

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
TATA BLUESCOPE STEEL LIMITED**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Tata BlueScope Steel Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

In conducting 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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, as amended, 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 standalone Ind AS financial statements - Refer note 32(A) and 32(B) to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company - Refer note 11 to the financial statements.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



Sunil S Kothari
Partner
(Membership No. 208238)

Place: Pune
Date: May 11, 2017

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Tata BlueScope Steel Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

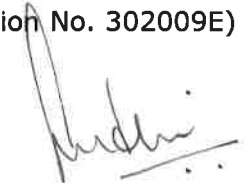
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

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



Sunil S Kothari
Partner
(Membership No. 208238)

Place: Pune

Date: May 11, 2017

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loan are held in the name of the Company based on the confirmation directly received by us from the lender.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
 - (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
 - (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause 3 (iv) of the Order is not applicable to the Company.
 - (v) According to the information and explanations given to us, the Company has not accepted any deposit, under the provisions of sections 73 to 76 and other related provisions of the Act and hence reporting under clause 3 (v) of the Order is not applicable to the Company.
 - (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended 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 made and 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) According to the information and explanations given to us, in respect of statutory dues:

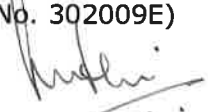
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

(Rs in Lakhs)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (Rs.)	Amount unpaid (Rs.)
The Central Excise Act, 1944	Excise	Commissioner - Appeal	2008-09, 2009-10, & 2013-14	14.64	14.64
The Central Excise Act, 1944	Excise	Government of India Finance Ministry	2010-11 & 2011-12	20.98	20.98
The Customs Act, 1962	Customs	CESTAT-Mumbai	2007-08	32.00	16.00
The Tamil Nadu VAT Act, 2006	VAT	Assistant Commissioner	2008-09, 2009-10, 2010-11 & 2012-13	158.51	36.52
The Rajasthan Value Added Tax Act, 2003	VAT	Commercial Tax Officer	2010-11, 2011-12 & 2012-13	56.53	56.53
The Maharashtra VAT Act, 2002	VAT	Commissioner - Appeal	2007-08, 2008-09, 2009-10, 2010-11 & 2011-12	4,444.27	4,304.27
The Jharkhand VAT Act, 2005	VAT	Commissioner - Appeal	2007-08, 2008-09, 2009-10, 2010-11 & 2011-12	174.02	174.02

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. According to the information and explanation given to us, the Company has not taken any loan or borrowing from financial institutions or government.
- (ix) In our opinion and according to the information and explanations given to us, the debentures and the term loans have been applied by the Company for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer of equity shares.
- (x) 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 by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Act, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Sunil S Kothari
Partner
(Membership No. 208238)

Place: Pune
Date: May 11, 2017

Tata BlueScope Steel Limited

Standalone Balance Sheet as at 31st March, 2017

Rs. In Lakhs

	Particulars	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	ASSETS				
(1)	Non-current assets				
	(a) Property, plant and equipment	3	89,913.72	100,126.26	106,656.39
	(b) Capital work-in-progress	3 (i)	104.00	1.05	12.67
	(c) Other intangible assets	4	75.53	431.80	916.66
	(d) Financial assets				
	(i) Investments	5	912.78	912.78	912.78
	(ii) Other financial assets	6	120.39	160.09	178.85
	(e) Other non-current assets	7	1,167.91	917.39	924.63
	(f) Current tax assets (net)		239.99	264.99	225.39
	(g) Deferred tax assets (net)	8	-	-	-
			92,534.32	102,814.36	109,827.37
(2)	Current Assets				
	(a) Inventories	9	22,780.11	20,394.72	22,648.84
	(b) Financial assets				
	(i) Investments	5	8,451.75	-	-
	(ii) Trade receivables	10	10,650.92	11,014.46	11,713.58
	(iii) Cash and cash equivalents	11	7,403.12	11,895.53	4,235.55
	(iv) Other financial assets	12	2,629.03	38.30	3.99
	(c) Current tax assets (net)		93.67	-	-
	(d) Other current assets	13	5,597.18	6,699.27	7,625.21
			57,605.78	50,042.28	46,227.17
	Total Assets		150,140.10	152,856.64	156,054.54
	EQUITY AND LIABILITIES				
(1)	Equity				
	(a) Equity share capital	14	86,600.00	86,600.00	86,600.00
	(b) Other equity		(49,903.44)	(55,372.36)	(58,830.83)
			36,696.56	31,227.64	27,769.17
(2)	Liabilities				
	Non-current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	15	87,044.46	94,383.49	66,975.21
	(ii) Other financial liabilities	16	-	894.83	3,113.86
	(b) Provisions	17	1,464.48	1,542.77	1,425.16
			88,508.94	96,821.09	71,514.23
(3)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	18	-	-	3,583.90
	(ii) Trade payables				
	- Dues to micro and small enterprises	19	12.05	67.77	98.99
	- Dues to other creditors		17,329.07	14,589.08	9,795.42
	(iii) Other financial liabilities	20	3,846.22	4,399.58	37,985.63
	(b) Other current liabilities	21	3,056.22	5,245.62	4,941.28
	(c) Provisions	22	691.04	505.86	365.92
			24,934.60	24,807.91	56,771.14
	Total Equity and Liabilities		150,140.10	152,856.64	156,054.54

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

Rhoadhmy
Managing Director
(DIN : 06636411)

Samita
Director
(DIN : 02350176)

S. Ramani
Chief Financial Officer
(MNO. : 202987)
Place: KOLKATA
Date: 11/05/2017

A. Choudhury
Company Secretary
(MNO. : F5241)



Place: Pune
Date: May 11, 2017

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Tata BlueScope Steel Limited

Standalone Statement of Profit and Loss for the year ended 31st March, 2017

Rs. in Lakhs

	Particulars	Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
(I)	Revenue from operations	23	184,075.34	168,711.66
(II)	Other income	24	1,713.68	722.16
(III)	Total Income		185,789.02	169,433.82
(IV)	EXPENSES			
	(a) Cost of material consumed	25	107,721.82	100,032.90
	(b) Changes in inventories of finished goods and work-in-progress	26	(996.55)	1,440.83
	(c) Excise duty on sale of goods		18,773.80	17,462.99
	(d) Employee benefits expense	27	13,237.24	8,259.25
	(e) Finance costs	28	10,307.29	11,152.88
	(f) Depreciation and amortisation expense	3 & 4	6,387.17	7,101.66
	(g) Provision for impairment of Property, plant and equipment	3	5,100.47	-
	(h) Other expenses	29	19,870.12	20,586.79
	Total Expenses		180,401.36	166,037.30
(V)	Profit before tax (III - IV)		5,387.66	3,396.52
(VI)	Tax Expense			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
	Total tax expense		-	-
(VII)	Profit for the year (V-VI)		5,387.66	3,396.52
(VIII)	Other comprehensive Income			
	(a) Items that will not be reclassified to profit or loss		81.26	61.95
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Comprehensive Income for the year (VII+VIII)(Comprising Profit and Other Comprehensive Income for the year)		5,468.92	3,458.47
(IX)	Earnings per equity share (Ref Note 37):			
	(1) Basic		0.62	0.39
	(2) Diluted		0.62	0.39

Summary of significant accounting policies

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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

Rhondhup
Managing Director
(DIN: 06636901)

S. Anand
Chief Financial Officer
(MNO: 202987)

Place: KOLKATA
Date: 11/05/2017



Samita
Director
(DIN: 02350176)

S. Anand
Company Secretary
(MNO: F5241)

Place: Pune
Date: May 11, 2017

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Tata BlueScope Steel Limited

Standalone Cash Flow Statement for the year ended 31st March, 2017

Rs. In Lakhs

Particulars	For the year ended 31st March 2017		For the year ended 31st March 2016	
A. Cash flow from / (used In) operating activities				
Profit for the year (excluding other comprehensive income)		5,387.66		3,396.52
<u>Adjustments for:</u>				
Depreciation and amortisation	6,387.17		7,101.66	
Finance costs	10,307.29		11,152.88	
Liabilities no longer required written back	(335.39)		(26.51)	
Provision for bad and doubtful debts	76.72		(66.40)	
Provision for Impairment of Property, plant and equipment	5,100.46		-	
Loss on sale & discard of Property, plant and equipment	5.10		-	
Provision for warranty	116.42		162.60	
Interest on bank & other deposit	(655.37)		(343.98)	
Gain arising on sale of current investments and financial assets designated at FVTPL	(396.30)		-	
Provision for inventory	104.64		64.36	
Net unrealised exchange (gain) / loss	28.10		51.91	
		<u>20,738.84</u>		<u>18,096.52</u>
Operating profit before working capital changes		26,126.50		21,493.04
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(3,155.13)		2,190.01	
Trade and other receivables	1,133.51		1,654.01	
Adjustments for increase / (decrease) in operating liabilities:				
Trade and other payables	497.10		5,106.20	
Current provisions	76.86		(22.65)	
Non-current provisions	2.97		179.57	
		<u>(1,444.69)</u>		<u>9,107.14</u>
Cash generated from operations		24,681.81		30,600.18
Net income tax (paid) / refunds		(68.68)		(39.60)
Net cash flow from / (used In) operating activities (A)		<u>24,613.13</u>		<u>30,560.58</u>
B. Cash flow from / (used In) investing activities				
Payments for property, plant & equipment, other intangible assets and capital work in progress	(557.59)		(301.63)	
Proceeds on sale of property, plant & equipment	2.06		-	
Gain arising on sale of current investments	364.51		-	
Proceeds on sale of current investments	28,000.00		-	
Payments to acquire current investments	(38,910.79)		-	
Interest from bank on deposit	555.47		309.67	
		<u>(10,546.34)</u>		<u>8.04</u>
Net cash flow from / (used In) Investing activities (B)		<u>(10,546.34)</u>		<u>8.04</u>
C. Cash flow from / (used In) financing activities				
Proceeds from non-current borrowings	-		27,474.00	
Repayment of non-current borrowings	(7,500.00)		(32,500.00)	
Proceeds from current borrowings	-		-	
Repayment of current borrowings	-		(3,583.90)	
Finance cost	(11,057.40)		(14,297.20)	
		<u>(18,557.40)</u>		<u>(22,907.10)</u>
Net cash flow from / (used In) financing activities (C)		<u>(18,557.40)</u>		<u>(22,907.10)</u>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		<u>(4,490.61)</u>		<u>7,661.52</u>
Cash and cash equivalents at the beginning of the year		11,895.53		4,235.55
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency		(1.80)		(1.54)
Cash and cash equivalents at the end of the year		<u>7,403.12</u>		<u>11,895.53</u>
Cash and cash equivalents at the end of the year comprises of:				
(a) Balances with scheduled banks				
(i) Current accounts		3,401.31		2,733.10
(ii) Deposit accounts		4,000.46		9,161.46
(b) Cash on hand		1.35		0.97
		<u>7,403.12</u>		<u>11,895.53</u>

Notes:

(i) Figures in brackets represent outflows

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

Place: Pune
Date: May 11, 2017

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

Managing Director
(DIN: 06636932)

Chief Financial Officer
(MNO: 202987)
Place: KOLKATA
Date: 11/05/2017

Director
(DIN: 02356176)

Company Secretary
(MNO: F5241)



Tata BlueScope Steel Limited

Standalone Statement of Changes In Equity for the year ended 31st March, 2017

A. Equity Share Capital

Rs. In Lakhs

Particulars	Amount
Balance As at 1st April, 2015	86,600.00
Change during the year	-
Balance As at 31st March, 2016	86,600.00
Change during the year	-
Balance As at 31st March, 2017	86,600.00

B. Other Equity

Rs. In Lakhs

Particulars	Reserves and Surplus	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
Other Comprehensive Income for the year, net of income tax		
- Remeasurement gains / (losses) on defined benefit plans	61.95	61.95
Balance As at 31st March, 2016	(55,372.36)	(55,372.36)
Profit for the year	5,387.66	5,387.66
Other Comprehensive Income for the year, net of income tax		
- Remeasurement gains / (losses) on defined benefit plans	81.26	81.26
Balance As at 31st March, 2017	(49,903.44)	(49,903.44)

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Sunil S Kothari
Partner

Place: Pune
Date: May 11, 2017

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

R. Khodhgir
Managing Director
(DIN: 066 38911)

S. S. Chatterjee
Chief Financial Officer
(MNO: 1202987)

Place: KOLKATA
Date: 11/05/2017

S. Samita
Director
(DIN: 02350176)

S. K. Ghosh
Company Secretary
(MNO: F5241)



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Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

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 registered office is in Pune in the State of Maharashtra 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. 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.

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.

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 sources 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 are, 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;



Tata BlueScope Steel Limited

Notes to standalone financial statements for the year ended 31st March, 2017

(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



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

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.



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

Current tax:

The tax payable is based on the taxable profit for the year, computed in accordance with the provisions of applicable tax laws. 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). All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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, with any gains or losses arising on measurement recognised in profit and loss. The net gain or loss recognised in profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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			Impairment#	Net Block
	As at 01.04.2016	Additions / Adjustments during the year	Deductions during the year	As at 31.03.2017	For the year	On deductions	As at 31.03.2017		
Freehold Land	1,716.12	-	-	1,716.12	-	-	-	-	1,716.12
Freehold Buildings	32,682.70	1.51	-	32,684.21	1,069.39	-	3,601.13	26,905.44	
Leasehold Improvement	1,206.81	-	-	1,206.81	112.02	-	-	982.84	
Plant & Equipment*	70,059.75	688.50	-	70,748.25	4,581.30	-	1,484.27	59,630.20	
Tools & Dies	101.12	0.33	-	101.45	29.10	-	0.78	32.65	
Furniture & Fixtures	394.86	1.02	4.86	391.02	62.22	2.59	12.73	256.39	
Office Equipment	575.64	200.46	4.89	771.21	175.45	4.30	1.56	356.24	
Vehicles	6.08	34.35	6.08	34.35	1.41	1.59	-	33.84	
Total	106,743.08	926.17	15.83	107,653.42	6,030.89	8.48	5,100.47	89,913.72	

*Includes capital spares aggregating to Rs. 665.10 Lakhs earlier classified under inventory.

#Refer Note 39

Note 3 : Tangible Assets continued

Particulars	Deemed Cost			Depreciation			Impairment	Net Block
	As at 01.04.2015	Additions during the year	Deductions during the year#	As at 01.04.2016	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	-	-	31,574.45
Leasehold Improvement	1,207.01	-	0.20	1,206.81	111.95	-	-	1,094.85
Plant & Equipment	69,970.12	89.63	-	70,059.75	5,052.48	-	-	65,007.27
Tools & Dies	100.27	0.85	-	101.12	38.92	-	-	62.20
Furniture & Fixtures	389.68	8.37	3.20	394.86	62.27	-	-	332.60
Office Equipment	584.41	5.09	13.87	575.64	242.89	0.63	-	333.38
Vehicles	6.08	-	-	6.08	0.69	-	-	5.39
Total	106,656.39	103.94	17.26	106,743.08	6,617.45	0.63	-	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

Particulars	Rs. in Lakhs	
	As at 31st March 2017	As at 1st April 2015
Capital work in progress	104.00	12.67
Total	104.00	12.67



Tata BlueScope Steel Limited

Note 4 : Intangible Assets

Rs. in Lakhs

Particulars	Deemed Cost			Amortization			Impairment	Net Block As at 31.03.2017
	As at 01.04.2016	Additions during the year	Deductions during the year	As at 31.03.2017	For the year	On deductions As at 31.03.2017		
Intangible Assets (Other than internally generated) Software	613.33	-	-	613.33	231.47	537.80	-	75.53
Technical Know How	303.33	-	-	303.33	124.81	303.33	-	-
Total	916.66	-	-	916.66	356.28	841.13	-	75.53

Note 4 : Intangible Assets continued

Rs. in Lakhs

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



Tata BlueScope Steel Limited

Note 5 : Investments

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Non Current Investments			
	At 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 (FVTPL)			
(i)	Investments in Mutual Funds - Unquoted (Ref Note 5(i))	8,451.75	-	-
		8,451.75	-	-
	Total	9,364.53	912.78	912.78

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

Rs. In Lakhs

	Mutual Fund Name	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	Axis Liquid Fund - Growth (92,331 Units)	1,660.13	-	-
2	ICICI Prudential Money Market Fund - Reg - Growth (527,112 Units)	1,182.74	-	-
3	Invesco India Liquid Fund - Growth (74,899 Units)	1,672.04	-	-
4	JM High Liquidity - Growth (3,766,105 Units)	1,670.81	-	-
5	Tata Money Market Fund - Reg - Growth (23,584 Units)	602.28	-	-
6	UTI-Liquid Cash Plan - IP - Growth - Growth (62,626 Units)	1,663.75	-	-
	Total	8,451.75	-	-

Note: There were no investments in earlier reported year.



Tata BlueScope Steel Limited

Note 6 : Other Financial Assets - Non Current

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Unsecured, considered good Security deposits	120.39	160.09	178.85
	Total	120.39	160.09	178.85

Note 7 : Other non-current assets

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Unsecured, considered good			
(i)	Capital advances	1.34	6.66	6.66
(ii)	Prepaid lease payments	336.91	340.79	344.65
(iii)	Amount paid under protest (Ref note 32(A))	728.87	466.88	466.88
(iv)	Prepaid expenses	6.11	8.51	13.65
(v)	Security deposits	94.68	94.55	92.79
(b)	Doubtful			
(i)	Capital advances	-	35.44	35.44
	Less: Provision for bad & doubtful advances	-	(35.44)	(35.44)
	Total	1,167.91	917.39	924.63



Tata BlueScope Steel Limited

Note 8 : Deferred Tax Liabilities/Assets

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

Rs. In Lakhs

	Nature of temporary difference	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Deferred Tax Liability			
	Difference between book and tax depreciation	10,916.09	11,919.66	11,252.57
	Unrealised forex gain	-	-	1.70
	Total	10,916.09	11,919.66	11,254.27

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

Rs. In Lakhs

	Nature of temporary difference	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Deferred Tax Assets			
	Provision for leave encashment	244.98	230.15	212.77
	Provision for Bonus & employee separation	1,411.94	247.28	141.99
	Provision for Gratuity	207.66	243.20	222.90
	Provision for doubtful debts & advances	243.96	231.20	311.36
	Business Loss	4,149.54	8,496.55	9,528.62
	Unabsorbed Depreciation	17,855.31	17,344.40	17,344.80
	Total	24,113.39	26,792.78	27,762.44

(iii)	Net Deferred Tax Assets	13,197.30	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 31st March 2017	As at 31st March 2016	As at 1st April 2015
	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 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Raw Materials			
(i)	Raw Materials	11,387.85	11,149.29	10,775.63
(ii)	Goods-in-transit	1,686.59	368.18	1,748.67
		13,074.44	11,517.47	12,524.30
(b)	Work-in-progress	5,064.14	3,362.22	4,943.45
(c)	Stores & spare parts	1,590.89	1,759.02	1,565.48
(d)	Finished goods - Coated Steel Products	3,050.64	3,756.01	3,615.61
	Total	22,780.11	20,394.72	22,648.84

(Refer note 25 & 26 for cost of inventories recognised as an expense during the year).

Note 9 (i): Details of Inventory of work-in-progress

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Secondary	47.65	68.61	68.48
(b)	Sheeting & Cladding	1,800.38	1,509.45	1,690.67
(c)	Trims	148.26	98.19	55.28
(d)	Metal Coated	2,300.35	1,069.28	2,193.19
(e)	Colour Coated	740.01	278.26	933.33
(f)	Other items	27.49	338.43	2.50
	Total	5,064.14	3,362.22	4,943.45



Tata BlueScope Steel Limited

Note : 10 Trade Receivables

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Secured, considered good	3,363.54	4,687.66	3,234.52
(b)	Unsecured, considered good	7,287.38	6,326.80	8,479.06
(c)	Doubtful	789.51	712.79	972.20
(d)	Allowance for doubtful debts / expected credit loss	11,440.43 (789.51)	11,727.25 (712.79)	12,685.78 (972.20)
	Total	10,650.92	11,014.46	11,713.58

The above Includes Retention money not due of Rs. 998.61 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 31st March 2017, Rs. 803.65 Lakhs (31.03.16 Rs. 510.80 Lakhs, 01.04.2015 Rs. 584.26 Lakhs) was due from Larsen & Toubro Ltd., Rs. 933.74 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. 838.49 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.

Rs. in Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Less than six months	10,427.62	10,985.64	11,462.14
(b)	More than six months	1,012.81	741.61	1,223.64
	Total	11,440.43	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:

Rs. in Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016
(a)	Balance at the beginning of the year	712.79	972.20
(b)	Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	76.72	(66.40)
(c)	Bad debts written off	-	(193.01)
	Balance at the end of the year	789.51	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 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Balances with banks			
(i)	Current accounts	3,401.31	2,733.10	1,572.83
(ii)	Deposit accounts	4,000.46	9,161.46	2,661.46
(b)	Cash on hand	1.35	0.97	1.26
	Total	7,403.12	11,895.53	4,235.55

Details of specified Bank Notes (SBN)#

Rs

	Particulars	SBN*	Other Denomination Notes	Total
(a)	Closing cash in hand as on 8th November, 2016	20,000	134,624	154,624
(b)	Add: Permitted receipts	-	271,498	271,498
(c)	Less: Permitted payments	-	(268,339)	(268,339)
(d)	Less: Amount deposited in Banks	(20,000)	-	(20,000)
(e)	Closing cash in hand as on 30th December, 2016	-	137,783	137,783

* Includes 40 SBN of Rs. 500 denomination.

#Above information includes imprest cash balances & settlement thereon.



Tata BlueScope Steel Limited

Note 12 : Other Financial Assets - Current

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Interest accrued on fixed deposits	129.03	38.30	3.99
(b)	Corporate deposits	2,500.00	-	-
	Total	2,629.03	38.30	3.99

Note 13 : Other Current Assets

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Unsecured, considered good			
(a)	Advance with public bodies*	4,120.04	4,539.54	5,685.87
(b)	Advances to suppliers, contractors and others	1,000.44	855.92	306.14
(c)	Prepaid expenses	228.27	185.15	233.70
(d)	Prepaid lease payments	3.87	3.86	3.85
(e)	Amount due from customers in respect of contract work (Unbilled revenue)	244.56	1,114.80	1,395.65
	Total	5,597.18	6,699.27	7,625.21

*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 31st March 2017	As at 31st March 2016	As at 1st April 2015
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
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 year:

Nos. in Lakhs

Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
No of shares outstanding at the beginning of the year	8,660.00	8,660.00	8,660.00
Add: Additional shares issued during the year	-	-	-
Less: Shares forfeited/Bought back during the year	-	-	-
No of shares outstanding at the end of the 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 31st March 2017	As at 31st March 2016	As at 1st April 2015
Equity Shares:			
Tata Steel Limited	432,999,997	432,999,997	432,999,997
BlueScope Steel Asia Holdings Pty Ltd	432,999,997	432,999,997	432,999,997
Total	865,999,994	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.



Note 15 : Non Current Borrowings

Rs. in Lakhs

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Debtentures	Term Loan	Debtentures	Term Loan	Debtentures	Term Loan
(a) Secured - At amortised cost Debtentures						
2,500 Non Convertible, Non Cumulative, Redeemable Debtentures of Rs 10 Lakhs each fully paid up* (31.03.2016 : 2,500 Debtentures of Rs 10 Lakhs each) (31.03.2015 : 5,000 Debtentures of Rs 10 Lakhs each)	24,930.00		24,902.64		24,902.64	
	62,114.46		69,480.85		42,072.57	
(b) Term Loan from banks	87,044.46		94,383.49		66,975.21	
Total						

*Non Convertible, Non Cumulative, Redeemable Debtentures amounting to Rs. 25,000 Lakhs are repaid on 28th Sept 2015 and the same are disclosed under Current maturities of Long Term Debt as at 1st April, 2015 (Refer Note 20).

Note 15 (i)- Movement in long term borrowings

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Debtentures	Term Loan	Debtentures	Term Loan	Debtentures	Term Loan
At beginning of the year	25,000.00	70,000.00	25,000.00	42,526.00	50,000.00	33,130.40
New loans / Drawals (Net)	-	-	-	27,474.00	-	42,526.00
Repayments	-	(7,500.00)	-	-	-	(25,578.00)
Other transfers	-	-	-	-	(25,000.00)	(7,500.00)
At end of the year#	25,000.00	62,500.00	25,000.00	70,000.00	25,000.00	42,578.40
#The impact of borrowing cost has been excluded in above movement						
Total						

Rs. in Lakhs

Note 15 (ii)- Details of repayment of borrowings

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	#Debtentures	***Term Loan	#Debtentures	***Term Loan	#Debtentures	***Term Loan
Upto 1 year	-	7,500.00	-	5,000.00	-	7,500.00
Between 1-2 years	-	15,000.00	-	10,000.00	-	-
Between 2-3 years	25,000.00	10,000.00	-	15,000.00	-	-
Between 3-4 years	-	10,000.00	25,000.00	10,000.00	-	-
Between 4-5 years	-	20,000.00	-	30,000.00	25,000.00	-
More than 5 years	-	-	-	-	-	-
Total						

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

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



Rs. in Lakhs

Tata BlueScope Steel Limited

Note 15 : Non Current Borrowings continued

Note 15 (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 15 (iv)-Details of redeemable Debentures

Description of instrument	Carrying value as at 31st March, 2017	Coupon Rate	Repayment Bullet (or) Installment	Date of Redemption	Narrative remarks	Rs. in Lakhs
Debenture-Series 2	25,000	10.75%	Bullet	26th September 2019	Company has call option to redeem on 26th September 2017	

Note 15 (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 15 (vi) In view of losses carried forward, Debenture Redemption Reserve has not been created.



Tata BlueScope Steel Limited

Note 16 : Other Financial Liabilities - Non Current

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Interest accrued but not due on borrowings	-	894.83	3,113.86
	Total	-	894.83	3,113.86

Note 17 : Non Current Provisions

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Provision for employee benefits:			
(I)	Provision for gratuity	705.11	782.80	721.54
(II)	Provision for compensated absences	759.37	759.97	703.62
	Total	1,464.48	1,542.77	1,425.16

Note 17 (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 211.82 lakhs (year ended 31st March, 2016 Rs. 224.98 Lakhs) for Provident Fund contributions and Rs.0.68 Lakhs (year ended 31st March, 2016 Rs. 0.51 Lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss for the year ended 31st March, 2017. 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 27 Employee Benefit Expenses)

The Company operates post retirement defined benefit unfunded plans for gratuity as follows :

	Particulars	Rs. in Lakhs	
		For the year ended 31st March 2017	For the year ended 31st March 2016
		Gratuity	Gratuity
	Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
	Current service cost	109.55	105.78
	Interest cost	58.70	56.98
	Expected return on plan assets	-	-
	Curtailment cost / (credit)	-	-
	Settlement cost / (credit)	-	-
	Past service cost	-	-
	Actuarial losses/(gains)	-	-
	Components of defined benefit costs recognised in profit or loss	168.25	162.76
	Remeasurement on the net defined benefit liability		
	Actuarial gains and loss	(81.26)	(61.48)
	Others (describe)	-	-
	Components of defined benefit costs recognised in other comprehensive income	(81.26)	(61.48)
	Total	86.99	101.28
	Actual contribution and benefit payments for the year		
	Actual benefit payments	(144.51)	(34.42)
	Actual contributions	144.51	34.42
	Net asset / (liability) recognised in the Balance Sheet		
	Present value of defined benefit obligation	757.79	815.31
	Fair value of plan assets	-	-
	Funded status [Surplus / (Deficit)]	(757.79)	(815.31)
	Unrecognised past service costs	-	-
	Net asset / (liability) recognised in the Balance Sheet	(757.79)	(815.31)
	Current portion of the above	(52.68)	(32.51)
	Non current portion of the above	(705.11)	(782.80)

* Expenses for Rs. Nil (31.03.2016 Rs. 102.44 Lakhs) are net of Rs. Nil (31.03.2016 Rs. 1.12 Lakhs) received from Tata Steel Ltd and Rs. Nil (31.03.2016 Rs. 2.28 Lakhs) transferred to group company.



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Note 17 (l): Details of Employee Benefits As Required By the Ind AS 19 - Employee Benefits Continued

Particulars	Rs. in Lakhs	
	For the year ended 31st March 2017	For the year ended 31st March 2016
	Gratuity	Gratuity
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	815.31	749.61
Expenses Recognised in Profit and Loss Account		
Current service cost	109.55	105.78
Interest cost	58.70	56.98
Curtalement cost / (credit)	-	-
Settlement cost / (credit)	-	(2.28)
Past service cost	-	-
Acquisitions	-	1.12
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
Actuarial (gains) / losses	(81.26)	(61.48)
Benefits paid	(144.51)	(34.42)
Present value of DBO at the end of the year	757.79	815.31
Change in fair value of assets during the year		
Plan assets at beginning of the year	-	-
Expenses Recognised in Profit and Loss Account		
Expected return on plan assets	-	-
Acquisition adjustment	-	-
Actual company contributions	-	-
Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
Actuarial gain / (loss)	-	-
Benefits paid	-	-
Others (describe)	-	-
Plan assets at the end of the year	-	-
Actuarial assumptions		
Discount rate	7.40%	7.90%
Expected return on plan assets	N/A	N/A
Salary escalation	10.00%	10.00%
Attrition	5.00%	5.00%
Mortality tables	IALM(2006-08) ult	IALM(2006-08) ult
Performance percentage considered	ultimate	ultimate

Experience adjustments

Particulars	Rs. in Lakhs				
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Gratuity					
Present value of DBO	(757.79)	(815.31)	(749.61)	(596.01)	(550.61)
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	0.00	(815.31)	(749.61)	(596.01)	(550.61)
Experience gain / (loss) adjustments on plan liabilities	(55.28)	(55.28)	28.87	(29.71)	(43.23)
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Sensitivity analysis

Particulars	Rate (%)	Rs. in Lakhs
		Defined benefit obligation As at 31st March 2017
Effect of one percentage point change in -		
Discount Rate	6.40%	891.43
	8.40%	715.64
Salary increment rate	9.00%	723.31
	11.00%	880.08
Withdrawal rate	4.00%	813.57
	6.00%	780.98



Tata BlueScope Steel Limited

Note 17 (I): Details of Employee Benefits As Required By the Ind AS 19 - Employee Benefits Continued

Maturity profile of defined benefit obligation:

	Particulars	Rs. In Lakhs
		Amount
	Within 1 Year	50.98
	1-2 years	38.24
	2-3 years	44.97
	3-4 years	68.84
	4-5 years	127.44
	5-10 years	568.96

Risk Exposure

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The present value of the defined benefit obligations are carried out for March 31, 2017 by Ranadey Professional Services, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method.



Tata BlueScope Steel Limited

Note 18 : Current Borrowings

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Loans repayable on demand - From Banks (Unsecured)			
(i)	Working Capital Demand Loan	-	-	3,500.00
(ii)	Cash Credit	-	-	83.90
	Total	-	-	3,583.90

Note 19 : Trade Payables

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Total outstanding dues of micro enterprises and small enterprises	12.05	67.77	98.99
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	17,329.07	14,589.08	9,795.42
	Total	17,341.12	14,656.85	9,894.41

Note 20 : Other Financial Liabilities - Current

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Current maturities of long-term debt	-	-	32,447.60
(b)	Interest accrued but not due on borrowings	2,843.90	2,860.14	3,785.42
(c)	Other payables:			
(i)	Payables on purchase of fixed assets	1,002.32	1,532.26	1,745.43
(ii)	Other Liabilities	-	7.18	7.18
	Total	3,846.22	4,399.58	37,985.63

Note 21 : Other Current Liabilities

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Advances received from customers	2,553.90	4,235.40	4,542.35
(b)	Amount due to customers in respect of contract work	246.76	482.55	111.43
(c)	Statutory dues (Service tax, VAT, TDS, etc.)	255.56	527.67	287.50
	Total	3,056.22	5,245.62	4,941.28

Note 22 : Current Provisions

Rs. In Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Provision for employee benefits			
(i)	Provision for gratuity	52.68	32.51	28.07
(ii)	Provision for compensated absences	84.45	35.86	35.95
(b)	Other Provisions			
(i)	Provision for warranties	553.91	437.49	301.90
	Total	691.04	505.86	365.92

Note 22 (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 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Carrying Amount at the beginning of the year	437.49	301.90	191.00
	Provision made during the year	346.41	392.58	301.90
	Amount paid / utilized during the year	38.71	27.00	-
	Unused amount reversed during the year	191.28	229.99	191.00
	Total	553.91	437.49	301.90



Tata BlueScope Steel Limited

Note 23 : Revenue from Operations

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Sale of products*	178,230.10	162,486.52
(b)	Revenue from construction contracts	2,703.83	2,892.71
(c)	Commission income	56.73	79.17
(d)	Other operating income (Scrap Sale)	3,084.68	3,253.26
	Total	184,075.34	168,711.66

*Above revenue includes Excise Duty collected Rs. 18,773.80 lakhs (31.03.2016 Rs. 17,462.99 lakhs)

Details of products sold comprises of:		
Manufactured goods		
Building solutions and Building products	138,954.06	128,799.06
Coated steel products	39,276.04	33,687.46
Total - Sale of manufactured goods	178,230.10	162,486.52

Note 24 : Other Income

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Interest on:		
(i)	Bank deposits	581.93	343.98
(ii)	Overdue trade receivables	74.71	114.60
(iii)	Other financial assets carried at amortized cost	73.44	-
(b)	Net foreign exchange gain	-	93.27
(c)	Liabilities no longer required written back (net)	335.39	26.51
(d)	Net gain on sale of current investments	355.34	-
(e)	Net gain arising on financial assets designated at FVTPL	40.95	-
(f)	Miscellaneous Income	251.92	143.80
	Total	1,713.68	722.16



Tata BlueScope Steel Limited

Note 25 : Cost of Materials Consumed (Including packing materials)

Rs. in Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Opening Stock	11,149.29	10,775.63
(b)	Add - Purchases	107,960.38	100,406.56
		119,109.67	111,182.19
(d)	Less - Closing Stock *	11,387.85	11,149.29
	Total	107,721.82	100,032.90

* Excludes stock in transit of Rs. 1,689.59 Lakhs (31.03.2016 Rs. 368.18 Lakhs)

Note 25 (I): Details of consumption and closing stock of Raw Material (Including packing material)

Rs. in Lakhs

	Particulars	Consumption		Closing Stock	
		For the year ended 31st March 2017	For the year ended 31st March 2016	As at 31st March 2017	As at 31st March 2016
(a)	HR Plates	5,791.83	11,270.97	137.46	848.38
(b)	HR Members	1,676.00	576.11	207.24	206.40
(c)	Ingots (Zinc & Aluminium)	9,559.88	9,095.72	1,234.65	1,095.20
(d)	Coils	78,388.42	68,484.10	8,103.26	6,825.31
(e)	Paint	6,990.12	6,879.60	723.86	933.62
		102,406.25	96,306.50	10,406.47	9,908.91
(f)	Others	5,315.57	3,726.40	981.38	1,240.38
	Total	107,721.82	100,032.90	11,387.85	11,149.29



Tata BlueScope Steel Limited

Note 26 : Changes in inventories of finished goods and work-in-progress

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(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	3,050.64	3,756.01
(ii)	Work-in-progress	5,064.14	3,362.22
	Total	(996.55)	1,440.83

Note 27 : Employee Benefits Expense

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Wages & salaries (Refer note 39)	12,671.45	7,690.46
(b)	Company's contributions to Provident and other funds	232.46	247.20
(c)	Gratuity expenses (Refer note 17(i))	168.25	164.35
(d)	Staff welfare expenses	165.08	157.24
	Total	13,237.24	8,259.25

Note 28 : Finance Costs

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Interest on		
(i)	Debentures and fixed loans	10,265.29	10,999.43
(ii)	Others	42.00	153.45
	Total	10,307.29	11,152.88



Tata BlueScope Steel Limited

Note 29 : Other Expenses

Rs. In Lakhs

	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a)	Consumption of stores and Spares	1,293.13	1,647.83
(b)	Power & Fuel	6,511.42	6,437.93
(c)	Rent	459.20	468.23
(d)	Repairs and maintenance:		
	- Buildings	1.03	0.07
	- Machinery	137.48	149.15
	- Others	245.90	485.28
(e)	Insurance charges	218.92	208.03
(f)	Rates & Taxes	187.50	93.61
(g)	Fabrication, electrical & civil contracts	4,268.71	4,210.88
(h)	Commission	28.68	41.45
(i)	Legal & professional expenses	459.97	396.43
(j)	Communication	156.74	154.55
(k)	Travelling & Conveyance	543.47	649.01
(l)	Remuneration to auditors:		
	- Towards statutory audit*	38.50	34.00
	- Towards tax audit	2.50	2.50
	- Towards other attest services	2.00	12.00
	- Towards out of pocket expenses	0.56	1.00
(m)	Advertisement, promotion & selling expenses	1,941.82	2,454.51
(n)	Provision for bad and doubtful debts (net)	76.72	(66.40)
(o)	Warranty expense	155.14	162.60
(p)	Freight and handling charges (net)	899.13	674.87
(q)	Excise duties	209.90	31.46
(r)	Net foreign exchange loss	69.51	-
(s)	Other general expenses	1,962.19	2,337.80
	Total	19,870.12	20,586.79

*Current year Includes Rs. 2.50 Lakhs pertaining to previous year.



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

30. 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.

31. 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 st March 2017	As at 31 st March 2016	As at 1 st April 2015
Tangible Assets	-	13.22	3.02

32. 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 31st March, 2017 is Rs. 5,033.00 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 31st March, 2017 (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 case was taken up for hearing by the High Court in October 2015, and was adjourned. The case remains partly heard. The Company has not provided for the same in the books of account.

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

Particulars	Rs. in Lakhs		
	As at 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
Custom Matters	32.00	32.00	32.00
Excise Matters	674.04	86.07	133.38
Service Tax Matters	-	-	122.74
Sales Tax Matters	4,849.27	1,047.59	882.29
Total	5,555.32	1,165.66	1,170.41

* As on 31st March 2017, 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.

(C) EPCG Scheme:

The Company has imported the goods under the Export Promotion Capital Goods Scheme (EPCG) of the Government of India, at concessional rate of duty (3%) with an obligation to fulfil the specified exports. As per Foreign Trade Policy 2004-2009, non fulfilment of said export obligation within stipulated timeframe would lead to payment of differential customs duty saved along with interest there on. The Company has fulfilled the export obligation on duty saved (Rs. 2,700.70 Lakhs) and has applied for early redemption of five licenses pertaining to its plant at Bara, Jamshedpur on 25th January, 2017. The company is confident about fulfilment of remaining export obligation of Rs. 199.96 Lakhs within stipulated timeframe.

Particulars	Rs. in Lakhs		
	As at 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
Total export obligation due	199.96	361.50	16,268.91
Saving in Custom Duty	2,750.70	2,750.70	2,750.70



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

33. Value of Imports on CIF basis:

Particulars	Rs. in Lakhs	
	2016-17	2015-16
Raw Material	10,958.77	7,681.98
Components & spares	258.53	366.12
Capital Goods	-	29.82
Total	11,217.30	8,077.92

34. Expenditure in Foreign Currency:

Particulars	Rs. in Lakhs	
	2016-17	2015-16
Professional and consultation fees	31.37	88.82
Commission	30.77	38.02
Other Matters	153.46	170.19
Total	215.60	297.03

35. Earnings in foreign currency:

Particulars	Rs. in Lakhs	
	2016-17	2015-16
FOB Value of Exports	8,708.82	6,821.36
Commission	56.73	79.17
Total	8,765.55	6,900.53

36. 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
BlueScope Vietnam Limited	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 Tinplate 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
Tata International Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
Tata Sikorsky Aerospace Limited (formerly Tara Aerospace Systems Limited)	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
TRL Krosaki Refractories Limited	Subsidiary of JV Partner
Tata Consultancy Services Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
Tata AIG General Insurance Company Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
Tata Lockheed Martin Aerostructures Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)	Subsidiary of Promoter of JV Partner (Holding greater than 20%)
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.



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

37. Earnings per share (EPS):

Sr. No.	Particulars	As at 31 st March 2017	As at 31 st March 2016
i.	Net Profit after tax (Rupees)	538,765,586	339,651,510
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 Per Share (Rupees)	0.62	0.39
vi.	Diluted Earnings Per Share (Rupees)	0.62	0.39

38. 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 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015	As at 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
Receivables/ advances	USD	3,894,658.89	2,466,331.71	2,601,385.03	2,528.05	1,634.48	1,626.23
	AED	-	-	125.00	-	-	0.02
	AUD	23,470.91	34,509.96	12,407.00	12.26	16.46	6.43
	EURO	36,442.00	30,002.80	36,490.36	26.84	22.04	28.75
	GBP	20,995.00	100.00	100.00	17.65	0.08	0.08
Payables	NZD	12,825.00	5,468.00	16,776.00	6.18	2.47	8.05
	USD	342,873.40	52,437.36	48,950.09	222.00	34.34	30.59
	AUD	-	10,391.16	-	-	4.98	-
	EURO	52,941.18	52,941.18	56,170.15	36.66	39.91	37.74
	SEK	-	-	26,017.90	-	-	1.88
Cash & cash equivalents	USD	-	1,905,674.58	364,818.01	-	1,262.70	227.97
	EURO	-	3,267.50	3,267.50	-	2.46	2.20

39. Restructuring :

The Management is in the process of restructuring the underperforming operations at Hinjewadi, Pune plant of the Company. Various options are under consideration by the management for restructuring without discontinuing the operations which includes resizing, reduction/transfer of manpower, subcontracting, relocating the plant etc.

Considering the said restructuring and the options currently being evaluated, as at 31st March, 2017, the management has reviewed the carrying value of its assets at the said plant with their estimated value in use / realizable value and has assessed impairment of certain assets including freehold building, property, plant and equipment, tools and dies and furniture & fixtures, total aggregating to Rs. 4,722.76 lakhs, which has been provided for.

In order to achieve the above objective, during the year, the Company had rolled out 'Voluntary Retirement Schemes' (VRSs) to the employees of its plant at Hinjewadi, Pune, in terms of which Rs. 866.00 lakhs have been incurred and paid as at 31st March, 2017. Further, provision of Rs. 3,100.00 lakhs has been made towards estimated employee separation costs with regard to the said restructuring. These costs are included in Wages & salaries under note 27- Employee Benefits Expense.

40. 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 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
Not Later than one year	184.72	268.42	313.21
Later than one year but not later than five years	166.23	117.25	229.84
Later than five years	-	-	-

Lease payment recognized in the Statement of Profit & Loss is Rs. 459.20 Lakhs (31.03.16 Rs 468.23 Lakhs).



Tata BlueScope Steel Limited
Notes to standalone financial statements for the year ended 31st March, 2017

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

Particulars	Rs. in Lakhs	
	For the year ended 31 st March 2017	For the year ended 31 st March 2016
Contract Revenue recognized during the year	14,818.99	24,860.12

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 year ended / As at 31 st March 2017	For the year ended / As at 31 st March 2016
Aggregate amount of costs incurred and recognized profits (less recognized losses) up to the reporting date	4,977.26	9,574.38
Advance received for contracts in progress	401.60	2,426.78
Retention Money for contracts in progress	893.80	883.63


Gross Amount due from/ due to customers. [Refer Note 13 & Note 21]


42. During the year, 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.
43. The Company has generated profits during the current and previous 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. 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.
44. For first-time Ind AS adoption reconciliations ^{and other disclosures} refer annexure B.

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


Managing Director
 (DIN: 06636911)


Director
 (DIN: 02350176)


Chief Financial Officer
 (MNO.: 202987)


Company Secretary
 (MNO.: F5241)

Place: KOLKATA
Date: 11/05/2017



Tata BlueScope Steel Limited
For the year ended 31st March 2017
Related Party Disclosure

Annexure A to Note 36 (b)

Related Party Transactions :

Rs. In Lakhs

Transactions	Relationship	For the year ended 31st March 2017	For the year ended 31st March 2016
Purchase of Goods			
Butler (Shanghai) Inc	Subsidiary of Parent Company of JV Partner	111.58	136.18
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner	71.63	115.13
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	-	7.26
Tata Steel Limited	JV Partner	84,466.78	70,600.15
Tata International Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)	3.13	-
BlueScope Vietnam Limited	Subsidiary of JV Partner	281.24	-
Expenses Incurred			
Tata Steel Limited	JV Partner	1.95	2.97
Receipt of Services			
Tata Steel Limited	JV Partner	2,458.42	2,905.95
Tata Consultancy Services	Promoter of JV Partner (Holding greater than 20%)	160.88	-
Tata AIG General Insurance Company	Promoter of JV Partner (Holding greater than 20%)	104.20	-
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	0.55	0.62
The Tinplate Company of India Ltd.	Subsidiary of JV Partner	34.51	32.28
Tata Sons Ltd	Promoter of JV Partner (Holding greater than 20%)	0.17	0.20
TKM Global Logistics Ltd. (TKM Transport Management Services Private Ltd.)	Subsidiary of another JV of JV Partner	409.12	361.37
Mjunction Services Limited	Another JV of JV Partner	46.37	65.50
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner	16.72	17.00
Rendering of services			
Tata Steel Limited	JV Partner	428.63	611.12
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	39.61	70.40
Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)	Promoter of JV Partner (Holding greater than 20%)	69.27	-
TRF Limited	Associate of JV Partner	6.78	38.63
Commission Received			
BlueScope Steel Limited	Parent Company of JV Partner	64.61	79.17
Channel Usage Fees Paid			
Tata Steel Limited	JV Partner	682.88	1,288.00
Interest Received			
Tata Steel Limited	JV Partner	2.70	4.21
Sale of goods			
Tata Steel Limited	JV Partner	1,412.21	1,500.39
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	2.70	192.38
Tata International Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)	813.04	-
TRL Krosaki Refractories Limited	Subsidiary of JV Partner	11.92	-
BlueScope Lysaght Lanka (Pvt) Ltd.	Subsidiary	3,620.71	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	422.04	1,047.89
Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)	Promoter of JV Partner (Holding greater than 20%)	940.56	-
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	-	44.95
Deposit amount received towards appointment of Directors' u/s 160 of the Companies Act 2013			
Tata Steel Limited	JV Partner	-	4.00
Deposit amount repaid towards appointment of Directors' u/s 160 of the Companies Act 2013			
Tata Steel Limited	JV Partner	-	4.00
Reimbursement of Expenses by TBSL			
BlueScope Steel Limited	Parent Company of JV Partner	133.31	106.80
Reimbursement of Expenses to TBSL			
BlueScope Steel Limited	Parent Company of JV Partner	165.67	152.90
Remuneration Paid			
Mr. P. N. Choudhury	Managing Director	116.05	97.44



Closing Balances:

Rs. in Lakhs

Particulars	Relationship	As At 31st March 2017	As At 31st March 2016
Outstanding Debit Balances			
Tata Steel Limited	JV Partner	878.50	540.86
BlueScope Steel Limited	Parent Company of JV Partner	28.12	42.99
BlueScope Lysaght Lanka (Pvt) Ltd.	Subsidiary	930.80	587.44
Tata International Limited	Subsidiary of Promoter of JV Partner (Holding greater than 20%)	23.74	-
Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)	Promoter of JV Partner (Holding greater than 20%)	250.46	-
Butler Manufacturing Company (A division BlueScope)	Subsidiary of JV Partner	-	0.02
Jamshedpur Utilities & Services Company Ltd.	Subsidiary of JV Partner	0.04	17.84
Tata Steel Processing And Distribution Limited (Tata Ryerson Ltd.)	Subsidiary of JV Partner	7.71	2.20
The Tinplate Company of India Ltd.	Subsidiary of JV Partner	-	26.98
TRF Limited	Associate of JV Partner	10.25	7.13
Outstanding Credit Balances			
Tata Steel Limited	JV Partner	3,099.18	2,880.41
Butler Manufacturing Company (A division BlueScope Buildings North America Inc)	Subsidiary of JV Partner	16.11	-
Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)	Promoter of JV Partner (Holding greater than 20%)	0.15	-
The Tinplate Company of India Ltd.	Subsidiary of JV Partner	2.53	-
Mjunction Services Limited	Another JV of JV Partner	2.80	4.92
TKM Global Logistics Ltd. (TKM Transport Management Services Private Ltd.)	Subsidiary of another JV of JV Partner	2.41	15.45
TRF Limited	Associate of JV Partner	0.11	-
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.			



	Particulars	Note Ref.	As at 31st March 2016		As at 1st April 2015				
			Indian GAAP	Effect of Transition to Ind AS	As per Ind AS Balance Sheet	Indian GAAP	Effect of Transition to Ind AS	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		160.09	-	160.09	178.85	-	178.85	
	(e) Other non-current assets	a, b	617.99	299.40	917.39	573.78	350.85	924.63	
	(f) Current tax assets (net)		264.99	-	264.99	225.39	-	225.39	
	(g) Deferred tax assets (net)		-	-	-	-	-	-	
	Total Non-current assets		102,859.62	(45.26)	102,814.36	109,331.58	495.78	109,827.37	
(2)	Current Assets								
	(a) Inventories		20,394.72	-	20,394.72	22,648.84	-	22,648.84	
	(b) Financial assets								
	(i) Trade receivables		11,014.46	-	11,014.46	11,713.58	-	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)		-	-	-	-	-	-	
	(d) Other current assets	b	7,270.52	(571.25)	6,699.27	8,230.73	(605.52)	7,625.21	
	Total Current Assets		50,613.53	(571.25)	50,042.28	46,832.69	(605.52)	46,227.17	
(1)	Total Assets		153,473.15	(616.51)	152,856.64	156,164.27	(109.73)	156,054.54	
	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)	(58,812.75)	(18.08)	(58,830.83)	
	Total Equity		31,227.64	-	31,227.64	27,787.25	(18.08)	27,769.17	
	Liabilities								
(2)	Non-current liabilities								
	(a) Financial liabilities								
	(i) Borrowings	b	95,000.00	(616.51)	94,383.49	67,525.99	(550.78)	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	1,425.16	-	1,425.16	
	Total Non-current liabilities		97,437.60	(616.51)	96,821.09	72,065.02	(550.78)	71,514.23	
(3)	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		14,589.08	-	14,589.08	9,795.42	-	9,795.42	
	- Dues to other creditors	c	4,399.58	-	4,399.58	37,526.49	459.14	37,985.63	
	(iii) 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		24,807.91	-	24,807.91	56,312.00	459.14	56,771.14	
	Total Current liabilities		122,245.51	(616.51)	121,629.00	128,377.02	(91.65)	128,285.37	
	Total Liabilities		153,473.15	(616.51)	152,856.64	156,164.27	(109.73)	156,054.54	

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Annexure B to Note 44: 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
	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
(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		100,032.90	-	100,032.90
	(b) Changes in inventories of finished goods and work-in-progress		1,440.83	-	1,440.83
	(c) Employee benefits expense	d	8,197.30	61.95	8,259.25
	(d) Finance costs		11,152.88	-	11,152.88
	(e) Depreciation and amortisation expense	a,c	7,123.62	(21.96)	7,101.66
	(f) Other expenses	a	20,582.91	3.88	20,586.79
	Total Expenses		148,530.44	43.87	148,574.31
(V)	Profit 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 for the year (V-VI)		3,440.39	(43.87)	3,396.52
(VIII)	Other comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	d	-	61.95	61.95
	(b) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
			-	61.95	61.95
(IX)	Total Comprehensive Income for the year (VII+VIII)(Comprising Profit and Other Comprehensive Income for the year)		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
	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



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Annexure B to Note 44: 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
	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 year		4,235.55	-	4,235.55
	Effects of exchange rate changes on the balance of cash held in foreign currencies		(1.54)	-	(1.54)
	Cash and cash equivalents at the end of the year		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.



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Annexure B to Note 44: First-time Ind AS adoption reconciliations continued

(vi) Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. The amount of capital required is determined on the basis of annual business plans and other strategic investment plans. The funding requirements are met through long-term/short-term borrowings. The Company's policy considers combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Gearing Ratio:

The Gearing ratio at the end of the reporting period are as follows:

		Rs. in Lakhs except ratio		
	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Debt*	87,044.46	94,383.49	103,006.71
	Cash and bank balances	(7,403.12)	(11,895.53)	(4,235.55)
	Net Debt	79,641.34	82,487.96	98,771.16
	Total Equity	36,696.56	31,227.64	27,769.17
	Net debt equity ratio	2.17	2.64	3.56

*Debt is defined as long term and short term borrowings (including current maturities of long term debt) as described in notes 15, 18 and 20.

(vii) Categories of financial Instruments

Rs. in Lakhs

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a)	Financial assets			
(i)	Measured at fair value through profit or loss (FVTPL)			
	- Investments in Mutual Funds - Unquoted	8,451.75	-	-
(ii)	Measured at amortised cost / cost			
	- Equity Investments	912.38	912.38	912.38
	- Cash and bank balances	7,403.12	11,895.53	4,235.55
	- Other financial assets at amortised cost	13,400.73	11,213.24	11,896.81
(b)	Financial liabilities			
(i)	Measured at amortised cost / cost			
	- Borrowings	87,044.46	94,383.49	70,559.11
	- Trade Payables	17,341.13	14,656.84	9,894.41
	- Other financial liabilities at amortised cost	3,846.22	5,294.40	41,099.49

(viii) Financial Assets designated at FVTPL

Rs. in Lakhs

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis:

	Particulars	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	Carrying amount of financial assets designated at FVTPL	8,451.75	-	-
	Fair value Hierarchy			
	Investments in Mutual Funds - Unquoted (Refer note 5)*	8,451.75	-	-
	- Level 1	-	-	-
	- Level 2	-	-	-
	- Level 3	-	-	-

*Based on Net Asset Value (NAV) as published daily by respective Fund Houses.

Fair value Hierarchy

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)
- Level 3 Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)



Annexure B to Note 44: First-time Ind AS adoption reconciliations continued

(ix) Financial risk management

The Company is exposed to a variety of financial risks: market risk, foreign currency exchange rate risk, interest rate risk and liquidity and credit risk. These may adversely impact the fair value of its financial instruments.

The Company takes necessary steps to cover these risks associated with the financial assets and liabilities through a risk management framework which aims to:

- 1) Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan
- 2) Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance

(a) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(b) Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the countries and economic environment in which the Company transacts, its risks arise from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, though there are transactions in other currencies as mentioned in Note No. 38.

The Company, as per its risk management framework, uses natural hedging or other derivative instruments, as necessary.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's net income before tax by approximately Rs. 259.10 Lakhs as at 31st March, 2017 (Rs. 294.07 as at 31st March, 2016, Rs. 189.97 Lakhs as at 1st April, 2015) and Rs. 25.87 Lakhs as at 31st March, 2017 (Rs. 7.95 Lakhs as at 31st March, 2016, Rs. 7.02 Lakhs as at 1st April, 2015) for financial assets and financial liabilities respectively.

For further details with respect to Foreign Currency Risk refer Note No. 38.

(c) Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

(d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. 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. Credit exposure is controlled by counterparty limits that are reviewed and approved as per credit policy. Trade receivables consist of a large number of customers, spread across diverse industries primarily in India. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

(e) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds as per investment policy in fixed deposits and liquid schemes of mutual funds, which are risk averse. The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2017:

	Particulars	Less than 1 Year	1 Year to 5 Years	More than 5 Years
(a)	Borrowings#	-	67,500.00	20,000.00
(b)	Trade Payables	17,341.13	-	-
(c)	Other financial liabilities at amortised cost	3,846.22	-	-
	Total	21,187.35	67,500.00	20,000.00

#The impact of borrowing cost has not been considered

