

QUARTERLY COMPLIANCE REPORT ON CORPORATE GOVERNANCE

Name of the Company : Tata Tea Limited

Quarter ending on : 30th June 2009

| | Particulars | Clause of Listing Agreement | Compliance status (Yes/No) | Remarks |
|-----|--|-----------------------------|----------------------------|---|
| I | Board of Directors | 49 I | | |
| (A) | Composition of Board | 49(IA) | Yes | |
| (B) | Non-executive directors' compensation & disclosure | 49(IB) | Yes | Non-executive directors are paid sitting fees within the limit prescribed in Companies (Central Government's) General Rules and Forms and the commission paid to them has been approved by the shareholders |
| © | Other provisions as to Board and Committees | 49(IC) | Yes | The Board has reviewed periodically the status of legal compliances and steps taken to rectify instances of non-compliance |
| (D) | Code of Conduct | 49(ID) | Yes | Tata Code of Conduct applies to all Managing/Executive Directors and employees. A condensed version of the Code of Conduct applicable to non-executive directors has also been adopted by the Board. Both the codes have been posted on the website of the company. Affirmation of compliance has been obtained from all board members and senior management personnel based on which the declaration by the Managing Director is included in the Annual Report |
| II | Audit Committee | 49 II | | |
| (A) | Qualified & Independent Audit Committee | 49(IIA) | Yes | |
| (B) | Meeting of Audit Committee | 49(IIB) | Yes | |
| © | Powers of Audit Committee | 49IIC) | Yes | |
| (D) | Role of Audit Committee | 49 (IID) | Yes | |
| (E) | Review of information by Audit Committee | 49 (IIE) | Yes | |

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| III | Subsidiary companies | 49 III | Yes | The company does not have any material non listed Indian subsidiary as defined in clause 49. Audit committee reviews the financial statements of non listed subsidiaries while considering annual accounts. System of placing minutes of board meetings of unlisted subsidiaries have been introduced from 1.1.2006. |
| IV | Disclosures | 49 IV | | |
| (A) | Basis of Related Party transactions | 49 (IVA) | Yes | System introduced from 1.1.2006 |
| (B) | Disclosure of Accounting treatment | 49 (IVB) | Yes | |
| © | Board Disclosures-Risk management | 49 (IVC) | Yes | The company has carried out detail exercise to identify the risks facing its business, classification of risks into high, medium and low and measures for mitigation of the risks. A risk register has also been prepared and risk managers have been identified for each risk. These have been reviewed by the Audit committee and the Board has also considered the same. |
| (D) | Proceeds from Public Issues, rights issues, preferential issues etc | 49 (IVD) | NA | |
| (E) | Remuneration of Directors | 49 (IVE) | Yes | Criteria of making payments to non-executive directors and disclosure of their shareholding has been mentioned in Annual Report. |
| (F) | Management | 49 (IVF) | Yes | Disclosure from Senior Management is obtained in April every year. |
| (G) | Shareholders | 49 (IVG) | Yes | Disclosure of shareholding of Directors coming up for appointment has been introduced from 2005/06 Annual Report. |
| V | CEO/CFO Certification | 49 V | Yes | Has been introduced from 2005/06 Annual Accounts. |
| VI | Report on Corporate Governance | 49 VI | Yes | Annual Corporate Governance report already forms part of Annual Report. The report in |

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| | | | | revised format for 2005/06 takes care of new requirements. Quarterly compliance reports are regularly submitted to Stock Exchanges. |
| VII | Compliance | 49 VII | Yes | Auditors' certificate on compliance of the conditions of corporate governance is included in the Annual Report. |