

INDEPENDENT AUDITORS' REVIEW REPORT

TO THE BOARD OF DIRECTORS OF TATA BLUESCOPE STEEL LIMITED

- 1) We have reviewed the accompanying unaudited balance sheet of **Tata BlueScope Steel Limited** ("the Company") as of September 30, 2016 and the related unaudited statement of changes in equity, statement of profit and loss and cash flows (hereafter referred to as the 'the Statements') for the six months then ended, and a summary of significant accounting policies and other explanatory notes. The Statements which are the responsibility of the Company's Management and approved by the Board of Directors, have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statements based on our review.
- 2) We conducted our review of the Statements in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether these Statements is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
- 3) Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statements does not present fairly, in all material respects, the state of affairs of the Company as at September 30, 2016 and of its equity, operations and cash flows for the six months period then ended in accordance with Ind AS 34 specified under the Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

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


Sunil S Kothari
Partner
(Membership No. 208238)

Pune,
October 13, 2016

Tata BlueScope Steel Limited
Standalone Balance Sheet as at 30th September, 2016
Rs in Lakhs

	Particulars	Note No.	As at	As at	As at
			30th September 2016	31st March 2016	1st April 2015
			Reviewed	Reviewed	Reviewed
(1)	ASSETS				
	Non-current assets				
	(a) Property, plant and equipment	3	97,552.92	100,126.26	106,656.39
	(b) Capital work-in-progress	3 (i)	1.88	1.05	12.67
	(c) Other intangible assets	4	194.01	431.80	916.66
	(d) Financial assets				
	(i) Investments	5	912.78	912.78	912.78
	(ii) Other financial assets	6	162.93	204.64	221.64
	(e) Other non-current assets	7	915.96	872.82	881.83
	(f) Current tax assets (net)		274.90	264.99	225.39
(2)	(g) Deferred tax assets (net)	8	-	-	-
			100,015.38	102,814.34	109,827.36
	Current Assets				
	(a) Inventories	9	21,425.34	20,394.72	22,648.84
	(b) Financial assets				
	(i) Investments	5	11,276.54	-	-
	(ii) Trade receivables	10	12,837.04	11,014.46	11,713.58
	(iii) Cash and cash equivalents	11	5,870.99	11,895.53	4,235.55
	(iv) Other financial assets	12	517.01	38.30	3.99
	(c) Current tax assets (net)		35.15	-	-
	(d) Other current assets	13	6,806.32	6,699.29	7,625.23
			58,768.39	50,042.30	46,227.19
	Total Assets		158,783.77	152,856.64	156,054.55
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity share capital	14	86,600.00	86,600.00	86,600.00
	(b) Other equity	15	(46,885.64)	(55,372.36)	(58,830.83)
			39,714.36	31,227.64	27,769.17
	Liabilities				
	Non-current liabilities				
(1)	(a) Financial liabilities				
	(i) Borrowings	16	94,437.34	94,383.49	66,975.21
	(ii) Other financial liabilities	17	-	894.83	3,113.86
	(b) Provisions	18	1,628.40	1,542.77	1,425.16
			96,065.74	96,821.09	71,514.23
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	19	-	-	3,583.90
	(ii) Trade payables				
	- Dues to micro and small enterprises	20	9.78	67.77	98.99
	- Dues to other creditors		14,721.21	14,589.08	10,306.98
	(iii) Other financial liabilities	21	3,025.91	4,399.58	37,474.08
	(b) Other current liabilities	22	4,667.99	5,245.62	4,941.28
	(c) Provisions	23	578.78	505.86	365.92
			23,003.67	24,807.91	56,771.15
Total Equity and Liabilities			158,783.77	152,856.64	156,054.55

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

Sunil S Kothari
Partner

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

Managing Director

Director

Chief Financial Officer

Company Secretary

Place: Pune
Date: October 13, 2016

Place: Pune
Date: October 13, 2016



Tata BlueScope Steel Limited

Standalone Statement of Changes in Equity for the period ended 30th September, 2016

A. Equity Share Capital

Rs In Lakhs

Particulars	Amount
Balance As at 1st April, 2015	86,600.00
Change for the year	-
Balance As at 31st March, 2016	86,600.00
Change for the period	-
Balance As at 30th September, 2016	86,600.00

B. Other Equity

Rs In Lakhs

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained Earnings		
Balance As at 1st April, 2015	(58,830.83)	-	(58,830.83)
Profit for the year	3,396.52	-	3,396.52
Remeasurement gains / (losses) on defined benefit plans	-	61.95	61.95
Balance As at 31st March, 2016	(55,434.31)	61.95	(55,372.36)
Profit for the period	8,485.72	-	8,485.72
Remeasurement gains / (losses) on defined benefit plans	-	1.00	1.00
Balance As at 30th September, 2016	(46,948.59)	62.95	(46,885.64)

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Tata BlueScope Steel Limited

Standalone Statement of Profit and Loss for the period ended 30th September, 2016

Rs in Lakhs

	Particulars	Note No.	For the period ended 30th September 2016	For the period ended 30th September 2015
			Reviewed	Reviewed
(I)	Revenue from operations	24	93,869.23	84,567.87
(II)	Other income	25	678.27	489.66
(III)	Total Income		94,547.50	85,057.53
(IV)	EXPENSES			
	(a) Cost of material consumed	26	52,944.85	48,401.87
	(b) Changes in inventories of finished goods and work-in-progress	27	232.13	2,431.36
	(c) Excise duty on sale of goods		9,798.08	8,893.68
	(d) Employee benefits expense	28	4,480.13	4,053.94
	(e) Finance costs	29	5,300.97	5,806.22
	(f) Depreciation and amortisation expense	3 & 4	3,458.39	3,565.36
	(g) Other expenses	30	9,847.23	10,392.45
	Total Expenses		86,061.78	83,544.88
(V)	Profit / (Loss) before tax (III - IV)		8,485.72	1,512.65
(VI)	Tax Expense			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
	Total tax expense		-	-
(VII)	Profit / (Loss) for the period (V-VI)		8,485.72	1,512.65
(VIII)	Other comprehensive Income			
	(a) Items that will be reclassified to profit or loss		1.00	26.18
	(b) Income tax relating to items that will be reclassified to profit or loss		-	-
			1.00	26.18
(IX)	Total Comprehensive Income for the period (VII+VIII)(Comprising Profit / (Loss) and Other Comprehensive Income for the period)		8,486.72	1,538.83
(X)	Earnings per equity share (Ref Note 35):			
	(1) Basic		0.98	0.17
	(2) Diluted		0.98	0.17

Summary of significant accounting policies

2

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

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Particulars	For the period ended 30th September 2016		For the period ended 30th September 2015	
	Reviewed		Reviewed	
A. Cash flow from / (used in) operating activities				
Profit / (Loss) for the period (excluding other comprehensive income)		8,485.72		1,512.65
<u>Adjustments for:</u>				
Depreciation and amortisation	3,458.39		3,565.36	
Finance costs	5,300.97		5,806.22	
Liabilities no longer required written back	-		(10.89)	
Provision for bad and doubtful debts	(35.11)		28.72	
Provision for warranty	46.31		61.61	
Interest on bank & other deposit	(436.88)		(258.47)	
Gain on current investments	(88.95)		-	
Provision for inventory	(61.19)		58.27	
Net unrealised exchange (gain) / loss	(22.61)		(20.34)	
		8,160.93		9,230.48
Operating profit / (loss) before working capital changes		16,646.65		10,743.13
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(969.43)		(2,456.92)	
Trade and other receivables	(1,872.38)		378.30	
Adjustments for increase / (decrease) in operating liabilities:				
Trade and other payables	(503.37)		5,644.58	
Current provisions	26.61		(15.38)	
Non-current provisions	86.62		120.56	
		(3,231.95)		3,671.14
Cash generated from operations		13,414.70		14,414.27
Net income tax (paid) / refunds		(45.06)		6.34
Net cash flow from / (used in) operating activities (A)		13,369.64		14,420.61
B. Cash flow from / (used in) investing activities				
Payments for property, plant & equipment, other intangible assets and capital work in progress	(671.63)		(79.79)	
Gain on current investments	12.41		-	
Proceeds on sale of current investments	3,800.00		-	
Payments to acquire current investments	(15,500.00)		-	
Interest from bank on deposit	457.15		262.45	
		(11,902.07)		182.66
Net cash flow from / (used in) investing activities (B)		(11,902.07)		182.66
C. Cash flow from / (used in) financing activities				
Proceeds from non-current borrowings	-		27,474.00	
Repayment of non-current borrowings	-		(32,500.00)	
Proceeds from current borrowings	-		1,203.35	
Repayment of current borrowings	-		(3,583.90)	
Finance cost	(7,493.18)		(10,546.72)	
		(7,493.18)		(17,953.27)
Net cash flow from / (used in) financing activities (C)		(7,493.18)		(17,953.27)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(6,025.61)		(3,350.00)
Cash and cash equivalents at the beginning of the period		11,895.53		4,235.55
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency		1.07		2.56
Cash and cash equivalents at the end of the period		5,870.99		888.11
Cash and cash equivalents at the end of the period comprises of:				
(a) Balances with scheduled banks				
(i) Current accounts		1,208.23		725.45
(ii) Deposit accounts		4,661.46		161.45
(b) Cash on hand		1.30		1.21
		5,870.99		888.11

Notes:

(i) Figures in brackets represent outflows

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

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Chartered Accountants

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For and on behalf of the Board
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Managing Director

Chief Financial Officer

Director

Company Secretary

Place: PUNE
Date: October 13, 2016

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1. CORPORATE INFORMATION

Tata BlueScope Steel Limited ('the Company') is a joint venture between Tata Steel Limited, India and BlueScope Steel Asia Holding 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 9th February 2005. The Joint Venture Agreement was executed on 23rd 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 30th May 2006.

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

The Company's corporate office is in Pune and has plants in Pune, Jamshedpur, Chennai, Bhiwadi, Adityapur (Jamshedpur) and Khed City (Pune). The Company supplies pre-engineered building and building products to its target market, South Asia.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Statement of compliance:

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015.

Up to the year ended 31st March 2016, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles in India ("Indian GAAP"), which includes standards notified under the Companies (Accounting Standards) Rules, 2014. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015 (transition date). Refer note 2(U) for the details of first time adoption exemptions availed by the Company.

B. Basis for the preparation and presentation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

C. 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 period/year are included as an integral part of the current period/year's financial statements, and are to be read in relation to the amounts and other disclosures relating to the current period/year.

D. Use of Estimates:

The preparation of financial statements in conformity with the recognition and measurement principles of IND AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the financial statements and the reported amounts of income and expenses for the periods presented.



Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Difference between the actual result and estimates are recognised in the year in which the results are known/ materialized.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, useful lives of property, plant & equipment and intangible assets, valuation of deferred tax assets and provisions & contingent liabilities

Useful lives of property, plant & equipment and Intangible Assets (PPE&IA)

The useful lives of PPE&IA are reviewed at the end of each reporting period. This reassessment may result in change in depreciation / amortisation expense in the future periods.

Valuation of deferred tax assets

The carrying amount of deferred tax assets are reviewed at the end of each reporting period. The policy for the same has been explained under Note 2(P).

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements

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 Lysaght business

E. 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.

F. Revenue Recognition:

Revenue is recognised on the following basis;

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for customer returns, rebates and other similar allowances.

- i. Sale of Goods: Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:
 - a. The Company has transferred to the buyer the significant risk and rewards of ownership of the goods;
 - b. The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - c. The amount of revenue can be measured reliably;
 - d. It is probable that the economic benefits associated with the transaction will flow to the Company; and
 - e. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of goods is recognized gross of excise duty but net of sales tax and value added tax.

- ii. Export Incentives: Incentives for export under various schemes notified by Government have been recognised when there is a reasonable assurance that the company will comply with the conditions prescribed and the incentive will be received.
- iii. Construction Contracts: When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised with reference to the stage of completion of the contract activity at the end of the reporting period. The outcome of a construction contract is measured based on the proportion of contract costs incurred for the work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

The outcome of a construction contract is considered as estimated reliably when
(a) all critical approvals necessary for commencement of the project have been obtained;



- (b) the stage of completion of the project reaches a reasonable level of development i.e., the expenditure incurred on construction and development cost is at least 25% of the total construction and development costs; and
- (c) it is reasonably expected that the counterparty will comply with the payment terms in the agreements.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable and will be recoverable. Contract costs are recognised as expenses in the period they are incurred.

When it is probable that the total contract costs will exceed the total contract revenue, the entire expected loss is immediately recognised as an expense.

When contract cost incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the Balance Sheet, as advances received under liability. Amounts billed for work performed but not yet paid by the customer are included in the Balance Sheet under trade receivables.

Revenue in respect of claims for escalation of price is recognised when there is reasonable certainty to assess the ultimate collection.

- iv. **Commission Income:** This is recognised at the time of delivery of material to the party.
- v. **Interest Income:** Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- vi. **Rental Income:** The Company's policy for recognition of revenue from operating leases is described in point O below.

G. Property, Plant and Equipment and Intangible Assets (PPE&IA) :

PPE&IA are stated at cost of acquisition or construction less accumulated depreciation / amortisation. All costs relating to the acquisition and installation of PPE&IA are capitalized and include financing costs relating to borrowed funds attributable to the construction or acquisition of qualifying PPE&IA, up to the date the asset is ready for intended use. Self-constructed assets are considered at cost for the purpose of capitalization.

Any gain or loss arising on the disposal or retirement of an item of PPE&IA is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in Statement of Profit & Loss.

H. Depreciation & Amortisation :

PPE&IA (net of residual value of 5% of original cost) (other than freehold land and properties under construction) are depreciated on straight line basis over their estimated useful lives envisaged in Schedule II of the Companies Act 2013 except in case of Office Building in which case the useful life is determined based on a technical evaluation by a Chartered Engineer. However, assets valued up to Rs. 5,000 are fully depreciated in the year of acquisition. The useful life as adopted by the Company are as under:

Particulars	Estimated Useful life [In Years]
Factory Building	30
Office Building	61
Plant and Machinery (Single Shift)	15
Plant and Machinery (Two shifts)	10
Plant and Machinery (Three shifts)	7.5
Plant and Machinery (continuous)	25
Computers- Servers & Networks	6
Computers- End user equipment	3
Office Equipment	5
Furniture & Fixtures	10
Software	5
Technical Know How	5
Tools & Dies	5
Vehicles	8



Freehold Land is not depreciated.

Depreciation / Amortisation on PPE&IA acquired and sold during the year is provided on pro-rata basis with reference to the date of addition or sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

I. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

J. Impairment of Assets:

At each Balance Sheet date, the Company reviews the carrying amounts of its PPE&IA to determine whether there is any indication that those 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 fair value less costs of disposal 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 recognised as income in the Statement of Profit and Loss as and when they arise.

K. Inventories:

Finished products, Work in progress, Raw material & components, Stores and spare parts are carried at lower of cost and net realizable value. Purchased raw materials-in-transit are carried at cost. Necessary provision is made and charged to Statement of Profit & Loss 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.

L. Employee Benefits:

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing is determined using the projected unit credit method for which actuarial valuations are being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or a credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions on future contributions to the plans.

A liability for a termination benefit is recognized either when the entity can no longer withdraw the offer of the termination benefit or when the entity recognizes any related restructuring costs, whichever is earlier.

Short-term and other long-term employee benefits: -

A liability is recognized for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.



Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

M. 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. Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

N. Provisions, Contingent Liabilities and Contingent Assets:

As per Ind AS 37, '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 recognised 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 recognised because-
 - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) 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 recognised in the financial statements since this may result in the recognition of income that may never be realized.

O. Leases:

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

As lessor:

Rental income from operating lease is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

As lessee:

Rental expense from operating leases is generally recognized on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

P. Current and Deferred Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.



Current tax:

The tax payable is based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

Deferred tax liabilities and assets measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Q. Statement of Cash Flow:

The Cash Flow statement is prepared by indirect method set out in Ind AS 7- "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 Ind AS - 33 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. Derivative Financial Instruments:

The Company uses forward contract to hedge its risks associated with foreign exchange fluctuations as needed. Such derivative financial instrument is used as risk management tools and not for speculative purposes. Derivative financial instrument entered into for hedging foreign exchange risks of recognised foreign currency monetary item is accounted for as per the principles laid down in Ind AS- 39 "Financial Instruments – Recognition & Measurement". Premium / discounts on forward contract is amortised over the life of forward contract.

T. Financial Instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.



i. Financial assets

Investment in the Equity instruments of Subsidiary are carried at deemed cost as per the transition provision of Ind AS – 27 "Separate Financial Statements".

Financial assets other than mentioned above are carried at fair value through Statement of Profit and Loss (FVTPL).

ii. Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities are carried at fair value through Statement of Profit and Loss.

U. Explanation of Transition to Ind AS:

The transition from Indian GAAP to Ind AS has been accounted for in accordance with Ind AS – 101 'First Time Adoption of Indian Accounting Standards', as at the transition date. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below.

Classification and measurement of financial assets and liabilities

The fair value of the financial assets or the financial liabilities as on the transition date to Ind AS has been adopted as the new gross carrying amount of that financial assets or the new amortised cost of that financial liabilities.

Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant & equipment and intangible assets recognised as of the transition date measured as per the Indian GAAP and use that carrying value as its deemed cost as of the transition date.

Determining whether an arrangement contain a lease

The Company has applied Appendix C of Ind AS – 17 'Determining whether an Arrangement contains a Lease' to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

Equity investment in the Subsidiary

The Company opts to carry its investment in the Subsidiary at 'deemed cost' based on the Indian GAAP carrying amount that existed at the transition date.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS – 109 'Financial Instruments' retrospectively; however, as permitted by Ind AS 101, the Company has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date of financial instruments were initially recognised in order to compare it with the credit risk at the transition date.



Tata BlueScope Steel Limited

Note 3 : Tangible Assets

Rs in Lakhs

Particulars	Deemed Cost				Depreciation		Net Block	
	As at 01.04.2016	Additions / Adjustments during the period	Deductions during the period	As at 30.09.2016	As at 01.04.2016	For the period	On deductions	As at 30.09.2016
		Reviewed				Reviewed		Reviewed
Freehold Land	1,716.12 (1,716.12)	-	-	1,716.12 (1,716.12)	-	-	-	1,716.12 (1,716.12)
Freehold Buildings	32,682.70 (32,682.70)	0.63	-	32,683.33 (32,682.70)	1,108.25	555.21 (554.24)	-	1,663.46 (554.24) 31,019.87 (32,128.46)
Leasehold Improvement	1,206.81 (1,207.01)	-	-	1,206.81 (1,206.81)	111.95	56.16 (55.95)	-	168.11 (55.95) 1,038.70 (1,150.86)
Plant & Equipment*	70,059.75 (69,970.12)	638.79 (42.88)	-	70,698.54 (70,013.00)	5,052.48	2,448.58 (2,531.91)	-	7,501.06 (2,531.91) 63,197.48 (67,481.09)
Tools & Dies	101.12 (100.27)	0.33	-	101.45 (100.27)	38.92	20.41 (18.97)	-	59.33 (18.97) 42.12 (81.30)
Furniture & Fixtures	394.86 (389.68)	-	0.63 (3.20)	394.23 (386.48)	62.27	31.27 (31.24)	0.60	92.94 (31.24) 301.29 (355.24)
Office Equipment	575.01 (584.41)	8.56 (1.64)	3.47 (13.68)	580.10 (572.37)	242.26	108.61 (127.48)	3.07	347.80 (127.48) 232.30 (444.89)
Vehicles	6.08 (6.08)	-	-	6.08 (6.08)	0.69	0.35 (0.34)	-	1.04 (0.34) 5.04 (5.73)
Total	106,742.45	648.31	4.10	107,386.66	6,616.82	3,220.59	3.67	9,833.74
Previous period (Apr'15-Sept'15)	106,656.39	44.52	17.08	106,683.83	-	3,320.13	-	3,320.13
								103,363.69

Notes:

The figures in bracket pertain to corresponding previous period.

*Includes capital spares aggregating to Rs. 620.74 Lakhs earlier classified under inventory.

Note 3 : Tangible Assets continued

Particulars	Deemed Cost			As at 31.03.2016	Depreciation		As at 31.03.2016	Net Block
	As at 01.04.2015	Additions during the year	Deductions during the year#		For the year	On deductions		
Freehold Land	1,716.12	-	-	1,716.12	-	-	-	1,716.12
Freehold Buildings	32,682.70	-	-	32,682.70	1,108.25	-	1,108.25	31,574.45
Leasehold Improvement	1,207.01	-	0.20	1,206.81	111.95	-	111.95	1,094.85
Plant & Equipment	69,970.12	89.63	-	70,059.75	5,052.48	-	5,052.48	65,007.27
Tools & Dies	100.27	0.85	-	101.12	38.92	-	38.92	62.20
Furniture & Fixtures	389.68	8.37	3.20	394.86	62.27	-	62.27	332.60
Office Equipment	584.41	5.09	14.50	575.01	242.26	0.63	241.63	333.38
Vehicles	6.08	-	-	6.08	0.69	-	0.69	5.39
Total	106,656.39	103.94	17.89	106,742.45	6,616.82	0.63	6,616.19	100,126.26

Notes:

#Deductions during the year includes Rs. 17.02 Lakhs, wrongly capitalised during earlier periods which is reduced during the year.

Note 3 (i) : Capital WIP

Rs in Lakhs

Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
	Reviewed	Reviewed	Reviewed
Capital work in progress	1.88	1.05	12.67
Total	1.88	1.05	12.67



Tata BlueScope Steel Limited

Note 4 : Intangible Assets

Rs in Lakhs

Particulars	Deemed Cost			Amortization			Net Block As at 30.09.2016 Reviewed
	As at 01.04.2016	Additions during the period	Deductions during the period	As at 30.09.2016	For the period	On deductions	
		Reviewed	Reviewed		Reviewed	Reviewed	
Intangible Assets (Other than internally generated) Software	613.33 (613.33)	- -	- -	613.33 (613.33)	148.28 (155.97)	- -	158.72 (457.36)
Technical Know How	303.33 (303.33)	- -	- -	303.33 (303.33)	89.52 (89.26)	- -	35.29 (214.07)
Total	916.66	-	-	916.66	237.80	-	194.01
Previous period (Apr'15-Sept'15)	916.66	-	-	916.66	245.23	-	671.43

Notes:

The figures in bracket pertain to corresponding previous period.

Note 4 : Intangible Assets continued

Rs in Lakhs

Particulars	Deemed Cost			Amortization			Net Block As at 31.03.2016 Reviewed
	As at 01.04.2015	Additions during the year	Deductions during the period	As at 31.03.2016	For the year	On deductions	
		Reviewed	Reviewed		Reviewed	Reviewed	
Intangible Assets (Other than internally generated) Software	613.33	-	-	613.33	306.33	-	307.00
Technical Know How	303.33	-	-	303.33	178.52	-	124.80
Total	916.66	-	-	916.66	484.85	-	431.80



Tata BlueScope Steel Limited
Note 5 : Investments

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Non Current Investments			
	At Amortised Cost			
(i)	Investment in shares of Subsidiary Company (Unquoted) Bluescope Lysaght Lanka Pvt. Ltd. (BLLPL) 10,635,000 equity shares of SLR 10.00 each fully paid	912.38	912.38	912.38
	Others - Unquoted			
(ii)	National Savings Certificate	0.40	0.40	0.40
		912.78	912.78	912.78
(b)	Current Investments			
	At Fair value through Profit and Loss Account (FVTPL)			
(i)	Investments in Mutual Funds - Unquoted (Ref Note 5(i))	11,276.54	-	-
		11,276.54	-	-
	Total	12,189.32	912.78	912.78

Note 5 (i) : Details of Investments in Mutual Funds - Unquoted

	Mutual Fund Name	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
1	Axis Liquid Fund - Growth (63,279 Units)	1,100.69	-	-
2	DSP BlackRock Liquidity Fund - IP - Growth (89,832 Units)	2,015.52	-	-
3	ICICI Prudential Liquid - Reg - Growth (736,929 Units)	1,712.44	-	-
4	Invesco India Liquid Fund - Growth (93,271 Units)	2,014.61	-	-
5	JM High Liquidity - Growth (1,880,172 Units)	806.68	-	-
6	Tata Liquid Fund - Reg - Growth (55,650 Units)	1,610.59	-	-
7	UTI Money Market - IP - Growth (114,676 Units)	2,016.01	-	-
	Total	11,276.54	-	-

Note: There were no investments in earlier reported periods.



Tata BlueScope Steel Limited

Note 6 : Other Financial Assets - Non Current

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Unsecured, considered good Security Deposits	162.93	204.64	221.64
	Total	162.93	204.64	221.64

Note 7 : Other non-current assets

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Unsecured, considered good			
(i)	Capital Advances	6.66	6.66	6.66
(ii)	Prepaid Lease Payments	338.83	340.77	344.64
(iii)	Amount paid under protest (Ref note 33(A))	466.88	466.88	466.88
(iv)	Prepaid Expenses	6.88	8.51	13.65
(v)	Security Deposits	96.71	50.00	50.00
(b)	Doubtful			
(i)	Capital Advances	35.44	35.44	35.44
	Less: Provision for bad & doubtful advances	(35.44)	(35.44)	(35.44)
	Total	915.96	872.82	881.83



Tata BlueScope Steel Limited

Note 8 : Deferred Tax Liabilities/Assets

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

Rs in Lakhs

	Nature of temporary difference	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Deferred Tax Liability			
	Difference between book and tax depreciation	12,117.66	11,919.66	11,252.57
	Unrealised forex gain	-	-	1.70
	Total	12,117.66	11,919.66	11,254.27

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

Rs in Lakhs

	Nature of temporary difference	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Deferred Tax Assets			
	Provision for leave encashment	246.44	230.15	212.77
	Provision for Bonus	105.12	247.28	141.99
	Provision for Gratuity	261.60	243.20	222.90
	Provision for doubtful debts & advances	217.06	231.20	311.36
	Business Loss	5,914.44	8,496.55	8,254.88
	Unabsorbed Depreciation	17,344.40	17,344.40	18,618.54
	Total	24,089.06	26,792.78	27,762.44

(iii)	Net Deferred Tax Assets	11,971.40	14,873.12	16,508.17
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(iv) Net Deferred Tax Asset Recognised:

Rs in Lakhs

	Nature of temporary difference	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Net Deferred Tax Asset recognised*	-	-	-

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



Tata BlueScope Steel Limited

Note 9 : Inventories

Rs In Lakhs

(Valued at lower of cost and net realisable value)

	Particulars	As at 30th September 2016 Reviewed	As at 31st March 2016 Reviewed	As at 1st April 2015 Reviewed
(a)	Raw Materials			
(i)	Raw Materials	11,496.22	11,149.29	10,775.63
(ii)	Goods-in-transit	1,761.51	368.18	1,748.67
		13,257.73	11,517.47	12,524.30
(b)	Work-in-progress	5,393.73	3,362.22	4,943.45
(c)	Stores & spare parts	1,281.51	1,759.02	1,565.48
(d)	Finished goods - Coated Steel Products	1,492.37	3,756.01	3,615.61
	Total	21,425.34	20,394.72	22,648.84

(Refer note 26 & 27 for cost of inventories recognised as an expense during the period).

Note 9 (I): Details of inventory of work-in-progress

Rs In Lakhs

	Particulars	As at 30th September 2016 Reviewed	As at 31st March 2016 Reviewed	As at 1st April 2015 Reviewed
(a)	Secondary	115.69	68.61	68.48
(b)	Sheeting & Cladding	2,416.35	1,509.45	1,690.67
(c)	Trims	215.32	98.19	55.28
(d)	Metal Coated	2,230.33	1,069.28	2,193.19
(e)	Colour Coated	385.89	278.26	933.33
(f)	Other items	30.15	338.43	2.50
	Total	5,393.73	3,362.22	4,943.45



Tata BlueScope Steel Limited
Note : 10 Trade Receivables
Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Secured, considered good	4,838.20	4,687.66	3,234.52
	Unsecured, considered good	7,998.84	6,326.80	8,479.06
	Doubtful	667.03	712.79	972.20
		13,504.07	11,727.25	12,685.78
	Allowance for doubtful debts / expected credit loss	(667.03)	(712.79)	(972.20)
	Total	12,837.04	11,014.46	11,713.58

The above Includes Retention money not due of Rs. 1,211.16 Lakhs (31.03.16 Rs. 883.63 Lakhs, 31.03.15 Rs. 847.88 Lakhs).

10 (i) The Company records receivables on account of goods sold or services rendered in the normal course of business and classify the same as "trade receivable". The credit period for such sales vary based on terms negotiated with customers. Credit to customers are based on credit policies which are reviewed periodically. Before accepting any new customer, the Company uses effective tools to assess the credit worthiness of the customer. Deviations are allowed only after specific approvals as provided in the Credit policies. Out of the total trade receivables balance as at 30th September 2016, Rs. 1,232.63 Lakhs (31.03.16 Rs. 510.80 Lakhs, 01.04.2015 Rs. 584.26 Lakhs) was due from Larsen & Toubro Ltd., Rs. 712.68 Lakhs (31.03.16 Rs. 587.83 Lakhs, 01.04.2015 Rs. 401.85 Lakhs) was due from BlueScope Lysaght Lanka Private Limited and Rs. 770.20 Lakhs (31.03.16 Rs. 873.96 Lakhs, 01.04.2015 Rs. 712.89 Lakhs) was due from Interarch Building Systems Private Limited. There were no other customers who represent more than 5% of the total balance of gross trade receivables.

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Less than six months	12,911.75	10,985.64	11,462.14
	More than six months	592.32	741.61	1,223.64
	Total	13,504.07	11,727.25	12,685.78

10 (ii) The Company has used a practical expedient by taking judgemental calls on expected credit loss allowance for trade receivables. Movement in the expected credit loss allowance is as follows:

	Particulars	As at 30th September 2016	As at 31st March 2016
		Reviewed	Reviewed
	Balance at the beginning of the period / year	712.79	972.20
	Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	(45.76)	(66.40)
	Bad debts written off	-	(193.01)
	Balance at the end of the period / year	667.03	712.79

The concentration of credit risk is limited due to the fact that customer base is large and unrelated.

Note 11: Cash and Cash Equivalents
Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Balances with banks			
(i)	Current accounts	1,208.23	2,733.10	1,572.83
(ii)	Deposit accounts	4,661.46	9,161.46	2,661.46
(b)	Cash on hand	1.30	0.97	1.26
	Total	5,870.99	11,895.53	4,235.55



Tata BlueScope Steel Limited
Note 12 : Other Financial Assets - Current
Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Interest accrued on fixed deposits	17.01	38.30	3.99
(b)	Inter Corporate Deposits	500.00	-	-
	Total	517.01	38.30	3.99

Note 13 : Other Current Assets
Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Unsecured, considered good			
(a)	Advance with public bodies*	4,772.99	4,539.54	5,685.87
(b)	Advances to suppliers, contractors and others	1,005.89	855.92	306.14
(c)	Prepaid expenses	227.39	185.15	233.70
(d)	Prepaid Lease Payments	3.88	3.88	3.87
(e)	Amount due from customers in respect of contract work (Unbilled revenue)	796.17	1,114.80	1,395.65
	Total	6,806.32	6,699.29	7,625.23

*Advance with public bodies as shown above includes Rs. 993.38 Lakhs (31.03.16: Rs. 868.00 lakhs, 01.04.15: Rs. 1,753.58 lakhs) dues from Excise and Custom Authorities.



Tata BlueScope Steel Limited

Note 14 : Equity Share Capital

Rs in Lakhs

Particulars	As at 30th September 2016 Reviewed	As at 31st March 2016 Reviewed	As at 1st April 2015 Reviewed
Authorised: 1,000,000,000 Equity Shares of Rs.10 each (31.03.2016 : 1,000,000,000 Equity Shares of Rs.10 each) (01.04.2015 : 1,000,000,000 Equity Shares of Rs.10 each)	100,000.00	100,000.00	100,000.00
	100,000.00	100,000.00	100,000.00
Issued, Subscribed and fully paid up: 866,000,000 Equity Shares of Rs.10 each (31.03.2016 : 866,000,000 Equity Shares of Rs.10 each) (01.04.2015 : 866,000,000 Equity Shares of Rs.10 each)	86,600.00	86,600.00	86,600.00
Total	86,600.00	86,600.00	86,600.00

Note 14 (A): Reconciliation of the no. of shares outstanding at the beginning and at the end of the period / year:

Nos. in Lakhs

Particulars	As at 30th September 2016 Reviewed	As at 31st March 2016 Reviewed	As at 1st April 2015 Reviewed
No of shares outstanding at the beginning of the period/year	8,660.00	8,660.00	8,660.00
Add: Additional shares issued during the period/year	-	-	-
Less: Shares forfeited/Bought back during the period/year	-	-	-
No of shares outstanding at the end of the period/year	8,660.00	8,660.00	8,660.00

Note 14 (B): Number of shares held by each shareholder holding more than 5% shares in the company are as follows:

Details of shareholder	%	No of shares	
		As at 30th September 2016	As at 1st April 2015
Equity Shares:			
Tata Steel Limited	49.99%	432,999,997	432,999,997
BlueScope Steel Asia Holdings Pty Ltd	49.99%	432,999,997	432,999,997
Total		865,999,994	865,999,994

Note 14 (C): 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 remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Tata BlueScope Steel Limited

Note 15 : Other Equity

Rs In Lakhs

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained Earnings		
Balance As at 1st April, 2015	(58,830.83)	-	(58,830.83)
Profit for the year	3,396.52	-	3,396.52
Remeasurement gains / (losses) on defined benefit plans	-	61.95	61.95
Balance As at 31st March, 2016	(55,434.31)	61.95	(55,372.36)
Profit for the period	8,485.72	-	8,485.72
Remeasurement gains / (losses) on defined benefit plans	-	1.00	1.00
Balance As at 30th September, 2016	(46,948.59)	62.95	(46,885.64)



Note 16 : Non Current Borrowings

Rs in Lakhs

	Particulars	As at 30th September 2016 Reviewed	As at 31st March 2016 Reviewed	As at 1st April 2015 Reviewed
(a)	Secured - At amortised cost Debentures 2,500 Non Convertible, Non Cumulative, Redeemable Debentures of Rs 10 Lakhs each fully paid up* (31.03.2016 : 2,500 Debentures of Rs 10 Lakhs each) (31.03.2015 : 5,000 Debentures of Rs 10 Lakhs each)	24,916.29 69,521.05 94,437.34	24,902.64 69,480.85 94,383.49	24,902.64 42,072.57 66,975.21
(b)	Term Loan from banks			
	Total			

*Non Convertible, Non Cumulative, Redeemable Debentures amounting to Rs. 25,000 Lakhs are repaid on 28th September 2015 and the same are disclosed under Current maturities of Long Term Debt for previous year (Refer Note 21).

Note 16 (i)- Movement in long term borrowings

Rs in Lakhs

	Particulars	As at 30th September 2016		As at 31st March 2016		As at 1st April 2015	
		Debentures	Term Loan	Debentures	Term Loan	Debentures	Term Loan
	At beginning of the period / year						
	New loans / Drawals (Net)	25,000.00	70,000.00	25,000.00	42,526.00	50,000.00	33,078.00
	Repayments	-	-	-	27,474.00	-	42,526.00
	Other transfers	-	-	-	-	-	(25,578.00)
	At end of the period / year#	25,000.00	70,000.00	25,000.00	70,000.00	25,000.00	42,526.00
	# The impact of borrowing cost has been excluded in above movement						
	Total						

Note 16 (ii)- Details of repayment of borrowings

Rs in Lakhs

	Particulars	As at 30th September 2016		As at 31st March 2016		As at 1st April 2015	
		#Debentures	**Term Loan	#Debentures	**Term Loan	#Debentures	**Term Loan
	Upto 1 year						
	Between 1-2 years		10,000.00		5,000.00		7,500.00
	Between 2-3 years		15,000.00		10,000.00		-
	Between 3-4 years	25,000.00	10,000.00	25,000.00	15,000.00		-
	Between 4-5 years		10,000.00		10,000.00		-
	More than 5 years		25,000.00		30,000.00		25,000.00
	Total						

**Last date of repayment of this loan is March 2024.

Date of allotment of Debentures is 27th September 2010. Last date of repayment of NCDs is September 2019.



Tata BlueScope Steel Limited

Note 16 : Non Current Borrowings continued

Note 16 (iii)- Nature of security in case of secured long-term borrowings

Particulars		Nature of security
(a)	Non Convertible Debentures	First pari passu charge on all movable assets (other than current assets) at plants situated at Chennai, Bhiwadi, Hinjewadi, Coated Steel Plant at Jamshedpur and Immoveable properties at Hinjewadi
(b)	Term Loans from banks	First pari passu charge on all movable assets (other than current assets) at plants situated at Chennai, Bhiwadi, Hinjewadi, Coated Steel Plant at Jamshedpur, Khed, Adityapur, Immoveable properties at Hinjewadi and leased land at Chennai & Bhiwadi.

Note 16 (iv)-Details of redeemable Debentures

Rs in Lakhs						
	Description of instrument	Carrying value as at 30th September, 2016	Coupon Rate	Repayment Bullet (or) Installment	Date of Redemption	Narrative remarks
	Debenture-Series 2	25,000	10.75%	Bullet	26th September 2019	Company has call option to redeem on 26th September 2017

Note 16 (v)- Interest-rate and Currency Profile of Borrowings

	Particulars of Loan	Currency	Interest Rate
(a)	Secured Debentures		
	Debenture-Series 2	INR	10.75%
(b)	Secured term loan	INR	10.60% to 10.80%

Note 16 (vi) In view of losses carried forward, Debenture Redemption Reserve has not been created.



Note 17 : Other Financial Liabilities - Non Current

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Interest accrued but not due on borrowings	-	894.83	3,113.86
	Total	-	894.83	3,113.86

Note 18 : Non Current Provisions

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Provision for employee benefits:			
(i)	Provision for Gratuity	821.83	782.80	721.54
(ii)	Provision for Compensated Absences	806.57	759.97	703.62
	Total	1,628.40	1,542.77	1,425.16

Note 18 (I): Details of Employee Benefits As Required By the Ind AS 19 - Employee Benefits

Employee benefit plans:

Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 112.98 lakhs (period ended 30th Sept, 2015 Rs. 113.18 Lakhs) for Provident Fund contributions and Rs.0.19 Lakhs (period ended 30th Sept, 2015 Rs. 0.28 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss for the period ended 30th Sept, 2016. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plans

The Company has unfunded gratuity scheme (included as gratuity expense in Note 28 Employee Benefit Expenses)



Tata BlueScope Steel Limited
Note 19 : Current Borrowings

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Loans repayable on demand			
(i)	- From Banks (Unsecured)	-	-	3,500.00
(ii)	Working Capital Demand Loan	-	-	83.90
	Cash Credit	-	-	
	Total	-	-	3,583.90

Note 20 : Trade Payables

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Total outstanding dues of micro enterprises and small enterprises	9.78	67.77	98.99
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	14,721.21	14,589.08	10,306.98
	Total	14,730.99	14,656.85	10,405.97

Note 21 : Other Financial Liabilities - Current

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Current maturities of long-term debt	-	-	32,447.60
(b)	Interest accrued but not due on borrowings	1,508.91	2,860.14	3,785.42
(c)	Other payables:			
(i)	Payables on purchase of fixed assets	1,509.82	1,532.26	1,233.88
(ii)	Other Liabilities	7.18	7.18	7.18
	Total	3,025.91	4,399.58	37,474.08

Note 22 : Other Current Liabilities

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Advances received from customers	3,111.29	4,235.40	4,542.35
(b)	Amount due to customers in respect of contract work	538.24	482.55	111.43
(c)	Statutory dues (Excise duty, Service tax, VAT, TDS, etc.)	1,018.46	527.67	287.50
	Total	4,667.99	5,245.62	4,941.28

Note 23 : Current Provisions

Rs in Lakhs

	Particulars	As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
(a)	Provision for employee benefits			
(i)	Provision for Gratuity	53.01	32.51	28.07
(ii)	Provision for Compensated Absences	41.97	35.86	35.95
(b)	Other Provisions			
(i)	Provision for Warranties	483.80	437.49	301.90
	Total	578.78	505.86	365.92

Note 23 (i)- Details of provisions and movements in each class of provision as required by the Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets :

Rs in Lakhs

	Particulars	Provision for warranties		
		As at 30th September 2016	As at 31st March 2016	As at 1st April 2015
		Reviewed	Reviewed	Reviewed
	Carrying Amount at the beginning of the period / year	437.49	301.90	191.00
	Provision made during the period / year	178.85	392.58	301.90
	Amount paid/ utilized during the period / year	22.79	27.00	-
	Unused amount reversed during the period / year	109.75	229.99	191.00
	Total	483.80	437.49	301.90



Tata BlueScope Steel Limited
Note 24 : Revenue from Operations

Rs In Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Sale of products*	90,883.66	81,559.59
(b)	Revenue from construction contracts	1,437.15	1,366.13
(c)	Commission income	23.05	44.61
(d)	Other operating income (Scrap Sale)	1,525.37	1,597.54
	Gross Revenue from operations	93,869.23	84,567.87

*Above revenue includes Excise Duty collected Rs. 9,798.08 lakhs (30.09.2015 Rs. 8,893.68 lakhs)

Details of products sold comprises of:		
<u>Manufactured goods</u>		
Building solutions and Building products	71,080.99	65,790.94
Coated steel products	19,802.67	15,768.65
Total - Sale of manufactured goods	90,883.66	81,559.59

Note 25 : Other Income

Rs in Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Interest on:		
(i)	Bank deposits	435.87	258.47
(ii)	Overdue trade receivables	39.35	42.13
(iii)	Other financial assets carried at amortized cost	1.01	-
(b)	Net foreign exchange gain	10.23	95.57
(c)	Liabilities no longer required written back (net)	-	10.89
(d)	Net gain on sale of current investments	28.43	-
(e)	Net gain arising on financial assets designated at FVTPL	60.52	-
(f)	Miscellaneous Income	102.86	82.60
	Total	678.27	489.66



Tata BlueScope Steel Limited

Note 26 : Cost of Materials Consumed (including packing materials)

Rs in Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Opening Stock	11,149.29	10,775.63
(b)	Add - Purchases	53,291.78	51,929.98
		64,441.07	62,705.61
(d)	Less - Closing Stock *	11,496.22	14,303.74
	Total	52,944.85	48,401.87

* Excludes stock in transit of Rs. 1,761.51 Lakhs (30.09.2015 Rs. 2,623.35 Lakhs)

Note 26 (i): Details of consumption and closing stock of Raw Material (including packing material)

Rs in Lakhs

	Particulars	Consumption		Closing Stock	
		For the period ended 30th September 2016	For the period ended 30th September 2015	As at 30th September 2016	As at 31st March 2016
		Reviewed	Reviewed	Reviewed	Reviewed
(a)	HR Plates	2,470.10	2,917.02	417.85	848.38
(b)	HR Members	897.31	460.66	220.52	206.40
(c)	Ingots (Zinc & Aluminium)	4,516.50	4,597.76	1,537.45	1,095.20
(d)	Coils	39,201.57	33,560.93	7,211.86	6,825.31
(e)	Paint	3,586.16	3,492.70	976.44	933.62
		50,671.64	45,029.07	10,364.12	9,908.91
(f)	Others	2,273.21	3,372.80	1,132.10	1,240.38
	Total	52,944.85	48,401.87	11,496.22	11,149.29



Tata BlueScope Steel Limited

Note 27 : Changes in inventories of finished goods and work-in-progress

Rs in Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Opening stock		
(i)	Finished goods	3,756.01	3,615.61
(ii)	Work-in-progress	3,362.22	4,943.45
(b)	Closing stock		
(i)	Finished goods	1,492.37	2,112.30
(ii)	Work-in-progress	5,393.73	4,015.40
	Total	232.13	2,431.36

Note 28 : Employee Benefits Expense

Rs in Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Wages & salaries	4,106.98	3,742.89
(b)	Company's contributions to Provident and other funds	124.01	124.32
(c)	Gratuity expenses (Refer note 18(ii))	135.30	79.20
(d)	Staff welfare expenses	113.84	107.53
	Total	4,480.13	4,053.94

Note 29 : Finance Costs

Rs in Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Interest on		
(i)	Debentures and fixed loans	5,278.86	5,721.86
(ii)	Others	22.11	84.36
	Total	5,300.97	5,806.22



Tata BlueScope Steel Limited

Note 30 : Other Expenses

Rs In Lakhs

	Particulars	For the period ended 30th September 2016	For the period ended 30th September 2015
		Reviewed	Reviewed
(a)	Consumption of stores and Spares	773.51	791.50
(b)	Power & Fuel	3,226.91	3,270.42
(c)	Rent	223.56	234.64
(d)	Repairs and maintenance:		
	- Buildings	1.01	0.20
	- Machinery	64.66	67.66
	- Others	103.64	190.57
(e)	Insurance charges	104.77	115.26
(f)	Rates & Taxes	140.80	38.34
(g)	Fabrication, electrical & civil contracts	2,284.16	1,991.50
(h)	Commission	9.46	25.61
(i)	Legal & professional expenses	182.31	180.94
(j)	Communication	79.30	81.14
(k)	Travelling & Conveyance	277.33	296.03
(l)	Remuneration to auditors:		
	- Towards statutory audit	17.25	13.25
	- Towards tax audit	1.25	1.25
	- Towards other attest services	1.00	0.50
(m)	Advertisement, promotion & selling expenses	908.93	1,387.70
(n)	Provision for bad and doubtful debts (net)	(35.11)	28.72
(o)	Warranty provision	69.11	61.61
(p)	Freight and handling charges (net)	383.25	426.06
(q)	Excise duties	7.49	34.57
(r)	Other general expenses	1,022.40	1,154.98
	Total	9,847.23	10,392.45



31. Business Segment:

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company is engaged in the supply of pre-engineered buildings / building products, predominantly in India, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The total exports constitute less than 10% of the total revenues of the Company and consequently region-wise breakup is not provided. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 2. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and the net profit of the sole reportable segment. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

32. 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:

(Rs. in Lakhs)			
Particulars	As at 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015
Tangible Assets	9.00	13.22	3.02

33. Contingent Liabilities:**(A) Disputed Claim:**

For midstream BARA project site at Jamshedpur, land rent and cess calculated on the basis of demand received from the Government of Jharkhand as at 30th September, 2016 is Rs. 4,804.22 Lakhs (31.03.16 Rs. 4,575.44 Lakhs, 01.04.15 Rs. 4,117.89 Lakhs). The Company has paid an amount of Rs. 466.87 Lakhs as at 30th September, 2016 (31.03.16 Rs. 466.87 Lakhs, 01.04.15 Rs. 466.87 Lakhs) to Tata Steel under protest. The same is being shown under Other non-current Assets. 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 September 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 14th 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 would 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.

(Rs. in Lakhs)			
Particulars	As at 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015
Total export obligation due	5,606.81	9,235.12	16,268.91
Saving in Custom Duty	5,101.86	5,101.86	5,101.86

(C) Contingent Liabilities not provided for on account of dispute are as follows*:

(Rs. in Lakhs)			
Particulars	As at 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015
Custom Matters	32.00	32.00	32.00
Excise Matters	95.96	86.07	133.38
Service Tax Matters	-	-	122.74
Sales Tax Matters	3,636.58	1,047.59	882.29
Total	3,729.47	1,165.66	1,170.41

* As on 30th September 2016, 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.



Tata BlueScope Steel Limited

Notes to standalone financial statements for the period ended 30th September, 2016

34. Related Party Disclosure:

Name of Related Party	Relationship
Butler (Shanghai) Inc	Subsidiary of Parent Company of JV Partner
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner
Tata Steel Limited	JV Partner
BlueScope Steel Limited	Parent Company of JV Partner
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner
BlueScope Lysaght Lanka (Pvt) Ltd.	Subsidiary
Tata Sons Ltd	Promoter of JV Partner (Holding greater than 20%)
The Tinsplate Company of India Ltd.	Subsidiary of JV Partner
TKM Global Logistics Ltd. (TKM Transport Management Services Private Ltd.)	Subsidiary of another JV of JV Partner
Mjunction Services Limited	Another JV of JV Partner
TRF Limited	Associate of JV Partner
Tata Metaliks Limited	Subsidiary of JV Partner
Mr. Riten Choudhury	Key Management Personnel - Managing Director

Note:

- Above list includes only those parties with whom there is either transaction during the period or outstanding balance.
- Related Party transactions and closing balances as on Balance Sheet date are disclosed in the annexure A.

35. Earnings per share (EPS):

Sr. No.	Particulars	As at 30 th September 2016	As at 30 th September 2015
i.	Net Profit / (Loss) after tax (Rupees)	848,573,456	151,265,569
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)	0.98	0.17
vi.	Diluted Earnings / (Loss) Per Share (Rupees)	0.98	0.17



36. Derivative transaction:

(A) The Company has no forward exchange contract to hedge its exposure in foreign currency.

(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 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015	As at 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015
Receivables/ advances	USD	2,762,884.31	2,466,331.71	2,601,385.03	1,841.40	1,634.48	1,626.23
	AED	-	-	125.00	-	-	0.02
	AUD	9,729.96	34,509.96	12,407.00	4.82	16.46	6.43
	EURO	22,974.00	30,002.80	36,490.36	17.28	22.04	28.75
	GBP	11,237.29	100.00	100.00	10.05	0.08	0.08
Payables	NZD	7,168.00	5,468.00	16,776.00	3.31	2.47	8.05
	USD	93,635.86	52,437.36	48,950.09	62.10	34.34	30.59
	AUD	4,161.41	10,391.16	-	2.15	4.98	-
	EURO	53,217.48	52,941.18	56,170.15	39.78	39.91	37.74
	SEK	-	-	26,017.90	-	-	1.88
Cash & cash equivalents	USD	605,970.08	1,905,674.58	364,818.01	403.94	1,262.70	227.97
	EURO	-	3,267.50	3,267.50	-	2.46	2.20

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 -

Particulars	(Rs. in Lakhs)		
	As at 30 th September 2016	As at 31 st March 2016	As at 1 st April 2015
Not Later than one year	253.63	268.42	313.21
Later than one year but not later than five years	143.79	117.25	229.84
Later than five years	-	-	-

b) Lease payment recognized in the Statement of Profit & Loss is Rs. 223.56 Lakhs (30.09.15 Rs 234.64 Lakhs).

38. Disclosure under Ind AS -11 "Construction Contracts":

Particulars	(Rs. in Lakhs)	
	For the period ended 30 th September 2016	For the period ended 30 th September 2015
Contract Revenue recognized during the period	10,183.06	11,705.91

Method 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:

Particulars	(Rs. in Lakhs)	
	For the period ended / As at 30 th September 2016	For the period ended / As at 30 th September 2015
Aggregate amount of costs incurred and recognized profits (less recognized losses) up to the reporting date	10,455.03	6,618.41
Advance received for contracts in progress	1,487.22	1,939.87
Retention Money for contracts in progress	1,119.40	741.07

Gross Amount due from/ due to customers. [Refer Note 13 & Note 22]



Tata BlueScope Steel Limited

Notes to standalone financial statements for the period ended 30th September, 2016

39. During the period, in view of not having taxable profits on account of carried forward business losses and unabsorbed depreciation, the Company has not made any provision for Income Taxes in the Books of Account. 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. The Company has generated profits during the previous and current period. 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. The 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. For first-time Ind AS adoption reconciliations, refer annexure B.

For and on behalf of the Board

For Tata BlueScope Steel Limited


Managing Director


Director


Chief Financial Officer


Company Secretary

Place:

Date:



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Tata BlueScope Steel Limited
For the year ended 30th September 2016
Related Party Disclosure

Annexure A to Note 34 (b)

				(Rs in Lakhs)
Related Party Transactions :				
Transactions	Relationship	Period ended 30th September 2016	Period ended 30th September 2015	For the year ended 31st March 2016
Purchase of Goods				
Butler (Shanghai) Inc	Subsidiary of Parent Company of JV Partner	53.15	25.55	136.18
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner	62.64	44.74	115.13
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	-	7.26	7.26
Tata Steel Limited	JV Partner	41,803.12	38,657.56	70,600.15
Expenses Incurred				
Tata Steel Limited	JV Partner	0.99	1.61	2.97
Receipt of Services				
Tata Steel Limited	JV Partner	1,080.86	1,176.81	2,905.95
Bluescope Steel Limited	Parent Company of JV Partner	53.54	40.00	106.80
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	0.36	0.23	0.62
The Tinplate Company of India Ltd.	Subsidiary of JV Partner	8.57	17.05	32.28
Tata Sons Ltd	Promoter of JV Partner (Holding greater than 20%)	-	-	0.20
TKM Global Logistics Ltd. (TKM Transport Management Services Private Ltd.)	Subsidiary of another JV of JV Partner	209.94	170.98	361.37
Mjunction Services Limited	Another JV of JV Partner	22.47	26.89	65.50
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner	16.72	17.00	17.00
Rendering of services				
Tata Steel Limited	JV Partner	92.57	289.66	611.12
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	23.68	18.82	70.40
TRF Limited	Associate of JV Partner	5.94	12.10	38.63
Commission Received				
BlueScope Steel Limited	Parent Company of JV Partner	30.94	44.61	79.17
Channel Usage Fees Paid				
Tata Steel Limited	JV Partner	330.48	888.00	1,288.00
Interest Received				
Tata Steel Limited	JV Partner	2.70	-	4.21
Sale of goods				
Tata Steel Limited	JV Partner	477.04	954.59	1,500.39
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	2.70	170.93	192.38
BlueScope Lysaght Lanka (Pvt) Ltd.	Subsidiary	1,893.59	1,466.20	3,091.19
Tata Metaliks Limited	Subsidiary of JV Partner	5.70	-	-
TRF Limited	Associate of JV Partner	9.80	-	-
The Tinplate Company of India Ltd.	Subsidiary of JV Partner	373.48	523.03	1,047.89
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	-	9.06	44.95
Deposit amount received towards appointment of Directors' u/s 160 of the Companies Act 2013				
Tata Steel Limited	JV Partner	-	4.00	4.00
Deposit amount repaid towards appointment of Directors' u/s 160 of the Companies Act 2013				
Tata Steel Limited	JV Partner	-	-	4.00
Remuneration Paid				
Mr. Riten Choudhury	Managing Director	57.35	63.42	97.44



Closing Balances:

(Rs in Lakhs)

Particulars	Relationship	As At 30th September 2016	As At 30th September 2015	As At 31st March 2016
Outstanding Debit Balances				
Tata Steel Limited	JV Partner	935.39	1,312.83	1,007.73
BlueScope Steel Limited	Parent Company of JV Partner	7.29	18.77	4.26
BlueScope Lysaght Lanka (Pvt) Ltd.	Subsidiary	712.53	930.99	587.44
Butler Manufacturing Company (A division	Subsidiary of JV Partner	-	-	0.02
Tata Metaliks Limited	Subsidiary of JV Partner	5.70	-	-
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	0.04	0.04	17.84
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	1.01	92.92	2.20
The Tinsplate Company of India Ltd.	Subsidiary of JV Partner	50.19	52.45	26.98
TRF Limited	Associate of JV Partner	13.54	37.58	7.13
Outstanding Credit Balances				
Tata Steel Limited	JV Partner	4,324.28	5,651.92	2,880.41
Butler Manufacturing Company (A division	Subsidiary of JV Partner	16.57	8.73	-
BlueScope Buildings North America Inc)	Subsidiary of JV Partner	-	0.61	-
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	1.13	-	-
Butler (Shanghai) Inc	Subsidiary of Parent Company of JV Partner	-	40.00	-
BlueScope Steel Limited	Parent Company of JV Partner	-	3.75	-
The Tinsplate Company of India Ltd.	Subsidiary of JV Partner	6.33	6.80	4.92
Mjunction Services Limited	Another JV of JV Partner	9.89	44.11	15.45
TKM Global Logistics Ltd. (TKM Transport Management Services Private Ltd.)	Subsidiary of another JV of JV Partner			
Note:				
1. Outstanding credit balances exclude amounts lying in GR/IR, Freight and Other Clearing accounts.				
2. Sales of Goods and Services rendered includes billing done in respect of construction contracts for which revenue is recognized in the Statement of Profit and Loss on percentage completion method.				
3. The remuneration excludes gratuity and leave encashment for the key managerial personnel, as the provision is made for the Company as a whole.				



(i) Effect of Ind AS adoption on the standalone balance sheet as at 31st March 2016 and 1st April 2015

Rs in Lakhs

	Particulars	Note Ref.	As at 31st March 2016			As at 1st April 2015		
			Indian GAAP	Effect of Transition to Ind AS Reviewed	As per Ind AS Balance Sheet	Indian GAAP	Effect of Transition to Ind AS Reviewed	As per Ind AS Balance Sheet
(1)	Non-current assets							
	(a) Property, plant and equipment	a, c	100,470.92	(344.66)	100,126.26	106,511.46	144.93	106,656.39
	(b) Capital work-in-progress		1.05	-	1.05	12.67	-	12.67
	(c) Other intangible assets		431.80	-	431.80	916.66	-	916.66
	(d) Financial assets							
	(i) Investments		912.78	-	912.78	912.78	-	912.78
	(ii) Other financial assets		204.64	-	204.64	221.64	-	221.64
	(e) Other non-current assets	a, b	573.44	299.38	872.82	531.00	350.83	881.83
	(f) Current tax assets (net)		264.99	-	264.99	225.39	-	225.39
	(g) Deferred tax assets (net)		-	-	-	-	-	-
	Total Non-current assets		102,859.61	(45.28)	102,814.34	109,331.58	495.76	109,827.36
(2)	Current Assets							
	(a) Inventories		20,394.72	-	20,394.72	22,648.85	-	22,648.84
	(b) Financial assets							
	(i) Trade receivables		11,014.46	-	11,014.46	11,713.59	-	11,713.58
	(ii) Cash and cash equivalents		11,895.53	-	11,895.53	4,235.55	-	4,235.55
	(iii) Other financial assets		38.30	-	38.30	3.99	-	3.99
	(c) Current tax assets (net)	b	-	-	-	-	-	-
	(d) Other current assets		7,270.52	(571.23)	6,699.29	8,230.73	(605.50)	7,625.23
	Total Current Assets		50,613.53	(571.23)	50,042.30	46,832.71	(605.50)	46,227.19
	Total Assets		153,473.14	(616.51)	152,856.64	156,164.29	(109.74)	156,054.55
	Equity							
	(a) Equity share capital		86,600.00	-	86,600.00	86,600.00	-	86,600.00
	(b) Other equity	c	(55,372.36)	-	(55,372.36)	(58,812.73)	(18.10)	(58,830.83)
	Total Equity		31,227.64	-	31,227.64	27,787.27	(18.10)	27,769.17
	Liabilities							
(1)	Non-current liabilities							
	(a) Financial liabilities							
	(i) Borrowings	b	95,000.00	(616.51)	94,383.49	67,526.00	(550.79)	66,975.21
	(ii) Other financial liabilities		894.83	-	894.83	3,113.87	-	3,113.86
	(b) Provisions		1,542.77	-	1,542.77	1,425.15	-	1,425.16
	Total Non-current liabilities		97,437.60	(616.51)	96,821.09	72,065.02	(550.79)	71,514.23
(2)	Current liabilities							
	(a) Financial Liabilities							
	(i) Borrowings		-	-	-	3,583.90	-	3,583.90
	(ii) Trade payables		67.77	-	67.77	98.99	-	98.99
	- Dues to micro and small enterprises		14,589.06	-	14,589.08	9,795.43	511.55	10,306.98
	- Dues to other creditors	c	4,399.59	-	4,399.58	37,526.48	(52.40)	37,474.08
	(ii) Other financial liabilities	b	5,245.62	-	5,245.62	4,941.28	-	4,941.28
	(b) Other current liabilities		505.86	-	505.86	365.92	-	365.92
	(c) Provisions		24,807.90	-	24,807.91	56,312.00	459.15	56,771.15
	Total Current liabilities		122,245.50	(616.51)	121,629.00	128,377.02	(91.64)	128,285.38
	Total Liabilities		153,473.14	(616.51)	152,856.64	156,164.29	(109.74)	156,054.55
	Total Equity and Liabilities							

Tata BlueScope Steel Limited
Annexure B to Note 41: First-time Ind AS adoption reconciliations continued
(ii) Reconciliation of total equity as at 31st March 2016 and 1st April 2015
Rs in Lakhs

	Particulars	Note Ref.	As at 31st March 2016	As at 1st April 2015
			Reviewed	
	Total equity (shareholders' funds) under previous GAAP		31,227.64	27,787.28
	Depreciation on asset capitalised under Ind AS	c	-	(18.10)
	Total adjustment to equity		-	(18.10)
	Total equity under Ind AS		31,227.64	27,769.17

(iii) Effect of Ind AS adoption on the standalone statement of profit and loss for the year ended 31st March 2016
Rs in Lakhs

	Particulars	Note Ref.	For the year ended 31st March 2016		
			Indian GAAP	Effect of transition to Ind AS	Ind AS
			Reviewed		
(I)	Revenue from operations (gross)		168,711.66	-	168,711.66
	Less: Excise duty		17,462.99	-	17,462.99
	Revenue from operations (net)		151,248.67	-	151,248.67
(II)	Other income		722.16	-	722.16
(III)	Total Income		151,970.83	-	151,970.83
(IV)	EXPENSES				
	(a) Cost of material consumed		100,022.64	-	100,022.64
	(b) Changes in inventories of finished goods and work-in-progress		1,440.83	-	1,440.83
	(c) Employee benefits expense	d	8,195.41	61.95	8,257.36
	(d) Finance costs		11,152.88	-	11,152.88
	(e) Depreciation and amortisation expense	a	7,123.62	(21.96)	7,101.66
	(f) Other expenses	a	20,595.06	3.88	20,598.94
	Total Expenses		148,530.44	43.87	148,574.31
(V)	Profit / (Loss) before tax (III - IV)		3,440.39	(43.87)	3,396.52
(VI)	Tax Expense				
	(1) Current Tax		-	-	-
	(2) Deferred Tax		-	-	-
	Total tax expense		-	-	-
(VII)	Profit / (Loss) for the year (V-VI)		3,440.39	(43.87)	3,396.52
(VIII)	Other comprehensive income				
	(a) Items that will be reclassified to profit or loss	d	-	61.95	61.95
	(b) Income tax relating to items that will be reclassified to profit or loss		-	-	-
			-	61.95	61.95
(IX)	Total Comprehensive Income for the period (VII+VIII)(Comprising Profit / (Loss) and Other Comprehensive Income for the period)		3,440.39	18.08	3,458.47

(iv) Reconciliation of total comprehensive income for the year ended 31st March 2016
Rs in Lakhs

	Particulars	Note Ref.	For the year ended 31st March 2016
			Reviewed
	Profit as per Indian GAAP		3,440.39
	Total effect of transition to Ind AS		18.08
	Total comprehensive income under Ind AS		3,458.47



Tata BlueScope Steel Limited
Annexure B to Note 41: First-time Ind AS adoption reconciliations continued

(v) **Effect of Ind AS adoption on the standalone statement of cash flows for the year ended 31st March 2016**

Rs In Lakhs

	Particulars	Note Ref.	For the year ended 31st March 2016		
			Indian GAAP	Effect of transition to Ind AS	Ind AS
			Reviewed		
	Net cash flows from operating activities		30,564.44	-	30,564.44
	Net cash flows from investing activities		4.17	-	4.17
	Net cash flows from financing activities		(22,907.11)	-	(22,907.11)
	Net increase (decrease) in cash and cash equivalents		7,661.50	-	7,661.50
	Cash and cash equivalents at the beginning of the period		4,235.55	-	4,235.55
	Effects of exchange rate changes on the balance of cash held in foreign currencies		(1.53)	-	(1.53)
	Cash and cash equivalents at the end of the period		11,895.53	-	11,895.53

Notes to First-time Ind AS adoption reconciliations

a	Under Indian GAAP, Lease hold land at Chennai and Bhiwadi were classified under "Tangible Assets" as per accounting standard 10. On adoption of Ind AS leasehold land is classified as "Other Assets"
b	Under Indian GAAP, processing charges paid for availing Non Convertible, Non Cumulative, Redeemable Debentures (NCD) and Term Loan (TL) to banks and financial institutions are amortized over the period of loan on straight line method and unamortised portion were classified under "Current & Non current Assets". On adoption of Ind AS unamortized issue expenses have been netted off against loan liability.
c	Tata Steel Ltd had constructed the connecting roads to access the Company's Coated Steel plant at Jamshedpur, which was in use since 18th December 2012. The cost for the same was capitalized in Indian GAAP during the quarter ending 31st March 2016. While preparing the opening Ind AS financials, the capitalization has been considered in the opening balance sheet.
d	Under Indian GAAP, gains & losses representing changes in the present value of the long term defined benefit obligation (Gratuity Liability) resulting from experience adjustment and effects of changes in actuarial assumption was recognized immediately in the statement of profit and loss as per AS 15. On adoption of Ind AS, the same has been recognized in other comprehensive income and not reclassified to profit or loss in a subsequent period.

