

TATA STEEL LIMITED

Registered Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001

Phone No: 022 6665 8282; Fax No: 022 6665 7724

CIN: L27100MH1907PLC000260 Website: www.tatasteel.com

NOTICE

Dear Member,

Notice pursuant to Section 110 of the Companies Act, 2013

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as special resolutions by way of postal ballot / e-voting. The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a postal ballot form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") has appointed Mr. P.N. Parikh of Parikh & Associates, Practicing Company Secretaries as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.30 p.m. on Wednesday, 30th day of July 2014.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/Director. The result of the postal ballot would be announced by a Director or the Company Secretary of the Company on Friday, 1st day of August 2014 at the registered office of the Company. The aforesaid result would be displayed at the registered office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed, published in the newspapers and displayed along with the Scrutinizer's report on the Company's website viz. www.tatasteel.com.

RESOLUTIONS:

- 1. Increase in borrowing limits from ₹ 50,000 crores to ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company through postal ballot on 30th March 2012, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

- 2. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT in supersession of the resolution passed by shareholders of the Company through postal ballot on 30th March 2012, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the "Board") which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Ordinary Shares/ 'A' Ordinary Shares and/or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

- 3. Further issuance of Securities not exceeding ₹ 14,000 crores**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), and the Rules made thereunder, as amended from time to time, the Foreign Exchange Management Act, 1999, as amended and the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, rules, regulations, guidelines, notifications and circulars, if any, prescribed by the Government of India, Reserve Bank of India, Securities and Exchange Board of India, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("ICDR Regulations") or any other competent authority, whether in India

or abroad, the Memorandum of Association and the Articles of Association of the Company and the listing agreements entered into with the stock exchanges where the shares of the Company are listed and subject to such approvals, consents, permissions and sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including the powers conferred by this resolution) may accept, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to create, issue, offer and allot, (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), in the course of one or more private offerings in domestic and/or one or more international market(s), by way of foreign currency convertible bonds (“**FCCBs**”), foreign currency bonds, as may be required by applicable law or issue of non-convertible debentures whether rupee denominated or denominated in foreign currency, (all of which are hereinafter collectively referred to as the “**Securities**”) or any combination of Securities, to eligible investors (whether residents and/or non-residents and/or institutions/ banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions and/or individuals and/or trustees and/or stabilizing agents or otherwise, and whether or not such investors are members of the Company), through letter of offer or circular, and/or on private placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the lead managers and/or other advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities; provided that the total amount raised through the issuance of such Securities does not exceed ₹ 14,000 crores or its equivalent in one or more currencies, including issue at such discount as may be permitted under applicable law including the ICDR Regulations or premium to market price(s) in terms of applicable regulations at the Board’s discretion.”

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices, including but not limited to terms and conditions relating to payment of interest, dividend, discount, premium on redemption at the option of the Company and /or holders of any Securities, or for variation of the price or period of conversion of Securities into Ordinary Shares during the period of the Securities or terms pertaining to voting rights or option(s) for early redemption of Securities.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Ordinary Shares as may be required to be issued and allotted upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer, all such shares ranking *pari passu* inter se and with the then existing Ordinary Shares of the Company in all respects.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of the Ordinary Shares or the Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, entering into arrangements for appointment of agencies for managing, underwriting, marketing, listing, trading of Securities issued, such as the depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee and to issue any offer document(s), including but not limited to the preliminary

and final offering documents and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit including obtaining consent of the lenders of the Company, if so required and giving undertakings, declarations, affidavits, certificates and consents to authorities as may be required.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Ordinary Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, including filing of Offer document with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments and opening bank accounts and demat accounts.”

By Order of the Board of Directors

A Anjeneyan

Company Secretary & Chief of Compliance

Mumbai, 17th June 2014

Registered Office:

Bombay House,
24, Homi Mody Street, Fort,
Mumbai 400 001
CIN: L27100MH1907PLC000260
Website: www.tatasteel.com

NOTES:

1. An explanatory statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed special resolutions at Item Nos. 1 to 3 above, are appended herein below along with Form for your consideration.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (“**NSDL**”)/Central Depository Services (India) Limited (“**CDSL**”) as on Friday, 30th May 2014.
3. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Form. E-voting is optional.
4. As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with physical Form through post/courier. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Form may indicate their option to receive the physical Form from the Company by clicking on the box provided in the e-mail or alternatively download the Form from the link www.evoting.nsdl.com or from the ‘Investors’ section on the Company’s website www.tatasteel.com.

EXPLANATORY STATEMENT**Explanatory Statement for Resolutions mentioned under Item Nos. 1 to 3 pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as the “Act”)****Background to the explanatory statements under Item Nos. 1 to 3:**

The Company’s strategy and plans include making investments to significantly expand its operations in India, especially through investments in fixed assets for the green-field project in Kalinganagar in Odisha (the “Odisha Project”). The first phase of the Odisha Project of 3 million tonnes per annum would cost around ₹ 29,000 crores on plant and machinery (up to the hot strip mill stage), capital expenditure for mining of iron ore and other infrastructure in and around the facilities. Of this amount, the Company has invested around ₹16,000 Crores as of 31st March 2014, and plans to invest the remaining amounts over the next 2-3 years. The stage wise commissioning of the first phase is expected to be initiated towards the end of FY 2014-15. Subsequent to the commissioning and ramp up of the first phase of operations in Kalinganagar, the Company will also progress towards the implementation of second phase of the project, which will take the overall production capacity to 6 million tonnes per annum of crude steel in Kalinganagar and overall production capacity of the Company to 16 million tonnes per annum in India. The Company has obtained commitment from various Indian banks/ lenders for ₹ 23,000 crores for both phases of the Odisha project of which it has drawn loans of ₹ 2,000 crores as of 31st March 2014.

The Company continues to invest in the maintenance, expansion and up-gradation of its steel and mining assets for improving asset quality which would enhance shareholder value in the future.

As part of the Company’s capital structure strategy, it has utilised its internal accruals towards green-field and brown-field expansion projects and for repayment of its debt obligations. The funding plan also envisages refinancing of debt maturing over the next 2-3 years and rebalancing of the debt profile of the Group.

The Company endeavours to maintain a capital structure which would be consistent with its cash flows while optimizing the cost of capital which drives its selection of financing instruments. The Company is therefore, seeking approval from the shareholders of the Company for an enhancement in its borrowing ability including the ability to privately place debt securities (convertible into equity or otherwise) in the international and domestic capital markets. The pricing for any instrument which may be issued by the Company on the basis of these resolutions will be done by the Board or a Committee thereof in accordance with applicable laws including SEBI (ICDR) Regulations and foreign exchange regulations as may be applicable.

Item No. 1:

Under the erstwhile Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow monies, apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180(1)(c) of the Act, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. up to September 11, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business, in excess of the paid up capital and free reserves of the Company.

The shareholders of the Company, through postal ballot resolution dated 30th March 2012 had accorded their consent to the Board of Directors for borrowing up to ₹ 50,000 crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

As on 31st March, 2014, the net-worth of the Company was approximately ₹ 61,148 crores. It is proposed to increase the borrowing limits to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. The Company shall ensure that the debt equity ratio of the Company, at all times, will be within prudent limits. It is necessary to obtain fresh approval of the shareholders by means of a Special Resolution.

The Board recommends the Resolution at Item No.1 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.1 of the Notice.

Item No. 2:

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company’s assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company’s Bankers in the ordinary course of business).

The shareholders of the Company, through postal ballot resolution dated 30th March 2012 had accorded their consent to the Board of Directors for creation of charges/mortgages/hypothecations for an amount not exceeding ₹ 50,000 crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

Under the provisions of Section 180 (1) (a) of the Act, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed

under Section 293 (1) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. up to September 11, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). Standard market terms of long term debt finance include conditions whereby lenders/ trustees in certain circumstances (such as non-payment or other events of default) can take over the management of the Company, to recover their dues. It is therefore, necessary to obtain members' approval by way of a Special Resolution under Section 180 (1) (a) of the Act for creation of charges/mortgages/hypothecations for an amount not exceeding ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The proposed borrowings of the Company may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities / trustees for the holders of the said securities as mentioned in the Resolution at Item No. 2. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/mortgages/hypothecations for an amount not exceeding ₹ 70,000 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board recommends the Resolution at Item No. 2 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 2 of the Notice.

Item No. 3:

In terms of Sections 41, 42, 62(1)(c) read with Section 71 of the Act, a company making an allotment of its securities to persons other than

the existing shareholders of the Company or to employees under an employees' stock option scheme is required to obtain the approval of the members by way of a Special Resolution for each offer or invitation. However, in accordance with relevant rules under the Act, the Company is permitted to make all offers for issue of non-convertible debentures in a particular year on the basis of a single special resolution which has been approved by the shareholders in that year.

It is proposed to obtain approval of the members under Sections 41, 42, 62, 71 and other applicable provisions, if any, of the Act, read together with the Rules made thereunder (to the extent applicable), to enable the Company to make a private placement of debt securities (convertible into equity or otherwise) in the international and/or domestic capital markets, in one or more tranches within such limit as set out in the Resolution at Item No. 3 of the Notice. The pricing for any instrument which may be issued by the Company on the basis of this Resolution will be done by the Board or a committee thereof in accordance with applicable law including SEBI (ICDR) Regulations and foreign exchange regulations as may be applicable. The issues will be structured in a manner such that the additional Ordinary Share capital that may be issued under Resolution at Item No. 3 would not be more than 5% of the paid-up Ordinary Share capital of the Company.

The Board recommends the resolution at Item No.3 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

By Order of the Board of Directors

A Anjeneyan

Company Secretary & Chief of Compliance

Mumbai, 17th June 2014

Registered Office:

Bombay House,
24, Homi Mody Street, Fort,
Mumbai 400 001

CIN: L27100MH1907PLC000260

Website: www.tatasteel.com