


BSE SENSEX	S&P CNX
25,881	7,935
Bloomberg	TATA IN
Equity Shares (m)	971.2
M.Cap.(INRb)/(USDb)	315.0 / 4.7
52-Week Range (INR)	364 / 200
1, 6, 12 Rel. Per (%)	-8/43/4
12M Avg Val (INR M)	2,089
Free float (%)	68.7

Financials & Valuations (INR b)

Y/E Mar	2016	2017E	2018E
Net Sales	1,171.5	1,271.7	1,068.3
EBITDA	75.9	126.3	188.3
PAT	7.5	-7.2	60.1
EPS (INR)	7.7	-7.4	61.9
Gr. (%)	168.6	-196.3	-937.1
BV/Sh (INR)	195.8	177.9	229.2
RoE (%)	4.0	-4.0	30.4
RoCE (%)	5.3	4.8	10.5
P/E (x)	43.4	-45.0	5.4
P/BV (x)	1.7	1.9	1.5

Estimate change 

TP change 

Rating change 

CMP: INR324 TP: INR307(-5%)

Neutral

Operating performance improved on restructuring

But, cash out flows will remain high at INR180-190b; Maintain Neutral

Consolidated EBITDA increased 43% YoY to INR22b (est. of INR11.5b) in 4QFY16. The beat was driven by 5% higher volumes in India, lower losses at TSE and better than estimated operating performance of other subsidiaries.

- **India:** EBITDA/t increased by INR1509/t QoQ to INR7681 despite flat NSR. FAMD's profitability improved QoQ and there was actuarial gain in staff cost.
- **Europe:** EBITDA loss at USD15/t was lower than est. of USD35/t due to redundancies. INR8.6b of restructuring cost was reported in extra ordinary.
- **Net debt** increased by INR43b YoY to INR770b (in-line) despite INR54b of working capital release and INR40b from asset monetization. Capex (INR115b), interest (INR46b), dividend (INR10b) and tax (INR15b) together accounted for INR186b of cash outflows in FY16.

Guidance for FY17E: outstanding KPO capex higher than estimates

- KPO is likely to produce 1mt steel and will be EBITDA positive in first year.
- NSR is expected to increase by INR3000/t QoQ in 1QFY17E.
- Capex: ~INR100b (INR55b for KPO + INR35b for TSE) v/s est of INR66b. Outstanding KPO capex surprised negatively.
- TSE will realize benefit of spread expansion in 2QFY17E

Cash outflows will remain high at INR180-190b; Maintain Neutral

- P&L will remain in flux due to asset sale in UK and startup costs of KPO during FY17E. Therefore, we are basing valuations on FY18E.
- We estimate cons. EBITDA of INR188b for FY18E factoring exit from UK. EBITDA/t of INR11,307 for India and USD85/t for TSE (ex-UK) factors most of optimism. Net debt will increase due to ~INR180-190b cash out flow towards capex, int., div., increase in working capital and tax. We are reducing SOTP based TP by 5% to INR307/share due to higher than estimated capex. Steel pricing outlook too is deteriorating once again. Maintain Neutral.

Quarterly Performance (Consolidated)

Y/E March (Consolidated)	FY15				FY16				FY15	FY16	FY16 vs Est 4QE (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			
Sales (k tons)	6,460	6,500	6,300	7,060	6,330	6,290	6,370	6,940	26,320	25,930	7,183 -3
Change (YoY %)	6.3	0.3	-1.3	-7.3	-2.0	-3.2	1.1	-1.7	-0.9	-1.5	1.7 -198
Avg Realization (INR/tss)	56,389	55,042	53,386	47,686	47,868	46,589	44,017	42,518	53,003	45,180	44,084 -4
Net Sales	364,272	357,771	336,332	336,662	303,003	293,047	280,390	295,076	1,395,037	1,171,516	316,645 -7
Change (YoY %)	11.0	-2.4	-8.4	-20.7	-16.8	-18.1	-16.6	-12.4	-6.1	-16.0	-5.9 108
EBITDA	42,726	38,828	30,774	15,430	27,742	18,305	7,757	22,052	127,758	75,857	11,491 92
(% of Net Sales)	11.7	10.9	9.1	4.6	9.2	6.2	2.8	7.5	9.2	6.5	3.6 106
Steel EBITDA(USD/tss)	111	99	79	35	69	45	18	47	79	45	24 99
Interest	12,524	12,328	11,674	11,952	10,980	10,487	9,641	10,178	48,478	41,286	10,559 -4
Depreciation	15,503	14,295	14,511	15,127	13,465	13,708	11,327	12,319	59,436	50,818	14,472 -15
Other Income	2,161	3,215	1,191	1,394	7,622	29,382	962	1,291	7,962	39,257	1,259 3
PBT (before EO Inc.)	16,861	15,421	5,780	-10,255	10,919	23,491	-12,249	847	27,806	23,008	-12,281 -107
EO Income(exp)	-2,625	6,756		-48,112	1,584	-5,637	-7,118	-28,578	16,615	-39,749	
PBT (after EO Inc.)	14,236	22,177	5,780	-58,367	12,503	17,854	-19,367	-27,731	44,421	-16,740	-12,281 126
Total Tax	10,804	9,454	4,467	-1,345	5,154	2,402	2,434	5,060	23,380	15,050	3,166 60
% Tax	64.1	61.3	77.3	13.1	47.2	10.2	-19.9	597.4	84.1	65.4	-25.8 -2,417
Reported PAT	3,432	12,723	1,313	-57,023	7,349	15,452	-21,801	-32,791	21,040	-31,790	-15,447 112
Adj. PAT (after MI & asso)	5,998	5,787	1,571	-8,631	6,045	20,925	-14,155	-3,560	4,575	9,256	-15,005 -76

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

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4Q results review

Standalone: Strong volumes drive EBITDA increase of 29% YoY to INR21.6b

- Steel sales volume grew 13% YoY / 16% QoQ to 2.7mt led by strong growth in auto and branded product sales volumes. Auto sales volumes were up ~13% YoY to 396kt while Branded product sales grew 11% YoY to 983kt.
- Blended steel realization was broadly flat QoQ at INR 36,216/t. Although steel prices were up by ~INR 3,000/t since the MIP, on a quarterly run-rate basis the realization was broadly flat due to sharp correction in prices in December and January.
- Steel business EBITDA/t is estimated at INR 7,681 up ~INR1,500/t QoQ on operating leverage from higher volumes and lower employee cost (due to change in actuarial assumption). Standalone EBITDA at INR 21.6b was up 29% YoY / 44% QoQ on higher margins and volumes.
- Ferro alloy business delivered higher volumes but was largely offset by lower realization. Volumes were up 27% QoQ to 242kt in 4QFY16 from 190kt in 3QFY16 and just 33kt in 4QFY15. Revenue growth was lower at 11% QoQ to INR 5.6b.
- Reported PAT of INR 6.8b included exceptional charge of INR 3.2b primarily related to employee separation compensation.
- Key highlights from the call on India business:
 - Kalinganagar 3mtpa plant has started commercial operations. The management is guiding for ~1mt volume from the plant in FY17. It expects full utilization to be achieved within 24 months.
 - Domestic steel prices have increased by ~INR 6,000/t since the MIP. ~INR 3,000/t benefit was seen in the quarter while the remaining is expected to flow into 1QFY17. The management is positive on domestic steel demand on government's spending in roads and railways and better monsoon driving rural demand.
 - Capex guidance is INR55b for KPO in FY17E.

Exhibit 1: Tata Steel India's quarterly performance

Y/E March (Standalone)	INR million									
	FY15				FY16				FY15	FY16
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Steel Sales ('000 tons)	2,100	2,110	2,129	2,407	2,143	2,333	2,349	2,718	8,746	9,543
Avg Seg.Realn. (INR/tss)	47,462	49,233	45,337	42,943	40,913	39,286	36,260	36,216	46,128	38,032
Net Sales	104,683	107,851	98,968	106,349	90,937	95,311	90,639	105,217	417,850	382,103
EBITDA	32,559	30,941	19,799	16,789	16,887	18,616	14,981	21,634	100,088	72,118
(% of Net Sales)	31.1	28.7	20.0	15.8	18.6	19.5	16.5	20.6	24.0	18.9
Steel EBITDA(INR/tss)	14,944	14,345	9,338	7,084	7,787	7,813	6,172	7,681	11,378	7,436
Steel EBITDA(USD/tss)	250	237	151	114	122	120	94	115	186	114
Interest	4,923	4,888	4,624	5,324	3,960	3,313	3,501	3,829	19,760	14,603
Depreciation	4,933	4,746	4,573	5,725	4,682	4,810	4,909	4,929	19,976	19,331
Other Income	1,435	2,624	1,083	686	7,488	29,327	829	1,263	5,828	38,907
PBT (after EO Inc.)	32,017	33,106	11,685	5,987	16,792	26,604	7,003	10,866	82,795	61,265
Total Tax	9,337	8,342	2,878	-2,154	4,306	1,375	2,474	4,100	18,404	12,256
% Tax	29.2	25.2	24.6	-36.0	25.6	5.2	35.3	37.7	22.2	20.0
Reported PAT	22,680	24,764	8,806	8,141	12,486	25,229	4,528	6,766	64,391	49,010
Adjusted PAT	14,800	15,589	8,806	8,581	11,427	38,444	4,925	10,038	47,776	64,835

Source: MOSL, Company

Europe: Loss declines on lower raw material cost and cost savings

- Steel sales volume declined 6.8% YoY to 3.55mt on capacity closures and restructuring exercise being carried out.
- EBITDA/t was a loss of USD 15 but improved from USD 31 in 3Q primarily on lower raw material cost and benefit of capacity closures and employee redundancies. EBITDA loss declined from INR 6.7b in 3Q to INR 3.6b 4Q.
- **Key call highlights**
 - Although steel prices are higher in EU (along with spreads), the benefit would be visible only in 2QFY17 due to the nature of long-term contracts with the customer.
 - Capex guidance for Netherland's operations is INR 35b, primarily to improve auto product capabilities at the plant.
- **Greybull sale transaction**
 - A few conditions were to be fulfilled for closing the deal. It is expected to be done over the next couple of months.
 - The transaction is at nominal value and also includes business related working capital which is transferred at nil value.
- **Sale of other UK assets**
 - Remaining UK asset sale process is more structured and would be expedited. Bids have been received and are being evaluated.
 - Pension would typically be a part of the transaction. However, if the bidder does not agree to take the pension liability there would be some regulatory processes to carve it out. UK government has agreed to provide assistance in managing the pension issue, the management mentioned.
 - As per IAS19 the UK pension scheme had a surplus of ~£1b as at the end of March 2016. As per the last actuarial valuation done in March 2014 it was a deficit of ~£90m.

Exhibit 2: Tata Steel Europe's quarterly performance

Y/E March	INR million									
	FY15				FY16				FY15	FY16
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Production (000 tons)	3,700	3,820	3,740	3,910	3,960	3,580	3,560	3,657	15,170	14,757
Change (YoY %)	-1.1	-1.0	-4.3	-3.2	7.0	-6.3	-4.8	-6.5	-2.4	-2.7
Sales (000 tons)	3,200	3,360	3,310	3,810	3,440	3,270	3,350	3,550	13,680	13,610
Change (YoY %)	1.9	-2.9	3.8	-6.4	7.5	-2.7	1.2	-6.8	-1.3	-0.5
Avg. Realization (USD per ton)	1,085	992	950	823	815	797	739	683	956	757
Change (QoQ %)	11.8	-8.5	-4.3	-13.3	-1.0	-2.1	-7.3	-7.6	-5.5	-20.8
Net Sales	207,410	202,020	193,990	195,370	178,550	169,480	163,440	162,540	798,790	674,010
Change (QoQ %)	-14.9	-2.6	-4.0	0.7	-8.6	-5.1	-3.6	-0.6	-5.7	-15.6
EBITDA	9,950	9,290	13,080	10,530	5,750	-2,380	-6,750	-3,570	42,850	-6,950
As % of Net Sales	4.8	4.6	6.7	5.4	3.2	-1.4	-4.1	-2.2	5.4	-1.0
Steel EBITDA(USD/tss)	52	46	64	44	26	-11	-31	-15	51	-8

Source: MOSL, Company

SEA and others: SEA stable; other businesses drive profit growth

- South-east Asia sales volumes were down ~12% YoY to ~670kt. EBITDA/t at USD 14 was marginally better QoQ.
- Other businesses reported an EBITDA of INR3.7b as against a loss of INR0.6b in 3Q. The major subsidiaries driving strong performance were Tata Metaliks, Tata Processing and Distribution and Tata NYK.

Exhibit 3: Tata Steel SEA and other businesses quarterly performance

Y/E March	FY15				FY16				FY15	FY16
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Sales (000 tons)	1,160	1,030	861	843	747	687	671	672	3,894	2,777
Realization (USD/t)	753	767	816	665	704	633	594	607	750	635
Net Sales	52,180	47,900	43,375	34,943	33,516	28,256	26,311	27,319	178,397	115,403
EBITDA	217	-1,403	-2,105	-11,889	5,106	2,069	-474	3,989	-15,180	10,689
EBITDA (USD/t)	3	-22	-40	-226	107	46	-11	89	-64	59

Source: MOSL, Company

Exhibit 4: Metal sector valuation

	Rating	Price (INR)	MCAP (USD M)	EPS			P/E (x)		EV/EBITDA (x)		P/B(x)	
				FY16E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Steel												
Tata Steel	Neutral	324	4,673	7.7	-7.4	61.9	-43.9	5.2	9.0	5.8	1.8	1.4
JSW Steel	Buy	1,303	4,672	-9.4	116.7	148.4	11.2	8.8	6.8	5.6	1.4	1.2
JSPL	Neutral	60	808	-21.4	-25.3	-16.0	-2.4	-3.7	14.0	11.7	0.3	0.4
SAIL	Sell	40	2,456	-11.1	-15.4	-14.7	-2.6	-2.7	nm	nm	0.5	0.7
Non-Ferrous												
Hindalco	Buy	89	2,715	-1.3	8.7	10.1	10.2	8.8	7.0	6.1	0.8	0.8
Nalco	Buy	43	1,645	2.3	2.3	3.0	18.7	14.5	7.8	5.3	0.8	0.8
Vedanta	Buy	99	4,366	10.8	9.3	9.0	10.7	11.0	5.6	5.6	0.7	0.7
Mining												
Coal India	Buy	281	26,323	23.0	17.5	23.1	16.1	12.1	7.4	5.7	5.0	4.8
Hindustan Zinc	Buy	167	10,437	19.8	17.8	17.8	9.3	9.3	5.3	5.3	1.6	1.6
NMDC	Sell	91	5,345	8.4	6.7	6.2	13.6	14.7	8.6	9.0	1.1	1.1

Source: MOSL, Company

Valuation and views

TP: INR 307, downside: 8%; Maintain Neutral

- P&L will remain in flux due to asset sale in UK and startup costs of KPO during FY17E. Therefore, we are basing valuations on FY18E.
- We estimate cons. EBITDA of INR188b for FY18E factoring exit from UK. EBITDA/t of INR11,307 for India and USD85/t for TSE (ex-UK) factors most of optimism. Net debt will increase due to ~INR180-190b cash out flow towards capex, int., div., increase in working capital and tax. We are reducing SOTP based TP by 5% to INR307/share due to higher than estimated capex. Steel pricing outlook too is deteriorating once again. Maintain Neutral.

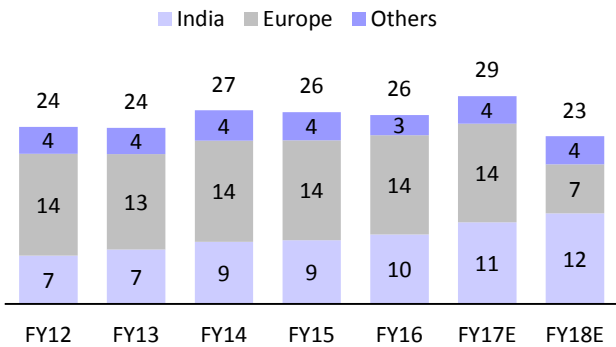
Exhibit 5: Target price derivation

	2015	2016	2017E	2018E
India				
EBITDA per ton (USD)	186	114	157	164
EBITDA per ton (INR)	11,378	7,436	10,249	11,307
Sales (m tons)	8.7	9.5	11.2	12.4
EBITDA-India	100,088	72,118	118,436	137,285
Target EBITDA multiple	6.5	6.0	6.0	6.0
EV (India) - (a)	650,572	432,705	710,619	823,713
INR/share	670	445	732	848
TSE and other subs.				
EBITDA per ton (USD)	26	3	7	60
Sales (m tons)	17.6	16.4	17.3	10.6
EBITDA	-11,791	3,943	8,054	43,783
Target EBITDA multiple	7.0	6.0	6.0	6.0
EV (TSE) - (b)	-82,534	23,660	48,321	262,698
INR/share	-85	24	50	270
Target EV (c=a+b)	568,038	456,365	758,940	1,086,411
Net Debt (d)	727,641	764,079	815,603	768,932
INR/share	749	787	840	792
D/E x (adj for goodwill)	4.1	4.0	4.7	3.5
Investments (e)				31,548
INR/share				32
(d2) Discount (%)				20
TP (c-d+e*(1-d2))				342,718
Target Price (INR /share)			307	353

Source: MOSL, Company

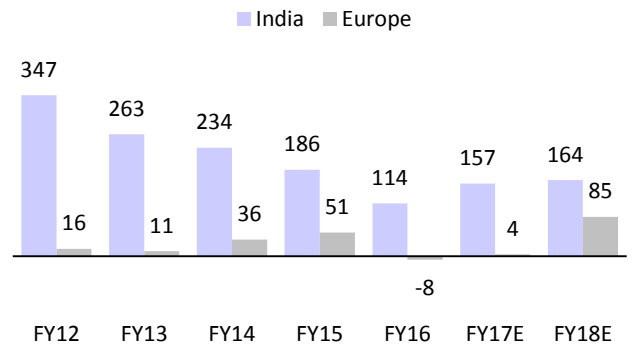
Story in charts

Exhibit 1: Capacity expansion to drive India volumes (mt)



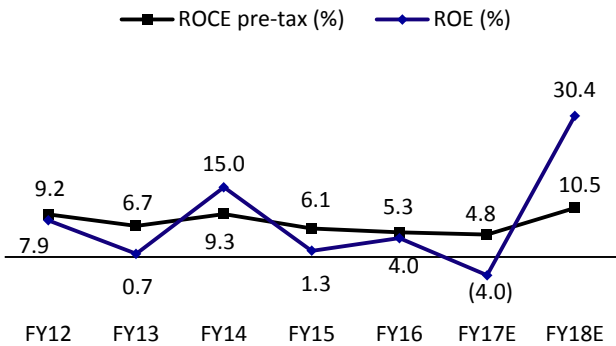
Source: MOSL, Company

Exhibit 2: UK divestment to improve EU's EBITDA mix



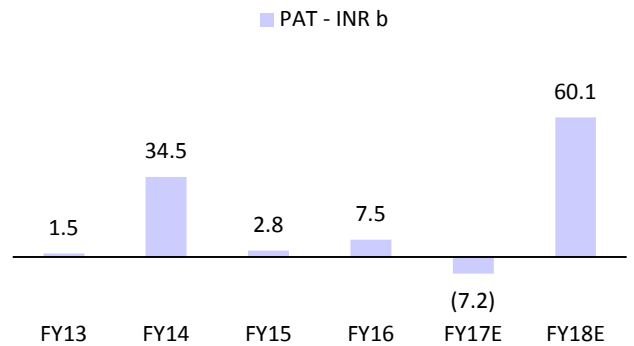
Source: MOSL, Company

Exhibit 3: Return ratios improve of sale of loss making UK



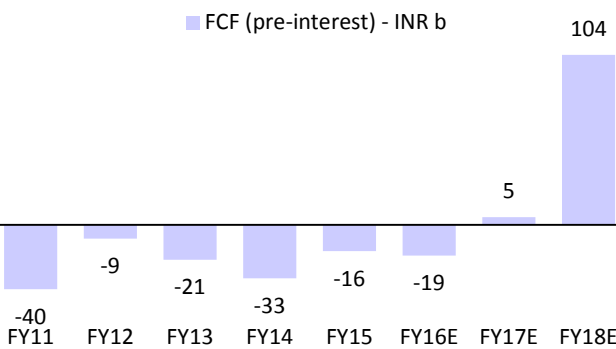
Source: MOSL, Company

Exhibit 4: Expect significant turnaround on UK asset sale



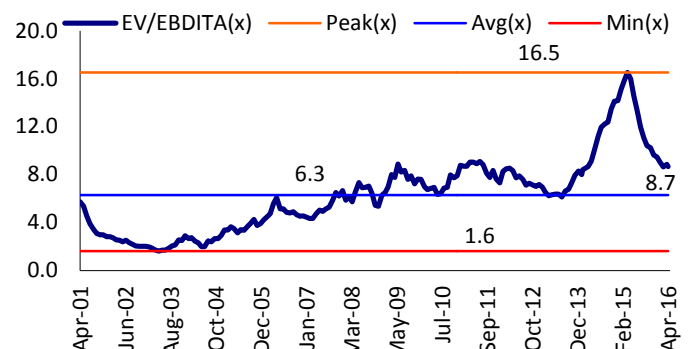
Source: MOSL, Company

Exhibit 5: Continuing capex will strain b/s even in FY17E



Source: MOSL, Company

Exhibit 6: Tata Steel 1yr fwd EV/EBITDA



Source: MOSL, Company

Financials and Valuations

Income Statement							(INR Million)	
Y/E Mar	2011	2012	2013	2014	2015	2016	2017E	2018E
Net Sales	1,187,531	1,328,997	1,347,115	1,486,136	1,395,037	1,171,516	1,271,693	1,068,259
Change (%)	16.0	11.9	1.4	10.3	-6.1	-16.0	8.6	-16.0
EBITDA	159,956	124,168	123,212	164,110	127,758	75,857	126,257	188,340
EBITDA Margin (%)	13.5	9.3	9.1	11.0	9.2	6.5	9.9	17.6
Depreciation	44,148	45,167	55,753	58,412	59,436	50,818	72,500	60,066
EBIT	115,808	79,001	67,459	105,698	68,322	25,038	53,757	128,273
Interest	27,700	42,501	39,681	43,368	48,478	41,286	50,731	51,974
Other Income	2,809	15,730	4,792	5,168	7,962	39,257	5,507	5,539
Extraordinary items	30,103	33,619	-73,899	-1,418	16,615	-15,826	0	0
PBT	121,020	85,850	-41,330	66,080	44,421	7,183	8,533	81,838
Tax	32,459	36,365	32,294	30,582	23,380	15,050	15,349	20,959
Tax Rate (%)	26.8	42.4	-78.1	46.3	52.6	209.5	179.9	25.6
Min. Int. & Assoc. Share	-603	-1,731	-2,145	-80	-450	-1,089	-528	-89
Reported PAT	89,827	51,673	-72,375	33,062	19,391	-8,368	-7,181	60,112
Adjusted PAT	59,724	18,054	1,524	34,479	2,776	7,457	-7,181	60,112
Change (%)	-823.5	-69.8	-91.6	2,162.2	-91.9	168.6	-196.3	-937.1

Balance Sheet							(INR Million)	
Y/E Mar	2011	2012	2013	2014	2015	2016	2017E	2018E
Share Capital	9,587	9,714	9,714	9,714	9,714	9,714	9,714	9,714
Reserves	346,226	416,623	332,008	395,606	303,780	314,531	297,142	347,010
Net Worth	355,814	426,337	341,722	405,320	313,494	324,245	306,856	356,724
Minority Interest	8,889	10,912	16,694	17,377	17,039	15,949	15,421	15,332
Debt	634,184	643,029	702,707	837,805	828,887	884,560	904,560	904,560
Deferred Tax	20,126	24,424	31,185	25,550	28,618	28,881	29,448	30,221
Total Capital Employed	1,019,013	1,104,701	1,092,308	1,286,052	1,188,037	1,253,635	1,256,285	1,306,836
Gross Fixed Assets	981,023	1,133,047	1,352,650	1,570,087	1,520,384	1,829,202	1,962,702	2,003,402
Less: Acc Depreciation	615,338	712,043	798,379	969,844	965,176	1,015,995	1,088,495	1,148,561
Net Fixed Assets	365,685	421,003	554,271	600,242	555,208	813,207	874,207	854,841
Goodwill on consolidation	152,982	173,546	130,650	157,488	134,075	134,075	134,075	134,075
Capital WIP	135,508	200,280	137,862	259,564	278,502	105,502	65,502	65,502
Investments	46,881	26,229	24,974	24,251	20,804	20,804	20,804	20,804
Current Assets	652,071	646,849	620,943	674,492	600,639	556,240	552,161	593,097
Inventory	240,552	255,980	240,912	268,800	251,499	192,578	209,045	175,604
Debtors	148,119	148,785	139,940	160,058	133,099	128,385	139,364	117,069
Cash & Bank	140,183	121,972	106,200	112,729	101,246	120,481	88,957	135,628
Loans & Adv, Others	123,216	120,112	133,892	132,906	114,796	114,796	114,796	164,796
Curr Liabs & Provns	334,114	363,205	376,391	429,985	401,191	376,193	390,465	361,483
Net Current Assets	317,957	283,644	244,552	244,508	199,448	180,047	161,696	231,614
Total Assets	1,019,013	1,104,701	1,092,308	1,286,052	1,188,037	1,253,635	1,256,285	1,306,836

Financials and Valuations

Ratios

Y/E Mar	2011	2012	2013	2014	2015	2016	2017E	2018E
Basic (INR)								
EPS	62.3	18.6	1.6	35.5	2.9	7.7	-7.4	61.9
Cash EPS	138.3	97.4	-18.4	96.7	82.8	44.2	67.6	124.5
Book Value	211.4	260.2	217.3	255.1	184.7	195.8	177.9	229.2
DPS	12.0	12.0	8.0	8.0	8.0	8.0	8.0	8.0
Payout (incl. Div. Tax.)	21.9	74.6	886.5	39.2	486.8	196.3	-203.9	24.4
Valuation(x)								
P/E	5.3	17.9	212.2	9.4	116.5	43.4	-45.0	5.4
Price / Book Value	1.6	1.3	1.5	1.3	1.8	1.7	1.9	1.5
EV/Sales	0.7	0.6	0.7	0.7	0.8	0.9	0.9	1.0
EV/EBITDA	5.1	6.8	7.5	6.4	8.2	14.3	9.0	5.8
Dividend Yield (%)	3.6	3.6	2.4	2.4	2.4	2.4	2.4	2.4
Profitability Ratios (%)								
RoE	40.5	7.9	0.7	15.0	1.3	4.0	-4.0	30.4
RoCE	13.2	9.2	6.7	9.3	6.1	5.3	4.8	10.5
RoIC	18.2	10.9	8.5	12.3	8.1	2.8	5.1	11.8
Turnover Ratios (%)								
Asset Turnover (x)	1.2	1.2	1.2	1.2	1.2	0.9	1.0	0.8
Debtors (No. of Days)	46	41	38	39	35	40	40	40
Inventory (No. of Days)	74	70	65	66	66	60	60	60
Creditors (No. of Days)	53	50	54	56	50	52	52	52
Leverage Ratios (%)								
Net Debt/Equity (x)	2.4	2.1	2.8	2.9	4.1	4.0	4.7	3.5

Cash Flow Statement

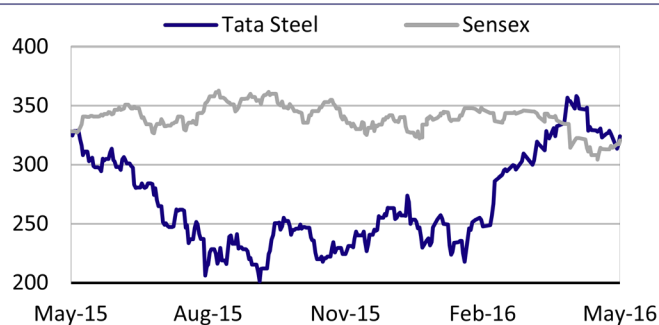
Y/E Mar	2011	2012	2013	2014	2015	2016	2017E	2018E
(INR Million)								
Adjusted EBITDA	159,956	124,168	123,212	164,110	127,758	75,857	126,257	188,340
Non cash opr. exp (inc)	8,773	13,603	4,424	10,172	11,797	0	0	0
(Inc)/Dec in Wkg. Cap.	-71,749	11,590	31,293	-12,696	3,514	38,637	-13,174	-23,247
Tax Paid	-32,351	-36,524	-25,690	-30,127	-24,270	-14,786	-14,783	-20,185
Other operating activities	0	0	0	0	0	-15,826	0	0
CF from Op. Activity	64,629	112,838	133,239	131,459	118,798	83,882	98,300	144,907
(Inc)/Dec in FA & CWIP	-104,160	-121,360	-154,715	-164,201	-134,924	-102,798	-93,500	-40,700
Free cash flows	-39,531	-8,523	-21,476	-32,742	-16,126	-18,915	4,800	104,207
(Pur)/Sale of Invt	17,505	78,503	29,484	-3,829	48,404	31,281	0	0
Others	49,402	-5,149	-3,333	32,954	-17,590	39,257	5,507	5,539
CF from Inv. Activity	-37,254	-48,006	-128,564	-135,075	-104,109	-32,260	-87,993	-35,161
Inc/(Dec) in Net Worth	45,568	6,045	2,646	156	167	0	0	0
Inc / (Dec) in Debt	37,874	-39,803	25,153	58,658	42,119	20,000	20,000	0
Interest Paid	-31,366	-37,646	-34,657	-39,424	-56,938	-43,085	-52,529	-53,773
Divd Paid (incl Tax) & Others	-7,146	-11,639	-13,590	-9,244	-11,520	-9,302	-9,302	-9,302
CF from Fin. Activity	44,930	-83,043	-20,448	10,146	-26,172	-32,387	-41,831	-63,075
Inc/(Dec) in Cash	72,305	-18,212	-15,772	6,529	-11,483	19,236	-31,525	46,671
Add: Opening Balance	67,878	140,183	121,972	106,200	112,729	101,246	120,481	88,957
Closing Balance	140,183	121,972	106,200	112,729	101,246	120,481	88,957	135,628

Corporate profile

Company description

Tata Steel is the lowest cost steel producer in India. Globally, it is the 12th largest steel company, with 24.1m tons of steel sales in FY13. It has operations spread over Europe, the UK, Asia, North America and rest of the world, with an annual capacity of 27m tons. On a consolidated level, it has ~22% raw material security. Annual production is likely to increase to 29-30m tons with the help of Greenfield projects in Orissa.

Exhibit 1: Sensex rebased



Source: MOSL/Bloomberg

Exhibit 2: Shareholding pattern (%)

	Mar-16	Dec-15	Mar-15
Promoter	31.4	31.4	31.4
DII	26.7	26.8	25.2
FII	13.2	12.0	18.1
Others	28.8	29.9	25.4

Note: FII Includes depository receipts Source: Capitaline

Exhibit 3: Top holders

Holder Name	% Holding
LIC of India	14.6
HDFC Trustee Company Limited	3.8
Citibank N.A New York, Nyadr Dept	2.3
Reliance Capital Trustee Co LTD	1.3
The New India Assurance Co Ltd	1.2

Source: Capitaline

Exhibit 4: Top management

Name	Designation
Cyrus P Mistry	Chairman
Ratan N Tata	Chairman Emeritus
T V Narendran	Managing Director
Karl Ulrich Koehler	Managing Director & CEO
Koushik Chatterjee	Executive Director & CFO
Parvatheesam Kanchinadham	Company Secretary

Source: Capitaline

Exhibit 5: Directors

Name	Name
Andrew Robb	D K Mehrotra
Ishaat Hussain	Jacobus Schraven
Mallika Srinivasan	Nusli N Wadia
O P Bhatt	Subodh Bhargava

*Independent

Exhibit 6: Auditors

Name	Type
Deloitte Haskins & Sells LLP	Statutory
Shome & Banerjee	Cost Auditor

Source: Capitaline

Exhibit 7: MOSL forecast v/s consensus

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY17	-7.4	11.3	-165.4
FY18	61.9	23.2	166.5

Source: Bloomberg

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