
Auditors' Report

TO THE BOARD OF DIRECTORS OF TATA STEEL LIMITED

Report on the Condensed Financial Statements

We have audited the accompanying condensed financial statements of **TATA STEEL LIMITED** ("the Company"), which comprise the Condensed Balance Sheet as at 31 December 2012, the Condensed Statement of Profit and Loss for the quarter and nine months ended 31 December 2012 and the Condensed Cash Flow Statement for the nine months ended 31 December 2012 and the Selected Explanatory Notes.

Management's Responsibility for the Condensed Financial Statements

The Company's Management is responsible for the preparation of these condensed financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Standard 25 (Interim Financial Reporting), as notified by the Companies (Accounting Standards) Rules, 2006 ("AS 25") and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these condensed financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the condensed financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the condensed financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the condensed financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the condensed financial statements 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 Management, as well as evaluating the overall presentation of the condensed financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid condensed financial statements give a true and fair view in conformity with AS 25 and the accounting principles generally accepted in India:

- (a) in the case of the Condensed Balance Sheet, of the state of affairs of the Company as at 31 December 2012;
- (b) in the case of the Condensed Statement of Profit and Loss, of the profit of the Company for the quarter and nine months ended 31 December 2012; and
- (c) in the case of the Condensed Cash Flow Statement, of the cash flows of the Company for the nine months ended 31 December 2012.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No.117366W)

N. Venkatram

Partner
(Membership No. 71387)

Mumbai, 13 February 2013

Condensed Balance Sheet as at 31st December, 2012

Note	Page		₹ Crores	As at 31.03.2012 ₹ Crores
		EQUITY AND LIABILITIES		
		(1) SHAREHOLDERS' FUNDS		
2	F-208	(a) Share Capital	971.41	971.41
3	F-209	(b) Reserves and surplus	54,205.25	51,649.95
			55,176.66	52,621.36
4	F-210	(2) HYBRID PERPETUAL SECURITIES	2,275.00	2,275.00
		(3) NON-CURRENT LIABILITIES		
5	F-210	(a) Long-term borrowings	22,460.02	21,353.20
6	F-210	(b) Deferred tax liabilities (net)	1,343.50	970.51
7	F-211	(c) Other long-term liabilities	523.63	298.03
		(d) Long-term provisions	1,918.51	1,851.30
			26,245.66	24,473.04
		(4) CURRENT LIABILITIES		
5	F-210	(a) Short-term borrowings	1,089.56	65.62
8	F-211	(b) Trade payables	6,230.79	5,883.92
9	F-211	(c) Other current liabilities	8,385.40	8,716.57
7	F-211	(d) Short-term provisions	780.81	2,172.38
			16,486.56	16,838.49
			100,183.88	96,207.89
		ASSETS		
		(5) NON-CURRENT ASSETS		
		(a) Fixed assets		
10	F-212	(i) Tangible assets	22,895.38	11,142.36
11	F-212	(ii) Capital work-in-progress	8,434.72	16,046.75
		(iii) Intangible assets	221.12	223.90
			31,551.22	27,413.01
12	F-213	(b) Non-current investments	49,702.68	49,078.35
13	F-216	(c) Foreign currency monetary item translation difference account	428.02	404.90
14	F-217	(d) Long-term loans and advances	6,972.06	6,489.30
15	F-218	(e) Other non-current assets	2.83	2.76
			88,656.81	83,388.32
		(6) CURRENT ASSETS		
16	F-218	(a) Current investments	1,326.58	1,204.17
17	F-218	(b) Inventories	6,161.39	4,858.99
18	F-218	(c) Trade receivables	755.28	904.08
19	F-219	(d) Cash and bank balances	790.24	3,946.99
14	F-217	(e) Short-term loans and advances	2,334.46	1,783.16
20	F-219	(f) Other current assets	159.12	122.18
			11,527.07	12,819.57
			100,183.88	96,207.89
1-32	F-208	Notes forming part of Condensed Financial Statements		

Condensed Statement of Profit and Loss for the quarter/nine months ended 31st December, 2012

Note	Page		Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
		(1) REVENUE				
21	F-219	(a) Revenue from operations	10,393.40	9,138.97	30,403.53	26,659.85
		Less: Excise duty	1,023.09	757.12	2,974.63	2,205.82
			9,370.31	8,381.85	27,428.90	24,454.03
22	F-219	(b) Other Income	35.72	197.60	427.30	703.50
		TOTAL REVENUE	9,406.03	8,579.45	27,856.20	25,157.53
		(2) EXPENSES				
		(a) Raw materials consumed	2,498.89	2,187.73	7,458.67	5,867.02
		(b) Purchase of finished, semi-finished and other products	174.92	62.94	335.40	145.28
23	F-220	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(242.99)	(112.90)	(980.72)	(407.90)
24	F-220	(d) Employee benefits expense	883.86	733.15	2,572.98	2,110.93
25	F-220	(e) Depreciation and amortisation expense	433.94	289.07	1,179.61	861.48
26	F-220	(f) Finance costs	508.98	481.12	1,417.35	1,411.46
27	F-221	(g) Other expenses	3,750.86	3,006.26	10,743.03	8,548.06
			8,008.46	6,647.37	22,726.32	18,536.33
		(h) Less: Expenditure (other than interest) transferred to capital and other accounts	221.41	139.47	522.68	354.52
		TOTAL EXPENSES	7,787.05	6,507.90	22,203.64	18,181.81
		(3) PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	1,618.98	2,071.55	5,652.56	6,975.72
28	F-221	(4) EXCEPTIONAL ITEMS				
		(a) Profit on sale of non-current investments	—	—	9.60	511.01
			1,618.98	2,071.55	5,662.16	7,486.73
		(5) PROFIT BEFORE TAX				
		(6) TAX EXPENSE				
		(a) Current tax	327.56	646.50	1,284.05	2,390.00
		(b) MAT Credit	(121.35)	—	(255.16)	—
		(b) Deferred tax	366.38	3.79	879.51	(39.18)
			572.59	650.29	1,908.40	2,350.82
		(7) PROFIT AFTER TAX	1,046.39	1,421.26	3,753.76	5,135.91
29	F-221	(8) BASIC EARNINGS PER SHARE (₹)	10.31	14.35	37.26	52.20
29	F-221	(9) DILUTED EARNINGS PER SHARE (₹)	10.31	13.69	37.26	51.18
1-32	F-208	Notes forming part of Condensed Financial Statements				

Condensed Cash Flow Statement for the nine months ended 31st December, 2012

	₹ Crores	Apr-Dec. 11 ₹ Crores
A. Cash Flow from Operating Activities:		
Net Profit before tax	5,662.16	7,486.73
Adjustments for:		
Depreciation and amortisation expense	1,179.61	861.48
Impairment of fixed assets	3.56	5.69
(Profit)/Loss on sale of assets/discarded assets written off	(5.17)	55.40
Provision for diminution in value of investments	5.43	—
Profit on sale of non-current investments	(9.60)	(511.01)
(Gain)/Loss on cancellation of forwards, swaps and options	(13.32)	23.18
Interest and income from current investments	(265.48)	(664.59)
Income from non-current investments	(143.33)	(117.49)
Finance costs	1,417.35	1,411.46
Provision for wealth tax	1.35	1.20
Exchange (Gain)/Loss on revaluation of foreign currency loans and swaps	405.94	154.21
	2,576.34	1,219.53
	8,238.50	8,706.26
Operating Profit before Working Capital Changes		
Adjustments for:		
Trade and other receivables	1,139.21	447.86
Inventories	(1,302.40)	(1,281.06)
Trade payables and other liabilities	921.91	1,688.79
	758.72	855.59
Cash Generated from Operations	8,997.22	9,561.85
Direct tax paid	(1,567.12)	(2,328.89)
Net Cash Flow from Operating Activities	7,430.10	7,232.96
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(5,384.11)	(4,747.02)
Sale of fixed assets	8.92	8.02
Purchase of other non-current investments	(1.57)	(1,867.81)
Purchase of investments in subsidiaries ⁽³⁾	(1,927.86)	(16.51)
Sale of other non-current investments	0.87	—
Sale/Redemption of investments in subsidiaries	226.38	576.10
(Purchase)/Sale of current investments (net)	61.94	518.55
Inter-corporate deposits/Shareholder loan given	(122.20)	(235.93)
Refund of inter-corporate deposits/shareholders' loan	50.00	3,959.85
Interest and income from current investments received	44.10	331.51
Dividend received	143.33	117.49
Net Cash Flow from Investing Activities	(6,900.20)	(1,355.75)

Condensed Cash Flow Statement for the nine months ended 31st December, 2012

	₹ Crores	Apr-Dec. 11 ₹ Crores
C. Cash Flow from Financing Activities:		
Proceeds from Hybrid Perpetual Securities	—	775.00
Proceeds from borrowings	4,975.60	1,723.38
Repayment of borrowings	(6,083.95)	(4,461.05)
Amount received/(paid) on cancellation of forwards, swaps and options	18.11	(13.73)
Expenses on issue of equity instruments	—	(16.08)
Distribution on Hybrid Perpetual Securities	(177.99)	(134.45)
Interest paid ⁽²⁾	(1,257.26)	(1,432.14)
Dividend paid	(1,165.46)	(1,151.06)
Net Cash from Financing Activities	(3,690.95)	(4,710.13)
Net increase/(decrease) in Cash and Cash equivalents (A + B + C)	(3,161.05)	1,167.08
Opening Cash and Cash equivalents [Note 19, Page F-219]	3,900.53	4,102.52
Closing Cash and Cash equivalents [Note 19, Page F-219]	739.48	5,269.60

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised ₹ 128.56 crores (Apr-Dec 11: ₹ 212.24 crores).
- (3) Investment in subsidiaries represents the portion of purchase consideration discharged in cash during the period and includes application money on investments ₹ 1,318.15 crores (Apr-Dec 11: ₹ 1,867.72 crores).
- (4) The Company has transferred net assets of ₹ 296.46 crores (including ₹ 96.78 crores invested during the period) to Jamshedpur Continuous Annealing & Processing Company Private Limited against equity investments.
- (5) Previous year figures have been recast / restated where necessary.

NOTES FORMING PART OF CONDENSED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis for Accounting

The condensed financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31st March, 2012. The accounting policies applied by the Company in this condensed financial statement for the quarter/nine months ended 31st December, 2012 are same as those applied in its annual financial statement as at and for the year ended 31st March, 2012.

The condensed financial statements have been prepared in accordance with the requirements of Accounting Standard 25 "Interim Financial Reporting" issued by the Institute of Chartered Accountants of India. In the opinion of management, all adjustments which are necessary for a fair presentation have been included. The results of interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the full year.

2. SHARE CAPITAL

(Item No. 1(a), Page F-204)

		₹ Crores	As at 31.03.2012 ₹ Crores
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each (31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)	1,750.00	1,750.00
35,00,00,000	"A" Ordinary Shares of ₹ 10 each (31.03.2012: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)	350.00	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each (31.03.2012: 2,50,00,000 Shares of ₹ 100 each)	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each (31.03.2012: 60,00,00,000 Shares of ₹ 100 each)	6,000.00	6,000.00
		8,350.00	8,350.00
Issued:			
97,21,26,020	Ordinary Shares of ₹ 10 each (31.03.2012: 96,01,26,020 Ordinary Shares of ₹ 10 each)	972.13	972.13
Subscribed and Paid up:			
97,12,14,545	Ordinary Shares of ₹ 10 each fully paid up (31.03.2012: 97,12,14,545 Ordinary Shares of ₹ 10 each)	971.21	971.21
389,516	Amount paid up on Ordinary Shares forfeited (31.03.2012: 3,89,516 Shares of ₹ 10 each)	0.20	0.20
		971.41	971.41

3. RESERVES AND SURPLUS

(Item No. 1(b), Page F-204)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Capital Reserve		
Balance as per last account	1.49	1.49
(b) Capital Redemption Reserve		
Balance as per last account	0.83	0.83
(c) Securities Premium Reserve		
Balance as per last account	18,877.91	18,211.72
Amount received on conversion of Warrants	—	700.80
Expenses related to CARS/NCD/GDR/Hybrid Securities/ preferential and public issue of equity shares	(8.37)	(9.39)
Exchange difference on redemption premium of CARS	(41.01)	(25.22)
Discount/Premium on issue of NCD	(1,013.63)	—
	17,814.90	18,877.91
(d) Debenture Redemption Reserve		
Balance as per last account	2,046.00	2,046.00
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	46.26	44.74
Received during the year	—	1.52
	46.26	46.26
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) General Reserve		
Balance as per last account	9,416.70	8,747.06
Amount transferred from Statement of Profit and Loss	—	669.64
	9,416.70	9,416.70
(l) Surplus in the Statement of Profit and Loss		
Profit & Loss account – Surplus / (Deficit)	21,145.04	16,639.46
Balance of Centennial Steel Company Limited on amalgamation	—	(0.87)
Profit for the period	3,753.76	6,696.42
Distribution on Hybrid Perpetual Securities [net of tax of ₹ 65.05 crores (2011-12: ₹ 83.24 crores)]	(135.45)	(173.30)
Proposed dividend	—	(1,165.46)
Tax on dividend	—	(181.57)
Transfer to General Reserve	—	(669.64)
	24,763.35	21,145.04
	54,205.25	51,649.95

4. HYBRID PERPETUAL SECURITIES

(Item No. 2, Page F-204)

Hybrid Perpetual Securities

₹ Crores

2,275.00

2,275.00

As at
31.03.2012

₹ Crores

2,275.00

2,275.00

5. BORROWINGS

(Item No. 3(a) and 4(a), Page F-204)

A. Secured Borrowings

- (a) Term loans
(i) From financial institutions and others

	Long - Term	Short - Term	₹ Crores Total
	1,975.61	—	1,975.61
	1,975.61	—	1,975.61

	Long - Term	Short - Term	₹ Crores Total
	1,915.47	—	1,915.47
	1,915.47	—	1,915.47

B. Unsecured Borrowings

- (a) Bonds/Debentures
(i) Non-convertible debentures
(ii) 4.5% Foreign Currency Convertible Bonds
(b) Term loans
(i) From banks
(ii) From financial institutions and others
(c) Deferred payment liabilities
(d) Commercial Papers
(e) Other loans

	10,160.35	—	10,160.35
	3,007.60	—	3,007.60
	6,467.46	75.36	6,542.82
	849.00	—	849.00
	—	—	—
	—	968.77	968.77
	—	45.43	45.43
	20,484.41	1,089.56	21,573.97
	22,460.02	1,089.56	23,549.58

	7,328.40	—	7,328.40
	2,782.81	—	2,782.81
	8,473.72	—	8,473.72
	849.00	—	849.00
	3.80	—	3.80
	—	—	—
	—	65.62	65.62
	19,437.73	65.62	19,503.35
	21,353.20	65.62	21,418.82

6. OTHER LONG-TERM LIABILITIES

(Item No. 3(c) Page F-204)

- (a) Creditors for capital supplies/services
(b) Others

₹ Crores

242.53

281.10

523.63

As at
31.03.2012

₹ Crores

210.11

87.92

298.03

7. PROVISIONS

(Item No. 3(d) and 4(d), Page F-204)

	₹ Crores			As at 31.03.2012		
	Long - Term	Short - Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits	1,366.47	93.49	1,459.96	1,254.40	76.58	1,330.98
(b) Provision for employee separation compensation	552.04	157.96	710.00	596.90	167.83	764.73
(c) Provision for taxation	—	524.63	524.63	—	757.78	757.78
(d) Provision for fringe benefit tax	—	4.73	4.73	—	4.73	4.73
(e) Proposed dividend	—	—	—	—	1,165.46	1,165.46
	<u>1,918.51</u>	<u>780.81</u>	<u>2,699.32</u>	<u>1,851.30</u>	<u>2,172.38</u>	<u>4,023.68</u>

8. TRADE PAYABLES

(Item No. 4(b), Page F-204)

	₹ Crores		As at 31.03.2012	
	₹ Crores		₹ Crores	
(a) Creditors for supplies/services	5,255.65		5,021.76	
(b) Creditors for accrued wages and salaries	<u>975.14</u>		<u>862.16</u>	
	<u>6,230.79</u>		<u>5,883.92</u>	

9. OTHER CURRENT LIABILITIES

(Item No. 4(c), Page F-204)

	₹ Crores		As at 31.03.2012	
	₹ Crores		₹ Crores	
(a) Current maturities of long-term borrowings	4,103.01		4,753.43	
(b) Interest accrued but not due on borrowings	421.46		601.51	
(c) Unpaid dividend	50.12		45.81	
(d) Application money received due for refund and interest accrued thereon	0.16		0.17	
(e) Unpaid matured deposits and interest accrued thereon	0.22		0.33	
(f) Advances received from customers	248.16		333.47	
(g) Creditors for other liabilities	<u>3,562.27</u>		<u>2,981.85</u>	
	<u>8,385.40</u>		<u>8,716.57</u>	

10. TANGIBLE ASSETS

(Item No. 5(a)(i), Page F-204)

₹ crores

Tangible Assets	Freehold Land and Roads	Leasehold Land	Freehold Buildings	Leasehold Buildings	Plant and Machinery	Furniture and Fxtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2012	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
Additions during the period	64.85	—	1,415.54	—	11,038.02	7.42	17.76	28.99	197.94	12,770.52
Deductions during the period	0.01	—	—	—	6.51	0.07	0.45	4.50	—	11.54
Exchange fluctuations capitalised during the period	—	—	—	—	108.35	—	—	—	—	108.35
Gross Block as at 31.12.2012	532.63	191.65	2,677.62	0.90	31,524.48	46.11	130.49	219.87	401.26	35,725.01
Impairment as at 01.04.2012	131.95	—	1.25	—	—	—	—	—	—	133.20
Impairment during the period	3.56	—	—	—	—	—	—	—	—	3.56
Impairment as at 31.12.2012	135.51	—	1.25	—	—	—	—	—	—	136.76
Accumulated depreciation as at 01.04.2012	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
Depreciation during the period	3.98	1.63	47.78	0.01	1,026.34	5.85	11.58	12.52	12.02	1,121.71
Depreciation on assets written off during the period (including adjustments for transfers)	—	—	—	—	6.46	0.07	0.45	3.98	—	10.96
Accumulated depreciation as at 31.12.2012	33.81	14.90	461.57	0.73	11,833.24	42.08	97.41	102.12	107.01	12,692.87
Total accumulated depreciation and impairment as at 31.12.2012	169.32	14.90	462.82	0.73	11,833.24	42.08	97.41	102.12	107.01	12,829.63
Net book value as at 31.12.2012	363.31	176.75	2,214.80	0.17	19,691.24	4.03	33.08	117.75	294.25	22,895.38

₹ crores

Tangible Assets	Freehold Land and Roads	Leasehold Land	Freehold Buildings	Leasehold Buildings	Plant and Machinery	Furniture and Fxtures	Office Equipments	Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2011	440.02	191.65	1,175.11	0.90	19,900.69	36.13	96.72	193.75	190.34	22,225.31
Additions during the year	28.10	—	89.88	—	520.81	3.31	19.93	11.09	12.98	686.10
Deductions during the year	0.33	—	2.91	—	69.64	0.68	3.47	9.46	—	86.49
Exchange fluctuations capitalised during the year	—	—	—	—	32.76	—	—	—	—	32.76
Gross Block as at 31.03.2012	467.79	191.65	1,262.08	0.90	20,384.62	38.76	113.18	195.38	203.32	22,857.68
Impairment as at 01.04.2011	125.05	—	1.25	—	—	—	—	—	—	126.30
Impairment during the year	6.90	—	—	—	—	—	—	—	—	6.90
Impairment as at 31.03.2012	131.95	—	1.25	—	—	—	—	—	—	133.20
Accumulated depreciation as at 01.04.2011	25.47	11.09	379.88	0.69	9,862.82	33.22	79.49	87.61	86.16	10,566.43
Depreciation during the year	4.37	2.18	34.96	0.03	1,016.13	3.81	10.97	14.55	8.83	1,095.83
Depreciation on assets written off during the year (including adjustments for transfers)	0.01	—	1.05	—	65.59	0.73	4.18	8.58	—	80.14
Accumulated depreciation as at 31.03.2012	29.83	13.27	413.79	0.72	10,813.36	36.30	86.28	93.58	94.99	11,582.12
Total accumulated depreciation and impairment as at 31.03.2012	161.78	13.27	415.04	0.72	10,813.36	36.30	86.28	93.58	94.99	11,715.32
Net book value as at 31.03.2012	306.01	178.38	847.04	0.18	9,571.26	2.46	26.90	101.80	108.33	11,142.36

11. INTANGIBLE ASSETS

(Item No. 5(a)(iii), Page F-204)

₹ crores

Intangible Assets	Software Costs	Development of property	Total
Gross Block as at 01.04.2012	81.52	546.43	627.95
Additions during the year	35.29	19.83	55.12
Gross Block as at 31.03.2012	116.81	566.26	683.07
Accumulated amortisation as at 01.04.2012	71.08	332.97	404.05
Amortisation during the year	6.55	51.35	57.90
Amortisation as at 31.03.2012	77.63	384.32	461.95
Net book value as at 31.03.2012	39.18	181.94	221.12

₹ crores

Intangible Assets	Software Costs	Development of property ^(a)	Total
Gross Block as at 01.04.2012	80.09	540.86	620.95
Additions during the year	1.47	5.57	7.04
Deductions during the year	0.04	—	0.04
Gross Block as at 31.03.2012	81.52	546.43	627.95
Accumulated amortisation as at 01.04.2012	64.46	283.97	348.43
Amortisation during the year	6.61	49.00	55.61
Amortisation on assets written off during the year (including adjustments for transfers)	(0.01)	—	(0.01)
Amortisation as at 31.03.2012	71.08	332.97	404.05
Net book value as at 31.03.2012	10.44	213.46	223.90

12. NON-CURRENT INVESTMENTS

(Item No. 5(b), Page F-204)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ Crores	As at 31.03.2012 ₹ Crores
Trade investments			
(I) Investments in Equity Shares			
(a) Investments in Subsidiary Companies			
(i) Quoted			
(1) Indian Steel & Wire Products Ltd.*	54,74,030	—	—
(2) Tata Metaliks Ltd.	1,17,99,992	11.80	11.80
(3) Tayo Rolls Limited	55,87,372	48.57	48.57
(4) Tata Sponge Iron Ltd. (became subsidiary during the period) (1,734,040 shares acquired during the period)	78,54,000	72.98	—
(5) The Tinplate Company of India Ltd. (14,653,470 shares acquired during the period)	76,872,692	388.75	301.09
		522.10	361.46
(ii) Unquoted			
(1) Adityapur Toll Bridge Company Limited	1,50,00,000	14.44	14.44
(2) Gopalpur Special Economic Zone Limited	10,00,000	1.00	1.00
(3) Jamshedpur Continuous Annealing & Processing Co. [445,690,000 (net) shares acquired during the period]	44,57,40,000	445.74	0.05
(4) Jamshedpur Utilities & Services Company Limited	2,03,50,000	20.35	20.35
(5) Kalimati Investment Company Ltd.	1,63,87,469	86.68	86.68
(6) Lanka Special Steel Ltd. (Face value of LKR 10 each)	25,00,000	1.16	1.16
(7) NatSteel Asia Pte Ltd. (Face value of SGD 1 each)	28,14,37,128	773.86	773.86
(8) Sila Eastern Ltd. (Face value of THB 100 each)	9,800	0.10	0.10
(9) T M International Logistics Limited	91,80,000	9.18	9.18
(10) T M Mining Company Limited	74,000	0.07	0.07
(11) Tata Incorporated N.Y (Face value of USD 1,000 each)	1,500	1.64	1.64
(12) Tata Korf Engineering Services Ltd.*	2,40,386	—	—
(13) Tata Steel (KZN) (Pty) Ltd. (Face value of ZAR 1 each)	12,96,00,000	84.70	84.70
(14) Tata Steel Holdings Pte Ltd. (Face value of GBP 1 each)	5,65,90,52,090	45,588.50	45,588.50
(15) Tata Steel Processing and Distribution Limited	6,82,50,000	274.45	274.45
(16) Tata Steel Odisha Ltd. (50,000 shares acquired during the period)	50,000	0.05	—
(17) The Tata Pigments Limited (Face value of ₹ 100 each)	75,000	0.70	0.70
(18) TS Alloys Ltd.	4,33,09,271	56.24	56.24
		47,358.86	46,913.12
		47,880.96	47,274.58
Carried forward		47,880.96	47,274.58

12. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page F-204)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ Crores	As at 31.03.2012 ₹ Crores
Brought forward		47,880.96	47,274.58
(b) Investments in Joint Ventures			
(i) Unquoted			
(1) Bhubaneshwar Power Pvt. Ltd.	56,90,800	5.69	5.69
(2) Himalaya Steel Mill Services Private Limited	36,19,945	3.61	3.61
(3) mjunction services limited	40,00,000	4.00	4.00
(4) S & T Mining Company Private Ltd. (15,00,000 shares acquired during the period)	74,46,400	7.45	5.95
(5) Tata BlueScope Steel Limited (30,00,000 shares acquired during the period)	35,80,00,000	358.00	328.00
(6) Tata NYK Shipping Pte Ltd. (Face value of USD 1 each)	2,85,00,000	127.28	127.28
(7) The Dhamra Port Company Limited	32,40,00,000	324.00	324.00
		830.03	798.53
(c) Investments in Associate Companies			
(i) Quoted			
(1) Indian Steel Rolling Mills Ltd.*	3,30,115	—	—
(2) Kumardhubi Fireclay and Silica Works Ltd.*	1,50,001	—	—
(3) Tata Construction and Projects Ltd.*	5,61,335	—	—
(4) Tata Sponge Iron Limited	—	—	7.20
(5) TRF Limited	35,85,428	4.38	4.38
		4.38	11.58
(ii) Unquoted			
(1) Industrial Energy Ltd.	8,65,80,000	86.58	86.58
(2) Jamipol Limited	31,75,000	3.18	3.18
(3) Kalinga Aquatics Ltd.*	10,49,920	—	—
(4) Kumardhubi Metal Casting and Engineering Ltd.*	10,70,000	—	—
(5) Nicco Jubilee Park Limited *	3,40,000	—	—
(6) Strategic Energy Technology Systems Pvt. Ltd.	2,34,09,000	23.41	22.16
(7) TRL Krosaki Refractories Limited	42,39,360	25.88	25.88
		139.05	137.80
		143.43	149.38
Carried forward		48,854.42	48,222.49

12. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page F-204)

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ Crores	As at 31.03.2012 ₹ Crores
Brought forward		48,854.42	48,222.49
(d) Investments in Others			
(i) Quoted			
(1) Housing Development Finance Corporation Ltd.	7,900	0.01	0.01
(2) Tata Motors Ltd. (Face value of ₹ 2 each)	14,78,10,695	261.43	261.43
(3) The Tata Power Company Ltd. (Face value of ₹ 1 each)	1,73,18,180	30.48	30.48
(4) Others ₹ 40,275 (31.03.2012: ₹ 40,275)		0.01	0.01
		291.93	291.93
(ii) Unquoted			
(1) IFCL Venture Capital Funds Ltd.	1,00,000	0.10	0.10
(2) Panatone Finvest Ltd.	45,000	0.05	0.05
(3) Steelscape Consultancy Pvt. Ltd.	50,000	0.03	0.05
(4) Tarapur Environment Protection Society	30,424	0.31	0.31
(5) Tata Industries Ltd. (Face value of ₹ 100 each)	84,42,582	149.62	149.62
(6) Tata International Ltd. (Face value of ₹ 1,000 each)	9,480	6.23	6.23
(7) Tata Projects Ltd. (Face value of ₹ 100 each)	90,000	0.18	0.18
(8) Tata Services Ltd. (Face value of ₹ 1,000 each)	1,621	0.16	0.16
(9) Tata Teleservices Ltd.	6,31,53,638	134.06	134.06
(10) Others ₹ 32,496 (31.03.2012: ₹ 32,495)		—	—
		290.74	290.76
		582.67	582.69
(II) Investments in Preference Shares			
(a) Investments in Subsidiary Companies			
(i) Unquoted			
(1) Tata Metaliks Ltd. 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	1,00,00,000	100.00	100.00
(2) Tayo Rolls Limited 8.50% non-cumulative redeemable preference shares (Face value of ₹ 100 each)	65,00,000	65.00	65.00
(3) The Tinplate Company of India Ltd.# 8.50% optionally convertible redeemable non-cumulative preference shares (Face value of ₹ 100 each) (1,310,000 shares partly redeemed during the period)	1,09,90,000	101.62	108.17
		266.62	273.17
(III) Investments in Debentures/Bonds			
(a) Investments in Associate Companies			
(i) Unquoted			
(1) Tata Construction and Projects Ltd.* 10% Convertible debentures of ₹ 100 each	43,000	—	—
Provision for Diminution in value of Investments Investments in Equity Shares		1.03	—
		49,702.68	49,078.35

* These investments are carried at a book value of ₹ 1.00
includes ₹ 0.03 crore incurred towards stamp duty.

12. NON-CURRENT INVESTMENTS (continued)

(Item No. 5(b), Page F-204)

Additional information:

	No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified	₹ Crores	As at 31.03.2011 ₹ Crores
(1) Carrying value of Quoted Investments		818.41	664.97
(2) Carrying value of Unquoted Investments		48,884.27	48,413.38
		<u>49,702.68</u>	<u>49,078.35</u>
		₹	₹
(3) Equity instruments (Others) - Quoted - Others include:			
(a) Reliance Firebrick and Pottery. Co. Ltd. (Partly paid-up)	16,800	1	1
(b) Reliance Firebrick and Pottery. Co. Ltd.	2,400	1	1
(c) Sanderson Industries Ltd.	2,27,642	1	1
(d) Sijua (Jherriah) Electric Supply Co. Ltd.	4,144	40,260	40,260
(e) Standard Chrome Ltd.	5,58,000	1	1
(f) Timken India Ltd.	1	10	10
(g) Wellman Incandescent India Ltd.	8,99,100	1	1
		<u>40,275</u>	<u>40,275</u>
(4) Equity instruments (Others) - Unquoted - Others include:			
(a) Barajamda Iron Ore Mine Workers' Central Co-operative Stores Ltd. (Face Value of ₹ 25 each)	200	5,000	5,000
(b) Bokaro and Ramgarh Ltd.	100	16,225	16,225
(c) Ferro Manganese Plant Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(d) Jamshedpur Co-operative House Building Society Ltd. (Face Value of ₹ 100 each)	10	1,000	1,000
(e) Jamshedpur Co-operative Stores Ltd. (Face Value of ₹ 5 each)	50	250	250
(f) Jamshedpur Educational and Culture Co-operative Society Ltd. (Face Value of ₹ 100 each)	50	5,000	5,000
(g) Joda East Iron Mine Employees' Consumer Co-operative Society Ltd. (Face Value of ₹ 25 each)	100	2,500	2,500
(h) Malusha Travels Pvt. Ltd.	2	20	20
(i) Woodland Multispeciality Hospital Ltd.	1,25,000	1	1
		<u>32,496</u>	<u>32,496</u>

13. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Item No. 5(c), Page F-204)

	₹ Crores	As at 31.03.2012 ₹ Crores
Foreign Currency Monetary Item Translation Difference Account	428.02	404.90
	<u>428.02</u>	<u>404.90</u>

Additional information:

- (1) The Company has elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

As on 31st December, 2012, a debit of ₹ 428.02 crores (31.03.2012: ₹ 404.90 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 406.67 crores (Apr-Dec 11: ₹ 170.06 crores) for the nine months ended and ₹ 56.50 crores (Oct-Dec 11: ₹ 17.70 crores) for the quarter ended 31st December, 2012 in the Statement of Profit and Loss on account of amortisation. The depreciation for the nine months ended is higher by ₹ 5.30 crores (Apr-Dec 11: ₹ 2.35 crores) and is higher by ₹ 3.50 crores (Oct-Dec 11: ₹ 1.42 crores) for the quarter ended 31st December, 2012 and Profit before tax for the nine months ended is higher by ₹ 135.62 crores (Apr-Dec 11: higher by ₹ 754.39 crores) and is higher by ₹ 154.24 crores (Oct-Dec 11: higher by ₹ 433.84 crores) for the quarter ended 31st December, 2012.

14. LOANS AND ADVANCES

(Item No. 5(d) and 6(e), Page F-204)

	₹ Crores			As at 31.03.2012 ₹ Crores		
	Long - Term	Short - Term	Total	Long - Term	Short - Term	Total
(a) Capital advances						
Unsecured, considered good	2,331.47	—	2,331.47	2,459.88	—	2,459.88
(b) Security deposits						
Unsecured, considered good	102.82	—	102.82	83.72	—	83.72
Unsecured, considered doubtful	1.55	—	1.55	1.45	—	1.45
Less: Provision for bad & doubtful loans and advances	1.55	—	1.55	1.45	—	1.45
	102.82	—	102.82	83.72	—	83.72
(c) Advance with public bodies						
Unsecured and considered good	356.53	493.15	849.68	268.82	589.06	857.88
Unsecured and considered doubtful	12.61	2.44	15.05	16.45	1.87	18.32
Less: Provision for bad & doubtful loans and advances	12.61	2.44	15.05	16.45	1.87	18.32
	356.53	493.15	849.68	268.82	589.06	857.88
(d) Loans and advances to related parties						
Unsecured, considered good	3,177.34	248.58	3,425.92	1,907.28	77.76	1,985.04
Unsecured, considered doubtful	4.40	—	4.40	—	—	—
Less: Provision for bad & doubtful loan and advances	4.40	—	4.40	—	—	—
	3,177.34	248.58	3,425.92	1,907.28	77.76	1,985.04
(e) MAT credit entitlement						
Unsecured, considered good	—	255.16	255.16	—	—	—
(f) Advance payment against taxes						
Unsecured, considered good	396.84	—	396.84	279.19	—	279.19
(g) Other loans and advances						
Unsecured, considered good	607.06	1,337.57	1,944.63	1,490.41	1,116.34	2,606.75
Unsecured, considered doubtful	0.75	40.50	41.25	0.39	27.61	28.00
Less: Provision for bad & doubtful loans and advances	0.75	40.50	41.25	0.39	27.61	28.00
	607.06	1,337.57	1,944.63	1,490.41	1,116.34	2,606.75
	6,972.06	2,334.46	9,306.52	6,489.30	1,783.16	8,272.46

15. OTHER NON-CURRENT ASSETS

(Item No. 5(e), Page F-204)

Balances with banks

₹ Crores
2.83
2.83

As at
31.03.2012
₹ Crores
2.76
2.76

16. CURRENT INVESTMENTS

(Item No. 6(a), Page F-204)

Investments in Mutual Funds – Unquoted
Liquid Funds

₹ Crores
1,326.58
1,326.58

As at
31.03.2012
₹ Crores
1,204.17
1,204.17

17. INVENTORIES

(At lower of cost and net realisable value)

(Item No. 6(b), Page F-204)

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished and semi-finished goods
- (d) Stock-in-trade of goods acquired for trading
- (e) Stores and spares

₹ Crores
2,104.61
60.24
2,614.28
0.62
1,381.64
6,161.39

As at
31.03.2012
₹ Crores
2,241.96
53.83
1,639.83
0.76
922.61
4,858.99

Included above, goods-in-transit:

- (i) Raw materials
- (ii) Finished and semi-finished goods
- (iii) Stores and spares

579.23
13.11
215.04
807.38

462.40
1.55
98.19
562.14

18. TRADE RECEIVABLES

(Item No. 6(c), Page F-204)

- (a) More than six months
- (b) Others

Less: Provision for doubtful trade receivables - Over six months old

₹ Crores
37.63
731.90
769.53
14.25
755.28

As at
31.03.2012
₹ Crores
34.51
880.91
915.42
11.34
904.08

Unsecured, considered good
Doubtful

755.28
14.25
769.53

904.08
11.34
915.42

19. CASH AND BANK BALANCES

(Item No. 6(d), Page F-204)

	₹ Crores	As at 31.03.2011 ₹ Crores
(a) Cash in hand	0.50	0.36
(b) Cheques, drafts on hand	51.78	22.76
(c) Remittances in-transit	30.95	7.70
(d) Balances with banks	656.25	3,869.71
Total cash and cash equivalents	739.48	3,900.53
(e) Earmarked Balances with banks*	50.76	46.46
	790.24	3,946.99

* Represents ₹ 0.17 crores (31.03.2012: ₹ 0.17 crores) refund orders issued on account of oversubscription of Rights Issue and follow on public offer of equity shares not encashed as on 31st December 2012, ₹ 0.48 crores (31.03.2012: ₹ 0.48 crores) in pre-funded accounts for bonus issue & CCPS related payments, ₹ 50.11 Crores (31.03.2012: ₹ 45.81 crores) in pre-funded dividend accounts.

20. OTHER CURRENT ASSETS

(Item No. 6(f), Page F-204)

	₹ Crores	As at 31.03.2012 ₹ Crores
Interest accrued on deposits, loans and advances	159.12	122.18
	159.12	122.18

21. REVENUE FROM OPERATIONS

(Item No. 1(a), Page F-205)

	Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
(a) Sale of products	10,059.94	8,848.73	29,398.14	25,711.81
(b) Sale of power and water	222.57	204.86	662.86	690.86
(c) Income from town, medical and other services	8.77	8.11	36.21	42.12
(d) Other operating income	102.12	77.27	306.32	215.06
	10,393.40	9,138.97	30,403.53	26,659.85

22. OTHER INCOME

(Item No. 1(b), Page F-205)

	Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
(a) Dividend Income				
(i) From investment in subsidiaries	(1.25)	—	70.42	46.18
(ii) From investment in joint ventures and associates	—	—	10.67	9.11
(iii) From other non-current investments	0.90	—	62.24	62.20
(b) Interest Income	22.07	127.62	81.13	343.58
(c) Net gain/(loss) on sale of current investments	15.16	96.27	184.35	321.01
(d) Profit on sale of capital assets (net of loss on assets sold/written off)	(1.69)	0.53	5.17	(55.40)
(e) Gain/(Loss) on cancellation of forwards, swaps and options	0.53	(26.82)	13.32	(23.18)
	35.72	197.60	427.30	703.50

23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Item No. 2(c), Page F-205)

Inventories at the end of the period

- (a) Work-in-progress
- (b) Finished and semi-finished goods
- (c) Stock-in-trade of goods acquired for trading

Inventories at the beginning of the period

- (a) Work-in-progress
- (b) Finished and semi-finished goods
- (c) Stock-in-trade of goods acquired for trading

Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
60.24	54.72	60.24	54.72
2,614.28	1,826.21	2,614.28	1,826.21
0.62	0.67	0.62	0.67
2,675.14	1,881.60	2,675.14	1,881.60
51.11	33.72	53.83	81.19
2,380.38	1,734.33	1,639.83	1,391.91
0.66	0.65	0.76	0.60
2,432.15	1,768.70	1,694.42	1,473.70
242.99	112.90	980.72	407.90

24. EMPLOYEE BENEFITS EXPENSE

(Item No. 2(d), Page F-205)

- (a) Salaries and wages, including bonus
- (b) Contribution to provident and other funds
- (c) Staff welfare expenses

Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
712.40	608.88	2,117.81	1,753.53
110.48	87.10	269.34	249.67
60.98	37.17	185.83	107.73
883.86	733.15	2,572.98	2,110.93

25. DEPRECIATION AND AMORTISATION EXPENSE

(Item No. 2(e), Page F-205)

- (a) Depreciation on tangible assets
- (b) Amortisation of intangible assets

Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
420.27	275.09	1,121.71	819.27
13.67	13.98	57.90	42.21
433.94	289.07	1,179.61	861.48

26. FINANCE COSTS

(Item No. 2(f), Page F-205)

- (a) Interest expense
 - (i) Debentures/bonds and fixed loans
 - (ii) Others
- (b) Other borrowing costs

Less: Interest capitalised

Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
470.28	488.93	1,387.82	1,485.92
61.10	54.89	91.68	96.14
33.14	13.54	66.41	41.64
564.52	557.36	1,545.91	1,623.70
55.54	76.24	128.56	212.24
508.98	481.12	1,417.35	1,411.46

27. OTHER EXPENSES

(Item No. 2(g), Page F-205)

	Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
(a) Consumption of stores and spares	581.09	447.31	1,541.99	1,243.00
(b) Repairs to buildings	21.86	12.07	60.23	32.04
(c) Repairs to machinery	343.10	317.43	986.34	811.93
(d) Relining expenses	9.01	6.89	25.49	21.08
(e) Fuel oil consumed	48.58	43.26	141.71	123.71
(f) Purchase of power	624.42	452.08	1,759.83	1,343.44
(g) Conversion charges	537.95	402.57	1,466.07	1,082.65
(h) Freight and handling charges	563.28	443.93	1,561.44	1,240.35
(i) Rent	6.38	6.11	26.54	20.33
(j) Royalty	287.70	250.05	903.86	675.08
(k) Rates and taxes	97.83	106.08	332.23	268.87
(l) Insurance charges	10.26	8.19	31.02	27.65
(m) Commission, discounts and rebates	35.58	30.54	100.35	95.14
(n) Provision for wealth tax	0.50	0.50	1.35	1.20
(o) Provision for doubtful debts and advances	0.13	3.28	17.39	0.40
(p) Excise duty	60.88	6.67	177.58	84.40
(q) Others	522.31	469.30	1,609.61	1,476.79
	3,750.86	3,006.26	10,743.03	8,548.06

28. EXCEPTIONAL ITEM

(Item No. 4(a), Page F-205)

During the nine months ended December 2012, the Company divested 49% stake in Jamshedpur Continuous Annealing & Processing Company Private Limited (JCAPL) to Nippon Steel Corporation of Japan, the Venture Partner at a profit of ₹ 9.60 crores.

During the nine months ended December 2011, the Company sold part of its investment in TRL Krosaki Refractories Limited (formerly Tata Refractories Limited) (TRL) to Krosaki Harima Corporation for ₹ 576.10 crores. Consequently, the Company's holding in TRL have reduced to 26.46%. Accordingly, it ceased to be a subsidiary and became an associate. Profit on sale of non-current investment" of ₹ 511.01 crores represents gain on sale of these shares.

29. EARNINGS PER SHARE (EPS)

(Item No. 8 and 9, Page F-205)

	Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.12.2011 ₹ Crores	Nine months ended 31.12.2012 ₹ Crores	Nine months ended 31.12.2011 ₹ Crores
(a) Profit after tax	1,046.39	1,421.26	3,753.76	5,135.91
Less: Distribution on Hybrid Perpetual Securities (net of tax)	45.32	45.19	135.45	128.61
Profit attributable to ordinary shareholders – for Basic EPS	1,001.07	1,376.07	3,618.31	5,007.30
Add: Adjustment for NIL (Apr-Dec 11: 5,469.35) 4.5% Foreign Currency Convertible Bonds	—	(4.92)	—	117.00
Profit attributable to ordinary shareholders – for Diluted EPS	1,001.07	1,371.15	3,618.31	5,124.30
	Nos.	Nos.	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	971,214,523	959,214,450	971,214,475	959,214,450
Add: Adjustment for 5,469.35 (31.03.2011: 5,469.35) 4.5% Foreign Currency Convertible Bonds	—	42,112,297	—	42,112,297
Weighted average no. of Ordinary Shares for Diluted EPS	971,214,523	1,001,326,747	971,214,475	1,001,326,747
(c) Nominal value of Ordinary Shares	₹ 10	₹ 10	₹ 10	₹ 10
(d) Basic Earnings per Ordinary Share	10.31	14.35	37.26	52.20
(e) Diluted Earnings per Ordinary Share	10.31	13.69	37.26	51.18

30. CONTINGENT LIABILITY

(a) Claims not acknowledged by the Company

		₹ Crores
		<i>As at</i> <i>31.03.2012</i>
(i) Excise	463.44	320.81
(ii) Customs	13.70	13.69
(iii) Sales Tax and VAT	530.60	539.99
(iv) State Levies	299.37	202.13
(v) Suppliers and Service Contract	76.82	74.31
(vi) Labour Related	44.34	41.69
(vii) Income Tax	17.92	17.92
(viii) Royalty (Iron ore)	81.91	80.35

(b) The Company has given guarantees aggregating ₹ 584.21 crores (31.03.2012: ₹ 391.58 crores) to banks and financial institutions on behalf of others. As at 31st December, 2012, the contingent liabilities under these guarantees amount to ₹ 584.21 crores (31.03.2012: ₹ 391.58 crores).

(c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2012: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2012: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2012: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.

(e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for de-coiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi, which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the de-coiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st December, 2012, will be approximately ₹ 298.88 crores (31.03.2012: ₹ 298.88 crores). However, the Company has already paid duty amounting to ₹ 196.48 crores (31.03.2012: ₹ 196.48 crores) till date based on the final sale price of the material.

(f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved to the Supreme Court against the order of Odisha High Court and the case is pending with Supreme Court. The potential liability, as of 31st December, 2012 would be approximately ₹ 2,783.19 crores (31.03.2012: ₹ 2,085.88 crores).

(g) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgment and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 406.37 crores (31.03.2012: ₹ 384.64 crores) and has been considered as a contingent liability.

(h) The Company has availed Cenvat credit on the invoices issued by input service distributors (ISD) i.e by Head office and Branch offices during the period 2006-07 to 2010-11. The Excise department has alleged that CENVAT credit can be distributed by an office of the manufacturer only. Accordingly, the head office can only distribute the CENVAT credit of input services and sales offices are not authorised to issue ISD invoices. The Company contested that as per rule any office of the manufacturer can issue ISD invoices for availment of cenvat credit. All the activities performed at Sales offices are the activities related to business and eligible for cenvat credit. The Commissioner, Central excise and service tax has passed an order on 08.08.12 confirming the demand of ₹ 89.25 (31.03.2012: ₹ NIL) crores along with penalty of ₹ 89.25 crores (31.03.2012: ₹ NIL).

(i) Bills discounted ₹ 437.46 crores (31.03.2012: ₹ 174.78 crores).

31. SEGMENT REPORTING

Primary Segment Information (Business Segment)

	₹ Crores					
Particulars	Quarter ended on 31.12.2012	Quarter ended on 30.09.2012	Quarter ended on 31.12.2011	Nine Months ended on 31.12.2012	Nine Months ended on 31.12.2011	Financial year ended on 31.03.2012
	(1)	(2)	(3)	(4)	(5)	(6)
Revenue by Business Segment:						
Steel business	8,564.44	8,383.47	7,688.07	25,152.73	22,643.46	31,331.71
Ferro Alloys and Minerals	796.11	793.93	675.83	2,301.64	1,753.82	2,473.98
Others	494.21	511.53	484.87	1,500.67	1,464.97	2,002.42
Total	9,854.76	9,688.93	8,848.77	28,955.04	25,862.25	35,808.11
Less: Inter segment revenue	484.45	538.37	466.92	1,526.14	1,408.22	1,874.65
Net sales / income from operations	9,370.31	9,150.56	8,381.85	27,428.90	24,454.03	33,933.46
Segment results before finance costs, exceptional items and tax:						
Steel business	2,039.18	2,183.77	2,240.28	6,651.57	7,465.96	10,276.29
Ferro Alloys and Minerals	173.02	189.92	148.43	549.60	401.26	530.45
Others	9.52	1.44	11.22	23.68	44.65	63.61
Unallocated income / (expenditure)	(93.76)	(10.50)	152.74	(154.94)	475.31	401.41
Total Segment results before finance costs, exceptional items and tax	2,127.96	2,364.63	2,552.67	7,069.91	8,387.18	11,271.76
Less: Finance costs	508.98	453.93	481.12	1,417.35	1,411.46	1,925.42
Profit / (Loss) before exceptional items and tax	1,618.98	1,910.70	2,071.55	5,652.56	6,975.72	9,346.34
Exceptional items:						
Profit / (Loss) on sale of non-current investments	—	9.60	—	9.60	511.01	511.01
Profit / (Loss) before tax	1,618.98	1,920.30	2,071.55	5,662.16	7,486.73	9,857.35
Less: Tax expense	572.59	569.49	650.29	1,908.40	2,350.82	3,160.93
Net Profit / (Loss)	1,046.39	1,350.81	1,421.26	3,753.76	5,135.91	6,696.42
Segment Capital Employed:						
Steel business	30,413.92	29,189.04	23,817.70	30,413.92	23,817.70	26,147.62
Ferro Alloys and Minerals	351.59	368.23	180.89	351.59	180.89	195.43
Others	259.15	253.74	279.78	259.15	279.78	243.39
Unallocated	2,371.81	2,778.91	9,105.40	2,371.81	9,105.40	4,508.89
Total	33,396.47	32,589.92	33,383.77	33,396.47	33,383.77	31,095.33

32. Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, where necessary.

AUDITORS' REPORT ON THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF TATA STEEL LIMITED

1. We have reviewed the accompanying Condensed Consolidated Balance Sheet of **TATA STEEL LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31 December 2012, the related Condensed Consolidated Statement of Profit and Loss for the quarter and nine months ended 31 December 2012 and the Condensed Consolidated Cash Flow Statement for the nine months ended 31 December 2012 both annexed thereto and the Selected Explanatory Notes. The Condensed Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements have been approved by the Board of Directors of the Company. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express a conclusion on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. (a) Without modifying our report we invite the attention to the Note 3(1) of the financial statements regarding accounting policy for recognition of actuarial valuation change of Rs. 1,822.06 crores (net of taxes) [Gross: Rs. 2,032.79 crores] in the pension funds of Tata Steel Europe Ltd, a subsidiary, for reasons specified therein. Had the Company recognised actuarial valuation changes in the Statement of Profit and Loss:
 - i) the loss before tax for the quarter ended 31 December 2012 would have been Rs. 407.01 crores and the profit before tax for the nine months ended 31 December 2012 would have resulted in a loss before tax of Rs. 589.74 crores;
 - ii) the tax expense for the quarter and nine months ended 31 December 2012 would have been Rs. 574.14 crores and Rs. 1,917.19 crores respectively; and
 - iii) the loss after taxes, minority interest and share of associates for the quarter and nine months ended 31 December 2012 would have been Rs. 955.57 crores and Rs. 2351.17 crores respectively.
- (b) (i) The financial statements of five overseas subsidiaries and one subsidiary in India whose financial statements reflect a) total assets of Rs. 30,632.80 crores as at 31 December 2012; b) total revenue of Rs. 21,568.08 crores and Rs. 69,466.99 crores for the quarter and nine months ended 31 December 2012 respectively; and c) net cash out flows amounting to Rs. 3402.78 crores for the nine months ended 31 December 2012 as considered in the Condensed Consolidated Financial Statements have been reviewed/audited by other auditors.
- (ii) The financial statements of an associate having a carrying value of Rs. 72.99 crores as at 31 December 2012 after accounting for the Group's share of profit after tax of Rs. 0.69 crore and Rs. 1.85 crores for the quarter and nine months ended 31 December 2012 respectively, have been audited by another auditor.

The reports of those auditors have been furnished to us and our conclusion in so far as it relates to the amounts included in respect of these subsidiaries and the associate is based solely on the reports of those auditors.

- c) Fifteen subsidiaries and four joint ventures of the Company, with a) total assets of Rs. 10,135.09 crores as at 31 December 2012; b) total revenue of Rs. 711.54 crores and Rs. 1,940.58 crores for the quarter and nine months ended 31 December 2012 respectively; and c) net cash flows amounting to Rs. 280.15 crores for the nine months ended 31 December 2012, two associates companies with a carrying value of Rs. 8.89 crores as at 31 December 2012 after accounting for the Group's share of loss after tax of Rs. 0.14 crore and Rs. 1.55 crores for the quarter and nine months ended 31 December 2012 respectively, have been consolidated based on management accounts which have not been reviewed by their auditors.
- d) In case of two associates having a carrying value of Rs. 422.76 crores as at 31 December 2012 after accounting for the Group's share of loss after tax of Rs. 9.86 cores and Rs. 24.78 crores for the quarter and nine months ended 31 December 2012 respectively, the financial statements as at 31 December 2012 are not available and the figures used for consolidation are based on the unaudited financial statements upto September 30, 2012. Further, in respect of investments in seven associates valued at Re.1 each in the financial statements of the Company, no adjustments have been made in the Condensed Consolidated Financial Statements as at 31 December 2012 as the financial statements for these associates were not made available.
4. Based on our review conducted as above, read with our comments in paragraph 3(a) and 3(b) above and subject to our comments in paragraph 3(c) and 3(d) above, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Financial Statements does not present fairly, in all material respects, the state of affairs of the Group as at 31 December 2012, and of its results of operations for the quarter and nine months ended 31 December 2012 and of its cash flows for the nine months ended 31 December 31 2012 in accordance with Accounting Standard (AS) 25 on Interim Financial Reporting notified under the Companies (Accounting Standard) Rules, 2006 and other recognised accounting practices and policies.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.117366W)

N. Venkatram
Partner
(Membership No. 71387)

Mumbai, 13 February 2013

Condensed Consolidated Balance Sheet as at 31st December, 2012

Note	Page		₹ Crores	As at 31.03.2012 ₹ Crores
		EQUITY AND LIABILITIES		
		(1) SHAREHOLDERS' FUNDS		
2	F-230	(a) Share Capital	971.41	971.41
3	F-231	(b) Reserves and surplus	41,628.06	42,049.71
			42,599.47	43,021.12
4	F-233	(2) PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES	22.43	22.43
		(3) WARRANTS ISSUED BY A SUBSIDIARY COMPANY	—	17.46
5	F-233	(4) HYBRID PERPETUAL SECURITIES	2,275.00	2,275.00
		(5) MINORITY INTEREST	1,822.21	1,091.15
		(6) NON-CURRENT LIABILITIES		
6	F-234	(a) Long-term borrowings	46,705.01	45,238.24
		(b) Deferred tax liabilities	2,620.31	2,503.85
7	F-234	(c) Other long-term liabilities	1,116.95	889.86
8	F-235	(d) Long-term provisions	5,238.61	4,715.05
			55,680.88	53,347.00
		(7) CURRENT LIABILITIES		
6	F-234	(a) Short-term borrowings	6,101.93	4,699.08
9	F-235	(b) Trade payables	20,728.22	20,528.55
10	F-235	(c) Other current liabilities	20,818.98	18,779.01
8	F-235	(d) Short-term provisions	2,165.57	3,476.19
			49,814.70	47,482.83
			152,214.69	147,256.99
		ASSETS		
		(8) NON-CURRENT ASSETS		
		(a) Fixed assets		
11	F-236	(i) Tangible assets	52,437.19	39,080.93
		(ii) Capital work-in-progress	14,748.99	20,027.97
12	F-237	(iii) Intangible assets	3,288.05	2,851.33
		(iv) Intangible assets under development	453.07	168.06
			70,927.30	62,128.29
		(b) Goodwill on consolidation	19,026.36	17,354.61
13	F-238	(c) Non-current investments	2,455.64	2,622.88
		(d) Deferred tax assets	73.88	61.44
14	F-238	(e) Foreign currency monetary item translation difference account	428.02	404.90
15	F-239	(f) Long-term loans and advances	6,829.83	8,112.51
16	F-239	(g) Other non-current assets	31.10	42.16
			99,772.13	90,726.79
		(9) CURRENT ASSETS		
13	F-238	(a) Current investments	1,681.74	1,398.37
17	F-240	(b) Inventories	27,738.45	25,598.00
18	F-240	(c) Trade receivables	13,594.32	14,878.48
19	F-240	(d) Cash and bank balances	5,248.13	10,798.81
15	F-239	(e) Short-term loans and advances	3,849.10	3,769.45
20	F-241	(f) Other current assets	330.82	87.09
			52,442.56	56,530.20
			152,214.69	147,256.99
1-31	F-230	Notes forming part of Condensed Consolidated Financial Statements		

Condensed Consolidated Statement of Profit and Loss for the quarter/nine months ended 31st December, 2012

Note	Page		Quarter ended 31.12.2012 ₹ Crores	Quarter ended 31.03.2011 ₹ Crores	Nine months ended 31.03.2012 ₹ Crores	Nine months ended 31.03.2011 ₹ Crores
		(1) REVENUE				
21	F-241	(a) Revenue from operations	33,124.71	33,858.74	103,017.46	101,117.16
		Less: Excise duty	1,017.57	755.67	2,956.39	2,216.03
			32,107.14	33,103.07	100,061.07	98,901.13
22	F-241	(b) Other Income	55.86	253.67	547.01	1,351.01
		TOTAL REVENUE	32,163.00	33,356.74	100,608.08	100,252.14
		(2) EXPENSES				
		(a) Raw materials consumed	9,769.22	12,618.69	31,888.74	35,232.64
		(b) Purchase of finished, semi-finished and other products	3,949.07	5,265.11	14,784.47	15,644.92
		(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	202.63	(372.19)	(1,205.37)	(1,697.00)
23	F-241	(d) Employee benefits expense	4,737.15	4,293.82	14,058.97	12,506.54
24	F-242	(e) Depreciation and amortisation expense	1,462.84	1,164.01	4,105.76	3,423.58
25	F-242	(f) Finance costs	1,032.25	1,059.98	2,973.37	3,122.11
26	F-242	(g) Other expenses	11,470.19	9,609.19	33,383.85	28,575.30
			32,623.35	33,638.61	99,989.79	96,808.09
		Less: Expenditure (other than interest) transferred to capital and other accounts	260.03	224.84	801.86	599.23
		TOTAL EXPENSES	32,363.32	33,413.77	99,187.93	96,208.86
		(3) PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS	(200.32)	(57.03)	1,420.15	4,043.28
27	F-243	(4) EXCEPTIONAL ITEMS				
		(a) Profit on sale of non-current investments	(19.78)	—	22.90	3,361.92
		(5) PROFIT/(LOSS) BEFORE TAX	(220.10)	(57.03)	1,443.05	7,405.20
		(6) TAX EXPENSE				
		(a) Current tax	410.10	721.58	1,579.86	2,673.20
		(b) MAT Credit	(124.44)	(1.95)	(261.57)	(5.27)
		(b) Deferred tax	282.88	(89.30)	809.63	(8.07)
		TOTAL TAX EXPENSE	568.54	630.33	2,127.92	2,659.86
		(7) PROFIT/(LOSS) AFTER TAX	(788.64)	(687.36)	(684.87)	4,745.34
		(8) SHARE OF PROFITS OF ASSOCIATES	17.59	20.64	80.37	67.93
		(9) MINORITY INTEREST	7.99	64.05	75.39	143.04
		(10) PROFIT/(LOSS) AFTER TAX, MINORITY INTEREST AND SHARE OF PROFITS OF ASSOCIATES	(763.06)	(602.67)	(529.11)	4,956.31
28	F-243	(11) BASIC EARNINGS PER SHARE (₹)	(8.32)	(6.76)	(6.84)	50.36
28	F-243	(12) DILUTED EARNINGS PER SHARE (₹)	(8.32)	(6.76)	(6.84)	49.41

1-31 F-230 Notes forming part of Condensed Consolidated Financial Statements

Condensed Consolidated Cash Flow Statement for the nine months ended 31st December, 2012

	₹ Crores	Apr-Dec. 11 ₹ Crores
A. Cash Flow from Operating Activities:		
Profit before Tax, Minority Interest and Share of Profits of Associates	1,443.05	7,405.20
Adjustments for:		
Depreciation and amortisation expense	4,105.76	3,423.58
Income from non-current investments	(93.01)	(88.82)
(Profit)/Loss on sale of non-current investments	(22.90)	(3,361.92)
(Profit)/Loss on sale of assets/discarded assets written off	(83.20)	20.84
Interest and Income from current Investments	(369.28)	(685.50)
Finance costs	2,973.37	3,122.11
(Gain) / Loss on cancellation of forward, swaps and options	(1.52)	24.01
Exchange (gain)/loss on revaluation of foreign currency loans and swaps	143.02	519.44
Provision for Wealth Tax	1.38	1.21
Other non-cash expenditures	260.73	26.12
	6,914.35	3,001.07
	8,357.40	10,406.27
Operating Profit before Working Capital Changes		
Adjustments for:		
Trade and other receivables	2,484.75	1,991.88
Inventories	(658.71)	(1,974.71)
Trade payables and other liabilities	(350.29)	(2,001.32)
	1,475.75	(1,984.15)
Cash Generated from Operations	9,833.15	8,422.12
Direct tax paid	(1,866.89)	(2,572.60)
	(1,866.89)	(2,572.60)
Net Cash Flow from Operating Activities	7,966.26	5,849.52
B. Cash Flow from Investing Activities:		
Purchase of fixed assets ⁽²⁾	(11,395.23)	(8,521.16)
Sale of fixed assets	204.90	126.02
Purchase of non-current investments	(122.32)	43.52
Acquisition of subsidiaries/joint ventures/undertakings	(154.69)	—
Disposal of subsidiaries/joint ventures/undertakings	826.83	591.12
Sale of non-current investments	164.81	5,048.23
(Purchase)/sale of current investments (net)	25.28	464.02
Inter-corporate deposits given	(75.08)	—
Interest/Income from current investments received	163.80	349.65
Dividend received	179.66	116.71
Net Cash Flow from Investing Activities	(10,182.04)	(1,781.89)

Condensed Consolidated Cash Flow Statement for the nine months ended 31st December, 2012

	₹ Crores	Apr-Dec. 11 ₹ Crores
C. Cash Flow from Financing Activities:		
Capital contributions received	252.75	24.78
Proceeds from Issue of Hybrid Perpetual Securities	—	775.00
Proceeds from borrowings	22,069.53	12,554.53
Repayment of borrowings	(22,095.80)	(12,853.36)
Amount received/(paid) on cancellation of forward, swaps and options	6.31	(14.56)
Distribution on Hybrid Perpetual Securities	(177.99)	(134.45)
Expenses on issue of equity instruments	—	(16.08)
Interest paid ⁽²⁾	(2,523.14)	(2,815.74)
Dividend paid	(1,169.13)	(1,163.83)
Net Cash Flow from Financing Activities	(3,637.47)	(3,643.71)
Net increase/(decrease) in Cash and Cash equivalents (A + B + C)	(5,853.25)	423.92
Opening Cash and Cash equivalents ⁽³⁾ (As per Note 19, Page F-240)	10,581.53	10,805.49
Effect of exchange rate on translation of foreign currency cash and cash equivalents	382.56	878.07
Closing Cash and Cash equivalents (As per Note 19, Page F-240)	5,110.84	12,107.48

Additional information:

- (1) Figures in brackets represent outflows.
- (2) Interest paid is exclusive of and purchase of Fixed Assets is inclusive of interest capitalised ₹ 176.97 crores (Apr-Dec '11: ₹ 262.25 crores)
- (3) Includes ₹ 199.55 crores of opening cash and cash equivalents in respect of a subsidiary acquired during the period and excludes ₹ 275.16 crores in respect of subsidiaries and joint ventures which were disposed off during the period.
- (4) Previous year figures have been recast / restated where necessary.

NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis for Accounting

The condensed financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31st March, 2012. The accounting policies applied by the Company and its subsidiaries in this condensed consolidated financial statement for the quarter/nine months ended 31st December, 2012 are same as those applied in its annual financial statement as at and for the year ended 31st March, 2012.

The condensed financial statements have been prepared in accordance with the requirements of Accounting Standard 25 "Interim Financial Reporting" issued by the Institute of Chartered Accountants of India. In the opinion of management, all adjustments which are necessary for a fair presentation have been included. The results of interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the full year.

2. SHARE CAPITAL

(Item No. 1(a), Page F-226)

		₹ Crores	As at 31.03.2012 ₹ Crores
Authorised:			
1,75,00,00,000	Ordinary Shares of ₹ 10 each (31.03.2012: 1,75,00,00,000 Ordinary Shares of ₹ 10 each)	1,750.00	1,750.00
35,00,00,000	"A" Ordinary Shares of ₹ 10 each (31.03.2012: 35,00,00,000 "A" Ordinary Shares of ₹ 10 each)	350.00	350.00
2,50,00,000	Cumulative Redeemable Preference Shares of ₹ 100 each (31.03.2012: 2,50,00,000 Shares of ₹ 100 each)	250.00	250.00
60,00,00,000	Cumulative Convertible Preference Shares of ₹ 100 each (31.03.2012: 60,00,00,000 Shares of ₹ 100 each)	6,000.00	6,000.00
		8,350.00	8,350.00
Issued:			
97,21,26,020	Ordinary Shares of ₹ 10 each (31.03.2012: 97,21,26,020 Ordinary Shares of ₹ 10 each)	972.13	972.13
Subscribed:			
97,12,14,545	Ordinary Shares of ₹ 10 each fully paid up (31.03.2012: 97,12,14,450 Ordinary Shares of ₹ 10 each)	971.21	971.21
3,89,516	Amount paid up on Ordinary Shares forfeited (31.03.2012: 3,89,516 Shares of ₹ 10 each)	0.20	0.20
		971.41	971.41

3. RESERVES AND SURPLUS

(Item No. 1(b), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Capital Reserve		
Balance as per last account	31.88	22.31
Adjustments on account of equity accounting for associates	3.88	9.45
Cancellation of share warrants	11.86	—
Received during the period	0.02	0.12
	47.64	31.88
(b) Capital Redemption Reserve		
Balance as per last account	27.33	20.78
Amount transferred from Statement of Profit and Loss	—	6.55
	27.33	27.33
(c) Securities Premium Reserve		
Balance as per last account	18,876.40	18,210.42
Discount/Premium on issue of NCD	(1,013.63)	—
Expenses related to CARS / NCD / GDR / Hybrid Securities /		
Preferential and Public issue of equity shares	(8.37)	(9.39)
Amount received on conversion of warrants	—	700.80
Effect of change in cross holdings	—	(0.21)
Exchange difference on redemption premium of CARS	(41.01)	(25.22)
	17,813.39	18,876.40
(d) Debenture Redemption Reserve		
Balance as per last account	2,053.26	2,053.26
(e) Amalgamation Reserve		
Balance as per last account	0.43	0.43
(f) Export Profits Reserve		
Balance as per last account	1.25	1.25
(g) Foreign Exchange Fluctuation Reserve		
Balance as per last account	14.00	14.00
(h) Contributions for Capital Expenditure		
Balance as per last account	94.63	80.00
Received during the period	10.08	16.97
Release to Statement of Profit and Loss	(2.03)	(2.34)
	102.68	94.63
(i) Contingency Reserve		
Balance as per last account	100.00	100.00
(j) Debenture Forfeiture Reserve		
Balance as per last account	0.04	0.04
(k) Capital Reserve on Consolidation		
Balance as per last account	17.71	19.30
Effect of changes in Group's interest	—	(1.59)
	17.71	17.71
(l) Investment Allowance (Utilised) Reserve		
Balance as per last account	0.23	0.23
(m) Foreign Currency Translation Reserve		
Balance as per last account	386.42	(4,658.80)
Adjustment for translation of Non Integral Foreign Operations	3,342.43	5,045.22
	3,728.85	386.42
(n) Special Reserve		
Balance as per last account	99.79	88.02
Transfer from Statement of Profit and Loss	—	11.77
	99.79	99.79
(o) Statutory Reserve		
Balance as per last account	179.52	179.52
Transfer from Statement of Profit and Loss	8.29	—
	187.81	179.52
Carried Forward	24,194.41	21,882.89

	₹ Crores	As at 31.03.2012 ₹ Crores
Brought Forward	24,194.41	21,882.89
(p) Actuarial Gains / Losses ⁽¹⁾		
Balance as per last account	(5,906.04)	(3,533.78)
Actuarial loss (net of tax) recognised during the period	(1,822.06)	(2,372.26)
	(7,728.10)	(5,906.04)
(q) Cash Flow Hedge Reserve		
Balance as per last account	140.81	(224.33)
Fair value changes recognised net of amount recycled (net of tax)	(238.26)	365.34
	(97.45)	140.81
(r) General Reserve		
Balance as per last account	9,806.63	9,095.36
Effect of change in cross holdings	—	30.76
Amount transferred from Statement of Profit and Loss	—	680.51
	9,806.63	9,806.63
(l) Surplus in the Statement of Profit and Loss		
Balance as per last account	16,125.42	12,959.16
Profit/(Loss) for the period	(529.11)	5,389.77
Distribution on Hybrid Perpetual Securities	(135.45)	(173.30)
[net of tax of ₹ 65.05 crores (2011-12: ₹ 83.24 crores)]		
Dividend on preferences shares	—	(0.21)
Proposed dividend on Ordinary Shares	—	(1,165.46)
Tax on dividend	—	(185.71)
Transfer to Reserve		
General Reserve	—	(680.51)
Statutory Reserve	(8.29)	—
Special Reserve	—	(11.77)
Capital Redemption Reserve	—	(6.55)
	15,452.57	16,125.42
	41,628.06	42,049.71

Additional information:

- (1) The pension and other post retirement defined benefit liability of Tata Steel Europe Limited is computed and accounted for in accordance with International Financial Reporting Standards (IFRS). IFRS permits the impact of changes in the assets and liabilities, inter alia, due to assumption of variables like bond yield rates, inflation and demographic assumptions to be accounted for in "Reserves and Surplus". This practice is consistently followed by Tata Steel Europe Limited. The Accounting Standard (AS-15) – Employee Benefits is different from the above and requires such changes to be accounted for in the Statement of Profit and Loss. Given the large share of Tata Steel Europe Limited in the consolidated Statement of Profit and Loss of the Company, and the potential volatility caused by periodic changes in the assumptions underlying the computation of the liabilities, it is not considered practicable to adopt a common accounting policy for accounting of the actuarial gains/losses in respect of the pension and other post retirement defined benefit liability of the Company and Tata Steel Europe Limited.

Accordingly the actuarial loss of ₹ 1,822.06 crores (Apr-Dec 11: ₹ 3,005.48 crores) (net of tax) recognised in Tata Steel Europe Limited has been accounted in Reserves and Surplus in the consolidated financial statements in accordance with IFRS principles and as permitted by Accounting Standard 21 – Consolidated Financial Statements. Had the Company followed the practice of recognising changes in actuarial valuations in respect of the pension and other post retirement benefit plans of Tata Steel Europe Limited, in the Statement of Profit and Loss, the loss after tax, minority interest and share of profit of associates would have been higher by ₹ 1,822.06 crores (₹ 192.51 crores for the quarter) and the profit after taxes, minority interest and share of profit of associates for the nine months ended December 31, 2011 would have been lower by ₹ 3,005.48 crores (loss after tax, minority interest and share of profit of associates would have been higher by ₹ 694.32 crores for the quarter ended December 31, 2011).

4. PREFERENCE SHARES ISSUED BY SUBSIDIARY COMPANIES

(Item No. 2, Page F-226)

(a) Preferences shares issued by subsidiary companies

₹ Crores	As at 31.03.2012 ₹ Crores
22.43	22.43
<u>22.43</u>	<u>22.43</u>

Additional information:

- (1) 8.50% – 2,43,000 non-cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100 each were issued by The Tinplate Company of India Ltd., the subsidiary of the Company in the financial year 1999-2000 and 2000-2001. The OCPS will be redeemed in accordance with the terms of the issue thereof, the provisions of the Companies Act, 1956 and other applicable laws between 2012-2015.
- (2) 8.50% – 20,00,000 non-cumulative Redeemable Preference Shares (RPS) were issued by Tayo Rolls Limited, a subsidiary of the Company in March 2012. These RPS are redeemable in 3 equal annual installments with all arrears of dividend, if any, commencing from 1st April, 2020. The subsidiary may exercise its call option by giving 30 days clear notice at the expiry of 36 months from the date of allotment thereof.

5. HYBRID PERPETUAL SECURITIES

(Item No. 4, Page F-226)

(a) Hybrid Perpetual Securities

₹ Crores	As at 31.03.2012 ₹ Crores
2,275.00	2,275.00
<u>2,275.00</u>	<u>2,275.00</u>

6. BORROWINGS

(Item No. 6(a) and 7(a), Page F-226)

A. Secured Borrowings

- (a) Bonds/Debentures
 - (i) Non-convertible bonds/debentures
- (b) Term loans
 - (i) From banks
 - (ii) From financial institutions and others
- (c) Repayable on demand
 - (i) From banks
- (d) Finance lease obligations
- (e) Other loans

	₹ Crores		
	Long Term	Short Term	Total
(a) Bonds/Debentures			
(i) Non-convertible bonds/debentures	268.00	—	268.00
(b) Term loans			
(i) From banks	22,511.53	10.87	22,522.40
(ii) From financial institutions and others	2,175.10	—	2,175.10
(c) Repayable on demand			
(i) From banks	—	377.60	377.60
(d) Finance lease obligations	322.30	—	322.30
(e) Other loans	3.66	—	3.66
	25,280.59	388.47	25,669.06

B. Unsecured Borrowings

- (a) Bonds/Debentures
 - (i) Non-convertible bonds / debentures
 - (ii) 4.5% Foreign Currency Convertible Bonds
- (b) Term loans
 - (i) From banks
 - (ii) From financial institutions and others
- (c) Deferred payment liabilities
- (d) Fixed deposits
- (e) Finance lease obligations
- (d) Commercial Papers
- (e) Other loans

(a) Bonds/Debentures			
(i) Non-convertible bonds / debentures	10,160.35	—	10,160.35
(ii) 4.5% Foreign Currency Convertible Bonds	3,007.60	—	3,007.60
(b) Term loans			
(i) From banks	6,641.64	2,834.41	9,476.05
(ii) From financial institutions and others	854.40	1,757.97	2,612.37
(c) Deferred payment liabilities	—	—	—
(d) Fixed deposits	0.93	—	0.93
(e) Finance lease obligations	535.63	—	535.63
(d) Commercial Papers	—	968.77	968.77
(e) Other loans	223.87	152.31	376.18
	21,424.42	5,713.46	27,137.88
	46,705.01	6,101.93	52,806.94

As at 31.03.2012

	₹ Crores		
	Long Term	Short Term	Total
(a) Bonds/Debentures			
(i) Non-convertible bonds/debentures	268.00	—	268.00
(b) Term loans			
(i) From banks	22,311.08	38.16	22,349.24
(ii) From financial institutions and others	1,928.80	—	1,928.80
(c) Repayable on demand			
(i) From banks	—	336.18	336.18
(d) Finance lease obligations	321.64	—	321.64
(e) Other loans	3.88	—	3.88
	24,833.40	374.34	25,207.74

(a) Bonds/Debentures			
(i) Non-convertible bonds / debentures	7,328.40	—	7,328.40
(ii) 4.5% Foreign Currency Convertible Bonds	2,782.81	—	2,782.81
(b) Term loans			
(i) From banks	8,657.29	4,246.25	12,903.54
(ii) From financial institutions and others	856.56	—	856.56
(c) Deferred payment liabilities	3.80	—	3.80
(d) Fixed deposits	1.91	—	1.91
(e) Finance lease obligations	545.41	—	545.41
(d) Commercial Papers	—	—	—
(e) Other loans	228.66	78.49	307.15
	20,404.84	4,324.74	24,729.58
	45,238.24	4,699.08	49,937.32

7. OTHER LONG-TERM LIABILITIES

(Item No. 6(c), Page F-226)

- (a) Creditors for capital supplies/services
- (b) Deferred income
- (c) Others

₹ Crores

(a) Creditors for capital supplies/services	289.97
(b) Deferred income	178.26
(c) Others	648.72
	1,116.95

As at
31.03.2012

₹ Crores

(a) Creditors for capital supplies/services	228.98
(b) Deferred income	181.33
(c) Others	479.55
	889.86

8. PROVISIONS

(Item No. 6(d) and 7(d), Page F-226)

	₹ Crores			As at 31.03.2012		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Provision for employee benefits	3,234.93	165.30	3,400.23	2,855.67	184.32	3,039.99
(b) Provision for employee separation compensation	557.34	159.69	717.03	603.03	169.65	772.68
(c) Provision for taxation	—	1,095.07	1,095.07	—	1,319.81	1,319.81
(d) Provision for fringe benefit tax	—	7.84	7.84	—	7.84	7.84
(e) Proposed dividend	—	—	—	—	1,165.67	1,165.67
(f) Other provisions	1,446.34	737.67	2,184.01	1,256.35	628.90	1,885.25
	<u>5,238.61</u>	<u>2,165.57</u>	<u>7,404.18</u>	<u>4,715.05</u>	<u>3,476.19</u>	<u>8,191.24</u>

9. TRADE PAYABLES

(Item No. 7(b), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Creditors for supplies / services	15,572.07	15,411.04
(b) Creditors for accrued wages and salaries	3,141.59	2,908.91
(c) Acceptances	2,014.56	2,208.60
	<u>20,728.22</u>	<u>20,528.55</u>

10. OTHER CURRENT LIABILITIES

(Item No. 7(c), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Current maturities of long-term borrowings	12,026.17	9,859.55
(b) Current maturities of finance lease obligations	107.94	99.90
(c) Interest accrued but not due on borrowings	574.09	703.63
(d) Interest accrued but not due on borrowings	18.14	—
(e) Unpaid dividend	62.44	58.22
(f) Advances received from customers	505.72	511.91
(g) Creditors for other liabilities	7,524.48	7,545.80
	<u>20,818.98</u>	<u>18,779.01</u>

11. TANGIBLE ASSETS

(Item No. 8(a)(i), Page F-226)

₹ Crores

Tangible Assets	Freehold Land and Roads	Leasehold Land	Freehold Buildings	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE & Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2012	1,590.08	903.25	10,380.91	610.78	91,156.41	1,601.76	878.36	303.56	271.57	9.90	1,013.20	108,719.78
Additions relating to acquisitions	1.22	0.43	36.51	—	310.38	—	2.58	0.35	3.10	0.18	3.64	358.39
Additions during the period	84.36	(0.52)	1,616.45	1.27	13,661.36	2.52	14.21	29.46	40.50	—	201.57	15,651.18
Deductions during the period	0.03	0.02	18.73	5.89	655.92	3.03	14.71	8.06	12.75	0.35	—	719.49
Disposal of group undertakings	119.96	0.69	87.40	0.41	272.32	—	11.23	2.13	0.93	—	—	495.07
Exchange fluctuations capitalised during the period	—	—	1.01	—	112.47	—	—	—	—	—	—	113.48
Exchange difference on consolidation	74.95	11.54	670.95	54.84	5,700.45	135.77	58.98	12.27	4.43	0.04	36.90	6,761.12
Gross Block as at 31.03.2012	1,630.62	913.99	12,599.70	660.59	110,012.83	1,737.02	928.19	335.45	305.92	9.77	1,255.31	130,389.39
Impairment as at 01.04.2012	206.69	0.59	68.23	25.10	3,143.10	86.33	—	—	—	—	—	3,530.04
Impairment during the period	3.56	—	25.28	7.33	76.85	—	—	0.88	—	—	—	113.90
Disposals	—	—	—	—	33.04	—	—	—	—	—	—	33.04
Disposal of group undertaking	7.21	—	0.15	—	0.49	—	—	—	—	—	—	7.85
Exchange difference on consolidation	2.63	0.06	6.72	2.51	292.21	7.91	(0.15)	0.03	—	—	—	311.92
Impairment as at 31.12.2012	205.67	0.65	100.08	34.94	3,478.63	94.10	(0.15)	0.91	—	—	—	3,914.97
Accumulated depreciation as at 01.04.2012	233.69	91.96	6,161.13	299.44	56,670.90	982.67	804.37	191.22	142.85	2.10	528.48	66,108.81
Depreciation of new companies	—	0.13	9.79	—	172.10	—	2.31	0.14	1.58	0.18	3.64	189.87
Depreciation during the period	10.59	18.02	268.26	22.30	3,358.03	64.39	22.93	33.95	19.34	0.49	30.52	3,848.82
Depreciation on assets written off during the period (including adjustments for transfers)	—	—	14.49	3.09	317.01	3.01	15.23	7.05	11.28	0.35	—	371.51
Disposal of group undertakings	66.00	—	67.98	0.23	205.19	—	10.29	1.86	0.78	—	—	352.33
Exchange differences on consolidation	13.93	5.95	476.12	28.18	3,909.04	84.21	54.93	6.58	3.05	0.03	31.55	4,613.57
Accumulated depreciation as at 31.12.2012	192.21	116.06	6,832.83	346.60	63,587.87	1,128.26	859.02	222.98	154.76	2.45	594.19	74,037.23
Total accumulated depreciation and impairment as at 31.12.2012	397.88	116.71	6,932.91	381.54	67,066.50	1,222.50	858.87	223.89	154.76	2.45	594.19	77,952.20
Net book value as at 31.12.2012	1,232.74	797.28	5,666.79	279.05	42,946.33	514.52	69.32	111.56	151.16	7.32	661.12	52,437.19

₹ Crores

Tangible Assets	Freehold Land and Roads	Leasehold Land	Freehold Buildings	Leasehold Buildings	Plant and Machinery	Leased Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Leased FFOE & Vehicles	Railway Sidings	Total
Gross Block as at 01.04.2011	1,418.55	315.49	8,741.29	508.11	80,360.53	1,509.40	1,062.50	229.52	259.29	3.31	651.69	95,059.68
Additions relating to acquisitions	0.90	—	132.09	—	645.15	6.21	1.51	2.16	2.31	—	0.37	790.70
Additions during the year	98.02	572.57	819.26	32.97	4,345.69	23.18	(7.97)	64.09	22.15	7.85	326.58	6,304.39
Deductions during the year	9.03	—	21.55	0.07	730.12	109.95	244.10	7.33	13.72	1.40	3.33	1,140.60
Disposal of group undertakings	8.08	4.68	83.66	—	351.44	—	9.50	0.30	4.83	—	2.47	464.96
Exchange fluctuations capitalised during the year	—	—	2.22	—	40.95	—	—	—	—	—	—	43.17
Exchange difference on consolidation	89.72	19.87	791.26	69.77	6,845.65	172.92	75.92	15.42	6.37	0.14	40.36	8,127.40
Gross Block as at 31.03.2012	1,590.08	903.25	10,380.91	610.78	91,156.41	1,601.76	878.36	303.56	271.57	9.90	1,013.20	108,719.78
Impairment as at 01.04.2011	194.33	0.52	60.40	14.73	2,753.62	75.96	—	—	—	—	—	3,099.56
Impairment during the year	6.90	—	0.14	7.88	24.44	—	—	—	—	—	—	39.36
Reversals during the year	1.66	—	—	—	—	—	—	—	—	—	—	1.66
Disposal	—	—	—	—	8.54	—	—	—	—	—	—	8.54
Exchange differences on consolidation	7.12	0.07	7.69	2.49	373.58	10.37	—	—	—	—	—	401.32
Impairment as at 31.03.2012	206.69	0.59	68.23	25.10	3,143.10	86.33	—	—	—	—	—	3,530.04
Accumulated depreciation as at 01.04.2011	210.84	62.84	5,291.68	231.50	48,753.12	902.37	977.32	152.66	129.51	3.03	467.12	57,181.99
Depreciation of new companies	—	—	36.86	—	284.94	0.57	1.06	1.65	1.34	—	0.36	326.78
Depreciation during the year	12.70	22.08	301.35	29.15	3,727.98	94.56	25.93	36.05	22.60	0.33	31.48	4,304.21
Depreciation on assets written off during the year (including adjustments for transfers)	8.71	—	17.50	—	585.06	116.00	261.86	7.06	11.55	1.38	3.32	1,012.44
Disposal of group undertakings	—	0.49	16.49	—	204.60	—	6.68	0.18	2.92	—	0.97	232.33
Exchange difference on consolidation	18.86	7.53	565.23	38.79	4,694.52	101.17	68.60	8.10	3.87	0.12	33.81	5,540.60
Accumulated depreciation as at 31.03.2012	233.69	91.96	6,161.13	299.44	56,670.90	982.67	804.37	191.22	142.85	2.10	528.48	66,108.81
Total accumulated depreciation and impairment as at 31.03.2012	440.38	92.55	6,229.36	324.54	59,814.00	1,069.00	804.37	191.22	142.85	2.10	528.48	69,638.85
Net book value as at 31.03.2012	1,149.70	810.70	4,151.55	286.24	31,342.41	532.76	73.99	112.34	128.72	7.80	484.72	39,080.93

12. INTANGIBLE ASSETS

(Item No. 8(a)(iii), Page F-226)

							₹ Crores
Intangible Assets	Patents	Development Costs	Software Costs	Mining Rights	Development of property	Other Intangible Assets	Total
Gross Block as at 01.04.2012	85.75	283.25	1,520.23	524.94	1,914.22	88.43	4,416.82
Additions relating to acquisitions	—	—	1.82	—	—	4.69	6.51
Additions during the period	1.79	48.69	68.47	—	538.73	0.98	658.66
Deductions during the period	—	—	0.33	—	—	—	0.33
Disposal of group undertakings	—	—	0.63	—	—	—	0.63
Exchange differences on consolidation	6.61	21.81	122.05	18.00	(13.49)	—	154.98
Gross Block as at 31.12.2012	94.15	353.75	1,711.61	542.94	2,439.46	94.10	5,236.01
Impairment as at 01.04.2012	—	—	25.41	—	—	—	25.41
Exchange differences on consolidation	—	—	2.32	—	—	—	2.32
Impairment as at 31.12.2012	—	—	27.73	—	—	—	27.73
Amortisation as at 01.04.2012	73.75	203.21	898.01	8.67	339.82	16.62	1,540.08
Additions relating to acquisitions	—	—	1.70	—	—	4.68	6.38
Amortisation during the period	1.20	36.25	114.14	4.94	113.81	3.72	274.06
Amortisation on assets written off during the period (including adjustments for transfers)	—	—	0.17	—	—	—	0.17
Disposal of group undertakings	—	—	0.38	—	—	—	0.38
Exchange differences on consolidation	5.51	15.73	70.99	0.73	7.30	—	100.26
Amortisation as at 31.12.2012	80.46	255.19	1,084.29	14.34	460.93	25.02	1,920.23
Total accumulated amortisation and impairment as at 31.12.2012	80.46	255.19	1,112.02	14.34	460.93	25.02	1,947.96
Net book value as at 31.12.2012	13.69	98.56	599.59	528.60	1,978.53	69.08	3,288.05

							₹ Crores
Intangible Assets	Patents	Development Costs	Software Costs	Mining Rights	Development of property	Other Intangible Assets	Total
Gross Block as at 01.04.2011	73.49	263.96	1,355.22	287.66	988.92	72.45	3,041.70
Additions relating to acquisitions	—	—	1.14	—	—	—	1.14
Additions during the year	7.07	—	33.92	217.89	759.01	16.58	1,034.47
Deductions during the year	—	—	20.71	—	—	0.60	21.31
Disposal of group undertakings	1.48	—	—	—	—	—	1.48
Exchange differences on consolidation	6.67	19.29	150.66	19.39	166.29	—	362.30
Gross Block as at 31.03.2012	85.75	283.25	1,520.23	524.94	1,914.22	88.43	4,416.82
Impairment as at 01.04.2012	—	—	22.35	—	—	—	22.35
Exchange differences on consolidation	—	—	3.06	—	—	—	3.06
Impairment as at 31.03.2012	—	—	25.41	—	—	—	25.41
Amortisation as at 01.04.2011	68.63	146.13	710.18	5.06	287.39	12.46	1,229.85
Additions relating to acquisitions	—	—	0.97	—	—	—	0.97
Amortisation during the year	0.90	45.21	130.33	2.77	52.03	3.80	235.04
Amortisation on assets written off during the year (including adjustments for transfers)	—	—	19.92	—	—	(0.36)	19.56
Disposal of group undertakings	1.48	—	—	—	—	—	1.48
Exchange difference on consolidation	5.70	11.87	76.45	0.84	0.40	—	95.26
Amortisation as at 31.12.2012	73.75	203.21	898.01	8.67	339.82	16.62	1,540.08
Total accumulated amortisation and impairment as at 31.03.2012	73.75	203.21	923.42	8.67	339.82	16.62	1,565.49
Net book value as at 31.03.2012	12.00	80.04	596.81	516.27	1,574.40	71.81	2,851.33

13. INVESTMENTS

(Item No. 8(c) and 9(a), Page F-226)

	₹ Crores			As at 31.03.2012		
	Non-current	Current	Total	Non-current	Current	Total
(a) Investments in equity instruments	1,852.51	1.42	1,853.93	2,073.64	1.42	2,075.06
(b) Investments in preference shares	—	—	—	—	—	—
(c) Investments in government or trust securities	0.02	—	0.02	0.02	—	0.02
(d) Investments in debentures and bonds	444.28	—	444.28	395.93	—	395.93
(e) Investments in partnership firms	18.26	—	18.26	16.36	—	16.36
(e) Investment properties	140.56	—	140.56	128.18	—	128.18
(f) Investments in mutual funds	0.01	1,680.32	1,680.33	8.75	1,396.95	1,405.70
	<u>2,455.64</u>	<u>1,681.74</u>	<u>4,137.38</u>	<u>2,622.88</u>	<u>1,398.37</u>	<u>4,021.25</u>

Additional information:

(1) Aggregate of quoted investments	1,326.92	16.98	1,343.90	1,520.73	4.96	1,525.69
(2) Aggregate of unquoted investments	988.16	1,664.76	2,652.92	973.97	1,393.41	2,367.38
	<u>2,315.08</u>	<u>1,681.74</u>	<u>3,996.82</u>	<u>2,494.70</u>	<u>1,398.37</u>	<u>3893.07</u>
(3) Equity accounted associates	949.88	—	949.88	1,178.69	—	1,178.69

14. FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Item No. 8(e), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Foreign Currency Monetary Item Translation Difference Account	428.02	404.90
	<u>428.02</u>	<u>404.90</u>

Additional information:

- (1) The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary item in accordance with Companies (Accounting Standards) Amendment Rules 2009 pertaining to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011) which allows foreign exchange differences on long-term monetary items arising on or after 1st April, 2011 to be capitalised to the extent they relate to acquisition of depreciable assets and in other cases to amortise over the balance period of the respective monetary items.

As on 31st December, 2012, a debit of ₹ 428.02 crores (31.03.2012: ₹ 404.90 crores) remains to be amortised in the "Foreign Currency Monetary Item Translation Difference Account" after taking debit of ₹ 406.67 crores (Apr-Dec 11: ₹ 170.06 crores) for the nine months ended and ₹ 56.50 crores (Oct-Dec 11: ₹ 17.70 crores) for the quarter ended 31st December, 2012 in the Statement of Profit and Loss on account of amortisation. The depreciation for the nine months ended is higher by ₹ 5.51 crores (Apr-Dec 11: ₹ 2.78 crores) and is higher by ₹ 3.56 crores (Oct-Dec 11: ₹ 2.04 crores) for the quarter ended 31st December, 2012 and loss after tax, minority interest and share of profits of associates for the nine months ended is lower by ₹ 140.54 crores (Apr-Dec 11: profit after tax, minority interest and share of profits of associates was higher by ₹ 766.98 crores) and is lower by ₹ 156.94 crores (Oct-Dec 11: profit after tax, minority interest and share of profits of associates was higher by ₹ 439.45 crores) for the quarter ended 31st December, 2012.

NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15. LOANS AND ADVANCES

(Item No. 8(f) and 9(e), Page F-226)

	₹ Crores			As at 31.03.2012		
	Long Term	Short Term	Total	Long Term	Short Term	Total
(a) Capital advances						
Unsecured, considered good	3,202.62	–	3,202.62	2,547.35	–	2,547.35
Unsecured, considered doubtful	0.99	–	0.99	0.99	–	0.99
Less: Provision for bad & doubtful loans & advances	0.99	–	0.99	0.99	–	0.99
	<u>3,202.62</u>	<u>–</u>	<u>3,202.62</u>	<u>2,547.35</u>	<u>–</u>	<u>2,547.35</u>
(b) Security deposits						
Unsecured, considered good	137.87	43.94	181.81	110.70	46.08	156.78
Unsecured, considered doubtful	1.55	0.25	1.80	1.45	0.03	1.48
Less: Provision for bad & doubtful loans & advances	1.55	0.25	1.80	1.45	0.03	1.48
	<u>137.87</u>	<u>43.94</u>	<u>181.81</u>	<u>110.70</u>	<u>46.08</u>	<u>156.78</u>
(c) Advance with public bodies						
Unsecured, considered good	409.42	1,124.51	1,533.93	316.91	1,172.22	1,489.13
Unsecured, considered doubtful	14.38	5.89	20.27	18.22	2.32	20.54
Less: Provision for bad & doubtful loans & advances	14.38	5.89	20.27	18.22	2.32	20.54
	<u>409.42</u>	<u>1,124.51</u>	<u>1,533.93</u>	<u>316.91</u>	<u>1,172.22</u>	<u>1,489.13</u>
(d) Advance payment against taxes						
Unsecured, considered good	514.36	55.89	570.25	404.90	112.43	517.33
(e) MAT Credit entitlement						
Unsecured, considered good	30.91	255.16	286.07	24.84	–	24.84
(f) Loans and advances to related parties						
Unsecured, considered good	68.27	47.55	115.82	4.86	12.66	17.52
(g) Other loans and advances						
Unsecured, considered good	2,466.38	2,322.05	4,788.43	4,702.95	2,426.06	7,129.01
Unsecured, considered doubtful	150.67	45.53	196.20	136.55	35.00	171.55
Less: Provision for bad & doubtful loans & advances	150.67	45.53	196.20	136.55	35.00	171.55
	<u>2,466.38</u>	<u>2,322.05</u>	<u>4,788.43</u>	<u>4,702.95</u>	<u>2,426.06</u>	<u>7,129.01</u>
	<u>6,829.83</u>	<u>3,849.10</u>	<u>10,678.93</u>	<u>8,112.51</u>	<u>3,769.45</u>	<u>11,881.96</u>

16. OTHER NON-CURRENT ASSETS

(Item No. 8(g), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Balances with banks	23.29	33.03
(b) Earmarked non-current cash and bank balances	7.39	9.13
(c) Other Interest Receivable > 1 year	0.42	–
	<u>31.10</u>	<u>42.16</u>

NOTES FORMING PART OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17. INVENTORIES

(At lower of cost and net realisable value)

(Item No. 9(b), Page F-226)

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished and semi-finished goods
- (d) Stock-in-trade of goods acquired for trading
- (e) Stores and spares

₹ Crores
8,234.94
6,886.77
9,314.90
400.66
2,901.18
27,738.45

As at
31.03.2012
₹ Crores
8,995.63
5,679.12
8,262.84
394.32
2,266.09
25,598.00

Included above, goods-in-transit:

- (i) Raw materials
- (ii) Finished and semi-finished goods
- (iii) Stores and spares

1,236.18
143.13
249.91
1,629.22

1,092.71
167.16
113.73
1,373.60

18. TRADE RECEIVABLES

(Item No. 9(c), Page F-226)

- (a) More than six months
- (b) Others

₹ Crores
747.26
13,380.47
14,127.73
533.07
0.34
13,594.32

As at
31.03.2012
₹ Crores
684.05
14,778.72
15,462.77
584.29
—
14,878.48

Less: Provision for doubtful trade receivables – Over six months old

Less: Provision for doubtful trade receivables – Others

Unsecured and considered good
Doubtful

13,594.32
533.41
14,127.73

14,878.48
584.29
15,462.77

19. CASH AND BANK BALANCES

(Item No. 9(d), Page F-226)

- (a) Cash in hand
- (b) Cheques, drafts on hand
- (c) Remittances in-transit
- (d) Balances with banks

Total cash and cash equivalents

- (e) Earmarked Balances with banks

₹ Crores
1.43
54.45
54.67
5,000.29
5,110.84
137.29
5,248.13

As at
31.03.2012
₹ Crores
1.22
28.19
14.83
10,612.90
10,657.14
141.67
10,798.81

* Represents refund orders issued on account of oversubscription of rights issue and follow on public offer of equity shares not encashed as on 31st December, 2012, pre-funded accounts for bonus issue & CCPS related payments, pre-funded dividend accounts, margin money against guarantee etc.

20. OTHER CURRENT ASSETS

(Item No. 9(f), Page F-226)

	₹ Crores	As at 31.03.2012 ₹ Crores
(a) Interest accrued on investments	6.98	4.71
(b) Interest accrued on deposits, loans and advances	31.44	26.24
(c) Other current assets	292.40	56.14
	330.82	87.09

21. REVENUE FROM OPERATIONS

(Item No. 1(a), Page F-227)

	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Sale of products	32,166.32	33,105.48	100,377.41	98,889.26
(b) Sale of power and water	271.02	257.75	756.08	802.20
(c) Income from town, medical and other services	401.73	356.59	1,059.45	921.85
(d) Other operating income	285.64	138.92	824.52	503.85
	33,124.71	33,858.74	103,017.46	101,117.16

22. OTHER INCOME

(Item No. 1(b), Page F-227)

	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Dividend income				
(i) Other non-current investments	1.79	1.40	93.01	88.82
(ii) Current investments	4.55	2.66	10.62	6.92
(b) Interest income	42.76	129.70	166.13	356.98
(c) Net Gain/(Loss) on sale of current investments	20.85	96.58	192.53	321.60
(d) Profit/(Loss) on sale of capital assets	(2.46)	31.80	83.20	(20.84)
(e) Gain/(Loss) on cancellation of forwards, swaps and options	(11.63)	(26.29)	1.52	(24.01)
(f) Other miscellaneous income	—	17.82	—	621.54
	55.86	253.67	547.01	1,351.01

23. EMPLOYEE BENEFITS EXPENSE

(Item No. 2(d), Page F-227)

	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Salaries and wages, including bonus	3,903.77	3,618.30	11,645.93	10,428.49
(b) Contribution to provident and other funds	691.73	582.84	2,004.29	1,739.52
(c) Staff welfare expenses	141.65	92.68	408.75	338.53
	4,737.15	4,293.82	14,058.97	12,506.54

24. DEPRECIATION AND AMORTISATION EXPENSE

(Item No. 2(e), Page F-227)

			₹ Crores	
	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Depreciation on tangible assets	1,342.14	1,108.47	3,848.82	3,264.06
(b) Amortisation of intangible assets	126.54	61.22	274.06	176.65
	<u>1,468.68</u>	<u>1,169.69</u>	<u>4,122.88</u>	<u>3,440.71</u>
Less: Amount released from specific grants	5.84	5.68	17.12	17.13
	<u>1,462.84</u>	<u>1,164.01</u>	<u>4,105.76</u>	<u>3,423.58</u>

25. FINANCE COSTS

(Item No. 2(f), Page F-227)

			₹ Crores	
	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Interest expense				
(i) Debentures/bonds and fixed loans	906.54	984.55	2,655.19	2,959.08
(ii) Others	82.23	72.11	147.44	143.52
(b) Finance charges on finance leases	17.48	17.48	49.02	47.55
(c) Other borrowing costs	111.31	82.41	298.69	234.21
	<u>1,117.56</u>	<u>1,156.55</u>	<u>3,150.34</u>	<u>3,384.36</u>
Less: Interest capitalised	85.31	96.57	176.97	262.25
	<u>1,032.25</u>	<u>1,059.98</u>	<u>2,973.37</u>	<u>3,122.11</u>

26. OTHER EXPENSES

(Item No. 2(g), Page F-227)

			₹ Crores	
	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Consumption of stores and spares	2,491.57	2,031.58	7,230.35	5,961.81
(b) Repairs to buildings	132.36	132.00	386.49	387.24
(c) Repairs to machinery	1,297.92	1,335.99	3,806.75	3,937.47
(d) Relining expenses	32.68	26.60	94.24	86.73
(e) Fuel oil consumed	258.87	254.18	738.82	737.51
(f) Purchase of power	1,443.10	1,251.14	4,207.20	3,641.11
(g) Conversion charges	573.44	312.51	1,488.60	827.06
(h) Freight and handling charges	1,872.20	1,720.66	5,403.20	4,898.45
(i) Rent	893.77	838.35	2,602.33	2,493.55
(j) Royalty	298.60	262.93	939.39	714.23
(k) Rates and taxes	238.34	241.52	748.30	599.86
(l) Insurance charges	87.62	68.71	259.20	197.93
(m) Commission, discounts and rebates	69.05	65.41	205.57	194.62
(n) Provision for wealth tax	0.51	0.50	1.38	1.21
(o) Provision for doubtful debts and advances	9.78	(27.09)	80.07	85.12
(p) Excise duty	69.26	5.01	188.19	83.82
(q) Other expenses	1,701.12	1,089.19	5,003.77	3,727.58
	<u>11,470.19</u>	<u>9,609.19</u>	<u>33,383.85</u>	<u>28,575.30</u>

27. EXCEPTIONAL ITEM

(Item No. 4, Page F-227)

During the quarter, Tata Steel Europe disposed off of its stake in three subsidiaries namely Tata Steel International (UK) Limited, Tata Steel International (North America) Limited and Vlietjonge BV and one Joint Venture namely VTS Track Technologies Limited. Further Tata Steel International (Singapore) Holdings Pte. Ltd. also disposed off its stake in one subsidiary namely Tata Steel International (Hongkong) Limited.

Exceptional Item in the consolidated results represents loss off ₹ 19.78 crores for the quarter ended December 31, 2012 on sale of these investments.

28. EARNINGS PER SHARE (EPS)

(Item No. 11 and 12, Page F-227)

	₹ Crores			
	Quarter ended 31.12.2012	Quarter ended 31.12.2011	Nine months ended 31.12.2012	Nine months ended 31.12.2011
(a) Profit/(Loss) after tax, minority interest and share of profits of associates	(763.05)	(602.66)	(529.11)	4,956.31
Less: Distribution on Hybrid Perpetual Securities (net of tax)	45.32	45.19	135.45	128.61
Profit attributable to ordinary shareholders	(808.37)	(647.85)	(664.56)	4,827.70
Add: Adjustment for NIL (Apr-Dec 11: 5,469.35) 4.5% Foreign Currency Convertible Bonds	—	—	—	117.00
Profit/(Loss) attributable to ordinary shareholders – for Diluted EPS	(808.37)	(647.85)	(664.56)	4,944.70
	Nos.	Nos.	Nos.	Nos.
(b) Weighted average no. of Ordinary Shares for Basic EPS	971,214,523	958,542,995	971,214,475	958,542,995
Add: Adjustment for NIL (Apr-Dec 11: 5,469.35) 4.5% Foreign Currency Convertible Bonds	—	—	—	42,112,297
Weighted average no. of Ordinary Shares for Diluted EPS	971,214,523	958,542,995	971,214,475	1,000,655,292
(c) Nominal Value of Ordinary Share	₹ 10	₹ 10	₹ 10	₹ 10
(d) Basic Earnings per Ordinary Share	(8.32)	(6.76)	(6.84)	50.36
(e) Diluted Earnings per Ordinary Share	(8.32)	(6.76)	(6.84)	49.41

29. CONTINGENT LIABILITIES

(a) Claims not acknowledged by the Company

	₹ Crores	
		As at
		31.03.2012
(i) Excise	676.69	521.52
(ii) Customs	16.52	16.51
(iii) Sales Tax and VAT	591.18	583.52
(iv) State Levies	318.28	219.32
(v) Suppliers and Service Contract	77.14	74.63
(vi) Labour Related	45.31	42.66
(vii) Income Tax	27.48	27.05
(viii) Royalty (Iron ore)	81.91	80.35
(ix) Others	968.08	996.06

(b) The Company has given guarantees aggregating ₹ 803.91 crores (31.03.2012: ₹ 758.57 crores) to banks and financial institutions on behalf of others. As at 31st December, 2012, the contingent liabilities under these guarantees amount to ₹ 803.91 crores (31.03.2012: ₹ 758.57 crores).

(c) Claim by a party arising out of conversion arrangement - ₹ 195.82 crores (31.03.2012: ₹ 195.82 crores). The Company has not acknowledged this claim and has instead filed a claim of ₹ 139.65 crores (31.03.2012: ₹ 139.65 crores) on the party. The matter is pending before the Calcutta High Court.

(d) The Excise Department has raised a demand of ₹ 235.48 crores (31.03.2012: ₹ 235.48 crores) denying the benefit of Notification No. 13/2000 which provides for exemption to the integrated steel plant from payment of excise duty on the freight amount incurred for transporting material from plant to stock yard and consignment agents. The Company filed an appeal with CESTAT, Kolkata and the order of the department was set aside. The department has filed an appeal in Supreme Court where the matter is pending.

(e) TMT bars and rods in coil form were sent to an external processing agent (EPA), on payment of duty at Jamshedpur (ex-works) price, for decoiling and cutting into specified lengths and then dispatch, at assessable value to various stock yards and depots of the Company for further sale. Differential duty was paid by the Company after the month was over. Excise department contested this activity as 'manufacturing' and demanded duty from the EPA ignoring the payment of duty made by the Company. An appeal against the order of the Commissioner of Central Excise, Jamshedpur was filed in CESTAT, Kolkata and was allowed in favour of the EPA. Subsequently, the department challenged the same in Jharkhand High Court, Ranchi which is still pending for hearing. Subsequent demand in this regard has not been adjudicated. Meanwhile, since September 2010, the decoiling and cutting activity with the EPA has been discontinued. The potential liability as of 31st December, 2012, will be approximately ₹ 298.88 crores (31.03.2012: ₹ 298.88 crores). However, the Company has already paid duty amounting to ₹ 196.48 crores (31.03.2012: ₹ 196.48 crores) till date based on the final sale price of the material.

(f) The State Government of Odisha introduced "Orissa Rural Infrastructure and Socio Economic Development Act 2004" with effect from February 2005 levying tax on mineral bearing land computed on the basis of value of minerals produced from the mineral bearing land. The Company had filed a Writ Petition in the High Court of Odisha challenging the validity of the Act. Odisha High Court held in November 2005 that State does not have authority to levy tax on minerals. The State Government of Odisha moved to the Supreme Court against the order of Odisha High Court and the case is pending with Supreme Court. The potential liability, as of 31st December, 2012 would be approximately ₹ 2,783.19 crores (31.03.2012: ₹ 2,085.88 crores).

(g) The Company has been paying royalty on coal extracted from its quarries pursuant to the judgement and order dated 23rd July, 2002 passed by the Jharkhand High Court. However, the State Government demanded royalty at rates applicable to processed coal. Though the Company has contested the above demand, it has started paying, under protest, royalty on processed coal from November 2008. The incremental amount (including interest), if payable, for the period till October 2008 works out to ₹ 406.37 crores (31.03.2012: ₹ 384.64 crores) and has been considered as a contingent liability.

(h) The Company has availed Cenvat credit on the invoices issued by input service distributors (ISD) i.e by Head office and Branch offices during the period 2006-07 to 2010-11. The Excise department has alleged that CENVAT credit can be distributed by an office of the manufacturer only. Accordingly, the head office can only distribute the CENVAT credit of input services and sales offices are not authorised to issue ISD invoices. The Company contested that as per rule any office of the manufacturer can issue ISD invoices for availment of cenvat credit. All the activities performed at Sales offices are the activities related to business and eligible for cenvat credit. The Commissioner, Central excise and service tax has passed an order on 08.08.12 confirming the demand of ₹ 89.25 (31.03.2012: NIL) crores along with penalty of ₹ 89.25 (31.03.2012: NIL).

(i) Bills discounted ₹ 531.45 crores (31.03.2012: ₹ 225.29 crores).

30. SEGMENT REPORTING

Primary Segment Information (Business Segment)

₹ Crores

Particulars	Quarter ended on 31.12.2012 (1)	Quarter ended on 30.09.2012 (2)	Quarter ended on 31.12.2011 (3)	Nine Months Period ended on 31.12.2012 (4)	Nine Months Period ended on 31.12.2011 (5)	Financial Year ended on 31.03.2012 (6)
Revenue by Business Segment:						
Steel business	30,254.03	32,032.21	31,727.37	94,698.75	94,986.99	127,266.50
Others	3,789.99	3,763.14	3,371.34	11,213.82	9,630.31	13,496.58
Unallocated	235.84	242.61	418.72	717.04	1,266.85	1,663.82
Total	34,279.86	36,037.96	35,517.43	106,629.61	105,884.15	142,426.90
Less: Inter segment revenue	2,172.72	1,905.23	2,414.36	6,568.54	6,983.02	9,527.20
Net sales/income from operations	32,107.14	34,132.73	33,103.07	100,061.07	98,901.13	132,899.70
Segment results before net finance charges, exceptional item and tax:						
Steel business	909.24	1,499.76	415.88	5,127.07	6,872.45	9,575.83
Others	139.23	118.83	42.04	455.88	31.42	102.21
Unallocated income/(expenditure)	249.30	1,185.67	859.88	1,582.85	2,075.36	4,431.65
Less: Inter segment eliminations	465.84	1,627.35	314.85	2,772.28	1,813.84	4,636.52
Total Segment results before finance costs, exceptional items and tax:	831.93	1,176.91	1,002.95	4,393.52	7,165.39	9,473.17
Less: Finance costs	1,032.25	972.11	1,059.98	2,973.37	3,122.11	4,250.11
Profit/(Loss) before exceptional items & tax	(200.32)	204.80	(57.03)	1,420.15	4,043.28	5,223.06
Exceptional items:						
Profit/(Loss) on sale of non current investments	(19.78)	42.68	—	22.90	3,361.92	3,361.92
Profit/(Loss) before tax	(220.10)	247.48	(57.03)	1,443.05	7,405.20	8,584.98
Less: Tax expense	568.54	660.75	630.33	2,127.92	2,659.86	3,636.46
Net Profit/(Loss)	(788.64)	(413.27)	(687.36)	(684.87)	4,745.34	4,948.52
Segment Capital Employed:						
Steel business	86,120.76	84,216.41	78,304.12	86,120.76	78,304.12	77,632.32
Others	5,186.49	5,082.63	5,035.90	5,186.49	5,035.90	4,263.56
Unallocable	920.88	4,149.70	9,709.96	920.88	9,709.96	6,682.53
Inter segment elimination	(491.32)	(541.45)	(463.70)	(491.32)	(463.70)	(441.49)
Total	91,736.81	92,907.29	92,586.28	91,736.81	92,586.28	88,136.92

31. Figures for the previous period have been regrouped and reclassified to conform to the classification of the current period, where necessary.