

Tata BlueScope Steel Ltd.  
10<sup>th</sup> Annual General Meeting



**TATA BLUESCOPE STEEL LIMITED**  
**10<sup>TH</sup> ANNUAL REPORT**  
**2014-15**

Registered Office: Metropolitan, Final Plot No. 27, Survey No.21, Wakdewadi, Shivajinagar,  
Pune 411005

# TATA BLUESCOPE STEEL LIMITED

## TENTH ANNUAL REPORT 2014-15

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### Board of Directors:

Mr. Sanjay Dayal (Chairman)  
Mr. Anand Sen  
Mr. Sharbel Elias  
Ms. Samita Shah  
Mr. Patrick Finan  
Mr. Sudam Maitra (Independent Director)  
Mr. Srikumar Menon (Independent Director)  
Mr. Krishnavu Dutt (Independent Director)  
Mr. Riten Choudhury (Managing Director)

### Company Secretary

Ms. Kavita Sethi Jain (Appointed w.e.f 30<sup>th</sup> June 2015)

### Registered Office

Metropolitan, Final Plot No. 27, Survey No.21,  
Wakdevadi, Shivajinagar,  
Pune 411005

**CIN:** U45209PN2005PLC020270

**Phone No:** +91 20 6621 8000 Website:

[www.tatabluescopesteel.com](http://www.tatabluescopesteel.com)

### Auditors

Deloitte Haskins & Sells

### Debenture Trustees

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R, Kamani Marg, Ballard Estate,  
Mumbai 400001

## NOTICE

**NOTICE** is hereby given that the Tenth Annual General Meeting of Tata BlueScope Steel Limited will be held on Wednesday, 30<sup>th</sup> September, 2015, at 11.00 a.m. at the Registered Office of the Company at the Metropolitan, 4<sup>th</sup> Floor, Survey No. 21, Wakdewadi, Shivaji Nagar, Pune - 411005, India to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 March, 2015 and the Reports of the Board of Directors and the Auditors thereon;
2. To appoint a Director in place of Mr. Sanjay Dayal (DIN 02506378) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Ms. Samita Shah (DIN 02350176) who retires by rotation and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT subject to the provision of Section 139 of the Companies Act, 2013 and the Rules made there under Messrs Deloitte, Haskins & Sells LLP, Chartered Accountants (Firm’s Registration No. 117366W/ W-100018) the retiring Auditors, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to examine and audit the accounts of the Company for the Financial Year 2015-16 at such remuneration (plus taxes and out-of-pocket expenses) as may be mutually agreed between the Board of Directors and the Auditors.”

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sudam Maitra (DIN: 00035398) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as

amended from time to time, appointment of Mr. Sudam Maitra (who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from 31<sup>st</sup> March 2015 to 30<sup>th</sup> March 2020 be and is hereby approved.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Srikumar Menon (DIN 00470254) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, appointment of Mr. Srikumar Menon who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from 31<sup>st</sup> March 2015 to 30<sup>th</sup> March 2020 be and is hereby approved.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Krishnava Satyaki Dutt (DIN 02792753) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, appointment of Mr. Krishnava Satyaki Dutt who meets the criteria for independence) as provided in Section 149(6) of the Act as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from 31<sup>st</sup> March 2015 to 30<sup>th</sup> March 2018 be and is hereby approved.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT , Mr. Patrick John Finan (DIN 05274228) who was appointed as an addition Directors of the Company by then Board of Directors w.e.f 31<sup>st</sup> March 2015, in terms of Section 161(1) of the Companies Act 2013, who holds office up to the date of this Annual general Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of rotation.

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

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 5 lakhs plus out-of-pocket expenses payable to Messrs B.M Sharma & Co, Cost Accountants, who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31 March, 2016.”

10. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution :

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to such other approvals as may be required, remuneration of Rs. 62,91,294 (Sixty Two Lakhs, Ninety One Thousand, Two Hundred and Ninety Four) (exclusive of Performance Bonus) payable to Mr. Riten Choudhury (DIN 06636911), as Managing Director of the Company for the period from April 1, 2015 till 31<sup>st</sup> March, 2016, be and is hereby approved.

**RESOLVED FURTHER THAT** performance bonus of Rs. 31,50,000 (Thirty One Lakhs Fifty Thousand) paid to Mr. Riten Choudhury (DIN : 06636911), Managing Director for the Financial Year 2014-15 be and is hereby approved

**NOTES:**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (2) An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
- (3) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (4) The Meeting is convened by way of shorter notice and the consent of all the shareholders have been received for the same.

**By order of the Board of Directors,  
For Tata BlueScope Steel Limited**

Sd/-  
**Kavita Sethi Jain**  
**Company Secretary**

Date: 14<sup>th</sup> September 2015  
Place: Pune

## **EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 102 (2) OF THE COMPANIES ACT, 2013**

### **ITEM NO 5 to 7**

Pursuant to the provisions of Section 149 of the Companies Act, 2013, your Company needs to have at least one third of the total number of Directors as Independent Directors. The Independent Directors appointed herein shall not be liable to retire by rotation.

Mr. Sudam Maitra, Mr. Srikumar Menon and Mr. Krishnava Dutt were appointed by the Board of Directors of your Company on 31st March 2015 as Additional Director in the capacity as non-executive and Independent Director. Each of these Directors have given the disclosure that they meet the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and they are not disqualified as contemplated under Section 164 of the Companies Act, 2013. These Directors do not hold the equity shares of the Company.

Mr. Sudam Maitra, a Mechanical Engineer from IIT Delhi, is currently the National President of Indian Value Engg Society (affiliated to SAVE U.S.A.). Mr. Maitra worked in Bata India for a period of 3 years in Mould Shop. He then joined the TELCO, now Tata Motors, for a period of 4 years in Quality Assurance department. Post this employment, Mr.Sudam Maitra worked in Maruti Suzuki for a period of 31 years in the areas of quality including Supplier Quality, manufacturing, service and supply chain and left the office as Chief Operating Officer (Supply Chain). Currently, he is also Deputy Managing Director of IFB Industries and MD of IFB Automotive Pvt. Ltd. Mr. Maitra was awarded the Supply Chain Person of the year 2013 from Indian Chamber of Commerce. He was the Sourcing Committee Chair person of SIAM and is currently the National President of Indian Value Engg Society (affiliated to SAVE U.S.A.).

Srikumar Menon, Chartered Accountant, is the Managing Director, South Asia of the Linde Group with responsibilities for the India, Bangladesh and Srilanka business. He joined Linde India Ltd in October 2001 as a Finance Director and held position of Managing Director of the company from Oct 2008 to July 2013. He took over responsibilities for the South Asia Cluster comprising of India, Bangladesh and Srilanka in Jan 2012 and was formally designated as the Managing Director, South Asia of the Linde Group in August 2013. Mr Menon has worked in various capacities in Central Govt., Joint Sector, India Private Sector and Multinational companies. Prior to joining Linde, he was Vice president, Finance at Pidilite Industries Limited. He is also council member of the Eastern Region of the Indo- German Chamber of Commerce and is a member of General Committee of CII, Eastern Region and is the chairman of the Economic Affairs, Finance & taxation Sub Committee

Mr. Krishnava Dutt, Bachelor of Socio-Legal Sciences and Bachelor of Law, is currently the Managing Partner, Argus Partners, Solicitors & Advocates. Mr Dutt's experience encompasses the entire repertoire of corporate practice including mergers and acquisitions, private equity, banking and finance, projects and project finance. He has extensive experience in advising both the government and private players in various infrastructure projects across the country, especially in the water, airport, roads and mining sector. He started his legal career in the Calcutta High Court where he practiced civil law. After that, he joined ICICI Bank in Mumbai. He joined Amarchand Mangaldas in 2005 and became the partner in charge of the eastern operations of the firm in the year 2007. 'Chambers and Partners' identified Mr. Dutt in the category - 'Leaders in their Field' in Chambers Asia-Pacific 2012 edition.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sudam Maitra, Mr Srikumar Menon and Mr Krishnava Dutt, to whom the resolutions relate, are concerned or interested in the Resolution mentioned at Item Nos. 5 to 7 of the Notice.

The Board recommends the resolutions set forth in Item Nos. 5 to 7 for the approval of the Members.

#### **ITEM NO 8**

The Board of Directors of the Company in appointed Mr. Patrrick Finan as an Additional Director of the Company w.e.f. March 31, 2015. Pursuant to Section 160 of the Companies Act 2013 Mr. Patrrick Finan holds office up to the date of the forthcoming Annual General Meeting.

Mr. Patrick Finan is the Chief Executive of the Global Building Solutions of BlueScope Steel, Australia and was associated with the Company in the capacity of Alternate Director for the last 3 years.

Under Section 160 of the Companies Act, 2013, the Company has received requisite notice from a Member proposing the candidature of Mr. Patrrick Finan for the office of Director.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Patrick Finan, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 8 of the Notice.

The Board recommends the resolution set forth in Item No 8 for the approval of the Members.

#### **ITEM NO 9**

Based on the recommendation of the Audit Committee, the Board in its meeting held on 30th June 2015, appointed M/S B.M Sharma & Co. Cost Accountants to conduct the Audit of the Cost Records maintained by the Company for the Financial Year 2015-16. The remuneration of Rs. 5 Lakhs (excluding Taxes and out of Pocket Expenses) has been agreed between the Management and the Cost Auditors.

In terms of Provisions of Section 148(3) of the Companies Act 2013 read with Rule 14(a)(iii) of the Companies (Audit & Auditors) Rules, 2014 the remuneration payable to Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to Cost Auditors as set out in the remuneration in item No 9 of the Notice.

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Companies (Audit & Auditors) Rules 2014, requires the approval of Members by way of Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is in any way concerned or interested in the Resolution mentioned at Item No. 9 of the Notice.

## ITEM NO 10

The Board of Directors at their meeting held on June 30, 2015 has revised the remuneration payable to Mr. Riten Choudhury, Managing Director for the period from April 1, 2015 to 31st March 31, 2016.

Pursuant to the provisions of Sections 197, 203 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, remuneration to one managerial personnel, computed in accordance with the provisions of the Companies Act, 2013, requires the approval of the members by way of Special Resolution.

Approval of the Central Government is not required since the total remuneration is within the limits specified under Schedule V. Mr. Riten Choudhury does not hold any equity shares of the Company nor have any direct or indirect interest or related to Directors or promoters of the Company. The Members of Remuneration Committee of the Directors had approved the remuneration of Mr. Riten Choudhury in its meeting held on 30th June 2015.

The Directors recommend the resolutions at Item Nos.10 for approval of the members. None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr Riten Choudhury, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 10 of the Notice.

Date: 14<sup>th</sup> September 2015

By Order of the Board of Directors

Place: Pune

Sd/-  
Kavita Sethi Jain  
Company Secretary

**Form No. MGT-11**

**Proxy form**

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10<sup>th</sup> Annual General Meeting of the company, to be held on the 30<sup>th</sup> day of September 2015 at 11.00 a.m. at Metropolitan, 4<sup>th</sup> Floor, Survey No. 21, Wakdedwadi, Shivaji Nagar, Pune - 411005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 March, 2015 and the Reports of the Board of Directors and the Auditors thereon;		
2.	To appoint a Director in place of Mr. Sanjay Dayal (DIN 02506378) who retires by rotation and being eligible offers himself for re-appointment		
3.	To appoint a Director in place of Ms. Samita Shah (DIN 02350176) who retires by rotation and being eligible offers herself for re-appointment.		
4.	Re-appointment of M/s. Deloitte, Haskins & Sells LLP , Chartered Accountants as Statutory Auditors & fixing their remuneration		
5.	To appoint Mr. Sudam Maitra as Independent Director		
6.	To appoint Mr. Srikumar Menon as Independent Director		
7.	To appoint Mr. Krishnava Dutt as Independent Director		
8.	To appoint Mr. Patrick Finan as Director of the Company		
9.	To ratify the remuneration paid to M/s.B.M Sharma & Co, Cost Auditors for the year 2014-15		
10.	Approval of Remuneration to Managing Director		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 2015

Affix Revenue  
Stamps

Signature of the shareholder across  
Revenue Stamp

Signature of Shareholder      Signature of Proxy holder

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**10<sup>th</sup> Annual General Meeting on 30<sup>th</sup> September 2015**

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

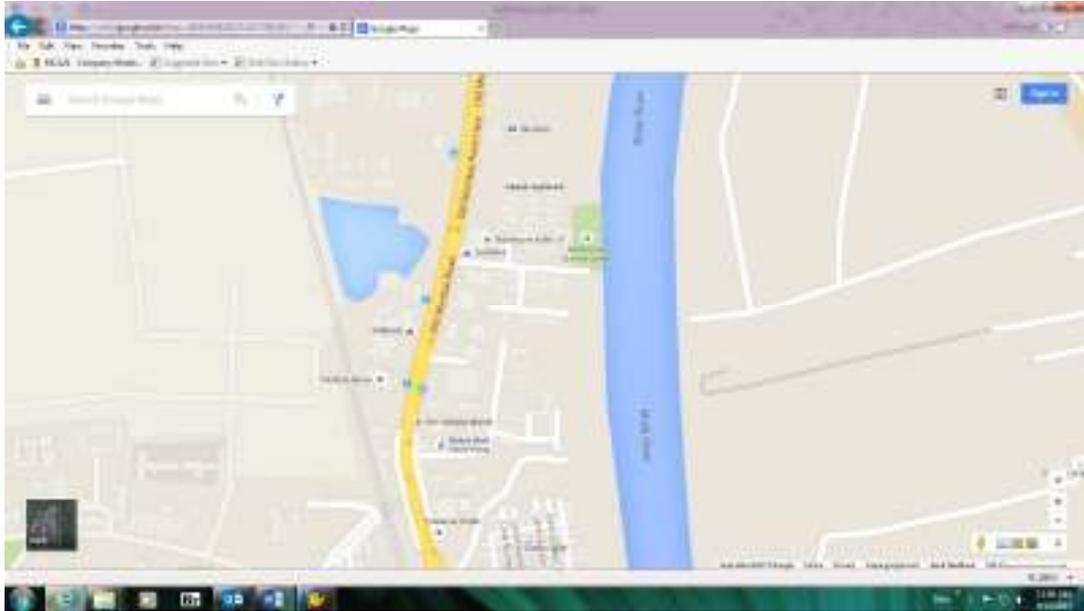
I hereby record my presence at the 10th Annual General Meeting of the Tata Bluescope Steel Limited. Metropolitan, 4th Floor, Survey No. 21, Wakdewadi, Shivaji Nagar, Pune – 411005 on Wednesday, the 30th Sep'2015

(Member's /Proxy's Signature)

Note:

- 1) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than **FORTY EIGHT HOURS** before the commencement of the meeting.
- 2) A Proxy need not be a member of the Company.
- 3) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 4) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

The Rout map of the address of the Company:



Tata BlueScope Steel Limited  
Board's Report

The Members,

Your Directors hereby present their Tenth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

## Financial Results

(Rs. in Lakhs)

Particulars	2014-2015	2013-14
<b>Profit &amp; Loss Account</b>		
Total Income	1,49,318.61	136,923.40
Total Expenses	1,54,524.53	1,47,989.32
EBIT	7,317.99	1,082.91
Depreciation		
Interest	12,523.91	12,148.83
EBT	(5,205.92)	(11,065.92)
Taxation	-	-
EAT	(5,205.92)	(11,065.92)
Balance Brought Forward	(53,598.74)	42,532.82
Transitional Provision	(8.07)	-
Balance Carried to Balance Sheet	(58,812.73)	(53,598.74)

### Dividend

Since the Company, has not made profits during the year, the Directors have decided not to recommend any dividend on the paid up equity share capital of the Company.

### **Macro-Economic Scenario and Industry Outlook**

Indian GDP witnessed a growth of ~7.3% in FY'15, contributed by factors such as expansion in manufacturing sector, improved investment scenario and stabilizing macro-economic fundamentals. Indian GDP is projected to grow at 7.5% in FY'16 and 7.6% in FY'17 by IMF. Though project execution remained slow, but economy has started showing signs of modest recovery owing to policy reforms in FDI and clearance of pending projects with a focus on implementation. Indian finished steel demand registered a y-o-y growth of 3.1% in FY'15 and is expected at ~5 to 6% in FY'16. Expected upward trend in construction activities will increase the demand for steel roofing & walling products in the coming years.

### **Coated Steel Business**

Zn-Al coated steel products are majorly used in Infrastructure, Industrial and Retail segments for roofing walling application in India. Large infrastructure sectors in India are gradually shifting to Zn-Al coated steel products, considering product level benefits. In Industrial and warehousing sector Pre-Engineered Building (PEB) have gained wide acceptance. PEB is expected to grow at ~8 to 10% in FY'16 y-o-y.

Indian Zn-Al coated steel market size was around 510,000 tons in FY'15. Zn-Al coated steel demand grew at 12% in FY'15 y-o-y and is expected to grow at a CAGR of ~11% during FY15-FY19. Domestic Zn-Al coated steel producers have dominated imports by limiting their share to 10% in FY'15. TBSL has two products namely COLORBOND® steel and ZINCALUME® steel which are the quality leaders in the Market place and hence enjoy a substantial premium

over competition. TBSL in this difficult market has managed to increase its market share by delivering on their value promise. To achieve an edge over competition TBSL introduced COLORBOND® steel with THERMATECH™ solar reflectance technology, it received a wide acceptance from architects and consultants. TBSL has increased its footprints in other application like Light Gauge Framing System and Solar Power.

In view of improved future demand, stabilized operations, quicker response to customer needs and business development efforts, CS is well placed to gain domestic market share in the coming years.

### **Building Products (BP) Business**

Financial year 2014-15 was an eventful year for the Building Products business. DURASHINE® business registered a double digit growth in sales volume over FY 2013-14. DURASHINE® has won Asia's Most Promising Brand Award (Roof and Wall Category) for FY 13-14 and is the market leader in retail segment with a substantial market share.

In spite of the projects market showing a de-growth as compared to last year, LYSAGHT® business could grow in double digits for pull through sales volume.. This business has enhanced the market development activities to increase penetration in growing infrastructure segment and has launched a new product to tap the potential of solar sector. LYSAGHT® is a market leader in conventional roofing/walling projects market. . BP established a new roll forming facility near Pune to strengthen their operations. The new roll forming facility has stabilized and is operating to near full capacity. In FY 2015-16, BP is planning to increase its sales volume by widening their product basket, expanding reach and increasing brand awareness.

### **Building Solutions Business**

At the end of FY15, Building Solutions business completed 2.2 million (17 months) Loss Time Injury (LTI) Free Man Hours at Hinjewadi plant, and 4.4 million (26 months) LTI Free Man Hours at Construction Sites.

On the business performance front, FY15 started well, and the first quarter performance was close to plan. However, the expected market recovery did not happen, and volumes did not come through as anticipated. Both production and shipment were higher than the previous year. During the year several steps were taken to increase order intake, improve order flow, and reduce cost and margin erosion. The focus on error reduction helped bring that cost down by 33 %.

Building Solutions continues to emphasize its key differentiators: On-time delivery, Leak-proof roof system, engineered excellence, and Safe project execution. As the industry recovers, and projects move ahead, Building Solutions is confident that its systems and processes will enable achievement of targets in FY16.

### **Operations and Performance**

Your Company achieved a total revenue of Rs.143,750 Lacs during the financial year 2014-15 as compared to Rs.132,600/- Lacs for the financial year 2013-14. The Company ended the year with a loss of Rs.5,200 Lacs as compared to a loss of Rs.11,100 Lacs during the previous year's – a reduction in loss of over Rs.5,800 Lacs. This was achieved by delivering high quality products and services to customers at appropriate prices and various cost reduction initiatives that helped optimize the cost across the value chain.

### **Human Resources Management:**

As of March 31, 2015, the employee strength of the organization stood at 931 as against 952 as of 31st March 2014. A total of 72 employees were recruited during the year which also included campus hires from prestigious institutes ie Jadavpur University, NIT Rourkela and CoEP, Pune. Leadership development, Functional and Technical programmes were conducted across various locations ie Pune, Jamshedpur, Bhiwadi, Chennai and other sales offices. A 'five-rating' performance scale was introduced first time for staff employees to differentiate the top 1 % of talent against a rating of 5. On Industrial relations front, a peaceful and conducive working environment was maintained at all plant locations. On the employee engagement front, under the banner of 'Rainbow' which is the flagship initiative in the Company to promote the formation of hobby clubs in 7 different areas (eg 'Artwhiz' for painters and clay artists, 'Green Hornets' for nature lovers and trekkers, etc), various programmes were conducted at different locations with an objective to create a positive association with the company and energy within the teams.

## **Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure 1**.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of the Report.

However, having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at Registered Office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary, at the registered office and the same will be furnished on request. Further the details are also available on the Company's website: [tatabluescopesteel.com](http://tatabluescopesteel.com)

## **Corporate Social Responsibility (CSR)**

In accordance with provisions of Companies Act 2013 and rules made thereunder the Company has constituted committee of the directors as CSR committee. The Committee and the Board of Directors have reviewed the CSR policy of the Company which is available on the website of the Company. The Company has not earned any profits during the 3 immediate preceding financial years and hence the Company is not required to spend any amounts towards CSR. The CSR policy and the composition of CSR committee is attached herewith this report as **Annexure 2**.

## **Corporate Governance**

Your Company is a Debt Listed Company and hence Clause 49 of the listing agreement is not applicable. However, we ensure that we evolve and follow good corporate governance practices in order to boost long term shareholder value and also respect the rights of all stakeholders.

## **Board Meetings**

During the financial year 2014-15, five Board Meetings and five Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **Remuneration Policy**

The Nomination and Remuneration Committee of the Company has recommended and the Board has approved a Policy on Directors' appointment and Removal including criteria for determine qualifications, positive attributes, independence of directors and other matters provided under section 178(3) of the Act. The Policy is attached as **Annexure 3**.

## **Compensation Policy for Board and Senior Management**

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, KMP and all other employees of the Company. As part of the policy, the Company strives to ensure that:

- (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) Relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and
- (c) Remuneration to Directors, KMP and senior management involves a balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The Remuneration Policy for Directors, KMP and other employees is annexed to this report **Annexure 4**.

## **Board Evaluation**

The Board has done formal evaluation to evaluate the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance. The Chairman of the Board had one-on-one meetings with the Independent Directors and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with the Executive and Non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes. The Board considered and discussed the inputs received from the Directors. Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non- Executive Directors.

## **Independent Directors Declaration**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

## **Directors and Key Managerial Personnel**

### **Separation**

Mr. Atul Gogna (DIN: 03493974), Mr. Simon Linge (DIN: 03558733) and Mr. Sudhansu Pathak (DIN: 06545101) had resigned as Directors of the Company w.e.f. 31<sup>st</sup> March 2015.

Further, Mr. Patrick Finan and Mr. Ian Cummin had resigned as the alternate Directors to Mr. Charlie Elias and Mr. Simon Linge, respectively, w.e.f March 31, 2015.

### **Induction**

On the recommendations of the Nomination and Remuneration Committee, the Board appointed Mr. Sudam Maitra (DIN: 00035398), Mr. Srikumar Menon (DIN: 00470254) and Mr. Krishnava Satyaki Dutt (DIN: 02792753), as Independent Directors of the Company with effect from 31<sup>st</sup> March, 2015.

Mr. Patrick Finan (DIN: 05274228) has been appointed as Additional Director of the Company w.e.f 31<sup>st</sup> March 2015. We seek your support in confirming the appointment of these directors in the ensuing AGM.

Mr. Atul Gogna and Mr. Ian Cummin have been appointed as Alternate Directors, to Mr. Patrick Finan and Mr. Charlie Elias, respectively w.e.f March 31, 2015. Mr. Suresh James Vedachalam Chelliah, was appointed as alternate Director to Mr. Sanjay Dayal w.e.f. 22<sup>nd</sup> April, 2015.

### **Reappointment**

As per the provisions of the Companies Act 2013, Mr. Sanjay Raghbir Dayal (DIN: 02506378) and Ms. Samita Shah (DIN: 02350176), Directors will retire at the ensuing Annual general Meeting and being eligible, seek reappointment. The Board recommends their reappointment.

### **Key managerial personnel**

During the year, Mr. Sanjay Kasture, Company Secretary and KMP of the Company resigned from the services of the Company. The resignation was effective from 26th December 2014.

Consequent to Mr. Sanjay Kastures resignation the Board appointed Ms. Kavita Sethi Jain as Company Secretary and KMP of the Company. The appointment was effective 30th June, 2015.

### **Directors' Responsibility Statement**

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external agencies, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on 31 March, 2015.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. that we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f. that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

### **Audit Committee**

The Audit Committee of the Company was reconstituted on March 31, 2015 and the Committee comprises of Ms. Samita Shah (Chairperson), Mr. Sanjay Dayal, Mr. Krishnavia Dutt, Mr. Srikumar Menon and Mr. Sudam Maitra. The Committee had adopted a charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee has met five times during the year.

### **Internal Control System**

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Company had appointed Price Waterhouse & Co, as internal auditors for the F.Y 2014-15. The scope and authority of the Internal Auditor were well defined. To maintain its objectivity and independence, the Internal Auditors reports to the audit Committee of the Board. The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **Vigil Mechanism :**

The Company has in place a Vigil Mechanism that provides a formal mechanism for all Directors, employees and vendors of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Board and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Code of Conduct (CoC).

The Vigil Mechanism includes the Whistle Blower Policy for Directors, employees and the vendors. The Whistle Blower Policy for Directors and Employees is an extension of the CoC, that requires every Director or employee to promptly report to the Management any actual or possible violation of the Code or any event wherein he or she becomes aware of that which could affect the business or reputation of the Company. Similarly the Whistle Blower Policy provides protection to the Vendors from any victimisation or unfair trade practice by the Company. Under the Policy, every Director, employee or vendor of the Company has an assured access to the Ethics Counsellor/Chairman of the Audit Committee.

### **Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the Financial Year 2014-15, the Company has not received any complaint of sexual harassment.

### **Risk management policy**

The Company is exposed to inherent uncertainties similar to any other business, owing to the sector in which it operates. A key factor in determining a company's ability to create a sustainable value, depends on the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focusses on ensuring that these risks are identified on a timely basis and addressed. The Company has adopted risk management policy which is reviewed by the Audit Committee. The Audit Committee reviews the risk management Policy, practices and actions deployed by the Management with respect to identification, impact assessment, monitoring and mitigation and reporting of key risks, while trying to achieve its business objectives.

## **Subsidiary and Associates**

We have one wholly owned foreign subsidiary as on 31 March, 2015. Based on the exemption provided in Section 129(3) of the Companies Act, 2013, we have not prepared consolidated financial statements of the Company including its subsidiary, for the financial year 2014-15. However, the report on the performance and financial position of the subsidiary and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report **Annexure 5**.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements and related information of the Company and audited financial statements of the subsidiary will be available on our website [www.tatabluescopesteel.com](http://www.tatabluescopesteel.com). These documents will also be available for inspection during business hours at the registered office of the Company.

## **Related Party Transactions**

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements. However, contracts or arrangements with related parties as referred in Section 188(1) are disclosed in Form AOC-2 form part of this report as **Annexure 6**.

## **Statutory Auditors:**

M/s Deloitte Haskins & Sells, Chartered Accountants, the statutory auditors of the Company retire at the ensuing Annual General Meeting. They have confirmed their eligibility under section 141 of the Companies Act 2013 for reappointment and have indicated their willingness to continue. The members are requested to consider the reappointment of the auditors from conclusion of the ensuing Annual general Meeting to next Annual General meeting.

## **Cost Audit**

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of B. M. Sharma & Co as the Cost Auditors of the Company for the year ending 31 March, 2016, at a remuneration as may be decided between Management and Cost Auditor of the Company.

## **Secretarial Audit Report**

Section 204 of the Companies Act, 2013 *inter-alia* requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board of Directors appointed JDNASSA & Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for Financial Year 2014-15 and their report is annexed to this Board report as **Annexure 7**.

The Board has re-appointed JDNASSA & Associates, Practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2015-16.

## **Extract Of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT 9 as per provisions of Companies Act, 2013 and rules thereto is annexed to this report as **Annexure 8**.

## **Significant and Material Orders Passed by the Regulators or Courts**

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations. However, members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

## **Particulars of Loans, Guarantees or Investments**

Particulars of loans, guarantees given and investments made during the year in accordance with Section 186 of the Companies Act, 2013 is annexed to this report as **Annexure 9**.

### **Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report as **Annexure 10**.

### **Deposits**

During the year, the Company has not accepted any deposits under the Companies Act, 2013.

### **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There has been no material change affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

### **Acknowledgements**

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support- on behalf of the Board of Directors.

Place: Pune  
Date: 14<sup>th</sup> September 2015

On behalf of the Board of Directors

Sd/-  
Sanjay Dayal  
Chairman

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

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

Median remuneration of all the employees of the Company for the Financial Year 2014-15	₹ 4,88,000
The percentage increase in the median remuneration of employees in the Financial Year	11%
The number of permanent employees on the rolls of Company as on 31 March, 2015	931

*Note: The above remuneration figures and calculations are based on the payments made during the Financial Year 2014-15 (It includes the fixed salaries for F Y 2014-15 and incentive remuneration of FY 2013-14, paid in FY 2014-15).*

**2. Relationship between average increase in remuneration and company performance:**

Whilst the Company has a strong focus on cost, employee cost being one of the key areas for cost monitoring and control, the results of any structural initiatives needs to be measured over a long-term horizon and cannot be strictly compared with annual performance indicators. The performance of the Company was under pressure due to the challenges it faced during the year. Average increase in remuneration is guided by factors like inflation, normal salary revisions, external competitiveness and talent retention

The average increase in remuneration during Financial Year 2014-15 was 10.65% (excluding Incentive and Statutory Bonus) as compared with previous financial year. Net revenues of the company during the financial year 2014-15 increased by 9.4% to Rs 1,489 crores from Rs 1,361 crores in the previous year. The losses for the company reduced by 53% during the year. The Total employee cost for the Financial Year ended 31st March, 2015 was Rs. 75 crores against Rs. 71 crores for the Financial Year ended 31st March, 2014. The total employee cost as a percentage of net revenues was 5.04% (last year 5.22%).

**3. Comparison of the remuneration of the KMP against the performance of the Company.**

Particulars	(Rs Crs)
Aggregate remuneration of KMP in Financial Year 2014-15	1.83
Revenue (MT)	1,489
Remuneration of KMPs (as % of revenue)	0.12
Profit before Tax (PBT)	(52)
Remuneration of KMPs (as % of PBT)	-

*Note: The above remuneration figures and calculations are based on the payments made during the Financial Year 2014-15 (It includes the fixed salaries for F Y 2014-15 and incentive remuneration of FY 2013-14, paid in FY 2014-15).*

4. Since the equity shares of the Company are not listed with the Stock exchange variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer, are Not Applicable on it.

5. **Average increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase in salary of the Company's employees was 10.65%. The total managerial remuneration for the Financial Year 2014-15 was ₹ 0.99 cores as against ₹ 1.16 cores during the previous year. Rs. 0.99 Crs includes the performance Bonus for FY 13-14 of Mr. Harish Pathak who was with Company till 31st August 2013, and was Whole Time Director till 31st October 2013. His Performance Bonus of Rs. 0.20 Crs was paid in FY 2014-15. Mr. Riten Choudhury took over as Managing Director from 1st September 2013. The percentage increase in remuneration to Mr. Riten Choudhury Managing Director during the Financial Year 2014-15 was approximately 8.98 %.

6. **Comparison of remuneration of the KMP against the performance of the company:**

sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Harish	Mr. Riten	Mr. Suresh James	Mr. Sanjay Kasture
		Whole Time	MD	CFO	Company Secretary**
1	Remuneration in FY 15 (₹)	0.20	0.80	0.72	0.12
2	Revenue (₹ crores)	1,489			
3	Remuneration as % of	0.01	0.05	0.05	0.01
4	Profit before Tax (PBT) (₹)	(52)			
5	Remuneration as % of PBT	-	-	-	

Note: The above remuneration are based on the amounts paid during the Financial Year 2014-15 (It includes the fixed salaries for F Y 2014-15 and incentive remuneration of FY 2013-14, paid in FY 2014-15).

\*The remuneration of Rs. 0.20 Crs paid to Mr Pathak, was the incentive remuneration for FY 2013-14, which was paid in FY 2014-15

\*\*Part of the year

7. **The key parameters for any variable component of remuneration availed by the directors/ managing Director:**

Remuneration to the Managing Director involve balance between fixed and variable pay reflecting short and long-term performance objective appropriate to the working of the Company, its goals, for attracting and retaining the best talent.

8. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

Not applicable since no employee of the Company received remuneration in excess of the highest paid director, i.e. MD.

9. Remuneration is as per the remuneration policy of the Company.

Place: Pune

Date: 14<sup>th</sup> September 2015

Sd/-

Sanjay Dayal

Chairman

## Annexure 2

### **Brief outline of the Corporate Social Responsibility (CSR) Policy:**

The CSR policy as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the Tata Group focus initiatives – Education, Health, Livelihoods and Rural and Urban infrastructure. Besides, it will also undertake Interventions in the areas of sports, disaster relief, environment and ethnicity all aimed at improving the quality of life of the communities.

### **Composition of CSR Committee of the Board:**

The CSR Committee of the Board comprises of Mr. Sanjay Dayal (Chairman), Mr. Anand Sen and Mr. Srikumar Menon.

### **CSR expenditure**

The Company's average net profit of the immediately preceding financial years is negative as the Company had losses during these years, hence CSR spend was not mandatory for FY 2014-15.

### **Responsibility Statement**

We hereby affirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objective and Policy of the Company

Place: Pune

Date: 14<sup>th</sup> September 2015

Sd/-

Sanjay Dayal  
Chairman of CSR Committee

## Annexure 3 - Policy on Appointment and Removal of Directors

### 1. Introduction

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- 1.1. In terms of Section 178 of the Companies Act, 2013, and rules made thereunder, as amended from time to time, the Committee has formulated this policy on appointment and removal of Directors. The Policy has been adopted by the NRC vide its resolution dated June 30, 2015 and approved by the Board of Directors vide its resolution dated June 30, 2015
- 1.2. This policy shall act as a guideline for determining qualifications, positive attributes and (as required for Independent Directors) independence of a Director and matters relating to the appointment and removal of Directors, but shall at all times be subject to the provisions of the Charter Documents.

### 2. Objective of the Policy

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- 2.1 To lay down criteria and terms and conditions with regards to the identification of persons who are qualified to become Directors (executive, non-executive and independent) including their qualifications, positive attributes and independence [CA Sec. 178] (independence as required for Independent Directors) and who may be appointed as the Senior Management of the Company.

### 3. Appointment of Directors

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This Policy enumerates guidelines to be used by NRC in making recommendations to the Board for selecting/appointing/re-appointing and removal of a Director.

For all the above stated matters, any Shareholder may make suggestions from time to time, to Chairman, NRC or to a member of the NRC, who may incorporate the same while recommending to the Board. Shareholders may also make recommendations directly to the Board.

- 3.1 The NRC must assess skill-sets the Board needs given the strategies, challenges faced by the Company.
- 3.2 In making recommendations to the Board for selecting individuals for appointment/re-appointment/removal of directors, the NRC to refer to the following guidelines/policies:
  - 3.2.1 Board Membership Criteria (Refer **Schedule A**)
  - 3.2.2 Board Diversity Policy, if any, framed as per the requirement of law (Refer **Schedule B**)
  - 3.2.3 Criteria for determining independence of directors (in case of appointment of Independent Directors (Refer **Schedule C**))
- 3.3 The NRC may request candidature from the Shareholders.
- 3.4 NRC members (either jointly/individually, as delegated) shall meet the potential candidate and assess his/her suitability for the role.
- 3.5 NRC to recommend the appointment of shortlisted candidate to the Board for its consideration.
- 3.6 Emergency Succession: If position of a Director suddenly becomes vacant by reason of death or other unanticipated occurrence, the NRC shall convene a special meeting at the earliest opportunity to make recommendations to the Board to fill such vacancy.

### 4. Policy Implementation

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- 4.1 The Committee is responsible for recommending this Policy to the Board.
- 4.2 The Board is responsible for approving and overseeing implementation of this Policy (with the support of the Committee)

## **5. Review of the Policy**

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise. The Board may also review the Policy as it sees fit.

## **6. Compliance Responsibility**

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

### **Schedule A**

#### **Board Membership Criteria**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education, and public service. Characteristics expected of all directors include independence of judgment, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

In evaluating the suitability of individual Board members, the Committee considers many factors, including general understanding of marketing, finance, operations management, public policy, international relations, legal, governance and other disciplines relevant to the success of the Company in today's business environment; understanding of the Company's business; experience in dealing with strategic issues and long-term perspectives; maintaining an independent familiarity with the external environment in which the company operates and especially in the directors particular field of expertise; educational and professional background; personal accomplishment; and geographic, gender, age, and ethnic diversity.

The Board evaluates each individual in the context of the Board as a whole, with the objective of having a group that can best perpetuate the success of the Company's business and represent stakeholders interests through the exercise of sound judgment, using its diversity of experience.

In determining whether to recommend a director for re-election, the Committee also considers the director's past attendance at meetings, participation in meetings and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with the responsibilities at TBSL.

### **Schedule B**

#### **Board Diversity Policy**

##### **1. Purpose**

The need for diversity in the Board has come into focus post the changes in the provisions of the Companies Act, 2013 ("Act").

The NRC has framed this policy to set out the approach to diversity on the Board of the Company ("Policy").

##### **2. Scope**

This Policy is intended to guide the NRC in recommending candidates for appointment to the Board of the Company.

##### **3. Policy Statement**

The Company recognizes the importance of diversity in its success. It is important that the Company has a diverse Board.

A diverse Board will bring in different set of expertise and perspectives. The combination of Board having different skill set, industry experience, varied cultural and geographical background and belonging to different race and gender will bring a variety of experience and viewpoints which will add to the strength of the Company.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Company successfully through various geographies.

The Committee reviews and recommends appointments of new directors to the Board. In reviewing and determining the Board composition, the Committee will consider the merit, skill, experience, race, gender and other diversity of the Board.

To meet the objectives of driving diversity and an optimum skill mix, the Committee may seek the support of the Shareholders.

#### **4. Monitoring and Reporting**

The Committee will report annually, in the corporate governance section of the Annual Report of the Company, the process it employed in making recommendations for Board appointments, if required by the law. The report will include summary of this Policy including purpose and the progress made in achieving the same.

#### **5. Review of the Policy**

This Policy will be reviewed and reassessed by the Committee as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise. The Board may also review the Policy as it sees fit.

#### **6. Compliance Responsibility**

Compliance of this policy shall be the responsibility of the Company Secretary of the Company who shall have the power to ask for any information or clarifications from the management in this regard.

### **Schedule c**

#### **Criteria for determining independence of Directors**

##### **1. Purpose**

The purpose of this policy is to define guidelines that will be used by the Board to assess the independence of Directors of the Company, with respect to the appointment of Independent Directors.

##### **Independence Guidelines**

A Director is considered independent if the Board makes an affirmative determination after a review of all relevant information. The Board will follow the requirements of law in this regard, including section 149(6) of the Act, as may be amended from time to time. For reference, section 149(6) of the Act and certain definitions used in that section are set out below.

Section 149(6) - An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

- a) i. who is or was not a promoter of the company or its holding, subsidiary or associate company;
- ii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- b) has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- c) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d) who, neither himself nor any of his relatives—

- i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
  - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
- iii. holds together with his relatives two per cent. or more of the total voting power of the company; or
- iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
- e) who possesses such other qualifications as may be prescribed.

As per rule 5 of the Companies Appointment and Qualification of Directors Rules 2014:

An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

***Definitions in addition to those provided above (as extracted from the act)***

1. **“Nominee director”** means a director nominated by any financial institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any government or any other person to represent its interests. [Companies Act 2013 – 149 Explanation]
2. **“Associate company”**, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. [Sec 2(6) of CA, 2013]

Explanation.—For the purposes of this clause, “significant influence” means control of at least twenty per cent. of total share capital, or of business decisions under an agreement;

3. **“Relative”**, with reference to a person, means anyone who is related to another if: (i) they are members of Hindu Undivided Family; (ii) if they are husband and wife; or (iii) if one person is related to the other in such manner as may be prescribed. [CA Sec. 2(77)]

As per rule 4 of the Companies (Specification of Definitions Details) Rules 2014, a person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely – (1) Father (includes step-father), (2) Mother (includes step-mother), (3) Son (includes step-son), (4) Son's wife, (5) Daughter, (6) Daughter's husband, (7) Brother (includes step-brother), (8) Sister (includes step-sister)

4. **“Holding company”** has the meaning given in the Act.

5. **“Subsidiary”** and **“subsidiary company”** have the meaning given in the Act.

## **Annexure 4 - Remuneration Policy of Directors, KMPs and other employees**

The philosophy for remuneration of directors, Key Managerial Personnel (“KMP”) and all other employees of TBSL (“Company”) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (“Act”). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (“NRC”) has considered the factors laid down under Section 178(4) of the Act, which are as under:

“(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals”

For all matters related to remuneration to directors, the Shareholders may make suggestions from time to time, to Chairman, NRC or to members of the NRC, who may incorporate the same while recommending to the Board.

All remuneration of Directors and KMP must be approved by the Board.

Key principles governing this remuneration policy are as follows:

### **1. Remuneration for independent directors and non-independent non-executive directors**

1.1. Overall remuneration should be reflective of the size of the company, complexity of the sector/ industry/ company’s operations and the company’s capacity to pay the remuneration.

1.2. Independent directors (“ID”) and non-independent non-executive directors (“NED”) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members). Quantum of sitting fees and NED Commission may be subject to review on a periodic basis, as required.

1.3. Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC for adoption to the Board.

1.4. Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).

1.5. Overall remuneration practices should be consistent with recognized best practices.

1.6. The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company’s performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

1.7. The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.

1.8. In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

## **2. Remuneration for managing director (“MD”)/ executive directors (“EDs”)/ KMP/ rest of the employees**

2.1. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

2.1.1. Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)

2.1.2. Driven by the role played by the individual,

2.1.3. Reflective of size of the company, complexity of the sector/ industry/ company’s operations and the company’s capacity to pay,

2.1.4. Consistent with recognized best practices and

2.1.5. Aligned to any regulatory requirements.

2.2. In terms of remuneration mix or composition,

2.2.1. The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.

2.2.2. Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.

2.2.3. In addition to the basic/ fixed salary, the company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company may also provide all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imburements or insurance cover and accidental death and dismemberment through personal accident insurance.

2.2.4. The company provides retirement benefits as applicable.

2.2.5. In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company may provide MD/ EDs such remuneration by way of bonus/performance linked incentive and/or commission calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.

2.2.6. The company may provide the rest of the employees a performance linked bonus and/or performance linked incentive. The performance linked bonus/performance linked incentive would be driven by the outcome of the performance appraisal process and the performance of the company.

## **3. Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- o The services rendered are of a professional nature; and
- o The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

## **4. Premium on Insurance policy**

4.1. Where any insurance is taken by the Company on behalf of the Company’s NEDs, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

4.2. Where any insurance is taken by the Company on behalf of the Company’s MD/EDs, KMP and any other employees for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium

paid on such insurance shall not be treated as part of the remuneration. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**5. Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

**6. Review of the Policy**

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise. The Board may also review the Policy as it sees fit.

**7. Compliance Responsibility**

Compliance of this policy shall be the responsibility of the Company Secretary of the company who shall have the power to ask for any information or clarification from the management in this regard.

**Annexure 5 - Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Amount in Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	BlueScope Lysaght Lanka Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Sri Lanka Rupee Exchange Rate: 1LKR = 04692 INR
4	Share capital	513.84
5	Reserves & surplus	615.47
6	Total assets	3,367.01
7	Total Liabilities	2,237.70
8	Investments	-
9	Turnover	6,778.95
10	Profit before taxation	114.20
11	Provision for taxation	24.65
12	Profit after taxation	89.55
13	Proposed Dividend	-
14	% of shareholding	100%

On behalf of the Board of Directors

Sd/-  
Sanjay Dayal  
Chairman

Place: Pune  
Date: 14<sup>th</sup> September 2015

**Annexure 6 - Form AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. - **N.A.**
2. Details of material contracts or arrangements or transactions at Arm's length basis.

Sr. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements /transaction	Duration of the contracts/ arrangements /transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances , if any
1	BlueScope Lysaght Lanka Private Limited (Subsidiary Company)	Sale of goods (Coils & Component)	Apr`14 – Mar`15	Rs. 1,263.20 Lacs	Ongoing Basis	NIL
2	BlueScope Steel India Private Limited (BSIPL)	Expenses incurred (reimbursement of TDS/expenses paid by TBSL on behalf of BSIPL)	Apr`14 – Mar`15	Rs. 6.54 Lacs	Ongoing Basis	NIL

On behalf of the Board of Directors

Place: Pune  
Date: 14<sup>th</sup> September 2015

Sd/-  
Sanjay Dayal  
Chairman

**Annexure 7 - Form No. MR-3**  
**Secretarial Audit Report**  
**For The Financial Year ended 31<sup>st</sup> March 2015**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the  
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members  
Tata BlueScope Steel Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata BlueScope Steel Limited. (Hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **[Not applicable during the Audit Period]**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not applicable during the Audit Period]**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **[Not applicable during the Audit Period]**

(e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the Audit Period]**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the Audit Period]**

**(vi) OTHER APPLICABLE LAWS:**

1. Factories Act, 1948 and The Factories (Control of Industrial Major Accidents Hazards) Rules 2003
2. Payment of Wages Act, 1936,
3. The Minimum Wages Act, 1948,
4. Employees' State Insurance Act, 1948,
5. Provident Fund Act 1952 & Employees Pension Scheme 1995,
6. The Payment of Bonus Act, 1965,
7. Payment of Gratuity Act, 1972,
8. Contract Labour (Regulation & Abolition) Act 1970
9. The Maternity benefit Act 1961
10. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
11. The Maharashtra Shops & Establishments Act 1948
12. Employees Compensation Act 1923
13. Information Technology Act 2000
14. The Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal Act) 2013

**We have also examined compliance with the applicable clauses of the following:**

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the Company during the audit period).**

(ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited, Mumbai in respect of Debentures Issued by the Company

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

**We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the company has

- (i) Obtained Shareholders' approval at the Annual general meeting held on 11<sup>th</sup> September 2014 pursuant to provisions of Section 180 (1) ( c) of the Companies Act, 2013; for borrowings in excess of the aggregate of paid-up capital and free reserves of the Company
- (ii) Repaid the term loan in full to Syndicate Bank and has thereby released the charge on immovable and movable properties of the Company
- (iii) Obtained Shareholders' approval at the Extra-ordinary General Meeting held on 13<sup>th</sup> November 2014 pursuant to provisions of Section 180 (1) ( a) of the Companies Act, 2013; for mortgage/ hypothecation of immovable/ movable property of the Company as security for the Loan facility availed from State Bank of India

**FOR JDNASSA & ASSOCIATES  
COMPANY SECRETARIES**

\_\_\_\_\_Sd/-\_\_\_\_\_  
**JAYAVANT BHAVE**  
**FCS No. 4266**  
**CP No. 3068**  
**Place :Pune**  
**Date : 16<sup>th</sup> August 2015**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

#### **Annexure A**

To,  
The Members  
Tata BlueScope Steel Limited

Our report of even date is to be read along with this letter.

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

**FOR JDNASSA & ASSOCIATES  
COMPANY SECRETARIES**

\_\_\_\_\_Sd/-\_\_\_\_\_  
**JAYAVANT BHAVE**  
**FCS No. 4266**  
**CP No. 3068**  
  
**Place : Pune**  
**Date : 16<sup>th</sup> August 2015**

**Annexure 8 - Form No. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2014**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U45209PN2005PLC020270
2.	Registration Date	9 <sup>th</sup> February 2005
3.	Name of the Company	Tata BlueScope Steel Limited
4.	Category/Sub-category of the Company	Public Limited listed Company having share capital (Debentures are listed but not the equity share capital)
5.	Address of the Registered office & contact details	Metropolitan, Final Plot No. 27, Survey No.21, Wakdewadi, Shivajinagar, Pune 411005 Phone No: +91 20 66218000 Fax No: +91 20 66218001
6.	Whether listed company	Yes (Debentures are listed but not the equity share capital)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	TSR Dharashaw Limited 6-10,Haji Moose Patrawala Ind Estate20, Dr E Moses Road, Near Famous Studio, Mahalaxmi Mumbai - 400 011 022- 66178554 022- 66178548

**II. Principal business activities of the Company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Pre Engineered Buildings	251	13%
2	Color Coated & Zinc & Aluminum coated Steel, Roll formed Roofing and Walling profiles	241	87%

**III. Particulars of holding, subsidiary and associate companies -**

Sr. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	BlueScope Lysaght Lanka Pvt. Ltd	PV8619	Subsidiary	100%	2(87)

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

##### Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	86,60,00,000	86,60,00,000	100.00	-	86,60,00,000	86,60,00,000	100.00	NIL
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>		86,60,00,000	86,60,00,000	100.00		86,60,00,000	86,60,00,000	100.00	NIL
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

g) FIIIs									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>									
<b>2. Non- Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>									

Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>		86,60,00,000	86,60,00,000	100.00	NIL	86,60,00,000	86,60,00,000	100.00	NIL

B) Shareholding of Promoter-

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	BlueScope Steel Asia Holding PTY Ltd.	43,29,99,997	50.00	NIL	43,29,99,997	50.00	NIL	NIL
2	Tata Steel Limited	43,29,99,997	50.00	NIL	43,29,99,997	50.00	NIL	NIL
3	Tata Steel Limited J/W Mr. Anand Sen	1	0.00	NIL	1	0.00	NIL	NIL
4	Tata Steel Limited J/W Mr. N.K Mishra	1	0.00	NIL	1	0.00	NIL	NIL
5	Tata Steel Limited J/W Mr. H. M. Nerurkar	1	0.00	NIL	1	0.00	NIL	NIL
6	BlueScope Steel Asia Holding PTY Ltd. J/W Mr. Wayne Armour	1	0.00	NIL	1	0.00	NIL	NIL
7	BlueScope Steel Asia Holding PTY Ltd. J/W Mr. Sanjay Dayal	1	0.00	NIL	1	0.00	NIL	NIL
8	BlueScope Steel Asia Holding PTY Ltd. J/W Mr. Simon Linge	1	0.00	NIL	1	0.00	NIL	NIL

**C) Change in Promoters' Shareholding (please specify, if there is no change)- No Change**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs): NIL**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>				
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>				
	<b>At the end of the year</b>				

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>	NIL*	NIL	NIL	NIL
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):</b>	NIL	NIL	NIL	NIL
	<b>At the end of the year</b>	NIL	NIL	NIL	NIL

\*Two Directors hold 1 share each jointly with Promoter Shareholder i.e Tata Steel Limited jointly with Mr. Anand Sen with and BlueScope Steel Asia Holding PTY Ltd jointly with Mr. Sanjay Dayal.

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

(Amount in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	82,074.00	18,288.38	-	100,362.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,376.11	-	-	8,376.11
Total (i+ii+iii)	90,450.11	18,288.38	-	108,738.49
Change in Indebtedness during the financial year				
* Addition	42,526.00	3,660.83		46,186.83
* Reduction	*(33,550.83 )	(10,865.31)		(44,416.14)
Net Change	8,975.17	(7,204.48)		1,770.69
Indebtedness at the end of the financial year				
i) Principal Amount	92,526.00	11,083.90		103,609.90
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	6,899.28	-		6,899.28
Total (i+ii+iii)	99,425.28	11,083.90		110,509.18

\*Includes reduction in interest accrued but not due Rs. 1,476.83 Lacs.

**XI. Remuneration of Directors and Key Managerial Personnel-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration			
		Mr. Harish Girish Pathak* (From 01/04/2013 to 31/10/2013 – MD/WTD)	Mr. Riten Choudhury Managing Director	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	19,60,000/- 0/- -	78,40,586/- 1,12,854/- -	98,00,586/- 1,12,854/- -
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	<b>19,60,000/-</b>	<b>79,53,440/-</b>	<b>99,13,440/-</b>
	Ceiling as per the Act 2013			As per Schedule V of the Companies Act

\* The above remuneration is based on the payments made during the Financial Year 2014-15 it includes the fixed salaries for FY 2014-15 and Incentive Remuneration for 2013-14, paid in 2014-15. The remuneration of Rs. 19.60 Lacs to Mr. Pathak, was the incentive remuneration for FY 2013-14 which was paid in 2014-15.

**B. Remuneration to other directors during FY 2014-15- NIL**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	----	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-

	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD during FY 2014-15

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO – N.A	Mr. Sanjay Kasture - Company Secretary*	Mr. James Chelliah - CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		12,10,322/- NIL -	70,53,136/- 1,65,408/- -	92,63,458/- 1,65,408/- -
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify...				
5	Others, please specify				
	Total		12,10,322/-	72,18,544/-	94,28,866/-

\*Part of the year

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/ punishments/compounding of offences for the year ended 31<sup>st</sup> March 2015.

Place: Pune  
Date: 14<sup>th</sup> September 2015

Sd/-  
Riten Choudhury  
Managing Director

Sd/-  
Kavita Sethi Jain  
Company Secretary

**Annexure -9 Particulars of Loans, Guarantees or Investments in accordance  
with Section 186 of the Companies Act, 2013**

**Particulars of loans, guarantees or investments under section 186**

Amount outstanding as at 31<sup>st</sup> March 2015

(Rs. In Lacs)

<b>Particulars</b>	<b>Amount</b>
Loans given	NIL
Guarantee given	NIL
Investments made	912.78

Loans, Guarantees given or Investments made during the Financial Year 2014-15 – **NIL**

On behalf of the Board of Directors

Place: Pune  
Date: 14<sup>th</sup> September 2015

Sd/-  
Sanjay Dayal  
Chairman

**Annexure 10 – Particulars of Energy Conservation, Technology Absorption  
and Foreign Exchange Earnings and Outgo required under the  
Companies (Accounts) Rules, 2014**

**A. Conservation of Energy**

**i. Steps taken or impact on conservation of energy**

- Reduction in specific consumption of thermal Energy in Color coating line @ 13.4 % as compared to FY 14
- Reduction in specific electrical power consumption per ton of Metal coated sheet @ 7.14% as compared to FY 14
- Reduction in Electrical Energy & Propane consumption in Color Coating Line by switching off major high consuming power units automatically when the line is idle beyond half an hour.
- For sustainable recovery of steam condensate, switched over to air operated in lieu of steam operated steam condensate recovery system resulting in reduction of steam condensate loss by 20% as compared to FY 14.
- Reduction in electrical energy consumption by replacing high power lamps to low power lamps in high mast and by installing LED lamps in place of sodium vapor & incandescent lamps keeping the illumination requirement as per standard. Total unit saved 676340 Kwh in FY 15.
- Treated water is recycled for gardening, floor cleaning and firefighting @ 250 Cub M/Day.
- Energy conservation in EOT Cranes, replacement of conventional lamps and through optimizing the utilization of DG set.
- Operational control of A/c units using timer.
- Effective utilization of treated water for gardening thereby reducing the sourcing of fresh water by 40 %.

**ii. The steps taken by the company for utilizing alternate source of energy NIL (In planning)**

**iii. Capital investment plan on energy conservation equipment**

Particulars	₹ crores
Reduction of condensate loss by 10 %	0.15
Replacement of existing sodium vapor to LED for plant lighting	0.20
Power Factor improvement from 0.91 to 0.96	0.12
Replacement of Load indication system (LIS) with VFD in EOT Cranes	1.96
Replacing high pressure sodium vapour lamplight 70W to CFL of 44W for the street lights	0.1
Implementing Micro PLC for the A/c units to switch off automatically during break hours.	0.18
Effective utilisation of treated water for gardening	1.4
Replacing 625 KVA DG set with 100 KVA DG set	15
Replacement of packing wood with Rice husk bag	Nil
Implementation of VFD in all EOT cranes	1.96
Replacement of Metal Halide light with CFL.	0.68
Replacement of High Pressure Sodium vapor Lamp to CFL	0.10
Timer introduction for controlling Air conditioners & lightening of boundary wall.	0.22

## B. Technology Absorption

### i. Efforts made towards technology absorption

#### Process development

- Installed Coriolis type Gas Mass Flow meter at propane plant to know overall propane consumption centrally for better control & monitoring.
- Replacement of Load indication system (LIS) with VFD in EOT cranes.

The benefits derived like product improvement, cost reduction, product development or import substitution

Sl. No.	Project Title	Benefits derived	Benefits derived / year	
			Energy savings in Kwh	Cost benefits in Rs.
1	Replacement of packing wood with Rice husk bag	Wood used as a Packing material has now been replaced with rice husk, as filler material in HDPE bags. Energy saving related to this is 415 Mwh equivalent to cost saving of Rs. 320726. This has been implemented at two plants and hence the savings are multiplied.	8,31,000	6,41,452
2	Implementation of VFD in all EOT cranes	The Load indication system (LIS) of the EOT cranes has been replaced with VFD which has reduced the power consumption by 60 %.	25,400	1,48,590
3	Replacement of Metal Halide light with CFL.	Metal Halide light of 250W have been replaced with CFL of 85W in Shop floor maintaining the same illumination level	41,000	2,39,850
4	Replacement of High Pressure Sodium Vapour lamp to CFL	Street lights have been replaced from high pressure sodium vapor lamplight 70W to CFL of 44W. Energy conservation observed is 3450 Kwh.	6,900	40,366
5	Timer introduction for controlling Air conditioners & boundary wall lightening	Micro PLC has been implemented in the HVAC units of the Admin office so that it gets switched off automatically in Standrad room temperature & Lights switched off on Standrad illumination level	21,000	1,22,850

iv. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NIL

- The details of technology imported - NIL
- The year of import - Not applicable
- Whether the technology been fully absorbed – Not applicable
- If not fully absorbed areas where absorption has not taken place, and the reasons thereof and - Not applicable.

- i. The expenditure incurred on R&D - NIL
- ii. **Foreign exchange earnings and outgo**

(Rs. in Lacs)

<b>Foreign exchange earnings and outgo</b>		<b>FY 2014-15</b>	<b>FY 2013-14</b>
a.	Foreign exchange earnings	3,961.53	12,080.79
b.	Value of direct imports (C.I.F. Value)	12,040.37	8,205.99
c.	Expenditure in foreign currency	118.17	331.25

On behalf of the Board of Directors

Sd/-  
Sanjay Dayal  
Chairman

Place: Pune  
Date: 14<sup>th</sup> September 2015

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS of Tata BlueScope Steel Limited Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Tata BlueScope Steel Limited** (“the Company”), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 (A), 30 (D) to the financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
  - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 302009E)

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

Place : Pune  
Dated : 22<sup>nd</sup> April 2015

## **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading 'report on other legal and regulatory requirements' of our report of even date

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, fixed assets have been physically verified by the management in a phased periodical manner as per regular program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii. In respect of its inventories:
  - a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firm or other parties covered in the register maintained under Section 189 of the Act. Therefore, the requirement of clauses (iii) (a) and (iii) (b) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

- v. According to the information and explanations given to us, the Company has not accepted any deposit within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub-section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, and any other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
- b. The disputed statutory dues aggregating Rs. 1,101.16 Lakhs, that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Involved (Rs. In lakhs)</b>
The Finance Act , 1994	Service Tax	CESTAT	2005-06, 2006-07, 2007-08 & 2008-09	125.77
The Central Excise Act, 1944	Excise	Commissioner – Appeal	2006-07, 2007-08, 2008-09, 2010-11, 2011-12 & 2013-14	66.03
The Central Excise Act, 1944	Excise	Assistant Commissioner	2011-12	11.02
The Customs Act , 1962	Customs	Commissioner – Appeal	2007-08	32.00

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. In lakhs)
The Tamil Nadu VAT Act, 2006	VAT	Assistant Commissioner	2007-08, 2008-09, 2009-10, 2010-11 2011-12 & 2012-13	233.23
The Tamil Nadu VAT Act, 2006	VAT	Commissioner - Appeal	2012-13	5.75
The Rajasthan Value Added Tax Act, 2003	VAT	Commercial Tax Office	2010-11 & 2011-12	41.84
The Maharashtra VAT Act, 2002	VAT	Commissioner – Appeal	2008-09	562.12
The Jharkhand VAT Act , 2005	VAT	Commissioner – Appeal	2007-08, 2008-09, 2009-10 & 2010-11	23.40

- c. According to the information and explanations given to us, there are no amounts that are required to be transferred to investor education and protection fund, in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules made thereunder, during the year.
- viii. The accumulated losses of the Company at the end of the financial year are not less than fifty percent of its net worth and the Company has incurred cash losses only during the preceding year but has not incurred any cash loss during the current financial year.
- ix. Based on our audit procedures and as per the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has not borrowed any funds from financial institutions or debenture holders during the year under audit.
- x. According to information and explanation given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Company.
- xi. The term loans were applied for the purpose for which the loans were raised.

- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 302009E)

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

Place: Pune  
Date: 22<sup>nd</sup> April 2015

# Tata BlueScope Steel Limited

## Balance Sheet as at 31st March, 2015

Rs in Lakhs

	Particulars	Note No.	As at	As at
			31st March 2015	31st March 2014
			Audited	Audited
<b>(I)</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholders' funds</b>			
	(a) Share Capital	3	86,600.00	86,600.00
	(b) Reserves and surplus	4	(58,812.73)	(53,598.74)
			<b>27,787.27</b>	<b>33,001.26</b>
<b>(2)</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	67,526.00	83,078.00
	(b) Deferred tax liabilities (net)	6	-	-
	(c) Long-term provisions	7	1,425.16	999.49
	(d) Other non current liabilities	7(i)	3,113.86	6,431.69
			<b>72,065.02</b>	<b>90,509.18</b>
<b>(3)</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	8	3,583.90	10,788.38
	(b) Trade payables	9	9,053.15	10,913.25
	(c) Other current liabilities	10	43,309.04	18,816.05
	(d) Short-term provisions	11	365.91	353.20
			<b>56,312.00</b>	<b>40,870.88</b>
<b>Total</b>			<b>156,164.29</b>	<b>164,381.32</b>
<b>(II)</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	12	106,511.45	113,042.39
	(ii) Intangible assets	13	916.65	1,274.67
	(iii) Capital work-in-progress	13(i)	12.67	270.86
			<b>107,440.77</b>	<b>114,587.92</b>
	(b) Non-current investments	14	912.78	912.78
	(c) Deferred tax assets (net)	6	-	-
	(d) Long-term loans and advances	15	752.64	909.25
			<b>1,665.42</b>	<b>1,822.03</b>
<b>(2)</b>	<b>Current assets</b>			
	(a) Inventories	16	22,648.85	21,345.83
	(b) Trade receivables	17	11,713.59	13,786.94
	(c) Cash and cash equivalents	18	4,235.55	1,369.87
	(d) Short-term loans and advances	19	6,835.08	9,501.24
	(e) Other current assets	20	1,625.03	1,967.49
			<b>47,058.10</b>	<b>47,971.37</b>
<b>Total</b>			<b>156,164.29</b>	<b>164,381.32</b>

Summary of significant accounting policies.

2

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the Board

For Tata BlueScope Steel Limited

Sd/-  
Sunil S Kothari  
Partner

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chief Financial Officer

Place: Pune  
Date: 22nd April, 2015

Place: Mumbai  
Date: 22nd April, 2015

# Tata BlueScope Steel Limited

## Statement of Profit and Loss for the year ended 31st March, 2015

Rs in Lakhs

	Particulars	Note No.	For the year ended	For the year ended
			31st March 2015	31st March 2014
			Audited	Audited
I	Revenue from operations (gross)	21	166,640.67	152,110.87
	Less: Excise duty		17,725.33	16,044.06
	Revenue from operations (net)		148,915.34	136,066.81
II	Other Income	22	403.27	856.59
III	<b>Total Revenue (I + II)</b>		<b>149,318.61</b>	<b>136,923.40</b>
IV	<b>EXPENSES</b>			
	(a) Cost of materials consumed	23	109,360.52	98,038.53
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(2,341.46)	1,346.26
	(c) Employee benefits expense	25	7,482.82	7,090.51
	(d) Finance costs	26	12,523.91	12,148.83
	(e) Depreciation and amortisation expense	12 & 13	7,300.80	7,876.83
	(f) Other expenses	27	20,197.94	21,488.36
	<b>Total Expenses</b>		<b>154,524.53</b>	<b>147,989.32</b>
V	<b>Profit / (Loss) before tax (III - IV)</b>		<b>(5,205.92)</b>	<b>(11,065.92)</b>
VI	Tax Expense			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
	<b>Total tax expense</b>		<b>-</b>	<b>-</b>
VII	<b>Profit / (Loss) for the year (V-VI)</b>		<b>(5,205.92)</b>	<b>(11,065.92)</b>
VIII	<b>Earnings per equity share (Ref Note 35):</b>			
	(1) Basic		(0.6011)	(1.2778)
	(2) Diluted		(0.6011)	(1.2778)

Summary of significant accounting policies.

2

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For Deloitte Haskins & Sells  
Chartered Accountants

For and on behalf of the Board  
For Tata BlueScope Steel Limited

Sd/-  
Sunil S Kothari  
Partner

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chief Financial Officer

Place: Pune  
Date: 22nd April, 2015

Place: Mumbai  
Date: 22nd April, 2015

**Tata BlueScope Steel Limited**
**Cash Flow Statement for the year ended 31st March, 2015**

Rs. in Lakhs

Particulars	For the year ended 31st March 2015		For the year ended 31st March 2014	
	Audited		Audited	
<b>A. Cash flow from / (used in) operating activities</b>				
Net Loss before extraordinary items and tax		(5,205.94)		(11,065.92)
<u>Adjustments for:</u>				
Depreciation and amortisation	7,300.79		7,876.83	
Finance costs	12,523.91		12,148.83	
Liabilities / provisions no longer required written back	(35.93)		(113.50)	
Provision for bad and doubtful debts	72.34		163.98	
Provision for warranty	110.90		(53.50)	
Interest from bank on deposit	(9.44)		(46.32)	
Provision for slow moving inventory	(83.94)		193.32	
Net unrealised exchange (gain) / loss	38.89		18.15	
		19,917.52		20,187.80
Operating profit / (loss) before working capital changes		14,711.58		9,121.88
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(1,219.07)		2,374.83	
Trade receivables	2,092.66		(953.46)	
Short-term loans and advances	2,666.16		761.38	
Long-term loans and advances	98.72		130.11	
Other current assets	188.24		(236.89)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(1,762.85)		(2,841.79)	
Other current liabilities	(642.70)		1,336.11	
Short-term provisions	(98.18)		83.21	
Long-term provisions	425.66		51.26	
		1,748.64		704.76
Cash generated from operations		16,460.22		9,826.64
Net income tax (paid) / refunds		158.21		8.41
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>16,618.43</b>		<b>9,835.05</b>
<b>B. Cash flow from / (used in) investing activities</b>				
Capital expenditure on fixed assets, including capital advances & CWIP	(2,777.21)		(1,126.37)	
Interest from bank on deposit	5.45		46.32	
		(2,771.76)		(1,080.05)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(2,771.76)</b>		<b>(1,080.05)</b>
<b>C. Cash flow from / (used in) financing activities</b>				
Proceeds from issue of equity shares	-		-	
Proceeds from long-term borrowings	42,526.00		-	
Repayment of long-term borrowings	(32,074.00)		(6,496.00)	
Proceeds from other short-term borrowings	3,660.83		13,408.03	
Repayment of other short-term borrowings	(10,944.94)		(9,470.91)	
Finance cost	(14,000.74)		(13,820.64)	
		(10,832.85)		(16,379.52)
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(10,832.85)</b>		<b>(16,379.52)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>3,013.82</b>		<b>(7,624.52)</b>
Cash and cash equivalents at the beginning of the year /period		1,369.87		8,854.12
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		(148.14)		140.27
<b>Cash and cash equivalents at the end of the year</b>		<b>4,235.55</b>		<b>1,369.87</b>
Cash and cash equivalents at the end of the year comprises of:				
(a) Cash on hand		1.26		0.92
(b) Balances with banks				
(i) In current accounts		1,572.83		1,368.62
(iii) In deposit accounts with original maturity of less than 3 months		2,661.46		0.33
		<b>4,235.55</b>		<b>1,369.87</b>

**Notes:**

(i) Figure in brackets represent outflows

**See accompanying notes forming part of the financial statements**

In terms of our review report attached

For Deloitte Haskins &amp; Sells

Chartered Accountants

For and on behalf of the Board

For Tata BlueScope Steel Limited

 Sunil S Kothari  
Partner

 Sd/-  
Chairman

 Sd/-  
Managing Director

 Sd/-  
Director

 Sd/-  
Chief Financial Officer

 Place : Pune  
Date : 22nd April, 2015

 Place : Mumbai  
Date : 22nd April, 2015

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

**1. CORPORATE INFORMATION**

Tata BlueScope Steel Limited ('the Company') is a joint venture between Tata Steel Limited, India and BlueScope Steel Asia Holdings Pty Ltd, Australia, a wholly owned subsidiary of BlueScope Steel Limited, Australia. The Company was originally incorporated as BlueScope Steel Building Solution (Private) Limited on 9<sup>th</sup> February 2005. The Joint Venture Agreement was executed on 23<sup>rd</sup> November, 2005, amongst Tata Steel Limited (TSL) and BlueScope Steel Asia Holdings Pty Ltd. (BSAH) and BlueScope Steel Limited (BSL) and BlueScope Steel Building Solutions Private Limited (BSBSPL). As per the Joint Venture Agreement referred above, both BSL and TSL shall contribute the total equity contribution in the ratio 50:50. This joint venture agreement came into effect from 30<sup>th</sup> May 2006.

BSBSPL has been converted into a limited Company under the name BlueScope Steel Building Solutions Limited (BSBSL) and the name of the Company has been further changed from BSBSL to Tata BlueScope Steel Limited with effect from 12<sup>th</sup> June 2006.

The Company's corporate office is headquartered in Pune and has plants in Pune, Jamshedpur, Chennai, Adityapur, Samsawal (Punjab), Khar' Shikapur and Bhivadi. The Company supplies pre-engineered building / building solution products to its target market, South Asia. The Company has set up its Mid-Stream Coating Steel Manufacturing facility and the commercial activities have started from end of December, 2011.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis for the preparation of Financial Statements:**

The financial statements have been prepared under the historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956, and comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the Management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, reported balances of assets, liabilities, and disclosure of contingent liabilities at the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are prudent and based on management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing the accompanying financial statements.

**B. Comparatives**

Comparative financial information is presented in accordance with the 'Corresponding figure' financial reporting framework set out in Standard on Auditing 710 on Comparatives. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year's financial statements, and are to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to conform to the figures of the current year.

**C. Use of Estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known / realized.

**D. Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**E. Revenue Recognition:**

Revenue is recognized on the following basis:

- i. In case of goods sold ex-factory, sales are recognized upon dispatch of goods to customers. Sales are recorded net of excise duty and sales tax.
- ii. In case of a pure installation/service contract, sales are recognized on Percentage of Completion Method as per Accounting Standard-7.
- iii. In the case of fixed price construction contracts or contract for sale of Pre-Engineered Buildings, revenue is recognized on Percentage of Completion Method as per Accounting Standard-7. The stage of completion is

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

determined with reference to the costs incurred on a contract and estimated total cost ascertained based on technical and other estimates.

- iv. Amount due from customers for contract work is the net amount of:
  - a. Costs incurred plus recognized profits; less
  - b. The sum of recognized losses and progress billings for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings.
- v. Amount due to customers for contract work is the net amount of:
  - a. The sum of recognized losses and progress billings; less
  - b. Costs incurred plus recognized profits for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).
- vi. Commission income is recognized at the time of delivery of material to the party.
- vii. Interest income is recognized on period basis.

**F. Fixed Assets :**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortization. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to borrowed funds attributable to the construction or acquisition of qualifying fixed assets, up to the date the asset is ready for intended use. Pre-operative expenses including trial run expenses (net of revenue) incurred up to the date of start of commercial production are capitalized. Self-constructed assets are considered at cost for the purpose of capitalization.

**G. Depreciation :**

(i) Fixed assets (net of residual value of 5% of original cost) are depreciated on straight line basis over their estimated useful life envisaged in Schedule II of the Companies Act 2013 and further amendment to Schedule II on 29<sup>th</sup> August, 2014 except in case of Office Building in which case the useful life is determined based on a technical evaluation by a chartered engineer. The useful life as adopted by the Company are as under:

Particulars	Useful life considered w.e.f April 1, 2014 [In Years]	Useful life considered until March 31, 2014 [In Years]
Factory building	30	30
Office Building	61	61
Plant and Machinery (Single Shift)	15	15
Plant and Machinery (Two shifts)	10	13
Plant and Machinery (Three shifts)	7.5	9
Plant and Machinery (continuous)	25	18
Computers- Servers & Networks	6	5
Computers- End user equipment	3	5
Office Equipment	5	5
Furniture & fixtures	10	10
Software	5	5
Tools & Dies	5	5

- (ii) Freehold Land is not depreciated.
- (iii) Leasehold land and improvement is amortized over the period of the lease.
- (iv) Depreciation on fixed assets acquired and sold during the year is provided on pro-rata basis with reference to the date of addition or sale.

(v) The company has revised the estimated useful life of its assets as on 1<sup>st</sup> April, 2014 as indicated above prior to which the assets were depreciated on straight line basis at rates prescribed in Schedule XIV of the Companies Act 1956. Accordingly, the carrying value of assets as on 1<sup>st</sup> April, 2014 (Net of residual value of 5% of the original cost), are being depreciated over the remaining useful life. As a result of this change the depreciation charge for the quarter is lower by Rs. 131.98 Lakhs and for the year ended 31<sup>st</sup> March, 2015 is lower by Rs. 527.92 Lakhs.

(vi) On revision of useful life of the assets as envisaged in the Schedule II to the Companies Act, 2013, in case of assets where the remaining useful life is nil, the carrying amount of such assets (Net of residual value of 5% of the original cost) aggregating to Rs. 0.07 Lakhs has been adjusted against the opening balance of retained earnings.

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

**H. Borrowing Costs:**

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalized as part of the cost of Fixed Assets, up to the date of fixed Asset is put to use. Other borrowing costs are charged to the Statement of profit and loss Account in the year in which they are incurred.

**I. Impairment of Assets:**

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that these assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized as income in the Statement of profit and loss account as and when they arise.

**J. Inventories:**

Finished products produced by the Company are carried at lower of cost and net realizable value. Work in progress is carried at lower of cost and net realizable value. Raw Material & components are carried at lower of cost and net realizable value. Purchased raw materials-in-transit are carried at cost. Stores and spare parts are carried at lower of cost and Net realizable value. Necessary provision is made and charged to revenue in case of identified slow moving and obsolete items.

Cost of inventories is generally ascertained on the 'weighted average basis'. Work in progress and finished and semi-finished products are valued on full absorption cost basis.

**K. Employees Benefits:**

**i) Provident fund**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The Company's contribution to Provident Fund is charged to the Statement of profit and loss Account in the year for which contributions are made.

**ii) Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

**iii) Compensated absences**

The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to compensated absence subject to certain limits, for future encashment at the time of separation.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefits and the accumulative leave expected to be carried forward beyond twelve months is treated as long term employee benefits which are provided based on the number of days of unutilized compensated absence on the basis of an independent actuarial valuation.

**L. Foreign Currency Transactions:**

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated into rupees at the rate of exchange prevailing on the date of the balance sheet, and the resulting gain/loss is recorded in the Statement of profit and loss account. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise. Premium / discounts on forward contract is amortized over the life of forward contract.

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

**M. Investments:**

Long term investments are carried at cost. Provision is made to recognize a decline other than temporary in the carrying amount of long term investments.

**N. Provisions, Contingent Liabilities and Contingent Assets:**

As per Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognized for:

- i) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- ii) Any present obligation that arises from past events but is not recognized because:
  - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - a) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is disclosed, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**O. Leases:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as "Operating Lease" in accordance with Accounting Standard - 19 "Accounting for Leases". Operating Lease payments are recognized as an expense in the Statement of profit and loss Account, over the lease term.

**P. Deferred Tax:**

Tax expenses comprise both current and deferred taxes. Deferred income taxes reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences for earlier years. Deferred taxes are measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax can be realized.

**Q. Cash Flow Statements**

The Cash Flow statement is prepared by indirect method set out in Accounting Standard 3- "Cash Flow Statements" and present cash flows by operating, investing and financing activities of the Company.

**R. Earnings per share:**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard - 20 on "Earnings per Share". Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**S. Warranties:**

The Company provides an amount equivalent to 1% of Engineering to Order (ETO) sales in relation to warranties given to customers for workmanship (quality) related liabilities. Historical data and experience is used as a basis for the amount provided. In addition, the Company provides an amount equivalent to 0.25% of external sales of Coated Steel and its transfers to Lyngby facilities.

**Terin BlueScope Steel Limited**

**Note 3 : Share Capital**

Rs in Lakhs

Particulars	As at 31st March 2013	As at 31st March 2014
	Authorized	Authorized
		Resubscribed
<b>Authorized:</b>		
1,000,000,000 Equity Shares of Rs. 10 each	100,000,000	100,000,000
(As at 2013 : 1,000,000,000 Equity Shares of Rs. 10 each)		
(31.03.2014 : 1,000,000,000 Equity Shares of Rs. 10 each)	100,000,000	100,000,000
<b>Issued :</b>		
860,000,000 Equity Shares of Rs.10 each	86,000,000	86,000,000
(As at 2013 : 860,000,000 Equity Shares of Rs.10 each)		
(31.03.2014 : 860,000,000 Equity Shares of Rs. 10 each)		
<b>Subscribed and fully paid up:</b>		
860,000,000 Equity Shares of Rs.10 each	86,000,000	86,000,000
(As at 2013 : 860,000,000 Equity Shares of Rs.10 each)		
(31.03.2014 : 860,000,000 Equity Shares of Rs. 10 each)		
<b>Total</b>	<b>86,000,000</b>	<b>186,000,000</b>

**Note 3 (N) : Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31st March 2013	As at 31st March 2014
No. of shares outstanding at the beginning of the year	8,000,000	8,000,000
Add: Additional shares issued during the year		
Less: Shares not called back during the year		
No. of shares outstanding at the end of the year	8,000,000	8,000,000

The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share in the event of the liquidation of the company, the holder of the equity shares will be entitled to receive the amount of Rs. 10 per share or 20% of the net assets of the company, whichever is lower. However, no such preferential amount is currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 3 (B) : Number of shares held by each of shareholder holding more than 1% shares in the company are as follows:**

%	Details of shareholder	As at 31st March 2013	As at 31st March 2014
41.00%	Terin Steel India	3,32,000,000	3,32,000,000
41.00%	BlueScope Steel India Holdings Pty Ltd	3,32,000,000	3,32,000,000
	<b>Total</b>	<b>6,64,000,000</b>	<b>6,64,000,000</b>

Tata BlueScope Steel Limited

Note 4 : Reserves & Surplus

Rs in Lakhs

Particulars	As at	As at
	31st March 2015	31st March 2014
	Audited	Audited
Balance in Statement of Profit and Loss As per last Balance Sheet	(53,598.74)	(42,532.82)
Add: Loss for the year	(5,205.22)	(11,068.82)
Add: Transitional provision- Transfer to opening reserve Net book value of assets whose life is nil under the provisions of Schedule II, of Companies Act, 2013* (Refer Note 2(D))	(8.07)	-
	(66,612.73)	(53,598.74)

**Trust Charitable Support Limited**  
**Notes to the Financial Statements**

**Particulars**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
<b>A. Secured</b>		
Subscribed	25,250.00	50,000.00
Transfers from other trusts	42,250.00	25,250.00
Transfers from other trusts		
Transfers from other trusts		
Transfers from other trusts		
<b>Total</b>	<b>67,500.00</b>	<b>75,250.00</b>

Note 10: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 11: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 12: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 13: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 14: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 15: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 16: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 17: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 18: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 19: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 20: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

**Note 21: Movement in long-term investments**

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount	Amount
At 1st April 2014	1,000,000	1,000,000
Transfers from other trusts	42,250	25,250
Transfers to other trusts	(1,000,000)	(1,000,000)
At 31st March 2015	42,250	25,250

Note 22: Charitable trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960. The trusts are established for the benefit of the charity and are subject to the provisions of the Charitable Trusts Act 1960.

Tata BlueScope Steel Limited

Note 6: Deferred Tax Liabilities/Assets

Rs. in Lakhs

(i) Break up of deferred tax liability as at year end:

Nature of timing difference	As at	As at
	31st March 2015	31st March 2014
	Audited	Audited
<b>Deferred Tax Liability</b>		
Difference between book and tax depreciation	11,252.57	10,170.93
Unrealised forex capital gain	1.70	-
<b>Total</b>	<b>11,254.27</b>	<b>10,170.93</b>

(ii) Break up of deferred tax asset as at year end:

Nature of timing difference	As at	As at
	31st March 2015	31st March 2014
	Audited	Audited
<b>Deferred Tax Assets</b>		
Provision for leave encashment	212.77	144.81
Provision for Bonus	141.99	173.07
Provision for Gratuity	222.50	175.44
Other Provisions	311.36	389.09
Business Loss	8,254.00	8,654.58
Unabsorbed Depreciation	18,618.94	16,140.43
Unrealised forex capital loss	-	5.16
<b>Total</b>	<b>27,762.44</b>	<b>25,632.57</b>

(iii) <b>Net Deferred Tax Assets</b>	<b>16,508.17</b>	<b>15,461.64</b>
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(iv) Net Deferred Tax Asset/Liability:

Nature of timing difference	As at	As at
	31st March 2015	31st March 2014
	Audited	Audited
Net Deferred Tax Asset/Liability recognized	-	-

On the ground of prudence, Deferred Tax Asset has been recognized only to the extent of Deferred Tax Liability.

## Note 7: Long Term Provisions

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Provision for employee benefits		
(b)	Provision for Rating Guidelines	771.24	614.00
(c)	Provision for Leave Encashment	703.42	460.98
	<b>Total</b>	<b>1,474.66</b>	<b>1,074.98</b>

Tata BlueScope Steel Limited

Rs in Lakhs

Note 7 (I) : Other non current liabilities

Particulars	As at	As at
	31st March 2015	31st March 2014
	Audited	Audited
Interest accrued but not due on borrowings	3,113.66	6,431.69
<b>Total</b>	<b>3,113.66</b>	<b>6,431.69</b>



Accounting adjustments

Particulars	2014-2015	2013-14	2012-13	2011-12	2010-11
<b>Goodwill</b>					
Present value of DCF	(7905)	(8,677)	(6,847)	(28,17)	(20,24)
Fair value of identifiable intangible assets	2,44	6,67	9,23	2,47	1,85
Present value of DCF	(7905)	(8,677)	(6,847)	(28,17)	(20,24)
Expense on gain/(loss) on acquisition of identifiable intangible assets	22,57	28,17	(12,22)	(14,81)	(10,75)
Expense on gain/(loss) on acquisition of identifiable intangible assets	2,44	6,67	9,23	2,47	1,85
<b>Plant and equipment medical services</b>					
Present value of DCF	0,29	0,81	0,00	0,30	0,20
Fair value of plant and equipment	0,29	0,81	0,00	0,30	0,20
Expense on gain/(loss) on acquisition of plant and equipment	0,29	0,81	0,00	0,30	0,20
Expense on gain/(loss) on acquisition of plant and equipment	0,29	0,81	0,00	0,30	0,20
<b>Other identifiable intangible assets (specify nature)</b>					
Present value of DCF	0,00	0,00	0,00	0,00	0,00
Fair value of plant and equipment	0,00	0,00	0,00	0,00	0,00
Expense on gain/(loss) on acquisition of plant and equipment	0,00	0,00	0,00	0,00	0,00
Expense on gain/(loss) on acquisition of plant and equipment	0,00	0,00	0,00	0,00	0,00

Particulars	As per year ended 31st March, 2015	For the year ended 31st March, 2014
<b>Accounting adjustments</b>		
Discount rate	7.00%	6.50%
Corporate tax rate in India	30%	30%
Salary tax rate	10.00%	12.00%
Waste	5.00%	5.00%

The present value is based on the prevailing market price of Government of India securities as in the balance sheet of IFCI for the relevant year of the obligations. The corporate tax rate is based on the applicable law in India at the relevant date, including provisions for tax holidays and other incentives for IFCI.

Tata BlueScope Steel Limited

Note 8 : Short Term Borrowings

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Loans repayable on demand		
	-From Banks (Unsecured)		
	(1) Working Capital Demand Loan	2,500.00	8,600.00
	(2) Cash Credit	63.90	47.14
	Other Loans		
	-From Banks (Unsecured)		
	(1) Buyers Credit	-	1,642.84
	(2) FDFD Loan	-	1,198.40
	<b>Total</b>	<b>3,163.90</b>	<b>16,789.28</b>

Note 9 : Trade Payables

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
	Trade Payables	8,053.15	10,018.25
	<b>Total</b>	<b>8,053.15</b>	<b>10,018.25</b>

\* This includes payments outstanding to MSME suppliers amounting to Rs.88.99 Lakhs (31.03.14 Rs Nil). Refer Note 9 (i)

Note 9 (i) : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	68.89	-
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable over in the succeeding year, or till such date when the interest dues as above are actually paid	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.			

Note 10 : Other current liabilities

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Current maturities of long-term debt:	32,000.00	8,485.00
(b)	Interest accrued but not due on borrowings	5,785.47	1,044.42
(c)	Advances received from customers	4,042.95	5,227.24
(d)	Amount due to Customers in respect of contract work	1.14	75.07
(e)	Other payables		
	(i) Creditors for accrued wages and salaries	653.03	729.85
	(ii) Statutory dues (Excise duty, service tax, sales tax, TDS etc)	287.63	269.86
	(iii) Payables on purchase of fixed assets	1,213.88	3,917.88
	(iv) Other liabilities	166.42	165.00
	<b>Total</b>	<b>43,349.04</b>	<b>19,516.05</b>

Tata BlueScope Steel Limited

Note 11: Short Term Provisions

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Provision for employee benefits		81.81
	Provision for Retiring Gratias	28.06	46.62
	Provision for Continuity Incentive	-	34.37
	Provision for Leave Encashment	55.05	
(b)	Provision - Others		191.00
	Provision for warranties	301.90	
	Total	389.01	352.26

Note 11 (i)- Details of provisions and movements in each class of provision as required by the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (Accounting Standard-29):

Particulars	As at	As at
	31st March 2015	31st March 2014
Carrying Amount at the beginning of the year	191.00	244.50
Provision made during the year	110.80	-
Amount paid/ utilized during the year	-	-
Unused amount reversed during the year	-	58.50
Carrying Amount at the end of the year	301.90	191.00

**Table BlueScope Steel Limited**  
**Table 12: Tangible Assets**

Rs in Lakhs

	GOODWILL				INVESTMENT PROPERTIES				PROPERTY, PLANT & EQUIPMENT			
	As at 31.03.2014	Additions during the year ending 31.03.2014	As at 31.03.2014	As at 31.03.2014	For the year ended 31.03.2014	Transferred to other assets in balance sheet at end of year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014
PROPERTY, PLANT & EQUIPMENT	362.02	-	331.36	36.69	3.81	-	31.16	339.82	-	339.82	339.82	339.82
INVESTMENT PROPERTIES	495.04	34	253.36	62.58	(8.82)	(3)	(3) 48	259.28	11	259.28	259.28	259.28
TOTAL	857.06	34	584.72	99.27	(0.01)	(3)	28.68	518.56	12	518.56	518.56	518.56
PROPERTY, PLANT & EQUIPMENT	37,968.70	1,306	37,296.25	4,279.40	1,522.02	-	2,262.52	39,558.25	-	39,558.25	39,558.25	39,558.25
INVESTMENT PROPERTIES	18,733.85	-	1,621.29	854.37	1,113.7	(3)	262.28	2,487.29	11	2,487.29	2,487.29	2,487.29
TOTAL	56,702.55	1,306	38,917.54	5,133.77	2,635.72	(3)	2,524.80	44,045.54	21	44,045.54	44,045.54	44,045.54
TOTAL	65,459.61	1,340	97,502.26	15,233.04	2,635.71	(3)	5,049.68	95,991.08	32	95,991.08	95,991.08	95,991.08
TOTAL	1,28,441.55	2,646	1,38,024.98	33,466.55	5,271.43	(3)	10,074.36	1,48,096.34	63	1,48,096.34	1,48,096.34	1,48,096.34

Note 12: Tangible Assets  
 The figures are subject to audit by the statutory auditors and are subject to the usual qualifications, if any, of the auditors.  
 The figures are subject to audit by the statutory auditors and are subject to the usual qualifications, if any, of the auditors.

	GOODWILL				INVESTMENT PROPERTIES				PROPERTY, PLANT & EQUIPMENT			
	As at 31.03.2014	Additions during the year ending 31.03.2014	As at 31.03.2014	As at 31.03.2014	For the year ended 31.03.2014	Transferred to other assets in balance sheet at end of year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014	As at 31.03.2014
PROPERTY, PLANT & EQUIPMENT	2,02,027	12,249	2,14,276	7,832.59	807.73	-	1,812.87	2,16,088.79	-	2,16,088.79	2,16,088.79	2,16,088.79
INVESTMENT PROPERTIES	62,22,066	19,172	3,288,311	3,288,311	(6,877.44)	(3)	(7,266.39)	3,281,044.61	(3)	3,281,044.61	3,281,044.61	3,281,044.61
TOTAL	64,24,093	31,421	64,564,987	4,126,142	(6,069.71)	(3)	(5,453.52)	64,469,133.40	(3)	64,469,133.40	64,469,133.40	64,469,133.40

Note 13: Intangible Assets  
 The figures are subject to audit by the statutory auditors and are subject to the usual qualifications, if any, of the auditors.  
 The figures are subject to audit by the statutory auditors and are subject to the usual qualifications, if any, of the auditors.

Tata BlueScope Steel Limited

Note 13 (i) : Capital WIP

Rs In Lakhs

Particulars	A/c of 31st March 2013 Audited	A/c of 31st March 2014 Audited
CAPITAL WORK IN PROGRESS (Net of Impairment provision Rs. NIL [ \$1.03.14 Rs. 10.00 Lakhs ])	12.07	270.63

**Yata BlueScope Steel Limited**

**Note 14: Non Current Investments**

**Ra In Lakhs**

Particulars		As at 31st March 2015	As at 31st March 2014
		Audited	Audited
	<b>NON CURRENT INVESTMENTS</b> ( At Cost, less provision for diminution in value )		
(a)	Trade Investment Investment in shares of Subsidiary Company (Unquoted) BlueScope Lysaght Lanka Pvt. Ltd. (BLPL) 10,636,000 equity shares of S.R 10.00 each fully paid	912.38	912.39
(b)	Others (Unquoted) National Saving Certificate	0.40	0.40
	<b>Total</b>	<b>912.78</b>	<b>912.79</b>

**Tata BlueScope Steel Limited**

**Note 15: Long Term Loans and Advances**

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Unsecured considered good		
	(i) Capital Advances	6.66	61.66
	(ii) Security Deposits	271.64	351.69
	(iii) Prepaid Expenses	474.34	433.11
(b)	Doubtful		
	(i) Capital Advances	35.44	37.56
	Task: Provision for bad & doubtful loans & advances	(35.44)	(37.56)
	<b>Total</b>	<b>762.64</b>	<b>809.25</b>

**Note 16: Inventories**

Rs in Lakhs

(valued at lower of cost and net realisable value)

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Raw Materials	10,775.63	11,966.60
	Goods-in-transit	1,749.67	1,849.01
		12,524.30	13,815.61
(b)	Work-in-progress	3,603.62	3,525.81
(c)	Stores & Spare Parts	1,565.49	1,310.42
(d)	Finished goods	4,750.24	2,691.79
	<b>Total</b>	<b>22,643.65</b>	<b>21,343.63</b>

**Note 16 (i): Details of inventory of work-in-progress**

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
	Mainframes	2.51	-
	Secondary	69.46	98.62
	Sheeting & Cladding	1,090.66	1,265.11
	Trims	65.28	112.47
	Metal Coated	1,524.67	1,484.75
	Colour Coated	467.22	479.25
	Other Items	-	79.33
	<b>Total</b>	<b>3,603.62</b>	<b>3,525.81</b>

**Note 16 (ii): Details of inventory of Finished goods**

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
	Building products	-	-
	Coated steel products	4,750.24	2,691.79
	<b>Total</b>	<b>4,750.24</b>	<b>2,691.79</b>

Tata BlueScope Steel Limited

Note 17: Trade Receivables

Rs in Lakhs

Particulars		As at 31st March 2015	As at 31st March 2014
		Audited	Audited
(1)	Overdue more than six months		
	Considered Good	251.45	154.91
	Considered Doubtful	872.20	1,097.38
(2)	Others		
	Considered Good	11,462.14	13,632.00
	Considered Doubtful		
<b>Gross Trade Receivables *</b>		<b>12,685.79</b>	<b>14,884.32</b>
Less: Provision for bad and doubtful debts		872.20	1,097.38
<b>Net Trade Receivables</b>		<b>11,713.59</b>	<b>13,786.94</b>

Classification of Trade Receivables		As at 31st March 2015	As at 31st March 2014
		Audited	Audited
	Secured, considered good	3,234.52	3,585.17
	Unsecured, considered good	8,479.07	8,801.77
	Doubtful	872.20	1,097.38
<b>Total</b>		<b>12,685.79</b>	<b>14,884.32</b>

\* This includes Retention money not due of Rs.847.68 Lakhs (31.03.14 Rs.770.76 Lakhs).

Note 18: Cash and Cash Equivalents

Rs in Lakhs

Particulars		As at 31st March 2015	As at 31st March 2014
		Audited	Audited
(a)	Balances with scheduled banks		
	(i) Current Accounts	1,572.03	1,368.67
	(ii) Deposit Accounts	2,661.46	0.33
(b)	Cash on hand	1.26	0.92
	Margin Money against Letter of Credit		
<b>Total</b>		<b>4,235.55</b>	<b>1,369.87</b>

**Tata BlueScope Steel Limited**

**Note 19: Short Term Loans and Advances**

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Unsecured, considered good		
	(i) Loans and advances to related parties	436.89	470.14
	(ii) Advance with public bodies	5,685.87	7,933.00
	(iii) Advances to suppliers, contractors and others	306.12	691.62
	(iv) Prepaid Expenses	376.21	400.48
	<b>Total</b>	<b>6,835.08</b>	<b>9,501.24</b>

Advance with public bodies as shown above includes Rs. 1,783.56 Lakhs (31.03.14: Rs. 5,366.32 lakhs) dues from Excise and Custom Authorities.

**Note 19 (i): Loans and advances to related parties**

Rs in Lakhs

	Name of related party	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Tata Steel Limited	466.89	466.00
(b)	BlueScope Steel Thailand	-	3.26
	<b>Total</b>	<b>466.89</b>	<b>470.14</b>

**Note 20: Other Current Assets**

Rs in Lakhs

	Particulars	As at	As at
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Current tax assets (net)-Tax Deducted at Source	225.39	363.60
(b)	Amount due from customers in respect of contract work	1,305.65	1,563.89
(c)	Interest accrued on Fixed Deposits	3.99	-
	<b>Total</b>	<b>1,625.03</b>	<b>1,967.49</b>

**Tata BlueScope Steel Limited**

**Note 21: Revenue from operations**

**Rs in Lakhs**

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Sale of products	1,59,258.91	1,45,482.08
(b)	Sale of Services, Revenue from Construction Contracts	2,877.30	2,547.00
(c)	Commission Income	75.48	126.30
(d)	Other Operating Income (Scrap Sale)	4,128.68	3,953.54
	Gross Revenue from operations	1,66,640.87	1,52,110.87
	Less: Excise duty	17,725.35	16,044.08
	<b>Total</b>	<b>1,48,915.34</b>	<b>1,36,066.81</b>

**Rs in Lakhs**

Details of products sold comprises of:		
Manufactured goods		
Building solutions and Building products	1,29,835.46	1,13,257.38
Coated steel products	29,823.43	32,224.70
<b>Total - Sale of manufactured goods</b>	<b>1,59,258.91</b>	<b>1,45,482.08</b>
Details of services rendered comprises of:		
Construction of building services	2,877.30	2,547.00
<b>Total - Sale of services</b>	<b>2,877.30</b>	<b>2,547.00</b>

**Note 22: Other Income**

**Rs in Lakhs**

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Interest		
	Interest from bank on deposit	9.44	48.32
	Interest on overdue trade receivables	69.24	99.31
(b)	Net gain on foreign currency transactions and translation	59.75	20.87
(c)	Provision no longer required written back (net)	36.80	113.50
(d)	Miscellaneous Income	228.85	676.59
	<b>Total</b>	<b>403.27</b>	<b>868.59</b>

ata BlueScope Steel Limited

Note 23: Cost of Materials Consumed (including packing materials)

Rs in Lakhs

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Opening Stock	11,006.80	13,403.05
(b)	Add - Purchases	1,08,167.80	96,891.28
(c)	Less - Closing Stock *	1,70,136.18	1,70,007.33
	Total	1,08,266.69	99,028.53

\* Excludes stock in transit of Rs. 1,741.67 Lakhs (31.03.2014: Rs. 1,540.01 Lakhs)

Tata Elxsi Scope Steel Limited

Note 22 (i): Details of Raw material consumption (including packing material) and closing stock of Raw Material (Rs. in Lakhs)

Particulars	Consumption		Raw material closing stock	
	For the Period ended 31st March 2017	For the Period ended 31st March 2016	As at 31st March 2017	As at 31st March 2016
	Actual	Actual	Actual	Actual
Raw material				
HR Plates	5,004.77	6,773.11	530.50	1,071.40
HR Members	687.70	181.26	347.60	308.64
Ingot (200 & 400mm)	8,011.50	6,577.08	1,136.44	1,224.83
Coil	80,508.40	77,467.04	7,077.52	9,563.40
Roll	8,173.31	5,150.01	621.20	582.19
	93,685.68	89,148.50	14,693.26	20,749.46
Others	6894.49	6,620.27	701.17	1,055.41
<b>Total</b>	<b>1,00,580.27</b>	<b>95,769.07</b>	<b>15,394.43</b>	<b>21,804.91</b>

Note 23 (ii): Value of imported and indigenous raw materials, spare parts and components consumed:

Particulars	For the Period ended 31st March 2017		For the Period ended 31st March 2016	
	Amount (Rs.)	%	Amount (Rs.)	%
	Actual		Actual	
Imported	91,821.14	90%	8,771.54	7%
Indigenously produced	9,025.23	9%	119,827.15	93%
<b>Total Raw Material</b>	<b>1,00,846.37</b>	<b>99%</b>	<b>128,608.69</b>	<b>90%</b>
Spare and parts	76.84	0%	31.75	0%
Indigenously produced	1,418.42	0%	1,742.91	0%
<b>Total Spares and Spares</b>	<b>1,495.26</b>	<b>0%</b>	<b>1,774.66</b>	<b>0%</b>

**Tata BlueScope Steel Limited**

**Note 24: Changes in inventories of finished goods, work-in-progress and stock-in-trade**  
**Rs In Lakhs**

Particulars		For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Opening Stock		
	Finished Goods	2,681.76	4,516.54
	Work-in-progress	3,525.81	2,945.32
(b)	Closing Stock		
	Finished Goods	4,750.24	2,681.76
	Work-in-progress	3,806.82	3,525.81
	<b>Total</b>	<b>(2,341.48)</b>	<b>1,346.26</b>

**Tata BlueScope Steel Limited**

**Note 25: Employee benefits expense**

**Rs in Lakhs**

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Wages & salaries, including bonus	6,093.48	6,664.27
(b)	Company's contributions to Provident and other funds	241.34	233.55
(c)	Retiring Gratualies	226.07	142.55
(d)	Staff welfare expenses	21.13	50.14
<b>Total</b>		<b>7,482.62</b>	<b>7,090.51</b>

**Note 26: Finance costs**

**Rs in Lakhs**

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Interest on Debentures and Fixed Loans	11,479.93	11,267.62
(b)	Others	1,044.56	791.31
<b>Total</b>		<b>12,523.91</b>	<b>12,148.83</b>

## Note 27: Other expenses

	Particulars	For the year ended	For the year ended
		31st March 2015	31st March 2014
		Audited	Audited
(a)	Consumption of stores and Spares	1,468.98	1,775.68
(b)	Power & Fuel	8,874.50	8,698.82
(c)	Rent	550.02	514.70
(d)	Repairs and maintenance:		
	-Repairs to buildings	1.12	2.24
	-Repairs to machinery	185.14	151.22
	-Other Repairs and Maintenance	457.32	637.95
(e)	Insurance charges	238.41	248.07
(f)	Rates & Taxes	70.20	48.85
(g)	Fabrication, Electrical & CMT Contracts	3,484.45	3,691.54
(h)	Commission, discounts and rebates	484.55	480.54
(i)	Legal & Professional Expenses	227.72	292.72
(j)	Communication	141.70	185.38
(k)	Traveling & Conveyance	680.33	788.75
(l)	Other Expenses		
	(i) Net loss / (gain) on foreign currency transactions and translation	-	-
	(ii) Premium / (Discount) on Foreign currency forwards	41.91	38.08
	(iii) Remuneration to auditors		
	-Towards Statutory Audit	28.50	28.50
	-Towards Tax Audit	2.50	2.50
	-Towards Other Audit services	2.28	2.08
	-Towards Out of pocket expenses	0.14	0.86
	(iv) Other General expenses	3,624.10	3,454.28
(m)	Advertisement, Promotion & Selling Expenses	708.73	745.89
(n)	Provision for bad and doubtful debts	72.54	163.98
(o)	Warranty Provision	110.90	-
(p)	Freight and handling charges (net)	625.16	1,568.83
(q)	Excise duties	53.80	48.72
	<b>Total</b>	<b>20,187.84</b>	<b>21,484.36</b>

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

28. Business Segment:

The Company has considered the business segment as the primary segment for disclosure. The Company is engaged in the supply of pre-engineered buildings / building solutions. These in the context of Accounting Standard 17 on Segment Reporting are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical Segment.

29. Capital Commitments:

Detail of the estimated amount of contracts remaining to be executed on capital account and not provided in the books at balance sheet date:

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Tangible Assets:	3.02	14.91
Intangible Assets:	-	53.69

30. Contingent Liabilities:

(A) Disputed Claims:

For in stream BARA project site at Jamshedpur, land rent and cess calculated on the basis of demand received from the Government of Jharkhand as at 21<sup>st</sup> March, 2015 is Rs. 4,172.09 (31.03.14 Rs. 3,660.34 Lakhs). The Company has paid an amount of Rs. 406.87 Lakhs as at 31<sup>st</sup> March, 2015 (31.03.14 Rs. 465.87 Lakhs) to Tata Steel under protest. The same is being shown under Liens and Advances. The outcome of this is dependent on the outcome of case filed by Tata Steel pending in Supreme Court.

The Company has also filed a writ petition with Hon'ble High Court of Jharkhand for granting an interim stay in the rent payment matter and to give the required orders to Jharkhand Government for revision and reconsideration of rent charged. The High Court had heard the writ petition in Sept. 2011 and had issued stay order. Since the Government has issued the demand afresh in March 2012, the Company has filed a petition for early hearing and stay of demand. The Court admitted writ petition and on 14<sup>th</sup> May, 2012 has extended the stay order. The Company has not provided for the same in the books of account.

(B) EPCG Scheme:

The Company has imported Goods under the Export Promotion Capital Goods Scheme (EPCG), of the Government of India, at the concessional rates of duty with an obligation to fulfill the specified exports. Failure to meet this export obligation within the stipulated timeframe as per foreign trade policy 2004-09 could result in payment of the aggregate differential duty saved as mentioned below along with interest there on. The company is confident of meeting the obligation.

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Total export obligation due	16,268.81	20,633.49
Saving in Customs Duty	5,101.86*	7,134.97

\* Upon fulfillment of export obligation, as stipulated under EPCG scheme, the Company has received from Regional Licensing Authority, the 'Export Obligation Discharge Certificates' for the customs duty saved amount of Rs. 2,133.17 Lacs.

(C) Bank Guarantees:

The Company has issued the following Bank Guarantees:

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Performance Guarantees* against Contracts to be executed	1,532.95	1,823.31

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

(D) Contingent Liabilities not provided for an account of dispute are as follows<sup>1</sup>:

Particulars	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Custom Matters	32.00	32.00
Excise Matters	133.30	117.75
Service Tax Matters	177.74	122.73
Sales Tax Matters	882.29	345.64
<b>Total</b>	<b>1,170.41</b>	<b>619.12</b>

<sup>1</sup> As on March 31, 2015, the management does not expect any outflow in respect of the litigations related to the direct & indirect tax matters stated above based on the legal advices obtained.

31. Value of Imports on CIF basis:

Particulars	(Rs. in Lakhs)	
	2014-15	2013-14
Raw Material	11,758.63	7,580.43
Components & spares	244.33	238.74
Capital Goods	37.41	366.82
<b>Total</b>	<b>12,040.37</b>	<b>8,205.99</b>

32. Expenditure in Foreign Currency:

Particulars	(Rs. in Lakhs)	
	2014-15	2013-14
Professional and consultation fees	49.15	174.67
Interest	40.37	48.96
Commission	34.65	80.14
Services	-	22.68
<b>Total</b>	<b>124.17</b>	<b>326.45</b>

33. Earnings in foreign currency:

Particulars	(Rs. in Lakhs)	
	2014-15	2013-14
FOB Value of Exports	3,886.06	11,897.91
Commission	75.47	122.85
<b>Total</b>	<b>3,961.53</b>	<b>12,020.76</b>

34. Related Party Disclosure:

Name of Related Party	Relationship
BlueScope Steel Limited, Australia	Parent Company of JV Partner
TATA Sons Limited	Parent Company of JV Partner
BlueScope Steel Asia Holding Pty Ltd	JV Partner
TATA Steel Limited	JV Partner
BlueScope Steel Lysaght Lanka (Pvt) Ltd	Subsidiary
Mr. Harish Pathak (Until 31 <sup>st</sup> August 2013) (From 1 <sup>st</sup> September 2013 - 30 <sup>th</sup> September 2013)	Managing Director Whole Time Director
Mr. Ritob Choudhury	Managing Director
MEC International Inc.	Subsidiary of JV partner
BlueScope Steel Thailand Limited	Subsidiary of JV partner
BlueScope Steel (Malaysia) Sdn Bhd	Subsidiary of JV partner
BlueScope Steel Asia Sdn Bhd (Malaysia)	Subsidiary of JV partner
BlueScope Steel India P Ltd	Subsidiary of JV partner
BlueScope Steel Asia PTE Ltd (SINGAPORE)	Subsidiary of JV partner
BlueScope Steel North Asia Ltd	Subsidiary of JV partner
BlueScope Steel Vietnam Limited	Subsidiary of JV partner
BlueScope Steel Asia Pte. Ltd., Singapore	Subsidiary of JV partner
Bulker Manufacturing Company	Subsidiary of JV partner
Bulker Shanghai Inc.	Subsidiary of JV partner
BlueScope Steel (Shanghai) Co. Ltd.	Subsidiary of JV partner

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

Name of Related Party	Relationship
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV partner
PT. BlueScope Steel Indonesia	Subsidiary of JV partner
Tata Steel Processing and Distribution Ltd	Subsidiary of JV partner
TATA Steel IZM Hy. Ltd.	Subsidiary of JV partner
TKM Global Logistics Ltd. (TKM Transport Management Service)	Subsidiary of JV partner
BlueScope Steel (Suzhou) Co., Ltd	Subsidiary of JV partner
Tata Metals Limited	Subsidiary of JV partner
TRF Krosaki Refractories Limited (Tata Refractories Limited)	Associate of JV partner
The Tinplate Company of India Ltd	Associate of JV partner
Centennial Steel Company Ltd	Subsidiary of JV partner
Tata Steel International Ltd.	Subsidiary of JV partner
TRF Limited	Associate of JV partner
BlueScope Steel Southern Africa (Pty) Ltd.	Subsidiary of JV partner
BlueScope Steel International Limited	Subsidiary of JV partner
NS BlueScope (Thailand) Limited	Subsidiary of JV partner
Tata International	Associate of JV partner
BlueScope Lyngby Thailand Limited	Subsidiary of JV partner

Note: Related Party transactions and closing balances as on Balance Sheet date are disclosed in the annexure to notes.

35. Earnings per share (EPS):

Sr. No.	Particulars	As at 31st March 2015	As at 31st March 2014
i.	Net Profit / (Loss) after tax (Rupees)	(520,593,004)	(1,06,591,816)
ii.	Weighted Average Number of Equity Shares (Basic) (Nos.)	866,000,000	866,000,000
iii.	Weighted Average Number of Equity Shares (Diluted) (Nos.)	866,000,000	866,000,000
iv.	Nominal Value of Equity Share (Rupees)	Rs. 10.00	Rs. 10.00
v.	Basic Earnings / (Loss) Per Share (Rupees)	(0.6011)	(1.2278)
vi.	Diluted Earnings / (Loss) Per Share (Rupees)	(0.6011)	(1.2278)

36. Derivative transaction:

(A) The company uses forward exchange contract to hedge its exposure in foreign currency. The information on derivative instruments is as follows -

Particulars	Cur	Amount in Foreign Currency		Equivalent amount in INR in Lakhs	
		As at 31st March 2015	As at 31st March 2014	As at 31st March 2015	As at 31st March 2014
Forward Contract (USD - INR)	RURO	-	5,20,000	-	544.25

Note: Exchange Gain / Loss in respect of forward covers provided as per AS 11.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

Tata BlueScope Steel Limited  
Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

(B) Details of foreign currency exposure that have not been hedged by a derivative instrument -

Particulars	Cur	Amount in Foreign Currency		Equivalent amount in INR in Lakhs	
		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Receivables/Advances	USD	26,01,385.03	34,67,350.53	1,626.73	2,077.65
	APC	125.00	-	0.02	-
	AUD	12,407.00	13,365.76	6.43	7.35
	EUR	35,490.36	75,161.65	29.75	61.89
	SEK	-	20,192.62	-	1.85
	GBP	100.00	200	0.08	0.29
	CHF	-	4,055.40	-	2.74
	NZD	15,776.00	-	6.05	-
Payables	USD	43,050.03	1,21,463.56	30.59	72.79
	AUD	-	1,28,408.70	-	71.10
	EUR	55,170.15	1,539,495.03	37.74	1,271.81
	SEK	23,017.90	-	1.88	-
Unsecured Loans	USD	-	45,74,875.76	-	2,741.24
Cash & Banks	USD	3,01,818.31	2,12,425.94	227.97	187.09
	EUR	3,267.50	-	2.70	-

37. Operating Lease:

The Company has taken various office premises on operating lease. Future lease payments have been determined as per agreement.

a) Details of Future Lease Payments -

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Not Later than one year	313.21	345.27
Later than one year but not later than five years	229.84	235.99
Later than five years	-	-

b) Lease payment recognized in the Statement of Profit & Loss is Rs. 538.02 Lakhs (31.03.14 Rs 514.78 Lakhs).

38. Disclosure under Accounting Standard -7 (Revised) "Construction Contract":

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Contract Revenue recognized	20,959.67	20,333.68

Not had used to determine the contract revenue recognized and the stage of completion of contracts in progress.

Disclosure in respect of contracts in progress as at the reporting date:

(Rs. in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Aggregate amount of costs incurred and recognized profits (less recognized losses)	6,549.05	7,252.95
Advance received	2,891.43	3,731.82
Retent on Honey	601.40	726.88

Gross Amount due from/ due to customers. (Refer Note 10 & Note 20)

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Notes to financial statements for the year ended 31<sup>st</sup> March, 2015

- 39.** During the year, in view of not having taxable profits, the Company has not made any provision for Income Taxes in the Books of Accounts. The Company maintains the information and documents as required under the transfer pricing regulations under sections 92-92F of the Income Tax Act, 1961. The management is of the view that its international and domestic transactions to which the above regulations apply, are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation, if any.
- 40.** Though the Company has continued incurring losses during the year, the Company's operations have stabilized resulting in lower losses as compared to the previous corresponding year. While the delay in commencement of operations at the Jamshedpur plant had majorly contributed to the accumulated losses, the company has scaled up its operations over the last two years. The significant sales growth achieved and steps taken to reduce cost of production through various cost reduction initiatives have contributed to improved financial results. Management believes that the increasing turnover and reduced production and overhead costs will lead to profitable growth in the coming years and the company will continue to operate uninterruptedly and settle its obligations as they fall due.
- 41.** Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

For and on behalf of the Board of Directors  
**For Tata BlueScope Steel Limited**

Sd/-  
Chairman

Sd/-  
Managing Director

Sd/-  
Director

Sd/-  
Chief Financial Officer

Place: Mumbai  
Date: 22<sup>nd</sup> April, 2015