe production

(MT)



Reduction in conversion cost since FY 2015-16

50%

Reduction in specific grid power consumption since FY 2015-16

71%

VALUE-LED GROWTH

Customer Centricity is intrinsic to our culture.

• **Develop** • **Deliver** • **Delight**

Supplier of Choice

Customers are at the heart of our value creation

We recognise that our customers are our raison d'être and therefore, their aspirations and requirements are paramount to us. We engage with our customers at multiple levels involving different functions. At Tata Metaliks, engagement initiatives with customers facilitate either new product development, or improvement in product and service offerings. With our continual engagement with customers, we strive to achieve the strategic objective of being the 'Supplier of Choice'.

To improve overall customer experience, we have built systems to identify customer requirements, engage with them consistently and integrate their insights into our products. We put in place multiple mechanisms to foray into new markets and attract new customers.

Working towards this strategic objective is linked to the expectations of



Investors | Suppliers



Customers | Communities

Engagement

Our sales and marketing teams engage with customers to understand their requirements and study customer behaviour at all stages of the product life cycle. Some of the key engagement platforms we utilise are customer meets, customer visits, customer service centre, customers' visits to our plant, other public forums, social media engagement and website.

Customer satisfaction index

Pig Iron	DI pipes
90	88*

* For FY 2016-17

20%

Market share of Tata Metaliks in the total foundry grade pig iron market size of ~1.12 MnT in FY 2017-18

12%

Market share of Tata Metaliks in the DI pipe market size of 1.80 MnT in FY 2017-18

Addressing customer requirements Our interventions

Our engagement with customers enables us to get a clear view of their feedback and concerns, regarding our product and service offerings.

We measure customer satisfaction and engagement levels through third-party surveys on parameters such as quality, delivery, loyalty, repeat purchases, retention and positive referrals. We ensure that actions taken, based on the aggregate analysis of customer complaints and feedback result in improved customer satisfaction levels.

In case of repeat or unresolved complaints within targeted days, they are escalated to the Senior Management for appropriate action. The target time for resolution of complaints depends on the complaint category and the maximum time limit for resolution of complaints does not cross the standard time limit of 21 days.

Based on prioritisation of new product development ideas and the design and process alternates, we have developed, during the last few years, a range of new product and service offerings to meet the requirements of various customer categories. As a result of our continuous customer engagement, we sustained and improved our industry leadership in product and service offerings. A list of new product and service offerings included in our portfolio recently are summarised in the table below. Our customers find significant value in our products and recognise the same as a premium offering in the market. At the same time, our focus on relationship-driven customer engagement processes has resulted in repeat business and higher customer retention.

New products and services implemented or identified

PI Division	DI pipe Division
Implement CSR activities to safeguard the health and safety of foundry workers	Route to market - Local presence in important export markets for faster exchange of information
Route to market - Enable end customer connect with indirect customers	Inclusion of DN 125 & DN 750 in the product portfolio
Onsite product usage - Customer Service Centre (CSC) support	DI pipe fittings and joints
Digitisation - Implement Customer Relationship Management (CRM) app	
Online transaction access and SMS intimation of despatch	



Robust People Practices

Our people catalyse our value creation

Value is created through sound strategy and execution at Tata Metaliks, driven by our committed teams. We engage in open communication and supportive career development opportunities for our growing talent pool.

We focus on increasing diversity through talent acquisition and providing requisite training and development. We have put in place several safety measures and promote a congenial work environment that encourages innovative thinking. We believe these measures will effectively sharpen our competitive edge and establish Tata Metaliks as an 'employer of choice'.

We further concentrate on industrial relations and employee engagement to create a workforce that is competent, engaged and socially responsible.

Working towards this strategic objective is linked to the expectations of



Investors | Employees | Communities

Developing safety and welfare policies

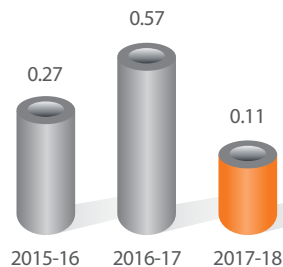
To ensure a safe and secure work environment for our employees, we have institutionalised a Safety, Health and Environment Policy. We have started the Felt Leadership Training programme for all our officers. Additionally, Safety Line walks by the Senior Management have also been implemented. We assess every job based on its safety and hazard quotient, follow all procedural norms and checklists and use necessary safety equipment. Further, a Rewards & Recognition platform is in place to encourage and enhance safety culture. We also introduced mandatory safety training for all employees, including our contract workers.

On the health front, we have a wellness app – VISIT – to help executives be more healthy, agile and productive. As a part of our social responsibility, we are also organising health check-up camps for our foundry customers' workers and our outsourced employees. We also have a 'Suraksha' scheme in place for our contract workforce. This scheme aims to provide financial support in case of any unfortunate safety incident of serious nature, which may lead to hospitalisation.

SAFETY EXCELLENCE JOURNEY (SEJ)
TO ENSURE SAFETY OF OUR PEOPLE, WE HAVE EMBARKED ON A SAFETY EXCELLENCE JOURNEY (SEJ) THAT INCLUDES FELT LEADERSHIP SAFETY TRAINING. WE ALSO HAVE A MULTI-TIER SAFETY AUDIT SYSTEM IN PLACE UNDER OHSAS 18001 AND OUR SAFETY PROCESSES ARE A PART OF OUR INTEGRATED MANAGEMENT SYSTEM.

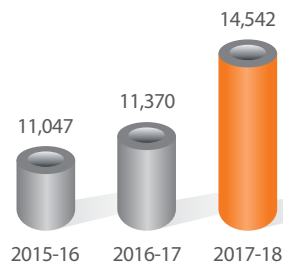
LTIFR

(in per million man-hours)



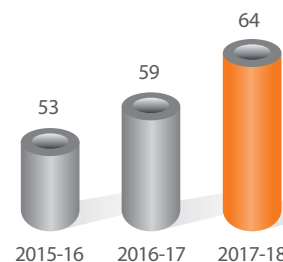
Total training hours

(in hours)



Employee engagement score

(%)



Driving diversity

Our Diversity and Inclusion (D&I) framework is based on strategic business needs and is managed by a Diversity and Inclusion Officer. The framework harnesses the power of D&I to bring about more innovation, productivity and inclusivity at the workplace. Guided by the fundamental value of encouraging equity, the D&I framework is trying to identify the programmes that will help overcome barriers and promote inclusion.

Enhancing talent and building capacities

Our Human Resource management (HRM) system focusses on attracting the best talent in the industry, developing their skills as per the new-age industry needs and retaining the talent by providing an engaged and supportive work environment. We have a holistic induction program to enable recruits to transition in their new roles efficiently. We are in the process of developing our leadership pipeline for critical jobs. Further, we are also in the process of formulating a policy for development of high-potential officers.

Engaging employees

We foster a structured, sustainable and scalable employee engagement programme that inspires trust and builds loyalty in the organisation. We organise several activities to engage with our people and encourage them to participate in various volunteering events for social development. We facilitate cultural events, games and activities to promote work-life balance for our employees and workmen. Some of the key activities carried out round the year include celebration of festivals, recreation opportunities for employees and workmen and inter-departmental sports, among others.

12 hours

Average training per employee

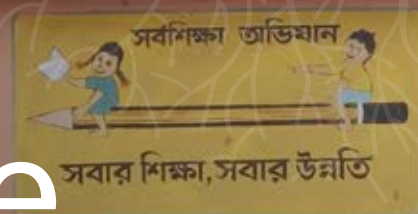


Responsible Corporate Citizenship

Committed to social and environmental responsibility

We are led by our core values that ensure that we give back to society. Thus, we integrate environmental and social principles in our business practices as a responsible corporate citizen and fulfil our commitments.

Our operational improvement initiatives across PI and DI pipes divisions have not only contributed to cost reduction, but also improved our environmental footprint.



Working towards this strategic objective is linked to the expectations of



Investors | Suppliers



Customers | Communities

Green initiatives

Reducing our specific energy consumption is key for improving our efficiency, reducing costs as well as managing our carbon footprint. We continue our efforts to reduce our overall and specific energy consumption.

Commencing renewable energy initiatives

We concentrate on renewable energy as a part of our energy conservation initiatives and have solar lights at different locations. During FY 2017-18, we examined the proposal to install an onsite solar power generation facility of 150 KW capacity.

Waging war on waste and managing by-products is fundamental to increasing productivity and decreasing costs. For our sintering operation, we utilise the waste iron ore fines and coke breeze generated while screening for use in blast furnaces, along with most of the solid waste generated in different processes. We also sell the granulated slag to cement manufacturing plants, which is a waste generated in the blast furnace. Similarly, scrap generated from hot-metal production and DI pipe production is sold to foundries, thereby reducing our customers' overall carbon footprint.



Carbon emission intensity

Reduction since FY 2015-16 (PI division)

~2%

Increase in amount of water recycled since FY 2015-16

181%

Reduction since FY 2015-16 (DI pipe division)

~42%

Materials recycled back into process in FY 2017-18

91%

WE AIM TO REDUCE OUR ENERGY INTENSITY BY 10% BY FY 2021, COMPARED TO FY 2017, FOR HOT METAL AND BY 5% FOR DI PIPE BUSINESS.

OUR CAPTIVE POWER PLANTS OPERATE ON WASTE BLAST FURNACE GAS AND HEAT FROM COKE OVEN FLUE GAS AND GENERATE 16.7 MW OF POWER THAT AMOUNTS TO 77% OF THE ELECTRICAL ENERGY CONSUMED.



VALUE-LED GROWTH

Responsible Corporate Citizenship Contd.

We partner society in its progress

Our social responsibility model is based on interactions at various levels that aid our contribution towards socio-economic growth and development. We recognise these mutually beneficial relationships as the foundation for our sustainability.

*DURING FY 2017-18, THE COMPANY'S TOTAL CSR SPEND WAS **₹3.24 CRORE.***

*OUR CONTRIBUTION TO THE EXCHEQUER IN FY 2017-18 WAS **₹169.89 CRORE.***

CSR beneficiaries

10,000+



PROJECT ABHIGYAN

PROJECT ABHIGYAN HELPS SCHOOLS IN RURAL INDIA BUILD MODEL CURRICULUM AT PAR WITH ESTEEMED SCHOOLS IN INDIA. THE PROGRAMME IS RUN IN COLLABORATION WITH GUARDIAN EDUCATION SERVICES AND IS ASSOCIATED WITH GOKULPUR SCHOOL, NEAR OUR PLANT PREMISES IN KHARAGPUR.

To achieve our social responsibility objectives, we equip the youth with the right skills and capabilities that support their entrepreneurial abilities, thereby leading them to sustained livelihoods. Thus, we have in place a CSR and Affirmative Action (AA) strategy that encompasses the 5Es for development:

The Essential Es	Major initiatives	Outreach in FY 2017-18
Education To build a scalable and replicable model for school education aimed at creating a generation of educated youth.	<ul style="list-style-type: none"> > Learning enhancement through school library > Under-10 football coaching > Abhigyan – school enrichment programme > Pre-matric coaching > Sadbhavna scholarship > Science laboratory apparatus > Infrastructure development in schools career counselling and teachers' training 	More than 4,800 beneficiaries.
Essential amenities To provide access to potable water, along with physical and inexpensive access to sanitation and basic health and hygiene practices.	<ul style="list-style-type: none"> > Potable water for surrounding villages > Toilet blocks – improved sanitation facilities in nearby villages > Health camps – healthcare services to local communities and our foundry customers' employees 	More than 4,000 beneficiaries.
Employability To develop a pedigree of skilled manpower through focussed interventions.	<ul style="list-style-type: none"> > Sponsoring training at Industrial Training Institute (ITI) > Short-term trainings on vocational trades at Tata Metaliks Skill Development Centre (TMSDC) Other trainings - Change Camp – Youth Leadership Programme, Samvaad – A Tribal Conclave and self-help groups training on poultry and animal husbandry.	More than 1,000 beneficiaries.
Entrepreneurship To inspire people to create sustainable livelihood pursuing entrepreneurship.	We develop entrepreneurs belonging to the Dalit/tribal communities in the Company's value chain. <ul style="list-style-type: none"> > Tata Metaliks - NABARD Livelihood Model Project > Vendor training > Training of self-help groups in entrepreneurship 	More than 300 beneficiaries.
Employment To create employment opportunities through positive discrimination.	We encourage our associates (contractors and sub-contractors) to hire individuals from socially disadvantaged communities.	Share of Dalit/tribal employees in employee base is 11.56% and as part of contract workers is 43%.

TATA METALIKS SKILL DEVELOPMENT CENTRE (TMSDC)

TMSDC IS A STATE-OF-THE-ART TRAINING CENTRE OPERATING AT INDUSTRIAL TRAINING INSTITUTE (ITI), MIDNAPORE. IT AIMS TO TRAIN ~1200 YOUTH ANNUALLY FOR VOCATIONAL TRADES SUCH AS COMPUTER TRAINING, ELECTRICIAN, PLUMBER, MOBILE REPAIR, RETAIL, HOSPITALITY, SECURITY AND BEAUTICIAN, AMONG OTHERS. IN FY 2017-18, TMSDC TRAINED ABOUT 1,000 YOUNG PEOPLE FOR GAINFUL EMPLOYMENT.



Focus on Downstream / Value-add

Our roadmap for 'value-led growth'

Tata Metaliks aspires to achieve long-term growth through creation of sustainable value in its chosen segments by focussing on downstream improvements and on value-added products.

We aspire to achieve this strategic objective through an integrated approach towards diversification of application, geographic expansion, as well as augmentation our portfolio with value-added solutions.

With the deep-rooted value of 'Customer First', we keep exploring organic and inorganic growth opportunities while leveraging our core strengths in DI pipe and PI operations, brand equity and quality performance.

***Working towards this
strategic objective is linked
to the expectations of***



Investors | Suppliers | Customers

Capitalising the opportunities' landscape

Our choice of growth opportunity also takes into account evidence of strong macroeconomic demand drivers as well as clear visibility of associated risks. The long-term growth strategy for Tata Metaliks envisages three horizons.

Each horizon is spread over a period of 2-3 years, with emphasis on strengthening its core and creating viable options for new business opportunities.

Our partners are aligned to our strategy

Our supplier partners and collaborators are an integral part of our production value chain. A focus on building long-term relationships with them is essential for efficient operations, quality, cost competitiveness and our future plans.

The production value chain of our key products has both inbound and outbound components. The inbound supply chain meets the needs of core raw materials - coking coal, coke, iron ore and fluxes. It also encompasses the related logistics, including storage, spares and other contract-based services. It can be broadly categorised as plant procurement, strategic procurement and project procurement. A major part of our inbound supply chain is our iron ore procurement from Tata Steel, which ensures sustainability of our sourcing.

The outbound supply chain includes the delivery of finished products, PI or DI pipes to customers and channel partners.

Some of the other partners include entities with whom we have exclusive arrangements (e.g. coke plant, oxygen plant and service providers), market intermediaries and collaborators providing key knowledge inputs and support to R&D activity.

Managing supply chain for the long-term

The procurement decisions are guided by value-in-use, delivery timing, quality of raw materials and quality of compliance, among others. Our strategic sourcing team ensures supply chain security over the long-term. During the registration process, we assess suppliers for management standards such as ISO 9001, ISO 14001 and OHSAS 18001, among others.

We engage with supply chain partners to ensure sustainable operations through knowledge exchange regarding industry-leading practices, safety and other sustainability practices.

Ethical supply chain practices and regulatory compliance is vital to us and all our suppliers and dealers are bound by the service code of conduct, including the principles of Tata Code of Conduct.

As we are increasingly focussing on capacity expansion and growth, our partners will have an increasing role in efficient execution of our project plans and meeting our production targets.

Continuing the 'Value-led Growth' of DI pipes business

Our continuous efforts to focus on value-added products has resulted in a steady increase in the share of DI pipes business in our turnover.

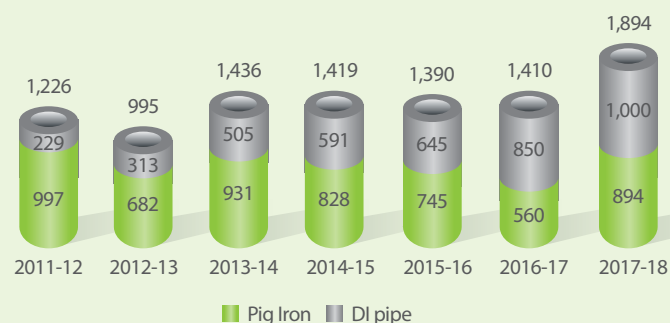
From 19% in FY 2011-12, DI pipe business today contributes to 53% of the Company's turnover.

Strategic focus on 'value add' by the leadership and putting together the organisational efforts, has driven Tata Metaliks to achieve 'Value-led Growth' in this business segment.

This achievement has provided the right platform for our growth in the coming years, thereby increasing the value created for our stakeholders.

Division-wise Turnover

(₹ Crore)



The share was high in FY 2016-17 because of low hot metal production due to the 91 days shutdown of one of the blast furnaces.

RISK GOVERNANCE

We have a proactive approach to risk management

We are committed towards effective risk management for sustainable growth of the Company and stakeholder value.

We are consistently enhancing our ability to anticipate risks, take pre-emptive measures and respond with agility and confidence in managing them. We believe proactive risk management is a vital element for good corporate governance.

Risk management architecture

We have a risk management framework for identifying, prioritising and mitigating risks. It is aligned with strategic planning, deployment and capital project evaluation process of the organisation. We also aim

to foster a risk-aware culture throughout the business by encouraging our people to manage risks within their domain.

As part of our Enterprise Risk Management (ERM) system, we periodically identify risks, prepare risk heat map and estimate risk velocity. Further, implementation of mitigation plans and consistent monitoring of risks form a vital part of the process.



Key risks and mitigation measures

Key risks	Context	Mitigation process	Capitals impacted
External Risks	Muted demand - Adverse macro environment situation coupled with delayed execution of infrastructure projects can lead to muted demand	<ul style="list-style-type: none"> > Develop differentiated marketing strategy > Offering customised products, especially for the PI business > De-risking through export 	<ul style="list-style-type: none"> ● Financial ● Manufactured
	Price volatility of raw materials - Price volatility in key raw materials such as coal, coke and iron ore may affect profitability	<ul style="list-style-type: none"> > Signing long-term contracts with existing vendors > Implement structural cost reduction projects 	<ul style="list-style-type: none"> ● Financial ● Manufactured ● Natural
	Compliance risks - Inability to comply with regulatory changes in environmental norms may cause unwanted restrictions that may adversely affect business	<ul style="list-style-type: none"> > Compliance monitoring on digital platform to ensure robust and effective mechanism of compliance 	<ul style="list-style-type: none"> ● Financial ● Social and Relationship ● Natural
	Forex rates - Foreign exchange rate volatility may influence profitability margin	<ul style="list-style-type: none"> > Signing long-term contracts > Availing hedging options 	<ul style="list-style-type: none"> ● Financial
Internal Risks	Skilled workforce scarcity - Delay in capacity-building projects due to unavailability of skilled manpower	<ul style="list-style-type: none"> > Upskilling with various training programmes > Acquire talent 	<ul style="list-style-type: none"> ● Financial ● Intellectual
	Workforce unrest - Non-affirmative engagement with key stakeholders may vitiate workplace amity and cause business disruption	<ul style="list-style-type: none"> > Robust HR practices 	<ul style="list-style-type: none"> ● Financial ● Manufactured
	Health and safety - Safety issues may cause downtime liabilities and situational damage	<ul style="list-style-type: none"> > Engaging in safety training and communication > Focus on capability building and behavioural safety > Scrutinising emergency preparedness 	<ul style="list-style-type: none"> ● Manufactured ● Human ● Social and Relationship

BOARD OF DIRECTORS

Our robust governance

N



Mr. Koushik Chatterjee
Non-executive Chairman

Mr. Chatterjee is an Honours Graduate from Calcutta University and a Fellow Member of the Institute of Chartered Accountants of India. He is on the Board of several Tata Steel Group companies and a member of various international bodies related to Integrated Reporting, Climate-Related Financial Disclosures, Responsible Business Conduct & Anti-Corruption and is a Director of the World Steel Association. Mr. Chatterjee is presently the Executive Director and Chief Financial Officer of Tata Steel.

S R C



Mr. Sandeep Kumar
Managing Director

Mr. Kumar has over 25 years of experience with the Tata Group. His experience revolves around commercial and general management responsibilities in the business of steel and steel raw materials.

He is currently the Managing Director of Tata Metaliks. He was earlier the Managing Director of S&T Mining Pvt. Ltd. from 2008 to 2012.

Mr. Kumar is a Mining Engineer from IIT (ISM), Dhanbad and a postgraduate in International Trade from Indian Institute of Foreign Trade (IIFT), New Delhi.

He is a member of the National Council of Confederation of Indian Industry (CII).

S R C



Mr. Sanjiv Paul
Non-executive,
Non-independent Director

Mr. Paul, graduated in Metallurgical Engg. and joined Tata Steel Ltd. (TSL) in 1986 as Graduate Trainee. He started his career at Steel Melting Shops where working in various capacities till 1998. After completion of a Senior Management program at Cedep, France, he moved on to assume Leadership roles in areas of General Management in TSL. He assumed the position of GM (Town Services) in January 2003 and under his leadership, the Town Services Division became an independent company by the name of Jamshedpur Utilities & Services Company Limited, which he headed as Managing Director till March 2010. He was the VP (Corporate Services) of TSL from April 2010 till March 2013 after which he joined Tata Metaliks Ltd. as Managing Director. From July 2017, he has assumed the role of VP, Safety Health & Sustainability at TSL. Apart from being an active member of CII, FICCI & BCCI and providing guidance as Chairman /Member of the Board of various organisations such as mJunction, JUSCO, Tata Metaliks, NIFFT etc., he is an avid reader, keen cricketer and a golfer.

A N



Mr. Krishnava Dutt
Independent Director

Mr. Dutt started his legal career at Calcutta High Court. After a short stint there, he joined ICICI Bank in Mumbai. He later joined Amarchand Mangaldas in 2005 and was made partner in 2007, before retiring in June 2009. After that, he founded Argus Partners.

Mr. Dutt has been identified by India Business Law Journal as one of India's top 100 lawyers. RSG Consulting (London) has identified Mr. Dutt as being among the leading second generation of Indian corporate lawyers.

- C Chairperson
- A Audit Committee
- S Stakeholders' Relationship Committee
- R Risk Management Committee
- N Nomination & Remuneration
- C Corporate Social Responsibility

A N S C



Dr. Pingali Venugopal
Independent Director

Dr. Venugopal has 35 years of experience in various areas of the marketing function.

Currently, he is the coordinator of the Centre for Global Management and Responsible Leadership at XLRI, Jamshedpur.

Prior to joining academics, Dr. Venugopal worked in the marketing department of Coromandel Fertilisers and Nagarjuna Fertilisers and Chemicals Ltd. for 10 years.

His research and publication cover different marketing topics.

In addition to Tata Metaliks, he is on the Board of Jamshedpur Continuous Annealing and Processing Company Pvt. Ltd.

On invitation of the Government, Dr. Venugopal prepared the report, State of Indian Farmer - A Millennium Study.

A C R



Ms. Samita Shah
Non-executive,
Non-independent Director

Ms. Shah has over 20 years of experience in financial services. She has advised the Government on the privatisation of public sector companies.

Ms. Shah joined Tata Steel in 2012 and is currently the Group Head – Corporate Finance & Risk Management. She is responsible for raising capital from local and international banks and equity/debt capital markets. Ms. Shah is also the Chief Risk Officer for Tata Steel and has spearheaded the implementation of an enterprise-wide risk management practice across the Tata Steel Group.

S



Dr. Rupali Basu
Independent Director

Dr. Basu is a pioneer in bringing quality systems and standards in Indian hospitals. At present, she is a Non-executive Director of IQ City Medical College and Narayana Multi-speciality Hospital and the Chairperson of the Women Empowerment Subcommittee of Bengal Chamber of Commerce and Industry (BCC&I).

She has been honoured with numerous awards and recognitions such as Bharat Nirman Award 2010 and Bhartiya Chikitsak Ratan Award for Best Performance 2016 by The Economic for Health and Educational Growth, among others.

A R



Mr. Amit Ghosh
Independent Director

Mr. Ghosh has over 37 years of experience in various greenfield ventures, brownfield expansion/diversification and acquired on-going concerns. His areas of expertise include corporate financial restructuring, strategic planning exercises, acquisition integration and implementation of turnaround plans, among others.

He served in Tata Steel and its group companies, is a member of The Institute of Directors and as a Rotarian and currently officiates as Honorary Treasurer of Rotary Club of Calcutta and chairs the Club's various Community Services and Healthcare committees.

Celebrating our achievements



Fire safety drill of our Kharagpur Plant



Ground breaking ceremony of the PCI project



ICC Corporate Governance Award



Sadbhavna scholarship distribution



Celebration of the Ethics month



Under-10 football coaching

Corporate Information

BOARD OF DIRECTORS

(As on April 26, 2018)

Mr. Koushik Chatterjee

Chairman

Mr. Sandeep Kumar

Managing Director

Mr. Sanjiv Paul

Mr. Krishnava Dutt

Dr. Pingali Venugopal

Ms. Samita Shah

Dr. Rupali Basu

Mr. Amit Ghosh

MANAGEMENT

(As on April 26, 2018)

Mr. Sandeep Kumar

Managing Director

Mr. Subhra Sengupta

Chief Financial Officer & Ethics Counsellor

Mr. Rajesh Mishra

EVP – Business Strategy & Corporate Services

Mr. Debasish Mishra

Vice President (Operations - PI)

Mr. N. V. Ramanathan

Vice President (Projects)

Mr. Soumyajyoti Sarkar

Vice President (Operations - DI)

Mr. Sharad Sharma

EVP - Marketing and Sales

Dr. Ratna Sinha

Vice President (HRM)

Mr. Sankar Bhattacharya

Chief-Corporate Governance & Company Secretary

CIN

L27310WB1990PLC050000

REGISTERED OFFICE

Tata Centre, 10th Floor

43, J. L. Nehru Road, Kolkata - 700 071

Tel : +91 6613 4200, Fax : +91 2288 4372

Website: www.tatametaliks.com

BANKERS

> State Bank of India

> HDFC Bank

> DBS Bank

> ICICI Bank

> RBL Bank

> Federal Bank

> IndusInd Bank

> IDBI Bank

> AXIS Bank

> Central Bank

> Yes Bank

> Bank of Baroda

> Kotak Mahindra Bank

AUDITORS

Price Waterhouse & Co Chartered Accountants LLP, Kolkata

REGISTRAR & SHARE TRANSFER AGENT

R & D Infotech Pvt. Ltd.

7A, Beltala Road, Kolkata - 700 026

INVESTORS SERVICE CENTRE

Tata Metaliks Limited

Tata Centre, 10th Floor

43, J. L. Nehru Road

Kolkata - 700 071

Phone: +91 33 6613 4200

Fax: +91 33 2288 4372

Email: investors@tatametaliks.co.in

R & D Infotech Pvt. Ltd.

7A, Beltala Road

Kolkata - 700 026

Phone: +91 33 2419 2642

Fax: +91 33 2476 1657

Email: rd.infotech@vsnl.net

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 1st Integrated Report (prepared as per the framework laid down by the International Integrated Reporting Council) and the 28th Financial Statements on the business and operations of the Company for the Financial Year ended March 31, 2018.

Financial Results

Particulars	(₹ Crore)	
	Financial Year 2017-18	Financial Year 2016-17
Gross Income from Sales & other operations (including other income)	1,914.44	1,411.55
Profit before interest, depreciation and taxes	296.54	225.59
Less: Interest	47.09	37.50
Profit before depreciation and taxes	249.45	188.09
Less: Depreciation	49.07	36.43
Profit before taxes	200.38	151.66
Less: Provision for taxes including deferred taxes	41.20	35.61
Profit after taxes	159.18	116.05
Profit / (Loss) and credit balance brought forward	10.92	(97.22)
Re-measurement Gain/ (Loss) on defined benefit plans (Net of tax)	(0.07)	(1.82)
Amount available for appropriation	170.03	17.01
Appropriation:		
Equity Dividend	6.32	5.06
Tax on Dividend	1.29	1.03
Transfer to General Reserve	-	-
Balance carried forward	162.42	10.92

Note:

The Company has adopted Indian Accounting Standard (referred to as 'Ind AS') with effect from April 1, 2016 and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 ("Act") read with the relevant Rules framed thereunder and the other accounting principles generally accepted in India.

Financial & Operational Performance

We are pleased to report that your Company achieved total revenues of ₹ 1,914 Crore in FY 2017-18 compared to ₹ 1,412 Crore in FY 2016-17, registering a growth of about 36%. The EBITDA for FY 2017-18 was ₹ 297 Crore, which is higher by 31% compared to ₹ 226 Crore in FY 2016-17.

Your Company recorded its highest ever Profit Before Tax (PBT) of ₹ 200 Crore, which is 32% higher than that in FY 2016-17, led by significantly higher sales volume in both Pig Iron and Ductile Iron pipes businesses. While the Pig Iron business recorded a 46% growth in sales volume, the Ductile Iron Pipe business grew by 15% in sales volume terms and recorded 18% growth in sales revenue compared to the previous year.

The performance of your Company is primarily attributable to higher sales, benefits arising out of structural cost reduction and capacity enhancement projects commissioned in the last couple of years along with improved business synergies and focus on various improvement initiatives.

Pig Iron (PI)

During the year under review, your Company has recorded its highest ever production of hot metal at 499,540 tonnes, representing a 31% increase over last year. This was achieved despite various macro-economic challenges including significantly high coal and coke cost. Out of the total hot metal produced, 39% was value added into Ductile Iron Pipes and balance was cast into pig iron. The increase in hot metal production was primarily on account of the full availability of the blast furnaces throughout the year including the upgraded MBF#1 and various operational improvement initiatives. This has translated into 46% increase in PI sales over the previous year.

Ductile Iron Pipe (DIP)

The DIP business of your Company continues on an upward trajectory with production growth of 11% over previous year. Production of DIP crossed the nameplate capacity with highest ever production and sales of finished pipes. The production performance helped your Company to increase sales volume by 15% over the previous year and achieve the

highest ever turnover of DIP. The increase in numbers is attributable to the operational excellence of the DIP division along with efficient management of the product mix and selection of right customer segments.

Dividend

Your Board has recommended a dividend of ₹ 3/- per Equity Share of ₹ 10/- each for FY 2017-18 (previous year ₹ 2.50/- per equity share).

The dividend on Equity Shares, recommended by the Board, is subject to the approval of the Members at the ensuing Annual General Meeting (AGM) to be held on July 2, 2018. The dividend, *if declared*, will be paid to the eligible Members on or before July 7, 2018. The total equity dividend outgo works out to 5.75% (FY 2016-17: 6.56%) of the net profit after tax. The dividend pay-out is in accordance with the Company's efforts to pay sustainable dividend linked to long-term growth objectives of the Company and enhancing stakeholder value.

The Register of Members and Share Transfer Books will remain closed from June 23, 2018 to July 2, 2018 (both days inclusive) for the purpose of payment of dividend for FY 2017-18 and the AGM.

Transfer to Reserves

Your Directors do not propose to transfer any amount to the general reserve.

Change in Share Capital

As reported last year, the amalgamation of Tata Metaliks DI Pipes Limited (TMDIPL) with your Company came into effect from December 22, 2016. Pursuant to the said amalgamation, the entire authorised share capital of TMDIPL has been transferred and added to the authorised share capital of your Company.

The Non-Cumulative Redeemable Preference Shares of your Company aggregating ₹ 100.00 Crore, which carried a fixed coupon rate of 8.5% p.a., were fully redeemed at par on its due date i.e. on March 31, 2018.

There has been no other change in the capital structure of your Company during the year under review.

Capex and Liquidity

During the year under review, the Company incurred capital expenditure of approx. ₹ 60 Crore, which has been funded through internal accruals. The liquidity position remains stable with undrawn lines of both fund-based and non-fund based limits sanctioned by banks.

Credit Ratings

Your Company enjoys a sound reputation for its prudent financial management and its ability to meet financial obligations. The long-term credit rating of your Company was revised to [ICRA] AA- (stable outlook) from A+ (positive outlook) by ICRA. The credit rating for short-term facilities was reaffirmed to [ICRA] A1+.

Integrated Report

In continuation with our commitment to the society, we are delighted to report that your Company has adopted the <IR> framework developed by the International Integrated Reporting Council (IIRC).

Integrated Report is a governance-based reporting framework, unlike the traditional compliance-based reporting. The <IR> framework seeks to comprehensively present to its stakeholders, the measures being undertaken to create long-term sustainable value by reaching out to the various stakeholders. <IR> focuses on integrated thinking for decision making and aims to improve the quality of information, enhance accountability and promote a cohesive and efficient approach to corporate reporting. The adoption of integrated reporting reflects our passion and commitment towards a comprehensive value creation process.

Accordingly, your Directors present the 1st Integrated Report of your Company for the financial year ended March 31, 2018.

Management Discussion and Analysis

The Management Discussion and Analysis Report, in compliance with Regulation 34(2)(e) of the Listing Regulations, forms an integral part of this report and is annexed herewith as **Annexure A**.

Subsidiaries, Joint Ventures and Associates

Your Company does not have any subsidiary, associate and joint venture Company. Accordingly, the requisite disclosure as per Section 129(3) of the Companies Act, 2013 (Act) in Form AOC-1 is not applicable.

Sustainability

The Tata Group core values act as the bedrock of your Company's sustainability initiatives to achieve triple bottom-line approach viz. social, environmental and financial. Your Company continues to create positive influence on the community and all other stakeholders through its sustainability-related initiatives and actions. Your Company focusses on creating awareness on sustainability, sharing best practices and incorporating valuable sustainability initiatives on various materiality issues which can have a positive impact on all stakeholders in the value chain.

Safety and Health

Safety and Health remains your Company's top most priority with primary focus on developing a safety culture among employees. Your Company is constantly working towards enhancing safety standards, adopting safe working processes, addressing safety risks and mitigating safety & health hazards. Throughout the year, various safety initiatives have been taken to increase awareness and competence among the employees. The Company launched a Felt Leadership safety training for its executives to sensitise and build leadership competence on safety; regular safety 'Line Walks' were also initiated to ensure that there is no compromise on safety even at the remotest corners of the work place.

Environment

Your Company remains committed and focused towards minimising environmental impact of its operations and continues to adopt sustainable practices to improve its environmental performance. Aligned with the Group values, compassion for environment under Corporate Citizenship is deeply embedded in your Company's vision. Your Company's ISO 14001, ISO 27001 and OHSAS 18001 certified manufacturing plant at Kharagpur continues to focus on operational excellence aimed at resource and energy efficiency, along with recovery, reuse and recycling of waste to minimise ecological footprint.

Customer Relationship

Your Company continuously endeavours to understand the unique needs of its customers and deliver value. The Company's focus on "Customer Centricity" as one central theme and aims to become "The Supplier of Choice" through well-structured marketing and sales initiatives. This includes a holistic process to understand customers' requirements including unarticulated needs, achieve customer segmentation and obtain feedback through various mechanisms to deliver on 3-D customer promise i.e. – **Develop** deep insight; **Deliver** outstanding products and services; and **Delight** customers at all touch points.

The Company continuously learns from customer interactions and creates value propositions for them which improve their competitiveness in their businesses. The Marketing and Sales team works closely with customers to obtain clear understanding of their unique needs. Thereafter, the operations and logistics teams work together to serve them with products and services with the objective of exceeding their expectations. There is also a structured complaint management system in place which not only captures customer complaints proactively but also resolves them to the satisfaction of the customers. The Company will increasingly leverage digital platforms for marketing products and improving customer engagement.

Human Resource Management & Industrial Relations

Your Company considers its employees as the most valuable resource and ensures the strategic alignment of human resource practices to business priorities and objectives. The Company's mission is to create a workforce that is competent, engaged and socially sensitive. Driven by this mission, the HR function has two-fold objectives **(a)** To be the Employer of Choice for its employees in the market; and **(b)** To develop processes which sustain a happy, positively engaged and socially sensitive workforce.

This year, there has been immense focus on building the know-how to assess internal capabilities and capacity thereby taking manpower related decisions based on the same. The Company took significant and tangible steps towards building capability in various spaces such as digitisation, analytics and strengthening strategic areas. This was driven by investing in capabilities externally and hiring suitable resources from the market. The focus was also on building the leadership pipeline through campus recruitments and pre-placement offers from premier institutes. A Campus Placement Committee (CPC) is in place to drive and oversee the campus hiring process. Initiatives have been taken

for hiring socially disadvantaged sections which demonstrates your Company's commitment towards Affirmative Action and diversity. As an equal opportunity employer, work practices are built into talent acquisition and retention process to encompass employees across varied geography, culture, industry and experience.

The Company was focused on its journey of cost leadership across the value chain that required leveraging enterprise-wide synergies and achieving process efficiencies. Organisation restructuring and redesign was done to achieve operational efficiencies, leverage on economies of scale and optimise the workforce deployment. The Company also invested to rejuvenate competence through training and personal development on one hand and lateral movements across functions and divisions on the other, which translated into higher engagement and exposure to new opportunities.

The Company has enjoyed cordial relations with its employees and unions at its factory and offices and has received support in implementation of reforms that impact safety, quality, cost efficiency and productivity improvements across all locations.

Employee engagement is a thrust area of your Company. The Company uses various methods for determining the factors that affect workforce engagement and satisfaction. Employee engagement and satisfaction results have shown an upward trend. With an aim to improve the employee engagement, the Company has taken up a number of initiatives including digital ones. A Reward & Recognition (R&R) portal is under implementation. An R&R scheme to encourage safe behaviour was also introduced and this covered all categories of employees including contract employees. A full-fledged HR portal covering all employees is also planned to be developed shortly.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure B**. In terms of the provisions of Section 197(12) of the Act read with sub-rules (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing names and other related particulars of prescribed employees is annexed and forms part of this report.

Corporate Social Responsibility

Your Company is committed to improve the quality of life of the communities in its focus areas through long-term value creation for all its Stakeholders through its various Corporate Social Responsibility (CSR) initiatives. This objective is also aligned with the core purpose of the Tata Group.

We remain focused to improve the quality of life and engage with various communities through interventions in areas of health, education, sanitation, infrastructure development etc. Your Company carries out its CSR activities through 'Sadbhavana Trust'. Brief details on various focus areas of interventions are part of the Annual Report on CSR activities annexed to this report as **Annexure C**. The Policy adopted by the Company can be viewed at <http://www.tatametaliks.com/static-files/pdf/sustainability/Corporate-Social-Responsibility-Accountability-Policy.pdf>.

During the year under review, a sum of ₹ 324.19 Lakh was spent on CSR and Affirmative Action initiatives against the minimum statutory requirement of ₹295.65 Lakh under the Act. The Annual Report on CSR activities, in terms of Section 135 of the Act and the Rules framed thereunder is also annexed herewith.

Corporate Governance

Your Company believes in transparent and ethical corporate governance practices. The Company's approach to Corporate Governance transcends across its business operations and its stakeholders at large to create long term sustainable value.

We are pleased to report that during the year under review, your Company won the ICC Corporate Governance and Sustainability Vision Awards, 2018 in the Corporate Governance category.

Pursuant to Regulation 34(3) of the Listing Regulations, a separate section on Corporate Governance and a Certificate regarding compliance of conditions of Corporate Governance from a Practicing Company Secretary is part of this report as **Annexure D**.

Board and Committee Meetings

The Board of Directors of your Company met 7 (seven) times during FY 2017-18. The details of the composition of the Board, its various Committees, meetings held and attendance of the Directors at such meetings are provided in the Corporate Governance Report. The intervening gap between any two (2) meetings was within the period prescribed under the Act and the Listing Regulations.

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees

Your Company has a well-defined policy for appointment of Directors, Key Managerial Personnel (KMP) and other employees including their remunerations. The Nomination and Remuneration Committee (NRC) functions in consultation with the Board and follows the guidelines of this policy in letter and spirit while selecting candidate(s) for appointment of Director(s) and/ or KMP(s). The NRC recommends to the Board suitable candidates, based on their qualifications, positive attributes and experiences for Board Membership. The Policy on appointment and removal of Directors is available on our website at www.tatametaliks.com/static-files/pdf/policies/TML-NRC-policy.pdf.

Familiarisation Programme for Independent Directors

In compliance with the provisions of the Listing Regulations, your Company facilitates various programmes / awareness sessions to familiarise Independent Directors with respect to the nature of the industry in which the Company operates, business model of the Company, the roles, rights and responsibilities of Independent Directors etc. Details of the familiarisation programmes for Independent Directors are provided in the Corporate Governance Report, annexed herewith, and the policy as adopted by the Company is also available on our website <http://www.tatametaliks.com/static-files/pdf/policies/policy-prog-Director.pdf>.

Board Evaluation

The NRC and the Board of Directors of the Company have laid down the process and criteria for annual performance evaluation of the Board, its Committees and individual Directors.

During the year under review, the evaluation process was carried out for the Board, its various Committees and individual Directors. The evaluation process sought feedback on various parameters. This includes discharge of respective responsibilities, timeliness of flow of information along with its quality and quantity, independence of judgment and effectiveness of deliberations.

The Chairman of the Board and the NRC together sought one-on-one feedback from all Directors. The feedback sessions were conducted to obtain inputs on, inter-alia, the effectiveness of the Board and its various Committees. The NRC and subsequently the Board discussed and collated the feedback received.

The Independent Directors met on March 19, 2018 and reviewed the performance of the Non-Executive Directors and the Board as a whole including the Chairman.

The evaluation process found overall performance of the Board satisfactory in working cohesively as a team to guide the Company to attain its growth vision. The Board also appreciated and bestowed full confidence in the Chairman and the Management in guiding the Company through various challenges to be the best performer amongst the Tata Steel group companies.

Additionally, the evaluation process compared the evaluation reports of earlier years and reviewed the areas where improvements have been made and the areas where further improvement is desired. The Board decided to improve its performance in general and in the specific focus areas.

Remuneration Policy for the Board and Other Employees

The policy on remuneration of the Directors, KMPs and other employees was approved and adopted by the NRC and the Board on March 30, 2015. The said policy aims to ensure that the level and composition of remuneration for Directors, KMPs and other employees is sufficient and reasonable to attract, pool, retain and motivate them. The remuneration involves a balance between fixed and variable pay reflecting short and long-term objectives of the Company.

During the year under review, there has been no change in the Policy. The said policy is available on our website at <http://www.tatametaliks.com/static-files/pdf/policies/TML-NRC-policy.pdf>.

Independent Directors' Declaration

The Company has received requisite declaration from each Independent Director, in accordance with the provisions of Section 149(7) of the Act and the Listing Regulations, stating they meet the criteria of independence as per Section 149(6) of the Act and the Listing Regulations.

Directors

Inductions

As already reported last year, the Board had appointed Mr. Sandeep Kumar (DIN: 02139274) as a Whole-time Director (designated as an Executive Director) of the Company for a period of 3 (three) years w.e.f. April 10, 2017.

The Board of Directors, subsequently, at its meeting held on June 1, 2017 appointed Mr. Kumar as the Managing Director of the Company, for a period of 3 (three) years w.e.f. July 1, 2017.

The Members have already approved the said appointments at the last Annual General Meeting held on July 26, 2017.

Re-appointment

In compliance with the provisions of Section 152 of the Act read with Article 110 of the Articles of Association of the Company, Mr. Koushik Chatterjee (DIN: 00004989) will retire by rotation at the ensuing AGM and is eligible for re-appointment.

The Board recommends and seeks your support in confirming re-appointment of Mr. Chatterjee. The profile and particulars of experience, attributes and skills that qualify Mr. Chatterjee for Board Membership are disclosed in the Notice convening the AGM.

Cessation

As reported last year, Mr. Sanjiv Paul (DIN: 00086974) relinquished office as Managing Director of the Company at the close of business hours on June 30, 2017. He continues on the Board as a Non-Executive Director w.e.f. July 1, 2017.

Key Managerial Personnel

As already reported last year, Mr. Sanjiv Paul held the position as a Key Managerial Personnel till the close of business hours of June 30, 2017.

Mr. Sandeep Kumar has become a Key Managerial Personnel w.e.f. April 10, 2017. There has been no other change with respect to the other KMPs.

The remuneration and other details of Key Managerial Personnel for FY 2017-18 are duly disclosed in Form MGT-9 forming part of this report.

Audit Committee

The Audit Committee is duly constituted as per the provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. The primary objective of the Committee is monitoring and supervising the Management's financial reporting process to ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial reporting. During the financial year, there has been no instance where the Board has not accepted any recommendation of the Committee.

The Committee met 7 (seven) times during the year, the details of terms of reference of the Committee, number and dates of meetings held and attendance of Members during the year are part of the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

Your Company has a Vigil Mechanism policy in place to provide a formal mechanism for all Directors, employees, business associates and vendors of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee. The mechanism can be used to make protective disclosures about any unethical behaviour, actual or suspected fraud or violation of the Tata Code of Conduct (TCoC).

The Whistle Blower Policy is an extension of the TCoC which requires every Director/ employee / business associate/ vendor to promptly report to the Management any actual or possible violation of the TCoC or any event which he or she becomes aware of, that could affect the business or reputation of the Company.

During the year under review, none of the Directors / employees / business associates/ vendors was denied access to the Ethics Counsellor / Chairman of the Audit Committee. The said policy is available on the Company's website at <http://www.tatametaliks.com/static-files/pdf/policies/whistleblower-policy.pdf>.

Internal Control Systems

The Board of Directors of your Company is responsible for ensuring that Internal Financial Controls (IFC) are laid down in the Company and that such controls are adequate and operate effectively. The Company's IFC framework is commensurate with its size, scale and complexity of operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliances with corporate policies. The controls, based on the prevailing business conditions and processes, have been tested during the year and there was no reportable material weakness in the design or effectiveness. The framework on IFC over Financial Reporting has been reviewed by the internal and external auditors.

The Audit Committee reviews the reports submitted by the Internal Auditors in its meetings. The Audit Committee, whenever it deems fit, engages in independent discussions with the external auditor and the Management to discuss the adequacy and effectiveness of internal financial controls. The details of the IFC system and their adequacy are included in the Management Discussion and Analysis.

Related Party Transactions

In compliance with the provisions of the Act and the Listing Regulations, each Related Party Transaction (RPT) is placed before the Audit Committee for prior approval. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are foreseen and repetitive in nature. The transactions pursuant to the omnibus approval so granted, is subject to audit and a detailed quarterly statement of all RPTs is placed before the Audit Committee for its review. The quarterly statement is supported by a Certificate duly signed by the Chief Financial Officer. The policy on RPTs, as approved by the Board, is available on the Company's website at <http://www.tatametaliks.com/static-files/pdf/policies/rpt-policy.pdf>.

During the year under review, all RPTs were on Arm's Length Price basis and in the Ordinary Course of Business and hence do not fall under the ambit of Section 188(1) of the Act.

In view of the above, the disclosure required under the Act in Form AOC-2 is not applicable for FY 2017-18.

During the year under review, approval of Members was sought by way of Postal Ballot for entering into a material RPT. The material RPT with Tata Steel Limited was duly approved by the Members with the requisite majority on December 19, 2017. The Notice of Postal Ballot, voting results and other information is available on <http://www.tatametaliks.com/investors/postal-ballot-2017.aspx>.

There was no other material RPT entered into by the Company with Promoters, Directors, KMPs or other designated persons during FY 2017-18, except those reported in the financial statements.

Approval of shareholders is being sought for 3 (three) material RPTs at the ensuing AGM.

None of the Directors or KMPs had any pecuniary relationships or transactions with the Company during FY 2017-18.

Risk Management

Your Company has an effective risk management framework for identifying, prioritising and mitigating risks which may impact attainment of short and long-term business goals of your Company. The risk management framework, which is based on our holding Company's risk management process, is aligned with strategic planning, deployment and capital project evaluation process of the Company. The process aims to analyse internal and external environment and manage economic, financial, market, operational, compliance and sustainability risks and capitalises opportunities for business success.

The Company has mapped key risk areas which may affect business and operational objectives of your Company. These risks are periodically revisited against their respective mitigation plans. The Board has a separate Risk Management Committee consisting of Directors and a management representative. The Committee meets at periodic intervals and monitors, evaluates and strengthens the effectiveness of risk management framework of the Company. Brief overview of the Risk Management process is also part of the Integrated Report.

Directors' Responsibility Statement

Based on the framework of IFC established and maintained, work performed by the internal, statutory, cost and secretarial auditors and the external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.

Accordingly, pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls in the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

Statutory Auditors

Messrs Price Waterhouse & Co Chartered Accountants LLP, Chartered Accountants (ICAI Registration No.304026E/E300009), were appointed as the Statutory Auditors of the Company at the 27th AGM of the Company. The appointment was for a term of 5 (five) consecutive years from the conclusion of 27th AGM till the conclusion of 32nd AGM of the Company.

The proposal to ratify appointment of Messrs Price Waterhouse & Co Chartered Accountants LLP (Firm Registration No. 304026E/ E-300009) as the Statutory Auditors was considered and approved by the Board upon recommendation of the Audit Committee. Accordingly, the proposal to ratify their appointment forms part of the Notice convening the ensuing AGM.

It is to be noted that the Companies (Amendment) Act, 2017 has omitted the provision for seeking ratification of such appointment at every intervening AGM. However, the said omission is yet to be notified as on the date of this report. Hence, the provision requiring such ratification stands as on date. In case the said omission is notified on or before the date of the ensuing AGM, then the related agenda in the Notice of AGM would not be considered.

Secretarial Auditor

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of Mr. P. V.

Subramanian, Company Secretary in Whole-time-Practice [C.P. No. 2077 (ACS-4585)], as the Secretarial Auditor of the Company for the Financial Year ending March 31, 2019. The Secretarial Audit Report for the financial year ended March 31, 2018, in Form MR-3, forms an integral part of this report and is annexed herewith as **Annexure E**.

Cost Auditors

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, your Company is required to have its cost records audited by a Cost Accountant in practice. The Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of M/s. Shome & Banerjee, Cost Accountants (Firm Registration No: 000001) as the Cost Auditors of the Company for the Financial Year ending March 31, 2019. Pursuant to Section 148 of the Act, read with Rule 14(a)(ii) of Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration of Cost Auditors is being sought from the Members of the Company at the ensuing AGM. The details of the same are provided in the Notice convening the AGM.

Auditors' qualification

There are no qualifications in the respective reports of the Statutory Auditors, Secretarial Auditor and Cost Auditors.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act.

Extract of Annual Return

In compliance with Section 134(3)(a) of the Act, the extract of the Annual Return in Form MGT 9, as per Section 92 of the Act and the Rules framed thereunder, forms an integral part of this report and is annexed herewith as **Annexure F**.

Disclosure as per Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero tolerance towards sexual harassment at workplace. It has a well-defined policy in compliance with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. An Internal Committee (IC) is in place to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this Policy. The Company has not received any complaint of sexual harassment during FY 2017-18.

Significant and Material Orders Passed by the Regulators or Courts

There has been no significant and material order(s), passed by any Regulator(s) or Court(s) or Tribunal(s), impacting the going concern status of the Company's operations. However, Members' attention is

drawn to the statement on contingent liabilities and commitments in the notes forming part of the Financial Statements.

No material changes and commitments have occurred after the close of the financial year till the date of this Report which affects the financial position of the Company for the reporting period.

Particulars of Loans, Guarantees or Investments

Your Company did not provide any loan, directly or indirectly to any person or to other body corporate, nor did it give any guarantee or provide any security in connection with a loan to any other body corporate or person during the financial year under review. The Company has certain long term non-current investments, as detailed in the 'Notes to the Financial Statements'; and all such investments are in compliance with Section 186 of the Act.

Deposits

Your Company has not accepted any fixed deposits nor does the Company have any outstanding deposits under Section 73 of the Act, read with the Companies (Acceptance of Deposit) Rules, 2014 as on the date of the Balance Sheet.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

Details of energy conservation, technology absorption and foreign exchange earnings and outgo are annexed herewith as **Annexure G**.

Awards and Accolades

As already stated elsewhere in this report, your Company was declared Winner in the Corporate Governance category of the 'ICC Corporate Governance and Sustainability Vision Awards 2018'.

Other Disclosures

The Company has proper and adequate systems and processes in place to ensure compliance with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

No disclosure or reporting is made in respect of the following items as there were no transactions or change during the year under review:

- Details relating to deposits covered under Chapter V of the Act;
- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares to the employees of the Company under any scheme (sweat equity or stock options)
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the financial statements other than as required to be done as per Ind AS; and
- There was no change in the nature of business.

Acknowledgements

Your Directors take this opportunity to thank all its Stakeholders, i.e. members, customers, vendors, dealers, investors, business associates and bankers, for their continued support during the year. They place on record their deep sense of appreciation for the contribution made by Senior Leadership team and employees at all levels across the organisation. The resilience to meet and successfully overcome several challenges was possible due to their hard work, solidarity, co-operation and support.

Your Directors also express their deep sense of gratitude towards various Governments and regulatory authorities for their continued support and look forward to their guidance in the future.

On Behalf of the Board of Directors

Koushik Chatterjee

Chairman

DIN: 00004989

Place: Mumbai

Date: April 26, 2018

Cautionary Statement: Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may vary materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws, economic development of the country and such other factors which are material to the business of the Company.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Development

Global growth strengthened in 2017 to ~3%, the highest rate of global growth since 2011, with a notable rebound in global trade, investment and manufacturing activity. In 2019, growth is expected to be 3.1% as per the World Bank, supported by strong momentum, favourable market sentiment, accommodative financial conditions, expansionary fiscal policy in the United States and a recovery in commodity prices.

On the domestic macro-economic front, the outlook for the Indian economy has improved post the effects of demonetisation and implementation of Goods and Services Tax (GST). Despite global and domestic uncertainties, India has emerged as one of the fastest growing major economies in the world with a GDP growth of 6.6% in 2017-18 and is projected to grow at c.7.3% in FY 2018-19. However, the steep increase in oil prices continues to pose a serious challenge to the finances of the Government and its ability to spend on infrastructure and building productive assets.

India's crude steel production increased 3.1% to 104.96 million tonnes in FY 2017-18 from 97.39 million tonnes last year. Imposition of protective tariffs by the Government continue to offset the threat of cheap imports from China. Steel consumption is expected to grow by 7-7.5% in FY 2019 on the back of Government's push for infrastructure projects and strengthening consumer demand.

India, which is a major pig iron manufacturer and exporter in the world, registered a marginal dip of 2% on pig iron output during FY 2017-18 although the foundry grade pig iron demand was robust during the year, especially in the second half. Pig iron exports registered a 33% increase with total exports of 0.44 million tonnes. However, domestic sales became more attractive during the rupee devaluation in the latter part of the year. Government's focused investments in various infrastructure and construction sectors led by the "Make in India" initiative, should help to further push the demand for Pig iron in FY 2018-19.

The medium to long term outlook of Ductile Iron (DI) pipe is also encouraging with major water, sanitation & irrigation projects in various States being finalised and awarded to contracting companies coupled with the government's focus on projects like "AMRUT" (Atal Mission for Rejuvenation & Urban Transformation) and Lift irrigation projects.

Coke, a key raw material for production of both pig iron and DI pipes, experienced immense volatility and upward trend in prices throughout the year impacting our input costs adversely. International coke price dropped for a short period from US\$ 338/t CFR in April 2017 to a level of US\$ 266/t in June 2017. The prices continued to increase thereafter and reached a peak of US\$ 396/t CFR in December 2017. It finally closed the year at ~USD 356/t CFR. Price of coking coal from Australia experienced

a similar movement starting at a high of US\$ 258/t FOB in April 2017 and closing at US\$ 197/t in March 2018. In order to manage the price fluctuation of coke, the Company entered into a long term sourcing contract with its parent Tata Steel Limited. This strategy, along with our captive coke production (80% covered through captive source and long term contract) helped negate the coke price fluctuations to a considerable extent.

The prices for international iron ore fines were also volatile during FY 2017-18, though relatively less. The price movement ranged between a high of US\$ 78/t CFR China to a low of US\$ 58/t. In the domestic market, the iron ore prices moved up sharply in Q4 triggered by closure of several mines in Odisha arising out of Supreme Court judgement directing payment of penalties by miners latest by end of Dec'17.

Pig iron prices moved up about 20% during FY 2017-18 especially in the last quarter of the fiscal which mitigated the coal/coke price increase to a large extent. Foundry grade pig iron market remained buoyant almost throughout the year due to robust demand coupled with shortage in supply from some of the regular manufacturers in the country.

Volatility in the DI pipe prices is inherently much lower compared to pig iron. This is because DI pipes is a value-added product and contracts are typically executed over several months, unlike Pig iron which is an intermediate product and can be categorised as a commodity. During the year, the price of DI pipe moved in a narrow band and dropped marginally mainly due to market hiccups arising out of uncertainties due to GST implementation.

B. Opportunities and Threats

Foundry grade pig iron, a major product of the Company, is primarily used for manufacturing a variety of grey iron and ductile iron castings by foundries for a host of industries like automotive, agriculture, pump, valve, compressor, railways, defence, wind mills, heavy machinery etc. Besides this, the Company also manufactures basic grade pig iron in small quantities which is consumed by secondary steel makers. Both these industries - casting as well as steel, are expected to grow at good pace in the future driven by the policy initiatives of the Government of India and the positive industrial growth in the country.

The foundry grade pig iron market is diversified in nature with stringent technical specifications offered by some of reputed manufacturers customised for various applications. Thus, the foundry grade pig iron market provides an opportunity for a wide variety of customised grade options like standard foundry grade, high silicon grade, high phosphorous grade, low phosphorous grade and ductile iron grade. This also offers an opportunity to create value for customers by providing differentiated products and services. With significant growth in the automobile and auto components sectors, the foundry industry is also expected to grow at a fast pace in the near future.

During FY 2017-18, full availability of the blast furnaces helped higher production and sales of pig iron in our focused markets. Raw material cost challenges were judiciously managed to optimise overall margins. The next year's focus would be to increase direct sales to customers, rationalise distribution channels and improve market share in eastern India considering freight advantage for the Company.

The demand for DI pipe continues to grow with Government's continued focus on water, sanitation and irrigation schemes in several states and with the development of smart cities. While global growth is expected to be around ~3% in the next year, India's economy is expected to gain from various factors such as increase in domestic consumption, increased exports, improving rural consumption & spending, investments in infrastructure projects, ease of doing business and streamlined tax structure to name a few. These factors also provide ample scope for increase in demand for DI pipes.

While there are opportunities as stated above, the pig iron and DI pipe businesses may suffer due to a possible threat of slower than expected economic growth. Indian economy cannot remain isolated from the global changes, specially actions driven by countries like US and China. Growing protectionist measures and geopolitical tensions can adversely impact the world economy including India.

Global slowdown in the steel industry may lead to lower exports of pig iron and therefore, surplus availability in the domestic market. Further, with expansion of large integrated steel plants, there could be a mismatch between iron making and steel making capacities especially during the commissioning and ramp-up period resulting in surplus availability of pig iron. Activation of these factors may put pressure on the pig iron prices and impact margins. Similarly, global coal/coke prices have shown increased volatility in the last three years and are still vulnerable to changes driven by the Chinese steel industry. However, a significant part of the threat of high cost of coke has been mitigated by commissioning of coke plant in FY 2016-17 and the long-term agreement on procuring coke in FY 2017-18. These strategic decisions have helped the Company to optimise raw material costs.

DI pipes business is substantially dependent on infrastructure development projects undertaken by government entities or agencies. Delays in finalising, implementation or funding of such projects due to policy changes, insufficiency of funds or lack of political will shall adversely impact the Company's ability to successfully bid and obtain contracts for DI pipes. This in turn may have a material adverse impact on profitability and results of operations. Further, the imposition of anti-dumping duty on Indian DI pipes in European Union may dampen the export prospects in Europe.

C. Operational and Financial Performance

Hot metal production in FY 2017-18 was 4.99 LT, an increase of 31% over FY 2016-17. The higher production was attributable to the full availability of the blast furnaces throughout the year and

the impact of upgraded technology in MBF #1. Finished DI pipe production was 2.08 LT, an increase of 11% over FY 2016-17. This was due to the availability of higher capacity throughout the year, improved operating efficiencies and favourable size mix. The Company recorded a turnover of ₹ 1,894 Crore in FY 2017-18, an increase of 34% over 2016-17. The enhanced performance on the top line was due to 45% higher sales of pig iron and 15% higher sales of DI pipes. The impact of higher sales volume and several cost optimisation initiatives drilled down to the Company's bottom line. The Company registered a profit after tax of ₹ 159 Crore in 2017-18, an increase of 37% over the previous year.

D. Outlook

The outlook for both businesses i.e. Pig Iron and DI pipes, is expected to be encouraging and positive in view of robust demand and continued thrust of the Government of India on infrastructure development in FY 2018-19. Besides this positive outlook, internal support in terms of improved hot metal and DI pipe production at competitive costs is expected to create value for the stakeholders at large.

E. Risk and Concerns

There is an effective Enterprise Risk Management (ERM) process in the organisation which has been maturing over the years. The ERM process involves periodic identification of risks which may likely affect the business adversely, rating the risks on their impact and likelihood, preparation of risk heat map, identification of early warning indicators, estimation of risk velocity, implementation of risk mitigation plans by the risk owners and continuous monitoring of the mitigation plans by the Risk Management Committee of the Board and the Management. Risks are being identified in the areas of sales, supply chain, finance, regulatory approvals, operations, safety, projects & industrial relations and mitigation strategies and plans have been accordingly developed to manage and mitigate the likelihood and impact of such risks.

Increased supply of steel grade pig iron in the domestic market coupled with slowdown in export market may impact the domestic foundry grade pig iron industry. As far as TML is concerned, high quantity of pig iron will need to be sold in FY 2018-19 like previous years, which may put pressure on the sales margins. Further, the immediate increase in demand for iron castings may be visible only in automobile sector which is witnessing a robust growth. Growth in the other sectors largely depend on the economic environment of the country as well as on investments proposed by the Government. Fluctuating coal and coke prices and anti-dumping duty on Chinese coke may put pressure on the pig iron manufacturers if the entire rise in input costs cannot be passed on to consumers. In order to keep pace with the changing environment, marketing and sales strategy is continuously evaluated and alterations are made in sales plan in terms of products/grades to be manufactured and markets to be served. Coke sourcing strategy is regularly evaluated and reviewed. Strategies are also being put in place to secure long term iron ore linkages.

The DI Pipe business may face stiff competition from suppliers if the proposed water, sanitation and irrigation infrastructure projects proposed by the Government do not materialise in time.

Foreign currency exposure from import of coking coal/capital equipment is managed by taking appropriate forward cover to mitigate the risks as per foreign exchange policy of the Company and the applicable regulatory framework.

F. Internal Control Systems and their Adequacy

The Company's internal control systems & policies are commensurate with the size and nature of operations to provide assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly following all applicable statutes, general accepted accounting principles, Tata Code of Conduct and other corporate policies.

The Audit Committee of the Board comprises of members, majority of whom, including the Chairman are Independent Directors. Audit charter acts as the guiding document for the committee. The Systems Assurance Department, headed by the Internal Auditor, conducts regular audits in various functional areas as per an audit plan approved by the Audit Committee. Audit planning and executions are oriented towards assessing the state of internal controls, making them stronger and addressing the risks in various functional areas. The internal auditor reports to the Audit Committee its findings, observations and rating of internal controls status for each area reviewed. Audit Committee meets periodically to review audit issues and ensures follow up on implementation of corrective actions.

Further, Internal Financial Control (IFC) requirements have been implemented as per Companies Act, 2013 where policies and procedures have been adopted for ensuring orderly and efficient conduct of its business, including adherence to policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Audit Committee also seeks views of the statutory auditors on the adequacy of internal control systems. In compliance with Section 143(3)(i) of the Act, the Statutory Auditors have issued an unmodified report on the Internal Financial Controls over Financial Reporting which forms a part of the Independent Auditors' Report also forming part of this Annual Report.

G. Human Resources and Industrial Relations

The Company believes in employing a set of capable, competent and engaged human resource for conducting its business efficiently. Further, cordial industrial relations are also vital for business success and accordingly, the Company continuously

focuses to achieve the same. Human Resource and Industrial Relations department have adopted systems and policies for recruitment, performance management, learning and development, and employee engagement which support Company's long-term strategies. The Company strives to develop an open work culture that would help the organisation to perform with agility and creativity. Employee strength as on March 31, 2018 was 1,183.

The Company and the Workers' union have continued to maintain healthy and cordial industrial relations, partnering each other in implementing policies and achieving stretched operational targets, year on year.

H. Corporate Social Responsibility, Affirmative Action and Tata Code of Conduct

The sustainability efforts of the Company are driven by focusing in areas including safety, business operations, process management, business results, climate change, carbon footprint reduction, energy and water management, community development, customer promise and engagement, governance and compliance, human capital and innovation. The Company contributes actively in the development of its community near the manufacturing unit at Kharagpur directly as well as through employee volunteerism as a part of its Corporate Social Responsibility in the areas of education, training, health care, essential amenities and self-employment. Support is also provided to the under-privileged sections of the society through structured Affirmative Action programmes covering employees and vendors in the areas of 5Es – Education, Employability, Employment, Entrepreneurship and Essential Amenities. The Skill Development Centre at ITI Midnapore continues to provide vocational training to 1000 – 1200 youths every year from the local community, primarily the socially under-privileged sections in trades like electrician, plumbing, beautician, housekeeping, security guard, two-wheeler repair and mobile repair for gainful employment.

Details of CSR interventions form part of the Annual Report. The Company and its employees adhere to the Tata Code of Conduct in all their transactions.

I. Statutory Compliance

The Managing Director, after obtaining confirmation from all the departments of the Company, makes a periodic declaration regarding the compliance with the provisions of various statutes, applicable to the Company.

The Company Secretary, being the Compliance Officer, ensures compliance with the relevant provisions of the Companies Act, 2013 and Listing Regulations.

Annexure B

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- 1) Ratio of the remuneration of each Director/KMP to the median remuneration of all employees of the Company for the financial year:

Median remuneration of all employees of the Company for FY 2017-18.	₹ 427,209
The percentage increase in median remuneration of employees in the Financial Year	18%
The number of permanent employees on rolls of Company as on March 31, 2018	1183

Note: The ratio of remuneration to median remuneration is based on remuneration paid during the period from April 1, 2017 to March 31, 2018.

Name of Directors	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2017-18
Non- Executive Directors		
Mr. Koushik Chatterjee	-	N.A.
Ms. Samita Shah	-	N.A.
Mr. Sanjiv Paul	-	N.A.
Independent Directors		
Mr. Krishnava Dutt	3.24	(33)
Dr. Pingali Venugopal	4.14	(35)
Mr. Amit Ghosh	2.38	N.A.
Dr. Rupali Basu	1.87	N.A.
Executive Directors		
Mr. Sanjiv Paul	10.76	N.A.
Mr. Sandeep Kumar **	27.75	N.A.

Notes:

- Mr. Sanjiv Paul was the Managing Director of the Company till June 30, 2017 and thereafter became the Non-Executive Director of the Company;
 - The percentage increase in remuneration to Mr. Sandeep Kumar, as Executive Director till June 30, 2017 and as Managing Director w.e.f. July 1, 2017 is not applicable as this being his first year of association with the Company;
 - The figures of Mr. Amit Ghosh & Dr. Rupali Basu w.r.t their remuneration of previous year are not comparable since they have joined the board on January 24, 2017.
 - The Commission to Non-Executive Directors was recommended by the Nomination and Remuneration Committee on April 26, 2018, pending approval of the shareholders at the ensuing AGM to be held on July 2, 2017.
- Average percentage increase in Salary of the Company's employees was 18%. The total managerial remuneration for the Financial Year 2017-18 was ₹ 1,56,45,602/- as against ₹ 2,42,20,137/- during the previous year. The percentage increase in remuneration to Mr. Sandeep Kumar, Managing Director during Financial Year 2017-18 is not applicable as this being his first year as Managing Director of the Company.
 - Remuneration is as per the remuneration policy of the Company.

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Top 10 employees in terms of remuneration drawn during the year

Sl.	Name	Designation	Remuneration (in ₹ Crore)	Nature of employment	Qualification and Experience	Date of commencement of employment	Previous employment and designation	Percentage of equity shares held by the employee
1	Sanjiv Paul	Managing Director - till 30.06.2017	1.15	Contractual	BE (Metallurgy), 31 years	April 1, 2013	Tata Steel Limited VP – Corporate Services	0.00%
2	Sharad Sharma *	EVP (Marketing & Sales)	0.95	Permanent	B.Tech, Mech. Eng.; 30 years	February 1, 2017	Tata Steel Limited, Chief of Sales Planning	0.00%
3	Rajesh Mishra	EVP (Strategy & Corporate Service)	0.94	Permanent	B. Tech, MBA; 33 years	November 1, 2012	Tata Metaliks DI Pipes Ltd, Managing Director	0.00%
4	Sandeep Kumar	Executive Director 10.04.2017 – 30.06.2017 & Managing Director - w.e.f 01.07.2017	0.74	Contractual	Mining Engineer from ISM, Dhanbad, Post Graduate from IIFT; 25 years	July 1, 2017	EIC of Industrial By-Products Management Division Profit Centre of Tata Steel Limited	0.00%
5	Debasish Mishra	VP (Operations), PI Division	0.63	Permanent	BE (Mechanical); 33 years	November 11, 1999	DLF Power Limited; Manager - Plant	0.00%
6	Subhra Sengupta	Chief Financial Officer	0.62	Permanent	CA, Exec. Diploma in Management ; 23 years	June 6, 2008	Tata Technologies Limited; Manager - Enterprise solution	0.00%
7	Sakti Sankar Bandopadhyay	GM (Coke & SHE)	0.59	Permanent	M.Tech, Metallurgy from NIT, JSR; 33 years	June 1, 2016	Tata Steel Limited, Head Technical Services, Coke Oven	0.00%
8	Ratna Sinha	VP(HRM)	0.58	Permanent	MBA, PhD (FPM); 28 years	July 1, 2013	Tata Steel Limited; Head - Management Development	0.00%
9	N. V. Ramanathan	VP (Projects)	0.54	Permanent	B.Tech (Electrical), MBA; 31 years	February 2, 2006	Lanco Industries Limited; AGM - Projects	0.00%
10	Daniel Kumar	GM (Iron Making)	0.46	Permanent	B. Tech (Metallurgy); 33 years	May 2, 2015	Sona Alloys Limited; VP(Operations)	0.00%

Note: None of the above employees is a relative of any Director or Manager of the Company.

* On deputation from Tata Steel Limited

Annexure C

REPORT ON CSR ACTIVITIES DURING FY 2017-18

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

Our philosophy does not rest on philanthropy alone but it also dovetails the community needs with the organisational involvement with the ultimate objective of improving the quality of life of the people in the surrounding community.

Social Context

Your Company has been fulfilling its vision of **"Reaching Tomorrow First"** by committing itself even before the statute made CSR a mandatory requirement in 2014 by implementing various CSR initiatives in 36 villages located within a radius of 5 km of plant. 20,796 Inhabitants of these villages with 54% SC / ST population form the "Core Beneficiaries" of the various CSR & Affirmative Action (AA) interventions.

Based on the prevailing social and business challenges, the Company has focused its CSR & AA interventions in the areas of (a) Education; (b) Employability; (c) Employment; (d) Entrepreneurship; and (e) Essential Amenities.

Education

We believe in the truism that education is the ultimate leveler to change people's life. Our interventions cover primary to graduate level education and include Learning Enhancement through School Library, Under 10 Football Coaching, Abhigyan – School Enrichment Program, Pre-matric coaching, Sadbhavna scholarship, Integrated Learning Enhancement project for differently abled children, Infrastructure Development in Schools, Career Counseling and Teachers' Training.

Employability

To develop a pedigree of skilled manpower for the nation, marketable skills training to local youth has been under taken through a basket of interventions, which enables sustainable livelihood. This include the following initiatives:-

Skill Development Centre: Tata Metaliks Skill Development Centre has been set up in collaboration with Paschim Banga Society of Skill Development (PBSSD) at ITI, Medinipur for imparting short-term (3 months) courses to local youths, primarily from SC / ST community in trades of Electrician, Retail Sales, Beauty & Wellness, F&B Steward, Two wheeler Repairing and Security. It is planned to train 1,000 youths every year.

Entrepreneurship

The following initiatives have been undertaken:-

AA Vendor Development: The spirit of positive discrimination towards developing entrepreneurs from AA community in Company's value chain, both upstream as well as downstream is adopted.

TML - NABARD Livestock based livelihood project: The project aims at enhancing the income of 200 ST/SC households of five villages i.e. Amba; Ashapur; Kusumbag; Kunjachok and Maheshpur.

Training of Self Help Groups: Women Self Help Groups and the AA vendors & youths were trained on the basics of Entrepreneurship.

Essential Amenities

In FY 2017-18, drinking water projects have been implemented at Samraipur and Jogai (Amba) villages on "Community – Corporate" partnership model wherein one time infrastructure including a deep boring along with a network of water pipeline with overhead tanks is being provided by the Company. In addition, toilet blocks have been provided in four nearby villages including Samraipur and Jogai.

Health

During FY 2017-18, two blood donation camps have been organised. two health camps were organised for school children and five general health camps were organised in the villages that benefitted 1037 villagers.

TML also sponsored the operation cost of Ambulance Service in Kolkata to provide Trauma Care Services to the road accident victims. The project is run by Eastern India Healthcare Foundation and has covered over 700 victims.

TML also conducted Health Check up camps for its customers i.e. the foundries in Howrah and covered 152 workers in three foundries.

Employee Volunteerism:

Employees are encouraged to volunteer for CSR. In FY 2017-18, 1,309 employees participated in various volunteering activities for a total of 6,169 volunteering hours.

Other Interventions:

Participation in “Samvaad” – A Tribal Conclave: 51 members team of “Kora” and “Lodha” Tribes from TML CSR operational villages along with CSR team attended “Samvaad” 2017 – A national level tribal conclave, organised by Tata Steel at Jamshedpur. The tribes presented their traditional cuisine, songs and dance during the programme.

Participation in Initiatives of Change – Leadership programme: Total 109 youths from villages participated in Initiatives of Change – Leadership camps at Jamshedpur and Panchgani. The initiative aims at developing leadership through effective living by encouraging every individual to find one’s unique contribution to the transformation needed in the world.

The details of the CSR Policy enumerating the activities / programmes proposed to be undertaken by the Company can be viewed at <http://www.tatametaliks.com>.

2.	Composition of CSR Committee	1) Dr. Pingali Venugopal- Chairman 2) Mr. Sandeep Kumar – Member 3) Mr. Sanjiv Paul- Member 4) Ms. Samita Shah- Member 5) Dr. Rupali Basu – Member								
3.	Average net profit of the Company for last three financial years	The average net profits during the preceding 3 (three) financial years of the Company are as follows:- (₹ Lakh) <table><tr><th>Particulars</th><th>2014-15</th><th>2015-16</th><th>2016-17</th></tr><tr><td>Net Profit u/s 198</td><td>13,408.54</td><td>14,932.19</td><td>16,006.63</td></tr></table> Average Net Profit for last 3 (three) years- ₹14,782.45 Lakh	Particulars	2014-15	2015-16	2016-17	Net Profit u/s 198	13,408.54	14,932.19	16,006.63
Particulars	2014-15	2015-16	2016-17							
Net Profit u/s 198	13,408.54	14,932.19	16,006.63							
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	2% of average Net Profit- ₹ 295.65 Lakh								
5.	Details of CSR spent during the financial year :	As given below								
i.	Total amount to be spent for the financial year;	₹ 295.65 Lakh								
ii.	Amount unspent, if any;	Nil								
iii.	Manner in which the amount spent during the financial year is detailed below	As per Annexure attached								
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report	N.A								
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.	Given below								

(1) Sl. No.	(2) CSR project or activity identified	(3) Sector in which the project is covered#	(4) Projects or programmes (1) Local area or other (2) Specify the State and District where projects or programmes was undertaken	(5) Amount outlay (budget) project or programmes (₹ Lakh)	(6) Amount spent on the projects or programmes Sub-heads: (1)Direct Expenditure on projects or programs; (2) Overheads: ₹ Lakh)	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency *
1	Providing Pre-matric coaching to children and youth	(ii)	Local area – Kharagpur District – Paschim Medinipur State – West Bengal	3.50	3.30	3.30	Through Implementing Agency – Shiksha Diksha
2	Providing scholarship to meritorious students	(ii)	-Do-	6.00	5.40	5.40	Direct – Sadbhavna Trust
3	Infrastructure development of Primary school located in nearby villages	(ii)	-Do-	37.50	37.89	37.89	Direct – Sadbhavna Trust
4	Providing football coaching to under-10 years boys	(vii)	-Do-	7.00	6.47	6.47	Direct – Sadbhavna Trust
5	Ensuring learning enhancement through setting up of School Library	(ii)	-Do-	13.02	13.02	13.02	Through Implementing Agency - New Alipore Prajaak Development Society
6	Project Abhigyan – a School Intervention Program aimed at life skill development for rural school students	(ii)	-Do-	24.15	25.92	25.92	Through Implementing Agency – Guardian Education Service Pvt. Ltd.
7	Integrated Learning Enhancement project	(ii)	-Do-	3.00	2.88	2.88	Through Implementing Agency – Guardian Education Service Pvt. Ltd.
8	Career Counseling	(ii)	-Do-	1.15	1.15	1.15	Through Implementing Agency – Guardian Education Service Pvt. Ltd.
9	Training of Government Primary and High Schools	(ii)	-Do-	1.60	0.69	0.69	Through Implementing Agency – Guardian Education Service Pvt. Ltd.
10	Sponsoring matriculate youth from AA/BPL category for ITI course	(ii)	-Do-	8.18	6.75	6.75	Through Implementing Agency – Pratap Chandra ITC run by Pratap Chandra Sau Welfare Trust
11	Training and Empowering villagers in various vocations	(ii)	-Do-	11.20	10.79	10.79	Through Implementing Agency - Tata Steel Rural Development Society
12	Setting up of Skill Development Centre	(ii) & (iii)	-Do-	108.42	108.49	108.49	Through Implementing Agency – Salt Lake Institute of Engineering and Management

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered#	Projects or programmes (1) Local area or other (2) Specify the State and District where projects or programmes was undertaken	Amount outlay (budget) project or programmes (₹ Lakh)	Amount spent on the projects or programmes Sub-heads: (1)Direct Expenditure on projects or programs; (2) Overheads: ₹ Lakh)	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
13	Need Assessment and Mid Term Impact Assessment Survey	(x)	-Do-	-	11.99	11.99	Through Implementing Agency - Utkarsh and Ecociate Consultant Pvt. Ltd.
14	Providing potable drinking water through deep bore well	(i)	-Do-	25.00	25.40	25.40	Direct – Sadbhavna Trust
15	Construction of toilet blocks	(i)	-Do-	30.00	34.67	34.67	Direct – Sadbhavna Trust
16	TML NABARD Livelihood Model Project	(ii), (iii) & (x)	-Do-	10.78	9.98	9.98	Through Implementing Agency – Saunta Gaunta Foundation Block Livestock Development Officer, KGP 1 Block
17	Training of villagers on Entrepreneurship	(ii) & (iii)	-Do-	6.00	5.88	5.88	Through implementing agency – Ecociate Consultants Pvt. Ltd.
18	Cleanliness drives/ visit to destitute homes/ Health camps/ Village Rallies	(iii)	-Do-	0.50	0.50	0.50	Direct – Sadbhavna Trust
19	Organise Health Camps and Blood Donation camps	(i) & (x)	-Do-	3.00	4.69	4.69	Direct – Sadbhavna Trust
20	Ambulance Service in Kolkata	(i)	Kolkata, West Bengal	25.00	8.33	8.33	Through implementing Agency – Eastern India Healthcare Foundation
Total				325.00	324.19	324.19	

The sectors are as per Section 135 of the Act read with the revised Schedule VII thereunder.

Note :

1. The Company has contributed ₹300 Lakh to corpus of SADBHAVNA Trust for CSR activities as per General Circular No. 21/2014 of MCA dated June 18, 2014 to comply with the provisions of Companies Act, 2013.
2. The above activities, as mentioned in above table, are undertaken by the Company through Registered Trust SADBHAVNA from Balance available as on April 1, 2017 and out of contribution, as mentioned in point 1, towards corpus during current financial year 2017-18.

Affirmation: We, the undersigned, hereby affirm that the implementation and monitoring of various CSR projects and activities are in compliance with the CSR Policy and objectives of the Company, as approved by the Board of Directors of the Company.

Place : Mumbai
Date : April 26, 2018

Mr. Sandeep Kumar
Managing Director
02139274

Dr. Pingali Venugopal
Chairman, CSR Committee
05166520

Annexure D

CORPORATE GOVERNANCE REPORT

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Philosophy on Code of Governance

Your Company places strong emphasis on Corporate Governance and follows it as an integral part of the way the business is conducted. Corporate Governance involves a set of relationships to operate the Company on a foundation of sound business ethics and fulfil the long term strategic goals of the stakeholders while maintaining proper compliance with all legal and regulatory requirements. Your Company's philosophy on Corporate Governance extends across its business operations to meet the varied needs of all stakeholders and the society at large to create long term sustainable value.

Your Company has a proven track record of transparent and ethical Corporate Governance practices. High standards of transparency, effective leadership and ethical business practices of your Company are aligned with the Tata Group culture and ethos.

Your Company ensures full compliance with various Corporate Governance regulations as per Regulations 17 to 27 read with Schedule V and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, adherence to the various policies and codes, in conformity with regulatory needs, helps your Company fulfil its inherent responsibility towards its stakeholders. These Policies and Codes are available on the Company's website at www.tatametaliks.com.

Additionally, adoption and adherence to the 'Tata Business Excellence Model (TBEM)', 'Tata Group Guidelines on Board effectiveness' and 'Tata Steel Group governance guidelines', in line with global best practices, strengthens your Company's philosophy on Corporate Governance

The Board Composition, category and other prescribed details are as below:

Name of Directors	Category	No. of Directorship(s) held in other Public Companies	No. of Committee positions held in other Public Companies as on March 31, 2018*	
			Chairman	Member
Mr. Koushik Chatterjee DIN: 00004989	Non - Executive / Non – Independent Chairman	5	Nil	1
Mr. Sandeep Kumar** DIN: 02139274	Managing Director / Non – Independent Director	Nil	Nil	Nil
Mr. Sanjiv Paul *** DIN: 00086974	Non – Executive / Non – Independent Director	Nil	Nil	Nil
Mr. Krishnavia Dutt DIN: 02792753	Non - Executive/ Independent Director	4	2	2
Dr. Pingali Venugopal DIN: 05166520	Non - Executive/ Independent Director	Nil	Nil	Nil
Ms. Samita Shah DIN: 02350176	Non – Executive/ Non - Independent Woman Director	3	3	Nil
Dr. Rupali Basu DIN: 01778854	Non-Executive / Independent Woman Director	3	Nil	Nil
Mr. Amit Ghosh DIN: 00482967	Non-Executive / Independent Director	Nil	Nil	Nil

* Includes only Chairmanship/ Membership of the Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 (1) (b) of the Listing Regulations;

** Mr. Sandeep Kumar was appointed as an Executive Director of the Company w.e.f. April 10, 2017. Mr. Kumar was subsequently appointed as Managing Director of the Company w.e.f. July 1, 2017;

*** Mr. Sanjiv Paul, Managing Director, relinquished his office as the Managing Director of the Company on the close of business hours of June 30, 2017. He continues as a Non-executive Director.

- Note:**
1. No Director has any inter-se relationship among themselves or with any employee of the Company;
 2. None of the Non-Executive Directors hold any shares and/or convertible instruments in the Company;

Selection of New Directors and Board Membership Criteria

The Policy on Appointment and Removal of Directors, along with applicable provisions of the Act, Rules framed thereunder, Listing Regulations and the Board Diversity Policy act as guidelines for selection of new Directors. While reviewing the profile(s) of probable candidate(s) for Board membership, the Nomination and Remuneration Committee (NRC) considers whether the candidate(s):

- suit(s) the requirements of the Board;
- is/ are able to contribute to the decision making process; and
- is/ are competent to provide leadership in line with the growth vision of the Company.

Thereafter, NRC recommends suitable candidate(s) to the Board for their consideration.

The Board considers the recommendation of the NRC, and, if thought fit, appoints the candidate(s) as a Director on the Board of your Company. Thereafter, Board recommends the same to the shareholders for their consideration and approval at the next Annual General Meeting (AGM).

Board Meetings, proceedings and post-meeting mechanism

A tentative Board Meeting calendar is decided well in advance. The Board generally meets once every quarter, inter-alia, to consider and approve the quarterly financial results. Additional meetings are held whenever necessary. Directors are given an option to attend meetings through audio-visual mode with due compliances under the Act and the Rules framed thereunder.

Attendance of Directors at Board Meetings and at last AGM:

Name of Director	Attendance at Meetings held on							Attendance at last AGM
	April 21, 2017	June 1, 2017	July 25, 2017	October 27, 2017	November 21, 2017	February 2, 2018	March 29, 2018	
Mr. Koushik Chatterjee Chairman	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Sandeep Kumar*	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Sanjiv Paul **	Present	Present	Present	Present	Leave of Absence	Present	Present	Present
Mr. Krishnava Dutt	Present	Present	Present	Present	Leave of Absence	Present	Leave of Absence	Present
Dr. Pingali Venugopal	Present	Present	Present	Present	Present	Present	Present	Present
Ms. Samita Shah	Present	Leave of Absence	Present	Present	Leave of Absence	Present	Present	Present
Dr. Rupali Basu	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Amit Ghosh	Present	Present	Present	Present	Present	Present	Present	Present

Familiarisation programme for Independent Directors

The IDs are eminent professionals with extensive experience in a wide spectrum of domains linked with the growth vision of your Company. The IDs are well updated about their roles and responsibilities, the industry in which your Company operates and the business model of your Company. Your Company provides familiarisation programme in the form of interactive sessions with the Managing Director and various Functional Heads of the Company's manufacturing, marketing, finance

Your Company complies with the revised Secretarial Standards (SS-I) on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India. The minimum information as required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations is made available to the Board.

The Board monitors the performance with respect to safety and health, business operations, new initiatives, updates on approvals, compliance reports of applicable laws and reviews such other items which require the Board's attention. The Board directs and guides the activities of the Management towards achieving set goals and seeks accountability therein. The Chairmen of various Board Committees also brief the Board on all important matters discussed and decided at their respective meetings, which are usually held prior to the Board meetings.

In addition to the Company Secretary and the Chief Financial Officer, Divisional Heads and Members of the senior management team are also invited as and when necessary, to provide necessary clarifications to the Board for holistic decision-making. All important decisions taken at Board Meetings are communicated to concerned officials and departments. An Action Taken Report is prepared and the Board is updated at subsequent meetings.

During the year under review, there were 7 (seven) Board Meetings held on April 21, 2017; June 1, 2017; July 25, 2017; October 27, 2017; November 21, 2017; February 2, 2018; and March 29, 2018. The interval between any two consecutive meetings was within the maximum prescribed limit of 120 days.

and other functions. The Company Secretary periodically updates the Director(s) about regulatory changes. The programme also includes visits to the manufacturing plant to familiarise them with various aspects of the operations of your Company. Additionally, there are various Tata Group level familiarisation programmes for Directors on various aspects. The Policy on familiarisation programme for Directors is available on our website <http://www.tatametaliks.com/static-files/pdf/policies/policy-prog-Director.pdf>.

Formal letter of appointment to Independent Directors

IDs are appointed by the Board, after due recommendation of the NRC. Upon approval of shareholders, a formal letter of appointment is issued to the IDs. All IDs have confirmed that they have met the criteria of independence as mentioned under Section 149(6) of the Act. The terms and conditions of appointment of IDs, as per regulation 46 of the Listing Regulations, are available at www.tatametaliks.com/static-files/pdf/stock-exchange-releases/tandc-appointment-independent-directors.pdf.

Independent Directors' Meeting and Performance Evaluation

The evaluation process for the performance of the Board, its various committees and individual Directors was carried out in a transparent and confidential manner. Each Director provided their respective feedback on various parameters such as functioning of the Board and its various Committees, execution of specific duties, quality, quantity and timeliness of flow of information between Board and Management, independence of judgment etc. on a questionnaire.

The IDs met separately on March 19, 2018 and reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole and also reviewed the performance of the Chairman of the Board.

Chairman of the NRC also sought one-on-one feedback from the Managing Director and all other Directors. A one-on-one meeting of the individual Directors with the Chairman of the Board was also conducted.

The NRC and subsequently the Board discussed and collated feedback received from the Directors.

Based on the outcome of the evaluation cum feedback, the Board and the Management have drawn up an improvement plan to be taken up during FY 2018-19.

The IDs appreciate the leadership role displayed by the Chairman to uphold global best practices and highest standards of Corporate Governance.

Code of Conduct

The Directors of your Company have adopted the Tata Code of Conduct (**TCoC/Code**) for Executive Directors, Non-Executive Directors, Independent Directors, Senior Management Personnel and all employees of the Company. The Code is available on our website at www.tatametaliks.com.

All Directors and Senior Management Personnel have confirmed compliance with the Code for the financial year ended March 31, 2018 in terms of Regulation 26(3) of the Listing Regulations. A declaration to this effect, duly signed by the Managing Director is annexed to this report.

Prevention of Insider Trading

Your Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors, employees and other designated persons, who could have access to unpublished price sensitive information of the Company are governed by this code.

The trading window for dealing with equity shares of the Company is duly closed during declaration of financial results and occurrence of any other material events as per the code. Various awareness sessions are also conducted within the organisation to increase awareness among employees about the Code. During the year under review there has been due compliance with the code.

Board Committees

Your Board has 5 (five) Committees. Each Committee is constituted with an optimum combination of Independent and Non-Independent Directors as prescribed under the Act and the Listing Regulations. Each Committee is constituted with specific terms of reference to focus on pre-defined matters. The Company Secretary acts as Secretary to all Committees. The Chairmen of each Committee places the recommendation(s) of their respective Committees before the Board. Minutes of all Committee Meetings are placed before the Board for their review and noting. The constitution, terms of reference and other details of the various Committees are detailed hereunder:

The Board has constituted the following committees:

- > Audit Committee;
- > Nomination & Remuneration Committee;
- > Stakeholders' Relationship Committee;
- > Corporate Social Responsibility Committee; and
- > Risk Management Committee

Audit Committee

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

The Audit Committee monitors and supervises the Management's financial reporting process, to ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial reporting. Committee members are financially literate and have significant exposure in areas of finance, taxation and audit. The Committee also seeks appropriate clarification(s) from Statutory Auditors and the Management to help the Committee's decision-making process, as and when required. The Internal Auditor reports to the Audit Committee.

The Terms of Reference (ToR) of the Committee are aligned with the provisions of the Act and the Listing Regulations. The broad functions of the Committee, as per the ToR, are as under:

- 1) Review and recommend the quarterly and annual financial results of the Company;
- 2) Review quarterly reports of the Internal Auditor;
- 3) Review weaknesses in internal controls reported by Internal and Statutory Auditors; and
- 4) To consider, review and approve the transactions entered into with Related Parties.

During the year under review, there were 7 (seven) meetings of the Audit Committee held on April 20, 2017; June 1, 2017; July 17, 2017; October 13, 2017; January 16, 2018; February 13, 2018; and March 24, 2018.

Composition and Attendance of Members are given below:

Name of Director	Attendance at Meetings held on						
	April 20, 2017	June 1, 2017	July 17, 2017	October 13, 2017	January 16, 2018	February 13, 2018	March 24, 2018
Mr. Krishnava Dutt, Chairman	Present	Present	Present	Present	Present	Present	Present
Dr. Pingali Venugopal	Present	Present	Present	Present	Present	Present	Present
Ms. Samita Shah	Present	Leave of Absence	Present	Present	Leave of Absence	Present	Present
Mr. Amit Ghosh*	n/a	Present	Present	Present	Present	Present	Present

* Mr. Amit Ghosh was inducted in the Audit Committee w.e.f. April 21, 2017.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board is constituted in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The ToR of this Committee is aligned with the provisions of the Act and the Listing Regulations. The broad functions of the Committee are as under:

- 1) Selecting eligible candidates for Board membership and recommending the same to the Board of Directors;
- 2) Oversight of the Company's nomination process for senior management;
- 3) Formulate criteria for evaluation of performance of the Board as a whole, its Committees and individual Directors;
- 4) Recommend annual increment, performance linked bonus, etc., payable to the Managing Director within the salary scale, approved by shareholders; and
- 5) Recommend annual increment(s) etc., payable to the Key Managerial Personnel of the Company.

During the year under review, there were 2 (two) Meetings of NRC held on April 21, 2017; and June 1, 2017.

The Composition and attendance of Members are given below:

Name of Director	Attendance at Meetings held on	
	April 21, 2017	June 1, 2017
Dr. Pingali Venugopal, Chairman	Present	Present
Mr. Koushik Chatterjee	Present	Present
Mr. Krishnava Dutt	Present	Present

Remuneration policy for Board and Senior Management

The Remuneration Policy for Directors, KMPs and all other employees of the Company, as recommended by the NRC has been duly approved by the Board. The policy is not annexed herewith to maintain brevity of this report, but is available at www.tatametaliks.com/corporate/pdf/TML-NRC-policy.pdf.

Details of Sitting Fees, Commission and other emoluments paid/ payable to Directors during FY 2017-18 are as follows:

Non-Executive Directors

(in ₹)				
Name of Directors	Category	Sitting Fees	Commission	Total
Mr. Koushik Chatterjee *	Non-Independent	NIL	NIL	NIL
Mr. Sanjiv Paul **	Non-Independent	NIL	5,26,316	NIL
Mr. Krishnavu Dutt	Independent	2,80,000	11,05,263	13,85,263
Dr. Pingali Venugopal	Independent	4,00,000	13,68,421	17,68,421
Ms. Samita Shah**	Non-Independent	NIL	6,84,211	NIL
Dr. Rupali Basu	Independent	2,20,000	5,78,947	7,98,947
Mr. Amit Ghosh	Independent	2,80,000	7,36,842	10,16,842
Total		11,80,000	50,00,000	49,69,473

* Mr. Koushik Chatterjee being the Executive of Tata Steel, was not paid any commission from the Company for FY 2017-18.

** As nominees of Tata Steel, Mr. Paul and Ms. Shah have waived off their share of Commission amounting to ₹ 5,26,316 /- and ₹ 6,84,211 respectively, as per Policy. Hence, the total amount of commission pay-out is ₹ 37,89,473/- i.e. lower by ₹ 12,10,527 /- (to the extent of the shares of Mr. Paul and Ms. Shah).

Note:

- > There is no pecuniary relationship or transaction between the Non-executive Directors and the Company;
- > The Company has not issued any stock option.

Executive Directors

(in ₹)				
Name of Directors	Salary	Perquisites and Allowances	Contribution to Provident, Superannuation and Gratuity Fund	Performance Linked Bonus for FY-18
Mr. Sanjiv Paul*	13,80,300	7,76,381	3,72,681	20,70,450
Mr. Sandeep Kumar**	28,43,600	38,29,516	7,67,613	44,15,400

* The remuneration of Mr. Sanjiv Paul stated above corresponds to his tenure as Managing Director of the Company during the period from April 1, 2017 to June 30, 2017.

** The remuneration of Mr. Sandeep Kumar stated above corresponds to his tenure as an Executive Director of the Company w.e.f. April 10, 2017 and as Managing Director of the Company w.e.f. July 1, 2017.

Note: Performance linked bonus payable to Executive Directors and Commission to Non-Executive Directors have been recommended by the NRC on April 26, 2018. This is subject to the approval of shareholders at the ensuing AGM to be held on July 2, 2018.

Executive Director(s) is/are appointed by resolutions passed by the Board and subsequently the Shareholders of the Company. The resolutions cover all broad terms and conditions of such appointment(s). Your Company does not enter into any separate Service Contract with those elevated to the Board from the management or other group/ associate companies. Appointment letters are issued to IDs, incorporating their roles, duties, responsibilities etc., after they are appointed at an AGM. There is no additional provision for payment of severance fee for the appointment of Executive Directors, all of whom have been appointed within the group/ associate companies. However, all applicable statutory provisions with respect to severance and notice period apply to their appointments.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Board is constituted in compliance with the provisions of Section 178(5) of the Act and Regulation 20 of the Listing Regulations.

The ToR of this Committee is aligned with the provisions of the Act and the Listing Regulations. The broad functions of the Committee are:

- 1) To review the redressal mechanism of grievances of security holders;
- 2) To consider and resolve the investor complaints relating to transfer of shares, non-receipt of duplicate certificate, non-receipt of annual report and non-receipt of declared dividends;
- 3) To resolve such other grievances as may be raised by the security holders from time to time.

During the year under review, there were 2 (two) meetings of SRC held on July 18, 2017 and February 13, 2018.

Composition and Attendance details are given below:

Name of Director	Attendance at Meetings held on	
	July 18, 2017	February 13, 2018
Dr. Pingali Venugopal, Chairman	Present	Present
Mr. Sanjiv Paul	Present	Present
Mr. Sandeep Kumar	Present	Leave of Absence
Dr. Rupali Basu	Present	Present

Details of Shareholders' Complaints received, resolved & pending during FY 2017-18

Particulars	Nos.
Complaints pending as on April 1, 2017	1
Complaints received during the year ended March 31, 2018	61
Complaints resolved during the year ended March 31, 2018	62
Complaints pending as on March 31, 2018	0

Name, designation and address of Compliance Officer:

Mr. Sankar Bhattacharya
Chief - Corporate Governance and Company Secretary
Tata Centre, 10th Floor,
43, J. L. Nehru Road,
Kolkata- 700071
Phone- 033 66134200; Fax- 033 22884372
Email- investors@tatametaliks.co.in

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board is constituted in compliance with the provisions of Section 135 (1) of the Act. The Annual Report on CSR activities, as per the prescribed format, forms part of the Directors' Report.

The ToR of this Committee is aligned with the provisions of the Act and the Listing Regulations. The broad functions of the Committee are as under:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- 2) Recommend the amount of expenditure to be incurred on CSR activities;
- 3) Review performance of the Company in the areas of CSR; and
- 4) Monitor CSR Policy from time to time.

The CSR policy is available at: www.tatametaliks.com/static-files/pdf/policies/Corporate-Social-Responsibility-Accountability-Policy.pdf.

During the year under review, there were 2 (two) meetings of CSR Committee held on July 18, 2017 and March 19, 2018.

Composition and Attendance details of the Members are given below:

Name of Director	Attendance at Meetings held on	
	July 18, 2017	March 19, 2018
Dr. Pingali Venugopal, Chairman	Present	Present
Mr. Sanjiv Paul	Present	Present
Ms. Samita Shah	Present	Present
Mr. Sandeep Kumar	Present	Present
Dr. Rupali Basu	Present	Present

Risk Management Committee

Your Company has an effective risk management framework to monitor, identify, evaluate and manage enterprise risks, in line with the framework adopted by its holding Company. The Board has constituted a Risk Management Committee for monitoring the risk management framework of the Company.

The terms of reference of Risk Management Committee are as follows:

- 1) To frame and recommend to the Board a Risk Management Policy;
- 2) To monitor and evaluate the effectiveness of risk management framework of the Company; and
- 3) To oversee implementation of risk mitigation plans.

During the year under review, there was 1 (one) meeting of the Risk Management Committee held on February 13, 2018.

Composition and Attendance details of the Members are given below:

Name of Member	Attendance at Meeting held on February 13, 2018
Mr. Sanjiv Paul, Chairman	Present
Mr. Sandeep Kumar	Present
Ms. Samita Shah	Present
Mr. Amit Ghosh	Present
Mr. Subhra Sengupta	Present

General Body Meetings

Location and Time where Annual General Meetings of last three years were held:

Financial Year	Details of Location	Date & Time
2014-15	Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700017	September 24, 2015 at 2:00 p.m.
2015-16	Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700017	June 29, 2016 at 3:00 p.m.
2016-17	Kala Mandir, 48 Shakespeare Sarani, Kolkata - 700017	July 26, 2017 at 10:30 a.m.

Special Resolutions passed in previous three Annual General Meetings:

Shareholders' Meeting	Special Business requiring Special Resolution
25th AGM September 24, 2015	Nil
26th AGM June 29, 2016	Commission to Non-Executive Directors of the Company
27th AGM July 26, 2017	Nil

Special Resolutions passed through Postal Ballot during the year

During the year under review, there was no special resolution that passed through postal ballot. None of the businesses proposed to be passed at the ensuing AGM require passing a resolution through Postal Ballot.

Communication to the Shareholders

Communication to shareholders is made primarily through public disclosures. Quarterly, half-yearly and annual financial results are published in Business Standard (English all editions) and Aajkaal (Bengali) in compliance with Regulation 47 of the Listing Regulations. Further, all disclosures disseminated to Stock Exchanges are made available on the Company's website at www.tatametaliks.com, as required under Regulation 46 of the Listing Regulations.

All price-sensitive information and requisite material disclosures are also displayed on the website of the Company after its dissemination to the Stock Exchanges. The Company's website is a comprehensive repository for all stakeholders as prescribed under the Listing Regulations.

Disclosure to shareholders

Disclosure regarding Appointment / Re-appointment of Directors

In compliance with Section 152 of the Act, Mr. Koushik Chatterjee will retire at the ensuing AGM and is eligible for re-appointment.

As already reported last year, Mr. Sandeep Kumar was appointed as an Additional Director w.e.f. March 20, 2017 and thereafter appointed as an Executive Director of the Company w.e.f. April 10, 2017. Mr. Kumar was subsequently appointed as Managing Director of the Company w.e.f. July 1, 2017. The shareholders have approved the said appointments of Mr. Kumar at the last AGM of the Company held on July 26, 2017 with requisite majority.

The detailed profile of Mr. Koushik Chatterjee is provided in the Annexure to the Notice of AGM, as required under Regulation 36 (3) of the Listing Regulations.

General Shareholder Information

AGM Details:

Day	Monday
Date	July 2, 2018
Time	3.00 p.m.
Venue	Kala Mandir, 48 Shakespeare Sarani, Kolkata-700017

Date of Book Closure:

Book Closure Date	June 23, 2018 to July 2, 2018 (both days inclusive)	For the purpose of AGM and payment of dividend
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Tentative Financial Calendar:

Financial Year 2018-19	
1st quarter result	July, 2018
2nd quarter & half-yearly result	October, 2018
3rd quarter result	January, 2019
4th quarter & annual result	April, 2019

Dividend Payment Date:

Dividend Payment Date	On or before July 7, 2018
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Names and Addresses of the Stock Exchanges and Stock Codes

Name of the Stock Exchange	ISIN	Stock Code
National Stock Exchange of India Ltd. ("NSE") 5, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051	INE056C01010	TATAMETALI
BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001		513434

Listing Fees as applicable have been paid on April 18, 2018 both to NSE and BSE.

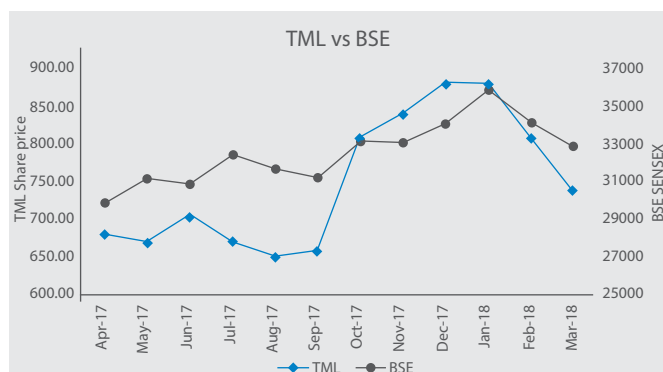
Market Price Data

The monthly high and low prices and trading volume of shares of your Company at BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) for the year ended March 31, 2018 are as under:

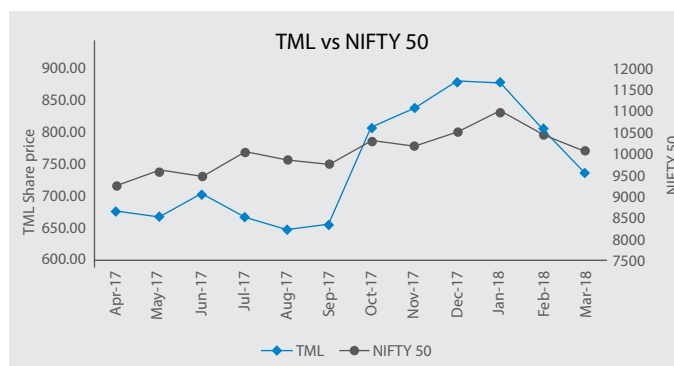
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April-17	724.80	590.00	27,58,169	724.90	588.60	1,27,24,767
May-17	690.85	603.80	10,96,403	691.05	604.00	49,92,999
June-17	758.00	663.00	11,01,154	758.90	662.45	46,56,972
July-17	787.75	663.10	12,90,184	787.90	663.05	57,06,999
August-17	692.00	585.00	6,98,185	693.05	585.25	32,81,928
September-17	819.50	633.45	13,88,579	818.95	633.55	63,99,041
October-17	818.00	657.00	8,84,986	819.00	663.00	53,33,888
November-17	853.05	747.05	11,16,492	853.05	745.00	52,88,777
December-17	919.15	780.00	5,17,304	918.00	780.10	27,09,763
January-18	975.10	818.00	13,10,367	975.50	841.10	79,87,916
February-18	901.90	765.00	4,43,964	904.00	762.00	22,91,352
March-18	822.00	680.00	3,18,113	823.95	695.05	17,57,419

*source: websites of BSE and NSE

Share price performance as compared to BSE Sensex & NIFTY for year ended March 31, 2018



* data represents monthly close price



* data represents monthly close price

Registrar and Transfer Agent and Share Transfer Process

Shareholders holding shares in physical form are requested to correspond with the Company's Registrar and Transfer Agent (RTA) - R & D Infotech Pvt. Ltd. quoting their Folio No. / DP ID & Client ID at the following address:-

R & D Infotech Pvt. Ltd.
1st Floor, 7A, Beltala Road
Kolkata- 700 026
Phone: +91-33-24192641,
Telefax: +91-33-24192642
E-mail: rd.infotech@vsnl.net; tml@rdinfotech.in;
rdinfotech@yahoo.com

Shareholders holding shares in electronic form should address their correspondences, except those relating to dividend, to their respective Depository Participants (DPs).

The Stakeholders' Relationship Committee examines and ensures due redressal of investors' complaints. The status of complaints and share transfers are periodically reported to the Board at its Meetings. Share transfer in physical form can be lodged with the Company's RTA. The transfers are normally processed within 10 working days from the date of receipt, provided the documents are complete in all respects.

In terms of Regulation 40(9) of the Listing Regulations, certificates on half-yearly basis, have been issued by a Practicing Company Secretary with respect to due compliances of share transfer formalities etc., by the Company.

Nomination Facility

If any shareholder, holding shares in physical form, wishes to appoint or change nominee for their shareholding(s) in the Company, he/ she may submit Form SH-13/ SH-14 as the case may be to the Company's RTA as required under Section 72 of the Act.

Shareholders holding shares in electronic form should contact their respective DPs to avail this facility.

Shares Held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given directly to their concerned DPs.

Shares Held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given directly to the Company's RTA i.e. R & D Infotech Pvt. Ltd.

Distribution of Equity Shareholding as on March 31, 2018

No. of Ordinary Shares held	No. of Shareholders	%age of total shareholders	No. of Shares	%age of total Shares
1-500	51,716	96.57%	47,42,504	18.75%
501-1000	1,006	1.88%	7,85,831	3.11%
1001-10000	748	1.40%	19,17,432	7.58%
10001-50000	60	0.11%	12,32,148	4.87%
50001 and above	21	0.04%	1,66,10,085	65.68%
Total	53,551	100.00%	2,52,88,000	100.00%

Categories of Shareholders as on March 31, 2018

Shareholders	No. of Shareholders	%age of total shareholders	No. of Shares	%age of total Shares
Promoters Holding	1	0.00%	1,26,67,590	50.09%
UTI/Mutual Fund/ Banks	30	0.06%	25,45,340	10.07%
Insurance Companies	2	0.00%	3,34,903	1.32%
FIs (Trust)	30	0.06%	74,949	0.30%
Corporate Bodies	798	1.49%	8,56,768	3.39%
Resident Individuals	52,118	97.32%	77,38,244	30.60%
State Government-WBIDC	1	0.00%	2,50,000	0.99%
FII/NRIs/OCBs	571	1.07%	8,20,206	3.24%
Total	53,551	100.00%	2,52,88,000	100.00%

Top 10 Shareholders as on March 31, 2018

Name of Shareholders	No. of Shares held	Percentage of holding
Tata Steel Limited	1,26,67,590	50.09%
HDFC Small Cap Fund	7,71,121	3.05%
Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small And Midcap Fund	6,50,000	2.57%
Dolly Khanna	3,00,759	1.19%
ITPL - Invesco India Contra Fund	2,59,923	1.03%
West Bengal Industrial Development Corporation Ltd	2,50,000	0.99%
General Insurance Corporation Of India	2,00,000	0.79%
DSP Blackrock Small Cap Fund	1,92,482	0.76%
Rising India Focus Fund Limited	1,86,527	0.74%
Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA	1,57,479	0.62%
Investment Dimensions Group Inc. (DFAIDG)		
ITPL - Invesco India Mid N Small Cap Fund	1,55,793	0.62%

Dematerialisation of Shares and Liquidity

The Company's shares are traded compulsorily in electronic form. We have established connectivity with both the depositories in India – National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The International Securities Identification Number ("ISIN") allotted to the Company's Share under the Depository System is INE056C01010.

As on **March 31, 2018**, a total of **2,38,07,774** shares of the Company representing 94.15% of total shares are in dematerialised form.

Designated E-mail Address for Investor Services

In compliance with Regulation 46 of the Listing Regulations, the designated e-mail address for investors' services, i.e. investors@tatametaliks.co.in is duly provided on the website of the Company for the benefit of our shareholders.

Updation of Bank Details for Remittance of Dividend / Cash Benefits in Electronic Form

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 (Circular) had ordered the listed companies, RTAs, Depositories and Stock Exchanges to use various electronic payment modes such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)] and NEFT, among others, which were approved by the Reserve Bank of India (RBI), for distributing dividends and other cash benefits to the shareholders.

The Circular further states that if the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc., that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their RTA may use physical payment instruments for making cash payments to the investors.

As per Regulation 12 of the Listing Regulations, where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or cheques may be issued for payment of dividend.

Shareholders should also note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/ delay in transit and more. They are requested to opt for any of the above mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- > In case of holdings in dematerialised form, by contacting their DP and giving suitable instructions to update the bank details in their demat account.
- > In case of holdings in physical form, by informing the Company's RTA, through a signed request letter with details such as folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account No. allotted by their respective

banks after implementation of Core Banking Solutions (CBS), the 9 digit MICR Code No. and the 11 digit IFSC Code. This request letter should be supported by a cancelled cheque bearing the name of the first holder.

Investor Awareness

We have provided subscription facilities to our investors for investors' alerts regarding analyst meets, quarterly and annual financial results, investor conference call, press release, presentation. We also encourage our investors to visit the Company's website regularly for recent updates and to write to us regarding their rights and shareholdings or any other query.

Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants/any convertible instruments, conversion date and likely impact on equity

Your Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments and hence as on March 31, 2018 your Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

Commodity Price Risk or foreign exchange risk and hedging activities

With respect to the commodity price, currency risk etc. please refer Management Discussion & Analysis Report.

Location of the Plant

Village Maheshpur, P.O. Samraipur
Kharagpur, Dist. West Midnapur, West Bengal - 721301
Phone: +91-3222-233325, 233877, 233290
Telefax: +91-3222-233316
Email: tml@tatametaliks.co.in

Address for correspondence

Tata Metaliks Limited
Tata Centre, 10th Floor
43, J L Nehru Road
Kolkata – 700 071
Phone: +91-33-66134200/ 205
Fax: +91-33-2288 4372
Email: investors@tatametaliks.co.in

Other disclosures:**Related Party Transactions**

All transactions entered into with related parties, as defined under Section 2 (76) of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, during the year under review were on Arm's Length Price basis and in the Ordinary Course of Business. They have been duly

approved by the Audit Committee. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements, forming part of the Annual Report.

There are no materially significant transactions with related parties' viz. Promoters, Directors or the Management, or their relatives or subsidiaries that had potential conflict of interest with the Company. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

Suitable disclosure as required by the IND AS - 24 has been made in the Annual Report. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements. The duly adopted Policy on Related Party Transactions is available on the Company's website at www.tatametaliks.com/static-files/pdf/policies/rpt-policy.pdf.

Policies for determining Material Subsidiaries and dealing with Related Party Transactions

The Company has formulated the Policy for determining material subsidiaries and Policy on consideration and approval of related party transactions which is available on <http://www.tatametaliks.com/corporate/policies.aspx>.

Vigil Mechanism / Whistle Blower Policy

In accordance with Regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower Policy which is also available at www.tatametaliks.com/corporate/business-ethics.aspx. Under the Policy, no personnel have been denied access to the Ethics Counsellor/ Chairman of the Audit Committee.

Details of Compliance and adoption of the non-mandatory requirements

The Company has complied and disclosed all mandatory corporate governance requirements as stipulated in Regulations 17 to 27 and sub-regulation (2) of Regulation 46 of Listing Regulations (relating to disclosure on the website of the Company).

The Company has complied with all applicable rules and regulations as prescribed by the Stock Exchanges, SEBI or any statutory authority relating to capital markets during the last 3 (three) years.

No penalties or strictures have been imposed on the Company on account of any non-compliance with any legal requirement.

The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II of the Listing Regulations entered into with the Stock Exchanges:-

- 1) The Auditors have provided an unmodified audit opinion on the financial statements of the Company.
- 2) The Company has complied with the requirements of having separate persons to the positions of Chairman and Managing Director respectively. Mr. Koushik Chatterjee is the Chairman and Mr. Sandeep Kumar is the Managing Director of the Company.
- 3) The Internal Auditor reports directly to the Audit Committee.

Reconciliation of share capital audit

A qualified Practicing Company Secretary had carried out the share capital audit to reconcile the total admitted equity share capital with "NSDL" and "CDSL" and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

CEO and CFO Certification

In line with Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the Managing Director and Chief Financial Officer have given appropriate certification to the Board of Directors.

Certificate on Corporate Governance

As required by Regulation 34(3) and Schedule V (E) of the Listing Regulations, the requisite certificate is annexed to this report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

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

I confirm that the Company has in respect of the Financial Year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on March 31, 2018.

Place : Mumbai
Date : April 26, 2018

Sandeep Kumar
Managing Director
DIN – 02139274

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members
Tata Metaliks Limited.

I have examined the compliance of conditions of Corporate Governance by **Tata Metaliks Limited** ("the Company") for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations, 2015"].

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015, to the extent applicable to the Company during the year under report.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : April 26, 2018

(P V Subramanian)
Company Secretary in Whole-time Practice
ACS No.: 4585
C.P. No.: 2077

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial year ended March 31, 2018.

To,
The Members,
Tata Metaliks Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Metaliks Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis of evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Tata Metaliks Limited** ('the Company') for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (e) The Securities and Exchange of India (Depositories and Participants) Regulations, 1996.

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

3. As per information provided by the management, there is no law applicable specifically to the Company vis-à-vis the industry to which the Company belongs.

4. I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other laws applicable to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Appendix-I**.

5. I have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards with respect to board and general meetings issued by the Institute of Company Secretaries of India; &
- (ii) The Uniform Listing Agreements entered into by the Company with the Stock Exchanges.

6. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

7. I further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
 - (ii) Adequate notice is given to all directors to schedule the Board Meetings agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting; and
 - (iii) Decisions at the Board Meetings, as represented by the management, were taken unanimously.
8. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, including general laws, labour laws, competition law and environment laws.
9. I further report that during the year under report, Non-Cumulative Redeemable Preference Shares of the Company aggregating ₹100.00 Crore, carrying a fixed coupon rate of 8.5% p.a., were fully redeemed at par on March 31, 2018, being the due date for redemption.
10. This report is to be read with my letter of even date which is annexed as **Appendix-II** and forms an integral part of this report.

(P V Subramanian)

Company Secretary in Whole-time Practice

Place : Kolkata

Date : April 26, 2018

ACS No.: 4585

CP.No.: 2077

Appendix-I

(To the Secretarial Audit Report to the Members of Tata Metaliks Limited for the financial year ended March 31, 2018)

List of laws applicable to the Company and its manufacturing plant:

Registered Office:

Situated at:- 'Tata Centre', 10th Floor, 43, J.L. Nehru Road, Kolkata-700071.

Manufacturing Plants:

Located at:- Kharagpur, West Bengal.

Under the Major Group and Head:

a. Labour Laws:-

Factories Act, 1948
Industrial Disputes Act, 1947
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
Employees' State Insurance Act, 1948
The Employees Provident Funds and Miscellaneous Provisions Act, 1952
The Payment of Bonus Act, 1965
The Payment of Gratuity Act, 1972
The Contract Labour (Regulation & Abolition) Act, 1970
The Maternity Benefit Act, 1961
The Child Labour (Prohibition & Regulation) Act, 1986
The Industrial Employment (Standing Order) Act, 1946
The Employees' Compensation Act, 1923
The Apprentices Act, 1961
Equal Remuneration Act, 1976
The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 &
The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

b. Environmental Laws:-

Water (Prevention and Control of Pollution) Act, 1974
Water (Prevention and Control of Pollution) Cess Act, 1977
Air (Prevention and Control of Pollution) Act, 1981
Environment (Protection) Act, 1986
The Public Liability Insurance Act, 1991
Hazardous wastes (Management, Handling and Trans boundary Movement) Rules, 2008.

(P V Subramanian)

Company Secretary in Whole-time Practice

ACS No.: 4585

CP.No.: 2077

Place : Kolkata
Date : April 26, 2018

Appendix-II

(To the Secretarial Audit Report to the Members of Tata Metaliks Limited for the financial year ended March 31, 2018)

**To,
The Members,
Tata Metaliks Limited.**

My Secretarial Audit Report for the financial year ended March 31, 2018 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts reflected on secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata
Date : April 26, 2018

(P V Subramanian)
Company Secretary in Whole-time Practice
ACS No.: 4585
CP.No.: 2077

FORM NO. - MGT-9**Extract of Annual Return**

as on the Financial Year ended March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

(i)	CIN	L27310WB1990PLC050000
(ii)	Registration Date	10-10-1990
(iii)	Name of the Company	Tata Metaliks Limited
(iv)	Category/Sub-Category of the Company	Public Limited Company
(v)	Address of the Registered Office	Tata Centre, 10th Floor, 43, J.L. Nehru Road, Kolkata- 700 071
(vi)	Contact Details	Phone : +91-033-66134200
(vii)	Whether listed company	Listed
(viii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	R & D Infotech Pvt. Ltd. 7A, Beltala Road, Kolkata- 700 026 Phone: +91-033-24192642

II. Principal Business Activities of The Company:

(All business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sl.	Name and Description of main Product/ Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1	Manufacturing and selling of Pig Iron	24101	47%
2	Manufacturing and selling of DI Pipe	24311	53%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sl No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Tata Steel Limited Bombay House, 24, Homi Mody Street Fort, Mumbai - 400 001	L27100MH1907PLC000260	Holding Company	50.09%	2(46)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Sl. Category of Shareholders	No. of shares held at the beginning of the Year (as on April 1, 2017)				No. of shares held at the end of the Year (as on March 31, 2018)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks/Fl									
f) Any other									
Total shareholding of Promoter (A)	12667590	0	12667590	50.09%	12667590	0	12667590	50.09%	0.00%
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	797698	500	798198	3.16%	2544840	500	2545340	10.07%	6.91%
b. Banks/Fl	25126	100	25226	0.10%	70224	100	70324	0.28%	0.18%
c. Central Govt			0	0.00%			0	0.00%	0.00%
d. State Govt(s)	250000		250000	0.99%	250000		250000	0.99%	0.00%
e. Venture Capital Funds			0	0.00%			0	0.00%	0.00%
f. Insurance Companies	515000		515000	2.04%	334903	0	334903	1.32%	(0.71)%
g. FIs	109181	500	109681	0.43%	679956	500	680456	2.69%	2.26%
h. Foreign Venture Capital Funds			0	0.00%			0	0.00%	0.00%
i. Others (specify)			0	0.00%			0	0.00%	0.00%
Sub-total (B)(1)	1697005	1100	1698105	6.72%	3879923	1100	3881023	15.35%	8.63%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	904170	8700	912870	3.61%	822908	7700	830608	3.28%	(0.33)%
ii) Overseas			0	0.00%			0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	6224939	1569742	7794681	30.82%	5279691	1471326	6751017	26.70%	(4.13)%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1248954		1248954	4.94%	987227	0	987227	3.90%	(1.03)%
c) Others Specify									
i. Non-Resident Indians	193466	100	193566	0.77%	139650	100	139750	0.55%	(0.21)%
ii. Overseas Corporate Bodies			0	0.00%			0	0.00%	0.00%
iii. Foreign Nationals			0	0.00%			0	0.00%	0.00%
iv. Clearing Members	770034		770034	3.05%	26160	0	26160	0.10%	(2.94)%
v. Trusts	2200		2200	0.01%	4625	0	4625	0.02%	0.01%
vi. Foreign Bodies- DR			0	0.00%			0	0.00%	0.00%
Sub-total (B)(2)	9343763	1578542	10922305	43.19%	7260261	1479126	8739387	34.56%	(8.63)%
Total Public Shareholding (B)=(B)(1) + (B)(2)	11040768	1579642	12620410	49.91%	11140184	1480226	12620410	49.91%	0.00%
C. Shares held by Custodian for GDRs and ADRs			0	0.00%			0	0.00%	0.00%
Grand Total (A+B+C)	23708358	1579642	25288000	100.00%	23807774	1480226	25288000	100.00%	0.00%

B. Shareholding of Promoter

Sl No.	Shareholder's Name	Shareholding at the beginning of the Year (as on April 1, 2017)			Shareholding at the end of the Year (as on March 31, 2018)			% change during the Year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1.	Tata Steel Limited	12667590	50.09	0.00	12667590	50.09	0.00	NIL

C. Change in Promoters' Shareholding

Particulars	Shareholding		Cumulative Shareholding during the Year (April 1, 2017 - March 31, 2018)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year (April 1, 2017)	12667590	50.09%		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
At the end of the year (March 31, 2018)			12667590	50.09%

D. Shareholding Pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl No.	For Each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding during the Year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	HDFC Small Cap Fund					
	At the beginning of the year (April 1, 2017)		0	0.00		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	03.11.2017-Buy	211145	0.83	211145	0.83
		10.11.2017-Buy	86000	0.34	297145	1.18
		17.11.2017-Buy	35500	0.14	332645	1.32
		24.11.2017-Buy	55000	0.22	387645	1.53
		01.12.2017-Buy	19500	0.08	407145	1.61
		08.12.2017-Buy	44000	0.17	451145	1.78
		15.12.2017-Buy	85928	0.34	537073	2.12
		22.12.2017-Buy	33000	0.13	570073	2.25
		05.01.2018-Buy	4400	0.02	574473	2.27
		09.02.2018-Buy	23148	0.09	597621	2.36
		16.02.2018-Sell	(8700)	(0.03)	588921	2.33
		02.03.2018-Buy	78400	0.31	667321	2.64
		09.03.2018-Buy	17900	0.07	685221	2.71
		16.03.2018-Buy	17900	0.07	703121	2.78
		23.03.2018-Buy	68000	0.27	771121	3.05
	At the end of the year (March 31, 2018)				771121	3.05

Sl No.	For Each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding during the Year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Small and Midcap Fund					
	At the beginning of the year (April 1, 2017)		193000	0.76		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	28.04.2017-Buy	57000	0.23	250000	0.99
		19.05.2017-Buy	50000	0.20	300000	1.19
		14.07.2017-Buy	8300	0.03	308300	1.22
		21.07.2017-Buy	25000	0.10	333300	1.32
		28.07.2017-Buy	16700	0.07	350000	1.38
		18.08.2017-Buy	50000	0.20	400000	1.58
		25.08.2017-Buy	9000	0.04	409000	1.62
		08.09.2017-Buy	7280	0.03	416280	1.65
		31.12.2017-Buy	13200	0.05	429480	1.70
		05.01.2018-Buy	26100	0.10	455580	1.80
		12.01.2018-Buy	44420	0.18	500000	1.98
		16.02.2018-Buy	24385	0.10	524385	2.07
		30.03.2018-Buy	125615	0.50	650000	2.57
	At the end of the year (March 31, 2018)				650000	2.57
3.	Dolly Khanna					
	At the beginning of the year (April 1, 2017)		267108	1.06		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	14.04.2017-Buy	3805	0.02	270913	1.07
		28.04.2017-Sell	(2000)	(0.01)	268913	1.06
		05.05.2017-Buy	7521	0.03	276434	1.09
		12.05.2017-Buy	1050	0.00	277484	1.10
		19.05.2017-Buy	2689	0.01	280173	1.11
		26.05.2017-Buy	116	0.00	280289	1.11
		09.06.2017-Buy	15938	0.06	296227	1.17
		16.06.2017-Buy	11761	0.05	307988	1.22
		23.06.2017-Buy	680	0.00	308668	1.22
		30.06.2017-Buy	710	0.00	309378	1.22
		07.07.2017-Buy	675	0.00	310053	1.23
		14.07.2017-Buy	2815	0.01	312868	1.24
		28.07.2017-Sell	(4765)	(0.02)	308103	1.22
		04.08.2017-Sell	(11271)	(0.04)	296832	1.17
		11.08.2017-Sell	(2000)	(0.01)	294832	1.17
		18.08.2017-Sell	(755)	(0.00)	294077	1.16
		25.08.2017-Sell	(3625)	(0.01)	290452	1.15
		01.09.2017-Sell	(2730)	(0.01)	287722	1.14
		15.09.2017-Sell	(2175)	(0.01)	285547	1.13
		22.09.2017-Sell	(3955)	(0.02)	281592	1.11
		30.09.2017-Sell	(5500)	(0.02)	276092	1.09
		13.10.2017-Sell	(1000)	(0.00)	275092	1.09
		03.11.2017-Buy	490	0.00	275582	1.09
		10.11.2017-Sell	(1885)	(0.01)	273697	1.08
		05.01.2018-Sell	(1965)	(0.01)	271732	1.07
		12.01.2018-Sell	(2171)	(0.01)	269561	1.07
		19.01.2018-Sell	(2000)	(0.01)	267561	1.06
		16.03.2018-Sell	(2000)	(0.01)	265561	1.05
		23.02.2018-Buy	10598	0.04	276159	1.09
		02.03.2018-Buy	6100	0.02	282259	1.12

SI No.	For Each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding during the Year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		09.03.2018-Buy	2000	0.01	284259	1.12
		16.03.2018-Buy	2000	0.01	286259	1.13
		23.03.2018-Buy	14500	0.06	300759	1.19
	At the end of the year (March 31, 2018)				300759	1.19
4.	ITPL - Invesco India Contra Fund					
	At the beginning of the year (April 1, 2017)		0	0.00		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	07.04.2017-Buy	32959	0.13	32959	0.13
		28.04.2017-Buy	38626	0.15	71585	0.28
		16.06.2017-Buy	37184	0.15	108769	0.43
		07.07.2017-Buy	44570	0.18	153339	0.61
		28.07.2017-Buy	39576	0.16	192915	0.76
		30.09.2017-Sell	(46770)	(0.18)	146145	0.58
		03.11.2017-Buy	39584	0.16	185729	0.73
		08.12.2017-Buy	74194	0.29	259923	1.03
	At the end of the year (March 31, 2018)				259923	1.03
5.	West Bengal Industrial Development Corporation Ltd					
	At the beginning of the year (April 1, 2017)		250000	0.99		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)		-	-	-	-
	At the end of the year (March 31, 2018)				250000	0.99
6.	General Insurance Corporation of India					
	At the beginning of the year (April 1, 2017)		250000	0.99		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	28.04.2017-Sell	(20000)	(0.08)	230000	0.91
		31.12.2017-Sell	(13850)	(0.05)	216150	0.85
		05.01.2018-Sell	(16150)	(0.06)	200000	0.79
	At the end of the year (March 31, 2018)				200000	0.79
7.	DSP Blackrock Small Cap Fund					
	At the beginning of the year (April 1, 2017)		162370	0.64		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	09.06.2017-Buy	10311	0.04	172681	0.68
		30.06.2017-Buy	11547	0.05	184228	0.73
		07.07.2017-Sell	(8254)	(0.03)	192482	0.76
	At the end of the year (March 31, 2018)				192482	0.76

SI No.	For Each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year i.e. April 1, 2017		Cumulative Shareholding during the Year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8.	Rising India Focus Fund Limited					
	At the beginning of the year (April 1, 2017)		0	0.00		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	19.05.2017-Buy	69000	0.27	69000	0.27
		02.06.2017-Buy	39305	0.16	108305	0.43
		09.06.2017-Buy	33550	0.13	141855	0.56
		30.06.2017-Buy	6000	0.02	147855	0.58
		07.07.2018-Buy	23000	0.09	170855	0.68
		04.08.2017-Buy	15000	0.06	185855	0.73
		25.08.2017-Buy	6081	0.02	191936	0.76
		06.10.2017-Buy	6538	0.03	198474	0.78
		13.10.2017-Buy	5007	0.02	203481	0.80
		20.10.2017-Buy	6198	0.02	209679	0.83
		27.10.2017-Buy	8121	0.03	217800	0.86
		08.12.2017-Sell	(18005)	(0.07)	199795	0.79
		15.12.2017-Sell	(13268)	(0.05)	186527	0.74
	At the end of the year (March 31, 2018)				186527	0.74
9.	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)					
	At the beginning of the year (April 1, 2017)		44691	0.18		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	07.04.2017-Buy	23314	0.09	68005	0.27
		14.04.2017-Buy	38948	0.15	106953	0.42
		13.10.2017-Buy	10662	0.04	117615	0.47
		15.12.2017-Buy	3240	0.01	120855	0.48
		22.12.2017-Buy	8531	0.03	129386	0.51
		12.01.2018-Buy	8168	0.03	137554	0.54
		19.01.2018-Buy	14829	0.06	152383	0.60
		23.02.2018-Buy	5096	0.02	157479	0.62
	At the end of the year (March 31, 2018)				157479	0.62
10.	ITPL - Invesco India Mid N Small Cap Fund					
	At the beginning of the year (April 1, 2017)		0	0.00		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	21.04.2017-Buy	69975	0.28	69975	0.28
		28.04.2017-Buy	39624	0.16	109599	0.43
		02.06.2017-Buy	32021	0.13	141620	0.56
		21.07.2017-Buy	14173	0.06	155793	0.62
	At the end of the year (March 31, 2018)				155793	0.62

E. Shareholding of Directors and Key Managerial Personnel (KMPs)

Particulars	Shareholding		Cumulative Shareholding during the Year (April 1, 2017 - March 31, 2018)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year (April 1, 2017)	NIL	NIL	NIL	NIL
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	NIL	NIL	NIL	NIL
At the end of the year (March 31, 2018)	NIL	NIL	NIL	NIL

Note: None of the Directors or KMPs holds any share in the Company.

V. Indebtedness- Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	(₹ Lakh) Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	6692.16	47,272.66	0	53,964.82
ii. Interest due but not paid	0	850.00	0	850.00
iii. Interest accrued but not due	52.26	126.66	317.78	496.69
Total (i+ii+iii)	6,744.42	48,249.32	317.78	55,311.51
Change in Indebtedness during the financial year				
> Addition	10,033.73	13,850.00	0	23,883.73
> Reduction	(4,911.83)	(22,420.60)	0	(27,332.43)
Net Change	5,121.90	(8,570.60)	-	(3,448.70)
Indebtedness at the end of the financial year				
i. Principal Amount	11,821.37	38,792.76		50,614.13
ii. Interest due but not paid		850.00		850.00
iii. Interest accrued but not due	44.95	35.96	317.78	398.68
Total (i+ii+iii)	11,866.32	39,678.72	317.78	51,862.81

VI. Remuneration of Directors and Key Managerial Personnel

(a) Remuneration to Managing Director, Whole-Time Directors and/or Manager

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager				(₹ Lakh)
		MD Mr. Sanjiv Paul (01.04.2017 – 30.06.2017)	MD Mr. Sandeep Kumar (01.07.2017 – 31.03.2018)	WTD Mr. Sandeep Kumar (10.04.2017 – 30.06.2017)	Manager	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13.80	22.07	6.35	-	42.22
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7.76	30.77	7.52	-	46.05
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	(i) as % of profit	-	-	-	-	-
	(ii) others, specify	-	-	-	-	-
5	Others, please specify-	-	-	-	-	-
	(i) Performance Bonus*	20.70	44.15	-	-	64.85
	(ii) Retirement Benefit	3.73	5.96	1.72	-	11.41
	Total	45.99	102.95	15.59	-	164.53
	Ceiling as per the Companies Act, 2013	As per Section 197 of the Act				

*The bonus has been recommended by the NRC on April 26, 2018 pending approval of the shareholders in the ensuing Annual General Meeting to be held on 2 July, 2018.

(b) Remuneration to other Directors

Sl No.	Name of Directors				(₹ Lakh)
		Sitting Fees	Commission	Others, if any	Total
I	Non-Executive Directors *				
1.	Ms. Samita Shah	0	6.84	-	6.84
2.	Mr. Sanjiv Paul	0	5.26	-	5.26
	Total (I)		12.10	-	12.10
II	Independent Directors				
1.	Mr. Krishnava Dutt	2.80	11.05	-	13.85
2.	Dr. Pingali Venugopal	4.00	13.69	-	17.69
3.	Mr. Amit Ghosh	2.80	7.37	-	10.17
4.	Dr. Rupali Basu	2.20	5.79	-	7.99
	Total (II)	11.80	37.90	-	
	Grand Total (I+II)	11.80	50.00	-	61.80
	Overall ceiling as per the Companies Act, 2013	As per Section 197 of the Act			

*As nominees of Tata Steel, Mr. Paul and Ms. Shah have waived off their share of Commission amounting to ₹ 5,26,316 /- and ₹ 6,84,211 respectively, as per Policy. Hence, the total amount of commission pay-out is ₹ 37,89,473/- i.e. lower by ₹ 12,10,527 /- (to the extent of the shares of Mr. Paul and Ms. Shah).

(c) Remuneration to Key Managerial Personnel other than MD/WTM/Manager

				(₹ Lakh)
Sl No.	Particulars of Remuneration	Name of KMPs		Total Amount
		CS Mr. Sankar Bhattacharya	CFO Mr. Subhra Sengupta	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.31	19.51	28.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7.47	15.49	22.96
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	(i) as % of profit	-	-	-
	(ii) others, specify	-	-	-
5	Others, please specify-			
	(i) Performance Bonus	10.02	22.30	32.32
	(ii) Retirement Benefit	2.51	5.27	7.78
	Total	29.31	62.57	91.88
	Ceiling as per the Companies Act, 2013	-	-	-

VII. Penalties / Punishment/ Compounding of Offences for the year ended March 31, 2018

						(₹ Lakh)
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made, if any (give Details)	
A. Company						
(i) Penalty						
(ii) Punishment						
(iii) Compounding						
B. Directors						
(i) Penalty						
(ii) Punishment						
(iii) Compounding						
C. Other Officers in Default						
(i) Penalty						
(ii) Punishment						
(iii) Compounding						

Place : Mumbai

Date : April 26, 2018

sd/-
Mr. Sandeep Kumar
Managing Director
(DIN: 02139274)

sd/-
Mr. Sankar Bhattacharya
Chief-Corporate Governance
& Company Secretary
(ACS: 11438)

Annexure G

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE, EARNINGS AND OUTGO

Pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rules framed thereunder

(A) Conservation of energy

Conservation of Energy		
Category	Action Taken	Impact/Result
1. Reduction in Coke consumption	1. Optimise the flux consumption in blast furnace by increasing the pre-fluxed sinter percentage in burden.	Reduction in coke rate by 3 kg/thm
	2. Increase the usage of agglomerate in the form of pellet in addition to sinter on trial basis (for part of the year)	Reduction in coke rate by 14 kg/thm (when pellet was used)
2. Reduction in electrical energy	1. Installation of 10 nos of VVFD in various units to reduce energy consumption.	Energy Saving- 15.90 Lakh kWh/yr (approx.). Cost saving- ₹ 1.2 Cr/yr (approx)
	2. Installation of LED lights across various location in the plant	
	3. Optimising pump running hours by stopping the pump at optimum system pressure at CCM3 hydraulic power pack	
3. Use of alternate source of energy- Waste heat recovery system in stoves	1. Installation of BFG & combustion air pre-heater at MBF#1 stoves to increase HBT and reduce coke rate	₹ 3.4 Crore (approx.)

(B) Technology Absorption

1. Efforts made towards technology absorption	Nil
2. The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished : a) Technology imported b) Year of import c) Has technology been fully absorbed?	Nil
4. The expenditure incurred on research and development	The following process change happened in the year : 1. Blast furnace waste utilisation through Sinter making; 2. Use of high ash coke in place of LAM Coke; 3. Increase productivity and reduce coke rate by increasing oxygen percentage in blast; 4. Trial taken to use alternate raw material to reduce coke rate & improve blast furnace productivity; 5. Improve the productivity of sinter plant through in-house technological change; 6. Use of non-coking coal to reduce coke making cost.

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is mentioned below:

Particulars	₹ Lakh
Expenditure	
Interest	200.58
Foreign travel	14.63
Others	232.09
Total expenditure	447.30
Total earnings	1263.06

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Metaliks Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying Ind AS financial statements of Tata Metaliks Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the

Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated April 21, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 28 and Note 15 to the Ind AS financial statements;
- ii. The Company did not have any have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2018.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury

Partner

Membership Number: 057572

Kolkata

April 26, 2018

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Tata Metaliks Limited on the Ind AS financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tata Metaliks Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls

and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of

Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury

Partner

Membership Number: 057572

Kolkata

April 26, 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Metaliks Limited on the Ind AS financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 4A on Property, Plant and Equipment to the Ind AS financial statements, are held in the name of the Company.
- ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, income tax and provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, service tax, sales tax, duty of customs, duty of excise, value added tax, cess, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, value added tax and goods and services tax as at March 31, 2018, which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and duty of excise as at March 31, 2018 which have not been deposited on account of a dispute, are as follows

Name of the statute	Nature of dues	Amount (₹ Lakh)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	328.15	1993-94, 1999-00, 2001-02 and 2009-10	High Court -Calcutta
Income Tax Act, 1961	Income Tax	1,768.03	2008-09,2009-10, 2010-11 and 2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,524.13	2012-13, 2013-14 and 2015-16	Commissioner of Income Tax (Appeals)
West Bengal Sales tax Act, 1994	Sales Tax	94.49	2006-07	West Bengal Commercial Tax Appellate & Revision Board
West Bengal Sales tax Act, 1994	Sales Tax	221.35	2012-13, 2013-14 and 2014-15	Senior Joint Commissioner (Appeals)
Finance Act, 1994	Service Tax	58.95	2007-08	Customs Excise And Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	63.84	2008-09, 2009-10, 2012-13 and 2013-14	Commissioner (Appeals)
Finance Act, 1994	Service Tax	71.22	2010-11 to 2016-17	Assistant Commissioner

Name of the statute	Nature of dues	Amount (₹ Lakh)	Period to which the amount relates	Forum where the dispute is pending
Finance Act 1994	Service Tax	87.81	2005-06, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11	Additional Commissioner
Finance Act 1994	Service Tax	84.31	2011-12	Joint Commissioner
Central Excise Act 1944	Excise Duty	10,376.50	2002-03 to 2011-12	Customs Excise And Service Tax Appellate Tribunal
Central Excise Act 1944	Excise Duty	211.48	2000-01 to 2015-16	Commissioner (Appeals)
Central Excise Act 1944	Excise Duty	43.76	2010-11 and 2015-16	Joint Commissioner
Central Excise Act 1944	Excise Duty	24.20	2010-11, 2011-12, 2012-13 and 2016-17	Assistant Commissioner
Central Excise Act 1944	Excise Duty	99.44	2008-09, 2009-10, 2010-11, 2012-13, 2013-14, 2014-15 and 2015-16	Additional Commissioner
Central Excise Act 1944	Excise Duty	7,890.70	2005-06 to 2011-12	Commissioner

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied on an overall basis, for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required under Indian Accounting Standard 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Kolkata
April 26, 2018

**For Price Waterhouse & Co Chartered
Accountants LLP**

Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury

Partner
Membership Number: 057572

BALANCE SHEET

AS AT MARCH 31, 2018

			(₹ Lakh)
	Notes	As at March 31, 2018	As at March 31, 2017
(I) Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	4A	58,538.51	58,951.88
(b) Capital work-in-progress	4B	2,421.03	3,354.47
(c) Intangible Assets	5	15.67	21.31
(d) Financial Assets			
(i) Investments	6A	1.52	1.52
(ii) Other Financial Assets	7	580.06	154.07
(e) Non-Current Tax Assets (Net)		306.71	469.52
(f) Deferred tax assets (net)	35	306.58	-
(g) Other Non Current Assets	8	943.47	1,339.67
Total non-current assets		63,113.55	64,292.44
(2) Current assets			
(a) Inventories	9	19,865.82	16,019.06
(b) Financial Assets			
(i) Investments	6B	1,001.12	-
(ii) Trade receivables	10	21,469.03	18,792.04
(iii) Cash and Cash equivalents	11A	257.90	187.73
(iv) Other balances with banks	11B	63.16	28.39
(v) Other Financial Assets	7	2,895.02	1,952.36
(c) Other Current Assets	8	3,843.33	5,297.95
Total current assets		49,395.38	42,277.53
Total assets		1,12,508.93	1,06,569.97
(II) Equity and Liabilities			
(1) Equity			
(a) Equity Share capital	12	2,528.80	2,528.80
(b) Other Equity	13	33,339.40	18,189.13
Total equity		35,868.20	20,717.93
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	19,980.30	15,750.63
(b) Provisions	15	1,336.76	1,292.69
Total non-current liabilities		21,317.06	17,043.32
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	21,776.68	17,329.70
(ii) Trade payables	16	20,823.47	17,065.73
(iii) Other Financial Liabilities	18	8,243.37	27,668.36
(b) Provisions	15	389.26	3,529.15
(c) Current Tax Liabilities (Net)		424.87	781.76
(d) Other current liabilities	19	3,666.02	2,434.02
Total current liabilities		55,323.67	68,808.72
Total equity and liabilities		1,12,508.93	1,06,569.97

The accompanying notes form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 057572
Kolkata, April 26, 2018

For and on behalf of the Board of Directors

Koushik Chatterjee
Chairman

Subhra Sengupta
Chief Financial Officer

Mumbai, April 26, 2018

Sandeep Kumar
Managing Director

Sankar Bhattacharya
Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEARS ENDED MARCH 31, 2018

		(₹ Lakh)	
	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
A Continuing Operations			
I Revenue from operations	20	1,89,420.68	1,41,009.58
II Other Income	21	2,023.34	145.51
III Total Income (I + II)		1,91,444.02	1,41,155.09
IV EXPENSES			
(a) Cost of materials consumed	22	107,918.65	65,948.73
(b) Changes in stock of finished goods and work-in-progress	23	919.88	(602.56)
(c) Employee benefits expense	24	10,025.94	8,488.27
(d) Finance costs	25	4,708.71	3,750.43
(e) Depreciation and amortisation expense	26	4,906.64	3,642.69
(f) Excise duty on sale of goods		2,088.97	7,142.99
(g) Other expenses	27	40,744.00	37,538.69
Total Expenses (IV)		1,71,312.79	1,25,909.24
V Profit before tax (III - IV)		20,131.23	15,245.85
VI Tax Expense			
(1) Current tax	34	4,426.87	3,561.00
(2) Deferred tax	35	(306.58)	-
Total tax expense (VI)		4,120.29	3,561.00
VII Profit from continuing operations (V - VI)		16,010.94	11,684.85
B Discontinued Operations			
VIII Loss from discontinued operations before tax	37	(92.87)	(79.72)
IX Tax Expense of discontinued operations		-	-
X Loss from discontinued operations after tax (VIII-IX)		(92.87)	(79.72)
C Total Operations			
XI Profit for the year (VII + X)		15,918.07	11,605.13
XII Other comprehensive income net of tax			
Items that will not be reclassified to profit or loss (net of tax)			
(1) Remeasurements on the defined benefit plans		(6.90)	(182.54)
Total other comprehensive income, net of taxes (XII)		(6.90)	(182.54)
XIII Total Comprehensive income for the year (XI + XII)		15,911.17	11,422.59
XIV (a) Earnings per equity share (for continuing operations):	30		
(1) Basic [Face Value ₹ 10 each]		63.31	46.21
(2) Diluted [Face Value ₹ 10 each]		63.31	46.21
(b) Earnings per equity share (for discontinued operations):			
(1) Basic [Face Value ₹ 10 each]		(0.36)	(0.32)
(2) Diluted [Face Value ₹ 10 each]		(0.36)	(0.32)
(c) Earnings per equity share (for discontinued and continuing operations):			
(1) Basic [Face Value ₹ 10 each]		62.95	45.89
(2) Diluted [Face Value ₹ 10 each]		62.95	45.89

The accompanying notes form an integral part of the Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Koushik Chatterjee
Chairman

Sandeep Kumar
Managing Director

Pinaki Chowdhury
Partner
Membership Number: 057572
Kolkata, April 26, 2018

Subhra Sengupta
Chief Financial Officer

Sankar Bhattacharya
Company Secretary

Mumbai, April 26, 2018

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2018

		(₹ Lakh)		
	Note	As at March 31, 2018	As at March 31, 2017	
(A) Equity share capital				
	12			
Balance at the beginning of the year		2,528.80	2,528.80	
Changes in equity share capital during the year		-	-	
Balance at the end of the year		2,528.80	2,528.80	
(B) Other Equity				
Reserves and Surplus	13			
Year ended March 31, 2018		Capital reserve	General reserve	Retained earnings
Balance at the beginning of the year		8,885.13	8,211.99	1,092.01
Profit for the year		-	-	15,918.07
Dividend on Equity Shares		-	-	(632.20)
Tax on Dividend		-	-	(128.70)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax		-	-	(6.90)
Balance at the end of the year		8,885.13	8,211.99	16,242.28
Year ended March 31, 2017		Capital reserve	General reserve	Retained earnings
Balance at the beginning of the year		8,885.13	8,211.99	(9,721.86)
Profit for the year		-	-	11,605.13
Dividend on Equity Shares		-	-	(505.76)
Tax on Dividend		-	-	(102.96)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax		-	-	(182.54)
Balance at the end of the year		8,885.13	8,211.99	1,092.01
				18,189.13

The accompanying notes form an integral part of the Statement of Changes in Equity.

This is the Statement of changes in equity referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 057572
Kolkata, April 26, 2018

Koushik Chatterjee
Chairman

Subhra Sengupta
Chief Financial Officer

Mumbai, April 26, 2018

Sandeep Kumar
Managing Director

Sankar Bhattacharya
Company Secretary

CASH FLOW STATEMENT

FOR THE YEARS ENDED MARCH 31, 2018

			(₹ Lakh)
	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash Flow from Operating activities:			
Profit before tax (including Loss on discontinued operations)		20,038.36	15,166.13
Adjustments for:			
Finance Costs	25	4,708.71	3,750.43
Incentive income	20	-	(318.76)
Allowances/ reversal of allowances of doubtful debts	27	(333.47)	391.38
Liabilities no longer required written back	21	(1,956.24)	(45.90)
Depreciation and amortisation expense	26	4,906.64	3,642.69
Interest Income from Financial Assets at amortised cost	21	(64.41)	(80.97)
Net gain on investment carried at Fair Value through Profit or Loss	21	(2.62)	(3.99)
(Gain)/Loss on cancellation of forward contracts	27	784.05	771.52
(Gain)/ Loss on disposal of Property, Plant and Equipments	27	(0.98)	-
(Gain)/ Loss on foreign currency transactions	27	(242.37)	(237.53)
Operating profit before working capital changes		27,837.67	23,035.00
Adjustment for working capital			
Inventories		(3,846.76)	(3,815.94)
Non-Current/Current financial and non-financial Assets		(2,204.18)	(1,866.33)
Non-Current/Current financial and non-financial liabilities/provisions		2,401.91	(6,327.60)
Cash generated from operations		24,188.64	11,025.13
Income Taxes paid		(4,620.95)	(3,321.13)
Net cash generated/(utilised) from operating activities		19,567.69	7,704.00
B. Cash Flow from Investing activities:			
Interest income received		28.11	43.90
Payments for acquisition for Property, Plant and Equipments/ Intangible assets		(6,029.10)	(12,589.49)
Proceeds on disposal of Property, Plant and Equipment		1.45	11.38
Net Proceeds/ (investment) from/ (in) sale of investments		(998.50)	3.99
Net Cash (used in) /generated by investing activities		(6,998.04)	(12,530.22)
C. Cash Flow from Financing activities:			
Proceeds from working capital loans (net)		2,553.17	1,462.50
Proceeds from Non-current borrowings		10,000.00	15,000.00
Repayment of Non-current borrowings		(20,413.97)	(8,969.00)
Proceeds from Buyer's credit		16,165.47	14,888.15
Repayment of buyer's credit		(14,501.44)	(12,307.87)
Interest and other borrowing costs paid		(4,792.23)	(3,828.69)
Dividend paid on equity share holders		(597.73)	(505.76)
Tax on equity dividend paid	13	(128.70)	(102.96)
Gain/ (Loss) on cancellation of forward contracts	27	(784.05)	(771.52)
Net cash from/(used) in financing activities		(12,499.48)	4,864.85
Net increase in cash and cash equivalents		70.17	38.63
Cash and cash equivalents as at 1 April	11	187.73	149.10
Cash and cash equivalents as at 31 March		257.90	187.73

Notes:

The accompanying notes form an integral part of the Cash Flow Statement.

- The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinued operations. Refer note no. 37 for discontinued operations cash flows.
- The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Ind AS 7 'Statement of Cash Flow'.

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Pinaki Chowdhury

Partner

Membership Number: 057572

Kolkata, April 26, 2018

Koushik Chatterjee

Chairman

Subhra Sengupta

Chief Financial Officer

Mumbai, April 26, 2018

Sandeep Kumar

Managing Director

Sankar Bhattacharya

Company Secretary

NOTES

TO THE FINANCIAL STATEMENTS

1. General Corporate Information

Tata Metaliks Limited ("the Company") is a subsidiary of Tata Steel Limited. The Company is engaged in the manufacture and sale of pig iron and ductile iron pipes. The Company is having its manufacturing plant at Kharagpur in the state of West Bengal. The Company's equity shares are listed in BSE Limited and National Stock Exchange Limited.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on April 26, 2018.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise stated.

2.1 Basis for preparation

(i) Statement of compliance

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended) and other provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value

(iii) Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is classified as current when it is:

- a) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realised within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current.

(iv) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh (₹ 00,000) as per the requirement of Schedule III, unless otherwise stated.

2.2 Intangible Assets

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software:

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

Amortisation Method and Period:

Computer software are amortised on a pro-rata basis using the straight-line method over their estimated useful life of 5 Years, from the date they are available for use. Amortisation method and useful lives are reviewed periodically including at each financial year end.

2.3 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be

measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2.4 Depreciation of property, plant and equipment

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act, unless otherwise mentioned. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are as follows:

a)	Factory Building	30 years.
b)	Building (Others)	60 years.
c)	Plant and Equipment	15 to 40 years.
d)	Moulds (Part of Plant and Equipment)	2 years.
e)	Furniture and Fixtures	10 years.
f)	Office Equipment	5 years.
g)	Data Processing Equipments ¹	4 years.
h)	Vehicles ¹	5 to 8 years.
i)	Electrical fittings (Part of Plant and Equipment)	10 years.
j)	Temporary Structure (Part of Buildings)	3 years.
k)	Railway Sidings	15 years.

⁽¹⁾ Useful life of these class of assets includes assets wherein useful lives have been determined based on independent technical valuation carried out by external valuers which management believes best represent the period over which the assets are expected to be used. The useful lives for these assets considered for depreciation is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets and the cost of property, plant and equipment not ready to use are disclosed under 'Capital Work-in-progress'.

2.5 Impairment of Non - Financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). The impairment if any is reviewed for reversal at each period end.

2.6 Relining expenses

Expenses incurred on relining of Blast Furnace is capitalised and depreciated over a period of five years of average expected life. The written down value consisting of relining expenditure embedded in the cost of Blast Furnace is written off in the year of fresh lining. All other relining expenses are charged as expense in the year they are incurred.

2.7 Investments other than Investments in Subsidiaries and Other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- > those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- > those to be measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial

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asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other Income'/'Other Expense'. Interest income from these financial assets is included in other income using effective interest rate method.

Fair Value through Profit or Loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income'/'Other Expense' in the period in which it arises. Interest income from these financial assets is included in other income.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent

reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income'/'Other Expense' in the Statement of Profit and Loss.

(iii) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income Recognition**Interest Income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the

contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend

Dividend is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(vi) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

2.8 Employee Benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current (creditors for accrued wages and salaries) in Balance Sheet.

(ii) Post - employment benefits

Defined Benefit Plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at year end by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity. Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(iii) Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually at year end by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

2.9 Taxation

The income tax expense/credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit

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nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.11a Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits with an original maturity of three months or less.

2.11b Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade

receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.11c Trade Payables

Trade Payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.11d Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.12 Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.13 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced for estimated rebates and other similar allowances and other taxes collected on behalf of third parties.

Sale of Products

The Company recognises revenue when all the following criteria are satisfied:

- (i) significant risks and rewards of ownership has been transferred to the customer;
- (ii) there is no continuing management involvement with the goods usually associated with ownership, nor effective control over the goods sold has been retained;
- (iii) the amount of revenue can be measured reliably
- (iv) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (v) recovery of the consideration is probable;

2.14 Foreign currency transactions and translation

(i) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency.

(ii) Transactions and Balances

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of

profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

2.15 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

2.16 Government grants

Grants from the Government are recognized at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government Grants relating to the purchase of Property, Plant and Equipment are included in liabilities as deferred income and credited to statement of profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

2.17 Leases

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risk and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the

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lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor, is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.18 Derivative Instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Derivative Instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period, with changes included in 'Other Income'/'Other Expenses'.

2.19 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.20 Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.21 Earnings per Share

(i) **Basic Earnings per Share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) **Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.22 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

2.23 Contributed Equity

Equity shares are classified as equity. Incremental cost directly attributable to the issue of new shares or options are shown in equity as reduction, net of tax from the proceed.

2.24 Business combinations – common control transactions

Business combinations involve led by the company are accounted for using the pooling of interests method as follows :

The assets and liabilities of the combining entities are reflected at their carrying amounts.

No adjustments are made to reflect fair values, or recognize any new assets or liabilities. Adjustments are only made to harmonize accounting policies.

The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, were the business combination had occurred after that date, the prior period information is restated only from that date.

The balance of the retained earning appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferor or is adjusted against general reserve.

The identity of the reserves are presented and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional considerations in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

2.25 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28, 2018. The rules among other key amendments to Ind AS 12, Income Taxes, Ind AS 21, The Effects of Changes in Foreign Exchange Rates, notify Ind AS 115, Revenue from Contracts with Customers. These rules come into force from April 1, 2018. The Company is evaluating the requirements of the amendments and the effect on the financial statements is being evaluated.

3. Use of estimates and critical accounting judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that impact the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. This Note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each impacted line item in the financial statements.

The areas involving critical estimates or judgements are

➤ **Employee Benefits (Estimation of Defined Benefit Obligation) - Notes 2.8 and 41**

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

➤ **Estimation of Expected Useful Lives of Property, Plant and Equipment - Notes 2.4 and 4A**

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

➤ **Contingencies - Notes 2.12 and 28**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/ claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

➤ **Valuation of Deferred Tax Assets - Notes 2.9 and 35**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

➤ **Fair Value Measurements - Notes 2.7 and 40**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

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4A. Property, Plant and Equipment

	As at March 31, 2018	As at March 31, 2017
(₹ Lakh)		
Carrying Amounts of :		
Freehold Land	1,589.79	1,589.79
Freehold Buildings	10,171.53	9,915.09
Plant and Equipment	46,009.99	47,070.87
Furniture and fixtures	119.06	96.59
Office Equipments	61.39	80.98
Vehicles	492.08	79.15
Data Processing Equipment	94.67	103.47
Railway Sidings	-	15.94
Total	58,538.51	58,951.88

As at March 31, 2018	Freehold Land	Freehold Buildings	Plant and Equipment	Furniture and fixtures	Office Equipments	Vehicles	Data Processing Equipment	Railway Sidings	Total
(₹ Lakh)									
Gross Carrying Amount	1,589.79	10,541.07	50,758.45	136.39	138.05	130.67	167.38	84.84	63,546.64
Additions	-	722.52	3,176.75	52.62	11.16	482.78	31.51	-	4,477.34
Disposals	-	-	-	-	-	17.25	-	-	17.25
Cost Gross Carrying Amount	1,589.79	11,263.59	53,935.20	189.01	149.21	596.20	198.89	84.84	68,006.73
Accumulated Depreciation	-	625.98	3,687.58	39.80	57.07	51.52	63.91	68.90	4,594.76
Depreciation expense for the year	-	466.08	4,237.63	30.15	30.75	69.38	40.31	15.94	4,890.24
On Disposals	-	-	-	-	-	16.78	-	-	16.78
Closing Accumulated Depreciation	-	1,092.06	7,925.21	69.95	87.82	104.12	104.22	84.84	9,468.22
Net Carrying Amount at beginning of the year	1,589.79	9,915.09	47,070.87	96.59	80.98	79.15	103.47	15.94	58,951.88
Net Carrying Amount at end of the year	1,589.79	10,171.53	46,009.99	119.06	61.39	492.08	94.67	-	58,538.51

4A. Property, Plant and Equipment (Contd.)

(₹ Lakh)

As at March 31, 2017	Freehold Land	Freehold Buildings	Plant and Equipment	Furniture and fixtures	Office Equipments	Vehicles	Data Processing Equipment	Railway Sidings	Total
Gross Carrying Amount	1,440.25	8,752.86	27,656.17	94.78	119.50	136.74	104.22	84.84	38,389.36
Additions	149.54	1,950.42	25,324.26	41.61	18.55	15.78	63.16	-	27,563.32
Disposals	-	162.84	2,224.61	-	-	21.85	-	-	2,409.30
Effect of Foreign currency exchange differences	-	0.63	2.63	-	-	-	-	-	3.26
Cost Gross Carrying Amount	1,589.79	10,541.07	50,758.45	136.39	138.05	130.67	167.38	84.84	63,546.64
Accumulated Depreciation	-	355.75	2,689.18	15.67	27.47	26.28	23.36	34.45	3,172.16
Depreciation expense for the year	-	394.17	3,063.91	24.13	29.60	35.71	40.55	34.45	3,622.52
On Disposals	-	123.94	2,065.51	-	-	10.47	-	-	2,199.92
Closing Accumulated Depreciation	-	625.98	3,687.58	39.80	57.07	51.52	63.91	68.90	4,594.76
Net Carrying Amount at beginning of year	1,440.25	8,397.11	24,966.99	79.11	92.03	110.46	80.86	50.39	35,217.20
Net Carrying Amount at end of year	1,589.79	9,915.09	47,070.87	96.59	80.98	79.15	103.47	15.94	58,951.88

Notes:

- 1 The fixed assets inclusive of lands have been pledged to secure borrowings of the Company. The assets have been pledged as security for bank loans under a mortgage. See Note no- 14 for details of security pledged for each class of borrowings.
- 2 Title deeds of immovable properties as setout in note 4A above, where applicable are in the name of the Company
- 3 The amount of contractual commitments for acquisition of Property, Plant and Equipment refer note 29

4B. Capital work-in-progress

(₹ Lakh)

	As at March 31, 2018	As at March 31, 2017
Total	2,421.03	3,354.47

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TO THE FINANCIAL STATEMENTS

5. Intangible assets

	(₹ Lakh)
Year ended March 31, 2018	Computer Software (Acquired)
Opening Gross Carrying Amount	59.54
Additions	10.76
Closing Gross Carrying Amount	70.30
Accumulated Amortisation at beginning of the year	38.23
Charge for the year	16.40
Amortisation at end of the year	54.63
Net Carrying Amount at end of the year	15.67

	(₹ Lakh)
Year ended March 31, 2017	Computer Software (Acquired)
Opening Gross Carrying Amount	59.54
Additions	-
Closing Balance	59.54
Accumulated Amortisation at beginning of the year	18.06
Charge for the year	20.17
Amortisation at end of the year	38.23
Net Carrying Amount at end of the year	21.31

6A. Non-Current Investments

	As at March 31, 2018	As at March 31, 2017
Investment carried at amortised cost		
Investments in national savings certificates (Unquoted)	1.52	1.52
Total	1.52	1.52

6B. Current Investments

	As at March 31, 2018	As at March 31, 2017
Investment carried at fair value through profit or loss		
Investments in Mutual Fund (Unquoted)	1,001.12	-
[89,825.437 units (March 31, 2017 - Nil) in Tata Liquid Fund Direct Plan- Daily Dividend]		
Total	1,001.12	-
Aggregate amount of unquoted investments	1,001.12	-
Aggregate amount of impairment in the value of investments	-	-

7. Other Financial Assets

(₹ Lakh)

	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Unsecured, considered good				
(a) Security deposits	579.86	2,698.58	153.87	1,792.22
(b) Interest accrued on deposits and advances	-	196.44	-	160.14
(c) Deposits with banks submitted as security with government agency	0.20	-	0.20	-
Total	580.06	2,895.02	154.07	1,952.36

Note: The above denotes Financial Assets carried at amortised cost

8. Other Assets

(₹ Lakh)

	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
(a) Capital advances	865.75	-	1,248.25	-
(b) Other Deposit	-	-	12.70	-
(c) Balances with Government Authorities	-	832.05	-	4,029.56
(d) Prepaid Lease Payments	75.12	1.00	76.12	1.00
(e) Other loans and advances				
i) Advance to Supplier/Service provider (other than capital)	2.60	3,010.28	2.60	1,267.39
Total	943.47	3,843.33	1,339.67	5,297.95

9. Inventories

(₹ Lakh)

	As at March 31, 2018	As at March 31, 2017
(At lower of cost or net realisable value)		
(a) Raw Materials	13,992.92	9,353.97
(b) Work in progress	810.80	498.02
(c) Finished Goods	3,048.10	4,280.76
(d) Stores spares and others	2,014.00	1,886.31
Total Inventories	19,865.82	16,019.06
Included above, goods-in-transit:		
(a) Raw Materials	944.46	1,152.90
(b) Finished Goods	-	24.85
(c) Stores and spares	-	76.78
	944.46	1,254.53

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TO THE FINANCIAL STATEMENTS

10. Trade Receivables

	As at March 31, 2018	As at March 31, 2017
(₹ Lakh)		
Unsecured		
a) More than six months (from the date they were due for payment)		
Considered good	1,004.55	480.65
Considered doubtful	246.98	580.45
Less: Allowance for bad and doubtful debts	(246.98)	(580.45)
b) Others - Considered good	20,464.48	18,311.39
Total	21,469.03	18,792.04
Secured, considered good	-	-
Unsecured, considered good	21,469.03	18,792.04
Unsecured, considered doubtful	246.98	580.45
Total Trade Receivables	21,716.01	19,372.49

(i) Trade receivables are further analysed as follows :

	As at March 31, 2018			
	Gross credit risk	Subject to credit insurance cover	Impairment provision	Net credit risk
Amounts not yet due	17,313.00	2,454.78	-	14,858.22
One month overdue	2,010.76	567.69	-	1,443.07
Two months overdue	768.52	24.38	-	744.14
Three months overdue	195.37	9.76	-	185.61
Between three to six months overdue	349.24	86.26	-	262.98
Greater than six months overdue	1,079.12	64.13	246.98	768.01
Total	21,716.01	3,207.00	246.98	18,262.03

	As at March 31, 2017			
	Gross credit risk	Subject to credit insurance cover	Impairment provision	Net credit risk
Amounts not yet due	14,092.63	2,000.00	-	12,092.63
One month overdue	1,664.32	-	-	1,664.32
Two months overdue	653.01	-	-	653.01
Three months overdue	1,109.65	-	-	1,109.65
Between three to six months overdue	527.02	-	-	527.02
Greater than six months overdue	1,325.86	-	580.45	745.41
Total	19,372.49	2,000.00	580.45	16,792.04

(ii) Movement in the provision for impairment of trade receivables :

	As at March 31, 2018	As at March 31, 2017
(₹ Lakh)		
Balance at the beginning of the period	580.45	189.08
Movement in expected credit loss allowance on trade receivables (calculated at lifetime expected credit losses)	(333.47)	391.37
Balance at the end of the period	246.98	580.45

(iii) There are no outstanding debts due from directors or other officers of the Company.

(iv) Trade receivable from related parties as on March 31, 2018 amount to ₹ 49.68 Lakh, as on March 31, 2017 amount to ₹ 11.60 Lakh.

11.A Cash and Cash equivalents

	As at March 31, 2018	As at March 31, 2017
(a) Cash on hand	0.40	0.49
(b) Balances with banks		
(i) In Current Accounts	257.50	187.24
Total	257.90	187.73

11.B Other balances with banks

	As at March 31, 2018	As at March 31, 2017
(a) Other bank balances ⁽¹⁾	61.46	26.99
(b) Fixed Deposits	1.70	1.40
Total	63.16	28.39

Included above

⁽¹⁾ Earmarked balances for unpaid dividend

61.46

26.99

12. Equity Share Capital

	As at March 31, 2018	As at March 31, 2017
Authorised:		
37,50,00,000 Equity Shares of ₹ 10 each (31.03.2017: 5,00,00,000 Equity Shares of ₹ 10 each)	37,500.00	5,000.00
Issued, subscribed and fully paid up :		
2,52,88,000 Equity Shares of ₹ 10 each (31.03.2017: 2,52,88,000 Equity Shares of ₹ 10 each)	2,528.80	2,528.80

Movement of Equity Share Capital

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Issued, subscribed and fully paid up:				
At beginning of the year	2,52,88,000	2,528.80	2,52,88,000	2,528.80
Issued during the year	-	-	-	-
At end of the year	2,52,88,000	2,528.80	2,52,88,000	2,528.80

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Shares held by holding company or its subsidiaries

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	%	No. of Shares	%
Equity Shares				
Tata Steel Limited (Holding Company)	1,26,67,590	50.09%	1,26,67,590	50.09%
	1,26,67,590	50.09%	1,26,67,590	50.09%

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares				
Tata Steel Limited (Holding Company)	1,26,67,590	50.09%	1,26,67,590	50.09%

Rights, preferences and restrictions attached to shares

i) Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. 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. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13. Other Equity

(₹ Lakh)				
As at March 31, 2018	Capital Reserve	General Reserve	Surplus in Statement of Profit and Loss	Total Other Equity
At the beginning of the year	8,885.13	8,211.99	1,092.01	18,189.13
Profit for the year	-	-	15,918.07	15,918.07
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	(6.90)	(6.90)
Dividend on Equity Shares	-	-	(632.20)	(632.20)
Tax on Dividend	-	-	(128.70)	(128.70)
At the end of the year	8,885.13	8,211.99	16,242.28	33,339.40

(₹ Lakh)				
As at March 31, 2017	Capital Reserve	General Reserve	Surplus in Statement of Profit and Loss	Total Other Equity
At the beginning of the year	8,885.13	8,211.99	(9,721.86)	7,375.26
Profit for the year	-	-	11,605.13	11,605.13
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	-	-	(182.54)	(182.54)
Dividend on Equity Shares	-	-	(505.76)	(505.76)
Tax on Dividend	-	-	(102.96)	(102.96)
At the end of the year	8,885.13	8,211.99	1,092.01	18,189.13

Distributions made and Proposed

(₹ Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash dividends on Equity shares declared and paid:		
Final Dividend for March 31, 2017 : ₹ 2.5 per share (March 31, 2016: ₹ 2 per share)	632.20	505.76
Dividend Distribution Tax (DDT)	128.70	102.96
Total	760.90	608.72
Proposed dividends on Equity shares:		
Proposed cash dividend for March 31, 2018: ₹ 3.00 per share (March 31, 2017: ₹ 2.50 per share)	758.64	632.20
Dividend Distribution Tax (DDT)	154.44	128.70
Total	913.08	760.90

- i) Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2018.

The nature of reserves are as follows:

Capital reserve

Reserve includes ₹ 8,759.51 Lakh on account of Merger pursuant to the sanction of the Hon'ble High Court of Calcutta dated November 7, 2016 to the scheme of Amalgamation, where the assets and liabilities of the erstwhile Tata Metaliks DI Pipes Ltd (TMDIPL) has been merged with the Company.

General reserve

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

14. Borrowings

(₹ Lakh)

	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
A. Secured				
(a) Repayable on Demand				
From banks				
i) Working capital demand loans	-	-	-	2,000.00
ii) Cash credit	-	4,966.85	-	198.44
(b) Buyer's credit from banks	-	3,768.80	-	1,589.20
Total	-	8,735.65	-	3,787.64
B. Unsecured				
(a) Finance Lease	4,147.00	-	4,709.00	-
(b) Term Loans from Banks	15,833.30	-	11,041.63	-
(c) Buyer's credit from banks	-	9,152.46	-	9,438.25
(d) Acceptances	-	658.11	-	1,591.12
(e) Repayable on Demand				
From banks				
i) Working capital demand loans	-	3,000.00	-	-
ii) Overdraft from banks	-	230.46	-	2,512.69
Total	19,980.30	13,041.03	15,750.63	13,542.06
Total Borrowings	19,980.30	21,776.68	15,750.63	17,329.70

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TO THE FINANCIAL STATEMENTS

Debt reconciliation

	Bank Overdraft	Non-Current Borrowings (including current maturities)	Current Borrowings	Total
Debt as at April 01, 2017	2,512.69	36,635.14	14,817.01	53,964.84
Cash Flows (net)	(2,282.23)	(10,413.97)	6,499.43	(6,196.77)
Foreign Exchange Adjustments	-	-	229.78	229.78
Loan Amortization expenses	-	14.46	-	14.46
Other cash flow movements	-	(483.90)	-	(483.90)
Debt as at March 31, 2018	230.46	25,751.73	21,546.22	47,528.41

(₹ Lakh)

14. Borrowings

(₹ Lakh)								
Name of the Bank/ Instrument	As at March 31, 2018			As at March 31, 2017			Repayment terms	Security
	Non Current	Current	Current Maturity (Refer Note 18)	Non Current	Current	Current Maturity (Refer Note 18)		
Secured								
Term Loan- Central Bank of India	-	-	-	-	-	1,994.00	Loan carrying a floating rate of 9.95% p.a. (linked to bank's Marginal Cost of Funds based Lending Rate (MCLR)). Repayable in 20 quarterly instalments of ₹ 500 Lakh each, commenced from June 2013 and ending on March 2018.	Secured by first pari passu charge over fixed assets (net block inclusive of land) of Kharagpur division of the Company, both present and future with other term lenders.
Working capital demand loans	-	-	-	-	2,000.00	-	Loan carrying a fixed rate of 7.97% p.a. Loan is payable on demand	Secured by way of hypothecation first charge on Raw Material, Stock-in-process, Finished Goods, spares, stores, consumables, receivables and other current assets of the Company both present and future on pari passu basis with other working capital lenders.
Term Loan- The Federal Bank Limited	-	-	-	-	-	910.52	Loan carrying a floating rate of 8.90% p.a. (linked to bank's MCLR). Repayable in 16 quarterly instalments commencing from February 2014 and ending in November 2017.	Secured by way of first pari passu charge on the entire movable fixed assets (present and future) of the Company.
Cash credit	-	4,966.85	-	-	198.44	-	Cash credit from banks carry floating rate of interest ranging from 9.25% p.a.to 11.6% p.a.(linked to bank's MCLR) This is payable on demand.	Secured by way of hypothecation first charge on Raw Material, Stock-in-process, Finished Goods, spares, stores, consumables, receivables and other current assets of the Company both present and future on pari passu basis with other working capital lenders.

(₹ Lakh)

14. Borrowings (Contd.)

(₹ Lakh)

Name of the Bank/ Instrument	As at March 31, 2018			As at March 31, 2017			Repayment terms	Security
	Non Current	Current	Current Maturity (Refer Note 18)	Non Current	Current	Current Maturity (Refer Note 18)		
Buyer's Credit - IndusInd Bank Limited	-	3,768.80	-	-	1,589.20	-	Buyer's Credit from Banks carry fixed rate of interest ranging from 1.76% p.a. to 3.14% p.a. These are repayable at the end of six months from the respective dates of disbursement which are falling due from April 2018.	Secured by way of first pari passu charge on entire movable fixed assets both present & future.
Total secured borrowings	-	8,735.65	-	-	3,787.64	2,904.52		
Unsecured								
1,00,00,000 8.5% Non Cumulative Redeemable Preference Shares of ₹ 100 each	-	-	-	-	-	10,000.00	Preference shares carry a fixed coupon rate of 8.5% p.a. Redeemed fully in March' 2018	Nil
Finance Lease	4,147.00	-	563.10	4,709.00	-	485.00	Refer note below	Nil
Term Loan- The Federal Bank Limited	-	-	-	-	-	3,328.33	Loan carrying a floating rate of 8.90% p.a. (linked to bank's MCLR). Repayable in 12 quarterly instalments commencing from June 2015 and ending in March 2018.	Nil
Term Loan- The Federal Bank Limited	7,499.97	-	3,333.33	10,833.30	-	3,333.33	Loan carrying a floating rate of 8.90% (linked to bank's MCLR) Repayable in 18 quarterly instalments commencing from December 2016 and ending in June 2021.	Nil
Term Loan- The Federal Bank Limited	8,333.33	-	1,666.67	-	-	-	Loan carrying a floating rate of 8.27% (linked to bank's 1 year T-Bill rate) Repayable in 18 quarterly instalments commencing from September 2018 and ending in March 2023.	
Term Loan- Kotak Mahindra Bank Ltd	-	-	208.33	208.33	-	833.33	Loan carrying a floating rate of 8.80%. Repayable in 12 quarterly instalments commencing from September 2015 and ending on June 2018.	Nil
Working capital demand loans	-	3,000.00	-	-	-	-	Loan carrying a fixed rate of 7.95% p.a. Loan is payable on demand	Nil
Buyer's credit from banks	-	9,152.46	-	-	9,438.25	-	Buyer's Credit from Banks carry fixed rate of interest ranging from 1.76% p.a. to 3.14% p.a. These are repayable at the end of six months from the respective dates of disbursement which are falling due from April 2018.	Nil

NOTES

TO THE FINANCIAL STATEMENTS

14. Borrowings (Contd.)

(₹ Lakh)

Name of the Bank/ Instrument	As at March 31, 2018			As at March 31, 2017			Repayment terms	Security
	Non Current	Current	Current Maturity (Refer Note 18)	Non Current	Current	Current Maturity (Refer Note 18)		
Acceptances	-	658.11	-	-	1,591.12	-	Loan carrying a floating rate of 7.95% p.a. (linked to bank's MCLR). Loan is payable on demand	Nil
Overdraft from banks	-	230.46	-	-	2,512.69	-	Loan carrying a floating rate of interest ranging from 8.25% p.a. (linked to bank's MCLR). Loan is payable on demand	Nil
Total unsecured borrowings	19,980.30	13,041.03	5,771.43	15,750.63	13,542.06	17,979.99		
Total borrowings	19,980.30	21,776.68	5,771.43	15,750.63	17,329.70	20,884.51		

Note:

- The Company has entered into arrangement whose fulfilment is dependent on the use of specific assets. This arrangement has been assessed for being in the nature of lease and has been classified as finance lease. Finance lease obligations represent the present value of minimum lease payments payable over the lease term.

14. The currency and interest exposure of borrowings of the Company at the end of the period are as follows:

(₹ Lakh)

Currency	As at March 31, 2018			As at March 31, 2017		
	Fixed rate debt	Floating rate debt	Total	Fixed rate debt	Floating rate debt	Total
INR	7,710.10	26,897.05	34,607.15	17,194.00	25,743.39	42,937.39
US Dollars	12,921.26	-	12,921.26	11,027.45	-	11,027.45
Total	20,631.36	26,897.05	47,528.41	28,221.45	25,743.39	53,964.84

The majority of the INR floating rate borrowings are bank borrowings bearing interest rate linked to bank's Marginal Cost of Funds based Lending Rate (MCLR).

15. Provisions

(₹ Lakh)

	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
i) Retirement gratuity	-	244.67		467.06
ii) Post retirement pension	207.82	22.29	220.78	22.71
iii) Post retirement medical benefits	19.89	1.87	18.81	1.93
iv) Provision for Leave Salary	1,109.05	16.14	1,053.10	1.30
v) Provision for entry tax & others	-	104.29	-	3,036.15
Total Provisions	1,336.76	389.26	1,292.69	3,529.15

16. Trade Payables

	As at March 31, 2018	As at March 31, 2017
(a) Outstanding dues of micro enterprises and small enterprises		
Creditors for supplies and services	193.93	69.87
Total outstanding dues of micro enterprises and small enterprises	193.93	69.87
(b) Outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Creditors for supplies and services	18,800.52	15,108.34
(ii) Creditors for accrued wages and salaries	1,829.02	1,887.52
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,629.54	16,995.86
Total	20,823.47	17,065.73

Trade payables to related parties as on March 31, 2018 amounts to ₹ 4,719.48 Lakh, as on March 31, 2017 ₹ 4,193.02 Lakh.

17. Dues to Micro, Small and Medium Enterprises

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

	As at March 31, 2018	As at March 31, 2017
Amount due and Payable at the year end		
- Principal	193.93	69.87
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest on above Principal	-	-
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-

18. Other Financial Liabilities

	As at March 31, 2018	As at March 31, 2017
Current:		
(a) Current maturities of long-term debts (refer Note 14)	5,208.33	20,399.51
(b) Current maturities of Finance Lease obligation (refer Note 14)	563.10	485.00
(c) Interest accrued	398.68	496.69
(d) Unpaid dividends	61.46	26.99
(e) Security deposits from vendors	9.75	13.29
(f) Interest on preference shares	850.00	850.00
(g) Creditors for Other Liabilities		
i) Creditors for capital goods and services	1,093.68	4,844.70
ii) Derivatives - foreign currency forward contracts	58.37	552.18
Total	8,243.37	27,668.36

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TO THE FINANCIAL STATEMENTS

19. Other Current Liabilities

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
(a) Advances received from customers	1,337.31	1,813.49
(b) Others		
i) Statutory dues	2,328.71	620.53
Total	3,666.02	2,434.02

20. Revenue from Operations

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Sale of Products		
i) Pig iron and allied products [including excise duty for 2017-18: ₹ 1,775.04 Lakh (2016-17: ₹ 5,970.08 Lakh)]	89,095.89	55,333.31
ii) DI Pipe and allied products [including excise duty for 2017-18: ₹ 313.93 Lakh, (2016-17: ₹ 1,172.91 Lakh)]	99,288.51	84,440.54
iii) Limestone	-	77.43
(b) Other operating income	1,036.28	1,158.30
Gross Revenue from Operations	1,89,420.68	1,41,009.58
Note :		
Other operating income comprise:		
(a) Subsidy from State Government	-	318.76
(b) Sale of Scrap	596.93	409.34
(c) Duty drawback and other export incentives	69.86	104.70
(d) Others	369.49	325.50
	1,036.28	1,158.30

21. Other Income

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest Income from Financial assets at amortised cost (deposit and advance)	64.41	80.97
(b) Net gain on investment carried at Fair value through Profit or Loss	2.62	3.99
(c) Liabilities no longer required written back	1,956.24	45.90
(d) Miscellaneous Income	0.07	14.65
Total Other Income	2,023.34	145.51

22. Cost of materials consumed

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw Material Consumed		
i) Opening stock	9,353.97	6,304.60
ii) Add: Purchases	1,12,557.60	68,998.10
	1,21,911.57	75,302.70
iii) Less: Closing stock	13,992.92	9,353.97
Total	1,07,918.65	65,948.73
Raw Material Consumed comprises		
i) Iron ore	19,440.42	13,426.28
ii) Coke	78,216.57	44,129.53
iii) Fluxes	4,567.33	3,636.07
iv) Others	5,694.33	4,756.85
Total	1,07,918.65	65,948.73

23. Changes in stock of finished goods and work-in-progress

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Stock at the beginning of the year		
Finished goods	4,280.76	3,076.52
Work-in-progress	498.02	1,099.70
	4,778.78	4,176.22
Stock at the end of the year		
Finished goods	3,048.10	4,280.76
Work-in-progress	810.80	498.02
	3,858.90	4,778.78
Net (increase)/decrease in finished goods	919.88	(602.56)

24. Employee Benefits Expense

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Salaries, wages and bonus	8,420.98	7,192.07
(b) Contribution to provident and other funds	846.95	691.67
(c) Staff welfare expenses	758.01	604.53
Total	10,025.94	8,488.27

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25. Finance Costs

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest expense		
i) Interest on term loans	1,622.13	2,117.79
ii) Interest on Finance Leases	753.00	474.00
iii) Interest on Preference Shares	850.00	850.00
iv) Interest on others	914.06	594.17
	4,139.19	4,035.96
(b) Other borrowing costs (processing/commitment fees, bill discounting charges etc)	569.52	731.55
Gross Finance Costs	4,708.71	4,767.51
Less: amounts included in the cost of qualifying asset	-	1,017.08
Net Finance Costs	4,708.71	3,750.43

26. Depreciation and amortisation expense

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Depreciation on Property, Plant and Equipment as per Note 4A	4,890.24	3,622.52
(b) Amortisation on intangible assets as per Note 5.	16.40	20.17
Total	4,906.64	3,642.69

27. Other Expenses

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Consumption of stores and spare parts	11,923.53	9,658.40
(b) Repairs & Maintenance to buildings	39.34	40.63
(c) Repairs & Maintenance to machinery	1,856.12	1,071.44
(d) Repairs & Maintenance - others	1,082.24	767.57
(e) Power and fuel	969.98	949.44
(f) Electricity charges	1,862.29	4,773.61
(g) Freight and handling charges	15,562.71	10,747.36
(h) Rent	215.45	205.65
(i) Rates and taxes	1,669.77	3,458.40
(j) Insurance charges	331.00	275.53
(k) Commission	233.21	205.38
(l) Excise duties on change in finished goods	(446.08)	193.46
(m) Allowances/ reversal of allowances for doubtful debts	(333.47)	391.38
(n) Bad debts written off	-	4.02
(o) Other expenses		
i) (Gain)/ Loss on foreign currency transactions	(242.37)	(237.53)
ii) (Gain)/ Loss on cancellation of forward contracts	784.05	771.52
iv) (Gain)/Loss on sale of Property, Plant and Equipment	(0.98)	-
v) Auditors remuneration and out-of-pocket expenses		
As Auditors - statutory audit	28.75	32.68
For Other Services (includes tax audit fees)	31.08	16.05
Auditors out-of-pocket expenses	1.23	1.96

27. Other Expenses (Contd.)

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
vi) Legal and other professional costs	559.84	250.10
vii) Consultancy for sales	1,017.21	537.27
viii) Advertisement, sales promotion and other selling expenses	83.39	84.62
ix) Travelling expenses	554.73	482.85
x) Bank charges	100.60	129.73
xi) Expenditure towards Corporate Social Responsibility Activities	300.00	205.21
xii) Other general expenses	2,560.38	2,521.96
Total	40,744.00	37,538.69

28. Contingent Liabilities

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
A (i) Claims against the Company not acknowledged as debts		
(a) Excise & Service Tax	10,094.58	9,485.23
(b) Income Tax (refer note below)	95.89	129.90
(c) Sales Tax & VAT	357.10	137.73

The Company had claimed a deduction u/s 80-IA of the Income Tax Act, 1961 amounting to ₹ 7,682 Lakh during the AY 2003-04 to AY 2008-09 on its Captive Power Plant. The entire claim amount was allowed by the CIT(Appeals) & ITAT. However, tax department preferred an appeal before the Hon'ble Calcutta High Court for AY 2003-04 & AY 2004-05 on the ground that no real profit existed in Captive Power generation since same not sold outside i.e. Tata Metaliks has consumed the power.

The Hon'ble Calcutta High Court vide it's order dated August 3, 2016 allowed the deduction u/s 80-IA 'on the captive power unit' in favour of the Company, however remanded back to AO on account of transfer price with respect to rate on which such benefit was computed. The Company have filed an appeal in Hon'ble Supreme Court where vide it's order dated July 14, 2017, the case has been admitted and High Court order on re-computation of transfer price has been stayed. Final hearing is pending for disposal.

29. Capital and other commitments

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
(a) Capital commitments		
Estimated value of contracts in capital account remaining to be executed (net of advances)	4,542.83	1,875.69
(b) Other Commitments		
Export Obligation against import of capital goods under EPCG Scheme	5,830.72	5,950.97

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30. Earnings Per Share

		(₹ Lakh)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
i)	Profit for the period from continuing operation	16,010.94	11,684.85
ii)	Profit for the period from discontinued and continuing operations	15,918.07	11,605.13
iii)	Weighted average no. of Equity shares for Basic and Diluted EPS (Numbers in Lakh)	252.88	252.88
iv)	Nominal Value per Equity Share (₹)	10.00	10.00
v)	Earnings Per Equity Share for the year from continuing operation (₹) - Basic	63.31	46.21
vi)	Earnings Per Equity Share for the year from discontinued and continuing operations (₹) - Basic	62.95	45.89
vii)	Earnings Per Equity Share for the year from continuing operation (₹) - Diluted	63.31	46.21
viii)	Earnings Per Equity Share for the year from discontinued and continuing operations (₹) - Diluted	62.95	45.89

31. Segment Reporting

A. Description of Segments and Principal Activities

The Company's Managing Director examines the Company's performance on the basis of its business and has identified two reportable segments:

The segments are comprised of Pig Iron and Ductile Iron (DI) pipes.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Financial Statements. Also, the Company's borrowings (including Finance costs), income taxes, investments and derivative instruments are managed at head office and are not allocated to operating segments.

Sales between segments are carried out on cost plus appropriate margin and are eliminated on consolidation. The segment revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the Financial Statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the assets.

B. Segment Revenues, Segment Result and Other Information as at/for the year

					(₹ Lakh)
Particulars	Pig Iron	D I Pipe	Elimination	Unallocable	Total
Revenue					
Total External Sales	89,452.26	99,968.42	-	-	1,89,420.68
	55,993.91	85,015.67	-	-	1,41,009.58
Add: Inter Segment Revenue	49,800.42	-	(49,800.42)	-	-
	40,220.18	-	(40,220.18)	-	-
Total Revenue	1,39,252.68	99,968.42	(49,800.42)		1,89,420.68
	96,214.09	85,015.67	(40,220.18)		1,41,009.58
Segment Result	13,613.55	14,651.37	-	-	28,264.92
	7,755.93	15,269.79	-	-	23,025.72
Depreciation	2,713.28	2,193.36			4,906.64
	1,716.17	1,926.52			3,642.69
Reconciliation to Profit Before Tax:					
(Gain)/ Loss on foreign currency transactions				(242.37)	(242.37)
				(237.53)	(237.53)
(Gain)/ Loss on cancellation of forward contracts				784.05	784.05

B. Segment Revenues, Segment Result and Other Information as at/for the year (Contd.)

Particulars	Pig Iron	D I Pipe	Elimination	Unallocable	Total
				771.52	771.52
Finance costs	-	-	-	4,708.71	4,708.71
	-	-	-	3,750.43	3,750.43
Other Income	1,109.25	914.09	-	-	2,023.34
	104.81	42.43	-	-	147.24
Profit before taxes	12,009.52	13,372.10	-	(5,250.39)	20,131.23
	6,144.57	13,385.70	-	(4,284.42)	15,245.85
Tax expenses	-	-	-		4,120.29
	-	-	-		3,561.00
Profit/ (Loss) after tax from continuing operations					16,010.94
					11,684.85
Profit/ (Loss) after tax from discontinued operations					(92.87)
					(79.72)
Profit/ (Loss) for the period from discontinued and continuing operations					15,918.07
					11,605.13
Segment Asset	60,277.63	50,294.31	-	1,936.99	1,12,508.93
	55,644.25	50,238.56	-	687.16	1,06,569.97
Reconciliation to Total Assets:					
Investments in national savings certificates (Unquoted)				1.52	1.52
				1.52	1.52
Non-current tax assets (Net)				306.71	306.71
				469.52	469.52
Deferred tax assets (Net)				306.58	306.58
				-	-
Investments in Mutual Fund (Unquoted)				1,001.12	1,001.12
				-	-
Cash and Cash equivalents including Other balances with banks				321.06	321.06
				216.12	216.12
Segment Liabilities	16,707.45	11,174.59	-	48,758.69	76,640.73
	17,206.72	11,972.86	-	56,672.46	85,852.04
Reconciliation to Total Liabilities:					
Borrowings				46,965.31	46,965.31
				53,964.84	53,964.84
Interest on preference shares				850.00	850.00
				850.00	850.00
Derivatives - foreign currency forward contracts				58.37	58.37
				552.18	552.18
Current Tax Liabilities (Net)				424.87	424.87
				781.76	781.76
Other Unallocable Liabilities				460.14	460.14
				523.68	523.68

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C. Entity-wide Disclosures

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
The Company is domiciled in India. The amount of its revenue from external customers segregated by location of the customers is shown below:		
External Revenue by Geographical location of customers		
India	1,88,158.14	1,37,637.16
Rest of the world	1,262.54	3,372.42
	1,89,420.68	1,41,009.58
Additions to fixed assets		
India	4,477.34	27,563.32
	4,477.34	27,563.32

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
Carrying value of Segment Assets		
India	1,11,749.22	1,06,324.02
Rest of the world	759.71	245.95
	1,12,508.93	1,06,569.97

No customer individually accounted for more than 10% of the revenue from external customer during the year ended 31st March, 2018.

32. Disclosure in respect of Long-term Foreign Currency Monetary Items

Foreign exchange translation loss for the year ended on long term-foreign currency loan amounting to ₹ **NIL** (2016-17: ₹ 3.26 Lakh) availed for purchase of capital assets has been capitalised and is included under the applicable fixed assets classification.

	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Foreign exchange loss capitalised in the fixed assets block	-	3.26
Depreciation impact on account of exchange fluctuation capitalised during the year	-	0.13
Depreciation impact on account of exchange fluctuation capitalised till March 31, 2018	33.08	31.27

33. Related Party Transactions

Related party relationship:

Name of the related party	Nature of Relationship
Tata Sons Limited	Company having significant Influence- Ultimate Controlling Party (UCP)
Tata Services Limited	} Subsidiary of Tata Sons Limited
Tata Consultancy Services	
Tata International Limited	
Tata Steel Limited	} Parent Company
TRL Krosaki Refractories Limited	

33. Related Party Transactions (Contd.)

Name of the related party	Nature of Relationship
Jamshedpur Utilities & Services Company Limited	} Fellow Subsidiary
Tayo Rolls Limited	
Tata Sponge Iron Limited	
Tata Steel Processing and Distribution Limited	
Tata Steel Global Procurement Pte Limited	
The Indian Steel and Wire Products Limited	
Mjunction Services Limited	} Joint Venture of Parent Company
Tata Bluescope Steel Limited	
TM International Logistics Limited	
TKM Global Logistics Limited	
International Shipping & Logistics FZE	
Argus Partners - Solicitors & Advocates	Firm where Director is partner
Key Managerial Person -	
Mr. Sanjiv Paul (upto June 30, 2017)	Managing Director
Mr. Sandeep Kumar (from July 1, 2017)	Managing Director
Mr. Sankar Bhattacharya	Company Secretary
Mr. Subhra Sengupta	Chief Financial Officer
Key Managerial Person - Non- Executive Directors (NED)	
Mr. Koushik Chatterjee - Chairman	} Non- Executive Directors (NED)
Mr. Krishnavu Dutt - Director	
Ms Samita Shah - Director	
Dr. Pingali Venugopal - Director	
Dr Rupali Basu - Director	
Mr. Amit Ghosh - Director	
Tata Metaliks Limited Employee Provident Fund Trust	} Post Employment Benefit Plans (PEBP)
Tata Metaliks Limited Employee Superannuation Fund Trust	
Tata Metaliks Limited Employee Gratuity Fund	

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Related Party Transactions

Name of the related party	Nature of transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Tata Steel Limited	Purchase of raw materials	35,859.75	12,094.93
	Services received	146.86	30.05
	Reimbursement of Expenses	42.80	11.93
	Sale of Materials	-	11.60
	Rent Paid	233.87	162.28
	Redemption of Preference Shares	10,000.00	
	Interest due on Preference shares	850.00	
	Rendering of Services	37.28	-
Total-Parent Company		47,170.56	13,160.79
Tata Steel Processing and Distribution Limited	Purchase of materials	-	100.84
Jamshedpur Utilities & Services Company Limited	Sale of materials	721.41	-
	Advertisement expenses paid	2.00	-
Tata Steel Global Procurement Pte Limited	Purchase of goods	13,575.87	7,699.34
Tata Sponge Iron Limited	Purchase of goods	198.37	19.12
The Indian Steel and Wire Products Limited	Purchase of goods	2.59	-
Total- Fellow Subsidiary		14,500.24	7,819.30
Tata Sons Limited	Services received	362.18	147.64
Total- Company having significant influence-UCP		362.18	147.64
Tata Services Limited	Services received	40.25	1.49
Tata Consultancy Services	Services received	43.51	-
Tata International Limited	Sale of Materials	2,003.59	1,490.65
Total-Subsidiary of Tata Sons Ltd		2,087.35	1,492.14
TRL Krosaki Refractori Limited	Purchase of goods	442.94	-
Total- Associate of Tata Steel Limited		442.94	-
Tata Bluescope Steel Limited	Purchase of goods	-	5.70
TM International Logistics Limited	Services received	570.54	1,305.09
TKM Global Logistics Limited	Services received	51.02	5.32
Mjunction Services Limited	Services received	113.24	-
International Shipping & Logistics FZE	External Services	37.91	-
Total- Joint Venture Of Parent Company		772.71	1,316.11
Argus Partners - Solicitors & Advocates	Services received	8.24	-
Total- Firm where Director is partner		8.24	-
Mr. Sanjiv Paul	Short term employee benefits	114.86	190.59
	Post employment benefits	1.04	3.49
	Other long term employment benefits	-	6.37
Mr. Sandeep Kumar	Short term employee benefits	74.40	-
	Post employment benefits	10.12	-
	Other long term employment benefits	4.52	-
Mr. Sankar Bhattacharya	Short term employee benefits	29.32	24.12
	Post employment benefits	0.37	0.74
	Other long term employment benefits	0.61	1.10
Mr. Subhra Sengupta	Short term employee benefits	62.58	55.77
	Post employment benefits	1.46	2.15
	Other long term employment benefits	1.76	2.84
Mr. Krishnava Dutt - Director	Sitting Fees	2.80	3.40
Dr. Pingali Venugopal - Director	Sitting Fees	4.00	5.00
Dr Rupali Basu - Director	Sitting Fees	2.20	0.20

Related Party Transactions (Contd.)

Name of the related party	Nature of transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Mr. Amit Ghosh - Director	Sitting Fees	2.80	0.20
Ms Samita Shah - Director	Sitting Fees	-	1.00
Mr. Ashok Kumar Basu - Director	Sitting Fees	-	2.20
Total- Key Managerial Person		312.84	299.17
Tata Metaliks Limited Employee Provident Fund	Contribution made	415.56	356.41
Tata Metaliks Limited Employee Superannuation Fund	Contribution made	195.41	178.24
Tata Metaliks Limited Employee Gratuity Fund	Contribution made	199.60	136.74
Total-Contribution to PEBP		810.57	671.39

Name of the related party	Nature of transaction	As at March 31, 2018	As at March 31, 2017
Tata Steel Limited	Outstanding payables	1,636.62	576.97
	Outstanding receivables	21.03	11.60
	Interest due on Preference shares	850.00	850.00
	Interest payable	317.78	317.78
Total-Parent Company		2,825.43	1,756.35
Tayo Rolls Limited	Other credit balances	1.74	1.74
Tata Sponge Iron Limited	Outstanding payables	43.43	-
Jamshedpur Utilities & Services Company Limited	Outstanding Receivables	6.00	-
Tata Steel Global Procurement Pte Limited	Outstanding payables	3,025.33	3,615.61
Total- Fellow Subsidiary		3,076.50	3,617.35
TM International Logistics Limited	Advance Paid	225.28	22.32
TKM Global Logistics Limited	Outstanding payables	8.35	0.44
Mjunction Services Limited	Earnest Money Deposit	8.00	-
	Advance Paid	0.12	-
	Outstanding payables	1.43	-
	Security Deposit - Transporter	6.00	-
Total- Joint Venture of Parent Company		249.18	22.76
Tata Sons Limited	Outstanding payables	2.70	-
Total- Company having significant influence-UCP		2.70	-
Tata Consultancy Services	Outstanding payables	1.62	-
Tata International Ltd.	Outstanding Receivables	22.65	-
Total-Subsidiary of Tata Sons Ltd		24.27	-

Terms and conditions of transactions with related parties

Transactions related to dividend were on the same terms and conditions that applied to other shareholders. The sale to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivable from related parties.

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34. Income taxes

(i) Income tax expenses recognised in the statement of Profit or Loss are analysed as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current taxes	4,426.87	3,561.00
Deferred taxes	(306.58)	-
	4,120.29	3,561.00

(₹ Lakh)

(ii) The reconciliation of estimated income taxes to income tax expenses is as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Income before Income taxes	20,038.36	15,166.13
Tax at the applicable tax rate of 34.608%	6,934.88	5,248.69
Tax effect of income that are not deductible in determining taxable profit	482.73	602.98
MAT Credit recognized	(2,368.13)	-
Investment Allowance u/s 32AC allowed under Tax	-	(2,290.67)
Utilisation / Credit of unrecognised tax loss and unabsorbed depreciation	(411.20)	-
Tax effect of Other Adjustments	(517.99)	-
	4,120.29	3,561.00

(₹ Lakh)

(iii) The reconciliation of applicable tax rate & effective tax rate:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Applicable tax rate	34.61%	34.61%
Tax effect of income that are not taxable in determining taxable profit	2.41%	3.97%
MAT Credit recognized	(11.82%)	0.00%
Investment Allowance u/s 32AC allowed under Tax	0.00%	(15.10%)
Utilisation / Credit of unrecognised tax loss and unabsorbed depreciation	(2.05%)	0.00%
Tax effect of Other Adjustments	(2.59%)	0.00%
Effective tax rate	20.56%	23.48%

(%)

	For the year ended March 31, 2018	For the year ended March 31, 2017
(iv) Income tax recognised in Other Comprehensive Income		
Current Tax		
- Remeasurement of defined benefit obligation	1.88	49.53

(₹ Lakh)

35. Deferred Tax Balances

	As at March 31, 2018	As at March 31, 2017
(a) The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:		
Deferred tax assets	7,785.26	5,371.35
Deferred tax liabilities	(7,478.68)	(5,371.35)
	306.58	-

(₹ Lakh)

35. Deferred Tax Balances (Contd.)

2017-18	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax liabilities/ (assets) in relation to:			
Property, plant & equipment	5,371.35	2,107.33	7,478.68
Unabsorbed business loss	(4,322.86)	3,909.99	(412.87)
Other Provisions	(1,048.49)	1,021.00	(27.49)
MAT Credit Entitlement	-	(6,795.00)	(6,795.00)
Freehold Land	-	(549.90)	(549.90)
	-	(306.58)	(306.58)

2016-17	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax liabilities/ (assets) in relation to:			
Property, plant & equipment	4,794.18	577.17	5,371.35
Unabsorbed business loss	(4,016.12)	(306.74)	(4,322.86)
Other Provisions	(778.06)	(270.43)	(1,048.49)
	-	-	-

(₹ Lakh)

	As at March 31, 2018	As at March 31, 2017
(b) Unrecognised deductible temporary differences, unused tax losses and unused tax credits		
(i) tax losses	-	76.03
(ii) unabsorbed depreciation	-	1,176.73
(iii) Mat credit	5,029.76	8,939.51
	5,029.76	10,192.27

The amount of unrecognised tax losses, unabsorbed depreciation and minimum alternate tax credits on which no deferred tax assets has been recognized as at March 31, 2018 is ₹ 5,029.76 Lakh (March 31, 2017 : ₹ 10,192.27 Lakh) [the expiry periods within next 3 years being ₹ 779.70 Lakh (March 31, 2017: ₹ 514.98 Lakh), 3 to 5 years being ₹ Nil (March 31, 2017: ₹ 340.75 Lakh) and more than 5 years being ₹ 4,250.06 Lakh (March 31, 2017: ₹ 9,336.54 Lakh)]. The non-recognition of the same is based on the company's best estimate of the future economic benefits and probability of utilization of the temporary differences.

36. Leases:

Finance lease — as lessee

The Company has entered into following finance leases:

- (i) Company has entered into agreement with Metaliks Fuel Private Ltd. to construct two coke oven batteries for the purpose of coke conversion.
- (ii) Company has voluntarily offered to be a committed user of the facilities for the fixed tenure.
- (iii) The agreement is for a period of 10 years.
- (iv) The facility is of a specialised nature as the drawings and design of the same is integrated with the power plant.

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Disclosure under Finance Lease as Lessee:

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
(i) Minimum lease payments		
- Within one year	1,237.10	1,237.00
- After one year but not more than five years	4,510.00	4,143.00
- More than five years	2,500.00	4,105.00
Total	8,247.10	9,485.00
(ii) Present value of minimum lease payments		
- Within one year	563.10	485.00
- After one year but not more than five years	2,147.00	1,849.00
- More than five years	2,000.00	2,860.00
Add: Future finance charges	3,537.00	4,291.00
Total	8,247.00	9,485.00
The Net Carrying amount of the assets acquired under Finance Lease included in Note – 4A	4,716.00	5,211.00

37. Discontinued Operations:

Based on decision of the Board of Directors of the Company at its meeting held on November 19, 2012 the Company has filed an application with the appropriate authority for closure of the Redi Plant, located at Terekhol Road, District: Sindhudurg, Redi - 416 517, Maharashtra, in accordance with the provisions of the Industrial Disputes Act, 1947. The application was initially rejected by the authority and the Company has filed a review petition before the same authority. In the mean time the Company has negotiated with the employees for settlement and an agreement was signed on March 25, 2013 with the employees' union. The Company and the employees' union have filed the settlement details with the Commissioner of Labour to facilitate the closure process. The carrying value of Land, current assets and current liabilities of the Redi Plant as at March 31, 2018, were ₹ 1,187.91 Lakh (March 31, 2017 ₹ 1,187.91 Lakh), ₹ 15.87 Lakh (March 31, 2017 ₹ 18.70 Lakh) and ₹ 27.63 Lakh (March 31, 2017 ₹ 22.60 Lakh) respectively.

	(₹ Lakh)	
	Discontinued Operations	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Revenue	-	-
Revenue from Operations	-	-
Other Income	2.32	1.73
Total	2.32	1.73
Raw materials consumed	-	-
Changes in stock of finished goods	-	-
Employee benefits expense	18.50	13.22
Depreciation	-	-
Other expenses	76.69	68.23
Operating Expenses	95.19	81.45
Finance Cost	-	-
Profit/(Loss) from Operating activities Before exceptional items and tax	(92.87)	(79.72)
Exceptional items	-	-
Profit/(Loss) from Operating activities Before tax	(92.87)	(79.72)
Tax (incl Deferred Tax)	-	-
Profit/(Loss) from Operating activities after tax	(92.87)	(79.72)
Net Cash flow from/(used in) Operating activities	(92.87)	(79.72)
Net Cash flow from Investing activities	-	-
Net Cash flow from Financing activities	-	-

38. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

		(₹ Lakh)	
		As at March 31, 2018	As at March 31, 2017
(i)	Equity Share capital	2,528.80	2,528.80
(ii)	Other Equity	33,339.40	18,189.13
	Total equity (a)	35,868.20	20,717.93
(i)	Short-term borrowings	21,776.68	17,329.70
(ii)	Long-term borrowings	19,980.30	15,750.63
(iii)	Current Maturity of long term debt	5,771.43	20,884.51
	Total debt (b)	47,528.41	53,964.84
(i)	Cash and cash equivalents and other balances with banks	321.06	216.12
	Total cash (c)	321.06	216.12
	Net debt {d=(b-c)}	47,207.35	53,748.72
	Total capital (equity + net debt)	83,075.55	74,466.65
	Net debt to equity ratio	1.32	2.59

The Company has no material financial covenants.

39. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, security deposits, employee liabilities, finance lease obligation. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist personnel's that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, mutual fund investment and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analyses have been prepared on the basis that the amount of debt and derivatives.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.
- The sensitivity of equity is calculated by considering the effect of any associated derivatives at March 31, 2018 and March 31, 2017 for the effects of the assumed changes of the underlying risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of derivative instruments. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

		(₹ Lakh)	
	Increase/decrease in basis points	Effect on profit before tax	Effect on post-tax equity
March 31, 2018			
	+100	(268.97)	(213.66)
	-100	268.97	213.66
March 31, 2017			
	+100	(175.30)	(137.89)
	-100	175.30	137.89

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange exposure. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

The company exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
	USD	USD
Financial Assets		
Trade Receivables	339.36	170.22
<u>Derivative Assets</u>		
Foreign Exchange Forward Contracts	(339.36)	(0.02)
Net Exposure to Foreign Currency Risk (Assets)	-	170.20
Financial Liabilities		
Borrowings	12,921.26	11,027.45
Trade Payables	4,076.73	5,192.48
Other Financial liabilities	70.23	22.50
<u>Derivative Liabilities</u>		
Foreign Exchange Forward Contracts	(15,685.51)	(14,931.85)
Net Exposure to Foreign Currency Risk (Liabilities)	1,382.71	1,310.58
Net Exposure to Foreign Currency Risk (Assets - Liabilities)	(1,382.71)	(1,140.38)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all currencies other than US Dollars is not material.

	Change in USD rate	Effect on profit before tax (₹ Lakh)	Effect on post-tax equity (₹ Lakh)
March 31, 2018	+9%	(124.44)	(98.85)
	-9%	124.44	98.85
March 31, 2017	+10%	(114.04)	(89.70)
	-10%	114.04	89.70

The movement in the post-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each divisions subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The companies maximum exposure to credit risk for the components of the Balance Sheet as of March 31, 2018 and March 31, 2017 is the carrying amounts as disclosed in Note 40.

The risk relating to trade receivables is shown under note no 10.

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Other Financial Assets

Credit risk from balances with banks, term deposits, loan, investments and derivative instruments is managed by Company's finance department. Investment of surplus fund are made only with approved counterparties who meet the minimum threshold requirement. The Company monitors rating, credit spreads and financial strength of its counterparties.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, buyer's credit and other means of borrowings. The Company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risk.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018 and March 31, 2017.

	On demand	less than 1 year	1 to 5 years	> 5 years	(₹ Lakh) Total
As at March 31, 2018					
Borrowings	8,197.31	18,787.70	15,833.30	-	42,818.31
Finance Lease	-	563.10	2,147.00	2,000.00	4,710.10
Trade payables	-	20,823.47			20,823.47
Derivatives - foreign currency forward contracts	-	58.37	-	-	58.37
Other financial liabilities	-	2,413.57	-	-	2,413.57
	8,197.31	42,646.21	17,980.30	2,000.00	70,823.82
As at March 31, 2017					
Borrowings	6,302.25	21,426.96	11,041.63	-	38,770.84
Finance Lease	-	485.00	1,849.00	2,860.00	5,194.00
Non Cum. Redeemable Pref. Shares	-	10,000.00	-	-	10,000.00
Trade payables	-	17,065.73	-	-	17,065.73
Derivatives - foreign currency forward contracts	-	552.18	-	-	552.18
Other financial liabilities	-	6,231.67	-	-	6,231.67
	6,302.25	55,761.54	12,890.63	2,860.00	77,814.42

The Company has pledged its receivables in order to fulfil the collateral requirements for secured borrowings and secured working capital limits. At March 31, 2018 and March 31, 2017, the fair values of the receivables pledged were ₹ 21,469.03 Lakh and ₹ 18,792.01 Lakh respectively.

40. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

	Derivative instruments not in hedging relationship	Amortised cost	Fair Value through Profit and Loss	Total carrying value	(₹ Lakh) Total fair value
Assets:					
Trade receivables	-	21,469.03	-	21,469.03	21,469.03
Investments	-	1.52	1,001.12	1,002.64	1,002.64
Cash and cash equivalents	-	257.90	-	257.90	257.90
Other Bank Balance	-	63.16	-	63.16	63.16
Other financial assets	-	3,475.08	-	3,475.08	3,475.08
Total	-	25,266.69	1,001.12	26,267.81	26,267.81
Liabilities:					
Borrowings	-	41,756.98	-	41,756.98	41,756.98
Trade payables	-	20,823.47	-	20,823.47	20,823.47
Other financial liabilities	58.37	8,185.00	-	8,243.37	8,243.37
Total	58.37	70,765.45	-	70,823.82	70,823.82

The carrying value of financial instruments by categories as of March 31, 2017 is as follows:

	Derivative instruments not in hedging relationship	Amortised cost	Fair Value through Profit and Loss	Total carrying value	₹ Lakh Total fair value
Assets:					
Trade receivables	-	18,792.04	-	18,792.04	18,792.04
Investments	-	1.52	-	1.52	1.52
Cash and cash equivalents	-	216.12	-	216.12	216.12
Other financial assets	-	2,106.43	-	2,106.43	2,106.43
Total	-	21,116.11	-	21,116.11	21,116.11
Liabilities:					
Borrowings	-	33,080.33	-	33,080.33	33,080.33
Trade payables	-	17,065.73	-	17,065.73	17,065.73
Other financial liabilities	552.18	27,116.18	-	27,668.36	27,668.36
Total	552.18	77,262.24	-	77,814.42	77,814.42

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Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

As at March 31, 2018	Level 1	Level 2	Level 3
Financial Assets:			
Investments(Mutual Fund)	1,001.12	-	-
Derivative Financial Assets	-	-	-
Total	1,001.12	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	58.37	-
Total	-	58.37	-
As at March 31, 2017	Level 1	Level 2	Level 3
Financial Assets:			
Derivative Financial Assets	-	-	-
Total	-	-	-
Financial Liabilities:			
Derivative Financial Liabilities	-	552.18	-
Total	-	552.18	-

Notes

- i The other financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.
- ii Derivatives are fair valued using market observable rates and published prices together with forecast cash flow information where applicable.
- iii There have been no transfers between level 1 and level 2 for the years ended March 31, 2018 and 2017.

41. Employee benefits**i. Superannuation fund**

The Company have a superannuation plan. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contribute up to 15% or ₹100000, whichever is lower, of the eligible employees salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company have no further obligation beyond this contribution. Total amount charged to the Statement of Profit and Loss for the year ₹ 195.41 Lakh (Previous year ₹ 178.24 Lakh).

ii. Retiring gratuity

The Company have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company make annual contributions to gratuity funds established as trusts. Tata Metaliks Limited account for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company is exposed to actuarial risk and investment risk with respect to this plan.

The following table sets out the the amounts recognized in the financial statements for the retiring gratuity plans in respect of Company.

		(₹ Lakh)	
Change in defined benefit obligation		For the year ended March 31, 2018	For the year ended March 31, 2017
a	Obligation as at the beginning of the year	1,498.61	1,140.31
b	Current service cost	165.27	125.44
c	Interest cost	103.05	85.11
d	Employees' Contributions	-	-
e	Remeasurement Acturian (gains)/losses experience	136.22	232.06
f	Exchange rate variation	-	-
g	Benefits paid	(52.94)	(84.31)
h	Past Service costs-plan amendments	10.26	-
i	Obligations of new companies acquired	35.85	-
j	Obligations of companies disposed off	-	-
k	Settlements	-	-
l	Acturian (gain)/Losses - finance assumptions	(108.56)	-
Obligation as at the end of the year		1,787.76	1,498.61
Change in plan assets			
a	Fair value of plan assets as at beginning of the year	1,024.14	954.54
b	Interest income	86.40	73.81
c	Remeasurement gains/(losses)	-	-
d	Employers' Contributions	437.30	80.11
r	Employees' Contributions	-	-
f	Return on plan assets greater/(lesser) than discount rate	12.34	-
g	Benefits paid	(52.94)	(84.31)
h	Assets of new companies acquired	-	-
i	Acquisition adjustments	35.85	-
j	Settlements	-	-
Fair value of plan assets as at end of the year		1,543.09	1,024.14

		(₹ Lakh)	
		As at March 31, 2018	As at March 31, 2017
Amount recognised in the balance sheet consists of			
a	Fair value of plan assets as at end of the year	1,543.09	1,024.14
b	Present value of obligation as at the end of the year	1,787.76	1,498.61
	Net Asset/(liability)	(244.67)	(474.47)
	Retirement benefit asset - Current	-	-
	Retirement benefit asset - Non current	-	-
	Retirement benefit liability - Current	(244.67)	(474.47)
	Retirement benefit liability - Non current	-	-

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	(₹ Lakh)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost recognised in the statement of profit and loss		
a Service cost		
Current service cost	165.27	125.44
Past Service Cost	10.26	-
b Net interest expense	16.65	11.30
Cost recognised in the statement of other comprehensive income	192.18	136.74
Cost recognised in the statement of other comprehensive income		
a The return on plan assets (excluding amounts included in net interest expense)	(12.34)	-
b Actuarial gains and losses arising from changes in demographic assumption	-	-
c Actuarial gains and losses arising from changes in financial assumption	136.22	128.40
d Actuarial gains and losses arising from changes in experience adjustments	(108.56)	103.66
	15.32	232.06
Total cost recognised in the statement of profit and loss	207.50	368.80

The assumptions used in accounting for the retiring gratuity plans are set out below:

a Discount rate	7.50%	7.00%
b Rate of escalation in salary	7.50%	7.50%
c Withdrawal rates	0.10 to 0.50%	0.10 to 0.50%

The weighted average duration of the defined benefit obligation as at March 31, 2018 is 12 years (March 31, 2017: 10 years)

The Company expects to contribute ₹ 244.67 Lakh to the funded retiring gratuity plans in financial year 2019.

The fair value of Company's plan asset as of March 31, 2018 and March 31, 2017 by category are as follows:

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
Investment details (%)		
a Funded with LIC	100%	100%
	100%	100%

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1% -> 11.00%, decrease by 1% -> 13.00%	Decrease by 11.57%, increase by 12.62%
Salary escalation	Increase by 1% -> 12.88%, decrease by 1% -> 11.00%	Increase by 12.53%, decrease by 11.62%

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

iii. Pension Plan - Ex- Managing Director (Mr. Harsh K Jha)

The Company accounts for post-retirement defined benefit arrangements using Ind AS 19 'Employee Benefits', with independent actuaries being used to calculate the costs, assets and liabilities to be recognised in relation to these schemes. The present value of the defined benefit obligation, the current service cost and past service costs are calculated by these actuaries using the projected unit credit method. However, the ongoing funding arrangements of each scheme, in place to meet their long term pension liabilities, are governed by the individual scheme documentation and national legislation. The accounting and disclosure requirements of Ind AS 19 do not affect these funding arrangements.

The following table sets out the disclosure pertaining to pension benefits of Mr Harsh K Jha

		(₹ Lakh)	
Change in defined benefit obligation		For the year ended March 31, 2018	For the year ended March 31, 2017
a	Obligation as at the beginning of the year	243.49	197.15
b	Current service cost	-	-
c	Interest cost	16.22	14.37
d	Employees' Contributions	-	-
e	Remeasurement (gains)/losses	(6.12)	55.45
f	Exchange rate variation	-	-
g	Benefits paid	(23.48)	(23.48)
h	Past Service costs	-	-
i	Obligations of new companies acquired	-	-
j	Obligations of companies disposed off	-	-
k	Settlements	-	-
l	Curtailements	-	-
Obligation as at the end of the year		230.11	243.49
Change in plan assets			
a	Fair value of plan assets as at beginning of the year	-	-
b	Interest income	-	-
c	Remeasurement gains/(losses)	-	-
d	Employers' Contributions	-	-
r	Employees' Contributions	-	-
f	Exchange rate variation	-	-
g	Benefits paid	-	-
h	Assets of new companies acquired	-	-
i	Assets of companies disposed off	-	-
j	Settlements	-	-
Fair value of plan assets as at end of the year		-	-

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		(₹ Lakh)	
Amount recognised in the balance sheet consists of		As at March 31, 2018	As at March 31, 2017
a	Fair value of plan assets as at end of the year	-	-
b	Present value of obligation as at the end of the year	230.11	243.49
	Net Asset/(liability)	230.11	243.49
	Retirement benefit asset - Current		
	Retirement benefit asset - Non current		
	Retirement benefit liability - Current	22.29	22.71
	Retirement benefit liability - Non current	207.82	220.78

		(₹ Lakh)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Cost recognised in the statement of profit and loss			
a	Service cost		
	Current service cost	-	-
	Past Service Cost		
b	Net interest expense	16.22	14.37
		16.22	14.37
Cost recognised in the statement of other comprehensive income			
a	The return on plan assets (excluding amounts included in net interest expense)	-	-
b	Actuarial gains and losses arising from changes in demographic assumption	-	-
c	Actuarial gains and losses arising from changes in financial assumption	(8.83)	13.55
d	Actuarial gains and losses arising from changes in experience adjustments	2.71	41.90
		(6.12)	55.45
	Total cost recognised in the statement of profit and loss	10.10	69.82

The assumptions used in accounting for the pension plan of Ex- Managing Director (Mr. Harsh K Jha) is set out below:

	For the year ended March 31, 2018	For the year ended March 31, 2017
a Discount rate	7.50%	7.75%

The Company expects to contribute ₹ 230.11 Lakh to the pension plan - Ex- Managing Director (Mr. Harsh K Jha) in financial year 2019.

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1% -> 7%, decrease by 1% -> 8%	Increase by 1% -> 7%, decrease by 1% -> 8%

The above sensitivity may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

iv. Post retirement medical benefits

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company account for the liability for post-retirement medical scheme based on an actuarial valuation.

(₹ Lakh)		
Change in defined benefit obligation	For the year ended March 31, 2018	For the year ended March 31, 2017
a Obligation as at the beginning of the year	20.74	19.91
b Current service cost	-	-
c Interest cost	1.44	1.55
d Employees' Contributions	-	-
e Remeasurement (gains)/losses	(0.42)	(0.72)
f Exchange rate variation	-	-
g Benefits paid	-	-
h Past Service costs	-	-
i Obligations of new companies acquired	-	-
j Obligations of companies disposed off	-	-
k Settlements	-	-
l Curtailments	-	-
Obligation as at the end of the year	21.76	20.74
Change in plan assets		
a Fair value of plan assets as at beginning of the year	-	-
b Interest income	-	-
c Remeasurement gains/(losses)	-	-
d Employers' Contributions	-	-
r Employees' Contributions	-	-
f Exchange rate variation	-	-
g Benefits paid	-	-
h Assets of new companies acquired	-	-
i Assets of companies disposed off	-	-
j Settlements	-	-
Fair value of plan assets as at end of the year	-	-

(₹ Lakh)		
Amount recognised in the balance sheet consists of	As at March 31, 2018	As at March 31, 2017
a Fair value of plan assets as at end of the year	-	-
b Present value of obligation as at the end of the year	21.76	20.74
Net Asset/(liability)	21.76	20.74
Retirement benefit asset - Current	-	-
Retirement benefit asset - Non current	-	-
Retirement benefit liability - Current	1.87	1.93
Retirement benefit liability - Non current	19.89	18.81

NOTES

TO THE FINANCIAL STATEMENTS

		(₹ Lakh)	
Cost recognised in the statement of profit and loss		For the year ended March 31, 2018	For the year ended March 31, 2017
a	Service cost		
	Current service cost	-	-
	Past Service Cost	-	-
b	Net interest expense	1.44	1.55
		1.44	1.55
Cost recognised in the statement of other comprehensive income			
a	The return on plan assets (excluding amounts included in net interest expense)	-	-
b	Actuarial gains and losses arising from changes in demographic assumption	0.48	(1.87)
c	Actuarial gains and losses arising from changes in financial assumption	(0.91)	1.15
d	Actuarial gains and losses arising from changes in experience adjustments	-	-
		(0.42)	(0.72)
Total cost recognised in the statement of profit and loss		1.02	0.83

The assumptions used in accounting for the post retirement medical benefits plans are set out below:

	For the year ended March 31, 2018	For the year ended March 31, 2017
a Discount rate	7.50%	7.00%

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and inflation cost:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase by 1% -> 16%, decrease by 1% -> 3%	Increase by 1% -> 16%, decrease by 1% -> 3%

The above sensitivity may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

v) Provident Fund

Contributions towards provident funds are recognised as expense for the year. The Company has set up a Provident Fund Trust which is administered by Trustees. Both the employees and the Company make monthly contributions to the Fund at specified percentage of the employee's salary and aggregate contributions along with interest thereon are paid to the employees/nominees at retirement, death or cessation of employment.

The Trust invests funds following a pattern of investments prescribed by the Government. The interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

The Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit Method and Deterministic Approach as outlined in the Guidance Not 29 issued by the Institute of Actuaries of India. Based on such valuation, no amount is required to be provided towards future anticipated shortfall with regard to interest rate obligation of the Company as at the Balance Sheet date. Disclosures given hereunder are restricted to the information available as per the Actuary's Report.

Principal Actuarial Assumptions	March 31, 2018
Discount Rate	7.50%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified)
Expected Return on Fund	8.55%

Total amount charged to the statement off Profit and Loss for the year ₹ 273.17 Lakh (Previous year ₹ 227.48 Lakh)

vi) Others

Others consist of company and employee contribution to:

- Employees Pension Scheme [Total amount charged to the Statement of Profit and Loss for the year ₹ 132.15 Lakh (Previous year 2016-17 ₹ 113.02 Lakh)]
- Employees State Insurance [Total amount charged to the Statement of Profit and Loss for the year ₹ 36.38 Lakh (Previous year 2016-17 ₹ 20.27 Lakh)]

Contribution to these schemes are made by the company as required as per the statute.

42. Assets Pledged as Security

The carrying amounts of assets pledge as security/collateral for current and non current borrowings as follows:

	(₹ Lakh)	
	As at March 31, 2018	As at March 31, 2017
Current		
First Charge	-	-
Inventories	19,865.82	16,019.06
Trade receivables	21,469.03	18,792.04
Cash and Cash equivalents	257.90	187.73
Other balances with banks	63.16	28.39
Other Financial Assets	2,895.02	1,952.36
Other Current Assets	3,843.33	5,297.95
Investments	1,001.12	-
	49,395.38	42,277.53
Non Current		
First Charge	-	1,589.79
Freehold Land	-	9,915.09
Freehold Buildings	10,171.53	47,070.87
Plant and Equipment	46,009.99	96.59
Furniture & Fixtures	119.06	80.98
Office Equipments	61.39	79.15
Vehicles	492.08	103.47
Data Processing Equipment	94.67	15.94
Railway Sidings	-	-
	56,948.72	58,951.88

NOTES

TO THE FINANCIAL STATEMENTS

43. Specified Bank Notes (SBNs)

	SBNs	Other denomination notes	(₹ Lakh) Total
Closing cash in hand as on November 8, 2016	0.89	0.30	1.19
Permitted Receipts	-	0.41	0.41
Permitted payments	-	(0.38)	(0.38)
Amount deposited in Banks during November 8, 2016 to December 30, 2016	(0.89)	-	(0.89)
Closing cash in hand as on December 30, 2016	-	0.33	0.33

For the purpose of this note, the term " Specified Bank Notes (SBNs) shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of economic Affairs number S.O.3407(E) dated 8th November, 2016.

44. Corporate social responsibility expense

Gross amount required to be spent by the Company during the year 2017-18 was ₹ 300.00 Lakh. The details of the amount spent during the year CSR activity as covered under Schedule-VII to the Companies Act, 2013 is given below:

	In cash		Yet to be paid in cash		Total	
Particulars	FY2017-18	FY2016-17	FY2017-18	FY2016-17	FY2017-18	FY2016-17
(i) Construction /Acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	300.00	205.21	-	-	300.00	205.21

45. Previous year's figures have been regrouped/reclassified where necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number: 057572
Kolkata, April 26, 2018

Koushik Chatterjee
Chairman

Subhra Sengupta
Chief Financial Officer

Mumbai, April 26, 2018

Sandeep Kumar
Managing Director

Sankar Bhattacharya
Company Secretary

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of Tata Metaliks Limited (CIN: L27310WB1990PLC050000) will be held on Monday, July 2, 2018 at "Kala Mandir", 48, Shakespeare Sarani, Kolkata – 700017 at 3:00 p.m. to transact following businesses:

Ordinary Business:

1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.

2. Declaration of Dividend

To declare dividend of ₹ 3/- per equity share of ₹ 10/- each for financial year 2017-18.

3. Appointment of Director

To appoint a Director in place of Mr. Koushik Chatterjee (DIN: 00004989), who retires by rotation and is eligible for re-appointment.

4. Ratification of Appointment of Statutory Auditors

To pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder, as amended till date, the Company does hereby ratify the appointment of Messrs. Price Waterhouse & Co Chartered Accountants LLP (Firm Registration No. 304026E/E-300009), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the 29th AGM of the Company to be held in the year 2019 to examine and audit the accounts of the Company for the Financial Year 2018-19 at such remuneration plus applicable taxes, out-of-pocket expenses etc., as may be mutually agreed to between the Board of Directors and the Auditors."

Special Business:

5. Approval for Related Party Transactions

To pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related

Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with T S Global Procurement Company Pte. Ltd., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Coking Coal, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 350 Crore for the financial year 2018-19, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED further that the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

6. Approval for Related Party Transactions

To pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Tata Steel Ltd., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Coal/ Coke, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 450 Crore for the financial year 2018-19, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED further that the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

7. Approval for Related Party Transactions

To pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions,

if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Tata Steel Ltd., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of iron ore lumps, fines and related items, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 200 Crore for the financial year 2018-19, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED further that the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

8. Ratification of Remuneration payable to Cost Auditors

To pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014, as amended till date, the Company does hereby ratify the remuneration of ₹ 2,50,000/- plus applicable taxes and out-of-pocket expenses payable to M/s Shome & Banerjee, Cost Accountants (Firm Registration Number 000001), who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct Cost Audit as may be required by the Central Government under the Act and the Rules framed thereunder, for the year ending March 31, 2019.

NOTES

- A Statement under Section 102 of the Companies Act, 2013 ("Act") relating to item nos. 5 to 8 as mentioned above is annexed hereto as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
- A Member entitled to attend and vote at the AGM is also entitled to appoint a Proxy to attend and vote at the AGM instead of himself/ herself and the Proxy need not be a Member of the Company.**
- A Proxy can act on behalf of Members not exceeding 50 and holding in aggregate not more than 10% of the total issued share capital of the Company carrying voting rights. However, a Member holding more than 10% of the total issued share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for another person or Shareholder. The instrument of Proxy, in order to be effective,

should be deposited at the Registered Office of the Company at least 48 hours prior to the commencement of AGM. Proxy form is annexed to this report.

- Members/ proxies/ authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the AGM.
- Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
- In case of joint holders attending the meeting, only such joint holders who are higher in the order of the names will be entitled to vote.
- The dividend on equity shares, as recommended by the Board of Directors, if approved at the AGM, will be paid on or before the close of business hours of July 7, 2018
- The Registers of Members and Share Transfer Books of the Company will remain closed from June 23, 2018 to July 2, 2018 (both days inclusive).
- Shareholders desiring any information mentioned in the Notice and accompanying statement shall be available for inspection by Members at the Registered Office of the Company
- Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting. As per the provisions of Section 72 of the Act, the facility for making nominations is available to the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to submit their nomination in Form No. SH-13. Nomination forms can be obtained from the office of the Registrar and Transfer Agent by Members holding shares in physical form. Members holding shares in electronic form may obtain nomination forms from their respective Depository Participants (DPs).
- Notice of AGM, Attendance Slip and Annual Report are sent to the Members in electronic mode whose email IDs are registered with the Company/ DP, unless the Members have requested for the hard copy of the same. To support **"Green Initiative"**, Members holding shares in physical form are requested to convert their shares in dematerialised form and the Members who have not yet registered their email IDs are requested hereby to register their respective email IDs with the Registrar and Transfer Agent of the Company.
- The route map to the AGM venue is annexed to the notice.

Voting through electronic means

- Pursuant to the provisions of Section 108 of the Act), read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended till date, Regulation 44 of Listing Regulations and the revised Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the

Company is pleased to provide the facility of e-voting to its Members. The Members can avail the said facility from a place other than the venue of the AGM (remote e-voting) which will be provided by National Securities Depository Limited ("NSDL").

- b) The remote e-voting period will commence on Friday, June 29, 2018 at 9:00 a.m. and will end on Sunday, July 1, 2018 at 5:00 p.m. During this period, Members holding shares either in physical form or in dematerialised form, as on the cut-off-date i.e. June 25, 2018, may cast their respective votes by remote e-voting. Thereafter, the remote e-voting module shall be disabled by NSDL. Once the vote on a resolution is cast, the Member shall not be permitted to change it subsequently.
- c) The facility of voting at the venue of AGM will be available only to the Members who have not cast their vote through remote e-voting. Members who have cast their vote by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their vote again.
- d) The Chairman shall, at the end of the Meeting, allow voting for all those Members who are present at the AGM but have not yet cast their vote.
- e) The Board of Directors has appointed Mr. P. V. Subramanian, Practicing Company Secretary, (ACS 4585/ C.P. No. 2077) as the Scrutiniser to scrutinise the entire e-voting process in a fair and transparent manner.
- f) Procedure for Remote E-voting

A. For Members receiving information electronically

In case a Member receives an email from NSDL [for Members whose email ID are registered with the Company/DPs];

- a) Please open and read the email received from NSDL and open attached PDF file with your Client ID or Folio No. as default password. The said PDF file contains your "User ID" and "Password" for remote e-voting. Please note that the password is an initial password.
- b) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com>
- c) Click on Shareholder – Login
- d) Enter user ID and password as initial password as mentioned in step (a) above. Click Login.
- e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. In case, you have earlier logged in at www.evoting.nsdl.com for exercising your vote relating to any other Company and you have already changed your password, please use the changed password.
- f) On successful login, Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

- g) Select "EVEN" (E-Voting Event Number) of Tata Metaliks Limited which is 108393.
- h) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Upon confirmation, the message "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be permitted to change it subsequently.
- i) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-voting system in future.

B. The instructions for e-voting for Members other than in (A) above:

In case a Member receives physical copy of the Notice of AGM (for the Members whose e-mail IDs are not registered with the Company/DPs):

- a) Initial "User ID" and "Password" are provided with the Notice. Please follow all steps from Sl. No. (b) to (i) above to cast vote.
- b) In case of any query, you may refer the 'Frequently Asked Questions' (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-9990.
- c) Institutional Shareholders (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the e-mail ID – pvs17@rediffmail.com with a copy marked to evoting@nsdl.co.in.
- d) Members who have acquired shares of the Company and became Members after dispatch of Annual Reports to the members but before the book closure date may obtain login ID and Password by sending a request at evoting@nsdl.co.in or investors@rdinfotech.in.
- e) However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password to cast your vote.
- f) If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- g) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. June 25, 2018.

- h) After conclusion of the voting at AGM, the Scrutiniser shall count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall prepare a consolidated Scrutiniser's Report of the total votes cast in favour or against, *if any*, not later than 48 hours of conclusion of the AGM and submit it to the Chairman or a person authorised by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- i) The Results declared along with the Report of the Scrutiniser shall be placed on the website of the Company www.tatametaliks.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing.

- j) Pursuant to Regulation 44 of the Listing Regulation, the Company shall submit voting result to BSE Limited and National Stock Exchange of India Limited within 48 hours of conclusion of the AGM.

By Order of the Board of Directors

Registered Office:

Tata Centre, 10th Floor,
43, J. L. Nehru Road
Kolkata- 700071

CIN: L27310WB1990PLC050000

Tel: 91 33 6613 4200

E-mail: investors@tatametaliks.co.in

Website: www.tatametaliks.com

Place: Mumbai

Date: April 26, 2018

Sankar Bhattacharya
Chief-Corporate Governance
& Company Secretary

Annexure to Notice

Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

Item No. 5

T S Global Procurement Company Pte. Ltd. (TSGPCPL) is involved in the business of trading of coke, steel and raw material. Coal/coke is a key raw material in your Company's business operations. TSGPCPL acts as a central procurement agency for Tata Steel Limited (TSL) and its related parties. Since TSGPCPL sources the same commodity for TSL, your Company is able to take advantage of the large volumes at a better negotiated price for its comparatively smaller volume.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

The value of proposed aggregate transactions with TSGPCPL is likely to exceed the said threshold limit, and is expected to be around ₹ 350.00 Crore during the financial year 2018-19.

Accordingly, transaction(s) entered into with TSGPCPL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with TSGPCPL in the financial year 2018-19.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with TSGPCPL are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	T S Global Procurement Company Pte. Ltd.
2	Name of the Director or KMP who is related	None
3	Nature of Relationship	Fellow Subsidiary
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase of raw material shall be on a continuous basis. Monetary value of proposed aggregate transactions during financial year 2018-19 is expected to be ₹ 350.00 Crore.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Coal needed for production process, available with related party at a market price and justified from economies of scale point of view.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 5 of this Notice as an Ordinary Resolution.

Item No. 6

To ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with Tata Steel Limited (TSL), which is the holding Company of your Company. The quantity to be purchased from TSL will be based on actual price of coal and conversion charge, thereby reducing the exposure to the volatility of coke price. The total value of the proposed transaction(s) could reach ₹ 450.00 Crore during financial year 2018-19.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

TSL, one of the largest steel producing companies in the world, is your Holding Company. Accordingly, transaction(s) entered into with TSL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with TSL in the financial year 2018-19.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with TSL are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	Tata Steel Limited
2	Name of the Director or KMP who is related	Mr. Koushik Chatterjee
3	Nature of Relationship	Holding Company (50.09% of paid-up Equity Share Capital)
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase of raw material shall be on a continuous basis. Monetary value of proposed aggregate transaction(s) during financial year 2018-19 is expected to be ₹ 450.00 Crore.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Raw material available with related party in-house and of desired quality at market price.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as an Ordinary Resolution.

Item No. 7

Your Company requires iron ore lumps, fines and related items for pig iron production. The iron ore from Khonbond, Joda and Noamundi mines of Tata Steel Limited (TSL) are perfect for the grade and quality your Company produces. To ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with TSL, which is your holding Company. The total value of the proposed transaction(s) could reach to ₹ 200.00 Crore during financial year 2018-19.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

TSL, one of the largest steel producing companies in the world, is your Holding Company. Accordingly, transaction(s) entered into with TSL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with TSL in the financial year 2018-19.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with TSL are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	Tata Steel Limited
2	Name of the Director or KMP who is related	Mr. Koushik Chatterjee
3	Nature of Relationship	Holding Company (50.09% of paid-up Equity Share Capital)
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase of iron ore lumps, fines and related items. Monetary value of proposed aggregate transaction(s) during financial year 2018-19 is expected to be ₹ 200.00 Crore.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Above materials are required for pig iron production.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item no. 7 of this Notice as an Ordinary Resolution.

Item No. 8

Pursuant to Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, as amended till date, the Company is required to conduct audit of its cost records by a Cost Accountant in Practice, as specified under the Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors of the Company has, on recommendation of the Audit Committee, appointed M/s Shome & Banerjee, Cost Accountants (Firm Registration Number 000001) as the Cost Auditors of the Company for the Financial Year ending March 31, 2019 at a remuneration of ₹ 2,50,000/- plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company at the AGM as set out at item no. 8 of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set forth in item no. 8 for approval of the Members.

By Order of the Board of Directors

Registered Office:

Tata Centre, 10th Floor,
43, J. L. Nehru Road
Kolkata- 700071
CIN: L27310WB1990PLC050000
Tel: 91 33 6613 4200
E-mail: investors@tatametaliks.co.in
Website: www.tatametaliks.com

Sankar Bhattacharya
Chief-Corporate Governance
& Company Secretary

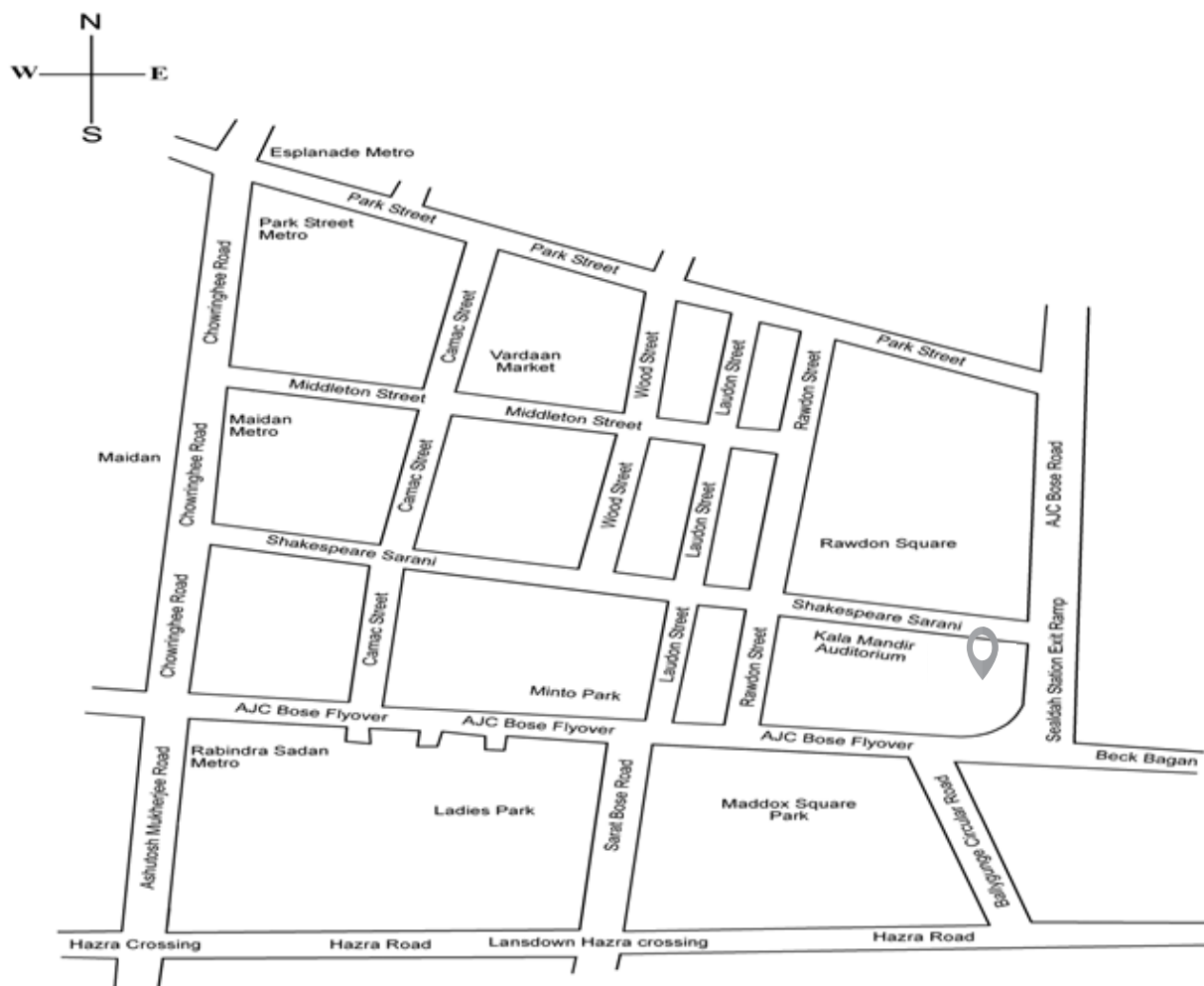
Place: Mumbai
Date: April 26, 2018

Details of Director seeking re-appointment at the AGM

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Koushik Chatterjee
DIN	00004989
Date of Birth	03.09.1968
Date of Appointment	24.07.2009
Qualification	B.Com (Hons.), FCA
Expertise in specific functional areas	Corporate Finance
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Tata Steel Limited
	Tata Steel Odisha Limited
	The Tinplate Company of India Ltd
	Tata Steel Special Economic Zone Limited
	Bistupur Steel Limited
	Bamnipal Steel Limited
	Dimna Steel Limited
Memberships/ Chairmanships of Committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Tata Steel Limited Stakeholders' Relationship Committee
Relationship between Directors, Manager and other Key Managerial Personnel inter-se	Nil
Shareholding in the Company	Nil
Attendance at Board meetings in FY 2017-18	Mr. Chatterjee attended all Board Meetings in FY 2017-18.
Remuneration	Mr. Chatterjee, being the Executive of TSL, was not paid any sitting fees and/ or Commission for FY 2017-18.

ROUTE MAP TO THE AGM VENUE



 Kala Mandir,
48, Shakespeare Sarani, Kolkata - 700 017

Landmark: Next to IDBI Bank, Zonal Office
 Nearest Bus-stop: AJC Road Crossing
 Nearest Metro Station: Maidan Metro Station
 Distance from AJC Road Crossing: 500 M
 Distance from Maidan Metro Station: 1.6 Km
 Distance from Rabindra Sadan Metro Station: 2.0 Km

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

NOTES

[illegible]



TATA METALIKS LIMITED

Registered Office – Tata Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata – 700 071

Tel: 91 33 66134200, Fax: 91 33 22884372 . CIN: L27310WB1990PLC050000.

Website: www.tatametaliks.com. Email: investors@tatametaliks.co.in

PROXY FORM (FORM NO. MGT 11]

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

28th ANNUAL GENERAL MEETING - 2 JULY, 2018 AT 3.00 P.M.

at "Kala Mandir", 48, Shakespeare Sarani, Kolkata – 700 017

Name of the Member(s)

Registered address:

E-mail Id: Folio No. /Client ID:

DP ID:

I/We, being the Member(s) of shares of Tata Metaliks Limited, hereby appoint

1. Name: Email ID:

Address:

or Failing him / her Signature:

2. Name: Email ID:

Address:

or Failing him / her Signature:

3. Name: Email ID:

Address:

or Failing him / her Signature:

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 28th Annual General Meeting of the Company to be held on Monday, 2 July, 2018 at 3.00 p.m at "Kala Mandir", 48, Shakespeare Sarani, Kolkata – 700017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	For	Against
Ordinary Business:			
1	Consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 March, 2018 and the Reports of the Board of Directors and Auditors thereon.		
2	Declare dividend of ₹ 3.00 per Equity Share of ₹ 10/- each for Financial Year 2017-18.		
3	Appointment of Director in place of Mr. Koushik Chatterjee (DIN: 00004989), who retires by rotation and is eligible for re-appointment.		
4	Ratification of Appointment of Statutory Auditors		
Special Business:			
5	Approval for Related Party Transaction		
6	Approval for Related Party Transaction		
7	Approval for Related Party Transaction		
8	Ratification of Cost Auditors' remuneration		

Signed this _____ day of _____, 2018

Signature of Shareholder

Affix
Revenue
Stamp

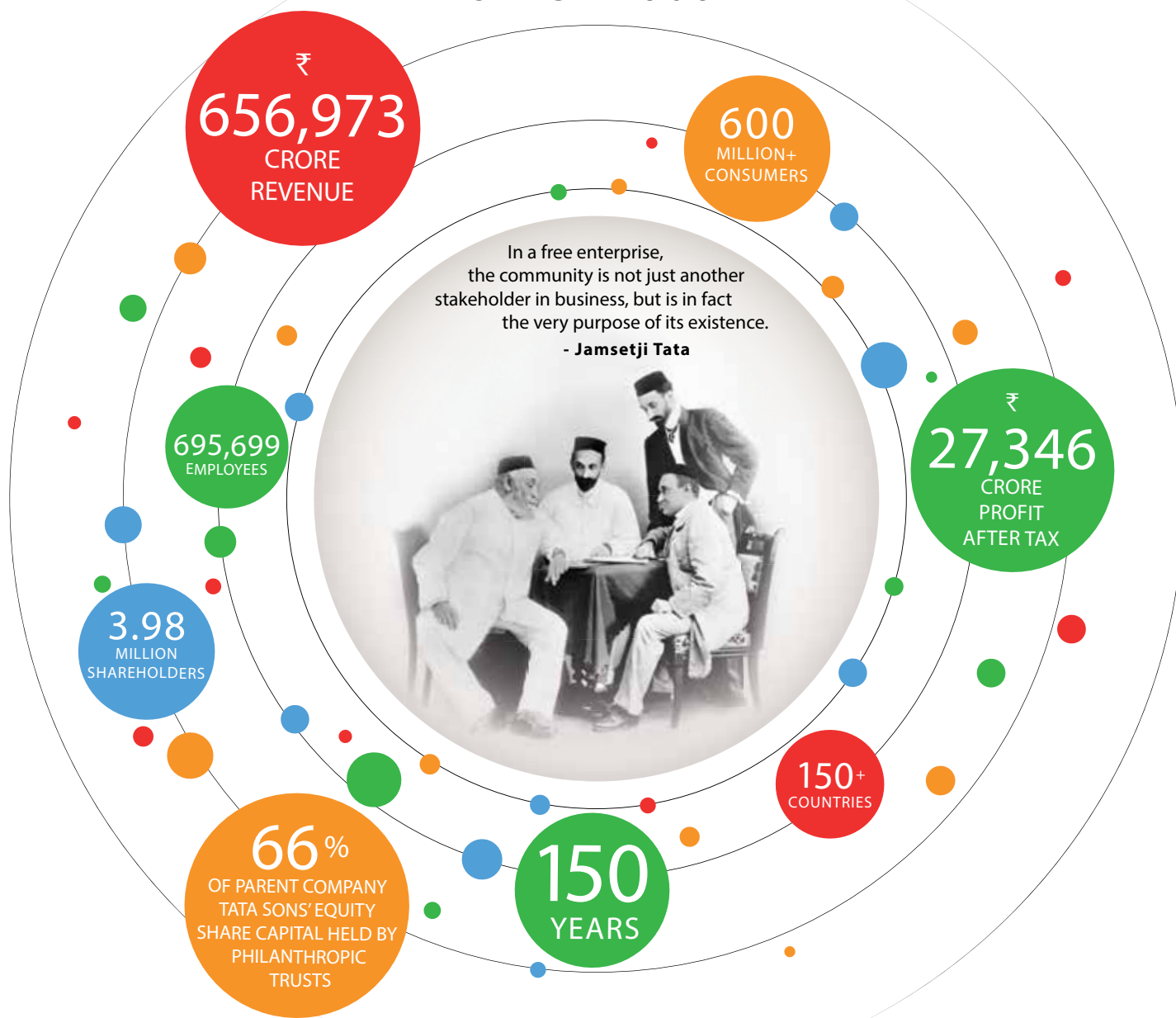
Signature of Proxy Holder (s)

NOTES:

- This Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

LEADERSHIP WITH TRUST

SINCE 1868



The figures are aggregated for Tata companies for the financial year ended 31.03.2017.

From pioneering businesses, to pioneering welfare practices,
to pioneering national institutions,
the Tata Group remains committed to improving the lives of communities
we serve globally, based on leadership with trust.

Picture (left to right): The four partners - Jamsetji Tata, Founder of the Tata Group; R. D. Tata, father of J. R. D. Tata;
Sir Ratan Tata, younger son of the Founder; and Sir Dorabji Tata, elder son of the Founder.



tata150.com



TATA METALIKS

Head Office

Tata Centre, 10th Floor
43, J.L. Nehru Road, Kolkata - 700071

Plant

Village Maheshpur
PO: Samraipur, Gokulpur, Kharagpur
Paschim Midnapur
Pincode - 721301, West Bengal

www.tatametaliks.com