

## Corporate Governance Report for the year 2008-09

(as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

### 1. The Company's Corporate Governance Philosophy

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasises the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

In accordance with the Tata Steel Group Vision, Tata Steel Group ('the Group') aspires to be the global steel industry benchmark for value creation and corporate citizenship. The Group expects to realise its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

### 2. Board of Directors

The Company has a non-executive Chairman and the number of Independent Directors is more than one-third of the total number of Directors. As on 31st March, 2009, the Company has 14 Directors on its Board, of which 8 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50% of the total number of Directors. The Company is in compliance with clause 49 of the Listing Agreement pertaining to compositions of directors.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below :

Name	Category	No. of Board Meetings attended during 2008-09	Whether attended AGM held on 28th August, 2008	No. of Directorships in other public companies* as on 31.03.2009		No. of Committee positions held in other public companies** as on 31.03.2009	
				Chairman	Member	Chairman	Member
Mr. R. N. Tata (Chairman)	Not Independent Non-Executive	9	Yes	9	1	—	—
Mr. James Leng	Independent Non-Executive	6	Yes	—	—	—	—
Mr. Nusli N. Wadia	-do-	8	No	3	4	—	—
Mr. S. M. Palia	-do-	9	Yes	—	6	3	3
Mr. Suresh Krishna	-do-	5	Yes	4	4	2	2
Mr. Ishaat Hussain	Not Independent Non-Executive	9	Yes	2	11	3	4
Dr. J. J. Irani	-do-	10	Yes	3	6	—	2
Mr. Subodh Bhargava	Independent Non-Executive	9	Yes	2	9	3	5

Name	Category	No. of Board Meetings attended during 2008-09	Whether attended AGM held on 28th August, 2008	No. of Directorships in other public companies* as on 31.03.2009		No. of Committee positions held in other public companies** as on 31.03.2009	
				Chairman	Member	Chairman	Member
Mr. Jacobus Schraven	Independent Non-Executive	5	Yes	—	—	—	—
Dr. Anthony Hayward	-do-	1	Yes	—	—	—	—
Mr. Andrew Robb	-do-	7	Yes	—	—	—	—
Dr. T. Mukherjee (Resigned w.e.f. 31-03-2009)	Not Independent Non-Executive	7	Yes	—	1	—	—
Mr. Philippe Varin	-do-	7	Yes	—	—	—	—
Mr. B. Muthuraman (Managing Director)	Not Independent Executive	10	Yes	1	3	—	1

\* Excludes Directorships in associations, private, foreign and Section 25 companies.

\*\* Represents Chairmanships/Memberships of Audit Committee and Shareholders'/Investors' Grievance Committee.

**Ten** Board Meetings were held during the year 2008-09 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

8th April 2008, 26th June 2008, 31st July 2008, 28th August 2008, 24th October 2008, 2nd December 2008, 18th December 2008, 8th January 2009, 28th January 2009 and 27th February 2009.

Dates for the Board Meetings in the ensuing year are decided well in advance and communicated to the Directors. Board Meetings are held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The information as required under Annexure IA to Clause 49 is being made available to the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

During 2008-09, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Dr. J. J. Irani and Dr. T. Mukherjee, to whom the Company paid retiring benefits aggregating to Rs. 35.68 lakhs and Rs. 28.86 lakhs respectively.

The Company has adopted the Tata Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Executive Director as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Tata Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the year under review. Both the Codes are posted on the website of the Company.

### 3. Audit Committee

The Company had constituted an Audit Committee in the year 1986. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are broadly as follows :

- To review compliance with internal control systems;
- To review the findings of the Internal Auditor relating to various functions of the Company;
- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors;

- d. To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- e. To make recommendations to the Board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
- f. Recommending the appointment of statutory auditors and branch auditors and fixation of their remuneration.

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 28th August, 2008.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the year 2008-09
Mr. Subodh Bhargava Chairman	Independent, Non-Executive	8
Mr. S. M. Palia, Member	-do-	8
Mr. Ishaat Hussain Member, Chartered Accountant	Not Independent, Non-Executive	9
Mr. Andrew Robb, Member	Independent, Non-Executive	6

Audit Committee meetings are attended by the Group Chief Financial Officer, Chief (Corporate Audit) and Chief Financial Controller (Corporate) and Representatives of Statutory Auditors. The Company Secretary acts as the Secretary of the Audit Committee.

**Nine** Audit Committee Meetings were held during 2008-09. The dates on which the said meetings were held were as follows :

8th April, 2008, 23rd June 2008, 30th July, 2008, 27th August, 2008, 24th October, 2008, 2nd December, 2008, 28th January, 2009, 29th January 2009 and 26th February 2009.

The necessary quorum was present at the meetings.

#### **Whistle Blower Policy**

The Audit Committee at its meeting held on 25th October, 2005, approved framing of a Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counsellor/Chairman of the Audit Committee.

#### **4. Remuneration Committee**

The Company had constituted a Remuneration Committee in the year 1993. The broad terms of reference of the Remuneration Committee are as follows :

- a. Review the performance of the Managing Director and the Whole-time Directors, after considering the Company's performance.
- b. Recommend to the Board remuneration including salary, perquisites and commission to be paid to the Company's Managing Director and Whole-time Directors.
- c. Finalise the perquisites package of the Managing Director and Whole-time Directors within the overall ceiling fixed by the Board.
- d. Recommend to the Board, retirement benefits to be paid to the Managing Director and Whole-time Directors under the Retirement Benefit Guidelines adopted by the Board.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

The composition of the Remuneration Committee and the details of meetings attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the year 2008-09
Mr. Suresh Krishna, Chairman	Independent, Non-Executive	—
Mr. R. N. Tata, Member	Not Independent, Non-Executive	1
Mr. S. M. Palia, Member	Independent, Non-Executive	1

**One** meeting of the Remuneration Committee was held on 26th June, 2008.

The Chairman of the Remuneration Committee, Mr. Suresh Krishna was present at the Annual General Meeting held on 28th August, 2008.

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

#### **Remuneration Policy**

The Company while deciding the remuneration package of the senior management members takes into consideration the following items :

- (a) employment scenario
- (b) remuneration package of the industry and
- (c) remuneration package of the managerial talent of other industries.

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

The Non-Executive Directors (NEDs) are paid remuneration by way of Commission and Sitting Fees. In terms of the shareholders' approval obtained at the AGM held on 5th July, 2006, the Commission is paid at a rate not exceeding 1% per annum of the profits of the Company (computed in accordance with Section 309(5) of the Companies Act, 1956). The distribution of Commission amongst the NEDs is placed before the Board. The Commission is distributed on the basis of their attendance and contribution at the Board and certain Committee Meetings as well as time spent on operational matters other than at the meetings.

The Company pays sitting fees of Rs. 20,000 per meeting to the NEDs for attending the meetings of the Board, Executive Committee of the Board, Remuneration Committee, Audit Committee and Committees constituted by the Board from time to time. For other meetings, viz. Investor Grievance Committee and Ethics Committee, the Company pays to the NEDs sitting fees of Rs. 5,000 per meeting.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary is paid within the range approved by the Shareholders. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board. The ceiling on perquisites and allowances as a percentage of salary, is fixed by the Board. Within the prescribed ceiling, the perquisites package is approved by the Remuneration Committee. Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Remuneration Committee, subject to overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. Specific amount payable to such directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

**Details of remuneration for 2008-09**

Non-Wholetime Directors

(Rs. lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. R. N. Tata	200.00	3.20
2. Mr. James Leng	15.00	2.20
3. Mr. Nusli N. Wadia	34.00	2.40
4. Mr. S. M. Palia	61.00	4.60
5. Mr. Suresh Krishna	10.00	1.10
6. Mr. Ishaat Hussain	60.00	4.90
7. Dr. J. J. Irani	25.00@	3.20
8. Mr. Subodh Bhargava	40.00	3.40
9. Mr. Jacobus Schraven	10.00	1.00
10. Dr. Anthony Hayward	25.00	0.20
11. Mr. Andrew Robb	10.00	2.60 #
12. Dr. T. Mukherjee	10.00@@	1.40
13. Mr. Philippe Varin	—	2.40 #
<b>Total</b>	<b>500.00</b>	<b>32.60</b>

\* Payable in 2009-10.

# Includes amount of Rs. 20,000/- paid in 2009-10.

@ Excluding retirement benefits of Rs. 35.68 lakhs paid to Dr. Irani.

@@ Excluding retirement benefit of Rs. 28.86 lakhs paid to Dr. Mukherjee.

Managing Director

Name	Salary	Perquisites & Allowances	Commission@	Stock Options
	Rs. lakhs	Rs. lakhs	Rs. lakhs	
Mr. B. Muthuraman Managing Director	88.00	69.21	350.00	Nil

@ Payable in 2009-10.

**Shareholding of the Directors in the Company as on 31st March, 2009**

Director	No. of Ordinary Shares of Rs. 10/- each held as sole/first holder	No. of Cumulative Convertible Preference Shares (CCPS) of Rs. 100/- each held as sole/first holder
Mr. R. N. Tata (Chairman)	21203	21709
Mr. James Leng	Nil	Nil
Mr. Nusli N. Wadia	Nil	Nil
Mr. S. M. Palia	2047	2869
Mr. Suresh Krishna	Nil	Nil
Mr. Ishaat Hussain	1936	1684
Dr. J. J. Irani	6528	5278
Mr. Subodh Bhargava	900	675
Mr. Jacobus Schraven	Nil	Nil
Dr. Anthony Hayward	Nil	Nil
Mr. Andrew Robb	Nil	Nil
Dr. T. Mukherjee	Nil	Nil
Mr. Philippe Varin	Nil	Nil
Mr. B. Muthuraman	3654	2282
<b>Total</b>	<b>36268</b>	<b>34497</b>

### Service Contracts, Severance Fees and Notice Period

Period of Contract of MD : From 22.07.2006 to 30.09.2009

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

There is no separate provision for payment of severance fees.

### 5. Shareholders' Committee

An Investors' Grievance Committee was constituted on 23rd March, 2000 to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc.

**One** meeting of the Investors' Grievance Committee was held on 31st March, 2009.

The composition of the Investors' Grievance Committee is given below :

Names of Members	Category	No. of Meetings attended during 2008-09
Mr. Ishaat Hussain, Chairman	Not Independent, Non Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

#### Name, designation & address of Compliance Officer :

Mr. J. C. Bham  
Company Secretary  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001.

**Phone : (022) 6665 7279**

**Fax : (022) 6665 7724 / 6665 7725**

**Email : [cosectisco@tata.com](mailto:cosectisco@tata.com)**

#### Name, designation & address of Investor Relations Officer :

Mr. Praveen Sood  
Head (Investor Relations - India & Asia)  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001.

**Phone : (022) 6665 7306**

**Fax : (022) 6665 8113**

**Email : [p.sood@tatasteel.com](mailto:p.sood@tatasteel.com)**

#### Shareholder/Investor Complaints :

Complaints pending as on 1st April, 2008	: 391
During the period 1st April, 2008 to 31st March, 2009, complaints identified and reported under Clause 41 of the Listing Agreements	: 2647
Complaints disposed off during the year ended 31st March, 2009	: 3032
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2009	: 6
No. of pending share transfers as on 31st March, 2009	
i) Ordinary Shares	: 49*
ii) Cumulative Convertible Preference Shares	: 14*

\* Transfers lodged in the last two weeks of March, 2009 and hence pending as on 31st March, 2009.

Sr. No.	Description	Total Received	Total Replied	Total Pending
<b>A</b>	<b>Complaints</b>			
	<b>Letters received from Statutory bodies</b>			
1.	SEBI	703	700	3
2.	DOCA	—	—	—
3.	STOCK EXCHANGES	148	148	—
4.	NSDL/CDSL	14	14	—
	<b>Total Nos.</b>	<b>865</b>	<b>862</b>	<b>3</b>
<b>B</b>	<b>Legal Matters</b>			
	Court/Consumer Forum Matters	15	13	2
	<b>Total Nos.</b>	<b>15</b>	<b>13</b>	<b>2</b>
<b>C</b>	<b>Dividends</b>			
1.	Non-receipt of Dividend/Interest warrants (pending recon. at the time of receipt of letters)	312	312	—
2.	Fraudulent Encashment of Dividend/Interest/Redemption warrants	1	—	1
	<b>Total Nos.</b>	<b>313</b>	<b>312</b>	<b>1</b>
<b>D</b>	<b>Allotments/refund Orders/Equity Shares/CCPS</b>			
1.	Non-receipt of refund order	581	581	—
2.	Non-receipt of allotment (Equity)	413	413	—
3.	Non-receipt of allotment (CCPS)	459	459	—
	<b>Total Nos.</b>	<b>1453</b>	<b>1453</b>	<b>—</b>
<b>E</b>	<b>Letters in the nature of reminders/complaints</b>	<b>1</b>	<b>1</b>	<b>—</b>
	<b>Total Correspondence Statistics</b>	<b>2647</b>	<b>2641</b>	<b>6</b>

**Note :**

The Correspondence identified as investor complaints are letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, (where the Company/Registrar is involved and is accused of deficiency in service) fraudulent encashment and non-receipt of dividend amounts where reconciliation of the payment is in progress/completed after the end of the quarter and non-receipt of refund orders/allotment of shares (equity & CCPS)/ share certificates pertaining to Rights Issues.

## Committees

In addition to the above Committees, the Board has constituted 4 more Committees, viz. Executive Committee of the Board, the Nomination Committee, Committee of Directors and the Ethics and Compliance Committee. The terms of reference of the **Executive Committee of the Board** (ECB) are to approve capital expenditure schemes and donations within the stipulated limits and to recommend to the Board, capital budgets and other major capital schemes, to consider new businesses, acquisitions, divestments, changes in organisational structure and also to periodically review the Company's business plans and future strategies.

The composition of the (ECB) and details of the meetings attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the year 2008-09
Mr. R. N. Tata, Chairman	Not Independent, Non-Executive	6
Mr. James Leng, Member	Independent, Non-Executive	5
Mr. Nusli N. Wadia, Member	-do-	4
Mr. S. M. Palia, Member	-do-	5
Dr. J. J. Irani, Member	Not Independent, Non-Executive	6
Mr. Ishaat Hussain, Member	-do-	6
Mr. Philippe Varin, Member	Independent, Non-Executive	5
Mr. B. Muthuraman, Member	Not Independent, Executive	5

**Six** (ECB) Meetings were held during the year 2008-09. The dates on which the said meetings were held were as follows :

7th April, 2008, 25th June, 2008, 29th July, 2008, 26th August, 2008, 27th January, 2009 and 25th February, 2009.

The **Nomination Committee** has been constituted on 18th May, 2006 with the objective of identifying Independent Directors to be inducted to the Board from time to time and to take steps to refresh the constitution of the Board from time to time.

The composition of the Nomination Committee is given below :

Names of Members	Category
Mr. Suresh Krishna, Chairman	Independent, Non-Executive
Mr. R.N. Tata, Member	Not Independent, Non-Executive
Mr. Nusli N. Wadia, Member	Independent, Non-Executive
Mr. S. M. Palia, Member	Independent, Non-Executive

During the year under review, no meeting of the Nomination Committee was held.

The **Committee of Directors** has been constituted to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant limited Powers of Attorney to the Officers of the Company, to appoint proxies to attend general meetings on behalf of the Company etc. The Members of this Committee are – Mr. R. N. Tata, (Chairman), Mr. Ishaat Hussain and Dr. J. J. Irani. The business of the Committee is transacted by passing Circular Resolutions which are placed before the Board at its next meeting.



### Ethics and Compliance Committee

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended (the Regulations), the Board of Directors of the Company adopted the revised Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices (the Code) to be followed by Directors, Officers and other Employees. The Code is based on the principle that Directors, Officers and Employees of a Tata Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

In terms of the said Code, a Committee has been constituted on 30th May, 2002, called Ethics and Compliance Committee.

One meeting of the Ethics and Compliance Committee was held on 31st March, 2009.

The composition of the Ethics and Compliance Committee is given below :

Names of Members	Category	No. of Meetings attended during 2008-09
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

The Board has also appointed the Group Chief Financial Officer as the Compliance Officer to ensure compliance and effective implementation of the Regulations and also the Code across the Company.

During the year under review, the Compliance Officer submitted Monthly Committee Report of the Tata Code of Conduct for Prevention of Insider Trading to the Board of Directors.

## 6. General Body Meetings

a) Location and time, where last three Annual General Meetings (AGMs) were held :

Financial Year	Details of Location	Date & Time
2007-08	Birla Matushri Sabhagar,	28th August, 2008 at 3.30 p.m.
2006-07	19, Sir Vithaldas Thackersey Marg,	29th August, 2007 at 3.30 p.m.
2005-06	Mumbai 400 020.	5th July, 2006 at 11.00 a.m.

b) No Extra-Ordinary General Meeting of the shareholders was held during the year.

c) No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

d) Special Resolutions passed in previous 3 Annual General Meetings :

At the last Annual General Meeting held on 28th August, 2008, no Special Resolutions were passed.

At the Annual General Meeting held on 29th August, 2007, Special Resolutions were passed for a) Increase in the authorised share capital, b) Alteration of the Memorandum of Association, c) Alteration of the Articles of Association, d) Further issuance of Securities and e) Change in place of keeping Registers and Records. The resolutions were passed unanimously.

At the Annual General Meeting held on 5th July, 2006, Special Resolutions were passed for a) Commission to Directors other than the Managing and Whole-time Directors, b) Increase in the Authorised Share Capital, c) Alteration of the Articles of Association of the Company and d) Raising additional long term funds. The resolutions at items a), b) and c) were passed unanimously. The resolution at item d) was passed by requisite majority.

## 7. Disclosures

- i) The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
- ii) The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above.
- iii) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with clause 7 of the Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behaviour. No personnel has been denied access to the Ethics Counsellor/Chairman of the Audit Committee.
- iv) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges :
  - a) The Company has set up a Remuneration Committee. Please see para 4 for details.
  - b) The Company has moved towards a regime of unqualified financial statements.

### Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

## 8. Means of Communication

### Half-yearly report –

The half-yearly results of the Company are published in the newspapers and posted on the website of the Company.

### Results –

The quarterly and annual results along with the Segmental Report are generally published in The Times of India, The Indian Express, Nav Shakti, Free Press Journal, Loksatta and also displayed on the website of the Company [www.tatasteel.com](http://www.tatasteel.com) shortly after its submission to the Stock Exchanges.

### Presentation to Institutional Investors or to analysts –

Official news releases and presentations made to Institutional Investors and analysts are posted on the Company's website.

### Management Discussion & Analysis Report –

The MD&A Report forms a part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

### Company's Corporate Website –

The Company's website is a comprehensive reference on Tata Steel's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Newsrooms' includes all major press reports and releases, awards, campaigns.

**9. General Shareholder Information**

**AGM : Date, time & venue –** 27.08.2009 at 3.30 p.m.  
Birla Matushri Sabhagar,  
19, Sir Vithaldas Thackersey Marg,  
Mumbai 400 020.

As required under Clause 49 IV(G)(i), particulars of Directors seeking reappointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 27th August, 2009.

**Financial Calendar –**

Year ending	March 31
AGM	August
Dividend Payment	Generally in August

**Date of Book Closure –** Wednesday, 8th July, 2009 to Tuesday, 14th July, 2009  
(both days inclusive)

**Dividend Payment Date –** The dividend warrants will be posted on or after 28.08.2009.

**Unclaimed Dividend –**

- All unclaimed/unpaid dividend amounts upto the financial year ended 31.03.1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to :-

Office of Registrar of Companies  
Central Government Office Bldg., 'A' Wing,  
2nd Floor, Next to Reserve Bank of India  
CBD, Belapur 400 614.

- All unclaimed/unpaid dividend amounts for the financial years 1995-96 to 2000-01 have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2001-02 is in the process of being transferred to IEPF.

**Listing on Stock Exchanges –**

The Company's Ordinary shares and CCPS are listed on the following 2 Stock Exchanges in India :

Bombay Stock Exchange Limited	National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Towers,	Exchange Plaza, Bandra-Kurla Complex,
Dalal Street, Mumbai 400 001.	Bandra East, Mumbai 400 051.

**Global Depository Receipts (GDRs)** issued by the Company in the International Market have been listed on the Luxembourg Stock Exchange and the Stock Code is USY8547N1139.

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2008-09.

**Stock Codes/Symbols -**

Bombay Stock Exchange Limited -

Ordinary Shares (demat form)	...	...	500470
CCPS			710049

National Stock Exchange of India Ltd.

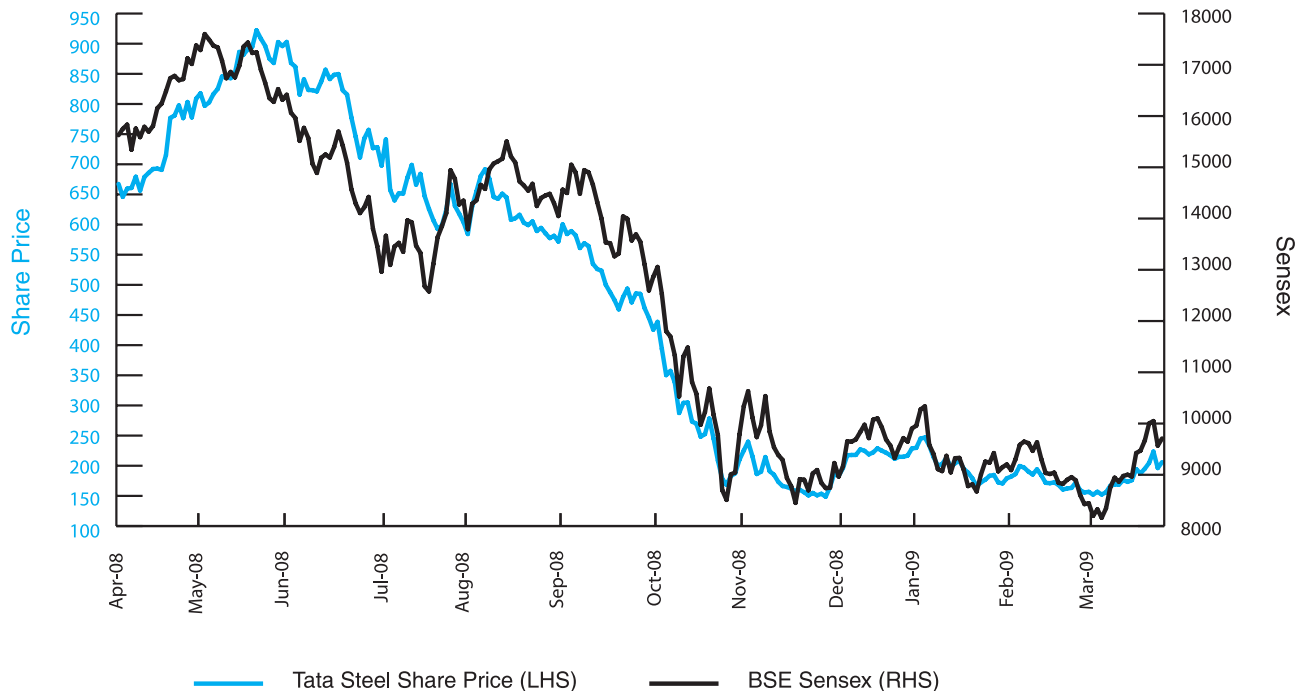
Ordinary Shares	...	...	TATASTEEL
CCPS			TATASTEEL Q1

### Market Information

Market Price Data : High, Low (based on the closing prices) and volume during each month in last financial year.

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
Apr-08	817.60	645.95	1,92,02,856	818.25	648.85	3,95,04,788
May-08	922.25	797.00	2,42,12,679	922.00	797.35	4,80,01,813
Jun-08	868.05	711.25	2,62,51,840	869.00	711.10	5,18,73,013
Jul-08	741.20	584.30	3,83,22,828	740.80	584.45	7,58,12,943
Aug-08	691.75	571.80	3,27,40,944	691.55	571.95	7,23,27,379
Sep-08	589.20	425.60	3,86,83,765	589.25	427.15	6,22,98,522
Oct-08	438.65	168.50	5,61,32,806	438.35	168.30	11,97,59,425
Nov-08	239.85	150.80	7,23,94,978	239.70	150.70	16,41,82,883
Dec-08	228.85	148.65	8,98,14,549	229.10	148.80	19,65,13,165
Jan-09	246.75	166.35	6,76,40,787	247.05	166.30	15,85,95,110
Feb-09	199.55	160.55	5,09,38,279	199.65	160.75	12,63,45,109
Mar-09	223.50	152.10	8,53,63,195	223.20	151.80	21,42,02,762

Performance of Tata Steel Share Price in comparison to BSE Sensex



**Registrar and Transfer Agents :**

TSR Darashaw Limited are the Registrar and Share Transfer Agents of the Company.  
Address for correspondence is as below:

TSR Darashaw Limited  
6-10 Haji Moosa Patrawala Industrial Estate,  
20, Dr. E. Moses Road, (Near Famous Studio)  
Mahalaxmi, Mumbai 400 011.

**Tel. : (022) 6656 8484**

**Fax : (022) 6656 8494 / 6656 8496**

**E-mail : [csq-unit@tsrdarashaw.com](mailto:csq-unit@tsrdarashaw.com)**

**website : <http://www.tsrdarashaw.com>**

For the convenience of shareholders based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Limited :

**Branches of TSR Darashaw Limited**

- |   |  |
|---|--|
| 1. TSR Darashaw Limited<br>503, Barton Centre, 5th Floor,<br>84, Mahatma Gandhi Road,<br>Bangalore 560 001.<br>Tel. : (080) 2532 0321<br>Fax : (080) 2558 0019<br>E-mail : <a href="mailto:tsrdlbg@tsrdarashaw.com">tsrdlbg@tsrdarashaw.com</a> | 2. TSR Darashaw Limited<br>Bungalow No.1, 'E' Road,<br>Northern Town, Bistupur,<br>Jamshedpur 831 001.<br>Tel. : (0657) 242 6616<br>Fax : (0657) 242 6937<br>E-mail : <a href="mailto:tsrdljsr@tsrdarashaw.com">tsrdljsr@tsrdarashaw.com</a> |
| 3. TSR Darashaw Limited<br>Tata Centre, 1st Floor,<br>43, Jawaharlal Nehru Road,<br>Kolkata 700 071.<br>Tel. : (033) 2288 3087<br>Fax : (033) 2288 3062<br>E-mail : <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a>      | 4. TSR Darashaw Limited<br>Plot No. 2/42, Sant Vihar<br>Ansari Road, Darya Ganj<br>New Delhi 110 002.<br>Tel. : (011) 2327 1805<br>Fax : (011) 2327 1802<br>E-mail : <a href="mailto:tsrdldel@tsrdarashaw.com">tsrdldel@tsrdarashaw.com</a>  |

**Agent of TSR Darashaw Limited**

Shah Consultancy Services Pvt. Limited  
3, Sumatinath Complex,  
Pritamnagar, Akhada Road  
Ellisbridge  
Ahmedabad 380 006  
Telefax : 079 26576038  
E-mail: [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

Share Transfer System : Share Transfers in physical form can be lodged with TSR Darashaw Limited at the above mentioned addresses. The Transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects. Certain Directors and the Company Secretary are severally empowered to approve transfers.

**Distribution of Shareholding – Ordinary Shares**

Number of Ordinary shares held	Number of Shareholders	
	31.03.2009 %	31.03.2008 %
1 to 100	<b>64.19</b>	60.41
101 to 500	<b>28.38</b>	31.06
501 to 1000	<b>4.03</b>	4.53
1001 to 10000	<b>3.20</b>	3.76
10001 and above	<b>0.20</b>	0.24
<b>Total</b>	<b>100.00</b>	100.00

**Categories of Shareholders – Ordinary Shares**

Category	Number of Shareholders		Voting strength %		Number of Ordinary Shares held	
	31-03-2009	31-03-2008	31-03-2009	31-03-2008	31-03-2009	31-03-2008
Individuals	<b>848,619</b>	679,760	<b>23.99</b>	21.49	<b>175,312,080</b>	156,958,458
Unit Trust of India	<b>1</b>	1	<b>0.01</b>	0.01	<b>47,986</b>	43,818
Life Insurance Corporation of India	<b>1</b>	1	<b>11.68</b>	10.15	<b>85,334,595</b>	74,166,549
Govt. & Other Public Financial Institutions	<b>19</b>	16	<b>4.44</b>	4.41	<b>32,412,124</b>	32,186,415
Tata Group Companies	<b>16</b>	16	<b>* 33.95</b>	* 33.94	<b>248,065,857</b>	247,993,096
Companies	<b>7,500</b>	6,969	<b>6.90</b>	4.56	<b>50,417,848</b>	33,348,515
Nationalised Banks, Mutual Funds and Trusts	<b>509</b>	376	<b>5.83</b>	5.96	<b>42,588,762</b>	43,539,500
Foreign Institutional Investors	<b>376</b>	425	<b>13.20</b>	19.48	<b>96,413,219</b>	142,347,969
<b>Total</b>	<b>857,041</b>	687,564	<b>100.00</b>	100.00	<b>730,592,471</b>	730,584,320

\* This includes 6,71,455 (As on 31st March, 2008 : 6,71,455) shares allotted to Kalimati Investment Company Limited pursuant to the Bombay High Court Order dated 3rd April, 2003, approving the Scheme of Amalgamation of Tata SSL Limited with the Company. These shares do not carry any voting rights.

**Top Ten Equity Shareholders of the Company as on 31st March, 2009**

Sr. No.	Name of the Shareholder	No. of shares held	% of holding
1.	Tata Sons Limited	213,822,295	29.27
2.	Life Insurance Corporation of India	85,334,595	11.68
3.	Tata Motors Limited	21,440,882	2.93
4.	HSBC Global Investment Funds A/c. HSBC Global Investments Funds Mauritius Limited	13,600,190	1.86
5.	HDFC Standard Life Insurance Company Limited	9,806,254	1.34
6.	The New India Assurance Company Limited	9,005,715	1.23
7.	National Insurance Company Limited	8,600,000	1.18
8.	The Oriental Insurance Company Limited	6,478,606	0.89
9.	UCO Bank A/c. Birla Education Trust	5,108,208	0.70
10.	Pilani Investment And Industries Corporation Limited	5,078,385	0.70

**Distribution of Shareholding – CCPS**

Number of CCPS held	Number of Shareholders	Number of Shareholders
	31-03-2009 %	31-03-2008 %
1 to 100	50.01	52.11
101 to 500	37.58	37.58
501 to 1000	6.11	5.41
1001 to 10000	5.75	4.56
Over 10000	0.55	0.34
	100.00	100.00

**Categories of Shareholders – CCPS**

Category	Number of Shareholders		Voting strength %		Number of CCPS held	
	31-03-2009	31-03-2008	31-03-2009	31-03-2008	31-03-2009	31-03-2008
Individuals	374,323	363,420	28.10	20.41	153,783,603	111,706,144
Unit Trust of India	1	1	0.00	0.00	19,868	63
Life Insurance Corporation of India	1	1	11.13	11.13	60,905,551	60,905,551
Govt. & Other Public Financial Institutions	8	8	4.68	4.68	25,604,112	25,604,112
Tata Group Companies	10	10	36.90	36.91	201,966,140	201,966,140
Companies	3,528	3,377	8.70	5.34	47,580,371	29,218,335
Nationalised Banks, Mutual Funds and Trusts	154	148	3.67	2.66	20,092,327	14,571,576
Foreign Institutional Investors	56	141	6.82	18.87	37,314,039	103,279,684
<b>Total</b>	<b>378,081</b>	<b>367,106</b>	<b>100.00</b>	<b>100.00</b>	<b>547,266,011</b>	<b>547,251,605</b>

### Top Ten CCPS Holders of the Company as on 31st March, 2009

Sr. No.	Name of the Shareholder	No. of shares held	% of holding
1.	Tata Sons Limited	171,602,978	31.36
2.	Life Insurance Corporation of India	60,905,551	11.13
3.	Tata Motors Limited	23,949,693	4.38
4.	HSBC Global Investment Funds A/c. HSBC Global Investments Funds Mauritius Limited	11,173,740	2.04
5.	Bajaj Allianz Life Insurance Company Limited	9,298,539	1.70
6.	The New India Assurance Company Limited	7,953,023	1.45
7.	National Insurance Company Limited	6,370,605	1.16
8.	The Oriental Insurance Company Limited	5,066,046	0.93
9.	Morgan Stanley Mauritius Company Limited	4,741,820	0.87
10.	Pilani Investment And Industries Corporation Limited	4,731,748	0.86

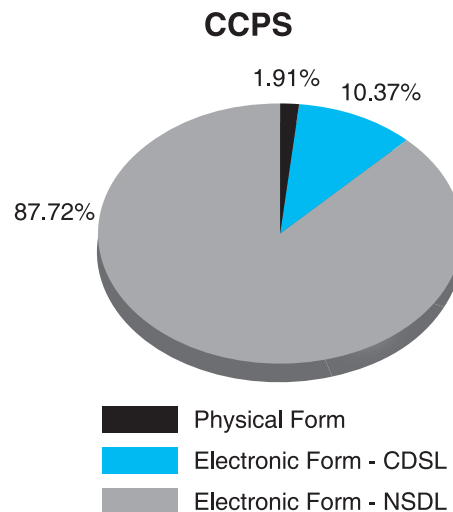
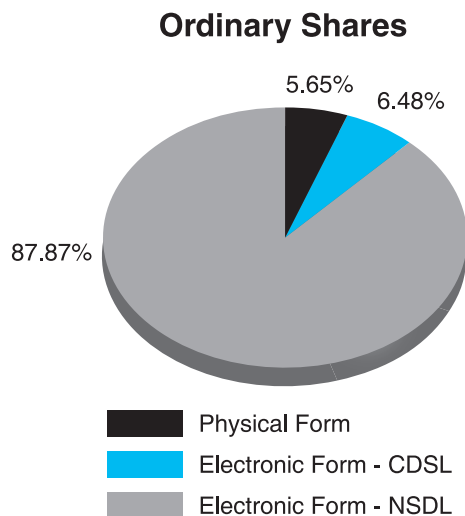
### Dematerialisation of shares as on 31st March, 2009 and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).

**689,341,051** Ordinary Shares of the Company representing **94.35%** of the Company's share capital is dematerialised as on 31st March, 2009.

**536,807,674** Cumulative Convertible Preference Shares (CCPS) of the Company representing **98.09%** of the Company's share capital is dematerialised as on 31st March, 2009.

The Company's shares are regularly traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited, as is seen from the volume of shares indicated in the Table containing Market Information.





Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 081A01012 and CCPS is INE 081A03018.

As per Clause 5A of the Listing Agreements with the Stock Exchanges, the details of shares in the suspense account of Link Intime India Pvt. Ltd., (formerly Intime Spectrum Registry Ltd.) the Registrars to the Rights Issue - 2007 are given below:

Securities	As on 1-04-2008		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31-03-2009	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Ordinary Shares	2,866	118,260	2,683	109,207	183	9,053
CCPS	2,925	585,618	2,642	543,285	283	42,333

The voting rights in respect of the balance shares in the suspense account will be freezed, in the event of a poll at the general meetings of the Company.

**Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity** : 3,867 GDRs (each GDR representing 1 Ordinary share of the Company) The Company had issued detachable warrants (along with Secured Premium Notes) for subscribing to 1 Ordinary Share of Rs. 10 each at a premium of Rs. 70 per share. In respect of approximately 12,446 detachable warrants applicable to matters which are in dispute, the option to get the shares is kept alive for the time being.

In September 2007, the Company issued US\$ 0.875 billion of 1% Foreign Currency Convertible Alternative Reference Securities (CARS). Between 4th September, 2011 and 8th August, 2012 each security is convertible at the option of holder of the security, at a conversion price of Rs. 876.6 per share (subsequently adjusted to Rs. 757.9721 on account of Rights Issue) into a Qualifying Security issued by the Company. The Company must redeem all outstanding CARS at 123.349% of their principal amount together with accrued and unpaid interest no later than 5th September, 2012.

As on 31st March 2009, the Company has allotted 547,266,011 – 2% CCPS of Rs. 100/- each on a rights basis to the shareholders of the Company in the ratio of 9:10. As per the terms of the issue, six CCPS of Rs. 100 each are compulsorily and automatically convertible on 1st September, 2009, into one Ordinary Share of Rs. 10 each, at a premium of Rs. 590 per share.

**Address for Correspondence** : Tata Steel Limited  
Bombay House, 24, Homi Mody Street,  
Fort, Mumbai 400 001.  
**Phone : (022) 6665 8282**  
**Fax : (022) 6665 7724 / 6665 7725**  
**E-mail : [cosectisco@tata.com](mailto:cosectisco@tata.com)**  
**Website : [www.tatasteel.com](http://www.tatasteel.com)**

**Major Plant Locations**

Tata Steel	:	Company's Steel Works and Tubes Division .. Jamshedpur (Jharkhand) Bearings Division .. Kharagpur (West Bengal) Ferro Manganese Plant .. Joda (Orissa) Charge Chrome Plant .. Bamnival (Orissa) Cold Rolling Complex .. Tarapur (Maharashtra) Mines, Collieries & Quarries .. States of Jharkhand, Orissa and Karnataka Wire Division .. Borivli (Mumbai) Tarapur (Maharashtra) Bangalore (Karnataka) Indore (Madhya Pradesh)
Corus	:	Steel .. Port Talbot, UK Scunthorpe, UK Teesside, UK Rotherham, UK Ijmuiden, Netherlands

**10. Other information to the shareholders**
**Dividend History for the Last 10 years**

Financial Year	Dividend Date	Rate
2007-08	29.08.08	160%
2006-07	30.08.07	155%
2005-06	06.07.06	130%
2004-05	28.07.05	130%
2003-04	23.07.04	100%
2002-03	24.07.03	80%
2001-02	12.06.02	40%
2000-01	20.07.01	50%
1999-00	23.05.00	40%
1998-99	30.07.99	40%

**Bank Details**

Shareholders holding in the physical form are requested to notify/send the following to TSR Darashaw Limited to facilitate better servicing :-

- i) any change in their address/mandate/bank details, and
- ii) particulars of the bank account in which they wish their dividend to be credited, in case have not been furnished earlier.

Shareholders are advised that respective bank details and address as furnished by them or by NSDL/CDSL to the Company, for shares held in the physical form and in the dematerialised form respectively, will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

**Nomination Facility**

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 109A of the Companies Act, 1956, may submit to TSR Darashaw Limited the prescribed Form 2B. The Form can be downloaded from the Company's website [www.tatasteel.com](http://www.tatasteel.com) under the section 'Investor Relations'.

**Shares held in Electronic Form**

Shareholders holding shares in electronic form may please note that :

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to their Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

**Electronic Clearing Service (ECS) Facility**

The Company, with respect to payment of dividend to shareholders, provides the facility of ECS at the following cities :

Agra, Ahmedabad, Allahabad, Amritsar, Aurangabad, Bangalore, Baroda, Bhopal, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Cochin, Delhi, Guwahati, Gwalior, Hyderabad, Indore, Jabalpur, Jaipur, Jalandhar, Jamshedpur, Jodhpur, Kanpur, Kolhapur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nasik, Patna, Pune, Panjim, Rajkot, Surat, Trichur, Trichy, Trivandrum, Udaipur, Varanasi, Vijayawada and Vishakapatnam.

Shareholders holding shares in the physical form, who wish to avail the ECS facility, may send their ECS mandate in the prescribed form to the Company, in the event they have not done so earlier. The ECS mandate form can be downloaded from the Company's website [www.tatasteel.com](http://www.tatasteel.com) under the section 'Investor Relations'.

**Depository Services**

Shareholders may write to the respective Depository or to TSR Darashaw Limited for guidance on depository services. Address for correspondence with Depository are as follows:-

National Securities Depository Limited

Trade World, 4th Floor,

Kamala Mills Compound,

Senapati Bapat Marg, Lower Parel,

Mumbai 400 013.

Telephone : (022) 2499 4200

Facsimile : (022) 2497 2993/2497 6351

E-mail : [info@nsdl.co.in](mailto:info@nsdl.co.in)

Website : [www.nsdl.co.in](http://www.nsdl.co.in)

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers,

16th Floor,

Dalal Street,

Mumbai 400 023.

Telephone : (022) 2272 3333

Facsimile : (022) 2272 3199/2272 2072

E-mail : [investor@cdslindia.com](mailto:investor@cdslindia.com)

Website : [www.cdslindia.com](http://www.cdslindia.com)

**Odd Lot Facility**

Having regard to the difficulties experienced by shareholders in disposing of the shares held by them in physical form, TSR Darashaw Limited, Registrars of the Company has framed a Scheme for the purchase of such shares. Interested shareholders may contact TSR Darashaw Limited for further details.

- Shareholders holding shares in the dematerialised form should address their correspondence to their respective DPs, other than for dividend, which should be addressed to TSR Darashaw Limited.
- Shareholders are requested to provide their e-mail address, telephone/fax numbers and quote their account numbers/DP ID & Client ID numbers in all correspondence with TSR Darashaw Limited to facilitate prompt response.

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## Certificate

**To the Members of**

**TATA STEEL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Tata Steel Limited, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **DELOITTE HASKINS & SELLS**

*Chartered Accountants*

**P. R. RAMESH**

*Partner*

*Membership No. : 70928*

Mumbai, 25th June, 2009