

# Corporate Governance Report for the year 2009-10

(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. Ratan N. Tata** is presently Chairman of Tata Sons, the holding company of the Tata Group and also Chairman of the major Tata companies including Tata Steel. It is under his leadership that the Company has scaled new heights and established a presence as one of the leading steel conglomerates in the world. Mr. Ratan Tata is a Bachelor of Science in the field of architecture. He specialised with structural engineering from Cornell University in 1962 and he completed the Advanced Management Programme at Harvard Business School in 1975. Mr. Tata was appointed as the Chairman of the Board of Directors of the Company in April 1993. Mr. Tata was named Chairman of Tata Industries Limited in 1981. In 1991, Mr. Tata was appointed Chairman of Tata Sons, the principal shareholder of the Company. He is also currently the Chairman of several other Tata Group companies, including Tata Motors, Tata Power, Tata Tea, Tata Chemicals and Indian Hotels. Mr. Tata is associated with various organisations in India and abroad. The Government of India honoured Mr. Tata with its second highest civilian award, the Padma Vibhushan, in 2008. Earlier, in 2000, he had been awarded the Padma Bhushan. He has also been conferred an honorary doctorate in business administration by the Ohio State University, an honorary doctorate in technology by the Asian Institute of Technology, Bangkok, an honorary doctorate in science by the University of Warwick, and an honorary fellowship by the London School of Economics. Mr. Ratan Tata is on the Board of a number of prestigious companies and Government bodies and holds many other esteemed positions as well.

**Mr. B. Muthuraman** joined Tata Steel in 1966 as a Graduate Trainee. On completion of training, he worked in the areas of Iron-making and Engineering Development for ten years and then moved to the Marketing & Sales Division and spent nearly twenty years there, ultimately rising to the position of Vice President. A B.Tech. in Metallurgical Engineering from IIT Madras (1966), Mr. B. Muthuraman completed his MBA from XLRI Jamshedpur in 1975 and Advanced Management Programme from CEDEP/INSEAD, France. He is an avid reader and a keen golfer and cricket enthusiast. In 1995, he was selected to spearhead the prestigious Cold Rolling Mill Project, which was finally completed in record time. He was appointed Executive Director (Special Projects) in August 2000 and served as the main change agent for the major diversification projects of Tata Steel. He was appointed Managing Director of Tata Steel on July 22, 2001 and is currently the Company's Vice Chairman. Mr. Muthuraman was conferred the Honorary Fellowship of All India Management Association on 6th September 2007. He is also the recipient of a distinguished Alumnus Award from IIT Madras (1997). He bagged the Tata Gold Medal from the Indian Institute of Metals in 2002, CEO of the Year Award from IIMM in 2002, National HRD Network Pathfinders Award 2004 in the CEO Category, Business Standard Award, CEO of the year 2005 and CEO with HR Orientation Award in 2005, at the World HRD Congress at Mumbai. Further, he was conferred 'Management Man of the Year 2006-07 Award' by Bombay Management Association in 2007.

**Mr. Nusli Neville Wadia** is foremost amongst famous Indian industrialists and the Company Director and Chairman of various Indian companies. Taking over responsibilities from his father Neville Wadia, he made the Wadia Group and Bombay Dyeing the most respected and widely diversified business houses in the corporate world. Mr. Wadia joined Tata Steel on August 29, 1979 as a Director. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), was the Chairman of Millowners' Association (MOA), Associated Chambers of Commerce & Industry, etc. Mr. Wadia was appointed on the Prime Minister's Council on Trade & Industry in 1998, 1999 & 2000-04. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable institutions. He is also on the Managing Committee of the Nehru Centre, Mumbai.

**Mr. S. M. Palia**, a B.Com., LL.B., CAIIB and CIIB (London) is a Development Banker by profession. He was with IDBI from 1964 to 1989 during which period he held various responsible positions including that of an Executive Director to the Bank. He joined the Company as a Director in 1994. 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, 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. Suresh Krishna** received a Bachelor of Science degree from Madras Christian College in 1955 and an M.A. in literature from the University of Wisconsin in 1959. He did his post-graduate work in literature at the University of Munich, Germany. Mr. Krishna joined Tata Steel on March 2, 1994 as a Director. Mr. Krishna is the Chairman and Managing Director of Sundram Fasteners Ltd. He was the President of the Confederation of Engineering Industry for 1987-88 and the President of the Automotive Component Manufacturers Association of India for 1982-84. Mr. Krishna also served as a Director on the central board of the Reserve Bank of India from 2000 to 2006. He served as Director of Tata Communications Limited (Formerly Videsh Sanchar Nigam Ltd.) from May 2002 to March 2006 and has been involved in several other public bodies set up by the central and state governments. Mr. Krishna has won numerous awards and honours, including the Sir Jehangir Ghandy Medal for Industrial Peace from XLRI in 1991, Business India magazine's Businessman of the Year award, 1995, the Qimpro Platinum Standard 1997 for being a role model for quality leadership; the Juran Quality Medal from the Indian Merchants Chamber, Mumbai, the national award for 2000 (for India) from the Asian Productivity Organisation, Japan, the JRD Tata Corporate Leadership Award 2000 from the All India Management Association and Ernst & Young's Entrepreneur of the Year award for manufacturing for 2001. Mr. Krishna has been conferred with the "Padma Shri" award by the Government of India in 2006.

**Mr. Ishaat Hussain** graduated in economics from St. Stephens College, New Delhi. He is a fellow of the Institute of Chartered Accountants in England and Wales (FCA). Mr. Hussain joined Tata Steel on July 15, 1999 as a Director. Mr. Hussain joined the board of the Indian Tube Company (a Tata Steel associate company) in 1979. His association with Tata Steel goes back to 1981, after Indian Tube was merged with the Company. Mr. Hussain was the Senior Vice President and Executive Director of Finance at Tata Steel for almost 10 years, before he finally moved to Tata Sons. Currently he holds the position of a Board Member at Tata Sons. He is an expert in Financial Management & overall Management and Operational Control having vast experience in the areas of finance, banking, accounts, audit, taxation and general management. Mr. Hussain is a member of the SEBI committees on insider trading and primary capital markets. He is also a member of the CII Finance Committee.

**Dr. Jamshed J. Irani** is a renowned personality in the Iron and Steel Industry. He led Tata Steel's pursuit of business excellence from 1988 through the decade into the nineties. He joined the Company in 1968 and was made Director in 1988. Dr. Irani was the Managing Director of the Company from 1992 to 2001. He is also a director of several Tata Group companies, including Tata

Sons, Tata Motors and Tata Teleservices. He began his career in 1963 as a Senior Scientific Officer at the BISRA, Sheffield where he rose to the position of Head, Physical Metallurgy Division. On return to India, he joined The Tata Iron and Steel Company Ltd. as Assistant to Director, Research & Development, whereafter he was appointed General Superintendent in 1978, General Manager in 1979, President in 1985 and Managing Director in 1992. After holding the CEO's office for almost a decade, he retired as Managing Director of Tata Steel in 2001. He was appointed Chairman of the Expert Committee set up by the Ministry of Company Affairs, India in December 2004 to advise the Indian Government on drafting the new Companies Act. He was conferred an honorary Knighthood by Queen Elizabeth II in 1997 and was awarded the Padma Bhushan in 2007.

**Mr. Subodh Bhargava** is a Mechanical Engineer from the University of Roorkee. He joined Board of the Company as a Director in 2006. Mr. Bhargava was the Group Chairman and Chief Executive Officer of the Board of Eicher Group of Companies and is now the Chairman Emeritus of the same group. 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 State Governments, including as a member of the Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan. He is currently Chairman of Tata Communications Limited, Wartsila India Limited and Director on the Boards of a number of companies. He is also the recipient of the first Distinguished Alumnus Award in 2005 by Indian Institute of Technology, Roorkee.

**Mr. Jacobus Schraven** was appointed as an Additional Director of the Company with effect from May 17, 2007. He was appointed a non-executive Director and Deputy Chairman of Corus Plc. in December 2004. Mr. Schraven, in 2005 was appointed a Member and Chairman of the Supervisory Board of Corus Nederland BV. Until June 2005 he was President of the Confederation of The Netherlands Industry and Employers (VNO-NCW). He joined Shell in 1968 and after an international career in 1997 was appointed Chairman of the Board of Shell Nederland BV. He is Chairman of the Supervisory Board of Stork B.V., Member of the Supervisory Board of NUON Energy B.V. and BNP OBAM NV. He is also Chairman or member of the Board of Trustees of Sanquin, the Netherlands Blood Institute, the Netherlands Normalisation Institute (NEN) and the Carnegie Foundation (Peace Palace in The Hague). He is also the Chairman of EuropeanIssuers, which represents the interests of Companies listed on the European stock exchanges. Mr. Schraven is Commander of the Order of Orange-Nassau (Netherlands) and Officer of the l'Legion d'Honneur (France).

**Mr. Andrew Robb** is a Fellow of the Chartered Institute of Management Accountants and holds a Joint Diploma in Management Accounting. Mr. Andrew Robb has been a Non-Executive Independent Director of Tata Steel Limited 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 Director of Tata Steel Limited. He is currently the Chairman of the Board and the Audit Committee of Tata Steel Europe Limited.

Mr. Robb was Finance Director of the Peninsular & 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 three other UK public companies.

**Mr. Kirby Adams** A dual citizen of Australia and USA. Born in Atlanta, Georgia, Mr. Kirby C. Adams graduated in industrial and mechanical engineering from Auburn University. He has also an MBA from the University of Virginia Darden School. Mr. Kirby Adams has a wealth of experience in metals and mining and is known for leading safety and for his proven ability in creating shareholder value in complex businesses. Mr. Adams has been Chief Executive Officer and Managing Director of Tata Steel Europe Limited since October 1, 2009 with Group-wide responsibilities for Finance, Strategy, Communications, safety and Environment. Mr. Adams served as Chief Executive Officer of Corus Group since April 6, 2009. The Corus Executive Committee is chaired by Mr. Adams. As well as operational responsibility for Tata Steel Europe, Kirby Adams also serves on the Board of Tata Steel Europe, Eurofer and World Steel Association.

**Mr. Hemant M. Nerurkar** was Executive Director of India and South-East Asia of Tata Steel Limited since April 9, 2009 and was appointed as Managing Director of Tata Steel Limited from October 1, 2009. A B.Tech 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, INSDAG and AIMA, amongst others. Mr. Nerurkar joined Tata Steel 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) and Chief Operating Officer. 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 the 'Tata Gold Medal 2004', 'SMS Demag Excellence Award 2002', 'Steel 80's Award - 1990', 'SAIL Gold Medal - 1989', 'Visveswaraya Award - 1988' and 'NMD Award 1987'.

#### CORPORATE GOVERNANCE

The Company has a non-executive Chairman and the number of Independent Directors is 50% of the total number of Directors. As on 31st March, 2010, the Company has 12 Directors on its Board, of which 6 Directors are independent. The number of Non-Executive Directors (NEDs) is more than 50% of the total number of Directors. The Company is in compliance with the Clause 49 of the listing Agreement pertaining to compositions of directors.

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

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

Name	Category	No. of Board Meetings attended during 2009-10	Whether attended AGM held on 27th August, 2009	No. of Directorships in other public companies as on 31.03.2010*		No. of Committee positions held in other public companies as on 31.03.2010**	
				Chairman	Member	Chairman	Member
Mr. R. N. Tata (Chairman)	Not Independent Non-Executive	8	Yes	9	1	-	-
Mr. B. Muthuraman (Vice Chairman)#	-do-	9	Yes	1	2	-	1
Mr. James Leng (Resigned w.e.f. 07.07.2009)	Independent Non-Executive	1	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Nusli N. Wadia	-do-	8	Yes	3	3	-	-
Mr. S. M. Palia	-do-	9	Yes	-	6	3	3
Mr. Suresh Krishna	-do-	5	Yes	4	4	2	2
Mr. Ishaat Hussain	Not Independent Non-Executive	9	Yes	2	12	3	4
Dr. J. J. Irani	-do-	9	Yes	3	6	-	2

Name	Category	No. of Board Meetings attended during 2009-10	Whether attended AGM held on 27th August, 2009	No. of Directorships in other public companies as on 31.03.2010*		No. of Committee positions held in other public companies as on 31.03.2010**	
				Chairman	Member	Chairman	Member
Mr. Subodh Bhargava	Independent Non-Executive	9	Yes	3	8	3	5
Mr. Jacobus Schraven	-do-	8	Yes	-	-	-	-
Dr. Anthony Hayward (Resigned w.e.f. 18.09.2009)	-do-	0	No	N.A.	N.A.	N.A.	N.A.
Mr. Andrew Robb	-do-	9	Yes	-	-	-	-
Mr. Philippe Varin (Resigned w.e.f. 27.05.2009)	Not Independent Non-Executive	1	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Kirby Adams (Appointed w.e.f. 09.04.2009)	-do-	9	Yes	-	-	-	-
Mr. H. M. Nerurkar (Appointed Executive Director w.e.f. 09.04.2009 to 30.09.2009 & Managing Director w.e.f. 01.10.2009)	Not Independent Executive	9	Yes	2	-	-	-

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

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

# Retired as Managing Director on 30.09.2009 and appointed as Additional Director, designated as Vice Chairman w.e.f. 01.10.2009.

**Nine** Board Meetings were held during the year 2009-10 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows :

9th April, 2009, 25th June, 2009, 29th July, 2009, 27th August, 2009, 30th September, 2009, 27th October, 2009, 26th November, 2009, 28th January, 2010 and 16th February, 2010.

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

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

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

During 2009-10, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, other than Dr. J. J. Irani and Mr. B. Muthuraman to whom the Company paid retiring benefits aggregating to Rs. 36.28 lakhs and Rs. 318.93 lakhs, respectively.

The Company has adopted the Tata Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the 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 statutory auditors and branch auditors and fixation of their remuneration.

Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the Annual General Meeting held on 27th August, 2009.

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

Names of Members	Category	No. of Meetings attended during the year 2009-10
Mr. Subodh Bhargava, Chairman	Independent, Non-Executive	8
Mr. S. M. Palia, Member	-do-	8
Mr. Ishaat Hussain Member, Chartered Accountant	Not Independent, Non-Executive	8
Mr. Andrew Robb, Member	Independent, Non-Executive	8

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

**Eight** Audit Committee Meetings were held during 2009-10. The dates on which the said meetings were held were as follows : 7th April, 2009, 24th June, 2009, 29th July, 2009, 26th August, 2009, 27th October, 2009, 25th November, 2009, 28th January, 2010 and 16th February, 2010.

The necessary quorum was present at the meetings.

**Whistle Blower Policy**

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

#### 4. Remuneration Committee

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

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

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

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

Names of Members	Category	No. of Meetings attended during the year 2009-10
Mr. Suresh Krishna, Chairman	Independent, Non-Executive	2
Mr. R. N. Tata, Member	Not Independent, Non-Executive	3
Mr. S. M. Palia, Member	Independent, Non-Executive	3

**Three** meetings of the Remuneration Committee were held during 2009-10. The dates on which the said meetings were held were as follows :

9th April, 2009, 25th June, 2009 and 30th September, 2009.

The Chairman of the Remuneration Committee, Mr. Suresh Krishna was present at the Annual General Meeting held on 27th August, 2009.

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

#### Remuneration Policy

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

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

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

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

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



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

**Details of remuneration for 2009-10**

Non-Whole-time Directors

(Rs.lakhs)

Name of the Director	Sitting Fees
1. Mr. R. N.Tata	3.40
2. Mr. B. Muthuraman	1.80 @@
3. Mr. James Leng	0.20
4. Mr. Nusli N.Wadia	2.60
5. Mr. S. M. Palia	6.20 #
6. Mr. Suresh Krishna	1.50
7. Mr. Ishaat Hussain	5.50 #
8. Dr. J. J. Irani	3.20 @
9. Mr. Jacobus Schraven	2.20
10. Mr. Subodh Bhargava	3.40
11. Dr. Anthony Hayward	0.00
12. Mr. Andrew Robb	4.20
13. Mr. Kirby Adams	3.40
14. Mr. Philippe Varin	0.40
<b>Total</b>	<b>38.00</b>

# Includes amount of Rs. 60,000/- paid in 2010-11.

@ Excluding retirement benefits of Rs. 36.28 lakhs paid to Dr. J. J. Irani.

@@ Excluding retirement benefits of Rs. 318.93 lakhs paid to Mr. B. Muthuraman.

Based on the recommendation of the Remuneration Committee, the Board decided that no commission be paid to the Non-Executive Directors of the Company for the financial year ended 31st March, 2010.

Managing and Whole-time Directors

Name	Salary Rs. lakhs	Perquisites & Allowances Rs. lakhs	Commission @ Rs. lakhs	Stock Options
Mr. B. Muthuraman Managing Director upto 30.09.2009	63.37	37.45	300	Nil
Mr. H. M. Nerurkar Executive Director w.e.f. 09.04.2009 to 30.09.2009 Managing Director w.e.f. 01.10.2009	71.03	30.24	200	Nil

@ Payable in 2010-11



**Shareholding of the Directors in the Company as on 31st March, 2010.**

Director	No. of Ordinary Shares held	Director	No. of Ordinary Shares held
Mr. R. N. Tata (Chairman)	24,821	Dr. J. J. Irani	7,406
Mr. B. Muthuraman (Vice Chairman)	5,490	Mr. Subodh Bhargava	1,012
Mr. Nusli N. Wadia	Nil	Mr. Jacobus Schraven	Nil
Mr. S. M. Palia	3,008	Mr. Andrew Robb	Nil
Mr. Suresh Krishna	Nil	Mr. Kirby Adams	Nil
Mr. Ishaat Hussain	2,216	Mr. H. M. Nerurkar (Managing Director)	637

**Total Shareholding of the Directors as on 31st March, 2010 – 44,590 Ordinary Shares.**

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

Period of Contract of MD : From 01.10.2009 to 31.10.2013

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

There is no separate provision for payment of severance fees.

**5. Shareholders' Committee**

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

**One** meeting of the Investors' Grievance Committee was held on 16th February, 2010.

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

Names of Members	Category	No. of Meetings attended during 2009-10
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

**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 7724/6665 7725**

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

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

Mr. Praveen Sood  
Head - Investor Relations  
Bombay House,  
24, Homi Mody Street,  
Fort, Mumbai 400 001.

**Phone : (022) 6665 7306**

**Fax : (022) 6665 8113**

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

**Shareholder/Investor Complaints :**

Complaints pending as on 1st April, 2009	:	<b>6</b>
During the period 1st April, 2009 to 31st March, 2010, complaints identified and reported under Clause 41 of the Listing Agreements	:	<b>1492</b>
Complaints disposed off during the year ended 31st March, 2010	:	<b>1492</b>
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2010	:	<b>6</b>
No. of pending share transfers of Ordinary Shares as on 31st March, 2010	:	<b>160*</b>

\* Transfers lodged in the last two weeks of March 2010 and hence pending as on 31st March, 2010.

Sr. No.	Description	Total Received	Total Replied	Total Pending
<b>A</b>	<b>Complaints</b>			
	<b>Letters received from Statutory Bodies</b>			
1.	SEBI	109	104	5
2.	DOCA	–	–	–
3.	STOCK EXCHANGES	32	32	–
4.	NSDL/CDSL	66	66	–
	<b>Total Nos.</b>	<b>207</b>	<b>202</b>	<b>5</b>
<b>B</b>	<b>Legal Matters</b>			
1.	Court/Consumer Forum Matters	2	1	1
	<b>Total Nos.</b>	<b>2</b>	<b>1</b>	<b>1</b>
<b>C</b>	<b>Dividends</b>			
1.	Non receipt of Dividend/fractional warrants	815	815	–
2.	Fraudulent Encashment of redemption/dividend warrants	–	–	–
	<b>Total Nos.</b>	<b>815</b>	<b>815</b>	<b>–</b>
<b>D</b>	<b>Letters in the nature of reminders/ complaints including rights issue related</b>	<b>468</b>	<b>468</b>	<b>–</b>
	<b>Total Correspondence Statistics</b>	<b>1492</b>	<b>1486</b>	<b>6</b>

**Note :**

The correspondence identified as investor complaints are letters received through Statutory/Regulatory bodies and those related to Court/Consumer forum matters, (where the Company/Registrar is involved and is accused of deficiency in service) fraudulent encashment, 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 CCPS/Equity pertaining to Rights issue. The above figures are consolidated figures which includes complaints received by Link Intime India Pvt. Ltd. and TSR Darashaw Ltd.

**Committees**

In addition to the above Committees, the Board has constituted 5 more Committees, viz. Executive Committee of the Board, the Nomination Committee, Committee of Directors, the Ethics and Compliance Committee and Safety, Health and Environment Committee.

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.

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

Names of Members	Category	No. of Meetings attended during the year 2009-10
Mr. R. N. Tata, Chairman	Not Independent, Non-Executive	6
Mr. B. Muthuraman, Member	-do-	10
Mr. James Leng, Member (Resigned w.e.f. 07.07.2009)	Independent, Non-Executive	0
Mr. Nusli N. Wadia, Member	-do-	5
Mr. S. M. Palia, Member	-do-	8
Mr. Ishaat Hussain, Member	Not Independent, Non-Executive	10
Dr. J. J. Irani, Member	-do-	7
Mr. Andrew Robb, Member*	Independent, Non-Executive	4
Mr. Philippe Varin, Member (Resigned w.e.f. 27.05.2009)	Not Independent, Non-Executive	1
Mr. Kirby Adams, Member*	-do-	5
Mr. H. M. Nerurkar, Member*	Not Independent, Executive	5

\*Appointed w.e.f. 25th June, 2009.

**Ten** ECOB Meetings were held during the year 2009-10. The dates on which the said meetings were held were as follows :

8th April, 2009 , 24th June, 2009, 20th July, 2009, 21st July, 2009, 24th July, 2009, 28th July, 2009, 26th August, 2009, 26th October, 2009, 27th January, 2010 and 15th February, 2010.

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

The composition of the Nomination Committee is given below :

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

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

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

### **Ethics and Compliance Committee**

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

and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

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

**One** meeting of the Ethics and Compliance Committee was held on 16th February, 2010.

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

Names of Members	Category	No. of meetings attended during 2009-10
Mr. Ishaat Hussain, Chairman	Not Independent, Non-Executive	1
Mr. Suresh Krishna, Member	Independent, Non-Executive	1

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

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

#### **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 would be :

- Review operational performance, anticipate potential issues and provide support in setting direction for improvements;
- Reduce carbon emissions per tonne of steel produced by 50% by 2050; 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 on 26th August, 2009, 26th October, 2009 and 15th February, 2010.

The composition of the Safety, Health and Environment Committee is given below :

Names of Members	Category	No. of Meetings attended during 2009-10
Mr. Jacobus Schraven, Chairman	Independent, Non-Executive	3
Mr. S. M. Palia, Member	-do-	3
Mr. B. Muthuraman	Not Independent, Non-Executive	2
Mr. Kirby Adams	-do-	3
Mr. H. M. Nerurkar	Not Independent, Executive	3

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

## **6. General Body Meetings**

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

Financial Year	Details of Location	Date & Time
2008-09	Birla Matushri Sabhagar,	27th August, 2009 at 3.30 p.m.
2007-08	19, Sir Vithaldas Thackersey Marg,	28th August, 2008 at 3.30 p.m.
2006-07	Mumbai 400 020.	29th August, 2007 at 3.30 p.m.

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

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

- d) Special Resolutions passed in previous 3 Annual General Meetings :
1. At the last Annual General Meeting held on 27th August, 2009, Special Resolution for Further issuance of Securities was passed unanimously.
  2. At the Annual General Meeting held on 28th August, 2008, no Special Resolutions were passed.
  3. At the Annual General Meeting held on 29th August, 2007, Special Resolutions were passed for a) Increase in the authorised share capital, b) Alteration of the Memorandum of Association, c) Alteration of the Articles of Association, d) Further issuance of Securities and e) Change in place of keeping Registers and Records. The resolutions were passed unanimously.

## 7. Disclosures

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

### Secretarial Audit

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

## 8. Means of Communication

### Half-yearly report –

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

### Results –

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

### Presentation to Institutional Investors or to analysts –

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

### Management Discussion & Analysis Report –

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

### Company's Corporate Website –

The Company's website is a comprehensive reference on Tata Steel's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investors' serves to

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

**9. General Shareholder Information**

**AGM : Date, time & venue –** 13.08.2010 at 3.30 p.m.  
Birla Matushri Sabhagar,  
19, Sir Vithaldas Thackersey Marg,  
Mumbai 400 020.

As required under Clause 49 IV(G)(i), particulars of Directors seeking appointment/reappointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on 13th August, 2010.

**Financial Calendar –**

Year ending	March 31
AGM	August
Dividend Payment	Generally in August

**Date of Book Closure –** Wednesday, 14th July, 2010 to Tuesday, 20th July, 2010  
(both days inclusive)

**Dividend Payment Date –** The dividend warrants will be posted on or after 14.08.2010.

**Unclaimed Dividend –**

- All unclaimed/unpaid dividend amounts upto the financial year ended 31.03.1995 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrant(s) for the said period are requested to forward their claims in prescribed Form No. II to The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to :-  
Office of Registrar of Companies  
Central Government Office Bldg., 'A' Wing,  
2nd Floor, Next to Reserve Bank of India  
CBD, Belapur 400 614.
- All unclaimed/unpaid dividend amounts for the financial years 1995-96 to 2001-02 have been transferred to Investor Education & Protection Fund and no claims will lie against the Company or the Fund in respect of the unclaimed amounts so transferred.
- The unclaimed dividend declared in respect of the financial year 2002-03 is in the process of being transferred to IEPF.

**Listing on Stock Exchanges –**

As per the terms of the Rights Issue in 2007, on account of conversion on 1st September, 2009, 9,12,11,001 Ordinary shares of face value Rs.10 per share allotted at a premium of Rs.590 to the CCPS holders were listed on the Stock Exchanges.

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

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

**Global Depository Receipts (GDRs)** issued by the Company in 1994 in the International Market have been listed on the Luxembourg Stock Exchange.

**1% Convertible Alternative Reference Securiteies (CARS)** issued by the Company in 2007 in the International Market have been listed on the Singapore Exchange.

**Global Depository Receipts (GDRs)** issued by the Company in 2009 in the International Market have been listed on the London Stock Exchange.

**4.5% Replacement Foreign Currency Convertible Bonds (FCCBs)** issued by the Company in 2009 in the International Market have been listed on the Singapore Exchange.

The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2009-10.

**Stock Codes/Symbols/International Securities Identification Number (ISIN) for Ordinary Shares –**

Stock Exchange	Stock codes/Symbols	ISIN
Bombay Stock Exchange Limited	500470 (Demat form)	INE081A01012
National Stock Exchange of India Ltd.	TATASTEEL	INE081A01012

**International Securities Identification Number (ISIN) for GDRs, CARs & FCCBs –**

Stock Exchange	Security	ISIN
Luxembourg Stock Exchange	GDRs	US87656Y1091
London Stock Exchange	GDRs	US87656Y4061
Singapore Exchange	CARs	XS0315783026
Singapore Exchange	FCCBs	XS0466930780

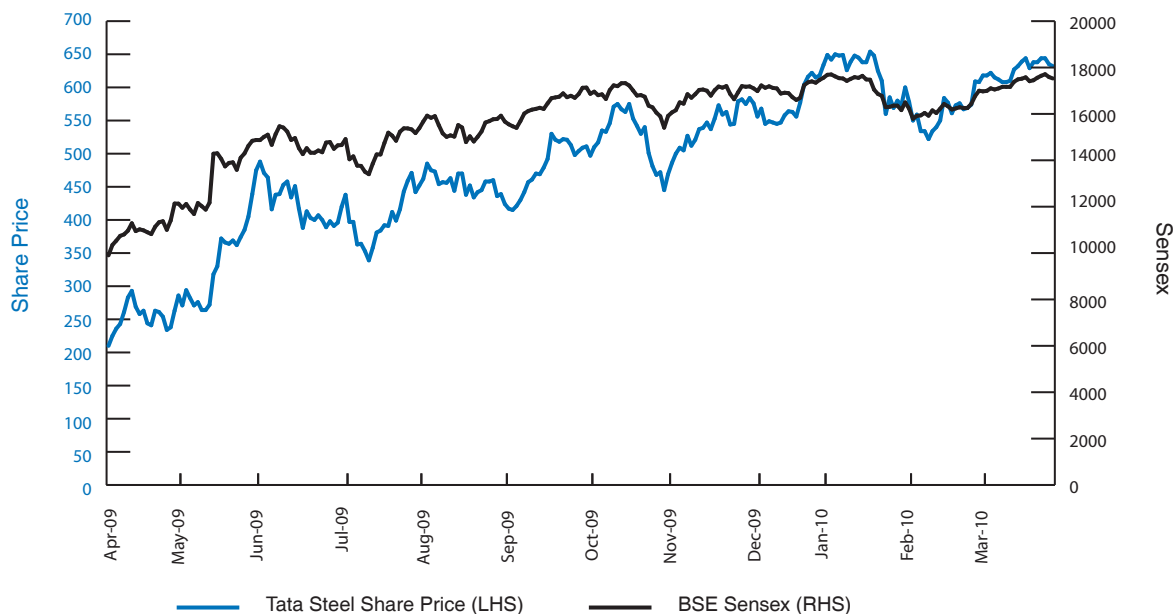
**Market Information**

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

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of shares)
Apr-09	293.35	209.85	9,21,22,329	293.00	209.80	25,73,84,374
May-09	406.30	263.00	9,68,61,952	405.35	263.20	28,33,85,281
Jun-09	487.90	387.90	10,07,13,682	488.10	388.30	27,77,34,348
Jul-09	468.95	338.90	10,43,93,994	471.20	339.00	31,41,17,886
Aug-09	483.60	424.30	7,43,56,008	485.20	424.25	23,59,07,448
Sep-09	531.60	416.45	6,22,97,228	530.10	415.10	19,44,16,780
Oct-09	575.25	468.10	4,26,45,146	575.15	467.65	15,35,11,460
Nov-09	575.40	445.60	5,40,02,017	579.20	445.30	18,90,05,314
Dec-09	622.05	544.65	5,01,37,460	622.05	544.50	17,27,12,434
Jan-10	653.65	558.70	3,95,27,991	653.70	559.65	15,02,78,318
Feb-10	600.40	522.55	3,99,07,155	600.40	522.45	13,88,41,438
Mar-10	643.65	607.40	2,30,37,483	644.25	607.55	9,00,43,806



**Performance of Tata Steel Share Price in comparison to BSE Sensex**



**Registrar and Transfer Agents :**

TSR Darashaw Limited are the Registrar and Share Transfer Agents of the Company.

Address for correspondence is as below :

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

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

**Fax : (022) 6656 8494**

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

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

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

**Branches of TSR Darashaw Limited**

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

### Agent of TSR Darashaw Limited

Shah Consultancy Services Pvt. Limited

3, Sumatinath Complex,  
Pritamnagar, Akhada Road  
Ellisbridge

Ahmedabad 380 006

Telefax: 079 26576038

E-mail: [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

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

### Distribution of Shareholding – Ordinary shares

Shareholding	Number of Shareholders	
	31-03-2010 %	31-03-2009 %
1 to 100	62.25	64.19
101 to 500	29.40	28.38
501 to 1000	4.37	4.03
1001 to 10000	3.72	3.20
10001 and above	0.26	0.20
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

### Categories of Shareholders – Ordinary Shares

Category	Number of Shareholders		Voting Strength %		Number of Ordinary Shares Held	
	31-03-2010	31-03-2009	31-03-2010	31-03-2009	31-03-2010	31-03-2009
Individuals	801,932	848,619	20.60	23.99	182,794,398	175,312,080
Unit Trust of India	1	1	0.00	0.01	39,711	47,986
Life Insurance Corporation of India	1	1	12.93	11.68	114,748,576	85,334,595
Govt. & Other Public Financial Institutions	15	19	3.99	4.44	35,396,209	32,412,124
Tata Group Companies	16	16	*31.32	* 33.95	277,833,893	248,065,857
Companies	6844	7,500	5.80	6.90	51,440,088	50,417,848
Nationalised Banks, Mutual Funds and Trusts	362	509	4.09	5.83	36,238,455	42,588,762
Foreign Institutional Investors	650	376	21.27	13.20	188,722,866	96,413,219
<b>Total</b>	<b>809,821</b>	<b>857,041</b>	<b>100.00</b>	<b>100.00</b>	<b>887,214,196</b>	<b>730,592,471</b>

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

**Top Ten Ordinary Shareholders of the Company as on 31st March, 2010**

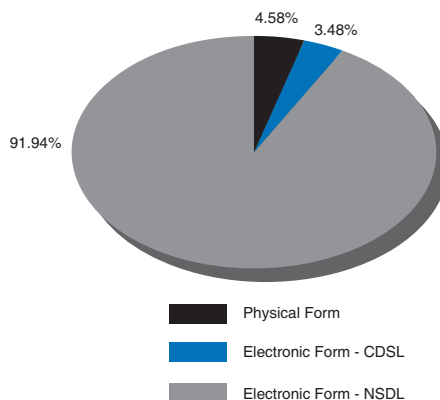
Sr. No.	Name of the Shareholder	No. of shares held	% of holding
1.	Tata Sons Limited	258,422,790	29.13
2.	Life Insurance Corporation of India	114,748,576	12.93
3.	Merrill Lynch Capital Markets Espana S.A. S.V.	15,674,018	1.77
4.	The New India Assurance Company Limited	10,308,218	1.16
5.	HSBC Global Investment Funds Mauritius Ltd. - GDR	8,976,465	1.01
6.	National Insurance Company Ltd.	8,961,767	1.01
7.	Bajaj Allianz Life Insurance Company Ltd.	7,263,477	0.82
8.	The Oriental Insurance Company Limited	6,844,947	0.77
9.	Fidelity Investment Trust - Fidelity Diversified International Fund	6,648,141	0.75
10.	Pilani Investment and Industries Corporation Ltd.	5,867,009	0.66

**Dematerialisation of shares as on 31st March, 2010 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).

**846,569,227** Ordinary Shares of the Company representing 95.42% of the Company's share capital is dematerialised as on 31st March, 2010.

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



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

Securities	As on 01-04-2009		Shareholders who approached the Registrars and Shares transferred in their favour during the year		Balance as on 31-03-2010	
	No. of records	No. of shares	No. of records	No. of shares	No. of records	No. of shares
Ordinary Shares	183	9,053	120	7,231	129	3,165
CCPS	283	42,333	217	34,154	0*	0*

\* As per terms of the allotment of CCPS in the subject rights issue, all CCPS stand converted into Ordinary Shares in the ratio of 6 CCPS to 1 Ordinary Share on 1st September, 2009. Accordingly, 63 records for 1,822 Ordinary Shares allotted in the first

instance and 66 records for 1,343 Ordinary Shares (Post conversion of CCPS to Ordinary) are clubbed together and that a total of 129 records for 3,165 Ordinary Shares were pending for credit as on 31.03.2010. In view of this, number of records & shares with respect to CCPS stands NIL as on 31.03.2010.

The voting rights in respect of the balance shares in the suspense account 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. 3867 GDRs (each GDR representing 1 Ordinary share of the Company)
- ii. 65,410,589 GDRs, (each GDR representing 1 Ordinary share of the Company)
- iii. Pursuant to the Exchange Offer of CARS aggregating to USD 875 million, made in accordance with Offering Circular dated 11th November, 2009, the Company exchanged CARS aggregating USD 493 million, leaving the residual CARS at USD 382 million, convertible into 20,972,354 Ordinary Shares at Rs.733.1318 per share and issued 5,469.35 – 4.5% Replacement FCCBs of USD 1,00,000 each aggregating USD 546.935 million, convertible into 41,873,734 fully paid up Ordinary Shares of the Company at Rs. 605.5325 per share.

**Address for Correspondence :**

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

**Major Plant Locations**

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

\* Part of the year

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

Financial Year	Dividend Date	Rate
2008-09	28.08.09	160%
2007-08	29.08.08	160%
2006-07	30.08.07	155%
2005-06	06.07.06	130%
2004-05	28.07.05	130%
2003-04	23.07.04	100%
2002-03	24.07.03	80%
2001-02	12.06.02	40%
2000-01	20.07.01	50%
1999-00	23.05.00	40%

**Bank Details**

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

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

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

**Nomination Facility**

Shareholders who hold shares in the physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 109A of the Companies Act, 1956, may submit to TSR Darashaw Limited the prescribed Form 2B. The 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 bank details which they wish to have incorporated in future dividend warrants must be submitted to their Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

### **National - Electronic Clearing Service (NECS) Facility**

As per RBI notification, with effect from 1st October, 2009, the remittance of dividend through Electronic Credit Service (ECS) is replaced by National Electronic Clearing Service (NECS). Shareholders were requested by the Company vide Circular dated 5th March, 2010, to intimate 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.

Shareholders who have already intimated the above information to the Depository Participants (DPs)/Registrars of the Company ("Registrars") pursuant to the above Circular need not take any further action in this regard.

Shareholders who have not intimated the DPs/Registrars are once again requested to intimate the above information in respect of shares held in electronic form to the DPs and in respect of shares held in physical form, to the Registrars at their address.

Those Shareholders who do not wish to avail of the NECS facility, 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.

### **Depository Services**

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

National Securities Depository Limited

Trade World, 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](mailto:info@nsdl.co.in)

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

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers,

16th Floor,

Dalal Street,

Mumbai 400 001.

Telephone : (022) 2272 3333

Facsimile : (022) 2272 3199/2272 2072

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

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

#### **Odd Lot Facility**

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

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

## 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, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

**For DELOITTE HASKINS & SELLS**

*Chartered Accountants*

*Registration No.117366W*

**P. R. RAMESH**

*Partner*

*Membership No : 70928*

Mumbai, 26th May 2010