

# Corporate Governance Report for the year 2012-13

(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

### Profile –

**Mr. Cyrus P. Mistry** joined the Company as a Director on 21st May, 2012. During the year he was appointed as Chairman Designate and took over as Chairman w.e.f. 28th December, 2012. In addition to being Chairman of the Company, Mr. Mistry is also the Chairman of all major Tata Group companies, viz., Tata Sons Limited, Tata Industries Limited, Tata Motors Limited, Tata Consultancy Services Limited, The Tata Power Company Limited, Tata Teleservices Limited, The Indian Hotels Company Limited, Tata Global Beverages Limited, Tata Chemicals Limited, etc.

Mr. Mistry is a graduate of Civil Engineering from Imperial College, UK and has a M.Sc. in Management from London Business School. He was also bestowed with the Alumni Achievement Award by the London Business School.

Mr. Mistry was earlier the Managing Director of Shapoorji Pallonji Group. Under his tenure Shapoorji Pallonji's construction business grew manifold. The companies evolved from pure construction to executing large projects in the marine, oil, gas and rail sectors. Under Mr. Mistry's stewardship, the companies executed many landmark projects in India – construction of the tallest residential towers, the longest rail bridge, the largest dry dock and the largest affordable housing project. The group's international construction business also expanded substantially with presence in over 10 countries. Mr. Mistry was responsible for building the infrastructure development vertical in the Shapoorji Pallonji Group.

**Mr. B. Muthuraman** holds degrees in Bachelor of Technology in Metallurgical Engineering from IIT, Madras and a Masters of Business Administration from XLRI, Jamshedpur. He has also completed the Advanced Management Programme at European Centre for Executive Development (CEDEP), France and has undergone the "Challenge of Leadership" Programme at INSEAD, France. Mr. Muthuraman was bestowed an Honorary Degree of Doctor of Humane Letters, Honoris Causa from Loyola University, Chicago. Mr. Muthuraman joined Tata Steel in 1966 and has held various positions at the Company including Vice President (Marketing & Sales) & Vice President (Cold Rolling Mill Projects). He was appointed as Executive Director in 2000, Managing Director of the Company in 2001 and non-executive Vice Chairman in 2009. He is the Chairman of Tata International Ltd. and is on the Board of several companies which include Bosch India Limited, Tata Industries Limited, Strategic Energy Technology Systems Pvt. Limited and Tata Africa SA (Pty.) Limited. Under his visionary leadership, Tata Steel became a truly global company. The acquisition of Corus, UK and Netherlands in 2007, a landmark event, not only in the history of Indian Steel industry but also in the history of India which demonstrated the "coming of age" of Indian companies on Global Map.

Mr. Muthuraman has been conferred with the prestigious “Padma Bhushan” award in 2012, from Government of India for his significant contribution to Indian Trade & Industry. He received the Distinguished Alumnus Award from IIT Madras in 1997 and the Tata Gold Medal from the Indian Institute of Metals in 2002. He also received the “CEO of the Year Award” from Business Standard in 2005, “CEO with HR Orientation Award” from World HRD Congress in 2005, Economic Times Award for Corporate Excellence in 2008 and IIM JRD Tata Award conferred by Indian Institute of Metals. He has been bestowed an Honorary Degree of Doctor of Science (Honoris Causa) from Indian Institute of Technology, Kharagpur. XLRI, Jamshedpur has conferred him with the Lifetime Achievement Award.

**Mr. Nusli N. Wadia** joined the Company on August 29, 1979 as a Director. Mr. Wadia is a well-known Indian Industrialist. He is the Chairman of Wadia Group companies and also Director on the Board of several Indian companies. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Mill Owners’ Association (MOA), Associated Chambers of Commerce & Industry, etc. He is the former Chairman of TEXPROCIL and also of MOA. Mr. Wadia was appointed on the Prime Minister’s Council on Trade & Industry during 1998 to 2004. He was the Convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September, 1998. He was a Member of the Special Subject Group to review regulations and procedures to unshackle Indian Industry and on the Special Subject Group on Disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is Trustee of the Executive Committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.

**Mr. S. M. Palia** joined the Company in 1989 as a nominee Director of IDBI and was appointed as a Director in 1994. He holds a Bachelors degree in Commerce and in Law from Mumbai University. He is also a Certified Associate of the Indian Institute of Bankers and is a Development Banker by profession. He was with IDBI Bank from 1964 to 1989 during which period he held various responsible positions including that of an executive director of IDBI Bank. Mr. Palia has also acted as an advisor to Industrial Bank of Yemen, Saana (North Yemen) and Industrial Bank of Sudan, Khartoum (Sudan) under World Bank Assistance Programmes. He was also the Managing Director of Kerala Industrial and Technical Consultancy Organisation Limited which was set up to provide consultancy services to micro enterprises and small and medium enterprises. Mr. Palia is on the Boards of various companies in the industrial and financial service sectors and is also actively involved as a trustee in various NGOs and Trusts.

**Mr. Ishaat Hussain** is a Non-Executive Director of Tata Sons Limited and was the Finance Director of Tata Sons Limited for over a decade. Mr. Hussain has been with the Tata Group for 30 years. Prior to joining the Tata Sons Board in 1999, he held various positions in Tata Steel Limited and was the Finance Director of Tata Steel Limited for ten years from 1989. Mr. Hussain is a graduate in Economics from the Delhi University and a Member of the ICAEW. He has also attended the Advanced Management Programme at the Harvard Business School. Besides being on the Board of Tata Sons Limited, he represents Tata Sons on the Boards of various Tata Companies and is the Chairman of Voltas Limited and Tata Sky Limited. Mr. Hussain has been a member of the Board of Trade of India and is currently the Chairman of the SEBI Committee On Disclosure & Accounting (SCODA). He is a member of The Committee for Reforming the Regulatory Environment for doing business in India (Damodaran Committee) and the Bihar State Industrial & Investment Advisory Committee. He is also a Trustee of the India Foundation of the Arts and The Marg Foundation.

**Mr. Subodh Bhargava** is a Mechanical Engineer from the University of Roorkee. He was the Group Chairman and Chief Executive Officer of Eicher Group of companies. He was the President of the Confederation of Indian Industries, the President of the Association of Indian Automobile Manufacturers and the Vice President of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees including as a member of the

Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He has been closely associated with various IIMs, IITs and other Management and Technical Institutions as also with a number of NGOs. He is currently Chairman of Tata Communications Limited, TRF Limited, Tata Communications International Pte Limited and Director on the Boards of a number of companies including Tata Motors Limited, Larsen & Toubro Limited, etc. He is also the recipient of the first Distinguished Alumnus Award in 2005 by Indian Institute of Technology, Roorkee and in 2011, the "Gaurav Shri Award" from Agra University. He has also been recognised as the "Best Independent Director 2011" by Asian Centre for Corporate Governance & Sustainability.

**Mr. Jacobus Schraven** was appointed as Director of the Company in May 2007. Mr. Schraven was appointed a Non-executive Director and Deputy Chairman of Corus Group plc. in December 2004. Additionally, in 2005 he was appointed a member and Chairman of the supervisory board of Corus Nederland BV (now renamed Tata Steel Nederland BV). He had an international career with the Royal Dutch Shell Group and became Chairman of the board of Shell Nederland BV. He was also President of the Confederation of The Netherlands Industry and Employers and a vice-chairman of Business Europe. Currently, he is a Chairman of the supervisory board of Stork B.V. and of the Trust Foundation Unilever N.V. Additionally, he is a member of the supervisory board of NUON Energy B.V. and of BNP OBAM NV. He is also Chairman of the board of trustees of the Netherlands Blood Institute Sanquin, Chairman of the Netherlands Normalisation Institute and treasurer of the Carnegie Foundation (Peace Palace in The Hague). Mr. Schraven is a Commander of the Order of Orange Nassau (Netherlands) and an Officer of the Legion d'Honneur (France).

**Mr. Andrew Robb** is a Fellow Member of the Chartered Institute of Management Accountants and holds a Joint Diploma in Management Accounting. Mr. Robb has been a Non-Executive Independent Director of the Company since November 22, 2007. He joined the Board of Corus Group plc, and became Chairman of the audit committee in August 2003. Following the takeover of Corus by Tata Steel in March 2007, Mr. Robb remained on the Board and in November 2007, he became a Non-Executive Independent Director of the Company. He is currently also the Chairman of the Board and the Audit Committee of Tata Steel Europe Limited. Mr. Robb was Finance Director of the Peninsular and Oriental Steam Navigation Co., between 1983 and 1989 and then became Finance Director of Pilkington Group PLC from 1989 to 2001. Mr. Robb remained a Director of Pilkington until January 28, 2003. He has been chairman of the board of Tata Steel Europe Limited since March 2009 and its Independent Director since August 1, 2003. He is also a Non-Executive Director of Jaguar Land Rover Automotive Plc. and Paypoint Plc.

**Mrs. Mallika Srinivasan** joined the Company as a Director in May 2012. She is the Chairman and Chief Executive Officer of Tractors and Farm Equipment Limited and TAFE Motors and Tractors Limited. A thorough leader and strategist, recognised for her commitment to excellence and contribution to Indian Industry, she has been at the helm of affairs of leading industry bodies and trade associations. She is also a Director on the Board of Tata Global Beverages Limited. Ms. Srinivasan is the recipient of several business leadership awards and has an avid interest in academia, particularly management education.

**Mr. D.K. Mehrotra** joined the Company as a Director in October 2012. He is an honours Graduate in Science from the University of Patna. Mr. Mehrotra has attended several important knowledge forums in India and abroad and is associated with the apex training institutes of insurance in India like the National Insurance Academy and the Insurance Institute of India. He is Chairman of LIC of India and Director of ITC Limited among others.

**Mr. Hemant M. Nerurkar** was appointed Executive Director of India and South East Asia of the Company on April 9, 2009 and was appointed as Managing Director from October 01, 2009. A Bachelor of Technology in metallurgical engineering from the College of Engineering, Pune University, Mr. Nerurkar has attended several management courses in India and overseas, including CEDEP in France. He is associated with several professional organisations such as Indian Institute of

Metals, Institute for Steel Development and Growth and All India Management Association, amongst others. Mr. Nerurkar joined the Company on February 1, 1982 and has held various positions including Chief Metallurgist, Senior Divisional Manager (LD-1), Deputy General Manager (Steel & Primary Mills), General Manager (Marketing), Senior General Manager (Supply Chain). He has over 35 years of experience in steel industry in various functions. Mr. Nerurkar is an Executive with multifaceted experience ranging from Project Execution, Manufacturing, Quality Control, Supply Chain and Marketing. He became the Vice President (Flat Products) in November 2002 and in September 2007, was appointed Chief Operating Officer.

During his illustrious career, Mr. Nerurkar has been conferred with several prestigious awards such as 'NMD Award 1987', 'Visveswaraya Award - 1988', 'SAIL Gold Medal - 1989', 'Steel 80's Award - 1990', 'SMS Demag Excellence Award 2002', the 'Tata Gold Medal 2004', 'CEO with HR Orientation Award - 2010'. He has been conferred with the Maxell Foundation & Maharashtra Corporate Excellence Award - 2012.

**Dr. Karl-Ulrich Koehler** was appointed a Director of the Company in November 2010. He studied metallurgy at Clausthal University of Technology, where he gained his doctorate in 1988. Dr. Koehler has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2010. He was appointed as Chief Operating Officer of Tata Steel Europe Limited in February 2010. In 2005, he was awarded an honorary professorship in flat steel product technology by Freiberg University. Dr. Koehler is a former member of the executive committee of the World Steel Association and Vice-chairman of VDEh, the German Iron and Steel Institute. For most of his more than 30 years in the steel industry, he has worked at the companies that today comprise ThyssenKrupp Steel, where he was ultimately Chairman of the Executive Board and a member of the Board of the parent company, ThyssenKrupp AG. Dr. Koehler is based at IJmuiden in the Netherlands.

**Mr. Koushik Chatterjee** is an honours Graduate in Commerce from Calcutta University and is a Fellow Member of the Institute of Chartered Accountants of India. He was appointed as a Whole-Time Director of the Company with effect from 9th November, 2012 designated as Executive Director and Group Chief Financial Officer. He is responsible for Group Financial Reporting, Investor Relations, Financing Strategy including debt and equity raising, Corporate M&A, Risk Management and Compliance, Taxation Strategy and Planning and Co-ordination of statutory and management reporting. He has been associated with Tata Steel since 1995. He is on the Board of several Tata Steel Group companies including Tata Steel Europe Limited, NatSteel Asia Pte Limited & NatSteel Holdings Pte Limited, Singapore and Tata Steel (Thailand) Public Company Limited.

## **CORPORATE GOVERNANCE**

The Company has a Non-Executive Chairman and the number of Independent Directors is more than fifty percent of the total number of Directors in compliance with the Clause 49 of the listing Agreement. As on 31st March, 2013, the Company has 13 Directors on its Board, of which 7 Directors are independent. The number of Non-Executive Directors (NEDs) is more than fifty percent of the total number of Directors. The Company is in compliance with the Clause 49 of the Listing Agreements 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 and Shareholdings are given below:

Name of the Director	Director Identification Number	Category	No. of Board Meetings attended during 2012-13	Attendance at the last AGM	No. of Directorships in other public companies * as on 31.03.2013		No. of Committee positions held in other public companies** as on 31.03.2013		Share holdings#
					Chairman	Member	Chairman	Member	Ordinary Shares of ₹ 10/- each
Mr. R. N. Tata (Chairman Emeritus)@	00000001	Not Independent Non-Executive	6	Yes	NA	NA	NA	NA	NA
Mr. Cyrus P. Mistry (Chairman) @@	00010178	Not Independent Non-Executive	6	Yes	9	-	-	1	-
Mr. B. Muthuraman (Vice-Chairman)	00004757	Not Independent Non-Executive	7	Yes	1	3	-	1	6,230
Mr. Nusli N. Wadia	00015731	Independent Non-Executive	7	No	4	3	-	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	8	Yes	-	6	2	3	3,208
Mr. Ishaat Hussain	00027891	Not Independent Non-Executive	8	Yes	2	12	3	5	2,216
Mr. Subodh Bhargava	00035672	Independent Non-Executive	8	Yes	2	5	1	3	1,012
Mr. Jacobus Schraven	01462126	Independent Non-Executive	8	Yes	-	-	-	-	-
Mr. Andrew Robb	01911023	Independent Non-Executive	8	Yes	-	-	-	-	-
Mrs. Mallika Srinivasan (Appointed w.e.f. 21 <sup>st</sup> May 2012)	00037022	Independent Non-Executive	4	No	3	3	-	1	-
Mr. D. K. Mehrotra (Appointed w.e.f. 22 <sup>nd</sup> October 2012)	00142711	Independent Non-Executive	2	NA	5	2	-	-	-
Mr. H. M. Nerurkar (Managing Director)	00265887	Not Independent Executive	8	Yes	2	-	-	-	845
Dr. Karl-Ulrich Koehler	03319129	Not Independent Non-Executive	8	Yes	-	-	-	-	-
Mr. Koushik Chatterjee (Appointed w.e.f. 9 <sup>th</sup> November 2012)	00004989	Not Independent Executive	3	NA	2	2	-	-	1,320

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

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

@ Appointed as Chairman Emeritus on stepping down as Chairman and Director w.e.f. 28<sup>th</sup> December, 2012.

@@ Appointed as Director w.e.f. 21<sup>st</sup> May, 2012 and as Chairman w.e.f. 28<sup>th</sup> December, 2012.

# Shareholdings represent holdings in Director's personal capacity and either as sole or first or joint holder. Total Shareholding of the Directors as on 31<sup>st</sup> March, 2013 – 14,831 Ordinary Shares.

**Eight** Board Meetings were held during the Financial Year 2012-13 and the gap between two meetings did not exceed four months.

The details of meetings attended by the Directors are given below:

Date of Meeting	Mr. R. N. Tata	Mr. Cyrus P. Mistry	Mr. B. Muthuraman	Mr. Nusli N. Wadia	Mr. S. M. Palia	Mr. Ishaat Hussain	Mr. Subodh Bhargava
11th April, 2012	Yes	NA	Yes	Yes	Yes	Yes	Yes
18th May, 2012	Yes	NA	Yes	No	Yes	Yes	Yes
11th July, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
13th August, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
18th September, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9th November, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
14th December, 2012	No	Yes	Yes	Yes	Yes	Yes	Yes
13th February, 2013	NA	Yes	No	Yes	Yes	Yes	Yes

Date of Meeting	Mr. Jacobus Schraven	Mr. Andrew Robb	Mrs. Mallika Srinivasan	Mr. D. K. Mehrotra	Mr. H. M. Nerurkar	Dr. Karl-Ulrich Koehler	Mr. Koushik Chatterjee
11th April, 2012	Yes	Yes	NA	NA	Yes	Yes	NA
18th May, 2012	Yes	Yes	NA	NA	Yes	Yes	NA
11th July, 2012	Yes	Yes	Yes	NA	Yes	Yes	NA
13th August, 2012	Yes	Yes	No	NA	Yes	Yes	NA
18th September, 2012	Yes	Yes	Yes	NA	Yes	Yes	NA
9th November, 2012	Yes	Yes	Yes	No	Yes	Yes	Yes
14th December, 2012	Yes	Yes	Yes	Yes	Yes	Yes	Yes
13th February, 2013	Yes	Yes	No	Yes	Yes	Yes	Yes

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.

**Three** Meetings of the Committee of Directors constituted by the Board for specific purposes from time to time were held during the Financial Year 2012-13.

The dates on which the Committee meetings were held are as follows:

8th June, 2012, 15th June, 2012 and 1st October, 2012.

During the Financial Year 2012-13, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Mr. B. Muthuraman to whom the Company paid retiring benefits aggregating to ₹ 69.35 lakhs.

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 Managing 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:

- a. To review compliance with internal control systems;
- b. To review the findings of the Internal Auditor relating to various functions of the Company;
- c. 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 cost auditors and statutory auditors and fixation of their remuneration.
- g. Review of Cost Audit Report.
- h. Reviewing the Company's financial and risk management policies.

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 14th August, 2012.

**Six** meetings of the Audit Committee were held during the Financial Year 2012-13.

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

Date of Meeting	<b>Mr. Subodh Bhargava</b> Chairman, Independent, Non-Executive	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive	<b>Mr. Ishaat Hussain</b> Member, Not Independent, Non-Executive	<b>Mr. Andrew Robb</b> Member, Independent, Non-Executive
10th April, 2012	Yes	Yes	Yes	Yes
17th May, 2012	Yes	Yes	Yes	Yes
13th August, 2012	Yes	Yes	Yes	Yes
17th September, 2012	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes
12th February, 2013	Yes	Yes	Yes	Yes

Audit Committee meetings are attended by the Executive Director & 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.

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.

**Cost Auditor's details**

The Central Government has approved the appointment of M/s Shome & Banerjee, Cost Accountants as Cost Auditors for conducting Cost Audit of the Company for the Financial Year 2012-13.

The due date for filing the Cost Audit Reports for the Financial Year ended 31st March, 2013 is 30th September, 2013.

The due date for filing the Cost Audit Report of the Company for the Financial Year ended 31st March, 2012 was 30th September, 2012 and the Cost Audit Report was filed by the Cost Auditor M/s Shome & Banerjee, Cost Accountants, on 4th December, 2012 in XBRL Mode as mandated by the Ministry of Corporate Affairs vide their circular no.8/2012 dated 10th May, 2012.

The Company was felicitated by the Institute of Cost Accountants of India for being the first company in India to file the Cost Audit Report in XBRL Mode.

**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.

**Three** meetings of the Remuneration Committee were held during the Financial Year 2012-13.

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

Date of Meeting	<b>Mr. S. M. Palia</b> Chairman, Independent, Non-Executive	<b>Mr. R. N. Tata*</b> Member, Not Independent, Non-Executive	<b>Mr. Cyrus P. Mistry**</b> Member, Not Independent, Non-Executive	<b>Mr. Nusli N. Wadia</b> Member, Independent, Non-Executive
17th May, 2012	Yes	Yes	NA	No
10th July, 2012	Yes	Yes	NA	Yes
14th December, 2012	Yes	No	NA	Yes

\* Stepped down as member w.e.f. 28th December, 2012.

\*\* Appointed as member w.e.f. 12th February, 2013.

The Chairman of the Remuneration Committee, Mr. S.M. Palia was present at the Annual General Meeting held on 14th August, 2012.

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 3rd August, 2011, 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 ₹ 20,000 per meeting to the NEDs for attending the meetings of the Board, Executive Committee of the Board, Remuneration Committee, Audit Committee, Safety, Health and Environment Committee, Nomination Committee, Committee of Investment & Projects and Committees constituted by the Board from time to time. For other meetings, viz. Investors' Grievance Committee and Ethics and Compliance Committee, the Company pays to the NEDs sitting fees of ₹ 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 2012-13

#### Non-Whole-time Directors

(₹ lakhs)

Name of the Director	Commission*	Sitting Fees
1. Mr. R. N. Tata	250.00	3.20
2. Mr. Cyrus P. Mistry	-	3.80
3. Mr. B. Muthuraman	@ 80.00	3.80
4. Mr. Nusli N. Wadia	55.00	3.20
5. Mr. S. M. Palia	80.00	6.85
6. Mr. Ishaat Hussain	50.00	6.30
7. Mr. Subodh Bhargava	50.00	3.10
8. Mr. Jacobus Schraven	20.00	2.20
9. Mr. Andrew Robb	20.00	4.25
10. Mrs. Mallika Srinivasan	10.00	0.80
11. Mr. D.K. Mehrotra	10.00	0.40
12. Dr. Karl-Ulrich Koehler	-	3.80
<b>Total</b>	<b>625.00</b>	<b>41.70</b>

\* Payable in 2013-14.

@ Excluding retirement benefits of ₹ 69.35 lakhs paid to Mr. B. Muthuraman.

**Executive Directors**

Name	Salary ₹ lakhs	Perquisites & Allowances ₹ lakhs	Commission @ ₹ lakhs	Stock Options
Mr. H. M. Nerurkar (Managing Director)	125.35	72.50	375.00	NIL
Mr. Koushik Chatterjee (Executive Director & GCFO)*	87.26	13.85	298.50	NIL

\* Appointed as Executive Director w.e.f. 9th November, 2012.

@ Payable in 2013-14.

**Service Contracts, Severance Fees and Notice Period**

Period of Contract of MD : From 01.10.2009 to 31.10.2013

Period of Contract of ED & GCFO : From 09.11.2012 to 08.11.2017

The respective contracts 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 11th July, 2012.

The composition of the Investors' Grievance Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	<b>Mr. Ishaat Hussain</b> Chairman, Not Independent, Non-Executive	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive	<b>Mr. Subodh Bhargava</b> Member, Independent, Non-Executive
11 <sup>th</sup> July 2012	Yes	Yes	Yes

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

Mr. A. Anjeneyan  
Company Secretary & Chief of Compliance  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai - 400 001.

**Phone: (022) 6665 7279**

**Fax: (022) 6665 7724/25**

**Email: cosec@tatasteel.com**

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

Mrs. Samita Shah  
Chief – Group Financial Strategy & Investor Relations  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai - 400 001.

**Phone: (022) 6665 7371**

**Fax: (022) 6665 7724/25**

**Email: samita.shah@tatasteel.com**

**Shareholder/Investor Complaints:**

Complaints pending as on 1st April, 2012 : 7

During the period 1st April, 2012 to 31st March, 2013, complaints identified and reported under Clause 41 of the Listing Agreements : 275

Complaints disposed off during the year ended 31st March, 2013 : 274

Complaints unresolved to the satisfaction of shareholders as on 31st March, 2013 : 8

No. of pending share transfers of Ordinary Shares as on 31st March, 2013 : 99\*

\* Transfers lodged in the last two weeks of March 2013 and hence pending as on 31st March, 2013.

**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/Registrars is involved and is accused of deficiency in service) fraudulent encashment, non-receipt of dividend/fractional warrants (received after one month from the date of payment and where reconciliation of the payment was in progress) and non-receipt of refund orders/allotment of shares pertaining to Rights issue/Follow-on Public Offer. The above figures are consolidated figures which includes complaints received by Link Intime India Pvt. Ltd. and TSR Darashaw Private Ltd.

**Committees**

In addition to the above Committees, the Board has constituted 6 more Committees, viz. Executive Committee of the Board, the Nomination Committee, the Ethics and Compliance Committee, the Safety, Health and Environment Committee, the Committee of Investments and Projects and Committee of Directors.

The terms of reference of the **Executive Committee of the Board (ECOB)** 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.

**Eight** ECOB Meetings were held during the Financial Year 2012-13.

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

Date of Meeting	<b>Mr. R. N. Tata</b> Chairman, Not Independent, Non-Executive*	<b>Mr. Cyrus P. Mistry</b> Chairman, Not Independent, Non-Executive**	<b>Mr. B. Muthuraman</b> Member, Not Independent, Non-Executive	<b>Mr. Nusli N. Wadia</b> Member, Independent, Non-Executive	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive
17th May, 2012	Yes	NA	Yes	No	Yes
14th June, 2012	Yes	Yes	Yes	No	Yes
10th July, 2012	Yes	Yes	Yes	Yes	Yes
12th August, 2012	Yes	Yes	Yes	Yes	Yes
17th September, 2012	Yes	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes	Yes
5th December, 2012	Yes	Yes	Yes	Yes	Yes
12th February, 2013	NA	Yes	No	Yes	Yes

Date of Meeting	<b>Mr. Ishaat Hussain</b> Member, Not Independent, Non-Executive	<b>Mr. Andrew Robb</b> Member, Independent, Non-Executive	<b>Mr. H. M. Nerurkar</b> Member, Not Independent, Executive	<b>Dr. Karl-Ulrich Koehler</b> Member, Not Independent, Non- Executive	<b>Mr. Koushik Chatterjee</b> Member, Not Independent, Executive***
17th May, 2012	Yes	Yes	Yes	Yes	NA
14th June, 2012	Yes	Yes	Yes	Yes	NA
10th July, 2012	Yes	Yes	Yes	Yes	NA
12th August, 2012	Yes	No	Yes	Yes	NA
17th September, 2012	Yes	Yes	Yes	Yes	NA
8th November, 2012	Yes	Yes	Yes	Yes	NA
5th December, 2012	Yes	Yes	Yes	Yes	NA
12th February, 2013	Yes	Yes	Yes	Yes	Yes

\* Stepped down as Chairman & Member w.e.f. 28th December, 2012

\*\* Appointed as Member w.e.f. 21st May, 2012 and as Chairman w.e.f. 12th February, 2013

\*\*\* Appointed as Member w.e.f. 12th February, 2013

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.

**One** meeting of the Nomination Committee was held on 28th September, 2012.

The composition of the Nomination Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	<b>Mr. Nusli N. Wadia</b> Chairman, Independent, Non-Executive	<b>Mr. R.N.Tata</b> Member, Not Independent, Non-Executive *	<b>Mr. Cyrus P. Mistry</b> Member, Not Independent, Non-Executive **	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive	<b>Mr. Subodh Bhargava</b> Member, Independent, Non-Executive
28th September, 2012	Yes	Yes	NA	Yes	Yes

\* Stepped down as Member w.e.f. 28th December, 2012.

\*\* Appointed as Member w.e.f. 12th February, 2013.

### **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 9th November, 2012.

The composition of the Ethics and Compliance Committee and the details of the meeting attended by the Directors is given below:

Date of Meeting	<b>Mr. Ishaat Hussain</b> Chairman, Not Independent, Non-Executive	<b>Mr. Subodh Bhargava</b> Member, Independent, Non-Executive	<b>Mr. Andrew Robb</b> Member, Independent, Non-Executive
9th November, 2012	Yes	Yes	Yes

The Board has also appointed the Executive Director & 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 periodic Reports on the compliance of the Tata Code of Conduct for Prevention of Insider Trading.

### **Safety, Health and Environment Committee**

The Safety, Health and Environment Committee of the Board was constituted on 25th June, 2009 to oversee the policies and their implementation across Tata Steel Group. The main remit of the Committee is to:

- Review operational performance, anticipate potential issues and provide support in setting direction for improvements;
- Reduce carbon emissions per tonne of steel produced; and
- Functional health, safety and environmental team would provide a coordinated and effective specialist advisory support to the said Committee.

**Three** meetings of the Safety, Health and Environment Committee were held during the Financial Year 2012-13.

The composition of the Safety, Health and Environment Committee and the details of the meetings attended by the Directors are given below:

Date of Meeting	<b>Mr. Jacobus Schraven</b> Chairman, Independent, Non-Executive	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive	<b>Mr. B. Muthuraman</b> Member, Not Independent, Non-Executive	<b>Mr. H. M. Nerurkar</b> Member, Not Independent, Executive	<b>Dr. Karl-Ulrich Koehler</b> Member, Not Independent, Non-Executive
10th July, 2012	Yes	Yes	Yes	Yes	Yes
8th November, 2012	Yes	Yes	Yes	Yes	Yes
12th February, 2013	Yes	Yes	No	Yes	Yes

Company Secretary acts as the Secretary of the Safety, Health and Environment Committee.

### Committee of Investments and Projects

The Committee of Investments and Projects was constituted on 11th July, 2012 to approve placing of large orders of equipment, plant and machinery relating to the projects and monitor the progress of the projects.

Six meetings of the Committee of Investments and Projects were held during the Financial Year 2012-13.

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

Date of Meeting	<b>Mr. Ishaat Hussain</b> Chairman, Not Independent, Non-Executive	<b>Mr. Cyrus P. Mistry</b> Member, Not Independent, Non-Executive	<b>Mr. S. M. Palia</b> Member, Independent, Non-Executive	<b>Mr. H. M. Nerurkar</b> Member, Not Independent, Executive	<b>Mr. Koushik Chatterjee</b> Member, Not Independent, Executive
25th July, 2012	Yes	Yes	Yes	Yes	Yes
8th August, 2012	Yes	Yes	Yes	Yes	Yes
18th September, 2012	Yes	Yes	Yes	Yes	Yes
6th November, 2012	Yes	Yes	Yes	Yes	Yes
18th December, 2012	Yes	Yes	Yes	Yes	Yes
26th February, 2013	Yes	Yes	No	Yes	Yes

The **Committee of Directors** has been re-constituted on 26th May, 2010 to approve of certain routine matters such as Opening and Closing of Bank Accounts of the Company, to grant Powers of Attorney to the Officers of the Company, to appoint representatives to attend general meetings or through postal ballot on behalf of the Company etc.

The Members of this Committee as on 31st March, 2013 are – Mr. Cyrus P. Mistry (Chairman), Mr. S. M. Palia (Member), Mr. Ishaat Hussain (Member), Mr. H. M. Nerurkar (Member) and Mr. Koushik Chatterjee (Member).

Mr. R.N.Tata stepped down as Chairman of the Committee of Directors w.e.f. 28th December, 2012.

Mr. Cyrus P. Mistry was appointed as Chairman & Mr. Koushik Chatterjee was appointed as Member w.e.f. 12th February, 2013.

The business of the Committee is transacted by passing Circular Resolutions which are placed before the Board at its next meeting.

## 6. General Body Meetings

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

Financial Year	Details of Location	Date & Time
2011-12	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai-400 020.	14th August, 2012 at 3.00 p.m.
2010-11		3rd August, 2011 at 3.00 p.m.
2009-10		13th August, 2010 at 3.30 p.m.

- b) No Extra-Ordinary General Meeting of the shareholders was held during the year.
- c) Special Resolutions passed in previous three Annual General Meetings:
  - 1. At the last Annual General Meeting held on 14th August, 2012, no Special Resolutions were passed.
  - 2. At the Annual General Meeting held on 3rd August, 2011, Special Resolution for commission to Directors other than the Managing and whole-time Directors was passed unanimously.
  - 3. At the Annual General Meeting held on 13th August, 2010, no Special Resolutions were passed.None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

## 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.

### Reconciliation of Share Capital Audit

- i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- ii) A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with Depositories).

## 8. Means of Communication

### Quarterly/Half-yearly results –

The quarterly/half-yearly and annual results of the Company are published in the newspapers and posted on the website of the Company. As a part of the Green initiative, the quarterly/half-yearly results are sent by email to Shareholders whose email ids are registered with the Depositories/Registrars and Transfer Agents of the Company.

### Results –

The quarterly/half-yearly and annual results along with the Segmental Report are generally published in The Indian Express, Financial Express, Nav Shakti, Free Press Journal, Loksatta, Nav Bharat 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.

### **Annual Report –**

Annual Report containing inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Annual Report is also available on the Company's website in a freely downloadable format.

### **Management Discussion & Analysis Report (MD&A 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.

### **Intimation to Stock Exchanges –**

All price sensitive information and matters which are material and relevant to shareholders are intimated to all the Stock Exchanges where the securities of the Company are listed.

### **Corporate Filing and Dissemination System (CFDS) and NSE Electronic Application Processing System (NEAPS) -**

In accordance with Clause 52 of the Listing Agreement, all disclosures and communications to BSE Limited and National Stock Exchange of India Limited are filed electronically through CFDS website [www.corpfiling.co.in](http://www.corpfiling.co.in). The Company also submits to NSE all quarterly compliances, disclosures and communications through NSE's NEAPS portal.

### **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 'Investors' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars & transfer agents and frequently asked questions. Investors can also submit their queries and get feedback through online interactive forms. The section on 'Media' includes all major press reports and releases, awards, campaigns.

## **9. General Shareholder Information**

**AGM: Date, time & venue** – 14th August, 2013 at 3.00 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 appointment/reappointment are given in the Explanatory Statements to the Notice of the Annual General Meeting to be held on 14th August, 2013.

**Financial Calendar**

– Year ending	March 31
AGM	August
Dividend Payment	Generally in August

**Date of Book Closure** – Wednesday, 17th July, 2013 to Tuesday, 23rd July, 2013 (both days inclusive).

**Dividend Payment Date** – The dividend warrants will be posted on and from 16th August, 2013.

### **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
Up to and including the Financial Year 1994-95	Transferred to the General Revenue Account of the Central Government	Yes	Office of Registrar of Companies, Central Government Office Building, 'A' Wing, 2 <sup>nd</sup> Floor, Next to Reserve Bank of India, CBD, Belapur – 400 614	Claim to be forwarded in prescribed Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978
For the Financial Years 1995-96 to 2004-05	Transferred to the IEPF of the Central Government	No	Not Applicable	None
For the Financial Years 2005-06 to 2011-12	Lying in respective Unpaid Dividend Accounts	Yes	TSR Darashaw Private Limited, Registrars and Transfer Agents	Letter on plain paper

The Company has hosted on its website the details of the unclaimed dividend/interest/principal amounts for the Financial Year 2011-12 and 2012-13 as per the Notification No.G S R 352 (E) dated 10th May 2012 of Ministry of Corporate Affairs.

The date of declaration of dividend in respect of Financial Years 2005-06 to 2011-12 and the last date for claiming such dividend is given in the table below:

Financial Year	Date of Declaration	Rate	Last Date of Claiming payment from TSRDPL*
2005-06	July 5, 2006	130%	July 4, 2013
2006-07	August 29, 2007	155%	August 28, 2014
2007-08	August 28, 2008	160%	August 27, 2015
2008-09	August 27, 2009	160%	August 26, 2016
2009-10	August 13, 2010	80%	August 12, 2017
2010-11	August 3, 2011	120%	August 2, 2018
2011-12	August 14, 2012	120%	August 13, 2019

\*Indicative dates. Actual dates may vary.

The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/interest payments. Attention of the stakeholders is again drawn to this matter through the Annual Report.

Shareholders/Depositors are requested to get in touch with the Registrars for encashing the unclaimed dividend/interest/principal amount, if any, standing to the credit of their account.

#### **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 Private Limited the prescribed Form 2B. The Nomination Form can be downloaded from the Company's website [www.tatasteel.com](http://www.tatasteel.com) under the section 'Investors'.

#### **Shares held in Electronic Form**

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

#### **Shares held in Physical Form**

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. TSR Darashaw Pvt. Limited.



### Updation of bank details for remittance of dividend/cash benefits in electronic form

Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 (“Circular”) to all listed companies requires them to update bank details of their shareholders holding shares in demat mode and/or physical form, to enable usage of the electronic mode of remittance i.e. ECS [ LECS (Local ECS)/RECS (Regional ECS)/NECS (National ECS) ], NEFT, etc. for distributing dividends and other cash benefits to the shareholders.

The Circular further states that in cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, companies or their Registrars and Transfer Agents (RTA) may use physical payment instruments for making cash payments to the investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

Shareholders to note that payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment/delay in transit, etc. They are requested to opt for any of the above mentioned electronic modes of payment of dividend and other cash benefits and update their bank details:

- In case of holdings in dematerialised form, by contacting their Depository Participant and giving suitable instructions to update the bank details in their demat account.
- In case of holdings in physical form, by informing the Company’s RTA viz. TSR Darashaw Pvt Ltd. their Folio No(s), Name and Branch of the Bank in which they wish to receive the dividend, the Bank Account type, Bank Account Number allotted by their banks after implementation of Core Banking Solutions (CBS) and the 9 digit MICR Code Number.

Those Shareholders who do not wish to avail of the electronic facility of remittance, are requested to furnish to the DPs/ Registrars, the Name and Branch of the Bank and the Bank Account Number allotted by their banks after implementation of Core Banking Solutions, which will be printed on the warrants.

### Listing on Stock Exchanges –

**The Company’s Ordinary shares are listed on BSE Limited and National Stock Exchange of India Limited in India:**

Stock Exchanges	ISIN	Stock Code	Address	Website
BSE Limited	INE081A01012	500470	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	www.bseindia.com
National Stock Exchange of India Limited	INE081A01012	TATASTEEL	Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.	www.nseindia.com

Perpetual Hybrid Securities in the form of Non-Convertible Debentures are listed on the Wholesale Debt Market segments of the Stock Exchanges as under:

Distribution Rate (%)	ISIN	Principal Amount (₹ crores)	Date of Maturity	Debenture Trustee	Stock Exchange where listed
11.80	INE081A08165	1,500	Perpetual	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate Mumbai-400 001	National Stock Exchange of India Limited & BSE Limited
11.50	INE081A08173	775	Perpetual		National Stock Exchange of India Limited

Unsecured Redeemable Non-Convertible Debentures (NCDs) are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited:

Coupon Rate (%)	ISIN	Principal Amount (₹ crores)	Date of Maturity	Debenture Trustee
10.20	INE081A07175	620	7th May, 2015	IDBI Trusteeship Services Ltd., Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400 001.
10.25	INE081A08140	500	₹ 166.67 crores – 22nd December, 2028 ₹ 166.67 crores – 22nd December, 2029 ₹ 166.66 crores – 22nd December, 2030	
10.25	INE081A08157	2,500	₹ 833.34 crores – 6th January, 2029 ₹ 833.33 crores – 6th January, 2030 ₹ 833.33 crores – 6th January, 2031	
12.50	INE081A08116	1,250	₹ 416.67 crores – 19th November, 2014 ₹ 416.67 crores – 19th November, 2015 ₹ 416.66 crores – 19th November, 2016	
10.40	INE081A08124	650.9	15th May, 2019	
11.00	INE081A08132	1,500	19th May, 2019	
2.00	INE081A08181	1,500	23rd April, 2022	
9.15	INE081A08199	500	24th January, 2019	
9.15	INE081A08207	500	24th January, 2021	

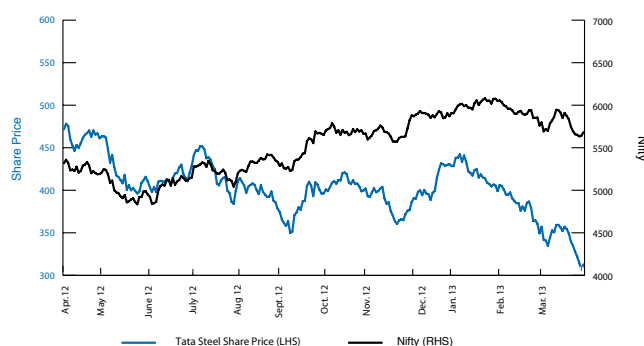
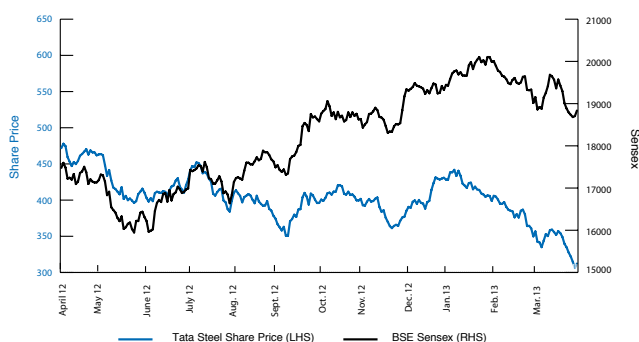
International Listings of securities issued by the Company are as under:

Security	Year of Issue	Stock Exchanges & Address	ISIN	Website
Global Depository Receipts (GDRs)	1994	Luxembourg Stock Exchange 11, Avenue de la porte – Neuve, L - 2227, Luxembourg	US87656Y1091	www.bourse.lu
4.5% Replacement Foreign Currency Convertible Bonds (FCCBs)	2009	Singapore Exchange Securities Trading Limited 2, Shenton Way, #19-00 SGX Center 1, Singapore-068804	XS0466930780	www.sgx.com
Global Depository Receipts (GDRs)	2009	London Stock Exchange 10 Paternoster Square, London - EC4M 7LS	US87656Y4061	www.londonstockexchange.com

### Market Information

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

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of shares)
Apr-12	482.00	444.10	1,47,03,712	482.25	443.60	6,37,33,552
May-12	469.70	389.00	2,09,78,518	469.40	388.70	8,80,97,697
Jun-12	443.90	389.10	1,51,39,136	444.00	389.10	7,22,24,942
Jul-12	454.90	382.15	1,40,16,152	455.60	382.00	7,65,87,611
Aug-12	416.70	358.30	1,69,04,844	416.80	358.10	8,83,27,200
Sep-12	415.00	347.55	1,70,20,331	415.15	347.25	9,32,98,671
Oct-12	426.00	388.65	1,64,56,938	426.50	339.00	8,07,09,766
Nov-12	408.85	359.15	1,20,52,521	408.75	359.10	5,99,06,222
Dec-12	436.75	386.10	1,47,15,137	436.85	386.70	8,05,75,757
Jan-13	448.10	397.10	1,56,60,911	448.00	397.10	8,17,75,015
Feb-13	411.85	338.80	1,44,66,523	411.70	338.00	7,96,95,227
Mar-13	362.75	300.85	1,49,36,885	362.85	300.70	7,67,59,330



## Registrars and Transfer Agents

For Share related matters, Members are requested to correspond with the Company's Registrars and Transfer Agents – TSR Darashaw Private Limited quoting their folio no./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence:  
TSR Darashaw Private Limited, Unit: Tata Steel Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, (Nr. Famous Studios) Mahalaxmi, Mumbai - 400 011. Tel.: 022-6656 8484; Fax: 022- 6656 8494; E-mail: csg-unit@tsrdarashaw.com; Website: www.tsrdarashaw.com
2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches/agencies of TSR Darashaw Private Limited:
  - (i) 503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road, Bengaluru - 560 001. Tel.: 080-25320321; Fax: 080-25580019; E-mail: tsrdlbg@tsrdarashaw.com
  - (ii) Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur-831 001. Tel.: 0657-2426616; Fax: 0657-2426937; Email: tsrdljsr@tsrdarashaw.com
  - (iii) Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata-700 071. Tel.: 033-22883087; Fax: 033-22883062; E-mail: tsrdlcal@tsrdarashaw.com
  - (iv) Plot No. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi-110 002. Tel.: 011-23271805; Fax: 011-23271802; E-mail: tsrdldel@tsrdarashaw.com
  - (v) Agent: Shah Consultancy Services Pvt. Limited: 3-Sumathinath Complex, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad - 380 006. Telefax: 079-2657 6038; E-mail: shahconsultancy8154@gmail.com

## Share Transfer System:

Share Transfers in physical form can be lodged with TSR Darashaw Private 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 of Ordinary Shares as on 31st March, 2013.

Shareholding	Total No. of Shareholders		% to total holders		Total No. of Shares		% to total capital	
	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012	31-03-2013	31-03-2012
1 to 100	<b>6,96,371</b>	6,84,877	<b>65.26</b>	66.03	<b>2,57,12,108</b>	2,45,13,068	<b>2.64</b>	2.52
101 to 500	<b>2,94,483</b>	2,81,041	<b>27.60</b>	27.10	<b>6,30,07,698</b>	5,93,14,943	<b>6.49</b>	6.11
501 to 1000	<b>40,601</b>	37,619	<b>3.81</b>	3.63	<b>2,90,25,736</b>	2,67,37,202	<b>2.99</b>	2.75
1001 to 10,000	<b>33,359</b>	31,546	<b>3.13</b>	3.04	<b>7,98,28,315</b>	7,55,36,790	<b>8.22</b>	7.78
10,001 and above	<b>2,182</b>	2,126	<b>0.20</b>	0.20	<b>77,36,41,372</b>	78,51,12,447	<b>79.66</b>	80.84
<b>Total</b>	<b>10,66,996</b>	10,37,209	<b>100.00</b>	100.00	<b>97,12,15,229</b>	97,12,14,450	<b>100.00</b>	100.00

**Shareholding Pattern as on 31st March, 2013.**

Particulars	Number of shareholders		Number of Ordinary Shares held		Voting strength %	
	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012	31st March, 2013	31st March, 2012
Tata Group Companies	24	24	30,45,14,362	30,45,14,362	31.35	31.35
Mutual Funds/UTI	307	302	3,28,27,764	3,67,05,665	3.38	3.78
Financial Institutions/ Banks	373	381	49,91,974	46,06,993	0.52	0.47
Central & State Govt. & Govt. Cos.	7	7	1,21,659	1,21,659	0.01	0.01
Insurance Companies	148	175	22,66,93,084	23,39,45,722	23.34	24.09
Foreign Institutional Investors	511	577	13,45,27,705	13,94,39,388	13.85	14.36
Other Foreign holdings	10	10	2,24,519	2,12,797	0.02	0.02
Shares held by Custodians & against which Depository Receipts have been issued	1	1	2,17,38,923	1,80,91,089	2.24	1.86
Bodies Corporate	7,439	7,601	2,81,89,021	2,90,24,559	2.90	2.99
Individuals	10,58,176	10,28,131	21,73,86,218	20,45,52,216	22.39	21.06
<b>Total</b>	<b>10,66,996</b>	<b>10,37,209</b>	<b>97,12,15,229</b>	<b>97,12,14,450</b>	<b>100.00</b>	<b>100.00</b>

**Top Ten Ordinary Shareholders of the Company as on 31st March, 2013**

Serial No.	Name of Shareholder	Total holdings	Percentage to capital
1	Tata Sons Limited	288,898,245	29.75
2	Life Insurance Corporation of India	145,467,247	14.98
3	HDFC Trustee Company Limited	16,880,099	1.74
4	Government of Singapore	16,417,074	1.69
5	ICICI Prudential Life Insurance Company Limited	12,803,098	1.32
6	National Insurance Company Ltd	11,179,459	1.15
7	The New India Assurance Company Limited	10,784,993	1.11
8	Blackrock	9,646,280	0.99
9	Abu Dhabi Investment Authority	8,827,193	0.91
10	SBI Life Insurance Co.Ltd	8,132,934	0.84

**Dematerialisation of shares as on 31st March, 2013 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).

**93,74,28,256** Ordinary Shares of the Company representing 96.52% of the Company's share capital is dematerialised as on 31st March, 2013.

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

As per Clause 5A of the Listing Agreements with the Stock Exchanges, the details of shares in the suspense accounts of Link Intime India Pvt. Ltd., Registrars to the Issues are given below:

Issues	Securities	As on 1st April, 2012		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31st March, 2013	
		No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Rights Issue – 2007	Ordinary Shares	126	3,018	–	–	126	3,018
Follow-on Public Issue – 2011		08	621	01	291	07	330

The voting rights in respect of the balance shares in the suspense accounts will be frozen, 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:**

- i) 3,867 GDRs (each GDR representing 1 Ordinary Share of the Company)
- ii) 2,17,35,056 GDRs (out of 6,54,10,589 GDRs issued during Financial Year 2010) with each GDR representing right to receive 1 Ordinary Share of the Company.
- iii) 5,469.35 – 4.5% Replacement FCCBs of US \$1,00,000 each aggregating US \$546.935 million, convertible into 4,25,96,510 fully paid up Ordinary Shares of the Company at ₹ 595.2578 per share.

**Major Plant Locations**

Company's Steel Works and Tubes Division .. Jamshedpur (Jharkhand)	Bearings Division .. Kharagpur (West Bengal)
Ferro Manganese Plant .. Joda (Odisha)	Charge Chrome Plant .. Bamnival (Odisha)
Cold Rolling Complex .. Tarapur (Maharashtra)	Mines, Collieries & Quarries .. States of Jharkhand, Odisha and Karnataka
Wire Division .. Tarapur (Maharashtra)	
	Bengaluru (Karnataka)

**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: cosec@tatasteel.com, Website: www.tatasteel.com

**10. Other information to the shareholders**

**Green Initiative**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, Quarterly, Half-yearly results etc. to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/ Company/Registrars & Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with TSR Darashaw Private Limited, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

**Depository Services**

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

1. **National Securities Depository Limited** - Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Telephone: (022) 2499 4200, Facsimile: (022) 2497 6351, E-mail: info@nsdl.co.in, Website: www.nsdl.co.in
2. **Central Depository Services (India) Limited** – Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai - 400 001. Telephone: Toll free: 1800-200-5533, E-mail: helpdesk@cdslindia.com, Website: www.cdslindia.com

## 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, 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with the 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 Agreements.

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  
Registration No.: 117366W

**N. VENKATRAM**

Partner  
Membership No.: 71387

Mumbai, 11th June, 2013