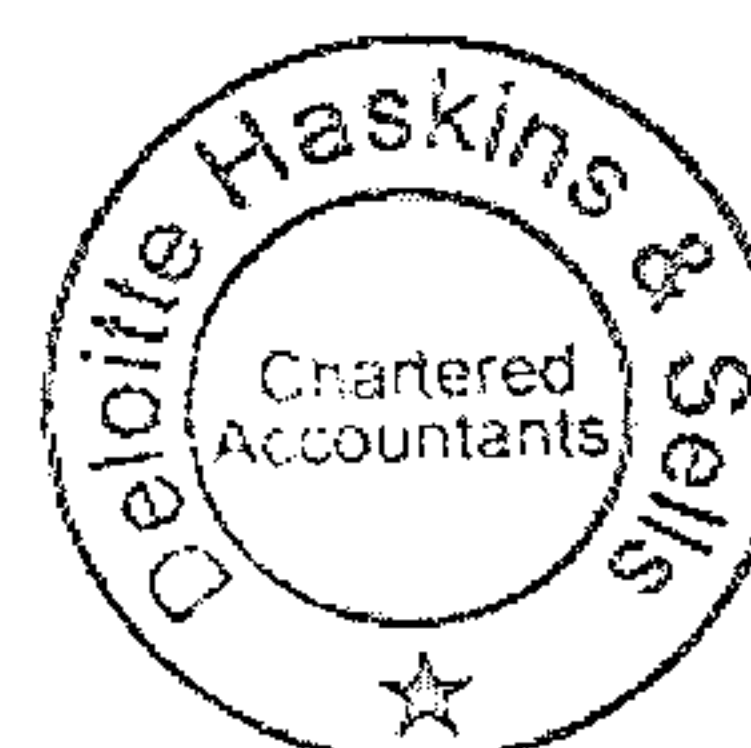


## AUDITORS' REPORT

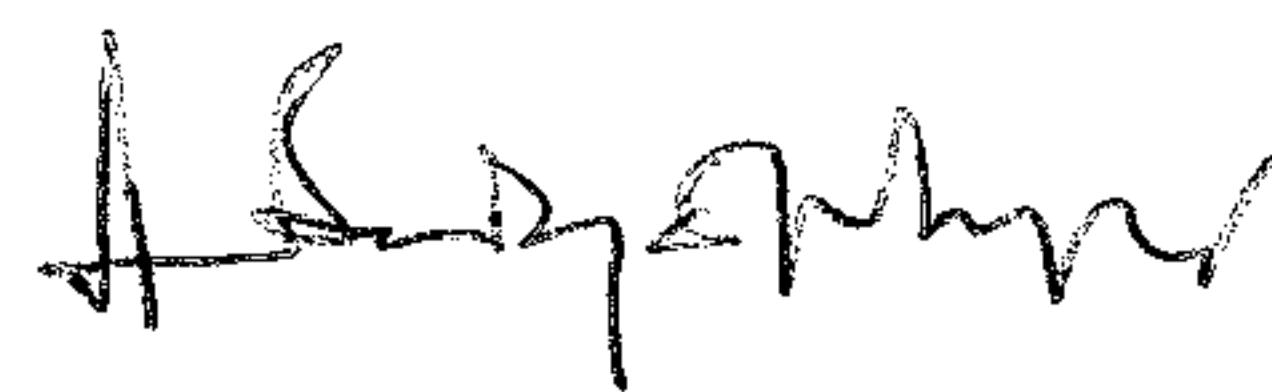
### TO THE BOARD OF DIRECTORS OF TATA SPONGE IRON LIMITED

1. We have audited the accompanying Statement of Audited Financial Results for the Quarter ended 30 June 2012 ("the Statement") of Tata Sponge Iron Limited ("the Company"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges. This Statement has been prepared on the basis of the related interim financial statements, which is the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related interim financial statement, which has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting notified under the Companies (Accounting Standards) Rules, 2006 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges and
  - ii) gives a true and fair view of the net profit and other financial information of the Company for the quarter and the year to date period ended 30 June 2012.



4. Further, we also report that we have traced from the details furnished by the Management, the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding, pledged / encumbered shares and non-encumbered shares of promoter and promoter group shareholders, in terms of Clause 35 of the Listing Agreements and the particulars relating to the undisputed investor complaints.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Registration No. 302009E)



Abhijit Bandyopadhyay  
Partner  
Membership No. 54785

Place: Joda

Date: 19 July 2012



# TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

Dist- Keonjhar, Orissa, Pin Code 758 034

## AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE,2012

| Part I                                                                                                                              |                                     |                                     |                                                                        |                                                     | (Rs. In Lacs) |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|---------------|
| Statement of Audited Results for the Quarter 30 June 2012                                                                           |                                     |                                     |                                                                        |                                                     |               |
| Particulars                                                                                                                         | 3 months ended 30.06.2012 (Audited) | Preceding 3 months ended 31.03.2012 | corresponding 3 months ended 30.06.2011 in the previous year (Audited) | Previous accounting year ended 31.03.2012 (Audited) |               |
| <b>1 Income from operations</b>                                                                                                     |                                     |                                     |                                                                        |                                                     |               |
| a) Net Sales/Income from operations (net of excise duty)                                                                            | 18,550                              | 17,769                              | 13,809                                                                 | 61,045                                              |               |
| b) Other Operating Income                                                                                                           | 352                                 | 608                                 | 760                                                                    | 2,349                                               |               |
| <b>Total Income from operations (net)</b>                                                                                           | <b>18,902</b>                       | <b>18,377</b>                       | <b>14,569</b>                                                          | <b>63,394</b>                                       |               |
| <b>2 Expenditure</b>                                                                                                                |                                     |                                     |                                                                        |                                                     |               |
| a) Cost of material consumed                                                                                                        | 15,753                              | 13,112                              | 10,068                                                                 | 43,748                                              |               |
| b) Purchase of Finished Goods                                                                                                       | -                                   | -                                   | -                                                                      | -                                                   |               |
| c) Changes in inventories of finished goods                                                                                         | (2,994)                             | (40)                                | (685)                                                                  | 27                                                  |               |
| d) Employee benefits expense                                                                                                        | 578                                 | 552                                 | 529                                                                    | 2,031                                               |               |
| e) Depreciation and amortisation expenses                                                                                           | 453                                 | 458                                 | 456                                                                    | 1,837                                               |               |
| f) Other expenses                                                                                                                   | 1,427                               | 2,206                               | 1,348                                                                  | 6,290                                               |               |
| <b>Total Expenses</b>                                                                                                               | <b>15,217</b>                       | <b>16,288</b>                       | <b>11,716</b>                                                          | <b>53,933</b>                                       |               |
| <b>3 Profit from Operations before other income, finance cost &amp; exceptional Items (1-2)</b>                                     | <b>3,685</b>                        | <b>2,089</b>                        | <b>2,853</b>                                                           | <b>9,461</b>                                        |               |
| <b>4 Other Income</b>                                                                                                               | <b>671</b>                          | <b>657</b>                          | <b>448</b>                                                             | <b>2,299</b>                                        |               |
| <b>5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>                                         | <b>4,356</b>                        | <b>2,746</b>                        | <b>3,301</b>                                                           | <b>11,760</b>                                       |               |
| <b>6 Finance Cost</b>                                                                                                               | <b>1</b>                            | <b>539</b>                          | <b>-</b>                                                               | <b>553</b>                                          |               |
| <b>7 Profit from ordinary activities after finance costs but before exceptional items (5-6)</b>                                     | <b>4,355</b>                        | <b>2,207</b>                        | <b>3,301</b>                                                           | <b>11,207</b>                                       |               |
| <b>8 Exceptional items</b>                                                                                                          | <b>-</b>                            | <b>-</b>                            | <b>-</b>                                                               | <b>-</b>                                            |               |
| <b>9 Profit from ordinary activities before tax (7 + 8)</b>                                                                         | <b>4,355</b>                        | <b>2,207</b>                        | <b>3,301</b>                                                           | <b>11,207</b>                                       |               |
| <b>10 Tax expense</b>                                                                                                               | <b>1,384</b>                        | <b>742</b>                          | <b>1,049</b>                                                           | <b>3,639</b>                                        |               |
| <b>11 Net Profit from ordinary activities after tax (9 - 10)</b>                                                                    | <b>2,971</b>                        | <b>1,465</b>                        | <b>2,252</b>                                                           | <b>7,568</b>                                        |               |
| <b>12 Extraordinary items (net of tax expenses)</b>                                                                                 | <b>-</b>                            | <b>-</b>                            | <b>-</b>                                                               | <b>-</b>                                            |               |
| <b>13 Net Profit for the period (11 - 12)</b>                                                                                       | <b>2,971</b>                        | <b>1,465</b>                        | <b>2,252</b>                                                           | <b>7,568</b>                                        |               |
| <b>14 Paid up equity share capital (Face value : Rs.10 per share)</b>                                                               | <b>1,540</b>                        | <b>1,540</b>                        | <b>1,540</b>                                                           | <b>1,540</b>                                        |               |
| <b>15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year</b>                                  |                                     |                                     |                                                                        | <b>55,305</b>                                       |               |
| <b>16 Earnings Per share (EPS)</b>                                                                                                  |                                     |                                     |                                                                        |                                                     |               |
| a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not annualised) | 19.29                               | 9.51                                | 14.62                                                                  | 49.14                                               |               |
| b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised)  | 19.29                               | 9.51                                | 14.62                                                                  | 49.14                                               |               |
| see accompanying note to the financial results                                                                                      |                                     |                                     |                                                                        |                                                     |               |

# TATA SPONGE IRON LIMITED

Regd. Office : Joda , Post- Joda

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| PART II                                                                                      |                                     |                                               |                                                                        |                                                     |
|----------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------|------------------------------------------------------------------------|-----------------------------------------------------|
| Select information for the quarters ended 30 June 2012                                       |                                     |                                               |                                                                        |                                                     |
| Particulars                                                                                  | 3 months ended 30.06.2012 (Audited) | Preceding 3 months ended 31.03.2012 (Audited) | corresponding 3 months ended 30.06.2011 in the previous year (Audited) | Previous accounting year ended 31.03.2012 (Audited) |
| <b>A PARTICULARS OF SHAREHOLDING</b>                                                         |                                     |                                               |                                                                        |                                                     |
| <b>1 Public shareholding</b>                                                                 |                                     |                                               |                                                                        |                                                     |
| - Number of Shares                                                                           | 8,740,486                           | 8,740,486                                     | 8,674,864                                                              | 8,740,486                                           |
| -Percentage of shareholdings                                                                 | 56.76                               | 56.76                                         | 56.33                                                                  | 56.76                                               |
| <b>2 Promoters and promoter group Shareholding</b>                                           |                                     |                                               |                                                                        |                                                     |
| <b>a) Pledged/Encumbered</b>                                                                 |                                     |                                               |                                                                        |                                                     |
| - No. of shares                                                                              | Nil                                 | Nil                                           | Nil                                                                    | Nil                                                 |
| - Percentage of shares (as a % of the total shareholding of the promoter and promoter group) | Nil                                 | Nil                                           | Nil                                                                    | Nil                                                 |
| - Percentage of shares (as a % of the total share capital of the company)                    | Nil                                 | Nil                                           | Nil                                                                    | Nil                                                 |
| <b>b) Non-encumbered</b>                                                                     |                                     |                                               |                                                                        |                                                     |
| - No. of shares                                                                              | 6,659,514                           | 6,659,514                                     | 6,725,136                                                              | 6,659,514                                           |
| - Percentage of shares (as a % of the total shareholding of the promoter and promoter group) | 100.00                              | 100.00                                        | 100.00                                                                 | 100.00                                              |
| - Percentage of shares (as a % of the total share capital of the company)                    | 43.24                               | 43.24                                         | 43.67                                                                  | 43.24                                               |

|          | Particulars                                | 3 months ended 30.06.2012 |
|----------|--------------------------------------------|---------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                 |                           |
|          | Pending at the beginning of quarter        | 3                         |
|          | Received during the quarter                | 3                         |
|          | Disposed of during the quarter             | 3                         |
|          | Remaining unresolved at the end of quarter | 3                         |

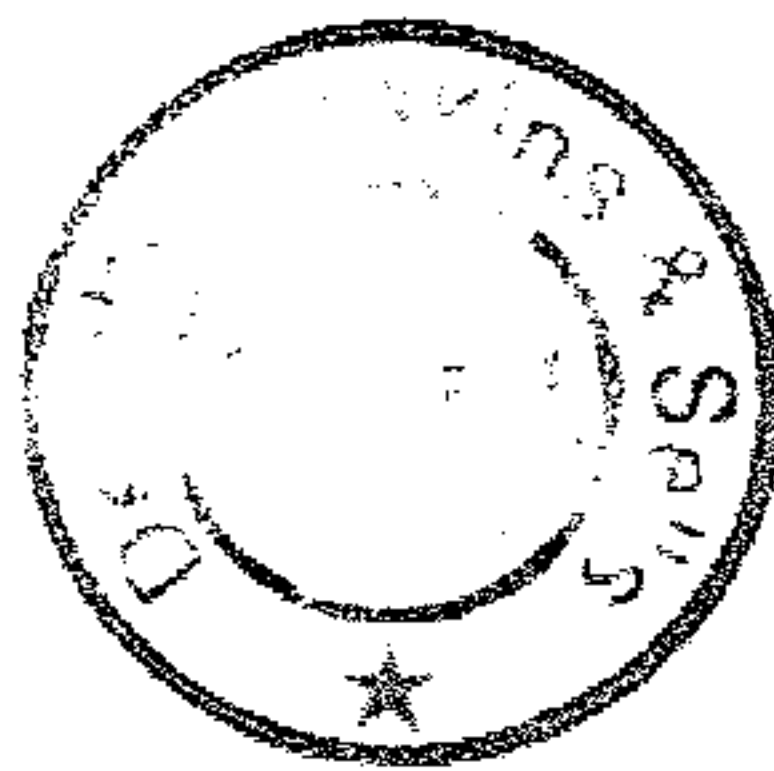
## Notes :

- Figures for the previous period/year have been regrouped and reclassified to conform to the classification of current period, where necessary.
- Sponge iron is the only reportable segment in accordance with the Accounting Standard 17 - Segment Reporting issued pursuant to the Companies (Accounting Standards) Rules, 2006.
- The above results have been approved at the meeting of the Board of Directors held on 19 July, 2012.
- The figures of the preceding 3 months ended 31.03.2012 are the balancing figure between audited figures in respect of the full financial year and the published year to date figures upto the 3rd quarter of the previous financial year.

For Deloitte Haskins & Sells Chartered Accountants

Abhijit Bandyopadhyay  
Partner

Joda, 19 July 2012



For and on behalf of the Board of Directors

Suresh Thawani  
Managing Director

Joda, 19 July, 2012