



**Minutes of the Hundred and Seventh Annual General Meeting of Tata Steel Limited held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Thursday, the 14<sup>th</sup> August 2014 at 3.00 p.m.**

The following Directors were present:

Cyrus P. Mistry (Chairman)  
B. Muthuraman (Vice Chairman)  
Nusli N. Wadia  
Ishaat Hussain  
Subodh Bhargava  
Jacobus Schraven  
Andrew Robb  
Mallika Srinivasan  
D. K. Mehrotra  
O. P. Bhatt  
Dr. Karl Ulrich Koehler  
Koushik Chatterjee  
T. V. Narendran

1,740 shareholders (including 10 shareholders representing the Promoter and Promoter Group) were present in person and 87 shareholders were represented by proxies. Mr. Subodh Bhargava, Chairman of the Audit Committee was present at the meeting.

The requisite quorum being present, the Chairman welcomed the shareholders to the meeting. He suggested that with the concurrence of the members present, the Notice and the Annexure to the Auditors' Report be taken as read. The members agreed.

The Chairman welcomed Mr. T. V. Narendran, who succeeded Mr. Nerurkar as Managing Director, India and South East Asia with effect from 1<sup>st</sup> November 2013. The Chairman also informed that, in September, 2013, Mr. Koushik Chatterjee, Executive Director & Group, Chief Financial Officer was appointed as Group Executive Director, Finance and Corporate.

The Chairman introduced to the shareholders the Union Leaders, Mr. P. N. Singh, President, Tata Workers' Union, Mr. R. Pandey, President, Tisco Mazdoor Union, Mr. S. Banerjee, President Tata Employees Union, Kolkata, Mr. Frits van Wieringen, Chairman of the Central Works Council and European Works Council, and Mr. Steve McCool, National Officer for Community Trade Union.

The Chairman proceeded to brief the shareholders with an update on the Company's performance and future outlook. He stated that the year 2013-14 saw initial trend of macroeconomic recovery in major economies, including the US and Europe, although structural weakness could still impact sustainability of these trends. World Steel demand grew by 3.6% in 2013 driven mainly by the emerging and developing economies. Steel demand in the Eurozone remained almost flat in the last year.

He continued by stating that India's GDP growth continued to be below 5% in the year under review and that has had a bearing on steel demand, which grew by only 1.8%. It was in this context, that the Company's performance in fiscal 2014 and Q1 FY 2015 should be analysed. In the fiscal year 2014, on a consolidated basis, Turnover stood at Rs. 1,48,614 crores, up by 10% over the previous year. There was a Profit after Tax of Rs. 3,595 crores in FY'14 compared to a loss of Rs. 7,058 crores in FY'13. On a standalone basis, there was 9% increase in the Company's turnover, at Rs. 41,711 crores. Profit After Tax was Rs. 6,412 crores in FY'14 as compared to a Profit after Tax of Rs. 5,063 crores in the previous year.

He further stated that in the first quarter results of FY'15 which the Company had announced on previous day, the Consolidated group turnover was Rs. 36,427 crores, 11% over the previous year, Group Profit After Tax was Rs. 337 crores compared to Rs. 1,139 crores for the corresponding quarter in FY'14.

of Tata Steel India increased by 11% to Rs. 10,468 crores, while Profit After Tax was Rs. 2,268 crores.

The Chairman stated that while the Company was facing a challenging market environment, the management is focused on improving the competitiveness of the Company's operations. The Company had undertaken a number of initiatives on the operational front during the year and he was glad to report that there was significant progress.

In India, the 3 mtpa brownfield expansion ramped up to its rated capacity towards the end of FY'14. He continued by stating that despite the weak market in India, 1 million tonnes of additional steel was produced and sold by the Company. This additional volume was sold within the country without having to resort to exports. Sales to the automotive customers increased by 15% in a declining automotive market. The Company had also increased its sales in branded retail, industrial and project segments.

The Chairman stated that "KVHS" is a program that is in place to identify and realise improvement opportunities across the value chain. In FY'14, this program generated around 75% of the Rs. 1,600 crores of cost savings and value creation. He further stated that, the Kalinganagar project is a key growth project for the Company. Stage wise commissioning is expected from the end of FY'15. This facility is expected to significantly strengthen the Company's product portfolio.

While updating on Europe, the Chairman stated that, the Company had undertaken several measures to improve operational capabilities. The full year output of 15.5 million tons was 15% more than the previous year.

He further stated that, the Company is committed to developing high value differentiated products. In FY'14, the Company launched 30 new products, which resulted in a 75% increase in new product sales and a similar number of new products would be launched in the current fiscal. Several management initiatives were implemented resulting in operating cost savings of nearly £ 200 million in FY'14. The focus on cost optimization

Asia, sales of NatSteel increased in the last fiscal. However, rise of lower price imports into key market such as Singapore had created margin pressures. Further, Tata Steel Thailand had performed well and returned to profitability after 4 years.

The Chairman then informed the shareholders that last year eleven employees of the Company were conferred the prestigious Prime Minister's Shram Awards for the year 2012 by the Government of India and congratulated the Company and the entire management team on this success.

According to the Chairman, volatile commodity prices and simmering geo-political issues have a bearing on global economic growth. Overcapacity in China and Europe continued to be a concern. The rate of improvement in Europe has not been broad-based. Europe would continue to see structural changes to reflect the reduced demand in the region. Respite these odds, the Chairman believed that, the Company would emerge stronger with management initiatives aimed at strengthening Company's core operations in India, product innovation and selective asset investments. With the renewed focus by the new Government in India on business reforms and infrastructure, the demand for steel was expected to pick up over the coming years in the country. The Company is committed to position itself to maximize value accretion in the future.

The Chairman then mentioned that the new Companies Act, 2013 and the Listing Agreement has provided for electronic voting and to facilitate this, the Company had provided its Members the facility to cast their vote electronically through NSDL system. An option was also provided to those members who did not have access to e-voting to cast their vote through a Ballot Form.

The Chairman further mentioned that the Company had also provided an opportunity of voting at the AGM for those shareholders who had not exercised their vote through e-voting or Ballot. These votes would be added to the votes casted through e-voting and Ballot. He informed the shareholders that, in case a shareholder has already cast his vote through e-voting or had sent his ballot form, then such a shareholder should not cast his vote on a poll since such vote would be considered as invalid.

He further stated that, the Board had appointed Mr. P. N. Parikh of Parikh & Associates Practicing Company Secretaries, as Scrutinizer to scrutinize the e-voting process, including the Ballot Form received from the Members till August 8, 2014, in a fair and transparent manner. Mr. P. N. Parikh would also act as a scrutinizer for voting at the AGM.

The Chairman then moved the first Ordinary Resolution, adoption of Audited Statement of Profit and Loss, Balance Sheet, Reports of the Board of Directors and the Auditors for the year ended March 31, 2014.

The resolution was proposed by Dr. Arun Kumar Boppana and was seconded by Mr. Shailesh Mahadevia.

**"RESOLVED THAT** the Audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date together with the Report of the Board of Directors and Auditors thereon submitted to this meeting be and are hereby approved and adopted."

The Chairman then moved the second Ordinary Resolution, Declaration of dividend on the Ordinary Shares for the financial year 2013-14.

The resolution was proposed by Mr. Prakash Chandra Mapara and was seconded by Mr. Seshan Krishnamoorthy.

**"RESOLVED THAT** a dividend at the rate of Rs 10/- per Ordinary Share on 97,12,15,405 Ordinary Shares of Rs.10/- each in respect of the period of 12 months ended 31<sup>st</sup> March 2014 be and is hereby declared and that the above dividend be paid on and from 19<sup>th</sup> August 2014 to shareholders holding shares in the physical form whose names stood on the Company's Register of Members as on 16<sup>th</sup> July 2014 and in respect of shares held in the electronic form, to the beneficial owners of the shares as on 15<sup>th</sup> July 2014 as per details furnished by the depositories for this purpose."

Since the third Ordinary Resolution was pertaining to Chairman's appointment, he requested Mr. B. Muthuraman to take the Chair.

Mr. B. Muthuraman then moved the third Ordinary Resolution, Re-appointment of Mr. Cyrus P. Mistry as a Director.

The resolution was proposed by Mr. Adil Irani and was seconded by Dr. Arun Kumar Boppana.

**"RESOLVED THAT** Mr. Cyrus P. Mistry who retires by rotation under Article 135 of the Articles of Association of the Company and is eligible for re-appointment, be and is hereby re-appointed a Director"

The Chairman then moved the fourth Ordinary Resolution, re-appointment of Mr. Ishaat Hussain as a Director.

The resolution was proposed by Mrs. Ashalata Maheshwari and was seconded by Mr. H. V. Sanghavi.

**"RESOLVED THAT** Mr. Ishaat Hussain, who retires by rotation under Article 135 of the Articles of Association of the Company and is eligible for re-appointment, be and is hereby re-appointed a Director"

The Chairman then moved the fifth Ordinary Resolution, Appointment of Auditors for a term of three years and fixing their remuneration.

The resolution was proposed by Mr. Bipin Bakshi and was seconded by Mr. G. H. Bharucha.

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366WW -100018), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of the

Meeting (AGM) till the conclusion of the hundred and tenth AGM of the Company to be held in the year 2017(subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

The Chairman then moved the sixth Ordinary Resolution, Appointment of Mr. T. V. Narendran as a Director.

The resolution was proposed by Mr. Ajay Kumar and was seconded by Mr. T. M. Davar.

**"RESOLVED THAT** Mr. T. V. Narendran who was appointed an Additional Director of the Company with effect from 19<sup>th</sup> September 2013 in accordance with the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013, (the Act) and who ceases to hold office under the aforesaid Section on the date of this meeting and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director under the provisions of Section 160 of the Act, be and is hereby appointed a Director of the Company."

The Chairman then moved the seventh Ordinary Resolution, Appointment of Mr. T. V. Narendran as the Managing Director.

The resolution was proposed by Mr. Adil Irani and was seconded by Mr. Lala.

**"RESOLVED THAT** pursuant to Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves the appointment and terms of remuneration of Mr. T. V. Narendran (DIN: 03083605), Managing Director of the Company for the period from 19th September, 2013 to 18th September, 2018, not liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration...

inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to between the Directors and Mr. T. V. Narendran.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

The Chairman then moved the eighth Ordinary Resolution, Appointment of Mr. Nusli N. Wadia as an Independent Director.

The resolution was proposed by Mr. Adi Nalladaru and was seconded by Mr. Chandrakant Shah.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Nusli N. Wadia (DIN: 00015731), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 14th February, 2019.”

The Chairman then moved the ninth Ordinary Resolution, Appointment of Mr. Subodh Bhargava as an Independent Director.

The resolution was proposed by Dr. Arun Kumar Boppna and was seconded by Mrs. Ashalata Maheshwari.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Subodh Bhargava (DIN: 00025672), a non-executive director of the Company,



who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 29th March, 2017.”

The Chairman then moved the tenth Ordinary Resolution, Appointment of Mr. Jacobus Schraven as an Independent Director.

The resolution was proposed by Mr. Akshay Bhandari and was seconded by Mr. Hariram Chaudhary.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Jacobus Schraven (DIN: 01462126), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 7th February, 2017.”

The Chairman then moved the eleventh Ordinary Resolution, Appointment of Mrs. Mallika Srinivasan as an Independent Director.

The resolution was proposed by Mr. Seshan Krishnamoorthy and was seconded by Ms. Meenakshi.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mrs. Mallika Srinivasan (DIN: 00037022), a non-executive director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August 2014 up to 13th August 2019.”

The Chairman then moved the twelfth Ordinary Resolution, Appointment of Mr. O. P. Bhatt as an Independent Director.

The resolution was proposed by Mr. G. H. Bharucha and was seconded by Mr. Parab.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder read with Schedule IV to the Act, as amended from time to time, Mr. O. P. Bhatt (DIN: 00548091), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 14th August, 2014 up to 13th August, 2019.”

The Chairman then moved the thirteenth Ordinary Resolution, Ratification of Cost Auditors’ remuneration.

The resolution was proposed by Mr. T. M. Davar and was seconded by Mr. Mohanta.

**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of `12 lakhs plus out-of-pocket expenses payable to M/s. Shome & Banerjee, who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder, for the year ending 31st March, 2015.”

The Chairman then requested the shareholders who were interested and would like to leave early to approach the volunteers at the voting booths behind the hall for voting.

Thereafter the Chairman invited questions from the shareholders. The following shareholders participated:

### **1. Dr. Arun Kumar Boppana**

- Paid tribute to Mr. Jamshetji Tata on the eve of his 175<sup>th</sup> birth anniversary for his path breaking vision to guide the future generations.
- Paid homage to Mr. Russi Mody for his friendly personality.
- Enquired about sale of stake in Dhamra Port
- Appreciated Mr. B. Muthuraman for his positive attitude and values and wished him all the best on his retirement.

### **2. Tamal Kumar Majumdar**

- Enquired about write off of assets by Joint Venture, Rio Tinto Benga (Mauritius) Limited and the present status of advance of US \$725 million against equity capital in the Joint Venture and the Company's policy in respect of such advances.
- Enquired about reasons for the sale of stake in Dhamra Port
- Wanted to know when will Company get the express orders for Khondbond iron ore mines and Sukinda mines from Odisha Government and the present arrangements for supply of these minerals.
- Enquired about the steps taken by Management for turnaround of Tayo Rolls and the status of petition before Jharkhand High Court against electricity demand of Rs. 272 crores.
- Wanted to know whether the Company will tap the market to fund the proposed capital expenditure.
- Wanted to know the criteria followed by the Company for evaluating the performance improvements under Kar Vijay Har Shikhar initiative.
- Urged speedy implementation of special insurance scheme along with Government of Jharkhand for individuals below poverty line.
- Sought clarification on demand notice of Rs. 5579 crores issued by Odisha Government on stamp duty payable on renewal of mining lease.

### **3. Adil Irani**

- Enquired about cost per folio

- Enquired about cost per square feet for Nest-in, the mass housing solution.
- Sought to know the age of Mr. Jamsheji Tata when he established the Company.
- Sought data in respect of company's properties which are under utilised.

#### **4. Ashalata Maheshwari**

- Appreciated Company's contribution and enhancement of shareholder value.
- Enquired about present capacity utilisation, wanted to know the capacity after completion of 2.9 mtpa expansion and first phase of Kalinganagar plant.
- Thanked the Company for increasing the dividend to Rs. 10
- Enquired about bonus shares

#### **5. Md Wajid Sultan**

- Mentioned that he had been submitting his grievances for the last 5 years. He referred to the letter submitted to the Company and stated that he was penalised wrongfully. He requested the Chairman to resolve his long pending grievance.

#### **6. Jaiprakash Desai**

- Congratulated the Company and employees for good performance.
- Appreciated the Company for exhaustive and transparent Annual Report
- Thanked the Company for product display outside the AGM hall.
- Enquired about geographic distribution of capital employed versus revenue.

#### **7. Shailesh Mahadevia**

- Appreciated the Company for exhaustive, informative Annual Report and for good results.
- Appreciated the Company for its contribution towards benefit of society at large.
- Wanted to know the percentage of processed steel sales for higher volume addition.
- Wanted to know whether the Company's captive power plants generate enough power, so as to be self sufficient in electricity.
- Wanted to know valuation of brands, Tata Shakti, Tata TISCON etc

- Wanted to know about security of supply of basic raw materials.

#### **8. Ajay Kumar**

- Appreciated the efforts made by Mr. T. V. Narendran in mitigating the problems faced in regard to refractory bricks and informed further steps need to be taken to safeguard the Company's interests.
- Suggested to address the problem of employees remaining unchanged at one place for several years.

#### **9. T. M. Davar**

- Enquired about amount spent on CSR activities by the Company
- Expressed unhappiness towards e-voting, as that denies the shareholders constitutional right to come to AGM, discuss and vote on the resolutions.

#### **10. Indersen Agarwal**

- Complained that he has been attending the last 3 AGMs of the Company. In one year, the Chairman assured him that Mr. Nerurkar will look into his case. Mr. Nerurkar handed over the matter to some officers of the Company who settled it like a consumer complaint. Last year, the Chairman agreed to appoint third person to look into it. PWC, who were appointed, who made inquiries with him but did not give him any decision or Report in the matter. The Company Secretary sent him a letter with the copy of the minutes of last AGM, this does not tally with the minutes of PWC.
- Mr. Agarwal pleaded with the Chairman to not let any injustice be done in his case and he requested that a solution be found and all his worries be put to rest. He mentioned that a letter had been written to the Chairman, a copy of which was also handed over to the Chairman at the meeting.
- He said that same situation prevails in Tata Motors also. His complaint is not given importance and despite the Chairman's assurance at the AGM, his complaint is not resolved.

The Chairman informed him that he will answer to his queries at the end but Mr. Indersen Agarwal kept asking for an appointment with the Chairman to resolve his dispute. Thereafter, the Chairman told him that this is not possible.

and requested him to abstain from making any commercial discussions. Mr. Agarwal persisted in his demand for a meeting with the Chairman to find a solution to his problem.

#### **11. Vinayak Bapat**

- Requested for Group EVA data.
- Wanted to know the project cost at Kalinganagar project, its headcount and operating cost.
- Enquired about captive mining iron ore output per annum and its cost of production.

#### **12. Seshan Krishnamoorthy**

- Conveyed his appreciation of the Annual Report
- Appreciated CSR activities of the Company and congratulated the employees for winning various awards.

#### **13. Ganesh Roy**

- Pointed out that outsourcing of secondary product sales to metal junction has resulted in its mismanagement. This has led to sale of materials at throwaway prices and suggested that improvements in this area would definitely add to the profits of the Company.

#### **14. Umesh Kantilal Shah**

- Welcomed Mr. T. V. Narendran on the Board
- Sought clarification on eliminations and adjustments reflected in amount of sundry debtors.
- Suggested inclusion of statement of sources and utilisation of funds for consolidated accounts.

#### **15. Nigel Gonsalves**

- Suggested to take some steps for the long term remembrance of Mr. Russi Mody
- Enquired on the progress of investigation in the suicide case of a senior

- Wanted to know the percentage of high value added steel in the total output.
- Wanted to know the amount spent on CSR as a percentage of profit after tax
- Wanted to know if losses were incurred in the Company's decision to withdraw from the Vietnam project.
- Recommended sale of shares of 'Care Ratings' in view of its high market value as compared to its cost.
- Wanted to know Company's amalgamation plans with respect to other subsidiaries in addition to Kalimati Investment Company Limited and Tata Metaliks Limited.
- Recommended inclusion of EVA in Annual Report
- Wanted to know whether any high quality steel is made for defence output.
- Recommended sale of non viable parts of the business in view of its high market value as compared to its cost.

#### **16. Bimal Bhatt**

- Suggested that Company organise investors awareness programme
- Suggested to increase number of women employees and employees with disabilities in the Company.
- Commented on the current ratio of 0.62 as compared to 1.62 in 2010-11.

#### **17. G. H. Bharucha**

- Appreciated the Company for good performance and dividend compared to last year
- Thanked the Chairman and Board of Directors for winning various awards
- Enquired whether there were any labour problems during the year under review and wanted to know the number of workers per unit.
- Requested for a factory visit for the shareholders.

#### **18. Adi Nalladaru**

- Mentioned non receipt of Annual Report though sent by speed post.
- Suggested to insert photograph of Mr. Ratan Tata, Chairman Emeritus in the Annual Report

**At this point of time, the Chairman responded to the shareholders queries asked till this point as follows:**

**Mr. Russi Mody** – The Chairman thanked the shareholders for their comments and good wishes on Mr. Russi Mody and placed on record the gratitude of the Board and the Company for Mr. Russi Mody's leadership qualities during his tenure with Company and prayed for his soul.

**Rio Tinto** –The Company had not paid the large amount for acquisition of the Mozambique assets. So effectively, at that point in time there was no need for the Company to write down the value, and it got triggered when Rio Tinto actually sold it to the ICVL.

**Advance against equity and Company policy** – Advance against Equity varies from company to company and on the status of each project.

**Dhamra Port** –All the external debt of Dhamra has been taken over by the new shareholder and the Company's interest has been protected through a long term cargo contract. Therefore, the Board strategically decided to disinvest from Dhamra Port.

**Express Orders for Khondbond and Sukinda Mines** – The Company is in constant dialogue with the Odisha Government for orders and that process will continue.

**Tayo Rolls** –The Tayo Rolls management is undertaking a series of initiatives to restructure the operations and the Company is hopeful that its operations will turn around in a couple of years.

**CAPEX during FY 2014-15** – The CAPEX of Rs. 12,000 to Rs. 14,000 crores will be proposed to be incurred by the Company in the current year funded largely through internal accruals and project financing which has been arranged.



**Special Insurance Scheme** – The Government of Jharkhand has not taken further steps for implementation of the Scheme.

**Litigation before Jharkhand High Court** – There is no change in the status of the litigation on electricity related demand by Jharkhand Government authority.

**KVHS Project** –The KVHS Project and its performance improvement comprises of small projects and ideas generated from employees. Its result has improved productivity, product differentiation, and customer service.

**Nest-In** – The Company has recently started the Nest-In, mass housing solution project that is expected to revolutionise the rural and semi-urban markets. The Company is trying it at number of different places but has no plans to expand it significantly.

**Bonus Issue** – The Chairman informed that the Company would take the decision for issue of bonus shares at an appropriate time.

**Cost per folio** – The cost of serving a folio is Rs. 120

**Grievance of Mr. Wajid Sultan Mr. Ajay Kumar and Mr. Indersen Agarwal** – The Chairman emphasised that the Annual General Meeting was not the forum to raise commercial disputes. Further, based on their complaints at the last AGM, the Company had evaluated the merit of their grievances by appointing PWC, independent experts of international repute. PWC had reviewed their documents, interviewed them and the company's representatives independently. Based on PWC's report, the Company had sent its response to each of the above shareholders. Any further steps should be taken directly with the Company. He reiterated that disrupting the meeting by raising these points repeatedly is inappropriate. Mr. Ajay Kumar's comments were noted and the Company would always uphold its value systems and ethics.

**Capital employed versus Revenue** – The Chairman informed that there are several joint projects undertaken by technology teams both from India and Europe and the Company is continuously using these synergies across both companies.

**Value added products** – The product wise value added percentage is as below:  
Hot rolled 35%, cold rolled coil 17% and galvanised is 6%.

**Captive Power Plant** – The Company has a few units in India that are captive in nature though they are operated by Tata Power.

**Brand evaluation of TISCON** – The Company's products get a significant brand premium in the market.

**Captive mining of Iron Ore** – The Company produces approximately 17 million tons per annum at very competitive cost.

**Sale of secondary products** – The Company will evaluate the best practice for disposal of secondary products and implement them.

**Sources and uses of funds – consolidated accounts** – The Company will disclose the same in next year's Annual Report.

**Mr. Charudutta Deshpande** – The incident of Mr. Charudutta Deshpande was very unfortunate and the Company has always cooperated with all investigations and will continue to do so.

**Kalinganagar** – the headcount in Kalinganagar on completion of first phase would be around 3000 employees.

**EVA** – This will be disclosed in the next year's Annual Report

**CSR spent** – CSR spent is Rs. 230 crores in FY 2013-14

**Vietnam Project** – It was a Greenfield project and the Company has not incurred any material losses over there.

**Amalgamation of Subsidiaries** – The Company does not have any proposals currently to amalgamate the subsidiaries but will continue to review the portfolio from time to time. In terms of Kalimati Investments, the portfolio will be reviewed from time to time.

**Women employees and employees with special abilities** – The Company will continue to increase these and will actively promote diversity.

**Labour issues** – The Company has not had any labour issues for the last 80 years as the Company works collaboratively with the Unions.

**No. of Employees** – The total number of employees is 36,199 in India and 31,184 in Europe

**After the Chairman's replies, the following shareholders spoke:**

**19. Hariram Chaudhary**

- Wanted to know how many plants are using solar power and technology of water harvesting
- Enquired regarding number of shareholders to whom Annual Reports were sent via email and cost per email
- Suggested to give amount of CSR spent and CSR activities in the Annual Report

**20. B. V. Joshi**

- Suggested to make presentation at the AGM
- Enquired about the new products launched by the Company

**21. Captain Divekar**

- Wanted to know details of repairs & maintenance reported in the Annual Report, i.e. whether they were for maintenance or for accidental repairs

- Enquired about fatalities at plants

#### **22. Bipin Bakshi**

- Enquired about Company's plan for merger, demerger, acquisition of small units/plants.
- Wanted to know whether promoter Company had pledged shares for availing loans from Banks/FIs
- Enquired whether Company had plans to offer ESOPS in future.
- Wanted to know the attrition rate

#### **23. Vispi Khambata**

- Welcomed Mr. T. V. Narendran on Board
- Enquired on impairment of Benga investments

#### **24. B. G. Malaji**

- Wanted to know the outlook of Corus European operations and profitability

#### **25. Sharad Kumar Shah**

- Suggested improvisation in investor relations by the Company.
- Wanted to know why consolidated result for Q1 were unaudited
- Wanted to know what is TRT and if the Company uses tunnel furnace in its plants.

#### **26. Janak Mathurdas**

- Suggested that a Company make a presentation at the AGM to give the shareholders an insight in the Company.
- Expressed dissatisfaction at the low payout ratio of dividend
- Suggested to split the value of the shares from Rs. 10 to Rs. 2 or Rs. 1

#### **27. Surjoy Das**

- Expressed concern over poor consolidated result compared to stand alone.
- Wanted to know the plan of action to improve overseas performance

- Congratulated the Chairman for good profitability and good return on capital
- Enquired on the end use of term loans for short periods.

#### **29. Vihang Parab**

- Requested for issue of Bonus Shares on the 175<sup>th</sup> Birth Anniversary of the founder and 107<sup>th</sup> AGM of the Company.

#### **30. Gautam Tiwari**

- Thanked the Company for paying dividend of Rs. 10 in spite of sluggish market
- Wanted to know the profitability of the Company in domestic and global business over a period of one to three years

#### **31. Homa Pourdehi**

- Thanked the Company for providing e-voting facility
- Expressed her desire to visit the plants of the Company

#### **32. Kirti Shah**

- Complained regarding non receipt of Annual Report in 3 folios.
- Wanted to know the reason for fixing the book closure date in July when AGM is held in August.
- Suggested to keep uniform email address for investors across the Tata group
- Wanted to know as to how many shareholders have voted through e-voting
- Suggested to increase holdings in Tata Sponge Limited.

#### **33. P. K. Agnihotri**

- Wanted to know the dividend payout policy of the Company
- Congratulated the Company for winning several awards and taking part in sports
- Suggested to monitor deterioration of cash flow

#### **34. Smita Shah**

- Congratulated the Company for good performance

- Requested for bonus shares on the occasion of 175<sup>th</sup> Birth Anniversary of the Founder.

**After, all the shareholders had given their comments and suggestions, Mr. Cyrus Mistry, Chairman responded to the queries and inter alia mentioned as under:**

**Presentation at AGM** – The Chairman thought that the request for a presentation made by several shareholders was a fair request and the Company will consider making a presentation from next year

**EPS and Dividend payout** – The Chairman explained to shareholders that the Board while recommending the dividend, looks at both, consolidated EPS as well as future capital requirements of the Company. The Company is in the midst of 3 mtpa project which is coming to an end and another 3 mtpa project. The capital requirements of the Company are significant and that needs to be considered.

**Share split** – The Board will consider the proposal for share split at an appropriate time.

**Non receipt of Annual Reports through email** – The Chairman explained that Annual Reports were sent through email by NSDL who made 3 attempts to send the mails. Since several shareholders had not received the Annual Report, the Company will take up the matter with NSDL.

**Solar Power and rain water harvesting** – The Company is using solar power in Jamshedpur and at other places and has also undertaken rain water harvesting at Jamshedpur and at mines.

**CSR Spent** – The Company has spent Rs. 230 crores on CSR activities in financial year 2013-14

**Repairs & Maintenance** – The repairs & maintenance expenses are consolidated and reported in the consolidated results. It is higher due to currency conversion from pound to rupees and they are sustainability repairs which continue in a Steel Plant.

**Fatalities in plant** – The Company did have fatalities during the year and these will be reported in the next year's balance sheet.

**Pledge of shares by Tata Sons** – 9% holding of Tata Sons i.e 2.8% of the Company's equity share capital is pledged by Tata Sons for availing loans from banks / financial institutions.

**ESOP** – The Company has no plans to offer ESOP.

**Outlook of Corus** – The Chairman explained that steel is a highly cyclical industry. Tata Steel Europe and whole of European countries are still facing a difficult time due to contraction in demand in the last five years. The Company is trying everything possible in terms of introducing value addition products but there is a challenging time for everyone in the steel industry. The spread between the raw material prices and steel prices has shrunk significantly, even then Company has performed.

**TRT & tunnel furnace** – The Chairman explained that TRT stands for Top Recovery Turbine which is used for producing power. Thereafter he stated the use of tunnel furnace in the plants at Jamshedpur.

**Bonus issue** – The Chairman explained that the Company still has challenges in terms of Europe and capital expenditure in Odisha. Once these are through, the Company may consider the bonus proposal.

**Utilisation of funds raised** – The Chairman explained that funds are placed in the short term instruments, pending its long term deployment in the assets that Company is creating.

**Profitability of business in future** – the Chairman explained that the European operations continue to improve but at a very slow pace and the industry is going

through structural adjustments, in India, Company is adding capacity in Kalinganagar, which would enhance the future profitability of the Company in India.

**Cash Flow** – The Cash Flow as on FY 2013-14 is lower due to higher capital expenditure for Odisha project.

**Plant visit** – Chairman requested the shareholders to contact the Company Secretary for plant visits

**Book Closure in July** – The Chairman explained that the Book closure was kept early to pay dividends immediately after the AGM, the dividend would be paid by 19<sup>th</sup> August 2014

**Tata Sponge** – Tata Sponge is a 100% subsidiary of the Company and Company has increased its holding over the years.

**E-voting by shareholders** – Shareholders holding approximately 55% of the paid up equity share capital of the Company have e-voted on the resolutions placed before the AGM.

**Dividend Payout Policy** – the Dividend payout Policy is dependent on the need to conserve funds for planned capital expenditure and consolidated results.

The Chairman then declared the meeting closed by mentioning that the Company Secretary will carry out the poll process and the combined results would be declared to the stock exchanges and placed on the websites of NSDL and the Company within the prescribed time.

Chairman

Date:



**Addendum to the Minutes of the Hundred and Seventh Annual General Meeting of Tata Steel Limited held at the Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, on Thursday, the 14<sup>th</sup> August 2014 at 3.00 p.m.**

The Scrutinizer, Mr. P. N. Parikh, submitted the report containing the combined results of e-voting, postal ballot and voting conducted at General Meeting to the Chairman on 14<sup>th</sup> August 2014.

A summary of the said report is as under:

Resolution No.	Resolution type	Title of the Resolution	Number of Votes			
			For	%	Against	%
1	Ordinary Resolution	Adoption of Audited Statement of Profit and Loss, Balance Sheet, Reports of the Board of Directors and the Auditors for the year ended March 31, 2014	57,65,97,885	100.00	5,188	0.00
2	Ordinary Resolution	Declaration of dividend on the Ordinary Shares for the financial year 2013-14	55,90,97,882	100.00	2,716	0.00
3	Ordinary Resolution	Re-appointment of Mr. Cyrus P. Mistry as a Director	53,90,37,819	96.51	1,94,98,011	3.49
4	Ordinary Resolution	Re-appointment of Mr. Ishaat Hussain as a Director	53,68,56,770	96.25	2,09,22,691	3.75
5	Ordinary Resolution	Appointment of Auditors for a term of three years and fixing their remuneration	54,96,69,011	98.56	80,23,933	1.44
6	Ordinary Resolution	Appointment of Mr. T. V. Narendran as a Director	55,68,61,857	99.61	21,99,957	0.39
7	Ordinary Resolution	Appointment of Mr. T. V. Narendran as the Managing Director	50,56,72,528	90.52	5,29,40,825	9.48

8	Ordinary Resolution	Appointment of Mr. Nusli N. Wadia as an Independent Director	53,21,06,228	95.27	2,64,38,524	4.73
9	Ordinary Resolution	Appointment of Mr. Subodh Bhargava as an Independent Director	53,13,12,897	95.15	2,70,77,073	4.85
10	Ordinary Resolution	Appointment of Mr. Jacobus Schraven as an Independent Director	55,78,71,861	99.99	43,184	0.01
11	Ordinary Resolution	Appointment of Mrs. Mallika Srinivasan as an Independent Director	49,37,71,493	88.49	6,42,43,537	11.51
12	Ordinary Resolution	Appointment of Mr. O. P. Bhatt as an Independent Director	55,79,26,112	99.90	5,42,244	0.10
13	Ordinary Resolution	Ratification of Cost Auditors' remuneration	55,85,18,565	99.91	5,23,329	0.09

Accordingly, all the above Resolutions were passed by the Shareholders with the requisite majority.

Sd/-

Chairman

12.09.2014