

THE TINPLATE COMPANY OF INDIA LIMITED

NOTICE

The Eighty-eighth Annual General Meeting of The Tinplate Company of India Limited will be held on Friday, 20th July, 2007 at 4.00 P.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, 2007 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr S P Nagarkatte, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Mr Koushik Chatterjee, who retires by rotation and is eligible for reappointment.
4. To appoint Messrs Price Waterhouse, Chartered Accountants, as the Auditors of the Company, to hold office from the conclusion of this meeting upto 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, traveling and living expenses.

Registered Office :
4, Bankshall Street
Kolkata - 700001
Dated : 3rd May, 2007

By Order of the Board

SKAR
Company Secretary

NOTES:

- (a) The relevant details in respect of item No. 2 and 3 above pursuant to Clause 49 of the Listing Agreement are annexed hereto.
- (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 OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (c) The Register of Members and Transfer Books of the Company will be closed from 10th July to 20th July, 2007 (both days inclusive).
- (d) Members are requested to bring the attendance slips along with copies of Annual Report to the Meeting.

- (e) Members 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 Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents, TSR Darashaw Limited whose addresses are given hereunder.

Details of the Directors seeking reappointment/appointment at the Annual General Meeting

Name of Director	Mr S P Nagarkatte	Mr Koushik Chatterjee
Date of Birth	16th April, 1943	3rd September, 1968
Date of Appointment	12th April, 1997	25th October, 2004
Qualification	B.Tech (IIT Bombay) M.S. (Materials Engineering) University of Illinois, Chicago, USA	B.Com (Hons) Chartered Accountant
Expertise in specific functional areas	Experienced in Project Management and Project Finance	Experienced in the fields of Financial Reporting and Control, Corporate Finance & Treasury, Mergers & Acquisitions, Corporate & International Taxation and Corporate Legal Issues
Directorship held in other Companies (excluding foreign Companies)	Nil	Tata Refractories Ltd. Kalimati Investment Company Ltd. Rujuvalika Investments Ltd. Tata Services Ltd. The Dharma Port Company Ltd.
Membership/ Chairmanship of Committees across public Companies	Nil	Tata Refractories Ltd. (Audit Committee)
No. of shares held in the Company	Nil	Nil

TSR DARASHAW LIMITED (Formerly Tata Share Registry Limited)

NAME		OFFICE
<p>REGISTERED OFFICE</p> <p>TSR DARASHAW LIMITED 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</p>		
<p>BRANCH OFFICES</p>		
<p>1. Bangalore</p> <p>TSR DARASHAW LIMITED 503, Barton Centre (5th Floor) 84, Mahatma Gandhi Road, Bangalore-560 001 E-mail : tsrlbang@tsrdarashaw.com</p>	<p>Tel. Fax</p>	<p>022-66568484 022-66568494</p> <p>080-25320321 080-25580019</p>
<p>2. Jamshedpur</p> <p>TSR DARASHAW LIMITED Bungalow No. 1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001 E-mail : tsrljsr@tsrdarashaw.com</p>	<p>Tel. Fax</p>	<p>0657-2426616 0657-2426937</p>
<p>3. Kolkata</p> <p>TSR DARASHAW LIMITED Tata Centre, 1st Floor, 43, Jawarharlal Nehru Road, Kolkata-700 071 E-mail : tsrlcal@tsrdarashaw.com</p>	<p>Tel Fax</p>	<p>033-22883087 033-22883062</p>
<p>4. New Delhi</p> <p>TSR DARASHAW LIMITED 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi-110 002 E-mail : tsrlidel@tsrdarashaw.com</p>	<p>Tel Fax</p>	<p>011-23271805 011-23271802</p>

Directors' Report

TO THE MEMBERS

The Directors hereby present their Eighty-eighth Annual Report on the business and operations of the Company and the Audited Financial Accounts for the year ended 31st March, 2007.

FINANCIAL RESULTS :

	FY 2006-07 Rupees Lacs	FY 2005-06 Rupees Lacs
1. (a) Net Sales/Income	45474.07	40,596.04
(b) Total Expenditure	40126.20	34,122.77
(c) Operating Profit	5347.87	6,473.27
(d) Add : Dividend and Other Income	1535.89	917.80
(e) Profit before Interest, Depreciation and Taxes	6883.76	7,391.07
(f) Less : Interest	1553.57	1,469.28
(g) Profit before Depreciation and Taxes	5330.19	5,921.79
(h) Depreciation	2261.60	1,971.69
(i) Profit before Taxes	3068.59	3,950.10
(j) Less : Provision for Current Taxation	358.45	333.00
(k) Add : Mat Credit	350.00	333.00
(l) Less : Provision for Fringe Benefit Tax	86.35	100.00
(m) Less/(Add) : for Deferred Taxation	1085.70	(1,045.53)
(n) Profit after Taxes	1888.09	4,895.63
(o) Add : Balance brought forward from previous year	935.49	(1,897.66)
Less : Adjustment arising from restatement of certain Defined Benefit Obligation relating to employees	651.62	—
(p) Balance	2171.96	2,997.97
Which the Directors have appropriated as under, to :		
(i) Excess Transfer to Debenture Redemption Reserve written back	500.00	26.22
(ii) Proposed Dividend	—	(1,765.49)
(iii) Tax on Dividend	—	(247.61)
(iv) General Reserve	—	(75.60)
TOTAL	500.00	(2,062.48)
Leaving a balance of	2671.96	935.49

BUSINESS RESULTS

During the year under review your Company's operating performance improved compared to the previous year, in terms of sales, productivity and product mix. However, the margins came under tremendous pressure on account of unprecedented input cost increases, both for HR Coils and Tin and this resulted in a fall in the Operating Profit in the financial year ended 31st March, 2007.

The Tinsplate industry, worldwide, is going through a lean patch with many parts of the developed world displaying signs of over capacity and stagnancy in demand for packaging materials. As a result, there is increasing trade flows taking place into emerging economies. Coupled with input cost increases, it has resulted in both the industry and the Company having a lower than expected financial performance. The situation is expected to continue for the next couple of years.

Consequent upon the reduction in the Operating Profits and to meet the requirements for the Company's ongoing major expansion plan of doubling the tinsplate production capacity by 200,000 tonnes per annum your Directors consider it prudent not to recommend dividend on the Preference and Equity Shares of the Company for the financial year ended 31st March, 2007.

FINANCE

During the year, your Company progressively reduced its existing long term debts by Rs. 39 crores including the last instalment of Rs. 20 crores against the privately placed Non-Convertible Debentures (NCDs). These NCDs were raised during the financial year 02-03, to repay certain high cost Long Term Debts, within a reduced period of four years. Such accelerated repayment of the NCDs had contributed towards mismatch of funds to the extent of Rs. 975.36 lakhs as on 31st March, 2007.

During the year, owing to lower operating profits and hence, lower cash accruals than planned, your Company had to borrow long term debt of Rs. 30 crores to finance the ongoing approved Capital Expenditure to enhance the capacity of the existing tinning line to 180,000 tonnes per annum. The Company also availed of a bridge loan of Rs. 11.62 crores for the second tinning line.

The Ministry of Company Affairs, Government of India has exempted the Company from the provisions of Section 58A of the Companies Act 1956, and Rule 3,3A, 4/4A, 5,6,7,8,8A, and 10 of the Companies (Acceptance of Deposit) Rules, 1975 for implementing the Employees Family Benefit Scheme formulated by the Company for providing monetary benefits to the family members of the employees who expire while in service.

TECHNOLOGY ENHANCEMENT & CAPACITY EXPANSION

The continuous up-gradation of technology and enhancements of capacities have enabled your Company to come closer to the customers with improved product mix as also cost effective and differentiated solutions to meet their varied packaging needs.

- a) During the financial year under review, the Company invested Rs. 20 crores for various modernization-cum-debottlenecking projects and during the first quarter of the financial year 2007-08, your Company is further stretching its tinsplate production capacity to operate at 180,000 tonnes per annum effective July, 2007.

- b) Solution Center, commissioned in December, 2005, has taken time to stabilize operations. Whilst, the Lacquering line has started operating at desired levels, the printing line is expected to overcome teething problems within the first half of 2007-08.
- c) Subsequent to the approval by the Board for increasing the scale of operations to 380,000 tons per annum, your Company has initiated project work for the second tinning line and the line is expected to be commissioned in 2008 at the existing Works at Golmuri, Jamshedpur.

CORPORATE GOVERNANCE

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 regarding employees as amended is given in Annexure II to the Directors' Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956 ("the Act") the Directors wish to certify the following :

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

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- c) That 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 Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the annual accounts on a going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr S P Nagarkatte and Mr Koushik Chatterjee, retire by rotation and are eligible for re-appointment.

AUDITORS

The Members are requested to appoint the Auditors and fix their remuneration. Messrs Price Waterhouse, Chartered Accountants, the retiring auditors have furnished certificate of their eligibility for re-appointment as required under the Companies Act, 1956.

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all the employees of the Company for their personal efforts as well as their collective contribution under difficult competitive conditions, during the year under review. Recognized Unions at Jamshedpur and Kolkata have co-operated in an exemplary manner towards achieving the objectives of your Company.

The Directors would also like to thank the shareholders, customers, suppliers, bankers, financial institutions, central and state government agencies and all other business associates for their continuous support to the Company.

On behalf of the Board of Directors

B Muthuraman
Chairman

Jamshedpur, 3rd May, 2007



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As reported last year, the Company is in the business of providing tinplate packaging solutions for processed edibles and other end use applications like paints, pesticides, battery, aerosols, etc. wherein Tinplate as a packaging medium is ideally positioned because of its unique properties like high shelf life, tamper proof, resistant to ultra-violet rays, barrier properties, stack-ability, eco- friendliness, product durability.

Worldwide, two-thirds of tinplate production is used for packaging edibles and processed food items, and therefore, growth is inextricably linked to food processing. Although India is a large producer of specific foods and has competitive advantages, presently only less than 5% of food is processed and packed against 24-50% in developed countries. The Ministry of Food Processing Industries, Government of India has envisioned a 3-fold growth of the processed foods industry by 2015, complimented through many encouraging policies to catalyze growth. The Food and Safety Standards Bill was passed by Parliament in 2006. The Union Budget 2007 and the Foreign Trade Policy announced in April, 2007, have made numerous policy changes to encourage the agro sector to facilitate India's move towards becoming a Food Factory to the World.

Globally, packaging spent per capita has depended on purchasing power and therefore packaging consumption depends on economic development. The Indian economy is on course for sustained double digit growth and it is therefore believed that the per capita packaging spend should also increase. However to facilitate the growth of the processed food industry, the packaging industry will have to ensure focused development towards enhancing the brand equity of the packed product and its safety. All players in the packaging industry have to work towards innovation, consumer convenience and cost effectiveness of the packaging solutions, since demographic / life style changes will lead to increasing demand for convenience features in purchasing and branded packaged products. The retailing boom now underway will result in brands competing for consumer mind share and the packaging will be one of the key differentiation.

The critical challenges for the Company are to build global scale of operations, improve efficiencies, establish a very strong development focus and be able to deliver value added products to its customers.

Your Company's promoter, Tata Steel, have recently acquired Corus in Europe. Corus is amongst the world leaders in tinplate with excellent R & D and application engineering capabilities. Over the years, your Company will work together with Corus in all areas of operations and marketing and together strive to emerge as world leaders.

INDUSTRY STRUCTURE AND DEVELOPMENTS

As a packaging medium, tinplate is competing with other packaging media (plastic, paper, Tetrapack, PET, glass, aluminium, etc.) across the world. The tinplate industry therefore has to focus on innovation, convenience and cost effectiveness of the final packaging solutions.

The indigenous producers of Tinplate are, your Company based in Jamshedpur, Jharkhand ; Steel Authority of India Limited at Rourkela, Orissa ; GPT Steel Industries which started operations

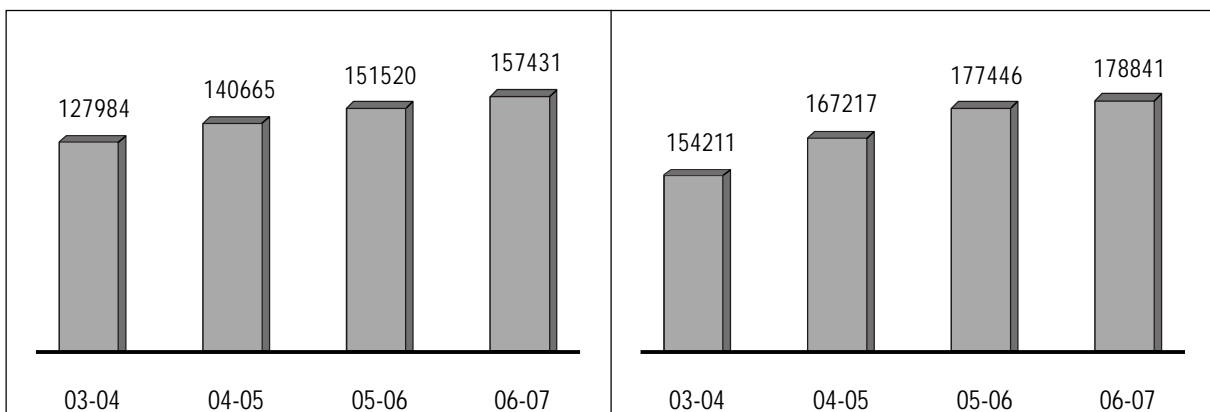
in 2006 with a plant at Kandla in Gujarat. The tinsplate consumption in India is presently, approximately 350,000 tonnes per annum and your Company has 35-40% market share and presently, imports service approx 50% of the business, since custom duties in India are as low as 5% only.

The Company's business is growing at the rate 5-10% per annum with focus on developing both domestic and international markets with Company's products finding increasing acceptance in discerning markets across the globe from SE Asia, West Asia, neighboring countries to Europe. In emerging and developing economies, tinsplate consumption is increasing and the Company is doubling the capacity by 2008 as also developing metal packaging solutions leveraging the capabilities established at the Solution Center with lacquering and printing facilities.

The Company is promoting the consumption of tinsplate in India and led the formation of the Tinsplate Promotion Council (TPC) and over the years held international tinsplate seminars, hosted Awards Nite for Packaging excellence to encourage the industry's efforts towards promoting convenience and innovation in packaging as also reach out to end use industries. The Company is working with leading brand owners for fresh applications for tinsplate packaging and developing solutions and this effort is getting intensified with in house capability development at the Solution Center. In order to better understand the packaging needs of both brand owners and consumers across the country, the Company undertakes on consumer research across various end use application.

OPERATIONAL PERFORMANCE

The Company's tinning line has a nameplate capacity of 90,000 tons and over the years, through continuous improvement, introduction of world class practices (Total Operational Performance, Total Plant Maintenance) and debottlenecking of critical operating units your Company is now capable to operate at 180,000 tonnes per annum, effective July, 2007. There have been break-through improvements in productivity parameters, many of which are now close to international benchmarks.



During financial year 06-07, both the Cold Rolling Mill (CRM) and Electrolytic Tinsplate Plant (ETP) improved the total production performance over the previous year.

FINANCIAL PERFORMANCE

The Company's financial performance in terms of revenues, debt servicing burden, utilization of cash resources, borrowing efficiency has improved. The Company is now looking forward to growth. However, during the financial year 06-07, margins and returns have fallen due to depressed market conditions and subdued tinplate prices internationally. Normally, international tinplate prices move in alignment with international Hot Rolled Coil prices but this did not happen in the year under review and the Hot Rolled Coil prices remained bullish throughout the year. The increase in Hot Rolled Coil prices together with significant increase in prices of Tin has impacted the financials in financial year 06-07 especially on margins and profitability.

Despite hardening of interest rates in the current financial year, the interest rates were kept at the same level as in the previous year to manage financing costs. With the recent hardening of the rupee vis-à-vis dollar, the Company is taking requisite risk mitigation measures to minimise adverse financial impact. However the appreciation has been extra ordinary and will have a negative impact in financial year 07-08.

Your Company is also in the midst of discussions with possible lenders to complete the financial closure of its planned expansion of the new Electrolytic Tinplate Plant of 200,000 tpa capacity.

OPPORTUNITIES AND THREATS

Opportunities :

- Tinplate Industry strives to remain competitive vis-à-vis alternate media thru light weighing i.e. introducing thinner products for similar applications for enhancing customer competitiveness. Your Company has the capability to produce Double Reduced Tinplate products which are thinner compared to conventional Tinplate products. With the retail industry now growing the Indian Food Processing industry will receive a big boost.
- India has potential to become 'Food Factory to the World' and the packaging industry is poised for growth based on processed food industry growth. The Ministry of Food Processing, Government of India has encouraged the processed food industry growth.

Threats :

- HR Coils and tin constitute nearly two-third of the product cost and variations in prices of these commodity products, not in synchronisation with commensurate tinplate prices, results in considerable erosion in margins.
- In developed economies use of certain categories of tin mill products are banned for packing processed edibles but products from these countries are being dumped into India and finding their ways into food packaging.

- Till last year, there were only two players (TCIL and SAIL) in India and from 2006 another Company has started operations in Gujarat.
- At an industry level tinplate packaging across the world has to compete with other substitute packaging media.

INTERNAL CONTROLS AND SYSTEM

The Company has in place proper and adequate systems of internal controls to provide reasonable assurance that all assets are safe-guarded, transactions are authorized, recorded and reported correctly and to ensure compliance with policies, statutes and Tata Code of Conduct. The internal control system provides for documented procedures covering all financial and operating functions. The internal control system is supported by the Internal Audit Department which carries out extensive audit of various functions independently and submits its findings to the Managing Director and the Audit Committee.

The scope of the audit activity is broadly guided by the Annual Audit Plan developed by your Company's Internal Audit Department and approved by the Audit Committee. Your Company is having an Audit Committee comprising of three Non-Executive and independent Directors namely Mr S P Nagarkatte—Chairman, Mr N Ramasubramaniam and Mr Chinubhai Shah, Members. The Audit Committee meets regularly and reviews the reports submitted by the Internal Audit Department and adequacy of internal controls as well as compliance with Accounting Standards. The Audit Committee also reviews with the Statutory Auditors regarding adequacy of the Company's internal control systems and their observation on the financial reports. The Audit Committee's observations and recommendations are acted upon by the Management.

RISKS AND CONCERNS

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the Risk Assessment and Minimization Procedure has been laid down and approved by the Board of Directors, with effect from 1st January, 2006. As per procedure an Executive Committee has been formed to oversee the Risk Management Process. The Committee has the Managing Director as Chairman and all the functional heads as its members. The Chief Internal Auditor (CIA) has been designated as facilitator. Sub-Committees have been formed for each of the functional areas who are the Risk Owners. All the sub-committees meet periodically and review the inherent risks in their areas and the same is forwarded to CIA who compiles the risks at enterprise level. The identified risks are prioritized in terms of "Likelihood and Impact" after discussion with the Risk Owners and ranking assigned to each risk in terms of High/Medium/Low. Existing control systems to mitigate the risks are discussed with the Risk Owners for re-evaluation of the risks. The risks remaining in the "High" category during the period of reporting are treated as "Residual Risk" if the mitigation process is inadequate. The Residual Risks in the "High" category are reported to Executive Committee periodically for review. Thereafter Executive Committee reports its findings to the Board half yearly.



Every quarter all sub-committees review the identified risks for addition / deletion or change in risk category and CIA updates the Risk Register accordingly and submits its report to Executive Committee for review.

ENVIRONMENT MANAGEMENT

Your Company has taken various steps towards further improving & sustaining environment management and resource conservation systems. The re-use and re-cycle of water and waste acid, waste oil, reduction in noise level, energy conservation etc. are some of the key initiatives.

Your Company's efforts in environment management have been recognized by CII Eastern Region with the award of a Certificate of Appreciation for SHE (Safety, Health and Environment) activities for the year 2006-07 and also the CII-ITC Sustainability Award.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has strived to implement the concept of Triple Bottom Line in both its short and long term planning process with the belief that business and industry has a role to play in socio economic development and is critical component of organizational growth and success.

To ensure that the growth process is inclusive and sustainable, the leadership is creating business models to create sustainable livelihoods. With confidence gained from the experience of last 3-4 years in developing a role model village "Hudu", your company is replicating its Corporate Social Responsibility (CSR) in 18 villages around Hudu. It has adopted the Code of Conduct on Affirmative Actions of CII. It has evolved an affirmative action policy with focus on socially and economically backward sections with special reference to ST/SC whereby Schedule Tribe girls are trained in our Hospital.

CSR activities are managed through volunteering by our employees, ladies from their families under Tinplate Ladies Welfare Association (TLWA) and involving the community to ensure that they own and share its responsibilities. The CSR activities in the vicinity of our factory is implemented thru' Community Development Centers (CD) and TLWA. In the vocational training given in CD centers preference is given to SC/ST employee wards. Over the years, the Company has been recognized at the state and national level bodies like TERI and CII – ITC Centre of Excellence for its work in CSR.

HUMAN RESOURCE MANAGEMENT

During the year under review, your company continued its effort to improve HR related processes, practices and systems aligned to the organizational objectives. The efforts towards developing human resources, backed by a effective performance measurement and management system, have yielded results. Your Company has deployed a comprehensive approach at all levels of employees and all functions to maximize productivity, including empowerment at the grass root level through a policy of creating a World Class Workforce.

REWARDS AND RECOGNITION

During the year under review the Company's processes and systems have won many accolades and some of them are highlighted below :

- CII (ER) HRD Award – Best HR Practices in the Eastern India.
- J N Tata Award for Business Excellence.
- CII - ITC Sustainability Award for 'Commendations for Achievement on Sustainable Development'.
- CII (ER) Productivity Award.
- CII (ER) 'Certificate of Appreciation' for commendable work done in Safety Health and Environment.
- CII EXIM Significant Achievement Award.
- CII (ER) – HRD Award.
- EEPC (ER) Export Excellence Award.
- National Work Skills Competition – 3rd Position in Electrician trade.
- CII (ER) Work Skills Competition – 3rd Position in COPA Trade.
- National Convention of INSSAN – Meritorious Award.
- Annual INVEST Conference – Best Paper.

BUSINESS EXCELLENCE

Over the last few years, the Company has been assessing its internal business processes through two business excellence assessment models – the Tata Business Excellence Model (TBEM) and the CII Exim Award for Business Excellence and in 2006, the Company improved its score under both the models.

CAUTIONARY STATEMENT

Statements in Management Discussions & Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statement" 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 price condition in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statute 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 Tinsplate Company of India Limited, as at 31st March, 2007 and the related Profit and Loss Account 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 our 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) Order, 2004 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 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 to show full particulars including quantitative details and situation of the fixed assets.
 - [b] The fixed assets of the Company are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - [c] In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed assets during the year.
 - 3.2 [a] The inventory of the Company 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.

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- 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 are 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 we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- 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, the particulars of which are required to be entered in the Register maintained under that section. Further there have been no transactions made in pursuance of such contracts and exceeding the value of rupees five lakhs in respect of any party during the year.
- 3.6 The Company has not accepted any deposits under the provisions of Sections 58A and 58AA or any other relevant provisions 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 business.
- 3.8 The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of its products of the Company.
- 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 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, as at 31st March, 2007 there have been no dues in respect of Income Tax, Wealth Tax, Service Tax and Cess which have not been deposited on account of dispute other

than certain disputed Sales Tax, Excise Duty and Customs Duty dues, the details of which 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	92.38	1996-97, 1998-99, 1979-80, 1995-96, 2001-02	Appellate Authority i.e. Assistant Commissioner- Commercial Taxes, Dy. Commissioner- Commercial Taxes, Joint Commissioner- Commercial Taxes
	-Do-	1392.39	1994-95, 1994-95 to 1996-97, 1999-2000, 2001-02	Commissioner Commercial Taxes, Jharkhand
	-Do-	3.04	1993-94	Sales Tax Tribunal (South)
	-Do-	618.10	1987-88	High Court, Ranchi
	Demand against Penalty and Interest	136.61	1986-87	Sales Tax Tribunal, Ranchi
Central Excise Act 1944	Disputed dues	181.99	1994-95, 1999-00, 2000-01, 2003-04, 2005-06	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
	-Do-	64.56	2006-07	Commissioner, Central Excise & Service Tax
	Penalty on disputed dues	291.60	1994-95, 1999-00, 2000-01, 2003-04, 2005-06	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act 1962	Dispute on Custom Duty	215.92	1984	Kolkata High Court

3.10 The Company has no accumulated losses as at 31st March, 2007 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 financial institution or bank or to debenture holders.

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- 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 investments.
 - 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 terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
 - 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 and according to the information and explanations given to us, we report that short-term funds of Rs. 975.36 lacs have been used for long-term investment as at the year end.
 - 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 created security or charge in respect of debentures issued in earlier years which were fully redeemed during the year.
 - 3.20 The Company has not raised any money by public issue 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, either 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 Account 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 Account and the Cash Flow Statement dealt with by this report comply with the applicable accounting standards referred to in sub-section (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 are disqualified as on 31st March, 2007 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 31st March, 2007 ;

[ii] in the case of the Profit and Loss Account, of the profit for the year ended on that date.

[iii] in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

S K Deb

Partner

Membership Number : 13390

For and on behalf of

PRICE WATERHOUSE

Chartered Accountants

Place : Jamshedpur

Date : 3rd May, 2007

THE TINPLATE COMPANY OF INDIA LIMITED

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BALANCE SHEET AS AT 31ST MARCH, 2007

	Schedule	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	'A'	14,123.91	14,123.91
Reserves and Surplus	'B'	<u>2,676.99</u>	<u>1,516.12</u>
		16,800.90	15,640.03
LOAN FUNDS			
Secured Loans	'C'	<u>12,965.86</u>	<u>13,449.94</u>
	TOTAL	<u>29,766.76</u>	<u>29,089.97</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'D'	46,464.14	44,426.14
Less : Depreciation		<u>20,996.34</u>	<u>18,736.55</u>
Net Block		25,467.80	25,689.59
Capital Work-in-Progress		<u>2,619.62</u>	<u>1,380.75</u>
		<u>28,087.42</u>	<u>27,070.34</u>
INVESTMENTS	'E'	<u>22.83</u>	<u>22.83</u>
DEFERRED TAX ASSETS (net) (Note 18(b) & (c) of schedule 'P')		328.81	1,045.53
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	'F'	3,740.43	2,715.72
Sundry Debtors	'G'	1,695.11	2,646.08
Cash and Bank Balances	'H'	51.13	532.97
Other Current Assets	'I'	738.42	602.31
Loans and Advances	'J'	<u>5,481.35</u>	<u>3,610.11</u>
		11,706.44	10,107.19
LESS : CURRENT LIABILITIES AND PROVISIONS			
Liabilities	'K'	11,147.21	9,696.89
Provisions	'L'	<u>1,042.80</u>	<u>2,611.10</u>
		12,190.01	12,307.99
Net Current Assets		<u>(483.57)</u>	<u>(2,200.80)</u>
MISCELLANEOUS EXPENDITURE (Note 6 of Schedule 'P') (To the extent not written off or adjusted)		<u>1,811.27</u>	<u>3,152.07</u>
	TOTAL	<u>29,766.76</u>	<u>29,089.97</u>
NOTES ON ACCOUNTS	'P'		

This is the Balance Sheet referred to in our report of even date

(S K Deb)
Partner
Membership Number : 13390
For and on behalf of
PRICE WATERHOUSE
Chartered Accountants
Jamshedpur, 3rd May, 2007

The schedules referred to above form an integral part of Balance Sheet.

On behalf of the Board

B Muthuraman
Chairman
B L Raina
Managing Director
S Kar
Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

	Schedule	For the year ended 31st March, 2007 Rupees Lakhs	For the year ended 31st March, 2006 Rupees Lakhs
INCOME			
SALES		25,601.22	27,219.34
CONVERSION CHARGES		20,474.30	15,452.54
EXPORT INCENTIVE		554.21	433.10
		<u>46,629.73</u>	<u>43,104.98</u>
LESS : EXCISE DUTY ON SALES		1,155.66	2,508.94
SALES AND CONVERSION CHARGES (NET)		45,474.07	40,596.04
OTHER INCOME	'M'	1,535.89	917.80
		<u>47,009.96</u>	<u>41,513.84</u>
EXPENDITURE			
MANUFACTURING AND OTHER EXPENSES	'N'	40,126.20	34,122.77
DEPRECIATION		2,261.60	1,971.69
INTEREST	'O'	1,553.57	1,469.28
		<u>43,941.37</u>	<u>37,563.74</u>
PROFIT BEFORE TAX		<u>3,068.59</u>	<u>3,950.10</u>
PROVISION FOR TAXATION (Note 18 of Schedule 'P')			
CURRENT TAXATION	358.45		333.00
(including Rs. 8.45 lakhs for earlier years)			
Less : MAT CREDIT	350.00	8.45	(333.00)
DEFERRED TAXATION (NET)		1,085.70	(1,045.53)
FRINGE BENEFIT TAX		86.35	100.00
(including Rs. 1.35 lakhs for earlier years)			
PROFIT AFTER TAX		<u>1,888.09</u>	<u>4,895.63</u>
TRANSFER FROM DEBENTURE REDEMPTION RESERVE		500.00	26.22
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	935.49		(1,897.66)
Less : Adjustment arising from restatement of certain Defined Benefit obligation relating to employees [refer note 19.1(a) of Schedule 'P']	651.62	283.87	
AMOUNT AVAILABLE FOR APPROPRIATIONS		<u>2,671.96</u>	<u>3,024.19</u>
APPROPRIATIONS :			
PROPOSED DIVIDEND		—	1,765.49
TAX ON DIVIDEND		—	247.61
GENERAL RESERVE		—	75.60
BALANCE CARRIED TO BALANCE SHEET		<u>2,671.96</u>	<u>935.49</u>
		<u>2,671.96</u>	<u>3,024.19</u>
Earnings per Share			
- Basic (Rs.)		6.51	11.36
- Diluted (Rs.) (Note 25 of Schedule 'P')			
NOTES ON ACCOUNTS	'P'		

This is the Profit and Loss Account referred to in our report of even date

The schedules referred to above form an integral part of Profit and Loss Account.

On behalf of the Board

(S K Deb)
Partner
Membership Number : 13390
For and on behalf of
PRICE WATERHOUSE
Chartered Accountants
Jamshedpur, 3rd May, 2007

B Muthuraman
Chairman
B L Raina
Managing Director
S Kar
Company Secretary

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SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
'A' SHARE CAPITAL		
AUTHORISED :		
1,26,50,000 Preference Shares of Rs. 100/- each	12,650.00	12,650.00
20,00,00,000 (31st March, 2006 : 15,00,00,000) Equity Shares of Rs. 10/- each	20,000.00	15,000.00
	<u>32,650.00</u>	<u>27,650.00</u>
ISSUED, SUBSCRIBED AND PAID UP :		
1,12,33,000 12.50% Non Cumulative Optionally Convertible Preference Shares of Rs. 100/- each [Notes (a) below]	11,233.00	11,233.00
2,90,05,800 Equity Shares of Rs. 10/- each fully paid up [Notes (b) and (c) below]	2,900.58	2,900.58
Less : Calls in arrear	12.12	12.12
	<u>2,888.46</u>	<u>2,888.46</u>
Add : Forfeited Shares (Amount originally paid up)	2.45	2.45
	<u>2,890.91</u>	<u>2,890.91</u>
Total	<u>14,123.91</u>	<u>14,123.91</u>

Notes :

(a) Preference Share issued are redeemable in two equal instalments as follows

97,81,000	Nos after 2012
3,98,000	Nos after 2013
10,54,000	Nos after 2014
<u>1,12,33,000</u>	

(b) Equity Shares issued by way of fully paid up Bonus Shares out of General Reserve

4,25,000	Equity Shares of Rs. 10/- each in restoration of Capital previously Written-off	42.50
15,00,000	Equity Shares of Rs. 10/- each	150.00
<u>19,25,000</u>		<u>192.50</u>

(c) 32,55,750 Equity Shares of Rs. 10/- each issued to Financial Institutions on Conversion of Loans and Accrued Interest

10,00,000	Equity Shares of Rs. 10/- each issued to Tata Steel on conversion of Accrued Interest	100.00
<u>42,55,750</u>		<u>425.58</u>

'B' RESERVES AND SURPLUS

CAPITAL RESERVE

Balance as per last account	5.03	5.03
-----------------------------	------	------

DEBENTURE REDEMPTION RESERVE

Balance as per last account	500.00	526.22
Less : Transferred to Profit and Loss Account	500.00	26.22
	<u>—</u>	<u>500.00</u>

GENERAL RESERVE

Balance as per last account	75.60	—
Add : Transferred from Profit and Loss Account	—	75.60
Less : Adjustment arising from restatement of certain Defined Benefit obligation relating to employees [refer note 19.1(a) of Schedule 'P']	75.60	—
	<u>—</u>	<u>75.60</u>

PROFIT AND LOSS ACCOUNT : CREDIT BALANCE

	2,671.96	935.49
	<u>2,676.99</u>	<u>1,516.12</u>



SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd.)

	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
'C' LOAN FUNDS		
SECURED LOANS		
Debentures :		
7.95% Redeemable Non Convertible Debentures (NCDs) of Rs. 100.00 Lakhs each (Redeemed during the year)	—	2,000.00
	—	2,000.00
From Financial Institutions :		
Rupee Term Loans (Repayable within one year Rs. 977.99 Lakhs)	2,390.58	3,289.91
From Banks :		
Rupee Term Loans (Repayable within one year Rs. 882.62 Lakhs)	5,571.68	3,454.31
Foreign Currency Term Loans (Repayable within one year Rs. 107.73 Lakhs)	403.97	523.39
	8,366.23	7,267.61
Bridge Loan From Bank :		
Foreign Currency Loan (Repayable within one year Rs. 1,151.41 Lakhs)	1,151.41	—
	1,151.41	—
Cash Credit/ Working Capital Term Loans from Banks		
Rupee Loans	3,010.42	4,182.33
Foreign Currency Loan	437.80	—
	3,448.22	4,182.33
	12,965.86	13,449.94

NOTES :

(1) Debentures :

The above privately placed NCD's were secured by a pari-passu charge on the Company's fixed assets situated in the State of Jharkhand or any where else, both present and future, and guaranteed by the Tata Steel, in respect of principal and interest payments.

(2) Loan from Financial Institutions :

Loans from Financial Institutions 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 charge on all the Company's movable assets except book debts, both present and future, ranking pari-passu amongst themselves and subject to prior charge jointly in favour of the Company's bankers, providing Cash Credit, as mentioned in Note (4) below.

(3) Term Loan from Banks :

(i) The Rupee and Foreign Currency Term Loans are secured by 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, by way of pari-passu charge with other term lending Institutions, as mentioned in the Note (2) above.

(ii) The Rupee Term Loan of Rs. 1,041.55 Lakhs outstanding with State Bank of Patiala is secured as mentioned in Note (2) above and also guaranteed by Tata Steel Ltd. towards repayment of principal and interest.

(iii) The Rupee Term Loan of Rs. 1,000 Lakhs from Union Bank of India is secured against certain movable properties of the Company.

(iv) Bridge Loan From State Bank of India of Rs. 1,151.41 Lakhs is secured by the extension of second charge on fixed assets of the Company on pari-passu basis with other members of the MBA (Multiple Banking Arrangements).

(4) Cash Credit/Working Capital Term Loans from Banks :

The Cash Credit/ Working Capital Term Loans extended by Banks for Working Capital needs are secured by Hypothecation of Raw Materials, Finished Products, Work-in-Process, General Stores and Book Debts by way of first charge jointly in favour of Union Bank of India, State Bank of India and The Honkong and Shanghai Banking Corporation ranking pari-passu and by way of second charge jointly in favour of Term Lending Financial Institutions and Banks.

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SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd.)

'D' FIXED ASSETS

Description	Gross Block—At Cost			Depreciation				Net Block		
	As at 31st March 2006	Additions During the Year	Disposals/ Adjustment During the Year	As at 31st March 2007	As at 31st March 2006	For the Year	On Disposals/ Adjustment	As at 31st March 2007	As at 31st March 2007	As at 31st March 2006
	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs	Rupees Lakhs
Land	86.94	—	—	86.94	—	—	—	—	86.94	86.94
Site, Water and Drainage (Note 1 below)	175.71	—	—	175.71	39.46	2.79	—	42.25	133.46	136.25
Buildings (Note 2 below)	6,705.99	5.71	—	6,711.70	2,259.20	205.39	—	2,464.59	4,247.11	4,446.79
Plant and Machinery	36,935.06	1,975.57	7.53	38,903.10	16,124.20	2,024.99	—	18,149.19	20,753.91	20,810.86
	(Note 3 below)	(Note 4 below)								
Railway Track and Rolling Stock	36.46	—	—	36.46	36.46	—	—	36.46	—	—
Motor Vehicles										
- Own	64.35	58.34	2.61	120.08	37.83	4.86	1.81	40.88	79.20	26.52
- On Finance Lease (Note 6 below)	92.09	—	—	92.09	31.69	8.78	—	40.47	51.62	60.40
Furniture, Fittings and Office Equipments	329.54	8.52	—	338.06	207.71	14.79	—	222.50	115.56	121.83
Grand Total	44,426.14	2,048.14	10.14	46,464.14	18,736.55	2,261.60	1.81	20,996.34	25,467.80	25,689.59
Previous Year (31.03.2006)	39,980.39	4,468.83	23.08	44,426.14	16,786.05	1,971.69	21.19	18,736.55		
Capital Work-in-Progress (Note 5 below)	1,380.75									2,619.62
									28,087.42	27,070.34

- Note :
1. Site, Water and Drainage System and Building (except at Kolkata) are on leasehold land.
 2. Title Deeds in respect of building at Kolkata [including cost of freehold land - Rs. 2.80 lakhs (31.03.2006 Rs. 2.80 lakhs)] are yet to be executed.
 3. Includes Intangible Assets (Computer Software) acquired Cost of Rs. 88.55 lakhs ; w.d.v. Rs. 44.01 lakhs (31.03.2006 Rs. 58.37 lakhs).
 4. Adjustments to Fixed Assets include foreign exchange Gain (net) on account of fluctuation of Rs. 7.53 lakhs (31.03.2006 exchange loss - Rs. 11.57 lakhs).
 5. Capital work-in-progress includes advances (considered good) paid against orders Rs. 1,084.33 lakhs (31.03.2006 Rs. 305.79 lakhs) and borrowing cost of Rs. 4.99 lakhs (31.03.06 : Nil).
 6. Obligations under Finance Lease :
The Company had acquired Motor Vehicles under financial lease arrangements. Minimum Lease payments outstanding as at 31st March, 2007 in respect of lease assets are as under :

Due	Total minimum lease payments outstanding as at 31-03-07	Interest not due	Present value of Minimum lease payments
Within One year	Rs. 2.29 lakhs (31.3.2006 Rs. 13.57 lakhs)	Rs. 0.21 lakhs (31.3.2006 Rs. 1.18 lakhs)	Rs. 2.08 lakhs (31.3.2006 Rs. 12.39 lakhs)
Later than one year and not later than five years	— (31.3.2006 Rs. 2.29 lakhs)	— (31.3.2006 Rs. 0.21 lakhs)	— (31.3.2006 Rs. 2.08 lakhs)
Total	*Rs. 2.29 lakhs (31.3.2006 Rs. 15.86 lakhs)	Rs. 0.21 lakhs (31.3.2006 Rs. 1.39 lakhs)	Rs. 2.08 lakhs (31.3.2006 Rs. 14.47 lakhs)

* included in Sundry Creditors



SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd.)

	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
'E' INVESTMENTS—Long Term (Other than Trade)		
Unquoted—at cost or under		
250 Ordinary Shares of Rs. 100/- each of Bihar State Financial Corporation - Fully Paid up	0.25	0.25
5% Non-Redeemable Debenture Stocks, 1957 in Woodlands Hospital and Medical Research Centre Limited - Fully Paid up	0.08	0.08
20,000 Ordinary Share of Rs. 10/- each of Nicco Jubilee Park Limited - Fully Paid Up (Written down to Rs. 1)	—	—
137,500 Equity Shares of Rs. 10/- each in Rujvalika Investments Limited - Fully paid up	22.50	22.50
	<u>22.83</u>	<u>22.83</u>
'F' INVENTORIES		
At cost or net realisable value whichever is lower		
Finished Products	288.55	658.90
Raw Materials	1,461.24	250.65
Work-in-Process	847.14	577.99
At or under cost		
Stores & Spares	1,125.70	1,159.30
At estimated net realisable value		
Scraps	17.80	68.88
	<u>3,740.43</u>	<u>2,715.72</u>
'G' SUNDRY DEBTORS		
Debts outstanding for a period exceeding six months :		
Secured —considered good	—	3.56
Unsecured —considered good	153.98	227.07
—considered doubtful	963.55	976.11
	<u>1,117.53</u>	<u>1,206.74</u>
Other debts :		
Unsecured —considered good	1,541.13	2,415.45
	<u>1,541.13</u>	<u>2,415.45</u>
	2,658.66	3,622.19
Less : Provision for doubtful debts	963.55	976.11
	<u>1,695.11</u>	<u>2,646.08</u>
'H' CASH AND BANK BALANCES		
Cash in Hand	3.56	6.72
With Scheduled Banks :		
Current Accounts	38.16	516.25
Unpaid Dividend	9.41	
Term Deposit Accounts	—	10.00
	<u>51.13</u>	<u>532.97</u>

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SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd.)

	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
'I' OTHER CURRENT ASSETS		
(Unsecured—considered good)		
Miscellaneous Deposits (Refer Note 24 of Schedule 'P')	103.87	77.40
Sales Tax Refund Receivable under Bihar Industrial Policy, 1995 (Refer Note 3 of schedule 'P')	304.63	304.63
Export Incentive [Refer Note 1(b)(ii) of Schedule 'P']	253.08	164.63
Deposit with Customs and Excise Authorities	76.84	55.65
	<u>738.42</u>	<u>602.31</u>
'J' LOANS AND ADVANCES		
(Unsecured—considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received (including Rs. 141.43 Lakhs considered doubtful, 31.03.2006 : Rs. 144.65 Lakhs)□	3,677.31	2,752.61
Advance payments and tax deducted at source - Considered Good (Includes Fringe Benefit Tax Rs. 186.35 Lakhs, 31.03.2006 : Rs. 100.00 Lakhs)	1,262.47	669.15
MAT Credit Entitlement	683.00	333.00
	<u>5,622.78</u>	<u>3,754.76</u>
Less : Provision for doubtful advances	141.43	144.65
	<u>5,481.35</u>	<u>3,610.11</u>
□ Balance with Excise Authorities Rs. 1,847.95 Lakhs (31.03.2006 Rs. 1,055.92 Lakhs) and balance with Sales Tax Authorities Rs. 28.39 Lakhs (31.03.2006 : Nil)		
'K' LIABILITIES		
Sundry Creditors	9,286.11	6,381.60
Advances from Customers	563.18	495.21
Compensation for Voluntary Retirement Scheme (Refer Note 8 on Schedule 'P')	160.83	918.97
Compensation for Early Separation Scheme (Refer Note 19.1(b) of Schedule 'P')	1,123.72	1,889.33
(Includes Rs.199.56 Lakhs payable within one year, 31.3.2006 : Rs. 199.96 Lakhs)		
Interest accrued but not due on loans	3.96	11.78
Investor Education and Protection Fund shall be credited by the following amount namely :		
Unpaid Dividend (not yet due for payment)	9.41	
	<u>11,147.21</u>	<u>9,696.89</u>



SCHEDULES FORMING PART OF THE BALANCE SHEET (Contd.)

	As at 31st March, 2007 Rupees Lakhs	As at 31st March, 2006 Rupees Lakhs
'L' PROVISIONS		
Provision for Income Tax	856.45	498.00
Provision for Fringe Benefit Tax	186.35	100.00
Proposed Dividend	—	1,765.49
Tax on Dividend	—	247.61
	1,042.80	2,611.10

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	For the year ended 31st March, 2007 Rupees Lakhs	For the year ended 31st March, 2006 Rupees Lakhs
'M' OTHER INCOME		
Income from Current or Long Term Investments		
Dividend	1.72	1.72
Income from Sale of Investment (Short Term)	—	10.18
Interest on Deposits & Others	23.34	21.54
Profit on Sale of Fixed Assets (Net)	—	19.11
Insurance Claims	5.32	11.59
Income from Tinplate Hospital	309.91	260.07
Exchange Gain	243.97	74.51
Sales of Scrap (Other than operation)	320.14	332.99
Liability/Provision no longer required written back (including VRS liability of Rs. 445.88 Lakhs referred to in Note 8 on Shcedule 'P')	465.94	112.66
Provision for Doubtful Debts no longer required written back (net)	36.06	10.99
Miscellaneous Income	129.49	62.44
	1,535.89	917.80

THE TINPLATE COMPANY OF INDIA LIMITED

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SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT (Contd.)

	For the year ended 31st March, 2007 Rupees Lakhs	For the year ended 31st March, 2006 Rupees Lakhs
'N' MANUFACTURING AND OTHER EXPENSES		
Raw Materials Consumed	6,496.20	14,638.26
Purchased Finished Goods	16,018.50	3,217.36
Salaries, Wages and Bonus etc. (Note 7 on Schedule 'P')	4,624.12	4,359.34
Company's Contribution to Provident and other Funds	403.00	352.79
Staff Welfare Expenses	597.01	408.42
	<u>5,624.13</u>	<u>5,120.55</u>
Other Expenses :		
Stores and Spare Parts Consumed	2,502.09	2,246.15
Power, Fuel and Water	4,552.71	4,202.56
Repairs to Buildings	328.95	311.77
Repairs to Machinery	1,169.15	1,195.26
Rent	89.32	84.92
Rates and Taxes	53.68	44.55
Insurance Charges	41.68	36.71
Directors' Fees	6.28	5.58
Computer Maintenance	82.01	76.42
Travelling and Conveyance Expenses	270.93	283.53
Postage and Telephone Charges	73.39	72.61
General Expenses	669.56	666.51
Filing Fees	25.00	—
Freight, Handling and Sales Expenses	1,831.80	1,582.80
Rebate and Discount	131.76	185.63
Loss on Sale of Fixed Assets	0.05	—
Excise Duty Charge/(Credit) on Sale of Scrap (other than operation), Inventories etc.	22.35	155.47
Advances Written off (net)	—	26.01
Provision for Doubtful Debts	23.50	146.20
	<u>11,874.21</u>	<u>11,322.68</u>
Decrease/(Increase) in Stocks of Finished Products and Work-in-process : □		
Opening Stock	1,305.77	1,123.92
Less : Closing Stock	(1,153.49)	(1,305.77)
	<u>152.28</u>	<u>(181.85)</u>
	<u>40,165.32</u>	<u>34,117.00</u>
Less : Expenses on trial production for Printing & Lacquering Plant transferred to Fixed Assets	—	(32.46)
Less : Expenses transferred to CWIP	(39.12)	—
Add : Sales of trial products (net)	—	38.23
	<u>40,126.20</u>	<u>34,122.77</u>
□ Work-in-Process includes value additions on account of Raw Materials on Conversion account.		
'O' INTEREST		
On Debentures	157.26	269.20
On Term Loans	554.90	661.23
On Cash Credit/ Working Capital Term loans	542.81	259.56
On Others (net of interest received Rs. 0.51 Lakhs ; 2005-06 : Rs. 2.67 Lakhs)	298.60	279.29
	<u>1,553.57</u>	<u>1,469.28</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

'P' NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

- (a) The financial statements are prepared under the historical cost convention on an accrual basis.
- (b) Sale of Products and Services :
 - (i) Sales comprise sale of goods, and are recognized on completion of sales.
 - (ii) Export incentive under the Duty Entitlement Pass Book Scheme is recognized on the basis of credits afforded in the pass book against export of company's own products and export under conversion arrangement and such benefit under Duty Free Replenishment Certificate Scheme being recognized on sale of licenses. Export incentive under Target plus scheme is recognized on completion of required formalities on accrual basis.
 - (iii) Conversion charges are recognized on rendering the related services.
- (c) Employee Benefits :
 - (i) Provision for gratuity, accumulated leave (beyond 12 months), long service awards and post retirement medical benefit (PRMB) liability is made on the basis of actuarial valuation. Pursuant to adoption of Accounting Standard 15 (Revised) on Employee Benefits, with effect from 1st April, 2006, actuarial gains and losses arising from experience adjustments (i.e. the effects of differences between the previous actuarial assumptions and what has actually occurred and the effects of changes in actuarial assumptions) are recognized immediately as income or expense.
 - (ii) Contributions to the Provident Fund of the Tinsplate Company of India Limited during the year (including shortfall, if any, in the assured rate of interest notified by the government from time to time, which the Company is obliged to make good) are charged as expense.
- (d) Research and Development :

Research and Development costs (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred.
- (e) Depreciation :
 - (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.
- (f) Foreign Exchange Transactions :

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates or at contract rates, where covered by Forward Exchange Contracts.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to imported fixed assets are recognized in the Profit and Loss Account. 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 Account over the period of the contract, except in case of liabilities incurred for acquiring imported fixed assets.

Exchange differences (including that arising out of forward exchange contracts) in respect of liabilities incurred to acquire imported fixed assets are adjusted to the carrying amount of fixed assets.

(g) Fixed Assets :

All fixed assets are valued at cost less depreciation. Pre-operation expenses including trial run expenses (net of revenue) are capitalized. Interest on borrowings and financing costs during the period of construction is added to the cost of qualifying fixed assets.

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 investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

(i) Inventories :

Finished and semi-finished products produced / purchased by the Company are carried at lower of cost and net realizable value.

Work-in-progress is carried at lower of cost and net realizable value.

Raw materials purchased by the company are carried at lower of cost and net realizable value.

Stores and spare parts are carried at or below cost.

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

(j) Miscellaneous Expenditure :

Lump sum compensation to employees under Voluntary Retirement Scheme (VRS) is being amortized over a period (not exceeding 10 years) for which benefits of the scheme by way of reduced costs are expected to be available to the Company, restricted to 31st March, 2010, pursuant to Accounting Standard 15 (Revised).

Monthly compensation to employees under Early Separation Scheme (ESS) is accrued and amortized over a period (not exceeding 120 months) for which benefits of the schemes by way of reduced costs are expected to be available to the Company, restricted to 31st March, 2010, pursuant to Accounting Standard 15 (Revised).

(k) Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods.



SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

2. Directors' Remuneration :

	2006-2007		2005-2006	
	Rupees	Lakhs	Rupees	Lakhs
(a) Managing Director's remuneration :				
Salaries etc.		50.92		48.04
Contribution to Provident and Other Funds		7.04		5.42
Other benefits (actual and/or estimated)		10.01		7.79
		<u>67.97</u>		<u>61.25</u>
(b) Other Directors' fees		6.28		5.58
		<u>74.25</u>		<u>66.83</u>

3. The Company had claimed a refund amounting to Rs. 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 Rs. 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. However based on a legal opinion, management is of the view that the balance claim amount of Rs. 304.63 Lakhs is good and recoverable at this stage.

4. There are Contingent Liabilities in respect of :

- 4.1 Guarantees given by the Company in connection with house building loans granted to the employees by the Housing Development Finance Corporation Limited amounting to Rs. 6.86 Lakhs (31st March, 2006 : Rs 16.90 Lakhs).

- 4.2 Bills discounted Rs. 2,691.33 Lakhs (31st March, 2006 : Rs. 2,428.10 Lakhs)

4.3 Claims not acknowledged as debts by the Company :

	31st March, 2007		31st March, 2006	
	Rupees	Lakhs	Rupees	Lakhs
i) Customs Duty		265.92		265.92
ii) Sales Tax (estimated by management)*		1,088.22		925.88
iii) Excise Duty		538.15		523.33
iv) Provident Fund		19.12		19.12
v) Others**		161.78		188.00

* Other than demands amounting to Rs. 1,154.30 Lakhs (31st March, 2006 : Rs. 1,144.55 Lakhs) pertaining to issues settled in Company's favour in earlier years.

** Also refer note 24 below.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

5. Particulars of expenditure on Research and Development :

	2006-2007		2005-2006	
	Rupees	Lakhs	Rupees	Lakhs
Research expenditure (including stores and spares)		Nil		Nil

Salaries, Wages and other overheads pertaining to Research and Development have not been separately identified.

6. Miscellaneous Expenditure (to the extent not written off or adjusted) :

	2006-2007		2005-2006	
	Rupees	Lakhs	Rupees	Lakhs
Compensation under VRS/ESS		1,811.27		3,152.07

Also refer note 19.1(b) below.

7. Salaries, Wages and Bonus etc. includes Rs. 644.58 Lakhs (31st March, 2006 : Rs. 951.69 Lakhs) on account of amortization of compensation under VRS / ESS.

8. In terms of Memorandum of Settlement dated 15th December, 2006, certain employees of erstwhile HDP unit have been re-employed during last quarter of 2006-2007 and the VRS liability pertaining to such employees provided earlier (net of unamortized balance thereof) aggregating Rs. 445.88 Lakhs, no longer payable to them, have been written back in these accounts.

9. Sundry Creditors include :

Rs. 32.64 Lakhs (as at 31st March, 2006 : Rs. 40.81 Lakhs) for dues exceeding Rs. 1 Lakh due to small scale undertakings.

The undertakings to whom amounts outstanding for more than 30 days in respect of small scale undertakings are as under :

Aryan Engineering, Batty & Co. Private Limited, Bihar Electrical Works, Hindustan Rubber Products, Kashmir Timber Traders, M. k. Engineers, Nascent Data Aid, Pioneer Technocrats Pvt. Ltd., Pallan Export & Import Co., Reliance Fabrications Pvt. Ltd., Sahu Timber, S. R. Enterprise, Softex Industrial Products, United Industrial Enterprise.

The above information has been compiled in respect of parties to the extent to which they could be identified as small scale undertakings on the basis of information available with the Company.



SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

	2006-2007		2005-2006	
	Rupees	Lakhs	Rupees	Lakhs
10. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)		9,304.75		2,103.86
11. Total consumption of Stores and Spares parts including amounts charged, under Repairs and Maintenance and other accounts – Rs. 2,416.05 Lakhs (2005-2006 : Rs. 2,207.99 Lakhs)		4,918.14		4,454.14
12. Auditors' Remuneration paid/payable :				
As Auditors :				
Audit Fees		8.00		8.00
Tax Audit Fees		2.50		2.50
For Certificates (including Quarterly Audit)		7.00		7.00
		<u>17.50</u>		<u>17.50</u>
Reimbursement of expenses (including Service tax – Rs. 2.16 Lakhs 2005-06 : Rs. 1.60 Lakhs)		2.28		1.37
		<u>19.78</u>		<u>18.87</u>
13. Earnings in Foreign Exchange :				
Value of exports calculated on F.O.B. basis during the year		16,914.52		9,401.70
14. Value of Imports calculated on C.I.F. basis during the year :				
Raw Materials		3,109.16		7,488.25
Components and Spare Parts		438.06		787.18
Capital Goods		792.07		2,387.64
15. Expenditure in Foreign Currency in respect of :				
Travelling		22.20		37.32
Consultancy Charges		76.32		115.24
Others		—		1.79

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SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

16. Particulars in respect of goods manufactured etc.	2006-2007 MT	2005-2006 MT
i) Licenced Capacity per annum	<u>Not Applicable</u>	<u>Not Applicable</u>
ii) Installed Capacity per annum : (As Certified by the Company's Technical Expert)		
Electrolytic Tinplate Plant	1,70,000	1,70,000
Cold Rolling Mill	1,90,000	1,90,000
Printing & Lacquering Plant	10,000	10,000
iii) Actual Production (Including Conversion)		
Cold Rolled Coils		
— own production*	16,821	50,225
— on conversion account	1,62,020	1,27,221
Electrolytic Tinplate		
— own production**	15,840	45,526
— on conversion account	1,41,591	1,05,994
Printing & Lacquering Line		
— own production	1,987	107
— on conversion account	4,368	—

* Includes 15,039 MT (2005-06 : 45,894 MT) transferred to Electrolytic Tinplate production and 93 MT (2005-06 : 151 MT) captively consumed.

** Includes 370 MT (2005-06 : 154 MT) transferred to Printing & Lacquering Line.

iv) Turnover, Closing and Opening Stocks (Own Products) :

	2006-2007		2005-2006	
	<u>Tonnes</u>	<u>Rupees Lakhs</u>	<u>Tonnes</u>	<u>Rupees Lakhs</u>
a) Turnover :				
Class of Products				
Electrolytic Tinpates	15,681	7,109.34	45,383	21,289.40
Cold Rolled Products	2,486	749.64	3,019	1,015.09
Lacquered & Printed Sheets	1,946	989.62	90*	44.46
Scrap (Operation)	3,756	895.11	8,235	1,653.02
Total	<u>23,869</u>	<u>9,743.71</u>	<u>56,727</u>	<u>24,001.97</u>

* Represents sales of trial production 90 MT of Printing & Lacquering plant.



SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

	2006-2007		2005-2006	
	Tonnes	Rupees Lakhs	Tonnes	Rupees Lakhs
b) Closing Stock :				
Class of Products				
Electrolytic Tinplates	263	114.17	474	215.65
Cold Rolled Products	473	148.09	1,270	436.21
Lacquered & Printed Sheets	58	26.29	17	7.04
Scrap (Operation)	66	17.80	406	68.88
Total	<u>860</u>	<u>306.35</u>	<u>2,167</u>	<u>727.78</u>
c) Opening Stock :				
Class of Products				
Electrolytic Tinplates	474	215.65	424	182.93
Cold Rolled Products	1,270	436.21	109	38.21
Lacquered & Printed Sheets	17	7.04	—	—
Scrap (Operation)	406	68.88	194	38.63
Total	<u>2,167</u>	<u>727.78</u>	<u>727</u>	<u>259.77</u>
d) Raw Materials Consumed :				
HR Coil	20,264	5,306.77	57,430	13,925.18
Tin65	327.24	178	713.08	
Electrolytic Tinplates	1,580	757.54	—	—
Others	275	104.65	—	—
Total	<u>22,184</u>	<u>6,496.20</u>	<u>57,608</u>	<u>14,638.26</u>
e) Consumption of :				
i) Raw materials :				
Indigenous	66.32%	4,308.03	44.55%	6,521.87
Imported	33.68%	2,188.17	55.45%	8,116.39
Total	<u>100.00%</u>	<u>6,496.20</u>	<u>100.00%</u>	<u>14,638.26</u>
ii) Spare parts and Components (Stores) :				
Indigenous	90.14%	4,433.35	84.02%	3,742.30
Imported	9.86%	484.79	15.98%	711.84
Total	<u>100.00%</u>	<u>4,918.14</u>	<u>100.00%</u>	<u>4,454.14</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

17. Particulars regarding purchase, sales, opening and closing stock of Trading Goods :

	2006-2007		2005-2006	
	Tonnes	Rupees Lakhs	Tonnes	Rupees Lakhs
Opening Stock	—	—	—	—
Purchases :				
Electrolytic Tinplates	39,147	15,690.51	8,638	3,217.36
Cold Rolled Products	646	176.75	—	—
Lacquered & Printed Sheets	318	151.24	—	—
Total	40,111	16,018.50	8,638	3,217.36
Sales :				
Electrolytic Tinplates	39,147	15,536.32	8,638	3,217.36
Cold Rolled Products	646	174.11	—	—
Lacquered & Printed Sheets	318	147.08	—	—
Total	40,111	15,857.51	8,638	3,217.36
Closing Stock	—	—	—	—

18. Taxation :

- (a) Provision for current taxation represents Minimum Alternative Tax (MAT) in view of carry forward losses/unabsorbed depreciation. Related MAT credit for 2006-2007 has also been recognized as the management is confident that the company would be in a position to pay normal income tax within the period specified under the related provisions of the Income Tax Act, 1961, in view of the reasons stated in Note 18(b) below.
- (b) Having regard to the fact that the Company has consistently been making profits for 6 years upto 31st March, 2007 and based on market demand scenario linked to growth of food packaging industry, focus on margin improvements through value additions, improvements in operating parameters and cost reduction measures, the management is confident of generating sufficient taxable income within the next few years against which the deferred tax assets of the Company (refer note 18(c) below) would be realized. Accordingly, it has been considered prudent to recognize in these accounts deferred tax assets (net) of Rs. 328.81 Lakhs as at 31st March, 2007.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

(c) The year end deferred tax assets (net) comprise of :

	2006-2007	2005-2006
	Rupees Lakhs	Rupees Lakhs
Deferred tax assets		
Accumulated Unabsorbed Depreciation	3,169.99	3,178.04
Carried Forward Losses	37.44	1,436.52
Others	797.23*	328.56
(i)	<u>4,004.66</u>	<u>4,943.12</u>
Deferred tax liabilities		
Difference between net book value of Depreciable capital assets as per books vis-a-vis written down value as per Income Tax Act	3,555.60	3,531.18
Voluntary Separation Payments/Early separation Scheme	14.78	212.80
Others	105.47	153.61
(ii)	<u>3,675.85</u>	<u>3,897.59</u>
Deferred Tax Assets (net) [(i)-(ii)]	328.81	1,045.53

* After considering tax effect of Rs. 368.98 Lakhs relating to additional liability on account of certain defined post retirement benefit adjusted against opening reserves and surplus as indicated in note 19.1 (a) below.

19. Employee Benefits :

19.1 Following adjustments relating to employee benefits have been made in these accounts in keeping with Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India (also refer note 1(c)(i) above).

- a. Consequent to the adoption of Accounting Standard (AS) 15 (Revised 2005) with effect from 1st April, 2006, an amount of Rs. 727.22 Lakhs arising from required re-measurement of company's obligation in respect of certain post retirement defined benefit plans as on 1st April, 2006 (Net of Tax effect of Rs. 368.98 Lakhs) has been recognized with corresponding adjustment against the available balance of opening revenue (General) reserve and surplus.
- b. Liability of Rs. 1,889.33 Lakhs on 1st April, 2006 on account of compensation for Early Separation Scheme (ESS) has been restated to Rs. 1,320.61 Lakhs based on discounting of amount payable more than 12 months after the balance sheet date using a discount rate of 7.5% p.a. with a corresponding reduction of Rs. 568.72 Lakhs from the related unamortized balance of Rs. 1,718.75 Lakhs on account of deferred charge relating to Employees separation scheme appearing under Miscellaneous Expenditure.
- c. The company has recognized, in the profit and loss account of the year ended 31.03.2007, an amount of Rs. 403.00 Lakhs expenses under defined contribution plans. Details given below—

	Rs. Lakhs
Benefit (Contribution to)	
Provident Fund	152.44
Superannuation Fund	152.50
Employees Pension Scheme	98.06
Total	<u>403.00</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

d. Particulars in respect of post retirement/other long term defined benefit plans of the Company are as follows :

Description	Gratuity (Funded) (Rs. Lakhs)	Leave (Unfunded) (Rs. Lakhs)	PRMB (Unfunded) (Rs. Lakhs)	Long Service award (Unfunded) (Rs. Lakhs)	Total (Rs. Lakhs)
1. Reconciliation of opening and closing balances of obligation					
a. Obligation as at 1.4.06	838.21	149.36	891.02	46.53	1,925.12
b. Current Service Cost	52.24	37.76	—	—	90.00
c. Interest Cost	66.07	12.25	71.28	3.72	153.33
d. Actuarial (gain)/loss	176.33	(5.31)	265.82	1.28	438.11
e. Benefits paid	(24.63)	(18.35)	(226.97)	(3.77)	(273.72)
f. Obligation as at 31.03.07	1,108.22	175.71	1,001.15	47.76	2,332.84
2. Change in Plan Assets (Reconciliation of opening & closing balances)					
a. Fair Value of plan assets as at 1.4.06	625.76	—	—	—	625.76
b. Expected return on plan assets	50.06	—	—	—	50.06
c. Actuarial gain/(loss)	(60.26)	18.35	226.97	3.77	188.83
d. Contributions by the employer	410.00	—	—	—	410.00
e. Benefits paid	(24.63)	(18.35)	(226.97)	(3.77)	(273.72)
f. Fair Value of plan assets as at 31.03.07	1,000.93	—	—	—	1,000.93
3. Reconciliation of fair value of plan assets and present value of defined benefit obligations					
a. Fair value of plan assets as on 31.03.07	1,000.93	—	—	—	1,000.93
b. Present value of obligation as at 31.03.07	1,108.22	175.71	1,001.15	47.76	2,332.85
c. Amount recognized in the balance sheet	107.29	175.71	1,001.15	47.76	1,331.92
4. Expense recognized in the period					
a. Current service cost	52.24	37.76	—	—	90.00
b. Interest cost	66.07	12.25	71.28	3.72	153.32
c. Expected return on plan assets-(gain)/loss	(50.06)	—	—	—	(50.06)
d. Actuarial (gain)/loss	236.59	(23.66)	38.84	(2.49)	249.28
e. Expense recognized in the period (a+b+c+d)	304.84	26.35	110.12	1.23	442.54

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

- (i) Gratuity and Leave—under Salaries, Wages & Bonus etc.
- (ii) PRMB & Long Service Award—under Staff Welfare Expense

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

	<u>% age invested</u>
5. Investment Details of Plan assets	31.03.07
a. GOI Securities	17.82
b. Public Sector unit Bonds	49.66
c. State/Central Guaranteed Securities	13.99
d. Special Deposit Schemes	16.13
e. Private Sector Bonds	—
f. Others (including bank balances)	2.40
	<u>100.00</u>
6. Assumptions	31.03.07
Discount rate (per annum) (%)	8
Estimated rate of return on plan assets (per annum) (%)	8
Inflation Rate (%)	5
Remaining Working Life (in Years)	17
Method Used	Projected unit credit method
7. Actual return on Plan Assets—8%	
8. Effect on increase/(decrease) of 1% in assumed medical cost trend rates in respect of PRMB on	
a. Current service cost—Nil	
b. Interest Cost—Rs. 8.88 Lakhs	
c. Accumulated Obligation for PRMB—Rs. 110.03 Lakhs	

9. Best estimate of Contribution expected to be paid in 2007-2008—Rs. 230 Lakhs

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 Special Deposits. 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 govt. bonds.

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

19.3 The charge (net) to the profit and loss account on account of employee benefits during the year ended 31st March, 2007 would have been lower by Rs. 148.78 Lakhs, had the same basis been followed as applicable for the year ended 31st March, 2006.

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

20. The company's operations predominantly is manufacture of Electrolytic Tinplate in course of which certain intermediate product namely Full hard cold rolled coils in small quantity are also produced and marketed. The Company is managed organizationally as an unified entity and all its assets other than export debtors are located in India.

Sales (gross) for the year ended 31st March, 2007 Rs. 25,601.22 Lakhs includes domestic sales of Rs. 8,122.21 Lakhs. Details of export sales and year end debtors (being related capital employed overseas), are as follows :

	2006-2007		2005-2006	
	Rupees	Lakhs	Rupees	Lakhs
(i) Sales				
Asia	17,479.01		9,735.24	
Europe	14,239.23		8,243.28	
Others	2,405.01		1,374.29	
	834.77		117.67	
(ii) Debtors				
Asia	15.35		731.14	
Europe	15.35		670.41	
Others	0.00		39.52	
	0.00		21.21	

(iii) For fixed assets (tangibles and intangibles) additions, refer column 2 of Fixed Assets Schedule (Schedule D)

21. 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 Rs. 6,074.53 Lakhs (31st March, 2006 Rs. 3,491.39 Lakhs), of which Rs. 12.66 Lakhs (31st March, 2006 Rs. 491.86 Lakhs) are outstanding for more than six months.



SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

22. Related Party Disclosures in keeping with AS 18 issued by ICAI :

a) Related Parties

Name	Relationship
Tata Steel Limited (Tata Steel)	The Company is an Associate Company of Tata Steel
Mr. B. L. Raina, Managing Director	Key Management Personnel

(Rupees in lakhs)

Related Party Transactions	2006-2007		2005-2006	
	Tata Steel	Managing Director	Tata Steel	Managing Director
Purchase of Goods	16,251.83		3,541.18	
Rendering of Services	22,276.00		16,609.97	
Receiving of Services	3,182.74		3,025.12	
Interest during the year	66.01		99.97	
Remuneration paid (Note 2 above)		67.97		61.25
Balance outstanding as on 31.03.2007				
Outstanding Receivables	1,773.69		1,087.60	
Outstanding Payables	2,537.08		942.06	
Outstanding guarantee as on 31.3.2007 given by Tata Steel	2,500.00		7,500.00	

23. Advances recoverable (Schedule 'J') includes reset cost Rs. 241.67 Lakhs (31st March, 2006 Rs. 456.39 Lakhs) paid to Financial Institutions adjustable over the period for which the resultant benefit would be available to the Company.

24. Miscellaneous Deposits in Schedule 'I' include a deposit of Rs. 25 Lakhs with the ESI Corporation, Jharkhand (ESIC) pursuant to an interim order of the High Court of Jharkhand in the matter of writ petition filed by the Company against an original claim of Rs. 120 Lakhs, now reduced to Rs. 15 Lakhs, made by ESIC [included under Contingent Liabilities-Note 4.3(v)].

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SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd.)

25. Basic and Diluted Earnings per share :

	<u>2006-2007</u>	<u>2005-2006</u>
a) Basic		
i) Number of Equity Shares :		
at the beginning of the year	2,90,05,800	2,90,05,800
at the end of the year	2,90,05,800	2,90,05,800
ii) Weighted average number of Equity Shares outstanding during the year	2,90,05,800	2,90,05,800
iii) Face Value of each Equity Shares (Rs.)	10.00	10.00
iv) Profit after tax	1,888.09	4,895.63
v) Less : Preference Dividend	—	1,404.13
vi) Less : Tax on Preference Dividend	—	196.93
vii) Profit after tax attributable to equity Shareholders (Rs./Lakhs)	1,888.09	3,294.58
Basic earnings per share [a(vii)/a(ii)]	6.51	11.36
b) Diluted	*	*

* According to a legal opinion, the right of conversion of the Non-Cumulative Optionally Convertible Preference Shares (OCPS) into Equity Shares, if and when exercised, would be as per SEBI guidelines prevailing at the time of exercising the option. Therefore number of potential Equity Shares and diluted Earnings per Share (EPS) are currently not ascertainable.

26. Figures of the previous year have been rearranged and regrouped wherever necessary.

On behalf of the Board
B Muthuraman
Chairman

B L Raina
Managing Director

S Kar
Company Secretary



SCHEDULE FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT
(Contd.)

27. Additional disclosure under Schedule VI Part of the Companies Act, 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS
 REGISTRATION NO. 003606 STATE CODE 21
 BALANCE SHEET DATE 31032007

II. CAPITAL RAISED DURING THE YEAR (Amount in Rupees Thousands)

<input type="text"/> PUBLIC ISSUE <input type="text"/>	<input type="text"/> RIGHT ISSUE <input type="text"/>
0 0 0 0 0 0 0	0 0 0 0 0 0 0
<input type="text"/> BONUS ISSUE <input type="text"/>	<input type="text"/> PRIVATE PLACEMENTS/CONVERSION OF LOAN
0 0 0 0 0 0 0	0 0 0 0 0 0 0

III. POSITION OF MOBILISATION AND DEVELOPMENT OF FUND (Amount in Rupees Thousand)

<input type="text"/> TOTAL LIABILITIES	<input type="text"/> TOTAL ASSETS
2 9 7 6 6 7 6	2 9 7 6 6 7 6
<input type="text"/> SOURCES OF FUNDS	<input type="text"/>
<input type="text"/> PAID-UP CAPITAL	<input type="text"/> RESERVES & SURPLUS
<input type="text"/> 1 <input type="text"/> 4 <input type="text"/> 1 <input type="text"/> 2 <input type="text"/> 3 <input type="text"/> 9 <input type="text"/> 1	<input type="text"/> 0 <input type="text"/> 2 <input type="text"/> 6 <input type="text"/> 7 <input type="text"/> 6 <input type="text"/> 9 <input type="text"/> 9
<input type="text"/> SECURED LOANS	<input type="text"/> UNSECURED LOANS
1 2 9 6 5 8 6	0 0 0 0 0 0 0
<input type="text"/> APPLICATION OF FUNDS	<input type="text"/>
<input type="text"/> NET FIXED ASSETS	<input type="text"/> INVESTMENTS
<input type="text"/> 2 <input type="text"/> 8 <input type="text"/> 0 <input type="text"/> 8 <input type="text"/> 7 <input type="text"/> 4 <input type="text"/> 2	<input type="text"/> 0 <input type="text"/> 0 <input type="text"/> 0 <input type="text"/> 2 <input type="text"/> 2 <input type="text"/> 8 <input type="text"/> 3
<input type="text"/> NET CURRENT ASSETS	<input type="text"/> MISCELLANEOUS EXPENDITURE
(-) 4 8 3 5 7	0 1 8 1 1 2 7

IV. PERFORMANCE OF COMPANY (Amount in Rupees Thousand)

<input type="text"/> TURNOVER	<input type="text"/> TOTAL EXPENDITURE
<input type="text"/> 4 <input type="text"/> 7 <input type="text"/> 0 <input type="text"/> 0 <input type="text"/> 9 <input type="text"/> 9 <input type="text"/> 6	<input type="text"/> 4 <input type="text"/> 3 <input type="text"/> 9 <input type="text"/> 4 <input type="text"/> 1 <input type="text"/> 3 <input type="text"/> 7
<input type="text"/> PROFIT/LOSS BEFORE TAX	<input type="text"/> PROFIT/LOSS AFTER TAX
<input type="text"/> 0 <input type="text"/> 3 <input type="text"/> 0 <input type="text"/> 6 <input type="text"/> 8 <input type="text"/> 5 <input type="text"/> 9	<input type="text"/> 0 <input type="text"/> 1 <input type="text"/> 8 <input type="text"/> 8 <input type="text"/> 8 <input type="text"/> 0 <input type="text"/> 9
<input type="text"/> EARNING PER SHARE IN RUPEES	<input type="text"/> DIVIDEND (including Dividend Tax)
- - - - - 7 <input type="text"/>	- - - - -

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCT/SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code) 7 2 1 0 1 2 . 0 0
 Product Description : FLAT ROLLED PRODUCTS OF IRON OF A WIDTH OF 600 MM OR MORE AND OF THICKNESS LESS THAN 0.5 MM, COATED WITH TIN

Item Code No. (ITC Code) 7 2 0 9 1 8 . 0 0
 Product Description : FLAT ROLLED PRODUCTS OF IRON OF A WIDTH OF 600 MM OR MORE AND OF THICKNESS LESS THAN 0.5 MM, NOT COATED

Item Code No. (ITC Code) 7 2 0 9 9 0 . 0 0
 Product Description : FLAT ROLLED PRODUCTS OF IRON OF A WIDTH OF 600 MM OR MORE NOT COATED

On behalf of the Board
B Muthuraman
Chairman

B L Raina
Managing Director

S Kar
Company Secretary

THE TINPLATE COMPANY OF INDIA LIMITED

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007

	Year ended 31.03.2007		Year ended 31.03.2006	
	Rupees	Lakhs	Rupees	Lakhs
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before Taxation		3,068.59		3,950.10
Adjustments for :				
Depreciation		2,261.60		1,971.69
Miscellaneous Expenditure written off		644.58		951.69
Lease Rent - Finance Lease (Interest portion)		1.22		3.79
Income from Sale of short term investments		—		(10.18)
(Profit)/Loss on Sale of Fixed Assets		0.05		(19.11)
Provision for wealth tax		—		1.70
Interest Expense		1,553.57		1,469.28
Interest Income		(23.34)		(21.54)
Unrealised Exchange (Gain)/Loss		(80.14)		(3.28)
Dividend Received		(1.72)		(1.72)
Provision for Doubtful Debts no longer required written back (net)		(36.06)		(10.99)
Provision for Doubtful Debts		23.50		146.20
Provision for Employee Benefits etc.		428.55		229.84
Advances written off (net)		—		26.01
Liability/Provision no longer required Written Back		(465.94)		(112.66)
		4,305.87		4,620.72
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		7,374.46		8,570.82
Adjustment for :				
Sundry Debtors		963.72		(1,191.10)
Other Receivables		(1,278.75)		830.97
Inventories		(1,024.71)		676.03
Trade and other payables		1,156.81		(1,974.64)
		(182.93)		(1,658.74)
CASH GENERATED FROM OPERATIONS		7,191.53		6,912.08
Direct Taxes (paid)/refund(net)		(593.32)		(528.79)
		(593.32)		(528.79)
NET CASH FROM OPERATING ACTIVITIES	(A)	6,598.21		6,383.29
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(3,279.48)		(4,072.97)
Sale of Fixed Assets		0.75		21.00
Purchase of Current Investments		—		(1,950.00)
Sale of Current Investments		—		2,160.18
Dividend received		1.72		1.72
Interest received		23.34		21.54
Finance Lease Rent Payment (Principal Portion)		(12.73)		(20.98)
NET CASH USED IN INVESTING ACTIVITIES	(B)	(3,266.40)		(3,839.51)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		4,162.39		—
Repayment of Long Term Borrowings		(3,893.85)		(3,346.04)
Proceeds/(Repayment) from/(of) short term borrowings		(730.61)		2,161.67
Interest paid		(1,346.67)		(1,326.49)
Dividends paid		—		—
Finance Lease Rent Payment (Interest Portion)		(1.22)		(3.79)
Dividend Paid		(1,756.08)		—
Tax on Dividend Paid		(247.61)		—
NET CASH USED IN FINANCING ACTIVITIES	(C)	(3,813.65)		(2,514.65)
Net Increase/(Decrease) in Cash and Cash Equivalents	(A) + (B) + (C)	(481.84)		29.13
Cash and Cash Equivalents at the Beginning of the year (Schedule H)		532.97		503.84
Cash and Cash Equivalents at the End of the year (Schedule H)		51.13		532.97



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007 (Contd.)

Notes :

1. The above Cash Flow Statement has been compiled/prepared based on the audited accounts of the Company under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow statements issued by the Institute of Chartered Accountants of India and the reallocations made as required for the purpose.
2. The schedule referred to above forms an integral part of the Cash Flow Statement.
3. Figures for the previous year have been rearranged and regrouped wherever necessary.

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

On behalf of the Board

B Muthuraman
Chairman

S K Deb
Partner

Managing Director

B L Raina

Company Secretary

S Kar

Membership Number : 13390

For and on behalf of
PRICE WATERHOUSE
Chartered Accountants

Jamshedpur, 3rd May, 2007

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2006-07

1. Company's philosophy on Corporate Governance

Your Company has been practicing 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

The Board of the Company consists of nine members comprising a non-executive Chairman, seven other Non-executive directors (out of them – five are independent directors) and one executive director. None of the Directors on the Board is a member in more than 10 committees & 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.

COMPOSITION, CATEGORY AND NUMBER OF OTHER BOARD AND COMMITTEE POSITIONS HELD AS ON 31ST MARCH, 2007

Name (Promoter = P Non – Promoter = NP Nominee = N)	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 B Muthuraman (P)	Chairman - Non Executive	7	None	1
Mr Sujit Gupta (NP)	Non Executive and Independent	4	2	1
Mr Anand Sen (P)	Non Executive	2	None	1
Mr Dipak Banerjee (NP)	Non Executive and Independent	6	2	4
Mr S P Nagarkatte (NP)	Non Executive and Independent	None	None	None
Mr Koushik Chatterjee (P)	Non Executive	5	None	1
Mr N Ramasubramanian (LIC Nominee)	Non Executive and Independent	None	None	None
Mr Chinubhai Shah (IDBI Nominee)	Non Executive and Independent	12	4	4
Mr B L Raina	Managing Director-Executive	1	None	None

* Committee positions held in other Indian public limited Companies are considered.

** Only two Committees viz. the Audit Committee, and the Shareholders/Investors' Grievance Committee are considered.

Independent directors shall mean a non-executive director of the company who :

- a) apart from receiving directors' remuneration does not have any material pecuniary relationship or transactions with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates, which may affect independence of the director ;
- b) is not related to promoters or persons occupying management positions at the Board level or at one level below the board ;
- c) has not been an executive of the company in the immediately preceding three financial years ;
- d) is not a partner or an executive or was not partner or an executive during the preceding three years, of any of the following :
 - i) the statutory audit firm or the internal audit firm that is associated with the company, and
 - ii) the legal firm(s) and consulting firms that have a material association with the company.
- e) is not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect independence of the director ; and
- f) is not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

The non-executive directors have no pecuniary relationship or transactions with the Company in their personal capacity.

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.

The Company has adopted the Tata Code of Conduct for Managing Director and Senior Management Personnel 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 31st March, 2007. A declaration to this effect signed by the Managing Director is attached to this report.

ATTENDANCE RECORD OF THE DIRECTORS

The Board of Directors met 6 times during the year on 25.04.06, 11.07.06, 10.10.06, 11.01.07, 13.03.07 and 21.03.07.

Name of Directors	No. of Board Meetings		Attendance at Last AGM Held on 11th July, 2006
	Held during the year	Attended during the year	
Mr B Muthuraman	6	6	Yes
Mr Sujit Gupta	6	5	Yes
Mr Anand Sen	6	5	Yes
Mr Dipak Banerjee	6	5	Yes
Mr Koushik Chatterjee	6	5	Yes
Mr S P Nagarkatte	6	6	Yes
Mr N Ramasubramanian	6	5	No
Mr Chinubhai Shah	6	5	Yes
Mr B L Raina	6	6	Yes

3. Audit Committee

Brief Description of terms of reference

The Audit Committee of the Company was constituted on 20th April, 1987.

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.

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 49 II(E) of the Listing Agreement.

During the year there were four meetings of the Audit Committee held on 25.04.06, 10.07.06, 10.10.06 and 11.01.07.

The Audit Committee met on 25th April, 2006 and reviewed the Annual Accounts of the Company for the year ended 31st March, 2006 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.

The composition of the Committee 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 N Ramasubramanian	Member	4	3
3.	Mr Chinubhai Shah	Member	4	4

All the members of the Committee are independent Directors and have accounting or related financial management expertise.

The Chairman of the Audit Committee was present in the last Annual General Meeting held on 11th July, 2006. 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.

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

The Remuneration Committee comprises Mr Chinubhai Shah (a Non-Executive, Independent Director) as Chairman, Mr Sujit Gupta and Mr Dipak Banerjee as Members.

The Remuneration Committee was constituted on 19th March, 2001 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.

During the year one meeting of the Remuneration Committee was held on 25th April, 2006 which was attended by Mr Chinubhai Shah, Mr Sujit Gupta and Mr Dipak Banerjee.

Details of remuneration for 2006-07

(i) Non-Wholetime Directors

Sl. No.	Name of Directors	Sitting Fees Paid (Rs.)
1.	Mr B Muthuraman	60,000/-
2.	Mr Sujit Gupta	80,000/-
3.	Mr Anand Sen	50,000/-
4.	Mr Dipak Banerjee	57,500/-
5.	Mr Koushik Chatterjee	50,000/-
6.	Mr S P Nagarkatte	1,00,000/-
7.	Mr N Ramasubramanian	1,02,500/-
8.	Mr Chinubhai Shah	1,27,500/-

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

None of the Non-Executive Directors are holding any shares and convertible instruments of the Company.

(ii) Managing Director

Name	Salaries (including Perquisites and performance linked bonus) Rs. lakhs	Contribution to Provident and other Funds Rs. lakhs	Other Benefits (Actual and/or Estimated) Rs. lakhs	Stock Options
Mr B L Raina	50.92	7.04	10.01	NIL

Period of contract of MD : The Managing Director was reappointed for a further period from 24th August, 2005 to 16th June, 2009 at the Meeting of the Board of Directors held on 25th April, 2005 based upon the recommendation of the Remuneration Committee. The Shareholders at the Annual General Meeting held on 28th July, 2005 approved the reappointment 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 Committee

A Shareholders Grievance Committee was constituted on 19th March, 2001 to specifically look into the redressal of shareholders' grievances relating to transfer of shares, non receipt of balance sheet and any other matters.

Meetings of the Shareholders Grievance Committee were held on 25.04.06, 10.07.06 and 10.10.06 and 11.01.07.

The Committee comprises Mr Sujit Gupta, Chairman, Mr N Ramasubramanian and Mr Chinubhai Shah as members. Mr S Kar, Company Secretary is the Compliance Officer of the Company.

Number of shareholders' complaints received during the year – 1.

THE TINPLATE COMPANY OF INDIA LIMITED

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Number of complaints not resolved to the satisfaction of the shareholders as on 31st March, 2007 – Nil.

No. of pending complaints as on 31st March, 2007 – Nil.

Number of pending share transfers – 1 requests in physical form involving 54 Equity Shares (1 requests in demat form involving 50 Shares) were pending as on 31st March, 2007.

The Company has appointed TSR Darashaw Limited (formerly known as Tata Share Registry Limited) as the Registrar and Transfer Agents of the Company. The delegated authority is taking measures so that the 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

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

Year	AGM/ EGM	Location	Date	Time	No. of Special Resolutions
2003-04	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata - 700001	28.07.2004	11.30 AM	Nil
2004-05	AGM	Tata Centre Auditorium, 17th Floor, 43, Chowringhee Road, Kolkata - 700071	28.07.2005	12.00 NOON	1
2005-06	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata - 700001	11.07.2006	11.00 AM	3

No resolutions were proposed through postal ballots neither in the previous Annual General Meetings nor any proposed at the ensuing Annual General Meeting.

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 49IV(G) of the Listing Agreement with the Stock Exchange.

7. Disclosures

□ 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 Ltd. (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. 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. 22 of Schedule P of the Annual Audited Accounts for the year ended 31st March, 2007.
- 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 Company has formulated a Whistle Blower Policy and affirms that no personnel has been denied access to the Audit Committee.
- The management have 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.
- 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.
- The CEO i.e. the Managing Director and CFO i.e. the Chief (Finance) have given the necessary certificates as requested under Clause 49(V) of the Listing Agreement.
- All the mandatory requirements have been appropriately complied with and the non mandatory requirements relating to Remuneration Committee and Whistle Blower Policy have been complied with.

8. Means of Communication

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 Hindustan Times and Aajkal.

The financial results of the Company are also put on the web site of the Company after these are submitted to the Stock Exchanges. Official information like press releases are also available on the web site. The Company's web site address is www.tatatinplate.com. The shareholders are free to communicate their grievances and queries to the Company through email id. share.department@tatatinplate.com.

9. General Shareholder Information

Annual General Meeting

Date & Time	:	20th July, 2007 at 4.00 PM
Venue	:	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001

THE TINPLATE COMPANY OF INDIA LIMITED

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Financial Year

Financial Reporting for quarter ending 30.6.2007	—	July 2007
Financial Reporting for half year ending 30.9.2007	—	October 2007
Financial Reporting for quarter ending 31.12.2007	—	January 2008
Financial Reporting for the year ending 31.3.2008	—	April 2008
Annual General Meeting for the year 2008	—	July 2008

Date of Book Closure

10th July to 20th July, 2007 (both days inclusive)

Dividend Payment Date

Dividend was not recommended for the year.

Listing on Stock Exchange

Stock Code/Symbol

National Stock Exchange of India Ltd.

TINPLATE EQ

“Exchange Plaza”, Bandra – Kurla Complex,
Bandra (E), Mumbai - 400051

The Calcutta Stock Exchange Association Ltd.
7 Lyons Range,
Kolkata - 700001

10000035

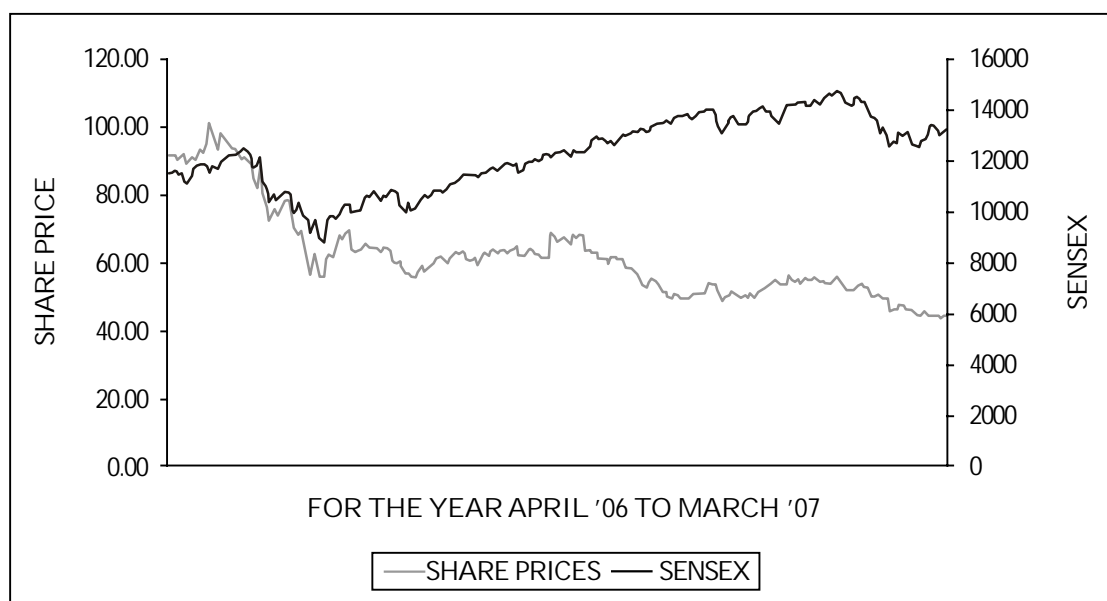
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

504966

The closing high & low market prices, average volume, average number of trades and average value of shares during each month at Bombay Stock Exchange Ltd. during April 2006 to March 2007 were as follows :

MONTH	HIGH (CLOSING) Rs.	LOW (CLOSING) Rs.	Average per day		
			Avg. Volume per day	Avg. No. of Trades/day	Avg. Value/day (Rs. lakhs)
April '06	101.85	90.40	274738.80	2109.05	26791728.72
May '06	97.30	73.15	68886.59	585.41	6057159.91
June '06	71.15	56.95	28456.57	368.52	1843128.61
July '06	65.50	56.25	19158.71	176.33	1161812.29
August '06	64.60	60.05	33486.09	284.00	2149063.30
September '06	68.70	62.00	77781.52	549.10	5152976.00
October '06	68.60	58.50	45834.52	453.76	2988888.71
November '06	58.70	49.70	40397.41	358.41	2148613.55
December '06	54.45	48.25	19546.40	216.05	1009864.35
January '07	56.25	51.40	45802.62	403.14	2511932.24
February '07	55.65	49.60	25608.79	242.32	1371885.26
March '07	49.25	43.40	23352.57	152.71	1067073.71

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 1st April, 2002 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 400 011 Tel No. (022) 6656 8484 Fax No. (022) 6656 8494/6656 8496 E-mail : csg-unit@tatashare.com	TSR Darashaw Limited Tata Centre, 1st Floor 41, Chowringhee Road Kolkata 700 071 Tel No. (033) 2288 3087 Fax No. (033) 2288 3062 E-mail : tsrlcal@cal2.vsnl.net.in

ISIN NO. INE 422C0101

Share Transfer System

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

The Transfers are 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.

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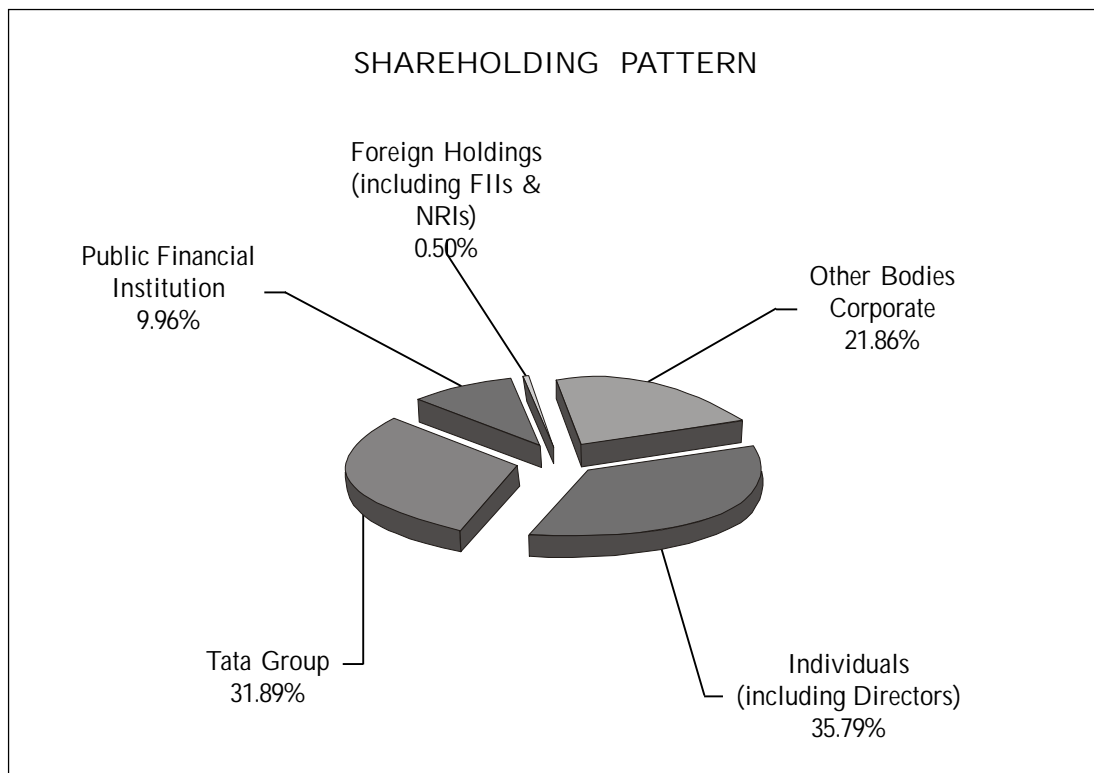
Distribution of Shareholding

The distribution of Shareholding pattern as on 31.03.2007 and 31.03.2006 are as follows :

In the Range of	31.03.2007 No. of Shareholders	Percent %	31.03.2006 No. of Shareholders	Percent %
1 to 500	24,138	87.57	22,010	87.68
501 to 1000	1,866	6.77	1,679	6.69
1001 to 2000	846	3.07	750	2.99
2001 to 3000	258	0.94	219	0.87
3001 to 4000	108	0.39	91	0.36
4001 to 5000	92	0.33	108	0.43
5001 to 10000	141	0.51	124	0.49
10001 and above	116	0.42	122	0.49
Total	27,565	100.00	25,103	100.00

Shareholding pattern as on 31.3.2007 is as follows :

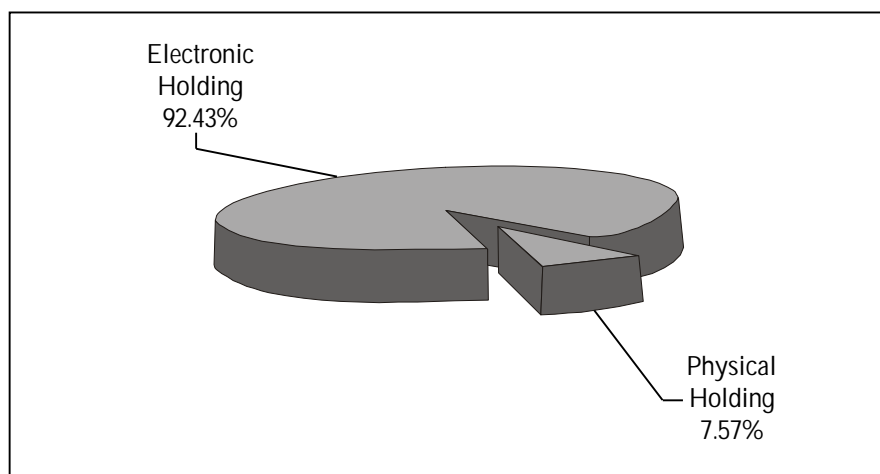
Category	Shares held	% of Shareholding
PROMOTERS' HOLDING		
Tata Steel Ltd.	88,75,000	30.60
Ewart Investments Ltd.	250	0.00
Kalimati Investments Co. Ltd.	3,73,661	1.29
	<u>92,48,911</u>	<u>31.89</u>
PUBLIC FINANCIAL INSTITUTIONS		
UTI	1,867	0.01
LIC	22,19,215	7.65
GIC & its subsidiaries	82,400	0.28
IFCI Ltd.	5,64,000	1.94
IDBI Ltd.	1,100	0.00
Nationalised Banks	7,025	0.02
Mutual Funds	17,150	0.06
FOREIGN HOLDINGS		
FII's	55,301	0.19
NRIs	89,649	0.31
OTHER BODIES CORPORATE		
Domestic Companies	62,91,291	21.70
Trusts	31,779	0.12
ICICI Bank Ltd.	300	0.00
Others Banks	300	0.00
Foreign Banks	13,020	0.04
DIRECTORS AND THEIR RELATIVES	12,750	0.04
INDIVIDUALS	<u>103,69,742</u>	<u>35.75</u>
	<u>290,05,800</u>	<u>100.00</u>



Dematerialisation of Shares and Liquidity

As on 31st March, 2007, 2,68,10,809 Equity Shares have been dematerialised which is 92.43 percent of the total shares of the Company. For the purpose of dematerialisation, agreements have been signed by the Company with National Securities Depository Limited and the Central Depository Services Limited, whereby shareholders have an option to dematerialise their shares with either of the depositories.

Break up of Shares held in Electronic and Physical Form



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

1,12,33,000–12.5% Non-cumulative Optionally Convertible Preference Shares (OCPS) of Rs. 100/- each were issued with an option for conversion into equity shares at par. According to a legal opinion, the right of conversion of the OCPS into Equity Shares, if and when exercised would be as per SEBI guidelines prevailing at the time of exercising the option.

Plant Location :

TCIL WORKS :
The Tinsplate Company of India Limited
Golmuri, Singhbhum
Jamshedpur 831003
Tel No. (0657) 2340713/20
Fax No. (0657) 2340517
E-mail : gmw.office@tatatinplate.com

Address for correspondence :

REGISTERED OFFICE :
The Tinsplate Company of India Limited
4 Bankshall Street
Kolkata 700001
Tel. No. (033) 2243-5401/5407/5410
Fax No. (033) 2230 4170
E-mail : share.department@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, 2007, 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 Executive Directors as on March 31, 2007.

3rd May, 2007

B L Raina
Managing Director

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
The Tinsplate Company of India Limited

We have examined the compliance of conditions of Corporate Governance by The Tinsplate Company of India Limited, for the year ended 31st March, 2007, 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.

(S. K. Deb)
Partner

Place : Kolkata
Date : 3rd May, 2007

Membership No. 13390
For and on behalf of
PRICE WATERHOUSE
Chartered Accountants

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. Reduction in steam transmission pressure at CRM.
2. Use of condensate instead of Steam at the ETP process line.
3. Continual focus on weekly survey/audits to check for steam leakage.
4. Periodical replacement of steam traps.
5. Mathematical Modeling System introduced in Annealing Furnaces to conserve energy.

(ii) On Conservation of power

1. Partial replacement of 250 W sodium vapor street lights replaced with 70 W street light in connecting roads of our township to reduce system loss.
2. Additional 100 Nos. of conventional energy meter replaced with electronic energy meter at residential quarter to reduce system loss.
3. 100 Nos. of energy efficient light fittings installed in General Office and Hospital as a replacement of incandescent lamp.
4. Additional 100 Nos. of 10 amps MCB's installed in residential quarters to restrict a load beyond 10 amps.

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 & OUTGO

d) Activities relating to exports, initiatives taken to increase exports ; development of new export markets for products and services ; and export plans } Mentioned in the Directors' Report

e) Total foreign exchange used and earned :	Rs. in lakhs
i) CIF value of imports	4339.29
ii) Expenditure in foreign currency	98.52
iii) Foreign exchange earned	16914.52

THE TINPLATE COMPANY OF INDIA LIMITED

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FORM - A

Form for disclosure of particulars with respect to Conservation of Energy : 2006-2007

A. POWER & FUEL CONSUMPTION

Particulars	2006-2007	2005-2006
1. Electricity		
a. Purchased		
Units (Million Kwh)	84.761	81.655
Total Amount (Rs. Lakhs)	2,922.87	2,834.02
Rate / Unit (Rs.)	3.45	3.47
b. Own Generation		
Through Diesel Generator :		
Units (Million Kwh)	0.1577	0.1314
Unit / Ltr of Diesel Oil (Kwh)	3.50	3.5
Cost / Unit (Rs.)	8.29	7.5
2. Coal (Specify quality and where used)	Non-Cooking Coal, Grade-D & E used in boilers	Non-Cooking Coal, Grade-D & E used in boilers
Quantity (Tonnes)	19958	19385
Total Cost (Rs. Lakhs)	380.88	345.26
Average Rate / Tonne. (Rs.)	1908.43	1781
3. Furnace Oil		
Quantity (KL)	—	5.6
Total Cost (Rs. Lakhs)	—	0.68
Average Rate / KL (Rs.)	—	12154
4. HSD Oil		
Quantity (KL)	3130	3101
Total Cost (Rs. Lakhs)	892	809.97
Average Rate / KL (Rs.)	28500	26120
5. Other Internal Generation	N.A.	N.A.

B. CONSUMPTION PER UNIT OF PRODUCTION (WORKS ONLY)

Particulars	Standard		2006-2007		2005-2006	
	ETP PLANT	CRM PLANT	ETP PLANT	CRM PLANT	ETP PLANT	CRM PLANT
Products	ETP/TFS	TMBP/FHCR	ETP/TFS	TMBP/FHCR	ETP/TFS	TMBP/FHCR
Production (t)	170,000	190,000	157,431	178,841	151,520	177,446
Electric Power (KWH/tonne)	185	363	151	282	150	274
Furnace Oil (Ltr./Tonne)	—	—	—	—	—	—
H.S.D. Oil (Ltr./Tonne)	—	—	—	17.50	—	17
Coal (Kg / tonne)	73	97	54	64	53	64

FORM-B

Form for disclosure of particulars with respect to Technology Absorption : 2006-2007

C. RESEARCH AND DEVELOPMENT

1. Specific areas in which R & D was carried out by the Company :
 - i. Improvement in temper tolerance by mathematical modeling at annealing.
 - ii. Work on chrome free passivation on tinplate.
 - iii. Further increase in speed of processing TFS by 15% at ETL.
 - iv. Enhancement in speed of processing OTSC by 10% at ETL.
 - v. Development of DR – 09 Coils in the thickness range of 0.19 mm.
2. Benefits derived as result of the R & D activity :
 - i. Increase in percentage production of value added products.
 - ii. Increased speed in TFS and OTSC led to improvement in productivity.
3. Future Plan of Action :
 - i. Further work in chrome free passivation.
 - ii. Reduction in tinplate coating for thermally processed food.
 - iii. Development of alternate grade of HR coils for T4 temper grade products.
 - iv. Development of cost effective tinplate for oil can application.
4. Expenditure of R & D :
 - i. Capital : Rs. 13.0 Lakhs
 - ii. Recurring : Nil
 - iii. Total : Rs. 13.0 Lakhs

D. ENVIRONMENTAL REPORT

Environment measures taken during the year 2006-07

- i. Water Pollution Control :
 - Effluent discharge from the plant was regularly monitored and complied within the statutory requirements.
 - pH for the waste effluent is being monitored round the clock and kept well within norms.
 - For continuous improvement of effluent treatment systems, CRM's waste emulsion and sludge handling, recovery and disposal are being upgraded with installation of Press Filters for quick dewatering of sludge and oil skimmers for automatic collection of oil.
- ii. Air Pollution Control :
 - Ambient air quality and stack emissions are being monitored by S.G.S (India) Pvt. Ltd. a Government approved consultant and kept within statutory norms.
 - The newly installed boiler with Electrostatic precipitator has performed well within the standard limit with respect to dust emission.
 - Upgradation of exhaust duct and scrubber system for CRM Pickling was successfully commissioned.

iii. 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 under NOC and consents are being complied as per law.
- "No Objection Certificate" for Expansion Project has been obtained from Jharkhand State Pollution Control Board with certain conditions which shall be complied with.

iv. Awareness :

- World Environmental Day was celebrated by organizing competitions like quiz, slogan, poster and tree plantation etc.
- An Interschool Environment Quiz was organized jointly with SPPE in Jamshedpur on 6th February, 2007.

ANNEXURE II TO DIRECTORS' REPORT

Statement of employees earning Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) (Amendment) Rules, 2002.

Sl. No.	Names	Age (Yrs)	Qualification	Designation and nature of duties	Date of Commencement of employment	Experience in years	Remuneration (Rs.)	Last Employment with designation
1	Raina B L	63	B.E. (Mech.) Post-Graduate Diploma in Business Management	Managing Director	24.08.1997	37	6,796,871	Director of International Trade, Tata Steel Ltd.

Notes :

Remuneration as shown above includes Salaries, Allowances, Leave Travel Allowances, Medical Expenses and Commission (if any).

Company's contribution to Provident Fund and Super Annuation Fund and expenditure incurred by the Company for accommodation and other facilities except motor car expenses which has been evaluated as per I.T. Rules and accommodation for employees located at the Company's Works who occupy Company owned houses on payment of rent.

The above employee does not hold by himself or along with spouse or dependent children, exceeding two percent of the equity shares of the Company.

For and on behalf of the Board

B Muthuraman
Chairman

Jamshedpur, 3rd May, 2007



Production Statistics

Year	H.D. PLANT		E.T. PLANT		COLD ROLLING MILL	
	Blackplate*	Electrolytic Tinplate	Tinfree Steel	Total	C. R. Products	
	Tonnes	Tonnes	Tonnes	Tonnes	Tonnes	
1992-93	133,932	50,385	—	50,385	—	
1993-94	132,294	42,359	—	42,359	—	
1994-95	126,135	34,661	—	34,661	—	
1995-96	126,711	40,414	93	40,507	16,049	
1996-97	118,955	48,115	—	48,115	52,443	
1997-98	92,594	56,098	—	56,098	68,588	
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 ***	

* Blackplate includes G.P. and G.C.Sheets production under the conversion arrangements with the Tata Steel Ltd.

** Includes 15840 tonnes of own production and 141591 tonnes under the conversion arrangements with the Tata Steel Ltd.

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

Capital Accounts

Year	Capital	Reserve and Surplus	Share-holders Funds	Borrowing	Total Fund	Gross Block	Depreciation	Net Block	Deferred Tax Assets	Investment	Current Assets	Current Liabilities & Provision	Net Current Assets	Deferred Revenue Expenditure	Loss Carried Forward
1982-83*	714.43	12.37	726.80	2,127.61	2,854.41	2,622.57	868.50	1,754.07	—	0.39	2,442.77	1,044.39	1,398.38	25.57	676.30
1983-84	714.43	8.57	723.00	3,117.96	3,840.96	2,777.48	1,086.91	1,690.57	—	0.39	2,925.86	1,333.85	1,592.01	11.92	546.07
1984-85	714.43	47.92	762.35	2,543.59	3,305.94	2,842.58	1,351.07	1,491.51	—	0.43	3,368.34	1,563.75	1,804.59	9.41	—
1985-86	1,104.43	328.95	1,433.38	2,040.74	3,474.12	2,974.65	1,410.16	1,564.49	—	0.37	4,069.58	1,257.22	2,812.36	6.90	—
1986-87	1,014.43	639.97	1,654.40	2,643.10	4,297.50	3,252.93	1,596.21	1,656.72	—	0.37	3,534.54	898.52	2,636.02	4.39	—
1987-88	1,014.43	825.94	1,840.37	1,853.64	3,694.01	3,269.84	1,832.32	1,437.52	—	0.37	2,961.47	1,067.23	1,894.24	1.88	—
1988-89	1,014.43	1,111.10	2,125.53	3,045.25	5,170.78	4,389.28	2,042.41	2,346.87	—	0.37	4,809.54	1,986.00	2,823.54	—	—
1989-90	1,014.43	1,216.32	2,230.75	4,058.61	6,289.36	5,367.76	2,294.90	3,072.86	—	7.87	7,245.09	4,036.46	3,208.63	—	—
1990-91	1,014.43	1,277.34	2,291.77	2,708.53	5,000.30	5,718.58	2,643.63	3,074.95	—	7.87	5,862.52	3,945.04	1,917.48	—	—
1991-92	1,014.43	1,498.28	2,512.71	2,671.28	5,183.99	6,407.37	2,941.91	3,465.46	—	7.87	8,913.05	7,202.39	1,710.66	—	—
1992-93	1,014.43	1,537.82	2,552.25	14,604.96	17,157.21	9,955.36	3,286.39	6,668.97	—	7.83	17,334.96	6,967.23	10,367.73	112.68	—
1993-94	2,541.53	7,831.55	10,373.08	11,809.61	22,182.69	17,829.16	3,649.21	14,179.95	—	7.83	15,140.42	7,272.42	7,868.00	126.91	—
1994-95	2,885.10	9,134.81	12,019.91	18,761.60	30,781.51	27,540.69	4,061.76	23,478.93	—	22.83	14,787.22	7,696.64	7,090.58	189.17	—
1995-96	2,889.15	9,208.79	12,097.94	20,747.92	32,845.86	34,589.17	4,521.96	30,067.21	—	22.83	18,275.28	15,709.03	2,566.25	189.57	—
1996-97	2,890.91	7,903.14	10,794.05	24,428.20	35,222.25	38,033.33	5,669.86	32,363.47	—	22.83	17,388.55	16,120.49	1,268.06	171.15	1,396.74
1997-98	2,890.91	7,903.14	10,794.05	25,885.84	36,679.89	38,267.94	7,510.55	30,757.39	—	22.83	15,815.46	17,765.62	(1,950.16)	335.50	7,514.33
1998-99*	11,097.91	7,802.64	18,900.55	23,154.77	42,055.32	38,447.18	9,451.02	28,996.16	—	22.83	8,498.21	9,441.57	(943.36)	2,228.60	11,751.09
1999-00**	-13,859.91	7,802.64	21,662.55	21,579.96	43,242.51	37,687.42	10,165.15	27,522.27	—	22.83	6,980.30	8,788.89	(1,808.59)	4,683.47	12,822.53
2000-01	14,123.91	7,638.64	21,762.55	20,581.07	42,343.62	35,961.94	10,198.87	25,763.07	—	22.83	6,743.29	8,751.76	(2,008.47)	4,075.48	14,490.71
2001-02	14,123.91	7,488.64	21,612.55	20,651.91	42,264.46	36,843.58	11,836.67	25,006.91	—	24.83	8,364.15	8,845.36	(481.21)	3,475.00	14,238.93
2002-03	14,123.91	7,488.64	21,612.55	20,282.76	41,895.31	37,876.02	13,515.79	24,360.23	—	124.83	8,580.92	8,709.46	(128.54)	3,501.56	14,037.23
2003-04	14,123.91	317.53	14,441.44	18,943.47	33,384.91	39,271.81	15,318.57	23,953.24	—	224.83	10,898.99	11,320.18	(421.19)	4,896.14	4,731.89
2004-05	14,123.91	531.25	14,655.16	14,622.74	29,277.90	40,702.93	16,786.05	23,916.88	—	224.83	9,846.68	10,670.53	(823.85)	4,062.38	1,897.66
2005-06	14,123.91	1,516.12	15,640.03	13,449.94	29,089.97	45,806.89	18,736.55	27,070.34	#####	22.83	10,107.19	12,307.99	(2,200.80)	3,152.07	—
2006-07	14,123.91	2,676.99	16,800.01	12,965.86	29,766.76	49,083.76	20,996.34	28,087.42	328.81	22.83	11,706.44	12,190.01	(483.57)	1,811.27	—

* 15 months

** 9 months

These Statements are for information only



in Rupees Lakhs

Revenue Accounts

Per-centage of Share-holders Fund to Total Fund	Per-centage of Borro-wings to Total Fund	Sales	Income from Other Sources	Opera-tion Expenses	PBDIT	Interest	Cash Profit	Depre-ciation	Prior Period adjust-ment/ Extra-ordinary items	Profit/ (Loss) Before Tax	Taxa-tion	Profit/ (Loss) after Tax	Dividend (including Dividend Tax)	Year
25.46%	74.54%	5,867.81	34.88	5,466.94	435.75	480.49	(44.74)	172.13	(41.50)	(175.37)	—	(175.37)	—	1982-83*
18.82%	81.18%	7,023.21	11.19	6,364.04	670.36	329.44	340.92	218.58	(4.09)	126.43	—	126.43	—	1983-84
23.06%	76.94%	7,273.68	212.37	6,888.83	597.22	217.73	379.49	265.10	(471.03)	585.42	—	585.42	—	1984-85
41.26%	58.74%	8,641.29	114.64	8,024.01	731.92	297.31	434.61	187.04	(134.66)	382.23	—	382.23	101.20	1985-86
38.50%	61.50%	10,977.01	93.44	10,206.76	863.69	354.80	508.89	186.08	(128.41)	451.22	39.00	412.22	101.20	1986-87
49.82%	50.18%	11,777.70	130.37	10,934.13	973.94	395.67	578.27	241.51	(4.41)	341.17	54.00	287.17	101.20	1987-88
41.11%	58.89%	13,820.19	108.74	12,936.62	992.31	269.58	722.73	215.80	(4.03)	510.96	74.00	436.96	151.80	1988-89
35.47%	64.53%	16,802.85	188.94	15,893.64	1,098.15	543.16	554.99	257.97		297.02	40.00	257.02	151.80	1989-90
45.83%	54.17%	18,958.06	244.91	18,048.68	1,154.29	479.46	674.83	350.01		324.82	112.00	212.82	151.80	1990-91
48.47%	51.53%	17,994.11	321.35	16,974.63	1,340.83	438.69	902.14	299.04		603.10	200.00	403.10	182.16	1991-92
14.88%	85.12%	29,124.09	832.46	28,740.12	1,216.43	650.09	566.34	344.64		221.70	—	221.70	182.16	1992-93
46.76%	53.24%	28,736.47	920.78	27,660.71	1,996.54	1,157.53	839.01	363.61		475.40	5.00	470.40	285.05	1993-94
39.05%	60.95%	23,691.42	746.97	22,513.41	1,924.98	1,163.92	761.06	423.84		337.22	5.00	332.22	403.25	1994-95
36.83%	63.17%	29,233.83	529.78	27,615.19	2,148.42	1,249.37	899.05	461.32		437.73	5.00	432.73	359.69	1995-96
30.65%	69.35%	33,770.75	673.70	33,183.40	1,261.05	2,814.44	(1,553.39)	1,149.00		(2,702.39)	—	(2,702.39)	—	1996-97
29.43%	70.57%	30,295.33	833.90	30,770.61	358.62	4,585.91	(4,227.29)	1,843.26	47.04	(6,117.59)	—	(6,117.59)	—	1997-98
44.94%	55.06%	21,403.97#	1,051.14	20,849.63	1,605.48	4,224.97	(2,619.49)	2,179.76	(461.99)	(4,337.26)	—	(4,337.26)	—	1998-99*
50.10%	49.90%	10,356.09#	1,182.04	8,025.71	3,512.42	2,401.42	1,111.00	1,254.10	928.34	(1,071.44)	—	(1,071.44)	—	1999-00**
51.40%	48.60%	14,770.08#	2,468.93	11,488.15	5,750.86	3,761.24	1,989.62	1,609.45	2,162.55	(1,782.38)	49.80	(1,832.18)	—	2000-01
51.14%	48.86%	17,081.92#	1,657.28	12,862.73	5,876.47	3,495.55	2,380.92	1,645.73	653.93	81.26	(20.52)	101.78	—	2001-02
51.59%	48.41%	24,373.11#	2,000.87	20,344.32	6,029.66	3,162.86	2,866.80	1,687.27	977.83	201.70	—	201.70	—	2002-03
43.26%	56.74%	31,578.14#	2,272.45	26,347.62	7,502.97	2,423.88	5,079.09	1,807.86	1,137.00	2,134.23	—	2,134.23	—	2003-04
50.06%	49.94%	25,890.66#	1,012.59	20,091.78	6,811.47	1,709.83	5,101.64	1,888.69	—	3,212.95	165.00	3,047.95	—	2004-05
53.76%	46.24%	43,104.98#	943.68	36,657.59	7,391.07	1,469.28	5,921.79	1,971.69	—	3,950.10 (945.53)	4,895.63	2,013.10	2,013.10	2005-06
56.44%	43.56%	46,629.73#	1,535.89	41,281.86	6,883.76	1,553.57	5,330.19	2,261.60	—	3,068.59	1,180.50	1,888.09	—	2006-07

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