



TATA STEEL

transforming vision to reality

Report

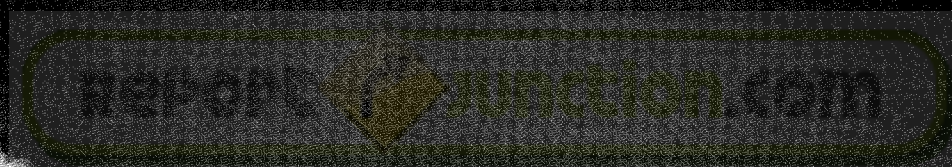


Report Junction

97th Annual Report 2003-2004

Tata Steel Annual Report

2003-2004





TATA STEEL

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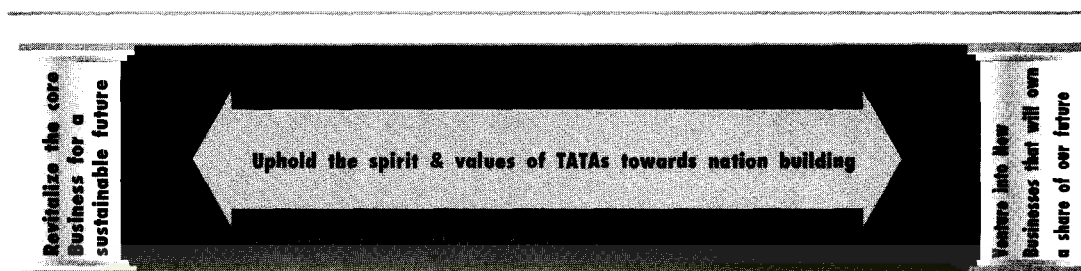
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Annual General Meeting on Thursday 22nd July, 2004 at Birla Matushri Sabhagar at 3.30 p.m.
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.
Shareholders are requested to kindly bring their copies to the meeting.

Vision 2007

To seize the opportunities of tomorrow and create a future that will make us an EVA positive company

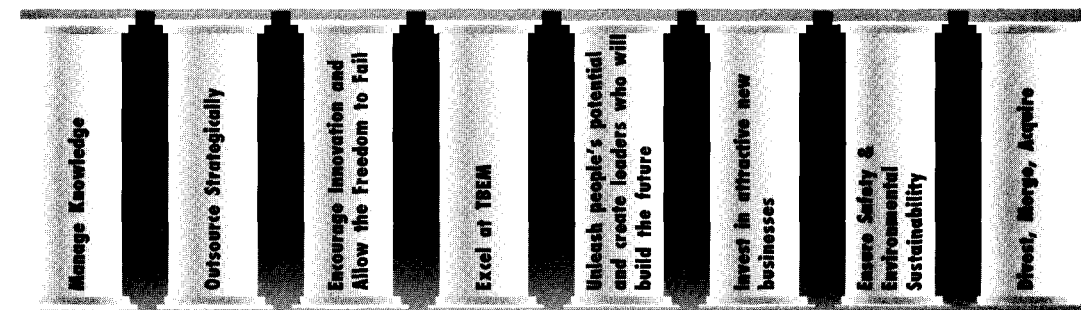
To continue to improve the quality of life of our employees and the communities we serve



Strategic Goals



Strategy



transforming **vision** into **reality**

Tata Steel, India's first steel plant was set up almost a hundred years ago. This pioneering spirit endures. Today, Tata Steel is one of Asia's largest integrated steel plants.

Anticipating the trends of the future, we have charted a growth route to achieve our Vision 2007. To transform this Vision into reality we have, year after year, repositioned paradigms, redefined benchmarks and revisited our core competence. This has accelerated the continuous change and improvement that we are endeavouring to bring about in our operations, in our work culture and in our efficiencies.

This is our real achievement. One that will enable us to sustain *what we have aspired for and build further upon it*. So that we continue to be an EVA+ company and create greater stakeholder value.

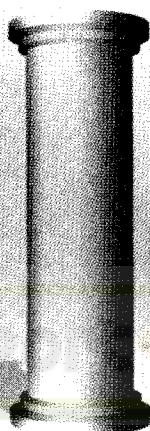
TATA STEEL : HIGHLIGHTS AT A GLANCE

EVA positive
core business



Achieved an
incremental
EVA of
Rs.516 crores

Continue to
be lowest
cost producer
of steel



Rated amongst
top 3 best steel
companies in
the world by
World Steel
Dynamics

Value creating
partnerships
with
customers &
suppliers



Entered into
a strategic
alliance with
Nippon Steel
Corporation
and
Arcelor

Sustainable
growth



One million
tonnes per
annum
expansion
plan on
schedule

Move from
commodities
to brands



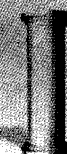
Turnover of
branded
products
increased
by 84%

Unleash
peoples'
potential
and create
leaders
who will
build the
future



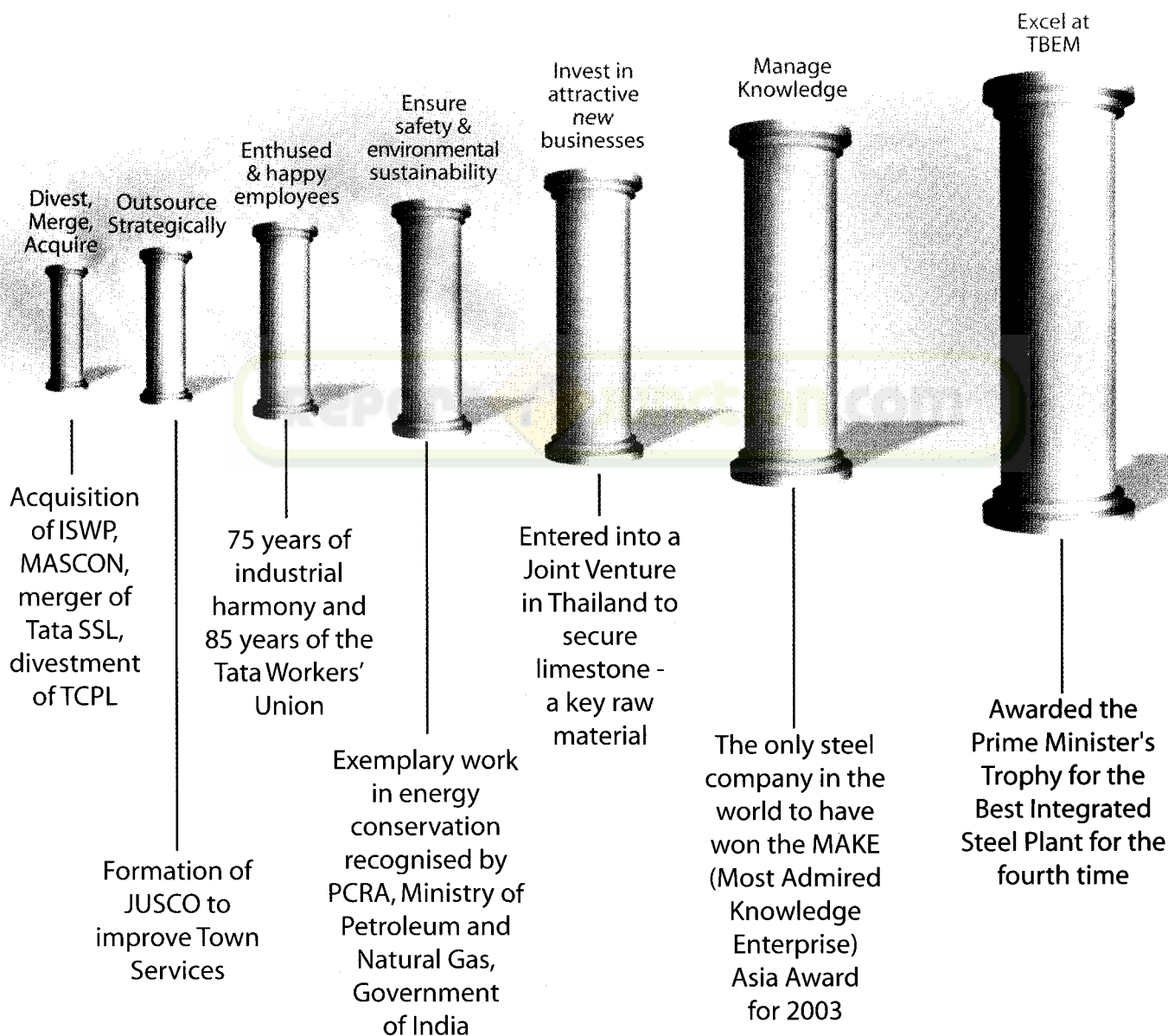
The TISCO
Management
Development
Centre
completed
50 years

Encourage
innovation



Innovative
applications
of steel :
steel intensive
bungalows,
bus shelters
and garages

2003-2004



TATA STEEL : FINANCIAL HIGHLIGHTS 2003-2004

Highest ever **production** : 4.06 million tonnes

•

Steel **sales** : 3.96 million tonnes
(2002-03 : 3.90 million tonnes)

•

Exports turnover increased by 14% to Rs. 1,496.56 crores
(2002-03 : Rs. 1,313.23 crores)

•

Record turnover of Rs. 12,069.62 crores

•

Profit After Tax increased by 72% to Rs. 1,746.22 crores
(2002-03 : Rs. 1,012.31 crores)

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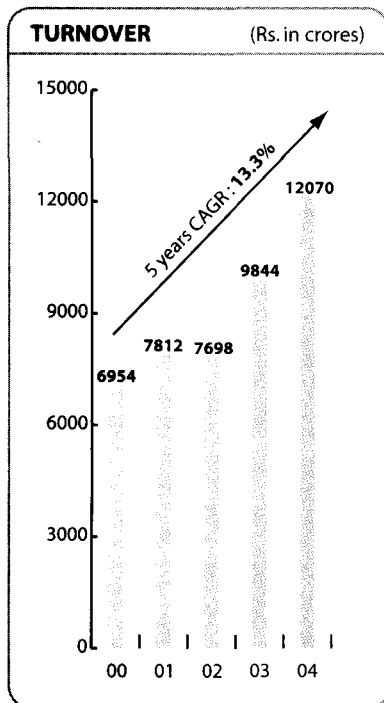
Net Working Capital reduced to Rs. 84.22 crores
(2002-03 : Rs. 957.52 crores)

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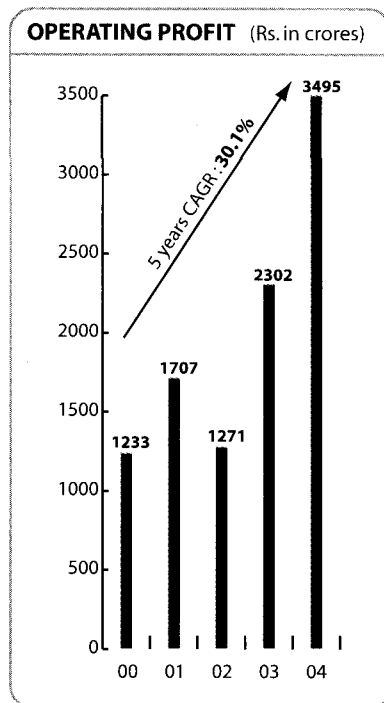
Return on Equity : 46.3%
(2002-03 : 35.9%)

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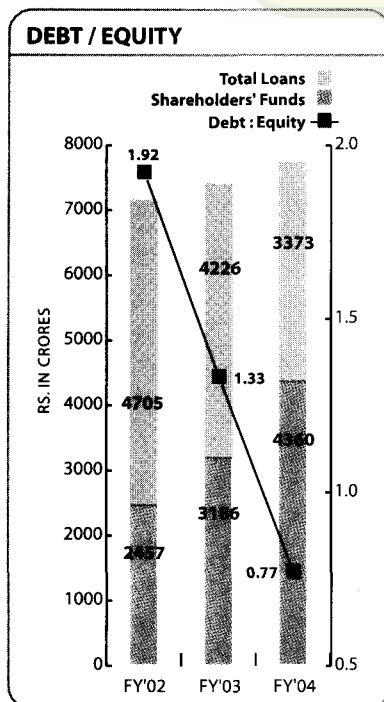
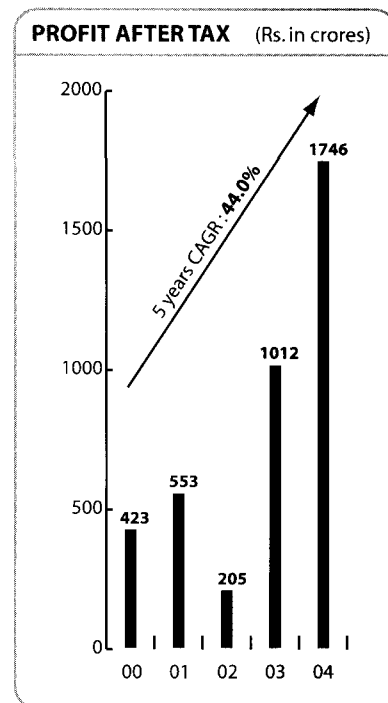
EVA spread of 8.98% at Rs. 847 crores
(2002-03 : Rs. 331 crores)



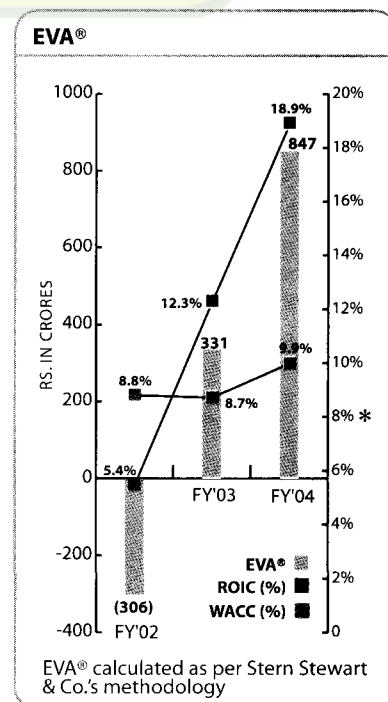
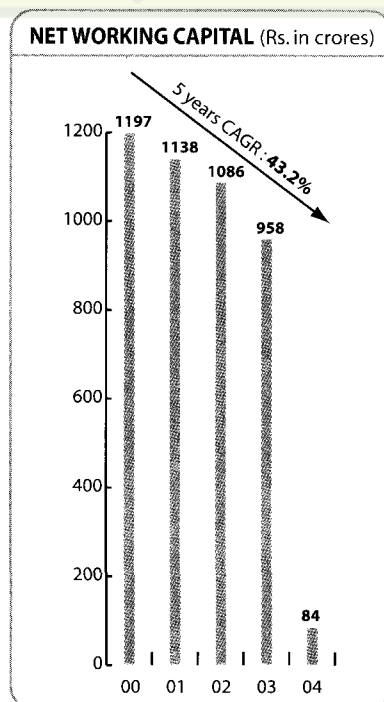
Turnover = Sales of Products & Services + Other Income



Operating Profit = Sales of Products & Services – Excise Duty – (Mfg. & Other Expenses – Expenditure transferred to Capital and Other Accounts)



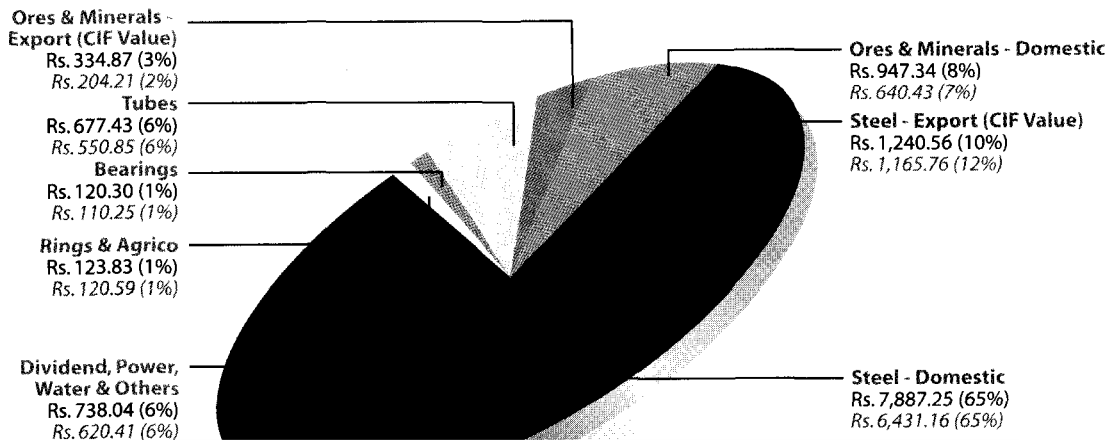
Debt = Secured loans + Unsecured loans
Equity = Share Capital + Reserves & Surplus – Expenditure (to the extent not w/o or adjusted)



EVA® = ROIC - WACC
ROIC = Return On Invested Capital
WACC = Weighted Average Cost of Capital

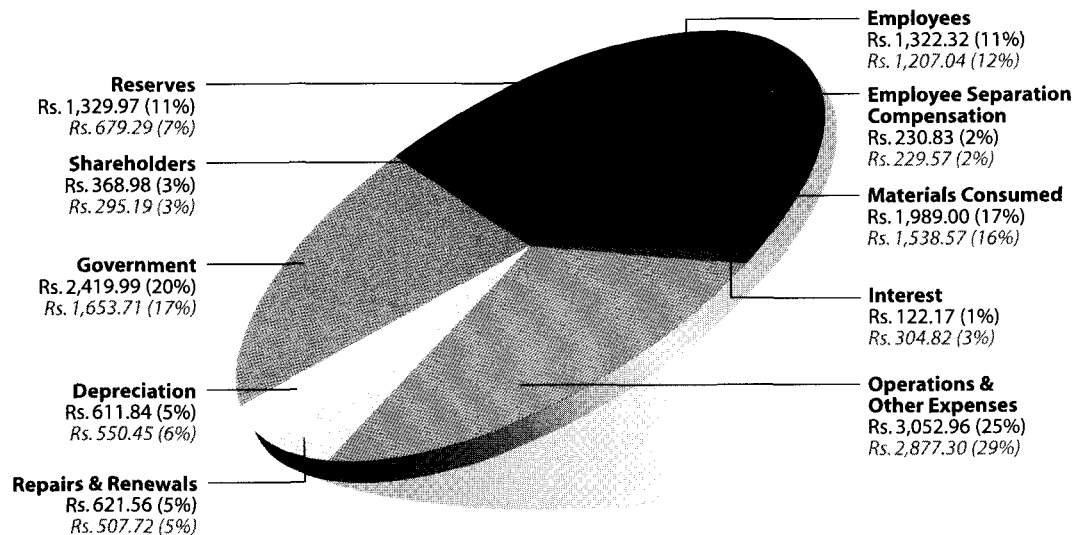
Rupee Earned 2003-2004

Rs. in crores



Distribution of Revenue 2003-2004

Rs. in crores



• Figures in italics represent Previous Year