

Corporate Governance Report for the year 2013-14

(As required under clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. A brief statement on Company's philosophy on Code of Governance

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

2. Board of Directors

The Company has a non-executive independent Chairman and the number of Independent Directors (5) is more than one-third of the total number of Directors (8) on the Board. The number of non-executive Directors (7) is more than 50% of the total number of Directors.

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

Name	Category	No. of Board meetings attended during 2013-14	Whether attended the AGM held on August 2, 2013	No. of directorship in other Companies as on March 31, 2014 @		No. of committee positions in other Companies held as on March 31, 2014 #	
				As Chairman	As Director	As Chairman	As Member
Mr. Subodh Bhargava, Chairman	Independent Non-Executive Director	6	Yes	2	4	1	2
Mr. B. D. Bodhanwala	Independent Non-Executive Director	6	Yes	-	-	-	-
Mr. R. P. Singh*	Promoter Non-Independent Non-Executive Director	6	Yes	-	-	-	-
Mr. Ranaveer Sinha	Independent Non-Executive Director	6	Yes	-	1	-	-
Mr. R. V. Raghavan	Independent Non-Executive Director	6	Yes	-	1	-	-
Mr. Dipankar Chatterji	Independent Non-Executive Director	6	Yes	-	6	2	3
Mr. Prasad R. Menon (From 02.08.2013)	Non Independent Non-Executive Additional Director	3	N.A.	2	6	1	3
Mr. Sudhir L. Deoras, Managing Director	Executive Director	5	Yes	-	-	-	-

* He has expressed to step down on July 31, 2014.

@ Excludes directorship in private, foreign & section 25 companies.

Represents Chairmanships/Membership of Audit Committee & Shareholders' Grievance Committee only

The Board met six times during the financial year 2013-14 and the gap between any two meetings did not exceed four months. The dates on which the Board meetings were held are as follows:

(i) April 6, 2013 (ii) May 14, 2013 (iii) August 2, 2013 (iv) October 7, 2013 (v) November 7, 2013 and (vi) February 3, 2014.

At each meeting the Board reviews status of compliance of all laws applicable to the Company. Information as required in terms of Annexure IA to Clause 49 of the Listing Agreement was furnished to the Board.

The Tata Code of Conduct, as adopted by the Company, is applicable to the Executive Director and Senior Management Personnel and other Executives of the Company. These codes are posted on the Website of the Company. The Company has received confirmation from the Executive Director as well as Senior Management Personnel regarding compliance of the code during the year under review. The Board at its meeting held on December 26, 2005, has adopted 'Code of Conduct for Non- Executive Directors' of the Company. The Company has also received confirmations from the Non-Executive Directors regarding compliance of the code during the year under review.

The Company did not have any material pecuniary relationship with any Non-Executive Directors during the financial year 2013-14.

As per declarations received by the Company, none of the directors are related to each other in terms of definition of 'relative' given under the Companies Act, 1956.

3. Audit Committee

The Audit Committee of the Board has been functioning since 1997. In terms of a resolution passed by the Board at its meeting held on October 30, 2000, the Audit Committee has been granted powers prescribed under Clause 49II(C) of the Listing Agreement and the scope of the activities of the Audit Committee is as set out in clause 49 of the Listing Agreement with the Stock Exchanges. The broad terms of reference of the Audit Committee are as per Clause 49(II)(D) which inter alia includes to review reports of the Internal Audit Department of the Company; discuss the same with the Internal Auditors periodically, to meet Statutory Auditors to discuss their findings, suggestions and other related matters, and to review weaknesses in internal controls reported by the Internal and Statutory Auditors. The Audit Committee also, mandatorily reviews the information prescribed under Clause 49II (E) of the Listing Agreement. Further the Board has at its meeting held on April 18, 2014 stated that terms of reference, power and role of Audit Committee shall be as specified in the Companies Act, 2013 and listing agreement, as amended from time to time.

The composition of the Audit Committee and the details of the meetings of the Committee attended by the Directors during the financial year 2013-14, are given below:

Name of Member	Category	No. of meetings attended
Mr. Dipankar Chatterji, Chairman	Independent Non-Executive Director	6
Mr. R. V. Raghavan, Member	Independent Non-Executive Director	6
Mr. B.D. Bodhanwala, Member	Independent Non-Executive Director	6

The Committee met six times during the financial year 2013-14. The dates on which the said meetings were held are as follows:

(i) May 13, 2013 (ii) August 2, 2013 (iii) November 6, 2013 (iv) January 22, 2014 (v) February 3, 2014 and (vi) March 14, 2014.

Audit Committee meetings were attended by the Chief, Finance & Accounts and Chief Internal Auditor. Other senior executives of the Company attended the meetings as and when invited by the Committee. Representatives of the Statutory Auditors were also invited to the meetings of the Committee. Company Secretary acts as the Secretary to the Committee. The Chairman Audit Committee attended the Annual General Meeting held on August 2, 2013.

Whistle Blower Policy

The Board of Directors at their meeting held on December 26, 2005, approved the Whistle Blower Policy that provides a formal

mechanism for all employees of the Company to approach the Ethics Counselor / Chairman of the Audit Committee of the Company and make a protected disclosure about unethical behavior, actual or any 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.

Cost Auditor's Details

M/s Shome & Banerjee, Cost Accountants of 5A, Nurulla Doctor Lane, 2nd Floor, Kolkata 700 017 were appointed as Cost Auditors of the Company for the financial year 2013-14.

The Report for the FY 2012-13 in XBRL mode was filed within stipulated time.

4. Remuneration Committee

The Remuneration Committee of the Board has been in operation since 1995. The broad terms of reference of the Remuneration Committee are to review the performance of the Managing/ Whole-time Directors, to recommend to the Board the salary (including annual increments), perquisites and commission/performance linked remuneration to be paid to the Managing/Whole-time Directors of the Company and also recommend retiral benefits to be paid to the Managing/Whole-time Directors under the Tata Group Retirement Benefits Guidelines adopted by the Board.

The Remuneration Committee also considers the annual commission paid to the Non-Executive Directors. The distribution of commission amongst Non-Executive Directors is placed before the Board. The Commission is distributed on the basis of their attendance and contribution to the Board and its Committees meetings.

The composition of the Committee and the details of the meetings attended by the Directors during the financial year 2013-14 are as follows:

Name of Member	Category	No. of meeting attended
Mr. Subodh Bhargava, Chairman	Independent Non-Executive Director	2
Mr. R.V. Raghavan, Member	Independent Non-Executive Director	2

The Committee met twice during the financial year 2013-14. Further the Board has at its meeting held on April 18, 2014 constituted a Nomination and Remuneration Committee in place of Remuneration Committee, consisting of the following members:

Mr R. V. Raghavan, Chairman

Mr Subodh Bhargava, Member

Mr Prasad R. Menon, Member

Remuneration policy

The Non-Executive Directors are paid remuneration by way of sitting fees and commission. In terms of shareholders' approval obtained at the Annual General Meeting held on August 2, 2013, the commission is paid at the rate not exceeding 1% of net profits computed in accordance with Section 309 (5) of the Companies Act, 1956.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and Commission/ Performance Linked Remuneration (variable component) payable to the Managing/ Whole-time Director(s) as determined by the Board at the end of the financial year based on the recommendations of the Remuneration Committee, subject, however, to the overall ceilings on remuneration stipulated in Sections 198, 309 and Schedule XIII of the Companies Act, 1956.

Details of remuneration paid to Non-Executive Directors in the financial year 2013-14 towards sitting fees for attending the Board/Committee meetings are as follows:

Name of Director	Sitting Fees for 2013-14 Rs.
Mr. Subodh Bhargava	1,20,000
Mr. B. D. Bodhanwala	1,87,500
Mr. R. P. Singh	97,500
Mr. Ranaveer Sinha	1,05,000
Mr. R.V. Raghavan	2,10,000
Mr. Dipankar Chatterji	1,95,000
Mr. Prasad R. Menon	45,000
Total	9,60,000

Mr. Ranaveer Sinha (Independent, Non-Executive Director) holds 10 (ten) Equity Shares of the Company jointly with his spouse as on March 31, 2014.

Details of remuneration paid to the Executive Director(s) for the financial year 2013-14 are as follows:

Name	Salary Rs. Lakhs	Perquisites & Allowances* Rs. lakhs	Commission Rs. lakhs	Stock Options
Mr. Sudhir L. Deoras (Managing Director)	45.60	72.69	NIL	NIL

* Includes contribution to the Provident Fund and Superannuation Fund.

Period of Contract : From 01.04.2013 to 31.03.2016 (subject to being co-terminus with the date of his retirement in accordance with the Tata Steel Group retirement Policy).

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' Grievance & Share Transfer Committee

The terms of reference of the Shareholders' Grievance and Share Transfer Committee are to specifically look into the redressal of Investors' complaints like transfer of shares, issue of duplicate share certificates, transmission of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc. The Committee met once during the financial year 2013-14 on March 22, 2014. The Board has at its meeting held on April 18, 2014 renamed the Committee as 'Stakeholders Relationship Committee'.

The composition of the Shareholders' Grievance and Share Transfer Committee and details of the meeting attended by the Directors are given below:

Name of Member	Category	No. of meeting attended
Mr. B.D. Bodhanwala, Chairman	Independent, Non-Executive Director	1
Mr. R. P. Singh, Member	Promoter, Non-Independent Non-Executive Director	1
Mr. Sudhir L. Deoras (Managing Director), Member	Executive Director	1

TRF LIMITED

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Name, designation & address of Compliance Officer :

Mr. Tarun Kumar Srivastava
Company Secretary
TRF Limited
11, Station Road, Burma Mines,
Jamshedpur - 831 007.

Phone: (0657) 3046326

Fax: (0657) 2345732

E-mail: investors@trf.co.in

No. of complaints received from the investors during the financial year 2013-14 : 1

No. not solved to the satisfaction of the investors as on 31.03.2014 : Nil

No. of pending complaints as on 31.03.2014 : Nil

6. Other Committee:

In addition to the above Committees on Corporate Governance, the Board has also constituted the Finance Committee to ensure greater transparency in the functioning of Board:

The terms of reference of the Finance Committee are to review and monitor the financial structure of the Company to ensure the availability of funds at competitive cost, in line with the Company's growth and fiscal strategy. It also reviews and monitors the financial matters requiring special attention.

The composition of Finance Committee and details of meetings attended by the members during the financial year 2013-14 are as follows:-

Name of Director	Category	No. of meetings attended
Mr. Dipankar Chatterji, Chairman	Independent, Non-Executive Director	1
Mr. Ranaveer Sinha, Member	Independent Non-Executive Director	1
Mr. Sudhir L. Deoras (Managing Director), Member	Executive Director	1

The Finance Committee met once during the financial year 2013-14 on May 13, 2013.

7. Subsidiary Companies

The Company did not have any material Non-Listed Indian Subsidiary during FY'13-14 and hence was not required to have an Independent Director of the Company on the Board of any of its subsidiary companies. The Audit Committee also reviews the financial statements of the subsidiary companies. The Board and the Audit Committee also periodically review investments made by the Company's subsidiaries.

The minutes of the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the subsidiary companies.

8. General body meetings

Location and time where last three Annual General Meetings were held:

Year	Date	Time	Venue
2013	02.08.2013	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2012	28.07.2012	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2011	23.07.2011	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001

The Special Resolutions passed in the previous three Annual General Meetings are as under:

AGM Date	Special Resolutions Passed
02.08.2013	1. Re-appointment of Mr. Sudhir L. Deoras as Managing Director for a period of three years from April 01, 2013 to March 31, 2016. 2. Payment of Commission to Non-Executive Directors of the Company.
28.07.2012	No special resolution was passed.
23.07.2011	Confirmation of Remuneration paid to Mr. Sudhir L. Deoras, Managing Director for the Financial Year 2010-11.

No Extra-ordinary General Meeting of the shareholders was held during the financial year.

No special resolution was put to vote through postal ballot in the previous three Annual General Meetings and no such special resolution is proposed to be passed through postal ballot at the ensuing AGM.

9. Disclosures

- i) There are no material significant related party transactions which have potential conflict with the interest of the Company at large. All transactions were at arms length basis. The related party transactions are given in the notes on the Balance Sheet and Statement of Profit & Loss on Page Nos. 82-85.
- ii) Register of Contracts is placed at each meeting of the Board of Directors as per the requirements of the Companies Act, 1956.
- iii) There are no instances of non-compliance by the Company or strictures imposed by the Stock Exchanges, SEBI or any other regulatory authority on any matter related to capital markets, during the last three years.
- iv) The Board has adopted the Risk Management framework and the same is being periodically reviewed by the Board & Company Management.
- v) The Company has complied with all the applicable Accounting Standards.
- vi) Management Discussion and Analysis Report forms a part of the Director's Report.
- vii) The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.
- viii) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a) The Company has set up a Remuneration Committee (Para 4 of this report).
 - b) The Company has moved towards a regime of unqualified financial statements.
 - c) Whistle Blower Policy

The functioning of the Whistle Blower Policy has been mentioned in (Para 3 of this report).

10. Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carried out the Share Capital Reconciliation Audit to reconcile the total issued and paid up capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with 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 the physical form and the total number of dematerialized shares held with NSDL and CDSL.

11. CEO/CFO Certification

The Managing Director and Chief, Finance & Accounts, who heads the Finance function, have submitted the required Certificate to the Board at its meeting held on May 2, 2014, wherein the Audited Accounts of the Company for the financial year 2013-14 were considered.

12. Means of communication

The quarterly and annual results along with the segmental report are generally published in English daily newspaper(s) circulating in the whole or substantially the whole of India and in daily newspaper(s) published in Hindi the vernacular language of the region, in which the registered office of the company is situated and also displayed on the website of the Company www.trf.co.in shortly after its submission to the Stock Exchanges.

Presentations are made to institutional investors/ financial analyst upon their specific request(s), if any. Any significant event is first informed to the Stock Exchanges and then posted on the website of the Company.

13. General Shareholder Information

- i) AGM: Date, time and venue : August 2, 2014 at 12:00 Noon, at Auditorium of
SNTI, 'N' Road, Bistupur, Jamshedpur –831001
- ii) As required under Clause 49(IV)(G)(i), particulars of Directors seeking appointment/ reappointment are annexed to the Notice of the Annual General Meeting to be held on August 2, 2014.
- iii) Financial Calendar : April to March
 - Annual General Meeting : August
 - Dividend Payment : N.A
- iv) Date of book closure : Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive)
- v) Dividend Payment date : No dividend will be paid for F.Y. 2013-14
- vi) Listing on Stock Exchange : The Company's shares are listed on -
 - (1) BSE Ltd. (BSE)
 - (2) National Stock Exchange of India Ltd. (NSE)
 - (3) The Calcutta Stock Exchange Ltd. (CSE).

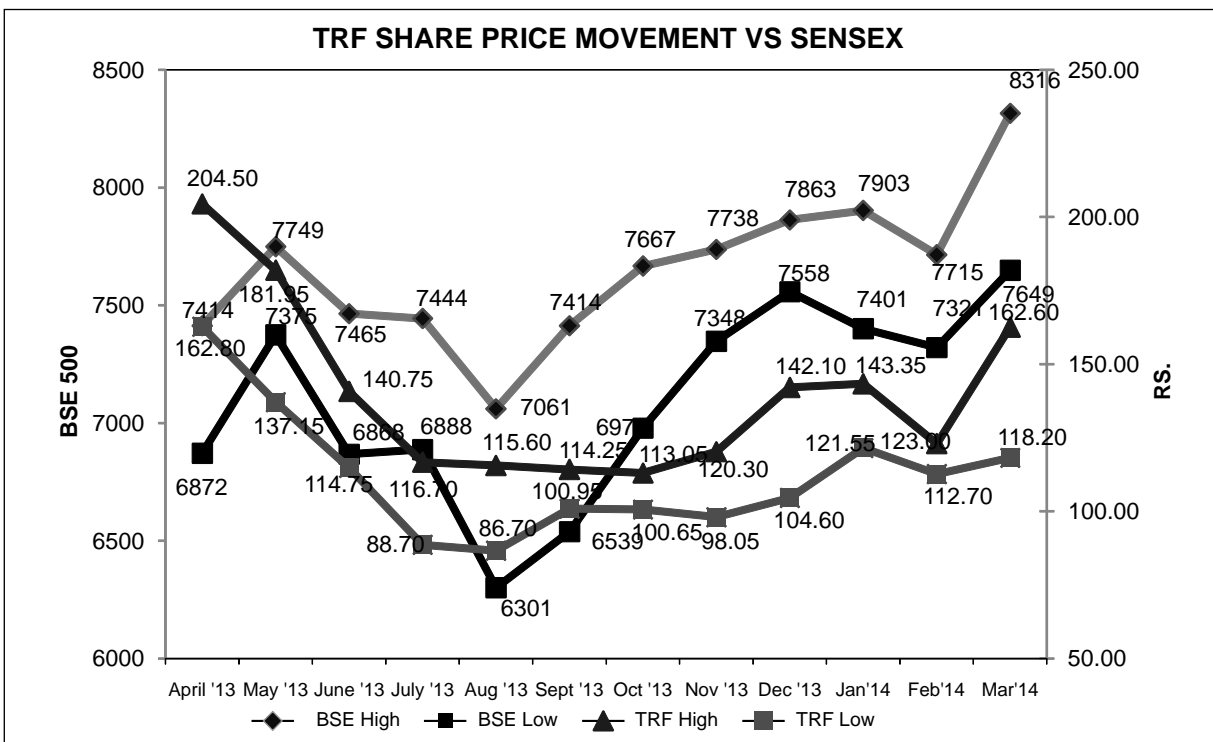
The Company has paid the annual listing fees to all the Stock Exchanges for the financial year 2013-14.

- vii) Stock Code : 505854 (BSE), TRF (NSE) &10030045 (CSE)
- viii) Market Information : Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year, as under:

	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
Apr-13	204.50	162.80	7,82,548	204.00	162.15	16,29,788
May-13	181.95	137.15	83,733	182.10	138.20	96,033
Jun-13	140.75	114.75	51,307	139.70	114.30	86,291
Jul-13	116.70	88.70	48,958	116.35	88.00	1,35,399
Aug-13	115.60	86.70	78,203	115.90	87.05	1,44,019
Sep-13	114.25	100.95	46,771	113.60	101.50	73,433
Oct-13	113.05	100.65	2,11,341	113.00	100.15	3,47,463
Nov-13	120.30	98.05	9,08,901	120.05	98.10	16,66,174
Dec-13	142.10	104.60	20,85,969	142.70	104.65	40,71,089
Jan-14	143.35	121.55	10,05,985	143.10	122.15	19,10,522
Feb-14	123.00	112.70	3,54,071	123.25	113.05	6,12,272
Mar-14	162.60	118.20	27,62,085	162.80	117.75	55,64,415

ix) Performance of Company's Share Price

The performance of the Company's share prices in comparison to broad-based indices BSE 500 during the financial year 2013-14, is as under:



x) Registrar & Transfer Agents:

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

Contact person : Ms. Shehnaz Billimoria
 Tel. no. : (022) 6656-8484
 Fax no. : (022) 6656-8494
 E-mail : csg-unit@tsrdarashaw.com
 Website : www.tsrdarashaw.com

xi) Share transfer system:

a) Physical Form:

Share transfers in physical form can be lodged either at the Registered Office of the Company or with TSR Darashaw Pvt. Ltd, the Registrars & Transfer Agents, at the above-mentioned address or any of their branch offices, addresses of which are available on their website.

Transfers are normally processed within 15 days from the date of receipt, provided the documents are complete in all respects. Certain executives (including the Managing Director) are severally empowered to approve transfers.

b) Demat Form:

The Company has made arrangements to dematerialize its shares through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Company's ISIN No. is INE391D01019.

xii) a) Distribution of shareholdings as on 31.03.2014:

Shareholding of nominal value of	Shareholders		Share Amount		
	Rs.	Number	% to total	Rs.	% to total
10 - 5000		20,289	91.37	2,22,54,050	20.22
5001 - 10000		1,086	4.89	81,43,390	7.40
10001 - 20000		458	2.06	68,34,640	6.21
20001 - 30000		147	0.66	37,74,120	3.43
30001 - 40000		63	0.29	22,42,400	2.04
40001 - 50000		37	0.17	17,17,290	1.56
50001 - 100000		76	0.34	54,51,430	4.96
100001 and above		49	0.22	5,96,26,800	54.18
TOTAL		22,205	100.00	11,00,44,120	100.00

b) Shareholding pattern as on 31.03.2014:

Sl. No.	Category	No. of Shares	%
I.	Promoters/Associate companies, etc.	37,74,974	34.30
II.	Financial Institutions	366,132	3.33
III.	Foreign Financial Institutions	Nil	Nil
IV.	OCBs/Foreign Companies	5,85,000	5.32
V.	Other Bodies Corporate/Trusts	11,05,099	10.04
VI.	Directors & Relatives	10	0.00
VII.	General Public	51,73,197	47.01
	TOTAL	1,10,04,412	100.00

c) Shareholders holding more than 1% of the Equity Share capital as on 31.03.2014:

Sl. No.	Name of shareholders	No. of shares held	%
1.	Tata Steel Limited	3,585,428	32.58
2.	Sundaram Mutual Fund	3,50,000	3.18
3.	Telent Limited, UK	3,67,500	3.34
4.	Madhu Vadera Jayakumar	2,50,360	2.28
5.	Litton Systems Inc., USA	2,17,500	1.98
6.	Kalimati Investment Co. Limited	1,87,586	1.70
7.	Anand Rathi Share and Stock Brokers Limited	1,48,006	1.34
	TOTAL	51,06,380	46.40

xiii) Dematerialization of shares and liquidity:

93.48% of the share capital of the Company had been dematerialized till March 31, 2014. The Company's shares are frequently traded on BSE and NSE.

xiv) The Company has no outstanding GDR/ADR/Warrants or any convertible instruments.

xv) Plant location : 11, Station Road, Burma Mines,
Jamshedpur – 831 007 (Jharkhand).

xvi) Address for correspondence : TRF LIMITED,
A TATA Enterprise,
11, Station Road, Burma Mines,
Jamshedpur – 831 007.
Tel.: (0657) 2345727/3046326
Fax: (0657) 2345732
E-mail: investors@trf.co.in
Web-site: www.trf.co.in

14. A Certificate from the Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, regarding due Compliance of conditions stipulated in Clause 49 of the Listing Agreement is annexed hereto.

To
The Members
TRF LIMITED

DECLARATION OF COMPLIANCE TO THE CODE OF CONDUCT BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Whole time Director(s). In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these Codes are hosted on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct, as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the cadre of General Manager and above, including Company Secretary, as on March 31, 2014.

Place : Kolkata
Date : May 2, 2014

Sudhir L. Deoras
Managing Director