



# THE TINPLATE COMPANY OF INDIA LIMITED

A **TATA** Enterprise

**93<sup>rd</sup> Annual Report  
2011-12**

## BOARD OF DIRECTORS

Mr. Koushik Chatterjee (*Chairman*)  
Mr. Anand Sen  
Mr. Dipak Banerjee  
Mr. S P Nagarkatte  
Mr. B N Samal  
Mr. Ashok Kumar Basu  
Mr. Bushen Raina  
Mr. T V Narendran  
Dr. Sougata Ray  
Mr. Tarun Kumar Daga (*Managing Director*)

### Management

Mr Tarun Kumar Daga (*Managing Director*)  
Mr Ramesh Iyer (*Vice President - TQM & Operations*)  
Mr Chacko Joseph (*Chief Financial Officer*)  
Mr Sarvesh Kumar (*Vice President - Marketing & Sales*)  
Dr C D Singh (*Director Medical Services*)  
Mr S Kar (*Company Secretary*)

### Auditors

Price Waterhouse

### Principal Bankers

State Bank of India  
Union Bank of India  
The Honkong & Shanghai Banking Corporation Ltd.  
HDFC Bank Limited

### Registered Office

4 Bankshall Street  
Kolkata 700 001

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# CHAIRMAN'S STATEMENT



Dear Shareholders,

For over a decade, emerging markets were preferred destinations for significant capital inflows. We often referred to the "dual-speed" world wherein developing nations were growing faster than the developed world. However, in the recent past, we have witnessed risks to sustained growth that have impacted all parts of the global economy in varying degrees. While it is still a dual-speed world, growth rates have declined sharply even in emerging economies like India too.

Notwithstanding the present softening, the Indian economy is still expected to record growth rates at around 6%. The economy has the depth and can return to better growth numbers through policy interventions. The key issues will be maintaining macroeconomic discipline and progressing with microeconomic reforms. The Government continues to maintain its thrust on growth of the processed foods industry and accordingly, consumption of all forms of packaging media are growing, albeit at different rates.

The Euro zone crisis has severely affected demand from the developing world which impacted the Company's exports. Domestic demand remained stable during the year and this enabled the Company to enhance its sales volume as well as its market share.

During the past few years, the Company has been working on expanding its capacity to 379,000 tons per annum. This enhancement in capacity was critical to the Company's

competitiveness to service the growing packaging needs. Most of the major facilities relating to the expansion were completed by the end of the financial year under review. As I mentioned last year, whilst there has been a delay in completion, it will be the endeavour of the Company Management to reach the capacity numbers at the earliest, especially with consumption of tinplate in India maintaining a steady pace of growth.

During the financial year under review, the Company's scale of operations increased by 6% compared to the previous year. The Company's EBITDA has reduced marginally despite the increased volumes, on account of overall realizations not being commensurate with the increase in input raw material costs. However, profit before tax has been impacted by higher depreciation and financing charges relating to the expansion program. In view of the decline in profits, the Board of Directors was constrained in recommending a reduction in the dividend percentage per share. I seek your understanding on this and it will be our endeavour to service the shareholders effectively in the future.

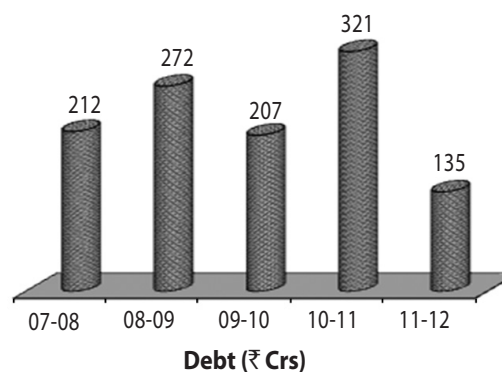
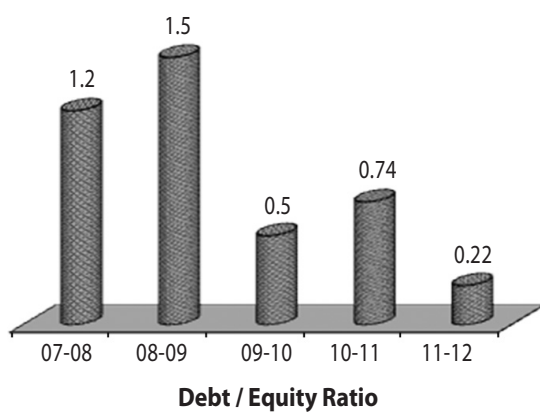
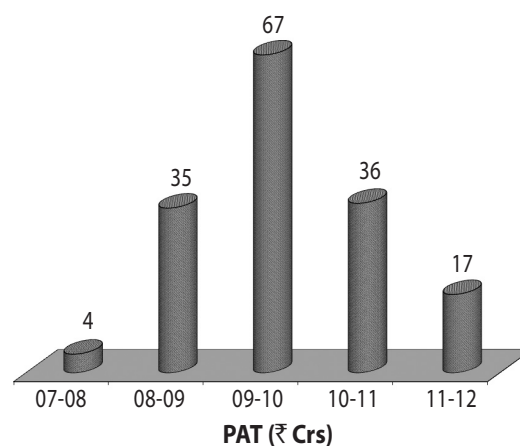
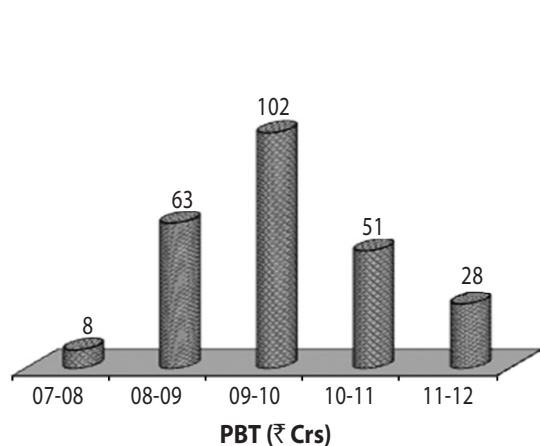
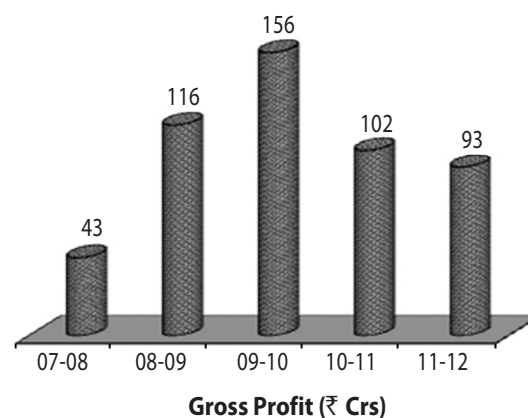
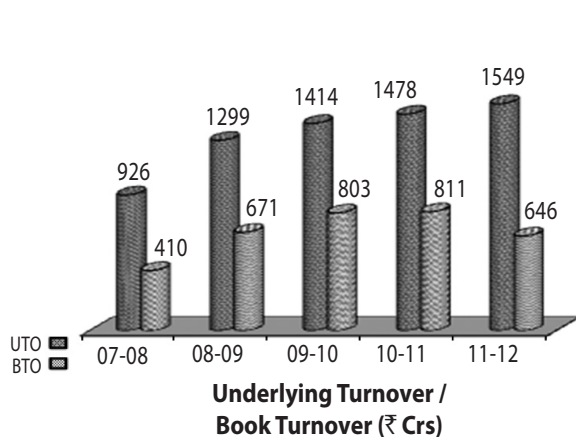
Going forward, I expect greater momentum in the ramping up of the Company's production, attainment of new standards in value creation, safer and better operating practices, a more customer centric approach and robust cash flow management. With increased competition in the industry, a greater focus on improving the consumer mind share for tinplate packaging may enable all players in the industry to progress.

I wish to convey my appreciation to all the shareholders of the Company for their understanding and to the employees as well as the respective Unions for their efforts. I would also like to express my thanks to all the stakeholders and partners who have reposed their confidence in the Company.

A handwritten signature in black ink, appearing to read "Koushik Chatterjee". The signature is stylized and written in a cursive-like font.

**Koushik Chatterjee**  
Chairman

# PERFORMANCE HIGHLIGHTS



## **THE TINPLATE COMPANY OF INDIA LIMITED**

### **NOTICE**

The Ninety-third Annual General Meeting of The Tinplate Company of India Limited will be held on Monday, 24th September 2012 at 11.00 A.M at the Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700 001 to transact the following business :

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March 2012 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on the Non-cumulative Optionally Convertible Preference Shares.
3. To declare a dividend on the Equity Shares.
4. To appoint a Director in place of Mr Ashok Kumar Basu, who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Mr B L Raina, who retires by rotation and is eligible for reappointment.
6. To appoint a Director in place of Mr T V Narendran, who retires by rotation and is eligible for reappointment.
7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions of the Companies Act, 1956, Messrs Deloitte Haskins & Sells (Firm Registration No.302009E) Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration and the manner of payment thereof as may be mutually agreed upon between the Board of Directors and the Auditors, plus reimbursement of service tax, out of pocket, travelling and living expenses in place of Messrs Price Waterhouse, Chartered Accountants, the retiring Auditors, who do not wish to be re-appointed."

Registered Office :  
4, Bankshall Street,  
Kolkata 700001  
Dated : 24th July, 2012

By Order of the Board

S KAR  
Company Secretary

**NOTES :**

- (a) The relevant details of directors seeking re-appointment under Item Nos.4 to 6 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are annexed.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (c) The Register of Members and Transfer Books of the Company will be closed from Friday, 14th September, 2012 to Monday, 24th September, 2012 (both days inclusive).
- (d) If dividends on the Preference and Equity Shares as recommended by the Board of Directors are passed at the meeting, payment of such dividends will be made on Friday, 28th September, 2012 to those members whose names are on the Company's respective Register of Members on Thursday, 13th September, 2012, after considering all transfer documents lodged and found to be complete and in order. In respect of Equity Shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on Thursday, 13th September, 2012, as per details furnished by the Depositories for this purpose.
- (e) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- (f) As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrars of the Company.
- (g) Pursuant to Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims by the IEPF.

In view of the above members who have not yet encashed their dividend warrant(s) for the financial years 2005-06, 2008-09, 2009-10 and 2010-11 in respect of which dividend was declared by the Company, are requested to make their claims to the Company accordingly, without any delay.

- (h) Members are requested to bring the attendance slips along with copies of Annual Report to the Meeting.

**ANNEXURE TO NOTICE**

**Details of the Directors seeking reappointment at the Annual General Meeting**

Name of Director	Mr Ashok Kumar Basu	Mr B L Raina	Mr T V Narendran
Date of Birth	24th March 1942	16th June 1944	2nd June 1965
Date of Appointment	23rd October 2008	28th October 2009	7th May 2010
Qualification	B.Com (Hons), IAS (Retd.)	Graduate Mechanical Engineer, PGDBA (XLRI), General Management Programme, (CEDEP-INSEAD), France	Mechanical Engineer REC (NIT), Trichy, MBA, IIM Calcutta, Advanced Management Programme, CEDEP-INSEAD, France
Expertise in specific functional areas	Expertise in Infrastructure, Power and General Administration	Experienced in the field of Production, Maintenance, Marketing, International Trade and General Management	Experienced in the field of Sales and Marketing, International Trade and Overseas Acquisition
Directorship held in other Companies*	JSW (Bengal) Steel Ltd. Tata Power Co. Ltd. Tata Metaliks Ltd. Visa Resources India Ltd. Visa Power Ltd.	Jamshedpur Utilities & Services Company Ltd.	Tata Steel Processing and Distribution Ltd. Tata BlueScope Steel Limited
Membership/Chairmanship of Committees** across public Companies	JSW (Bengal) Steel Ltd. (AC) Visa Resources India Ltd. (AC) Visa Power Ltd. (AC) Tata Metaliks Ltd. (SGC & AC)	—	Tata Steel Processing and Distribution Ltd. (AC)
No. of shares held in the Company	Nil	32,750	Nil

\* Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act are not considered.

\*\* Includes Audit Committee (AC) and Shareholders Grievance Committee (SGC).

## TSR DARASHAW LIMITED

(Registrar and Share Transfer Agent)

NAME		Contact Nos.
<b>REGISTERED OFFICE</b> <b>TSR DARASHAW LIMITED</b> 6-10 Haji Moosa Patrawala Ind. Estate, 20 Dr. E. Moses Road Mahalaxmi Mumbai - 400 011 E-mail : csg-unit@tsrdarashaw.com Web : www.tsrdarashaw.com	Tel. Fax	022-66568484 022-66568494
<b>BRANCH OFFICES</b> 1. <b>Bangalore</b> <b>TSR DARASHAW LIMITED</b> 503, Barton Centre (5th Floor) 84, Mahatma Gandhi Road Bangalore - 560 001 E-mail : tsrdlbang@tsrdarashaw.com	Tel. Fax	080-25320321 080-25580019
2. <b>Jamshedpur</b> <b>TSR DARASHAW LIMITED</b> Bungalow No. 1 "E" Road, Northern Town, Bistupur Jamshedpur - 831 001 E-mail : tsrdljsr@tsrdarashaw.com	Tel. Fax	0657-2426616 0657-2426937
3. <b>Kolkata</b> <b>TSR DARASHAW LIMITED</b> Tata Centre, 1st Floor 43, J.L. Nehru Road Kolkata - 700 071 E-mail : tsrdlcal@tsrdarashaw.com	Tel. Fax	033-22883087 033-22883062
4. <b>New Delhi</b> <b>TSR DARASHAW LIMITED</b> 2/42, Ansari Road Daryaganj, Sant Viher New Delhi - 110 002 E-mail : tsrdldel@tsrdarashaw.com	Tel. Fax	011-23271805 011-23271802
<b>AGENTS</b> <b>Shah Consultancy Services Limited</b> 3, Sumatinath Complex, 2nd Dhal Pritam Nagar, Ellisbridge Ahmedabad - 380 006 E-mail : shahconsultancy8154@gmail.com	Telefax	079-26576038



## Directors' Report

### TO THE MEMBERS,

The Board of Directors hereby presents the Ninety-third Annual Report on the business and operations of your Company along with the audited financial statements for the year ended 31st March 2012.

### FINANCIAL RESULTS

	FY 2011-12	FY 2010-11
	₹ Lakhs	₹ Lakhs
Net Sales/Income .....	<b>62,703</b>	79,449
Total Expenditure .....	<b>55,264</b>	71,003
Operating Profit .....	<b>7,439</b>	8,446
Add : Dividend and Other Income .....	<b>1,897</b>	1,752
Profit before Interest, Depreciation and Taxes .....	<b>9,336</b>	10,198
Less : Interest .....	<b>1,727</b>	1,448
Profit before Depreciation and Taxes .....	<b>7,609</b>	8,750
Less : Depreciation .....	<b>4,819</b>	3,635
Profit before Taxes .....	<b>2,790</b>	5,115
Less : Provision for Taxation		
Provision for Current Taxation .....	<b>540</b>	1,051
Less : MAT Credit .....	<b>-540</b>	0
Provision for Fringe Benefit Tax .....	—	—
Deferred Taxation .....	<b>1,135</b>	483
Profit after Taxes .....	<b>1,655</b>	3,581
Add : Balance brought forward from previous year ....	<b>9,008</b>	8,176
Balance .....	<b>10,663</b>	11,757
Which the Directors have appropriated as under to :		
(i) Proposed Dividend on Preference Share .....	<b>955</b>	955
(ii) Proposed Dividend on Equity Share .....	<b>890</b>	1,256
(iii) Tax on Dividend .....	<b>299</b>	359
(iv) General Reserve .....	<b>0</b>	179
(iv) Capital Redemption Reserve .....	<b>655</b>	0
TOTAL .....	<b>2,799</b>	2,749
Leaving a balance to be carried forward .....	<b>7,864</b>	9,008

## **DIVIDEND**

- i) 8.5% Non-Cumulative Optionally Convertible Preference Shares (OCPS) : The Board has recommended a dividend of ₹ 8.50 per share on 11,233,000 OCPS of ₹ 100 each for the year ended 31st March, 2012.
- ii) Equity Shares : The Board has recommended a dividend of ₹ 0.85 per Equity Share (2010-11 : ₹ 1.20 per Equity Share) on 10,46,67,638 Equity Shares of ₹10 each for the year ended 31st March, 2012.

The Dividend on OCPS and Equity Shares is subject to the approval of the shareholders at the Annual General Meeting.

## **VOLUNTARY OPEN OFFER**

A voluntary open offer has been made by Tata Steel Limited under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011 for acquisition of up to 1,46,53,470 equity shares of the Company at a price of ₹ 60/- per share from the shareholders of the Company. The Letter of Offer which would be sent to the shareholders has been filed with SEBI by Tata Steel Limited and SEBI's approval to the same is awaited.

## **ECONOMIC ENVIRONMENT**

The global economy witnessed lower economic growth in 2011 primarily due to the sovereign debt crisis in the Euro zone, sluggish recovery in the US and contraction of the Japanese economy. Economic growth also declined in the emerging and developing economies like China, India and Brazil due to financial uncertainty in the developed economies.

The Indian economy slowed down in 2011-12 with growth at 6.5% against 8.5% in the previous year. Economic performance was impacted by various internal and external factors including adverse impact of crude oil prices, continuing inflationary pressure, high interest rates and decline in investment flow. The depreciation of the Rupee against the US Dollar in the second half of 2011-12, uncertain external environment and the decline in various indices of economic performance have been a cause for concern for the economy. With the prospect of a weak monsoon, the trend is likely to continue with GDP growth projected to be around 6% during 2012-13.

Tinplate demand remained steady in India throughout the year under review. However due to the depressed global tinplate prices and the increase in input prices of hot rolled coils, tin mill black plates and tin, your Company's profits were impacted significantly.

## **PERFORMANCE**

During the year under review your Company's operating scale increased by 6% as compared to the previous year i.e. from approximately 241,000 tons to 256,000 tons. The Company's EBITDA

(Earnings before Interest, Taxes, Depreciation and Amortisation) during the year under review was lower at ₹ 93 crores as compared to ₹ 102 crores in FY 2010-11 on account of the depressed global tinplate prices and increase in input steel and tin prices. Higher depreciation and interest charge relating to the new Cold Rolling Mill facilities led to a reduction in profit after tax from ₹ 36 crores in FY 2010-11 to ₹ 17 crores in the current year.

In order to further improve competitiveness, your Company is enhancing the capacity utilization of its existing and new plants as well as striving to reduce its operating costs.

### **EXPANSION PROJECT**

The Company has been progressively commissioning the second Cold Rolling Mill project (CRM-2) and all major facilities were commissioned by the end of the third quarter of FY 2011-12. The delay in commissioning the CRM-2 project was due to unforeseen difficulties faced in setting up the plant alongside the existing facilities and problems faced during refurbishments.

With the commissioning of CRM-2 the Company is positioned to utilize the combined capacities of the two tinning lines.

### **SAFETY AND ENVIRONMENT**

Your Company is committed to ensuring zero injury to its employees, contractors and the communities in which it operates. Improving work place safety continues to be of top priority in all operations. Your Company is focusing on improving safety at the workplace through increased leadership engagement and improved training and communication. Safety is integral to the Company's business process and is laid down in the Company's health and safety policy, standards and working procedures. Safety is a key performance indicator and one of the prime drivers of the Company's operating efficiency. The Company achieved a reduction of 50% in Lost Time Injury Frequency rate. During the year under review no fatal incident had occurred and the Company focused on eliminating hazards at work places. Monitoring the employees' health in relation the work environment is a continuous process and there have been no significant observations relating to deficiencies in workplace health and hygiene conditions.

Your Company is committed to conserving the environment, and is oriented towards an eco-friendly approach across all spheres of operations. The major focus areas are - Waste Management, Energy Management, Water Conservation, Afforestation and Reduction in Emissions. Your Company has adopted the Tata Group Policy on Climate Change and is focused on adherence to eco-friendly practice in its processes and products to improve sustainability. Based on an audit study, actions have been initiated to reduce carbon footprint through reduction in energy, fuel and water consumption. Various initiatives such as natural air ventilation systems, use of translucent sheets to provide natural illumination during day time, use of energy efficient lights, solar heating systems, use of variable frequency drive in various drives, use of renewable energy and optimization of air conditioner run timings have been

undertaken to reduce energy consumption. Your Company is focusing on ensuring a cleaner and sustainable environment through tree plantation, increasing use of cleaner fuel like propane in place of high speed diesel in the Batch Annealing Furnaces & Acid Regeneration Plant-2 and recycling of waste water.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr Ashok Kumar Basu, Mr B L Raina and Mr T V Narendran, retire by rotation and are eligible for re-appointment.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Details of conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956 (the Act) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, are given in Annexure 'I' to this Report.

## **PARTICULARS OF EMPLOYEES**

The information required under Section 217(2A) of the Companies Act, 1956 and the rules there under, in respect of the employees of the Company, is provided in the Annexure forming part of this Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting, and if, any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, where upon a copy would be sent.

## **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A note on the Company's corporate social responsibility is also included.

## **AUDITORS**

### **Statutory Auditors**

The Members are requested to appoint Messrs Deloitte Haskins & Sells, Chartered Accountants as the Auditors of the Company at the ensuing Annual General Meeting of the Company. The Board of Directors at its meeting held on 24th July 2012 has resolved to recommend to the

members that Messrs Deloitte Haskins & Sells, Chartered Accountants, be appointed as the Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company in place of Messrs Price Waterhouse who have expressed their unwillingness to be re-appointed as Statutory Auditors of the Company.

### **Cost Auditors**

Your Company had appointed Messrs Shome & Banerjee, Cost Accountants, Kolkata as the Cost Auditor, with approval of the Central Government, for audit of Cost records maintained by the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors based on the representations received from the Operating Management, confirm that :

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. they have, in the selection of the Accounting Policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis.

### **ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation to all the employees of the Company for their efforts and their contribution to the Company's performance. The recognized Unions at Jamshedpur and Kolkata continue to cooperate in an exemplary manner towards achieving the objectives of your Company.

The Directors wish to thank all the stake holders, i.e. shareholders, customers, employees, suppliers, bankers, financial institutions, Central and State Government agencies and all other stakeholders for their support, and look forward to their continued support in the future.

On behalf of the Board of Directors

Koushik Chatterjee  
Chairman

Kolkata, 24th July, 2012

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

Tinplate is a value added flat steel product and is a versatile packaging substrate ideally suited for packaging processed edibles. Tinplate has exceptional barrier properties which provide extended shelf life and superior printability which enhances the shelf appeal. Around 65-70% of global tinplate consumption is for processed foods and beverages. The world is today grappling with environmental concerns and disposal of packaging waste has become a global issue. In this context, Tinplate, being an excellent recyclable packaging medium, has become more relevant than ever before.

Growth of packaging industry is normally co-related to the rate of economic growth of a given region. During the past year, there appears to be a decline in global demand for Tinplate, largely driven by near recessionary conditions in Europe and weak growth of the US economy. This has also resulted in overall reduction in margins accruing from international businesses, including South-east Asian economies which are large trading partners of the Western economies. Accordingly, your Company reduced its export portfolio. However in the longer run, the relatively higher rate of growth in the emerging economies of BRIC and ASEAN as compared to developed economies will ensure that these markets will remain attractive for those associated with the packaging industry. While producers in developed economies continue to rationalize capacities, Asian mills are adding incremental capacities.

The threat of substitutes, increasing competition from domestic mills and imports, primarily seconds, together with low consumer preference for tinplate as a packaging medium continues to pose challenges for growth in the domestic tinplate industry. Your company has taken a number of measures to meet these challenges.

The second Cold Rolling Mill project was undertaken to ensure self-sufficiency of raw material for both the tinning lines. The Company is actively involved in making Tinplate a cost competitive packaging media through down gauging and reducing material wastage. The product mix is also being continuously enriched. Value Management initiatives have been undertaken to enhance presence in the market place and improve the value proposition. Your Company continues to strengthen its relationship with brand owners by facilitating automation in can making in India resulting in superior quality of cans.

## **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Your Company's manufacturing facilities are located at Jamshedpur in the state of Jharkhand. There are a few existing indigenous producers of Tinplate in India and some other competitors are also planning to enter the industry. Tinplate consumption in India is currently estimated at approximately 500,000 tonnes per annum of which 55% is met through imports.

The per capita consumption of tinplate in India is around 0.40 kg which is very low compared to consumption levels in many developed nations and even a developing economy like China consumes considerably more than India. The packaging industry in India will expand with the country's growth and hence, it is expected that tinplate demand will also rise provided indigenous manufacturers undertake robust developmental efforts. However, significant import of non-prime tinplates and their use in food packaging dampens the demand for prime tinplate. Though the customs duty for all steel products was increased to 7.5% recently, it continues to be relatively low and is not a significant deterrent to the dumping of non-prime tin mill products into India mainly from USA, Europe and Latin America.

Your Company continues to play a vital role in promoting tinplate consumption in India through the Tinplate Promotion Council (TPC). TPC is being continuously strengthened by adding new members from across the value chain and important stakeholders. Your Company is also promoting the use of tin cans through retail outlets and is working with leading brand owners for fresh applications for tinplate packaging.

With the emergence of alternatives (tetra pack, pet, plastics) especially for packaging edibles, the tinplate industry globally will need to address the substitution threat on an ongoing basis by focusing, inter alia, on light-weighting to improve cost competitiveness.

## **OPPORTUNITIES AND THREATS**

### **Opportunities :**

- The Indian packaging industry is growing at a rate higher than the country's GDP growth rate. The changing demographic profile (young and affluent consumers, nuclear families) coupled with rapid growth in modern retail are driving the growth in the Indian packaging industry. The low per capita consumption level in India provides growth opportunities. Better regulatory

mechanisms to reduce use of non prime tinplates and reused tin cans may enhance tinplate consumption significantly. Further, revival of the global economy is expected to fuel packaging demand.

- Tinplate, being one of the most environment friendly packaging media, is well positioned to leverage its sustainability credentials with environment conscious brand owners and consumers. The packaging industry is primarily dependent on growth in the food and beverage industry. The Ministry of Food Processing, Government of India has been continuously encouraging the growth of the processed foods industry through policy interventions, food safety and standards enactment and increasing levels of promotional efforts across India. The implementation of the Food Safety and Standards Act would further help in promoting the use of good quality tinplate packaging.
- Globally tinplate has remained competitive mainly through progressive light-weighting and with the recent enhancement in capacity; your Company is better equipped to meet the growing demand for thinner tin mill products.

#### **Threats :**

- HR coils and Tin constitute a very significant proportion of the product cost and variations in prices of these products, (not commensurate with corresponding changes in tinplate prices), result in considerable swings in margins.
- Volatility in foreign exchange rates is creating uncertainties for managing exports.
- Non-prime tin mill products which are not being used for packing processed edibles in developed countries are being dumped into developing economies from these countries and are probably, finding their way into food packaging.
- More players are setting up manufacturing facilities in India.
- Imports continue to remain at very high levels on account of relatively low customs duties for prime and non-prime tinplate.
- Alternate packaging medium continues to pose a threat to the metal packaging industry.

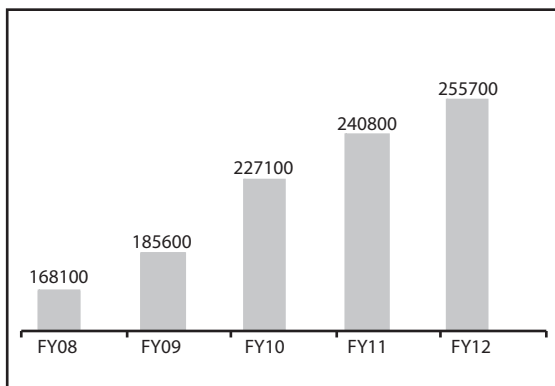


**OPERATIONAL PERFORMANCE**

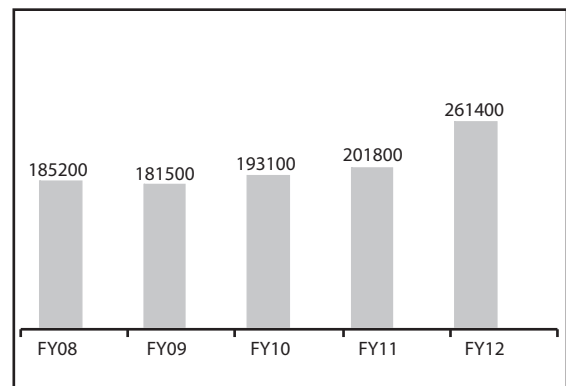
During the FY 2011-12, the Company had a 6% higher tinplate production over the previous year. With the progressive commissioning of the second Cold Rolling Mill (CRM), the combined black plate production from the two CRM facilities was about 30% higher than the previous year. This enabled curtailment in the import of input raw materials i.e. black plates for the tinning lines, the prices of which had varied disproportionately in comparison with finished goods prices. The Company has also increased the production of its lacquered / printed sheets from the existing facilities.

The Company is undertaking several improvement initiatives to improve safety practices, environment management, quality, efficient utilisation of raw materials and reduce consumption of power, fuel and water.

The Company's product mix serves end uses like edible oils, paints, pesticides, battery jackets, aerosol cans, processed foods and crown corks. After the commissioning of the second tinning line, the Company's products are supplied in sheet and coil form, apart from lacquered / printed sheets.



**ETP Production (MT)**



**CRM Production (MT)**

In order to improve the marketability of the enhanced capacity, the Company has installed facilities to manufacture Electrolytic Tinplate and Tin Free Steel in coil-form to enable multiple inner diameter and varied modes of despatch. This is expected to enhance acceptability of the Company's products in the overseas markets. The new units of the second CRM have also been certified to the IMS Systems (ISO 9001 : 2000, EHS 14000 and OHSAS 18000).

## FINANCIAL PERFORMANCE

The net revenue from operations of the Company for FY 2011-12 at ₹ 627 crores was lower compared to FY 2010-11 at ₹ 794 crores, primarily on account of reduction in export volumes of around 32% due to adverse international market conditions and lower sales on 'own' account compensated by an increase in conversion volumes by around 30%.

The profits after tax at ₹17 crores have declined compared to the previous year at ₹ 36 crores mainly due to the increase in input steel and tin prices and higher depreciation and interest charges relating to the new CRM-2 facilities.

## INTERNAL CONTROLS AND SYSTEM

The Company maintains adequate internal control systems through established processes and procedures set up by the management. These cover all critical and important areas and are updated and assessed regularly for their effectiveness. The controls are reviewed by the internal auditors.

The system is designed to provide appropriate internal controls for various business processes covering Operations, Marketing and Sales, Project Management, Procurement, Human Resources, Financial Reporting as well as compliance with applicable laws and regulations.

The Audit Committee of the Board reviews, inter-alia, the adequacy and effectiveness of the internal control environment and monitors implementation of internal audit recommendations including those relating to strengthening of the Company's risk management policies and systems. It is also engaged in overseeing financial disclosures.

The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on compliance to accounting policies and the adequacy as well as effectiveness of the internal controls and systems followed by the Company. The Audit Committee's observations and suggestions are acted upon by the Management.

## RISKS AND CONCERNS

The Risk Management framework of the Company ensures compliance with the requirements of Clause 49 of the Listing Agreement. The framework provides for risk identification, risk evaluation, prioritisation followed by development of risk mitigation plans. Risks are identified through a structured process and classified as high, medium and low depending on impact

intensity. All risks are reviewed at appropriate forums and are being integrated progressively with the Company's action plans including, the Capital Expenditure programs, for effective mitigation. The Committee of senior leadership of the Company, formed for risk mitigation, meets periodically and reviews the residual risks. Risk reports containing details of risks, grading of risks and mitigation program are regularly reported to the Audit Committee as well as to the Board of Directors.

### **CORPORATE SOCIAL RESPONSIBILITY**

Your Company is committed to build Social Capital through Community Work, Affirmative Action and Inclusiveness. The objective of building Social Capital is carried out through well defined processes in the key thrust areas of Education, Employability, Entrepreneurship and Inclusiveness.

Towards this purpose, your Company continues to support schools in terms of infrastructural support, stationery requirements, honorarium to teachers, scholarship and free education to financially weak students. The Company also extended support to rural coaching centers in some villages surrounding Jamshedpur and this has benefitted tribal children.

To address the rising expectations of local youth, your Company in partnership with a local utilities and industrial training Institute is supporting short duration courses on skill development in trades like welding, fitter and carpentry. The training programs are sponsored by your Company and this has helped many to find jobs with contractors and other local industries.

The Tinsplate Hospital continues to impart midwife training to tribal girls. Spoken English classes are run by the Tinsplate Ladies Welfare Association which have helped underprivileged students take up computer classes with ease.

Weekly health camps, running coaching centres and creation of Self Help Groups in the villages are addressing the basic needs of the villages and have contributed to improving the overall economy and health of the community. Full support is extended to the local administration in child immunization programs.

## HUMAN RESOURCE DEVELOPMENT

Your Company values its employees as the primary source of its competitiveness. The Company's human resource management systems and processes are designed to enhance employee engagement, organizational capability and capacity towards achieving the Company's plans.

Like all operating practices, the Human Resource processes in the company are also being continually improved towards effective talent management, including benchmarking / best practices, improved Performance Management systems, and action planning through Employee Engagement surveys.

Your Company's employees have brought laurels in many external competitions as detailed below.

## REWARDS AND RECOGNITIONS

- Conferred first position under 'Significant' category in CII Eastern Region Productivity Awards 2011-2012.
- Received award for "Best efforts for Promoting Safety from TIS Group Company"
- Two Quality Circle Teams bagged Gold Medal in Quality Circle Competition (CCQC-2011) held at Kolkata in September 2011 and Par Excellence (Gold Medal) in National Convention held at Hyderabad in December 2011.
- Received 2nd position amongst Professional Donors from Voluntary Blood Donor Association, Jharkhand for 2011-12.
- Team from the Company cleared the Regional Rounds of Tata Innovista (Group Level competition) and participated in the Group finals in April 2012 at Mumbai.
- The Company has been re-accredited with the Integrated Management System i.e. ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environment Management System) and OHSAS 18001:2007 (Occupational Health and Safety Management Series) with the inclusion of second Cold Rolling Mill Complex. The Company is also certified with: ISO 22000:2005 (Food Safety Management System), ISO 27001:2005 (Information Security Management System) and SA 8000:2008 (Social Accountability).

**STATUTORY COMPLIANCE**

The Managing Director makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes after obtaining confirmation from all the departments of the Company. The Company Secretary ensures compliance with the SEBI regulations and the provisions of the Listing Agreement. The Chief Financial Officer ensures compliance with the guidelines on insider trading for prevention of insider trading.

**CAUTIONARY STATEMENT**

Statements in Management Discussions & Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and/or price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and other incidental factors.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or event.

# Auditors' Report

## To the Members of The Tinplate Company of India Limited

1. We have audited the attached Balance Sheet of The Tinplate Company of India Limited (the 'Company') as at 31 March 2012, and the related Profit and Loss Statement and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
  - 3.1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between book records and physical inventory have been noticed.
  - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- 3.2 (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3.3 (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- 3.4 In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 3.5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- 3.6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- 3.7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 3.8 We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 3.9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing during the year the undisputed statutory dues in respect of value added tax, though there has been a slight delay in a few cases, and has been regular in depositing during the year undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at 31 March 2012, as applicable, which have not been deposited on account of dispute are as follows :

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount related	Forum where dispute is Pending
Central Sales Tax Act 1956/Local Sales Tax Act	Demand against Regular Assessment	53.20	1979-80, 2006-07, 2007-08 and 2008-09	Joint Commissioner Commercial Taxes (Appeals)
	- Do -	2399.41	1994-95 to 1996-97, 1999-00, 2002-03, and 2003-04	Commissioner Commercial Taxes
	- Do -	10.05	2001-02, 2002-03	Commercial Taxes Tribunal
	- Do -	3.12	1993-94	Tamilnadu Special Tribunal
	- Do -	3.25	1996-97 and 1998-99	Superintendent of Taxes, Guwahati
Central Excise Act, 1944	Disputed dues	124.24	2000-01 and 2003-04	Customs, Excise and Service Tax Appellate Tribunal
	Penalty on disputed dues	213.98	2000-01 and 2003-04	Customs, Excise and Service Tax Appellate Tribunal
	Disputed dues and Penalty	113.20	2005-06	Ranchi High Court
Finance Act, 1994	Disputed dues	1107.75	2004-05 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal
	Penalty on disputed dues	1107.61	2004-05 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Dispute on Customs Duty	215.92	1984	Calcutta High Court
Income-tax Act, 1961	Dispute on account of additional tax demanded	169.92	2006-07, 2007-08 and 2008-09	Commissioner of Income Tax (Appeals)
	- Do -	1787.47	2009-10	Appeal is in the process of being filed before Deputy Commissioner of Income Tax
	Dispute on account of Fringe Benefit Tax	1.43	2007-08	Commissioner of Income Tax (Appeals)

3.10. The Company has no accumulated losses as at 31 March 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.



- 3.11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank or debenture holders as at the balance sheet date. The Company has neither any outstanding dues to any financial institutions at the beginning of the year nor has it obtained any loan from such parties during the year.
  - 3.12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  - 3.13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
  - 3.14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
  - 3.15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
  - 3.16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
  - 3.17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
  - 3.18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
  - 3.19. The Company has not issued any debentures during the year; and does not have any debentures outstanding at the year end.
  - 3.20. The Company has not raised any money by public issues during the year..
  - 3.21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
4. Further to our comments in paragraph 3 above, we report that:
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Profit and Loss Statement and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Profit and Loss Statement and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in subsection (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2012;
  - (ii) in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse  
Firm Registration Number: 301112E  
*Chartered Accountants*

P Law  
*Partner*

Place : Kolkata

Date : 25 April, 2012

Membership Number 51790

**THE TINPLATE COMPANY OF INDIA LIMITED**

Ninety-third annual report 2011-2012

**BALANCE SHEET AS AT 31ST MARCH, 2012**

₹ in Lakhs

	Note	As at 31st March, 2012	As at 31st March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	21,712.80	18,442.38
Reserves and Surplus	3	38,945.76	24,717.37
		<b>60,658.56</b>	43,159.75
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	9,126.87	9,788.01
Deferred tax liabilities (Net)	5	6,470.13	5,335.22
Long-term provisions	6	2,454.83	2,311.31
		<b>18,051.83</b>	17,434.54
<b>Current Liabilities</b>			
Short-term borrowings	7	975.38	1,690.29
Trade payables	8	4,380.64	2,441.02
Other current liabilities	9	8,130.24	26,096.83
Short-term provisions	10	7,660.30	7,520.65
		<b>21,146.56</b>	37,748.79
	<b>TOTAL</b>	<b>99,856.95</b>	98,343.08
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	75,240.32	46,391.50
Intangible assets	12	26.07	17.80
Capital Work-in-Progress		3,637.66	26,984.73
		<b>78,904.05</b>	73,394.03
Non-current investments	13	22.83	22.83
Long-term loans and advances	14	3,144.22	6,376.07
		<b>82,071.10</b>	79,792.93
<b>Current assets</b>			
Current investments	15	4.42	—
Inventories	16	5,254.83	4,162.04
Trade receivables	17	4,048.60	3,130.41
Cash and Bank Balances	18	138.07	258.54
Short-term loans and advances	19	8,339.93	10,999.16
		<b>17,785.85</b>	18,550.15
	<b>TOTAL</b>	<b>99,856.95</b>	98,343.08

This is the Balance Sheet referred to in our report of even date For Price Waterhouse Firm Registration Number : 301112E Chartered Accountants

(P Law)  
Partner  
Membership Number : 51790  
Kolkata, 25th April, 2012

The notes are an integral part of these financial statements

On behalf of the Board

Koushik Chatterjee  
Chairman

Tarun Kumar Daga  
Managing Director

S Kar  
Company Secretary

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Note	For the year ended 31st March, 2012	₹ in Lakhs For the year ended 31st March, 2011
<b>INCOME</b>			
Revenue from operations (Gross)		62,863.59	81,180.52
Less : Excise Duty		161.06	1,731.14
Revenue from operations (Net)	23	62,702.53	79,449.38
Other Income	24	1,897.58	1,751.82
<b>Total Revenue</b>		<b>64,600.11</b>	<b>81,201.20</b>
<b>EXPENSES</b>			
Cost of materials consumed	25	1,441.37	23,755.54
Purchases of stock-in-trade		21,417.74	19,723.87
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	26	(300.91)	383.55
Employee benefits expense	27	8,647.16	7,597.60
Finance costs	28	1,727.04	1,447.67
Depreciation and amortisation expense		4,819.36	3,634.84
Other expenses	29	24,058.24	19,543.01
<b>Total Expenses</b>		<b>61,810.00</b>	<b>76,086.08</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>2,790.11</b>	<b>5,115.12</b>
Exceptional items		—	—
<b>Profit before extraordinary items and tax</b>		<b>2,790.11</b>	<b>5,115.12</b>
Extraordinary items		—	—
<b>Profit before tax</b>		<b>2,790.11</b>	<b>5,115.12</b>
Tax Expense			
Current tax			
Current tax		540.00	1,051.34
Less : MAT Credit Entitlement		(540.00)	—
Deferred tax		1,134.91	482.83
<b>Profit for the period</b>		<b>1,655.20</b>	<b>3,580.95</b>
<b>Earnings per Equity Share ( Note 35 )</b>			
(1) Basic (₹)		0.52	3.43
(2) Diluted (₹)		0.52	2.59

This is the Profit and Loss Statement referred to in our report of even date  
For Price Waterhouse  
Firm Registration Number : 301112E  
Chartered Accountants

(P Law)  
Partner  
Membership Number : 51790  
Kolkata, 25th April, 2012

The notes are an integral part of these financial statements

On behalf of the Board  
Koushik Chatterjee  
Chairman

Tarun Kumar Daga  
Managing Director

S Kar  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

	<b>For the year ended 31st March, 2012</b>	<b>₹ in Lakhs For the year ended 31st March, 2011</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before Taxation	<b>2,790.11</b>	5,115.12
Adjustments for :		
Depreciation and amortisation	<b>4,819.36</b>	3,634.84
(Profit)/Loss on disposal of tangible assets (net)	<b>(12.65)</b>	0.70
Provision for wealth tax	<b>3.15</b>	3.24
Dividend income	<b>(121.86)</b>	(4.80)
Interest Income	<b>(348.05)</b>	(109.50)
Finance Cost	<b>1,727.04</b>	1,447.67
Unrealised Foreign Exchange (Gain)/Loss	<b>(17.01)</b>	11.16
Provision for Doubtful Debts, Advances and Other Current Assets	<b>22.57</b>	4.89
Liability/Provision no longer required Written Back	<b>—</b>	(356.83)
	<b>6,072.55</b>	4,631.37
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>8,862.66</b>	9,746.49
Changes in Working Capital		
Increase / (Decrease) in trade payable	<b>1,962.19</b>	(6,420.32)
Increase in short-term provisions	<b>22.25</b>	0.39
Decrease in other current liabilities	<b>(63.41)</b>	(503.93)
Increase in long-term provisions	<b>143.52</b>	106.92
Increase/(Decrease) trade receivables	<b>(929.51)</b>	183.50
Increase/(Decrease) in inventories	<b>(1,092.79)</b>	1,984.48
Increase/(Decrease) in short-term loans and advances	<b>3,906.13</b>	(943.82)
Increase/(Decrease) in long-term loans and advances	<b>(76.32)</b>	171.41
	<b>3,872.06</b>	(5,421.37)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>12,734.72</b>	4,325.12
Direct Taxes paid (net of refunds)	<b>(1,262.06)</b>	(935.80)
	<b>(1,262.06)</b>	(935.80)
<b>NET CASH FROM OPERATING ACTIVITIES</b> (A)	<b>11,472.66</b>	3,389.32
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase tangible/intangible assets [Refer Note (b) below]	<b>(6,471.21)</b>	(13,228.44)
Disposal of tangible assets	<b>45.08</b>	2.67
Purchase of Current Investments	<b>(3,458.42)</b>	(2.74)
Sale of Current Investments	<b>3,454.00</b>	1,730.21
Dividend received	<b>121.86</b>	4.80
Interest received	<b>348.05</b>	109.49
Finance Lease Rent Payment (Principal Portion)	<b>(95.85)</b>	(90.28)
<b>NET CASH USED IN INVESTING ACTIVITIES</b> (B)	<b>(6,056.49)</b>	(11,474.29)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	For the year ended 31st March, 2012	₹ in Lakhs For the year ended 31st March, 2011
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	<b>3,000.00</b>	10,500.00
Repayment of Long Term Borrowings	<b>(2,884.63)</b>	(914.89)
Proceeds/(Repayment) from/(of) short term borrowings	<b>(714.91)</b>	1,452.50
Finance Cost paid	<b>(2,358.61)</b>	(2,044.15)
Finance Lease Rent Payment (Interest Portion)	<b>(20.50)</b>	(26.58)
Dividend Paid	<b>(2,199.33)</b>	(2,020.51)
Tax on Dividend Paid	<b>(358.65)</b>	(337.86)
<b>NET CASH FROM /(USED IN) FINANCING ACTIVITIES (C)</b>	<b>(5,536.63)</b>	6,608.51
Net Increase/(Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	<b>(120.46)</b>	(1,476.46)
Cash and Cash Equivalents at the Beginning of the year (Refer Note 18)	<b>258.54</b>	1,735.20
Unrealised (Loss)/ Gain on Foreign Currency Cash and Cash Equivalents	<b>(0.01)</b>	(0.20)
Cash and Cash Equivalents at the End of the year (Refer Note 18)	<b>138.07</b>	258.54

### Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.
- Purchase of Fixed Assets is exclusive of interest capitalised ₹ **610.70 lakhs** (31.03.2011 : ₹ 414.82 Lakhs)
- The above Cash Flow Statement does not include issue of Equity Shares against conversion of fully Convertible Debentures during the year, as referred to in Note 2(a) to Accounts, being a non-cash item.
- The Notes referred to above forms an integral part of the Cash Flow Statement.
- Figures for the previous year have been rearranged and regrouped wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse  
Firm Registration Number : 301112E  
Chartered Accountants

(P Law)  
Partner  
Membership Number : 51790  
Kolkata, 25th April, 2012

On behalf of the Board

Koushik Chatterjee  
Chairman  
Tarun Kumar Daga  
Managing Director  
S Kar  
Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of preparation of Financial Statements :

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. Further, these Financial Statements have been prepared to comply in all material aspects with the applicable accounting standards notified under Section 211(3C)[The Companies (Accounting Standards) Rules, 2006, as amended] and the relevant provisions of the Companies Act, 1956 (the Act).

All assets and liabilities have been classified as current or non current as per the Company's normal operation cycle and other criteria set out in Schedule VI to the Act.

#### b. Revenue Recognition :

- (i) Sale of goods : Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates etc.
- (ii) Sale of services : Conversion charges are recognized on rendering the related services.
- (iii) Other items of Income are recognised on accrual and prudent basis.

#### c. Employee Benefits :

- (i) Short-term Employee Benefits :

The undiscounted amount of Short-term Employee Benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

- (ii) Post Employment Benefit Plans :

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognized as expenses for the year.

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss Statement for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

- (iii) Other Long-term Employment Benefits (unfunded) :

The cost of providing long-term employee benefits is generally determined using Projected Unit Credit Method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses and past service cost are recognised immediately in the Profit and Loss Statement for the period in which they occur. Other long term employee benefit obligation recognized in the Balance Sheet represents the present value of related obligation.

## NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

**d. Depreciation and Amortisation :**

- (i) Freehold land and leasehold land are not depreciated.
- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956, other than computer software (Intangible Asset) which is amortised under straight line method over a period of five years.

**e. Foreign Exchange Transactions :**

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.

The exchange differences arising on settlement of transactions and/or restatements are recognized in the Profit and Loss Statement. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the Profit and Loss Statement over the period of the contract. Profit/(loss) on cancellation of forward exchange contracts are recognized as income or as expense for the year.

**f. Borrowing Cost :**

Borrowing Costs that are attributable to the acquisition or construction of a qualifying asset are included in the cost of such assets till such time as the asset is ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**g. Fixed Assets :**

All fixed assets (comprising both tangible and intangible items) are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Pre-operative expenses including trial run expenses (net of revenue) are capitalised.

An impairment loss is recognized wherever the carrying amount of fixed assets of a cash generating unit exceeds its recoverable amount i.e., net selling price or value in use, whichever is higher.

**h. Investments :**

Long term (i.e. Non-current) investments are carried at cost less provision for diminution other than temporary, in carrying amount of such investments. Current investments are carried at lower of cost and fair value.

**i. Inventories :**

Inventories are carried at lower of cost and net realizable value other than scrap which is carried at net realizable value.

Cost of inventories is generally ascertained on weighted average basis. Work-in-Progress and finished goods are valued on absorption cost basis.

**j. Taxation :**

Current tax in respect of taxable income is provided for the year based on applicable tax rates and laws. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date to reassess realisation.



**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**k. Provisions and Contingent Liabilities :**

A provision is recognized in the financial statements where there exists a present obligation as a result of a past event, the amount of which is reliably estimable, and it is probable that an outflow of resources would be necessitated in order to settle the obligation.

Contingent liability is a 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 enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

**l. Leases :**

For assets acquired under Operating Lease, rentals payable are charged to the Profit and Loss Statement. Assets acquired under Finance Lease are capitalised at lower of the Fair Value and Present Value of Minimum Lease Payments.

		₹ in Lakhs	
		As at 31st March 2012	As at 31st March 2011
<b>2. SHARE CAPITAL</b>			
<b>Authorised :</b>			
30,00,00,000 (31.03.2011 : 30,00,00,000) Equity Shares of ₹ 10 each	<b>30,000.00</b>	30,000.00	
1,26,50,000 (31.03.2011 : 1,26,50,000) Preference Shares of ₹ 100 each	<b>12,650.00</b>	12,650.00	
<b>Issued :</b>			
10,49,16,992 (31.03.2011 : 7,21,96,651) Equity Shares of ₹ 10 each	<b>10,491.70</b>	7,219.67	
1,12,33,000 (31.03.2011 : 1,12,33,000) 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each	<b>11,233.00</b>	11,233.00	
<b>Subscribed and fully paid up</b>			
10,46,67,638 (31.03.2011 : 7,19,63,429) Equity Shares of ₹ 10 each	<b>10,466.76</b>	7,196.34	
ADD : Equity Shares forfeited (Amount originally paid up)	<b>13.04</b>	13.04	
1,12,33,000 (31.03.2011 : 1,12,33,000) 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each	<b>11,233.00</b>	11,233.00	
<b>Total</b>	<b><u>21,712.80</u></b>	<u>18,442.38</u>	

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### (a) Reconciliation of number of shares

₹ in Lakhs

#### Equity Shares :

	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount	Number of shares	Amount
Balance at the Beginning of the year	71,963,429	7,196.34	71,963,429	7,196.34
Issued and allotted during the year @	32,704,209	3,270.42	—	—
<b>Balance as at the end of the year</b>	<b>104,667,638</b>	<b>10,466.76</b>	71,963,429	7,196.34

@ The Company has issued and allotted on 1 April, 2011, 32704209 Equity Shares of ₹ 10/- each at premium of ₹ 45/- per Equity Share against conversion of 17987315 3% Fully Convertible Debenture (FCD) of ₹ 100/-each outstanding at the year ended 31 March 2011.

### (b) Rights, preferences and restrictions attached to shares

#### Equity Shares :

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### Preference Shares :

8.5% Non Cumulative Optionally Convertible Preference Shares (OCPS) : They are entitled to dividend @ ₹ 8.50 per OCPS and entitled to vote on issues relating to OCPS. Based upon a legal opinion obtained by the Company, the option to convert the OCPS into Equity Shares of the Company is not available as per the existing SEBI guidelines.

Preference Share issued are redeemable on the following dates :

<u>Amount (₹)</u>	<u>Redeemable as on :</u>
65,500,000	01.04.2012
7,750,000	01.03.2013
25,350,000	31.03.2013
65,500,000	01.04.2013
7,750,000	01.03.2014
488,400,000	31.03.2014
463,050,000	31.03.2015
<b>1,123,300,000</b>	

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

		₹ in Lakhs	
		As at 31st March 2012	As at 31st March 2011
<b>(c) Shares held by the holding company or its subsidiaries.</b>			
<b>Equity Shares :</b>			
6,22,19,222 shares held by Tata Steel Limited , the Holding company. @	<b>6,221.92</b>	Not Applicable	
15,84,948 shares held by Kalimati Investments Company Limited, Subsidiary of the Holding company.	<b>158.49</b>	Not Applicable	
<b>Total</b>	<b>6,380.41</b>	<b>—</b>	
@ Tata Steel Limited has become the Holding Company with effect from 1 April, 2011.			
<b>Preference Shares :</b>			
10,990,000 shares held by Tata Steel Limited , the Holding company.	<b>10,990.00</b>	Not Applicable	
<b>Total</b>	<b>10,990.00</b>	<b>—</b>	
<b>(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.</b>			
<b>Equity Shares :</b>			
Tata Steel Limited	<b>62,219,222</b> <b>(59.45%)</b>	3,08,61,099 (42.88%)	
Life Insurance Corporation of India	<b>5,518,380</b> <b>(5.27%)</b>	5,546,787 (7.71%)	
Lok Prakashan Limited.	—	3,859,617 (5.36%)	
<b>8.5% Non Cumulative Optionally Convertible Preference Shares :</b>			
Tata Steel Limited	<b>10,990,000</b> <b>(97.84%)</b>	10,990,000 (97.84%)	
		As at 31st March 2012	As at 31st March 2011
<b>3. RESERVES AND SURPLUS</b>			
<b>Capital Reserve :</b>	<b>5.03</b>	5.03	
<b>Capital Redemption Reserve :</b>			
Balance at the beginning of the year	—	—	
Add : Amount transferred from Surplus in Profit and Loss Statement during the year [Refer Note (a) below]	<b>655.00</b>	—	
<b>Balance at the end of the year</b>	<b>655.00</b>	<b>—</b>	
<b>Securities Premium Account :</b>			
Balance at the beginning of the year	<b>14,767.04</b>	14,767.04	
Add : Amount credited on issue of equity shares[Refer Note 2(a) ]	<b>14,716.90</b>	—	
<b>Balance at the end of the year</b>	<b>29,483.94</b>	14,767.04	
<b>General Reserve [Refer Note (b) below]</b>			
Balance at the beginning of the year	<b>937.56</b>	758.51	
Add : Amount transferred from surplus in Profit and Loss Statement during the year.	—	179.05	
<b>Balance at the end of the year</b>	<b>937.56</b>	937.56	

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### Surplus in Profit and Loss Statement :

₹ in Lakhs

	As at 31st March 2012	As at 31st March 2011
Balance at the beginning of the year	9,007.74	8,175.31
Profit for the year	1,655.20	3,580.96
Less : Appropriations		
Proposed Dividend on Equity Shares for the year	(889.68)	(1,256.01)
Proposed Dividend on Preference Shares for the year	(954.81)	(954.81)
Dividend Distribution Tax on Proposed Dividend	(299.22)	(358.66)
Transfer to Capital Redemption Reserve	(655.00)	—
Transfer to General Reserve	—	(179.05)
<b>Balance at the end of the year</b>	<b>7,864.23</b>	<b>9,007.74</b>
<b>Total</b>	<b>38,945.76</b>	<b>24,717.37</b>

- (a) Out of outstanding Preference Shares of ₹ 100/- each [Refer Note 2(b)], ₹ 9,86,00,000/- will fall due for redemption within 31st March, 2013. In order to comply with requirement of the Companies Act, 1956, TCIL had transferred adequate amount to the Capital Redemption Reserve.
- (b) General Reserve is a free reserve and is not meant for meeting any specific liability, contingency or commitment.

### 4. LONG-TERM BORROWINGS

₹ in Lakhs

	As at 31st March 2012	As at 31st March 2011
<b>A. Secured :</b>		
Term Loans		
From Banks	8,966.03	9,523.87
<b>B. Unsecured :</b>		
Finance lease obligations [Refer Note (c) below]	160.84	264.14
<b>Total</b>	<b>9,126.87</b>	<b>9,788.01</b>

#### (a) Nature of security :

₹ in Lakhs

Borrowings	Amount	Nature of security
<b>Term loans from Banks :</b>		
IDBI Bank Limited	785.85	i) The Rupee Term Loan from IDBI Bank Limited aggregating to ₹ 785.85 Lakhs as at 31.03.2012 is secured by Joint Equitable Mortgage on the Company's immovable properties both present and future at Jamshedpur in the state of Jharkhand and additionally secured by a hypothecation of the whole of the movable properties of the Company including movable plant and machinery, spares, tools and accessories and other movables both present and future except book debts.
Union Bank of India	318.49	ii) The Rupee Term Loan of ₹ 318.49 Lakhs as at 31.03.2012 from Union Bank of India is secured against certain Plant and Machinery of the Company.
Allahabad Bank	4,955.26	iii) The Rupee Term Loans from Allahabad Bank, State Bank of Hyderabad and State Bank of Patiala aggregating to ₹ 11,087.25 Lakhs as on 31.03.2012 are secured by Joint Equitable Mortgage on the Company's immovable properties both present and future at Jamshedpur in the State of Jharkhand and additionally secured by way of hypothecation of the whole of the movable properties of the Company including movable plant and machinery, spares, tools and accessories and by way of second charge on all the current assets of the Company including book debts / receivables (save and except receivables from conversion arrangement subsisting with Tata Steel Ltd).by way of pari passu charge with the Rupee Term Loan from IDBI Bank Ltd, as mentioned in item (i) above.
State Bank of Hyderabad	4,328.71	
State Bank of Patiala	1,803.28	

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

<b>(b) Terms of Repayments :</b>				<b>₹ in Lakhs</b>
	Number of outstanding Installments	Installment Amount	Repayment Terms	Interest Rates* as at 31 March 2012
<b>Term loans from Banks :</b>				
a)	IDBI Bank Limited	11.00	71.42	Quarterly 13.25
b)	Union Bank of India	23.00	13.89	Monthly 13.50
c)	Allahabad Bank	16.00	309.96	Quarterly 13.25
d)	State Bank of Hyderabad	16.00	270.56	Quarterly 13.25
e)	State Bank of Patiala	16.00	112.78	Quarterly 13.50

\* Interest rates are Floating rates

(c) The lease obligation towards the automated sheet and coil packing line was in pursuant to an agreement between ITW India Limited and The Tinsplate Company of India Limited and is backed by a bank guarantee of ₹ 331.20 Lakhs.

<b>(d) Terms of Repayments :</b>				<b>₹ in Lakhs</b>
	Number of outstanding Installments	Installment Amount	Repayment Terms	
<b>Finance Lease Obligation :</b>				
	Sheet Packing Line	18	5.90	Monthly
	Coil Packing line	57	3.79	Monthly

**5. DEFERRED TAX LIABILITIES (NET)**

	<b>As at 31st March 2012</b>	<b>As at 31st March 2011</b>
<b>Deferred Tax Liabilities</b>		
Difference between net book value of Depreciable Capital assets as per books vis-a- vis written down value as per Income-tax Act	<b>8,434.61</b>	6,127.68
	<b>8,434.61</b>	6,127.68
<b>Deferred Tax Assets</b>		
Accumulated Unabsorbed Depreciation *	<b>1,154.13</b>	—
Early Separation Scheme	<b>202.93</b>	347.73
Written down value of certain items as per Income-tax Act which are expensed in the books	<b>155.37</b>	—
Provision for doubtful debts and advances	<b>452.05</b>	444.73
	<b>1,964.48</b>	792.46
<b>Net Deffered Tax Liability (Net)</b>	<b>6,470.13</b>	5,335.22

\* Absorption expected based on future taxable income

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		₹ in Lakhs	
		As at	As at
		31st March 2012	31st March 2011
<b>6. LONG-TERM PROVISIONS</b>			
	<b>Provision for employee benefits :</b>		
	Post Retirement Medical Benefits	1,083.41	1,042.87
	Other post-employment defined benefits	95.69	109.52
	Accrued Leave	734.70	600.43
	Provision for employee separation Compensation	462.14	507.97
	Other employee benefits	78.89	50.52
	<b>Total</b>	<b>2,454.83</b>	<b>2,311.31</b>
		As at	As at
		31st March 2012	31st March 2011
<b>7. SHORT-TERM BORROWINGS</b>			
	<b>Secured :</b>		
	Repayable on demand		
	Cash Credits/ Working Capital loans from Banks [Refer Note (a) below]	975.38	1,690.29
	<b>Total</b>	<b>975.38</b>	<b>1,690.29</b>
a)	<b>Nature of security :</b>		
	Cash Credit/ Working Capital Term Loans from Banks are secured by hypothecation of Raw Materials, Finished Products, Work-in-Process, General Stores and Book Debts by way of first charge in favour of Union Bank of India, State Bank of India, The Hongkong and Shanghai Banking Corporation Ltd and HDFC Bank Ltd ranking pari-passu.		
		As at	As at
		31st March 2012	31st March 2011
<b>8. TRADE PAYABLES</b>			
	<b>Trade Payables :</b>		
	Creditors for supplies / services [Refer Note (40)]	4,380.64	2,441.02
	<b>Total</b>	<b>4,380.64</b>	<b>2,441.02</b>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**9. OTHER CURRENT LIABILITIES**

	As at 31st March 2012	₹ in Lakhs As at 31st March 2011
Current maturities of long-term debt [Refer Note (a) below and Note 4]	3,225.56	20,539.67
Current maturities of finance lease obligations[Refer Note 4]	128.17	120.72
Interest accrued but not due on borrowings	10.39	51.76
Interest accrued and due on borrowings	—	0.72
Unpaid dividends [Refer Note (b) below]	42.94	31.46
Employee recoveries and employer contributions	38.12	48.38
Statutory dues (Excise duty, sales tax, TDS etc)	110.70	209.78
Advances received from customers	270.53	328.72
Employee Benefits Payable	813.68	746.11
Security Deposits	151.82	141.18
Deposit Against Family Benefit Scheme	238.83	173.90
Creditors for Capital Supply / Services	2,854.56	3,421.19
Miscellaneous Payable	244.94	283.24
<b>Total</b>	<b>8,130.24</b>	<b>26,096.83</b>

- (a) Current maturities of long term debts as at 31st March 2011 includes ₹ 17,987.32 Lakhs representing 17987315, 3% Fully Convertible Debentures (FCD) of ₹ 100/- each. Such FCDs were automatically and compulsorily converted in the ratio of eleven FCDs into Equity shares of the Company on 1st April, 2011, at ₹ 55/- per Equity Share (including a premium of ₹ 45/- per Equity Share), have been converted on 1st April 2011.

The FCDs were secured by a joint equitable mortgage on the Company's immovable properties both present and future at Jamshedpur and additionally secured by way of first charge on all the Company's movable assets situated at Golmuri, Jamshedpur both present and future subject to prior charge in favour of the Company's Bankers providing Working Capital facilities. The charge was ranking pari-passu with that for securing loans mentioned in Note 4. The FCDs were also secured by a legal mortgage on Company's land situated at Mehasana, in the State of Gujarat.

- (b) There are no amounts due for payment to the Investor Education and Protection Fund under Sec 205C of the Companies Act, 1956 as at the Balance Sheet date.

**10. SHORT-TERM PROVISIONS**

	As at 31st March 2012	As at 31st March 2011
Provision for employee benefits :		
Gratuity	67.42	128.03
Other post employment benefits	376.65	275.15
Accrued leave	123.35	111.91
Employee separation compensation	111.93	142.00
	<b>679.35</b>	<b>657.09</b>
Other Provisions :		
Provision for tax	4,508.95	3,968.95
Provision for fringe benefit tax	301.33	301.33
Provision for wealth tax	26.96	23.81
Provision for Proposed Dividend on Equity Shares	889.68	1,256.01
Provision for Proposed Dividend on Preference Shares	954.81	954.81
Provision for Dividend Distribution Tax on Proposed Dividend	299.22	358.65
	<b>6,980.95</b>	<b>6,863.56</b>
<b>Total</b>	<b>7,660.30</b>	<b>7,520.65</b>

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 11. TANGIBLE ASSETS

₹ in Lakhs

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	31 March, 2011	Additions	Disposal	Other Adjustment [Note (c)] below	31 March, 2012	31 March, 2011	For the year	On Disposal/ Adjustment	31 March, 2012	31 March, 2011
<b>Own Assets :</b>										
Land	89.74	—	—	—	89.74	—	—	—	—	89.74
Buildings (Notes (a) and (b) below)	13,209.14	3,032.34	7.84	109.00	16,342.64	3,686.22	457.21	7.37	4,136.06	12,206.58
Plant and Machinery	64,514.97	29,430.21	166.39	1,069.11	94,847.90	28,469.13	4,283.45	153.76	32,598.82	62,249.08
Railway Track and Rolling Stock	36.46	—	—	—	36.46	36.46	—	—	36.46	—
Motor Vehicles	230.78	22.53	53.55	—	199.76	133.97	16.59	34.65	115.91	83.85
Furniture and Fittings	151.50	3.49	0.60	—	154.39	105.99	4.67	0.17	110.49	43.90
Office Equipments	215.95	17.35	—	—	233.30	164.79	8.04	—	172.83	60.47
<b>Assets taken on Finance Lease :</b>										
Plant and Machinery	621.52	—	—	—	621.52	82.00	32.82	—	114.82	506.70
<b>Grand Total</b>	<b>79,070.06</b>	<b>32,505.92</b>	<b>228.38</b>	<b>1,178.11</b>	<b>112,525.71</b>	<b>32,678.56</b>	<b>4,802.78</b>	<b>195.95</b>	<b>37,285.39</b>	<b>75,240.32</b>
<b>PREVIOUS YEAR (31.03.11)</b>	<b>69,687.44</b>	<b>9,361.76</b>	<b>124.56</b>	<b>145.42</b>	<b>79,070.06</b>	<b>29,173.23</b>	<b>3,622.11</b>	<b>116.78</b>	<b>32,678.56</b>	<b>46,391.50</b>

- Notes : (a) Site, Water and Drainage System and Building (except at Kolkata) are on leasehold land.  
(b) Land includes free hold land ₹ 3.86 Lakhs( 31.03.2011 ₹ 3.86 Lakhs).  
(c) Other adjustments include adjustments on account of borrowing costs.  
(d) Obligations under Finance Lease :

The Company has acquired Plant and Machinery under financial lease arrangements. Minimum Lease Payments outstanding as at 31 March 2012 and other particulars in respect of leased assets are as under :

Due	Total Minimum Lease Payments Outstanding as at 31.03.2012	Interest	Present Value of Minimum Lease Payments
<b>Within One year</b>	145.42 (31.03.2011 ₹ 145.42 Lakhs)	17.25** (31.03.2011 ₹ 24.70 Lakhs)	128.17 (31.03.2011 ₹ 120.72 Lakhs)
<b>Later than one year and not later than five years</b>	176.95 (31.03.2011 ₹ 270.53 Lakhs)	16.11 (31.03.2011 ₹ 28.75 Lakhs)	160.84 (31.03.2011 ₹ 241.78 Lakhs)
<b>Later than five years</b>	— (31.03.2011 ₹ 22.75 Lakhs)	— (31.03.2011 ₹ 0.39 Lakhs)	— (31.03.2011 ₹ 22.36 Lakhs)
<b>Total</b>	<b>322.37</b> (31.03.2011 ₹ 438.70 Lakhs)	<b>33.36</b> (31.03.2011 ₹ 53.84 Lakhs)	<b>289.01*</b> (31.03.2011 ₹ 384.86 Lakhs)

\* Out of ₹ 289.01 lakhs , ₹ 160.84 Lakhs included into Long term borrowings and ₹ 128.17 Lakhs included into Other current liabilities.

\*\* Including interest due up to 31 March, 2012 of ₹ 4.29 Lakhs (31.03.2011 ₹ 5.77 lakhs) included in Other Current liabilities.



**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**12. INTANGIBLE ASSETS**

₹ in Lakhs

Description	GROSS BLOCK				AMORTISATION				NET BLOCK		
	31 March, 2011	Additions	Disposal	Other Adjustment	31 March, 2012	31 March, 2011	For the year	On Disposal /Adjustment	31 March, 2012	31 March, 2012	31 March, 2011
Own Assets :											
Computer Software - Acquired	114.66	24.85	—	—	139.51	96.86	16.58	—	113.44	26.07	17.80
<b>Grand Total</b>	<b>114.66</b>	<b>24.85</b>	<b>—</b>	<b>—</b>	<b>139.51</b>	<b>96.86</b>	<b>16.58</b>	<b>—</b>	<b>113.44</b>	<b>26.07</b>	<b>17.80</b>
PREVIOUS YEAR (31.03.11)	—	26.11	(88.55)	—	114.66	—	12.73	(84.13)	96.86		

**13. NON-CURRENT INVESTMENTS**

₹ in Lakhs

As at 31st March 2012      As at 31st March 2011

**Other than trade :**

**Long-term**

**Unquoted :**

**(At Cost - unless otherwise stated)**

**Investments in Equity Instruments**

250 Ordinary Shares of ₹ 100/- each of Bihar State Financial Corporation - Fully Paid up      **0.25**      0.25

137,500 Equity Shares of ₹ 10/- each in Rujuvalika Investments Limited - Fully paid up      **22.50**      22.50

20,000 Ordinary Share of ₹ 10/- each of Nicco Jubilee Park Limited - Fully Paid Up

[Net of write down for other than temporary diminution amounting to ₹ 2 Lakhs (31 March 2011 ₹ 2 Lakhs)]

**Total investments in equity shares**      **22.75**      22.75

**Investments in Debentures**

5% Non-Redeemable Debenture Stocks, 1957 in Woodlands Medical Centre Limited (formerly Woodlands Hospital and Medical Research Centre Limited) - Fully Paid up      **0.08**      0.08

**Total investments in debentures**      **0.08**      0.08

**Total**      **22.83**      22.83

Aggregate amount written down for diminution, other than temporary, in carrying amount of investments      **2.00**      2.00

As at 31st March 2012      As at 31st March 2011

**14. LONG-TERM LOANS AND ADVANCES**

Unsecured, Considered good (Unless otherwise stated) :

Capital advances

Considered good      **377.12**      4,225.29

Considered doubtful      **5.00**      5.00

Less : Provision for doubtful advances      **(5.00)**      (5.00)

Security deposits      **287.84**      222.60

Other loans and advances      **31.07**      19.99

MAT Credit Entitlement      **2,448.19**      1,908.19

**Total**      **3,144.22**      6,376.07

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		₹ in Lakhs	
		As at 31st March 2012	As at 31st March 2011
<b>15. CURRENT INVESTMENTS</b>			
	<b>Unquoted :</b>		
	At lower of cost and fair value		
	Investments in Mutual Funds	4.42	—
	41572.03 units of ₹ 10.63 each, HDFC Cash Management Fund-Savings Plan-Daily Dividend Reinvestment		
	<b>Total</b>	<u>4.42</u>	<u>—</u>
		As at 31st March 2012	As at 31st March 2011
<b>16. INVENTORIES</b>			
	At cost or net realisable value, whichever is lower		
	Raw materials	279.29	433.77
	Work-in-progress	592.72	563.54
	Finished goods	51.10	421.21
	Stock-in-trade (i.e Traded goods)	662.93	8.32
	Stores and spares	3,667.13	2,720.77
	At estimated net realisable value		
	Scrap	1.66	14.43
	<b>Total</b>	<u>5,254.83</u>	<u>4,162.04</u>
	<b>Goods-in-transit included in above sub heads are set out below :</b>		
	Stock-in-trade (Traded goods)	21.36	—
	Stores and spares	67.78	—
	<b>Total</b>	<u>89.14</u>	<u>—</u>
(a)	<b>Details of Inventories :</b>		
	(i) <b>Details Of Work-in-progress :</b>		
	Electrolytic Tinplates	303.05	235.93
	Cold Rolled Products	282.62	292.23
	Lacquered and Printed Sheets	7.05	35.38
	<b>Total</b>	<u>592.72</u>	<u>563.54</u>
	(ii) <b>Finished goods :</b>		
	Electrolytic Tinplates	44.79	247.72
	Cold Rolled Products	0.87	1.57
	Lacquered and Printed Sheets	5.44	171.92
	<b>Total</b>	<u>51.10</u>	<u>421.21</u>
	(iii) <b>Details of Traded goods :</b>		
	Electrolytic Tinplates	662.09	8.32
	Lacquered and Printed Sheets	0.84	—
	<b>Total</b>	<u>662.93</u>	<u>8.32</u>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

		₹ in Lakhs	
		As at	As at
		31st March 2012	31st March 2011
<b>17. TRADE RECEIVABLES</b>			
Unsecured, Considered good (Unless otherwise stated) :			
Outstanding for a period exceeding six months from the date they are due for payment			
Considered good	<b>30.29</b>	35.67	
Considered doubtful	<b>980.36</b>	971.39	
Less : Provision for bad and doubtful debts	<b>(980.36)</b>	(971.39)	
Others	<b>4,018.31</b>	3,094.74	
<b>Total</b>	<b>4,048.60</b>	3,130.41	
		As at	As at
		31st March 2012	31st March 2011
<b>18. CASH AND BANK BALANCES</b>			
Cash and Cash equivalents :			
Cash on hand	<b>6.65</b>	4.18	
Bank Balances :			
On Current Account	<b>88.48</b>	222.91	
On Unpaid dividend accounts @	<b>42.94</b>	31.45	
<b>Total</b>	<b>138.07</b>	258.54	
@ Earmarked for payment of unpaid dividend		As at	As at
		31st March 2012	31st March 2011
<b>19. SHORT-TERM LOANS AND ADVANCES</b>			
Unsecured, Considered good (Unless otherwise stated) :			
Security deposits	<b>208.59</b>	193.42	
Loans and advances to Related Parties	<b>304.62</b>	—	
Other loans and advances			
Loans to Employees	<b>24.95</b>	39.60	
Balance with excise, sales tax, service tax, etc authorities	<b>798.23</b>	3,724.16	
Sales Tax Refund Receivable under Bihar Industrial Policy, 1995 [Refer Note 30]			
Considered good	<b>4.63</b>	4.63	
Considered doubtful	<b>300.00</b>	300.00	
Less : Provision for bad and doubtful advances	<b>(300.00)</b>	(300.00)	
Excise duty refund receivable	<b>607.71</b>	451.42	
Advances to Suppliers	<b>622.48</b>	1,210.61	
Other advances and prepayments			
Considered good	<b>327.75</b>	1,196.41	
Considered doubtful	<b>264.38</b>	250.78	
Less : Provision for bad and doubtful advances	<b>(264.38)</b>	(250.78)	
Advance Tax	<b>5,440.97</b>	4,178.91	
<b>Total</b>	<b>8,339.93</b>	10,999.16	

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		₹ in Lakhs	
		As at 31st March 2012	As at 31st March 2011
<b>20. CONTINGENT LIABILITIES</b>			
A. Guarantees to Banks and Financial Institutions on behalf of others		<b>469.81</b>	875.34
B. Claims not acknowledged by the Company			
Excise \$		<b>451.43</b>	308.36
Customs		<b>265.92</b>	265.92
Sales Tax / GST * \$		<b>2,527.28</b>	2,811.26
Service Tax		<b>2,215.36</b>	—
Income Tax		<b>121.69</b>	32.14
Others		<b>149.00</b>	68.00
C. Bills Discounted		<b>2,799.28</b>	2,592.03
* Other than demands amounting to ₹ 9.75 Lakhs (31st March 2011: ₹ 536.20 Lakhs) pertaining to issues settled in Company's favour in earlier years.			
\$ Other than items remanded back for fresh assessment.			

		As at 31st March 2012	As at 31st March 2011
<b>21. CAPITAL COMMITMENT</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances ₹ 321.94 Lakhs; 31 March 2011 ₹ 4224.41 Lakhs)		<b>2,970.74</b>	3,646.34
<b>Total</b>		<b>2,970.74</b>	3,646.34

		As at 31st March 2012	As at 31st March 2011
<b>22. PROPOSED DIVIDEND</b>			
The final dividend proposed for the year is as follows :			
On Equity Shares of ₹ 10 each :			
Amount of dividend proposed		<b>889.68</b>	1,256.01
Dividend per Equity Share		<b>₹ 0.85 Per share</b>	₹ 1.20 per share
On Preference Shares of ₹ 100 each :			
Amount of dividend proposed		<b>954.81</b>	954.81
Dividend per Preference Share		<b>₹ 8.50 Per share</b>	₹ 8.50 Per share

There are no arrears of dividends relating to preference shares

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lakhs	
<b>23. REVENUE FROM OPERATIONS</b>	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
Sale of Products		
Finished Goods	<b>2,147.73</b>	28,225.55
Traded Goods	<b>20,964.25</b>	19,340.54
Sale of Services		
Conversion Charges	<b>38,691.47</b>	31,979.42
Other Operating Revenue	<b>1,060.14</b>	1,635.01
<b>Gross Revenue</b>	<b>62,863.59</b>	81,180.52
Less : Excise duty	<b>161.06</b>	1,731.14
<b>Revenue from operations (Net)</b>	<b>62,702.53</b>	79,449.38
<b>Details of Sales of Products (Gross)</b>		
Finished goods		
Electrolytic Tinplates	<b>1,786.50</b>	26,425.83
Cold Rolled Products	<b>17.88</b>	178.99
Lacquered and Printed Sheets	<b>324.29</b>	1,620.73
Others	<b>19.06</b>	—
<b>Total</b>	<b>2,147.73</b>	28,225.55
Traded goods		
Electrolytic Tinplates	<b>19,537.68</b>	18,202.32
Lacquered and Printed Sheets	<b>1,426.57</b>	1,138.22
<b>Total</b>	<b>20,964.25</b>	19,340.54
	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
<b>24. OTHER INCOME</b>		
Interest Income		
Interest received on sundry advances, deposits, customers' balances etc.	<b>348.05</b>	109.50
Dividend Income		
From non-current investments	<b>98.31</b>	4.80
From current investments	<b>23.55</b>	—
Net Profit on disposal of tangible assets	<b>12.65</b>	—
Others		
Sale of non industrial scraps	<b>915.46</b>	784.69
Net Foreign exchange gain	—	99.61
Liability /provision no longer required written back	—	356.83
Income from Tinsplate Hospital	<b>450.36</b>	358.08
Miscellaneous Income	<b>49.20</b>	38.31
<b>Total</b>	<b>1,897.58</b>	1,751.82

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

25. COST OF MATERIALS CONSUMED	₹ in Lakhs	
	For the year ended 31st March 2012	For the year ended 31st March 2011
Raw materials consumed		
Opening inventory	433.77	2,880.04
Add : Purchases (net)	1,286.89	21,309.28
Closing inventory	279.29	433.77
<b>Total</b>	<b>1,441.37</b>	<b>23,755.55</b>
	<b>For the year ended 31st March 2012</b>	<b>For the year ended 31st March 2011</b>
<b>26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP</b>		
Inventories at the end of the year :		
Finished goods	51.10	421.21
Work-in-progress	592.72	563.54
Stock-in-trade	662.93	8.32
Scrap	1.66	14.43
<b>Total A</b>	<b>1,308.41</b>	<b>1,007.50</b>
Less : Inventories at the beginning of the year :		
Finished goods	421.21	689.28
Work-in-progress	563.54	626.89
Stock-in-trade	8.32	60.60
Scrap	14.43	14.28
<b>Total B</b>	<b>1,007.50</b>	<b>1,391.05</b>
<b>(Increase)/Decrease in Inventories (A-B)</b>	<b>(300.91)</b>	<b>383.55</b>
	<b>For the year ended 31st March 2012</b>	<b>For the year ended 31st March 2011</b>
<b>27. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and wages, including bonus	6,766.26	5,741.10
Contribution to provident and other funds	1,080.26	1,124.85
Staff welfare expenses	800.64	731.65
<b>Total</b>	<b>8,647.16</b>	<b>7,597.60</b>
<b>27.1 The Company operates following post employment / other long term defined benefits plans :</b>		
<b>a. Funded</b>		
i. Gratuity		
<b>b. Unfunded</b>		
i. Post Retirement Medical Benefit (PRMB)		
ii. Leave		
iii. Long Service Award (LSA)		
iv. Other Retirement Benefit (ORB)		

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

Description	₹ in Lakhs	
	2011-12	2010-11
<b>Details of the funded benefit are as follows :</b>		
<b>A. Reconciliation of Opening and Closing Balances of Present Value of Obligation</b>	<b>Gratuity</b>	
a. Present Value of Obligation at the year beginning	<b>2,372.80</b>	1,963.56
b. Aquisition Adjustment	—	25.38
c. Current Service Cost	<b>112.58</b>	96.96
d. Interest cost	<b>186.78</b>	156.23
e. Past Service Cost	—	5.47
f. Acturial loss	<b>320.57</b>	376.29
g. Benefits paid	<b>(350.80)</b>	(251.09)
h. Present Value of Obligation at the year end	<b>2,641.93</b>	2,372.80
<b>B. Change in Plan Assets (Reconciliation of opening and closing balances)</b>		
a. Fair Value of plan assets at the year beginning	<b>2,244.77</b>	1,800.12
b. Aquisition Adjustment	—	25.38
c. Expected return on plan assets	<b>179.58</b>	144.01
d. Acturial gain	<b>54.96</b>	3.35
e. Contribution by the employer	<b>446.00</b>	523.00
f. Benefits Paid	<b>(350.80)</b>	(251.09)
g. Fair Value of plan assets at year end	<b>2,574.51</b>	2,244.77
<b>C. Reconciliation of fair value of plan assets and present value of defined benefit obligation</b>		
a. Fair Value of plan assets at year end	<b>2,574.51</b>	2,244.77
b. Present Value of Obligation at year end	<b>2,641.93</b>	2,372.80
c. Amount recognised in the balance sheet	<b>67.42</b>	128.03
<b>D. Expense recognised during the year</b>		
a. Current Service cost	<b>112.58</b>	96.96
b. Interest cost	<b>186.78</b>	156.23
c. Past Service cost	—	5.47
d. Expected return on plan assets- (gain)	<b>(179.58)</b>	(144.01)
e. Acturial loss	<b>265.61</b>	372.94
f. Expense recognised during the year (a+b+c+d+e)	<b>385.39</b>	487.59

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Details of the unfunded benefits are as follows :

₹ in Lakhs

Description	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	PRMB		Leave		LSA		ORB	
<b>A. Reconciliation of Opening and Closing Balances of Present Value of Obligation</b>								
a. Present Value of Obligation at the year beginning	1,141.70	1,104.25	699.77	497.18	54.40	50.30	127.49	142.49
b. Current Service Cost	—	—	201.81	160.30	—	—	—	—
c. Interest cost	97.04	93.86	54.59	39.41	4.16	4.14	10.84	12.11
d. Actuarial (gain)/ loss	93.87	102.47	6.53	69.97	27.35	3.09	(1.82)	(7.13)
e. Benefits paid	(135.03)	(158.88)	(115.12)	(67.09)	(11.03)	(3.13)	(24.09)	(19.98)
f. Present Value of Obligation at the year end	1,197.58	1,141.70	847.58	699.77	74.88	54.40	112.42	127.49
<b>B. Expense recognised during the year</b>								
a. Current Service cost	—	—	201.81	160.30	—	—	—	—
b. Interest cost	97.04	93.86	54.59	39.41	4.16	4.14	10.84	12.11
c. Actuarial (gain)/loss	93.87	102.47	6.53	69.97	27.35	3.09	(1.82)	(7.13)
d. Expense recognised during the year (a+b+c)	190.91	196.33	262.93	269.68	31.51	7.23	9.02	4.98

The expenses for the abovementioned benefits have been disclosed under the following line items:

- Gratuity and Leave – under Salaries and wages, including bonus.
- PRMB and Long Service Award – under Staff Welfare Expense.

### 27.2. Investment Details of Plan assets (Gratuity)

Particulars	% age Invested	% age Invested
		31.03.12
a. GOI Securities	16.00	25.50
b. Public Sector Unit Bonds	53.25	50.34
c. State Loan	21.46	13.33
d. Special Deposit Schemes	6.27	7.19
e. Others (including bank balances)	3.02	3.64
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

### 27.3 Assumptions

	31.03.12	31.03.11
Discount rate (per annum) (%)	8.50	8.50
Estimated rate of return on plan assets (per annum) (%)	8.00	8.00
Inflation Rate (%)	6.00	6.00
Remaining Working Life (in Years)	14.00	14.00
Method Used	Projected unit credit method	Projected unit credit method



**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**27.4 Actual return on Plan assets – 9.38% (2010-11: 8.26%)**

**27.5 Effect of increase/ (decrease) of 1% in assumed medical cost trend rates in respect of PRMB on :**

₹ in Lakhs

	31.03.2012		31.03.2011	
	1% increase	1% (decrease)	1% increase	1% (decrease)
a. Current Service Cost	—	—	—	—
b. Interest Cost	18.47	(10.16)	16.51	(9.29)
c. Accumulated Obligation for PRMB	25.85	(21.97)	23.41	(19.75)

**27.6 Other Disclosures**

	2011-2012					2010-2011				
	Gratuity	Leave	PRMB	LSA	ORB	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	2,641.93	847.58	1,197.58	74.88	112.42	2,372.80	699.77	1,141.70	54.40	127.49
b) Fair value of Plan Assets as at end of the year	2,574.51	—	—	—	—	2,244.77	—	—	—	—
c) (Surplus)/Deficit at the end of the Year	67.42	847.58	1,197.58	74.88	112.42	128.03	699.77	1,141.70	54.40	127.49
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	418.98	85.78	107.48	4.25	(6.29)	266.34	50.56	73.78	2.01	(5.62)
e) Experience Adjustments on Plan Assets [Gain/(Loss)]	54.96	—	—	—	—	3.35	—	—	—	—

	2009-2010					2008-2009				
	Gratuity	Leave	PRMB	LSA	ORB	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	1,963.56	497.18	1,104.25	50.30	142.49	1,665.11	376.81	1,045.06	49.81	—
b) Fair value of Plan Assets as at end of the year	1,800.12	—	—	—	—	1,602.53	—	—	—	—
c) (Surplus)/Deficit at the end of the Year	163.44	497.18	1,104.25	50.30	142.49	62.58	376.81	1,045.06	49.81	—
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	59.75	25.07	35.58	(0.53)	174.14	40.34	80.94	33.96	1.41	—
e) Experience Adjustments on Plan Assets [Gain/(Loss)]	2.28	—	—	—	—	8.49	—	—	—	—

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

₹ in Lakhs

	2007-2008				
	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	1,511.17	277.17	1,021.11	47.34	—
b) Fair value of Plan Assets as at end of the year	1,436.79	—	—	—	—
c) (Surplus)/Deficit at the end of the Year	74.38	277.17	1,021.11	47.34	—
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	290.81	35.88	5.05	(1.18)	—
e) Experience Adjustments on Plan Assets [Gain/(Loss)]	174.91	—	—	—	—

**27.7** Best estimate of Contribution expected to be paid in 2012-2013 ₹ 395 Lakhs (2010-2011: ₹ 350 Lakhs) in respect of gratuity.

**27.8** The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows :

The major portions of the assets are invested in PSU bonds and Government Securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

**27.9** The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.

**27.10** In addition to post employment/other long term defined benefit plans as set out in Note 27.1 above, the Company also provides Provident Fund benefit to its employees through a Trust, managed by the Company in line with the Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund contributions (both employer's and employees') are made to the Trust. The Plan guarantees interest at the rate notified annually by the Provident Fund Authorities irrespective of the interest earnings of the Fund for distribution to the Provident Fund Members. Shortfall in the interest rate, if any, is required to be made good by the Company. The actuary of the Company has determined the related liability of the Company using Projected Unit Credit Method and based thereon there is no shortfall in the interest rate guarantee obligation of the Company at the year end. Further, during the year, the Company's contribution of ₹ 314.25 Lakhs (2010-11 : ₹ 277.89 Lakhs) to the Provident Fund Trust has been expensed under 'Contribution to provident and other funds'. Disclosures given here under are restricted to the Information available as per the Actuary's report.

	Year ended	
	31st March 2012	31st March 2011
<b>Principle Actuarial Assumptions</b>		
Discount Rate	8.50%	#
Expected Return on Exempt Fund	8.63%	#
Expected EPFO Return	8.25%	#

# This being the first year of valuation, previous year figures are not available.

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lakhs	
	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
<b>28. FINANCE COSTS</b>		
(a) Interest Expense	<b>2,215.81</b>	1,569.61
(b) Other borrowing costs	<b>121.93</b>	292.88
	<b>2,337.74</b>	1,862.49
Less : Interest Capitalised	<b>610.70</b>	414.82
<b>Total</b>	<b>1,727.04</b>	1,447.67
<b>29. OTHER EXPENSES</b>		
	<b>For the year ended 31st March, 2012</b>	For the year ended 31st March, 2011
Consumption of stores and spare parts	<b>4,441.84</b>	3,338.21
Consumption of packing materials	<b>2,408.02</b>	1,797.79
Excise duty[Refer Note (a) below]	<b>152.54</b>	90.79
Power and fuel	<b>8,336.25</b>	6,227.64
Rent	<b>149.87</b>	121.95
Repairs to buildings	<b>676.12</b>	483.66
Repairs to machinery	<b>3,399.63</b>	2,148.33
Insurance	<b>93.10</b>	79.09
Rates and taxes	<b>78.58</b>	77.25
Freight and handling charges	<b>1,761.86</b>	2,699.31
Net loss on foreign currency transactions	<b>370.58</b>	—
Conversion charges	<b>72.46</b>	577.56
Commission, discounts and rebates	<b>166.48</b>	244.07
Provision for doubtful debts and advances	<b>22.57</b>	4.89
Auditors remuneration paid/payable		
As Auditors		
Audit Fees	<b>13.00</b>	13.00
Tax Audit Fees	<b>3.00</b>	3.00
For Certificates (including Quarterly Audits)	<b>17.95</b>	12.75
Reimbursement of expenses[refer Note (b)]	<b>0.46</b>	0.26
Legal and other professional costs	<b>365.53</b>	209.20
Advertisement, Promotion & Selling Expenses	<b>36.75</b>	44.58
Travelling Expenses	<b>293.17</b>	282.95
Miscellaneous expenses	<b>1,371.53</b>	1,109.91
<b>Total</b>	<b>24,231.29</b>	19,566.19
Less: Expenses on trial production for Second Cold Rolling Mill	<b>173.05</b>	23.18
<b>Total Other Expenses</b>	<b>24,058.24</b>	19,543.01
(a) Represent excise duty related to the difference between the closing and opening inventories, sale of scrap (other than operation), etc.		
(b) Excluding service tax not routed through Profit and Loss Statement	<b>3.54</b>	2.68

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

30. The Company had claimed a refund amounting to ₹ 823.89 Lakhs pertaining to sales tax on purchase of raw materials based on Bihar Industrial Policy, 1995. This claim was up-held during 2002-03 by the erstwhile Ranchi Bench of Patna High Court and was passed on to the Joint Commissioner of Commercial Taxes (JCCT) for implementation. Despite admittance of the refund claim in its entirety by JCCT, the Commissioner of Commercial Taxes (CCT) reduced the claim to ₹ 519.26 Lakhs and refunded the same over 2002-03 and 2003-04. The Company's Review petition before the Hon'ble High Court of Jharkhand against the order of CCT had been rejected. Later on, the Company had filed a Special Leave Petition before Hon'ble Supreme Court for final disposal, which is pending. The balance claim amount outstanding at the year end is ₹ 304.63 Lakhs. (31st March 2011- ₹ 304.63 Lakhs).

<b>31. CIF VALUE OF IMPORTS</b>	<b>₹ in Lakhs</b>	
	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
Raw Materials	<b>1,140.76</b>	20,700.66
Components and Spare Parts	<b>1,878.88</b>	1,846.68
Capital Goods	<b>259.08</b>	4,324.70
	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
<b>32. EXPENDITURE IN FOREIGN CURRENCY IN RESPECT OF</b>		
Travelling	<b>30.07</b>	19.43
Consultancy Charges	<b>36.01</b>	212.82
Purchase of Stock-in-trade	<b>501.25</b>	—
Others	<b>7.25</b>	0.15
	<b>For the year ended 31st March 2012</b>	For the year ended 31st March 2011
<b>33. DETAILS OF CONSUMPTION AND PURCHASES</b>		
(a) <b>Details of Materials consumed</b>		
HR Coil	<b>118.35</b>	340.25
Tin	<b>108.00</b>	1,794.46
Tin Mill Black Plates	<b>1,128.98</b>	21,578.58
Others	<b>86.04</b>	42.25
<b>Total</b>	<b>1,441.37</b>	23,755.54

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

₹ in Lakhs

(b) **Value of imported and indigenous materials consumed.**

	For the year ended 31st March 2012		For the year ended 31st March 2011	
	%	Amount	%	Amount
Raw Materials :				
Indigenous	—	—	1	186.40
Imported	100	1,441.37	99	23,569.14
<b>Total</b>	<b>100</b>	<b>1,441.37</b>	<b>100</b>	<b>23,755.54</b>
Stores and Spare Parts				
Indigenous	87	9,085.57	91	8,348.52
Imported	13	1,361.24	9	840.28
<b>Total</b>	<b>100</b>	<b>10,446.81</b>	<b>100</b>	<b>9,188.80</b>

(c) **Purchase of Traded Goods**

	For the year ended 31st March 2012	For the year ended 31st March 2011
Electrolytic Tinplates	20,014.89	18,558.54
Lacquered and Printed Sheets	1,402.85	1,165.33
<b>Total</b>	<b>21,417.74</b>	<b>19,723.87</b>

**34. EARNINGS IN FOREIGN CURRENCY :**

	For the year ended 31st March 2012	For the year ended 31st March 2011
Revenue from Exports on F.O.B. Basis	20,468.81	28,345.50
<b>Total</b>	<b>20,468.81</b>	<b>28,345.50</b>

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	₹ in Lakhs	
	For the year ended 31st March 2012	For the year ended 31st March 2011
<b>35. EARNINGS PER SHARE</b>		
<b>(A) Basic</b>		
i) Number of Equity Shares :-		
At the beginning of the year	71,963,429	71,963,429
Number of Equity Shares issued during the year	32,704,209	—
ii) Weighted average number of Equity Shares outstanding during the year	104,667,638	71,963,429
iii) Face Value of each Equity Share (₹)	10.00	10.00
iv) Profit after Tax (₹ In Lakhs)	1,655.20	3,580.95
v) Less : Preference Dividend	954.81	954.81
vi) Less : Tax on Preference Dividend	154.89	154.89
vii) Profit after Tax attributable to Equity Shareholders (₹/Lakhs)	545.50	2,471.25
viii) Basic Earnings per share [ A(vii)/A(ii) ] (₹)	0.52	3.43
<b>(B) Diluted</b>		
i) Weighted average number of Dilutive Potential Equity Shares resulting from issue of FCDs – also refer Note (a) below	—	32,704,209
ii) Aggregate of (A) (ii) and (B) (i)	104,667,638	104,667,638
iii) Profit after Tax attributable to Equity Shareholders (₹/Lakhs)	545.50	2,471.25
iv) Add : Interest expense net of Tax	—	243.65
v) Adjusted Profit after Tax	545.50	2,714.90
vi) Face Value of each Equity Share (₹)	10.00	10.00
vii) Diluted earnings per share [B(v)/B(ii)](₹)	0.52	2.59
(a) Based upon a legal opinion obtained by the Company, the option to convert the Optionally Convertible Preference Shares (OCPS) into Equity Shares of the Company is not available as per the existing SEBI guidelines. Accordingly such shares have not been considered as potential equity shares for the purpose of computation of Diluted Earning per share.		

### 36. SEGMENT REPORTING

The Company's operations are predominantly manufacture of Electrolytic Tin Mill Product. The Company is managed organizationally as a unified entity and according to the management this is a single segment Company as envisaged in AS 17 issued pursuant to Companies (Accounting Standards) Rules 2006.

Sales (gross) for the year ended 31st March 2012 of ₹ 23111.98 Lakhs (2010-2011 : ₹ 47566.09 Lakhs) includes domestic sales of ₹ 2119.27 Lakhs (2010-2011 : ₹ 18287.14 Lakhs). Details of export sales and year end debtors (being related capital employed overseas), are as follows :

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	<b>₹ in Lakhs</b>	
	<b>31st March 2012</b>	31st March, 2011
(i) Sales -		
Asia	<b>17,100.73</b>	18,333.48
Europe	<b>2,855.03</b>	9,379.74
Others	<b>1,036.95</b>	1,565.74
<b>Total</b>	<b><u>20,992.71</u></b>	<u>29,278.96</u>
(ii) Debtors (Net of advances) -		
Asia	<b>696.37</b>	220.52
Europe	<b>446.41</b>	213.90
Others	<b>36.04</b>	(5.60)
<b>Total</b>	<b><u>1,178.82</u></b>	<u>428.82</u>
iii) For fixed assets (Tangibles and Intangibles) additions, refer column " Addition" of Note 11 and 12.		

**37.** The Company has an ongoing conversion arrangement with Tata Steel which includes consignment agency and marketing arrangements, and the Company is responsible for collection of debts on behalf of Tata Steel. Such debts (considered good) outstanding at the year-end amount to ₹ 8688.13 Lakhs ( net of discounted bills of ₹ 6262.08 Lakhs) [ 31st March 2011 ₹ 1737.57 Lakhs (net of discounted bills of ₹ 3209.11 Lakhs)], of which ₹ 6.84 Lakhs [(31st March 2011 ₹ 37.61 Lakhs) are overdue for more than six months].

**38. RELATED PARTY DISCLOSURES IN KEEPING WITH ACCOUNTING STANDARD 18**

a) **Related Parties :**

<b><u>Names</u></b>	<b><u>Relationships</u></b>
Tata Steel Limited (TSL) @	Holding Company
Tayo Rolls Limited (TRL) *	Fellow Subsidiary
The Tata Pigments Limited (TPL) *	---do---
The Indian Steel and Wire Products Limited (ISWPL) *	---do---
TKM Global Logistics Limited (TKM) *	---do---
Tata Steel Processing and Distribution Limited (TSPDL) *	---do---
Kalimati Investment Company Limited (KICL) *	---do---
Tata Steel IJMUIDEN BV (TSI) *	---do---
Mr. Tarun Kumar Daga	Managing Director, Key Management Personnel (KMP)

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

₹ in Lakhs

b) **Particulars of transactions with related parties during the year :**

Particulars	For the year ended 31st March, 2012										For the Year ended 31st March, 2011	
	TSL	KMP	Fellow Subsidiary								TSL	KMP
			TRL	TPL	ISWPL	TKM	TSPDL	TSI	KICL	Total		
Purchase of Goods	21,890.72	—	588.56	15.30	—	—	—	611.13	—	1,214.99	21,005.75	—
Sales of Goods	—	—	12.47	7.23	—	—	—	—	—	19.70	—	—
Rendering of Services	44,722.56	—	—	—	1.94	—	36.52	—	—	38.46	36,365.92	—
Receiving of Services	5,070.41	—	—	—	—	357.97	—	—	—	357.97	4,307.22	—
Dividend Paid	1,680.78	—	—	—	—	—	—	—	19.02	19.02	1,397.07	—
Advance Paid for CRM-2	—	—	—	—	—	—	—	—	—	—	157.48	—
Interest Expenses	—	—	—	—	—	—	—	—	—	—	517.41	—
Remuneration	—	56.81	—	—	—	—	—	—	—	—	—	59.63
<b>Balance outstanding as on 31.03.2012</b>												
Outstanding Receivables #	3,473.06	—	—	—	1.46	—	4.10	—	—	5.56	3,548.66	—
Outstanding Payables	566.10	—	13.84	1.05	—	59.48	—	611.13	—	685.50	459.99	—

@ TSL has become the Holding Company with effect from 1st April, 2011. Prior to that the Company was an Associate of TSL.

\* With effect from 1st April, 2011

# Including ₹ 217.54 lakhs (31st March 2011 : ₹ 207.56 lakhs) provided for.

### 39. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

a. Derivatives outstanding as at the reporting date :

Particulars	Purpose	As at	As at
		31st March 2012	31st March 2011
Forward Contracts to Buy USD	Hedge of firm commitment and highly probable forecast transaction	USD 18.42 Lakhs ₹ 925.37 Lakhs	NIL

b. Particulars of Unhedged foreign currency exposures as at the reporting date :

Particulars	As at	As at
	31st March 2012	31st March 2011
Trade Payables (in USD)	USD 34.44 Lakhs ₹ 1751.95 Lakhs	USD 23.68 Lakhs ₹ 1059.63 Lakhs
Trade Receivables net of advance from customers (in USD)	USD 23.17 Lakhs ₹ 1178.81 Lakhs	USD 9.64 Lakhs ₹ 431.26 Lakhs



**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

		₹ in Lakhs	
		As at	As at
		31st March 2012	31st March 2011
<b>40. DUES TO MICRO AND SMALL ENTERPRISES</b>			
i)	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year.		
	Principal	<b>49.95</b>	8.50
	Interest	<b>2.20</b>	0.99
ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.		
	Principal	<b>44.45</b>	74.04
	Interest	—	—
iii)	The amount of interest accrued and remaining unpaid at the end of accounting year	<b>1.21</b>	0.79
iv)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due on above are actually paid to the small Enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	<b>0.23*</b>	0.04*

\* Included in (iii) above being interest on amount outstanding as at the beginning of the accounting year.

The above particulars, as applicable, have been given in respect of MSEs to the extent they could be identified on the basis of information available with the Company.

**41. PREVIOUS YEAR FIGURES**

The financial statements for the year ended 31 March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31 March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year's figures have been reclassified to conform to this year's classification.

For Price Waterhouse  
Firm Registration Number : 301112E  
Chartered Accountants

(P Law)  
Partner  
Membership Number : 51790  
Kolkata, 25th April, 2012

On behalf of the Board  
Koushik Chatterjee  
Chairman  
Tarun Kumar Daga  
Managing Director  
S Kar  
Company Secretary

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2011-12

### 1. Company's philosophy on Corporate Governance

Your Company has been practising good Corporate Governance over the years upholding the Tata traditions and values. The Company has not only put in place the system for compliance of regulatory requirements but also the system for customers satisfaction and meeting the expectations of its stakeholders, employees and the society. It is the philosophy of the Company to continue to have accountability, transparency and integrity in all its business transactions and practices.

### 2. Board of Directors

2.1 The Board of the Company consists of ten members comprising a non-executive Chairman, eight other Non-executive directors (out of them - five are independent directors) and one executive director, being the Managing Director. None of the Directors on the Board is a member in more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of the Listing Agreement), across all companies in which he is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

### 2.2 Composition, Category and Number of other Board and Committee Positions held as on 31st March 2012

Name (Promoter = P Non-Promoter = NP)	Executive/Non-Executive/ Non-Executive and Independent	Number of other Directorships held in Public Limited Companies Incorporated in India	Number of other Committee Positions* held	
			As Chairman	As Member
Mr Koushik Chatterjee (P)	Chairman - Non Executive	2	None	None
Mr Anand Sen (P)	Non Executive	3	1	1
Mr Dipak Banerjee (NP)	Non Executive and Independent	8	4	3
Mr S P Nagarkatte (NP)	Non Executive and Independent	None	None	None
Mr Ashok Kumar Basu (NP)	Non Executive and Independent	6	None	5
Mr B N Samal (NP)	Non Executive and Independent	None	None	None
Mr B L Raina (P)	Non Executive	1	None	None
Mr TV Narendran (P)	Non Executive	1	None	1
Dr Sougata Ray (NP)	Non Executive and Independent	None	None	None
Mr Tarun Kumar Daga	Managing Director	None	None	None

\* Committee positions held in other Indian Public Limited Companies are considered. For this purpose only two Committees viz. the Audit Committee, and the Shareholders/Investors' Grievance Committee are considered.

- 2.3 All independent directors have confirmed their independence to the Company.
- 2.4 The non-executive directors have no pecuniary relationship or transactions with the Company in their personal capacity.
- 2.5 The information as mentioned in Annexure - IA of Clause 49 of the Listing Agreement with the Stock Exchange is made available to the Board members. The Board periodically reviews compliance reports of all laws applicable to the Company and the steps taken to rectify instances of non-compliance.
- 2.6 The Company has adopted the Tata Code of Conduct for the Managing Director, Senior Management Personnel and other employees of the Company. It has also adopted a separate Code of Conduct for the Non-Executive Directors of the Company. Both the Codes of Conduct are posted on the website of the Company. The Company has received confirmations from the Non-Executive Directors, Managing Director and Senior Management Personnel regarding compliance with the Code of Conduct for the year ended 31.03.12. A declaration to this effect signed by the Managing Director is attached to this report.

**2.7 Attendance Record of the Directors**

During the year five meetings of Board of Directors were held on 04.05.11, 04.08.11, 30.08.11, 22.10.11 and 30.01.12. The Ministry of Corporate Affairs' vide General Circular No. 28/2011, dated 20.05.2011, has permitted the participation of Directors in Board Meetings through electronic mode. As permitted by the aforesaid circular, in three out of the aforesaid five Board Meetings, some of the Directors participated through electronic mode.

SL No.	Name of Directors	No. of Board Meetings		Attendance at last AGM held on 30th August, 2011
		Held during the year	Attended during the year	
1.	Mr Koushik Chatterjee	5	5	Yes
2.	Mr Anand Sen	5	5	Yes
3.	Mr Dipak Banerjee	5	4	Yes
4.	Mr S P Nagarkatte	5	5	Yes
5.	Mr Ashok Kumar Basu	5	5	Yes
6.	Mr B N Samal	5	4	Yes
7.	Mr B L Raina	5	4	Yes
8.	Mr T V Narendran	5	4	Yes
9.	Mr Sougata Ray *	5	4	Yes
10.	Mr Tarun Kumar Daga	5	5	Yes

Note :

\* Dr Sougata Ray was appointed as an additional director of the Company w.e.f 04.05.2011 and subsequently appointed as Director of the Company in the AGM held on 30.08.11.

### 3. Audit Committee

#### 3.1 Brief Description of terms of reference

- a) The Audit Committee of the Company was constituted on 20.04.87.
- b) The broad terms of reference of the Audit Committee were to review reports of the Internal Auditors and discuss the same at regular periodic intervals, to discuss with the Statutory Auditors their findings and suggestions on matters pertaining to financial reporting and to oversee the Company's entire financial reporting process.
- c) The scope of activities of the Audit Committee includes the areas laid out in Section 292A of the Companies Act, 1956 and Clause 49 II (D) of the Listing Agreement. The powers of the Audit Committee are in accordance with Clause 49 II(C) of the Listing Agreement. The Audit Committee reviews the information stipulated under Clause 49II(E) of the Listing Agreement.

3.2 During the year four meetings of the Audit Committee were held on 03.05.11, 23.07.11, 21.10.11 and 23.01.12.

3.3 The Audit Committee met on 03.05.11 and reviewed the Annual Accounts of the Company for the year ended 31st March 2011 before recommending the same to the Board of Directors. The Audit Committee had also periodically reviewed the Audited Financial Results during the year before recommending the same to the Board of Directors for adoption and publication.

3.4 The Audit Committee was reconstituted on 07.05.10 and presently the Committee comprises of Mr. S P Nagarkatte (Chairman), Mr. Dipak Banerjee, Mr. Ashok Kumar Basu and Mr B L Raina as Members.

3.5 The composition of the Committee during the financial year and the number of meetings attended by each of the Directors are given below :

Sl. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr S P Nagarkatte	Chairman	4	4
2.	Mr Dipak Banerjee	Member	4	3
3.	Mr Ashok Kumar Basu	Member	4	4
4.	Mr B L Raina	Member	4	4

3.6 All the members of the Committee were independent Directors, except Mr. B L Raina who is a Non-Executive Director and all the members have accounting or related financial management expertise.

3.7 The Chairman of the Audit Committee was present in the last Annual General Meeting held on 30.08.11. The Head of Finance, Chief Internal Auditor and the Statutory Auditors were present at all the above four meetings of the Audit Committee as invitees.

3.8 The Company Secretary, Mr. S Kar is the Secretary to the Audit Committee and was present at all the above four meetings.

**4. Remuneration Committee**

4.1 The Remuneration Committee was constituted on 19.03.01 to decide upon the compensation package of the Wholetime Director(s) within the broad frame-work of the Group Policy, merit and Company's performance.

4.2 The Remuneration Committee at present comprises Mr. Dipak Banerjee as Chairman (a Non-Executive and Independent Director), Mr. Koushik Chatterjee (Non-Executive Director) and Mr. Ashok Kumar Basu (a Non-Executive and Independent Director) as members.

**Details of remuneration for year ended 31.03.12**

(i) **Non-Wholetime Directors**

Sl. No.	Name of Directors	Commission (₹)	Sitting Fees Paid (₹)
1.	Mr. Koushik Chatterjee	1,47,059	50,000
2.	Mr. Anand Sen	88,235	57,500
3.	Mr. Dipak Banerjee	1,02,941	70,000
4.	Mr. S P Nagarkatte	1,91,176	90,000
5.	Mr. B N Samal	73,529	47,500
6.	Mr. Ashok Kumar Basu	1,61,765	97,500
7.	Mr. B L Raina	1,17,647	80,000
8.	Mr. T V Narendran	58,824	40,000
9	Dr. Sougata Ray	58,824	40,000

The sitting fees of the Non-Executive Directors is ₹10,000/- per meeting in respect of Board, Audit and Remuneration Committee meetings and ₹ 7,500/- per meeting in respect of Shareholders Grievance Committee meetings.

None of the Non-Executive Directors, except Mr. Koushik Chatterjee and Mr. B L Raina, are holding any shares of the Company. The details of equity shareholding of Mr. Koushik Chatterjee and Mr. B L Raina as on 31.03.2012 are given below :

Sl. No.	Names of Directors	No. of Shares
1.	Mr Koushik Chatterjee	1000
2.	Mr B L Raina	32750

(ii) **Wholetime Directors**

₹ in lakhs

Name	Salary (₹ lakhs)	Allowance and Perquisites (₹ lakhs)	Contribution to Provident and other funds (₹ lakhs)	Performance linked bonus (₹ lakhs)	Stock Options
Mr Tarun Kumar Daga	22.08	10.37	5.96	18.40	Nil

Period of contract of MD : Mr. Tarun Kumar Daga was appointed as the Managing Director at the Meeting of the Board of Directors held on 08.06.09 based upon the recommendation of the Remuneration Committee for a period of 5 years w.e.f 17.06.09 to 16.06.14. The Shareholders at the Annual General Meeting held on 31.08.09 approved the appointment and the terms of remuneration.

The contract may be terminated by either party giving the other party 3 months' notice or the Company paying 3 months' salary in lieu thereof.

Severance fees – Nil.

The Company at present has no stock option scheme.

**5. Shareholders' Grievance Committee**

5.1 The Shareholders Grievance Committee was constituted on 19.03.01 to specifically look into the redressal of shareholders' grievances relating to transfer of shares, non receipt of balance sheet and any other matters.

5.2 The Committee was reconstituted on 07.05.10 and the Committee presently comprises of Mr. Ashok Kumar Basu as Chairman, Mr. Anand Sen and Mr. B N Samal as Members. Mr. S Kar, Company Secretary is the Compliance Officer of the Company.

5.3 During the year a meeting of the Shareholders Grievance Committee was held on 04.05.11

a) Number of pending complaints as on 31.03.11 - 1

b) Number of shareholders' complaints received during the year ended 31.03.12- 1

c) Number of complaints attended to / resolved during the year ended 31.03.12 - 0, the Complaint appearing in clause 5.3.b has since been attended and 'Action Taken Report' submitted with SEBI.

d) Number of pending complaints as on 31.03.12- 1

e) Number of pending share transfers - 5 requests in physical form involving 1411 Equity Shares and 4 request in demat form involving 1450 shares were pending as on 31.03.12.

5.4 TSR Darashaw Limited is the Registrar and Transfer Agent of the Company. The delegated authority is taking measures so that share transfer formalities are attended to at least once in a fortnight. The Company Secretary is also authorised by the Board to do all acts, deeds and matters and sign all documents that may be required in the matter relating to shares from time to time.

**6. General Body Meetings**

6.1 Location and time, where last three Annual General Meetings were held :

Year	AGM/ EGM	Location	Date	Time	No. of Special Resolutions
2008-09	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	31.08.2009	11.30 AM	4
2009-10	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	24.09.2010	11.00 AM	NIL
2010-11	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	30.08.2011	02.00 PM	NIL

6.2 No special resolution was passed through Postal Ballot during the year ended 31st March, 2012 nor any special resolution is proposed to be passed through Postal Ballot as on the date of this report.

6.3 Particulars of the Directors appointed and reappointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting as required under Clause 49(IV)(G)(i) of the Listing Agreement with the Stock Exchange.

## 7. Disclosures

- 7.1 Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large :
- The Company has an on-going conversion arrangement with Tata Steel Limited (Tata Steel) which includes consignment agency and marketing arrangements and the Company is responsible for collection of debts on behalf of Tata Steel. Tata Steel also provides certain infrastructure facilities to the Company at Jamshedpur on terms considered reasonable and beneficial to the Company. The Company purchases tinplate from Tata Steel for exports on its own account to various countries. None of the transactions with any of the related parties were in conflict with the interest of the Company.
  - For the details of related party relationships and transactions as required by the Accounting Standard 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India please refer Note No. 38 of notes to the Financial Statement of the Audited Accounts for the year ended 31.03.12.
- 7.2 The Company has laid down procedures for informing the Board members about the risk assessment and minimization procedures in accordance with clause 49(IV)(C) of the Listing Agreement with the Stock Exchange. The Board periodically at its meetings reviewed the risk assessment and minimization procedure followed by the Company.
- 7.3 The Company has formulated a Whistle Blower Policy and affirms that no personnel has been denied access to the Audit Committee.
- 7.4 The management has informed the Board in accordance with Clause 49(IV)(F)(ii) of the Listing Agreement that they are not having any personal interest in material, commercial and financial transactions of the Company that may have potential conflict with the interest of the Company at large.
- 7.5 Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - Nil.
- 7.6 The CEO i.e. the Managing Director and CFO i.e. Chief Financial Officer have given the necessary certificates as required under Clause 49(V) of the Listing Agreement.
- 7.7 All the mandatory requirements have been appropriately complied with and the non-mandatory requirements relating to Remuneration Committee and Whistle Blower Policy have also been complied with.



**8. Means of Communication**

- 8.1 In compliance with the requirements of the Listing Agreement, the Company, on quarterly basis, intimates audited financial results to the Stock Exchanges immediately after they are taken on record by the Board. Further, coverage is given for the benefit of the Shareholders and Investors by publication of the financial results in the Business Standard and Aajkal.
- 8.2 The financial results of the Company are also put on the website of the Company after these are submitted to the Stock Exchanges. Official information like press releases are also available on the website. The Company's web site address is [www.tatatinplate.com](http://www.tatatinplate.com). The shareholders are free to communicate their grievances and queries to the Company through email id. [company.secretariat@tatatinplate.com](mailto:company.secretariat@tatatinplate.com).

**9. General Investors Information**

**Annual General Meeting**

- Date & Time : 24th September, 2012 at 11:00 A.M.
- Venue : Williamson Magor Hall  
The Bengal Chamber of Commerce & Industry  
6, Netaji Subhas Road, Kolkata - 700 001

**Financial Year**

- Financial Reporting for quarter ending 30.06.2012 - July 2012  
Financial Reporting for half year ending 30.09.2012 - October 2012  
Financial Reporting for quarter ending 31.12.2012 - January 2013  
Financial Reporting for the year ending 31.03.2013 - April 2013  
Annual General Meeting for the year 2013 - July 2013

**Date of Book closure** : 14th September, 2012 to 24th September, 2012

**Dividend Payment Date** : Dividend payment date is 28th September, 2012

**Listing on Stock Exchanges**

**Stock Code /Symbol**

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001

504966

National Stock Exchange of India Ltd.  
"Exchange Plaza", Bandra - Kurla Complex,  
Bandra (E), Mumbai - 400051

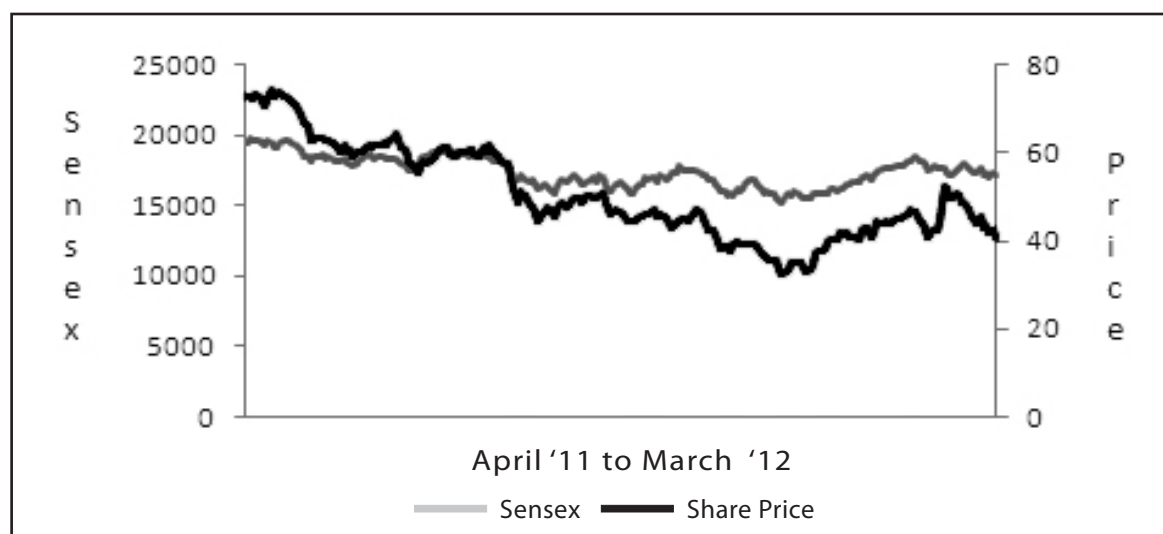
TINPLATE EQ

Listing fees in respect of both the Stock Exchanges have been paid within the due date for the Financial Year 2012-13.

**The closing high and low market prices , average volume, average number of trades and average value of shares during each month at Bombay Stock Exchange Ltd. during April 2011 to March 2012 were as follows :**

MONTH	HIGH (CLOSING) ₹	LOW (CLOSING) ₹	Average per day		
			Avg. Volume per day	Avg. No. of Trades / day	Avg. Value / day (₹)
April '11	74.05	69.45	265083	2336	19448053
May '11	68.65	59.35	41527	450	2647908
June '11	64.40	55.50	67946	674	4198983
July '11	61.85	59.10	53506	538	3261582
August '11	59.00	44.70	30251	320	1568445
September '11	50.60	46.00	23759	251	1169402
October '11	47.15	43.05	22805	195	1025262
November '11	46.95	37.80	20954	258	913431
December '11	39.45	32.65	15960	201	554468
January '12	42.90	33.35	44068	434	1779928
February '12	47.05	40.60	67680	587	3060026
March '12	52.25	40.80	182479	1547	9154513

**Performance of TCIL Share Price in comparison to BSE Sensex**



**Registrar & Transfer Agents**

TSR Darashaw Ltd. was appointed as the Registrars and Share Transfer Agent of the Company with effect from 1.04.02 for the Equity Shares held in both physical and dematerialised form. Their address for communication:

Head Office	Branch Office
TSR Darashaw Limited 6-10 Haji Moosa Patrawala Ind Estate 20, Dr. E Moses Road, Mahalaxmi Mumbai 400011 Tel No. : (022) 6656 8484 Fax No. : (022) 6656 8494/6656 8496 E-mail : csg-unit@tsrdarashaw.com	TSR Darashaw Limited Tata Centre, 1st Floor 43, Chowringhee Road Kolkata 700071 Tel No. : (033) 2288 3087 Fax No. : (033) 2288 3062 E-mail : tsrdlcal@tsrdarashaw.com

**ISIN in respect of Equity Share is INE 422C01014**

**Share Transfer System**

Share transfer in physical form can be lodged with TSR Darashaw Limited at the above mentioned addresses or at their branch offices, addresses of which are available on their website or at the Registered Office of the Company.

The transfers in physical form are normally processed within 15 days if technically found to be in order and complete in all respects. As per directive issued by SEBI dated 27.12.2000 it is compulsory to trade in the Company's Equity Shares in dematerialised form.

**Distribution of Shareholding**

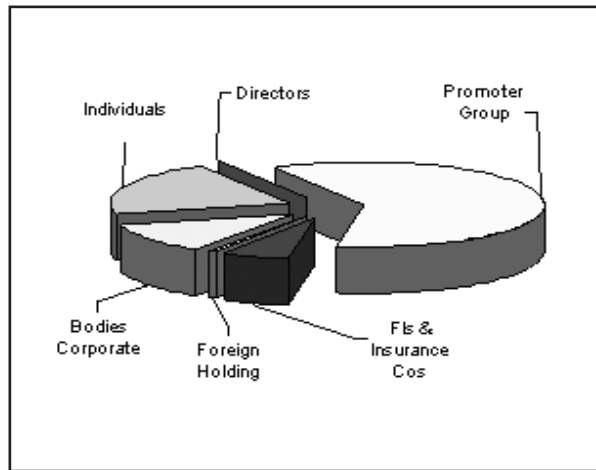
The distribution of Shareholding as on 31.03.2012 and 31.03.2011 are as follows :

In the Range of	31.03.2012 No. of Shareholders	Percent %	31.03.2011 No. of Shareholders	Percent %
1 to 500	48231	85.71	48284	86.79
501 to 1000	4322	7.68	3943	7.09
1001 to 2000	1996	3.55	1815	3.26
2001 to 3000	674	1.20	595	1.07
3001 to 4000	246	0.44	225	0.40
4001 to 5000	236	0.42	226	0.40
5001 to 10000	338	0.60	304	0.55
10001 and above	227	0.40	243	0.44
<b>Total</b>	<b>56270</b>	<b>100.00</b>	<b>55635</b>	<b>100.00</b>

**Shareholding pattern as on 31.03.2012 is as follows:**

Category	Shares held	% of Shareholding
<b>PROMOTERS' HOLDING</b>		
Tata Steel Ltd.	6,22,19,222	59.45
Kalimati Investments Co. Ltd	15,84,948	1.51
	<u>6,38,04,170</u>	<u>60.96</u>
<b>PUBLIC FINANCIAL INSTITUTIONS</b>		
UTI	1,867	0.00
LIC	55,18,880	5.27
GIC and its subsidiaries	39,900	0.04
IFCI Ltd.	7,28,190	0.70
IDBI Bank Ltd.	1,100	0.00
Nationalised Banks	3,500	0.00
Mutual Funds	7,450	0.01
<b>FOREIGN HOLDINGS</b>		
FIIs	1,71,956	0.17
NRIs	5,75,649	0.55
<b>OTHER BODIES CORPORATE</b>		
Bodies Corporate	1,14,39,009	10.93
Trusts	729	0.00
Other Banks	22,500	0.02
Foreign Banks	350	0.00
<b>DIRECTORS AND THEIR RELATIVES</b>		
	33,750	0.03
<b>INDIVIDUALS</b>		
	2,23,18,638	21.32
	<u>10,46,67,638</u>	<u>100.00</u>

**Equity Shareholding Group as on 31.03.2012**



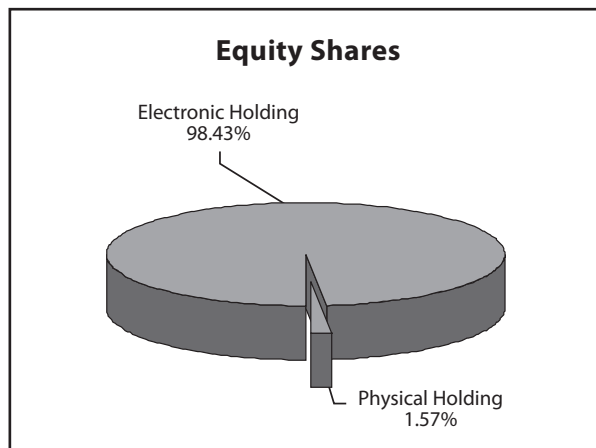
**Dematerialisation of Shares and Liquidity**

As on 31.03.2012, the status of dematerialised securities of the Company are as follows :

Type of Securities	Dematerialised Holding	Percentage
Equity Shares	103022612	98.43

For the purpose of dematerialization, agreements have been signed by the Company with National Securities Depository Limited and Central Depository Services (India) Limited, whereby the security holders have an option to dematerialise their shares with either of the depositories.

**Break up of Equity Shares held in Electronic and Physical Form**



**Outstanding GDRs/ADRs, Warrants or any convertible instruments, conversion date and likely impact on equity -**

1,12,33,000 - 8.5% (12.50% up to 15.01.09) Non-cumulative Optionally Convertible Preference Shares (OCPS) of ₹100/- each were issued in the financial year 1999-2000, 2000-2001 with an option for conversion into equity shares at par. Based upon legal advice, the option to convert the OCPS into equity shares of the Company is not currently available as per the existing SEBI Guidelines. The OCPS will be redeemed in accordance with the terms of the issue thereof, the provisions of the Companies Act, 1956 and other applicable laws between 2012-2015.

13,10,000 8.5% Non Cumulative Optionally Convertible Preference Shares (OCPS) due for part redemption on 01.04.12 were redeemed.

**Plant Location :**

TCIL WORKS:  
The Tinplate Company of India Limited  
Golmuri, Singhbhum (East)  
Jamshedpur 831003  
Tel No. (0657) 2342208  
Fax No. (0657) 2340517  
E-mail : cw.office@tatatinplate.com

**Address for correspondence :**

REGISTERED OFFICE :  
The Tinplate Company of India Limited  
4 Bankshall Street  
Kolkata 700001  
Tel. No. (033) 2243-5401/5407/5410  
Fax No. (033) 2230 4170  
E-mail : company.secretariat@tatatinplate.com

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT**

This is to confirm that the Company has adopted Tata Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted the Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2012, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on March 31, 2012.

25<sup>th</sup> April, 2012

Tarun Kumar Daga  
*Managing Director*



## **Auditors' Certificate regarding compliance of conditions of Corporate Governance**

To the Members of  
The Tinplate Company of India Limited

We have examined the compliance of conditions of Corporate Governance by The Tinplate Company of India Limited, for the year ended 31 March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse  
Firm Registration Number : 301112E  
Chartered Accountants

Place : Kolkata  
Date : 25<sup>th</sup> April, 2012

(P Law)  
Partner  
Membership Number : 51790



## ANNEXURE I TO DIRECTORS' REPORT

### PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

#### A. Conservation of Energy

##### a) Energy conservation Measures Taken

##### (i) On Conservation of fuels :

1. Timely Replacement of steam traps and lagging to minimize heat and steam loss. Inspection of the complete steam circuit and audit compliance review of the same is being done.
2. Monitoring of Boiler performance in terms of steam to coal ratio on daily basis through MIS.
3. Replacement of all tubes of Boiler No#1 and defective tubes of Boiler No # 2 & 3 to improve the boiler efficiency.
4. Optimize the use of BAF-1 (HSD based furnace) and BAF -2 (Propane based furnace) to have overall reduction in fuel cost.
5. ARP-2 commissioned on propane to have less carbon emission as compare to HSD.
6. Propane is used in BAF-2 Unit of CRM Plant in place of HSD (As in BAF-1), BAF-2 began its operations in 2011-12 and hence no consumption for 2010-11.

##### (ii) On Conservation of power

1. Provision of natural (vargola) air ventilator in place conventional exhaust system at ETL's.
2. Application of translucent sheets to maximize the use of natural light in the plant premises as well as offices.
3. Provision of Variable speed drive for 6 Hi1 and 4Hi 1Fume exhaust Motors.
4. Replacement of MS impellers with FRP impellers for 4H1 coil Cooling Fans.
5. Replacement of incandescent lights by energy efficient light fittings in hospital, offices and residential quarters.
6. Provision of Variable speed drive for ETL compressor.

7. Logic modification done in ETL 2 to run only one hydraulic motor (By design two running) in combination mode.
  8. In ETLs logic made for switching OFF of HOT AIR DRIER motors automatically after 2 mm of idle line.
  9. Provision of Interlock for switching OFF cooling fan motor of rectifiers during idle period in ETL Lines.
  10. Running / Loading the CRM2 facilities in preference to the old CRM1 facilities to enable better energy savings as the CRM2 facilities are more energy efficient.
- b) Total Energy Consumption and Energy Consumption per Unit of Production: Form "A" Enclosed.

#### **B. Technology Absorption**

- c) Efforts made in technology absorption as per Form B: Form "B" enclosed.

#### **C. Foreign Exchange Earnings and Outgo**

- d) Activities relating to exports, initiatives taken to increase exports; development of new export markets for products and services; and export plans.

Exports are focused towards the following regions: South East and West Asia, Neighbouring countries, Europe and Africa. The attempt is to increase the spread in countries, customers and product categories.

e) Total foreign exchange used and earned	<b>₹ In lakhs</b>
i) CIF value of imports	3278.72
ii) Expenditure in foreign currency	574.58
iii) Foreign exchange earned	20468.81

FORM - A

Form for disclosure of particulars with respect to Conservation of Energy: 2011 - 2012

A. POWER & FUEL CONSUMPTION

Particulars	2011-12	2010-11
1. Electricity		
a. Purchased		
Units (Million Kwh)	114.375	107.238
Total Amount (₹ Lakhs)	4185.38	3761.60
Rate / Unit (₹)	3.66	3.48
b. Own Generation		
Through Diesel Generator		
Units (Million Kwh)	0.0249	0.0065
Units /Ltr of Diesel Oil (Kwh)	3.50	3.50
Cost / Unit (₹)	10.66	23.19
2. Coal	<b>Non-Coking Coal, Grade- D &amp; E used in boilers</b>	Non-Coking Coal, Grade- D & E used in boilers
Quantity (Tonnes)	39329	34563
Total Cost (₹ Lakhs)	1663.70	883
Average Rate / Tonne. (₹)	4218	2555
3. Furnace Oil		
Quantity (KL)	36	250.50
Total Cost (₹ Lakhs)	12.28	68.55
Average Rate / KL (₹)	34416	27366
4. HSD Oil		
Quantity (KL)	1651	2810
Total Cost (₹ Lakhs)	599.57	927
Average Rate / KL (₹)	36305.87	32994
5. Propane		
Quantity (MT)	2289	743
Total Cost (₹ Lakhs)	1180.01	N.A
Average Rate / MT (₹)	51562.21	N.A
6. Other Internal Generation	NA	N.A

## B. CONSUMPTION PER UNIT OF PRODUCTION (WORKS ONLY)

Particulars Products	2011-2012			2010-2011		
	ETP PLANT	ETP PLANT	CRM PLANT	ETP PLANT	ETP PLANT	CRM PLANT
	ETP/TFS (ETL-1)	ETP/TFS (ETL-2)	TMBP/ FHCR	ETP/TFS (ETL-1)	ETP/TFS (ETL-2)	TMBP/ FHCR
Production (t)	112472	143207	261403	106028	134690	204583
Electric Power (KWH/MT)	161.87	146.41	275.03	171.84	158.95	255.84
Furnace Oil (Lt/MT)	0.16	0.12	–	0.56	0.56	0.56
HSD Oil (Lt/MT)	–	–	6.32	–	–	13.9
Coal (Kg/MT)	73	60	87	79	76	78
Propane (Kg/MT)	–	–	8.75	–	–	–

### FORM-B

#### Form for disclosure of particulars with respect to Technology Absorption : 2011-12

## A. RESEARCH AND DEVELOPMENT

### 1. Specific areas in which research and development are carried out by the Company :

- i. Work on chrome free passivation on tinplate - In response to the REACH regulation, 4th line trial with chrome free passivation system was conducted in the month of April 2012 based on the specification provided by the can makers. The samples are being sent to our customers M/S Hindustan Tin Works in New Delhi and M/S Emballator in UK, for further evaluation. In the meanwhile TCIL has also obtained Food compatibility certification for its system from a world renowned accreditation body TNO of Netherlands.
- ii. Development of alternative grade to TMBP - 2 grade for T61 temper for the non food packaging segment (paint & pesticide). Trials have been successful, and the specification of new grade named as SF-go has been finalized. The commercial trial will be taken in Q1 2012.
- iii. Initiation of R&D and Technology engagement with Tata Steel Research & Development on projects such as Development of T61 grade for food segment from alternative route and improvement in strike rate of T52 temper at Annealing.

**2. Benefits derived as result of the improvement activities :**

At the APWG chrome free conference in Singapore in Dec11 our system was ranked third amongst the contenders Nippon steel, Toyo Kohon (from Japan) and Bao steel from China, with NSC and Toyo Kohon being ranked 1st and second. While only first two candidates were selected from APWG, TCIL was at par with NSC in performance ranking but ranked third after other operational issues were considered. Due to the good performance ranking and potential of our system ITRI has recommended us to pursue further trials with selected canmakers. Future Plan of Action :

- i. Further work in chrome free passivation - Carryout trials of Phase2 with selected Canmakers..
- ii. Development of alternative cost effective HR grades to substitute TMBP 2 grade used currently for T 4 temper grade tin mill products jointly with Tata Steel for the food grade segment.
- iii. Address the problem of diagonal corrugation and Edge pincher through an internal Task force and collaborative approach with Tata Steel Europe as a part of the PIT
- iv. Work towards the improvements in packaging through expert exchange programme from Tata Steel Europe..
- v. Development of steel for Beverage cans through BA route with Tata steel Jamshedpur.

**B. ENVIRONMENTAL REPORT**

Environment measures taken during the year 2011-12

**i. Air Pollution Control**

- 4th Boiler with higher capacity ESP and ash handling system to ensure better control of dust from chimney outlet and the periphery installed & commissioned.
- Ambient Air Quality and stack emissions are being monitored by SGS (India) Pvt. Ltd.(a government approved consultant) and being maintained. In house facility started for Air Monitoring for better control of emission.
- No violations with respect to meeting statutory air pollution norms reported during inspections by Jharkhand State Pollution Control Board's team.

## **ii. Water Pollution Control**

- CRM Waste Water Treatment Plant augmentation under final stage (expected to be completed by May'12) with additional neutralization tanks, pressure sand filter and filter press.
- One more Acid regeneration plant for regeneration of acid for additional pickle liquor generation from new pickling line installed & commissioned.
- BOD (Biological Oxygen Demand) issue in effluent addressed by online dosing of chemical scavengers at CRM effluent treatment plant.
- Total chrome issue in effluent addressed by arresting leakages from chrome tanks at ETL and online dosing of Polyelectrolyte at ETLs effluent treatment plant.

## **iii Solid waste**

- For utilization of Fly ash generated from boiler, fly ash brick making project initiated with MIs. JUSCO, Expected to be started from May'12.

## **iv. Statutory Compliance :**

All statutory requirements under Pollution Control were complied.

- Environmental consents and authorizations under various Acts and rules were applied for renewal to the Jharkhand State Pollution Control Board.
- Environmental statements, returns and statutory conditions are being complied as per law.
- Environmental laboratory was set up as per the directive of Jharkhand State Pollution Control Board for better monitoring & control of air emissions & effluent discharge quality.

## Production Statistics

Year	<b>H. D. PLANT</b>	<b>E. T. PLANT</b>			<b>COLD ROLLING MILL</b>
	<u>Blackplate*</u>	<u>Electrolytic Tinplate</u>	<u>Tinfree Steel</u>	<u>Total</u>	<u>C. R. Products</u>
	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes
1998-99 (15 months)	47,398	93,328	–	93,328	106,434
1999-2000 (9 months)	–	70,805	2,124	72,929	88,964
2000-01	–	102,549	2,095	104,644	132,065
2001-02	–	100,701	3,854	104,555	126,107
2002-03	–	109,835	3,772	113,607	139,428
2003-04	–	125,599	2,385	127,984	154,211
2004-05	–	139,061	1,604	140,665	167,217
2005-06	–	149,767	1,754	151,521	177,446
2006-07	–	155,224	2,207	157,431	178,841
2007-08	–	165,076	3,057	168,133	185,246
2008-09	–	180,052	5,520	185,572	181,523
2009-10	–	219,917	7,153	227,070	193,143
2010-11	–	223,090	17,747	240,837	201,823
2011-12	–	241,182	14,497	255,679 **	261,403 ***

\*\* Includes 2,568 tonnes of own production and 253,111 tonnes under the conversion arrangements with the Tata Steel Limited.

\*\*\* CR Products includes production under conversion arrangement with the Tata Steel Limited.

Capital Accounts							Revenue Accounts							
Year	Capital	Reserve and Surplus	Borrowing	Gross Block	Net Block	Investment	Income	Expenses	Depreciation	Profit/(Loss) Before Tax	Taxation	Profit/(Loss) After Tax	Dividends (including Dividend Tax)	Year
1987-88	1,014.43	825.94	1,853.64	3,269.84	1,437.52	0.37	11,912.48	11,329.80	241.51	341.17	54.00	287.17	101.20	1987-88
1988-89	1,014.43	1,111.10	3,045.25	4,389.28	2,346.87	0.37	13,932.96	13,206.20	215.80	510.96	74.00	436.96	151.80	1988-89
1989-90	1,014.43	1,216.32	4,058.61	5,367.76	3,072.86	7.87	16,991.79	16,436.80	257.97	297.02	40.00	257.02	151.80	1989-90
1990-91	1,014.43	1,277.34	2,708.53	5,718.58	3,074.95	7.87	19,202.97	18,528.14	350.01	324.82	112.00	212.82	151.80	1990-91
1991-92	1,014.43	1,498.28	2,671.28	6,407.37	3,465.46	7.87	18,315.46	17,413.32	299.04	603.10	200.00	403.10	182.16	1991-92
1992-93	1,014.43	1,537.82	14,604.96	9,955.36	6,668.97	7.83	29,956.55	29,390.21	344.64	221.70	-	221.70	182.16	1992-93
1993-94	2,541.53	7,831.55	11,809.61	17,829.16	14,179.95	7.83	29,657.25	28,818.24	363.61	475.40	5.00	470.40	285.05	1993-94
1994-95	2,885.10	9,134.81	18,761.60	27,540.69	23,478.93	22.83	24,438.39	23,677.33	423.84	337.22	5.00	332.22	403.25	1994-95
1995-96	2,889.15	9,208.79	20,747.92	34,589.17	30,067.21	22.83	29,763.61	28,864.56	461.32	437.73	5.00	432.73	359.69	1995-96
1996-97	2,890.91	7,903.14	24,428.20	38,033.33	32,363.47	22.83	34,444.45	35,997.84	1,149.00	(2,702.39)	-	(2,702.39)	-	1996-97
1997-98	2,890.91	7,903.14	25,885.84	38,267.94	30,757.39	22.83	31,129.23	35,403.56	1,843.26	(6,117.59)	-	(6,117.59)	-	1997-98
1998-99*	11,097.91	7,802.64	23,154.77	38,447.18	28,996.16	22.83	22,917.10 #	25,074.60	2,179.76	(4,337.26)	-	(4,337.26)	-	1998-99*
1999-00**	13,859.91	7,802.64	21,579.96	37,687.42	27,522.27	22.83	11,538.13 #	11,355.47	1,254.10	(1,071.44)	-	(1,071.44)	-	1999-00**
2000-01	14,123.91	7,638.64	20,581.07	35,961.94	25,763.07	22.83	17,239.01 #	17,411.94	1,609.45	(1,782.38)	49.80	(1,832.18)	-	2000-01
2001-02	14,123.91	7,488.64	20,651.91	36,843.58	25,006.91	24.83	18,739.20 #	17,012.21	1,645.73	81.26	(20.52)	101.78	-	2001-02
2002-03	14,123.91	7,488.64	20,282.76	37,876.02	24,360.23	124.83	26,373.98 #	24,485.01	1,687.27	201.70	-	201.70	-	2002-03
2003-04	14,123.91	317.53	18,943.47	39,271.81	23,953.24	224.83	33,850.59 #	29,908.50	1,807.86	2,134.23	-	2,134.23	-	2003-04
2004-05	14,123.91	531.25	14,622.74	40,702.93	23,916.88	224.83	26,903.25 #	21,801.61	1,888.69	3,212.95	165.00	3,047.95	-	2004-05
2005-06	14,123.91	1,516.12	13,449.94	45,806.89	27,070.34	22.83	44,048.66 #	38,126.87	1,971.69	3,950.10	(945.53)	4,895.63	2,013.10	2005-06
2006-07	14,123.91	2,676.99	12,965.86	49,083.76	28,087.42	22.83	48,165.62 #	42,835.43	2,261.60	3,068.59	1,180.50	1,888.09	-	2006-07
2007-08	14,125.43	3,079.72	21,172.22	63,952.84	40,698.52	22.83	41,386.60 #	38,319.10	2,259.92	807.58	413.09	394.49	-	2007-08
2008-09	14,125.43	4,604.07	27,198.39	72,175.38	46,117.87	22.83	67,505.10 #	58,432.12	2,805.76	6,267.22	2,787.04	3,480.18	1,955.83	2008-09
2009-10	18,442.38	23,705.89	20,716.22	94,745.44	65,572.21	1,750.30	81,323.77 #	67,806.82	3,364.11	10,152.84	3,437.70	6,715.14	2,372.12	2009-10
2010-11	18,442.38	24,717.37	32,138.69	79,184.72	46,409.30	22.83	81,201.20 #	72,451.24	3,634.84	5,115.12	1,534.17	3,580.95	2,569.47	2010-11
2011-12	21,712.80	38,945.76	13,455.98	112,665.22	75,266.39	27.25	64,600.11 #	56,990.64	4,819.36	2,790.11	1,134.91	1,655.20	2,143.71	2011-12

\* 15 months

\*\* 9 months

# Conversion agreement with TISCO for ETP/CRM commenced from 1st April, 1998.







# THE TINPLATE COMPANY OF INDIA LIMITED

Registered Office: 4, BANKSHALL STREET, KOLKATA 700 001

## ATTENDANCE SLIP

Ninety-third Annual General Meeting – 24th September, 2012 to be held at the Williamson Magor Hall,  
The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700 001

Name of the Shareholder .....
D. P. ID ..... Client ID .....
Shareholder's Folio No. .... No. of Shares held .....

Name of the attending member/Proxy .....

I hereby record my presence at the Ninety-third Annual General Meeting of the Company to be held on Monday, 24th September, 2012 at 11.00 A.M.

.....  
Member's/Proxy's Signature

Note: Shareholder/Proxyholder desiring to attend the Meeting should bring his copy of the Annual Report for reference at the Meeting.

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING AND HAND OVER AT THE ENTRANCE DULY FILLED IN AND SIGNED



# THE TINPLATE COMPANY OF INDIA LIMITED

REGISTERED OFFICE : 4, BANKSHALL STREET, KOLKATA 700 001

## PROXY FORM

I / We.....  
( IN BLOCK LETTERS )

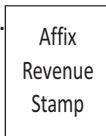
of.....being a member/members  
of The Tinplate Company of India Limited hereby appoint.....  
of.....  
or failing him.....  
of.....

as my/our proxy in my/our absence to attend and vote for me/us, and on my/our behalf at the NINETY-THIRD ANNUAL GENERAL MEETING of the Company to be held at the Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700 001 on Monday, 24th September, 2012 at 11.00 AM and/or any adjournment thereof.

As witness my/our hand(s) this ..... day of September, 2012

Signed by the said .....

No. of shares held .....



R. F. No. /Demat details : .....

- Notes :
1. The Proxy Form must be deposited at the Registered Office of the Company at 4 Bankshall Street, Kolkata 700 001 not less than 48 hours before the time for holding the meeting.
  2. The Form should be signed across the stamp as per specimen signature registered with the Company.

**THE TINPLATE COMPANY OF INDIA LIMITED**

Registered Office 4 Bankshall Street Kolkata 700 001

A **TATA** Enterprise