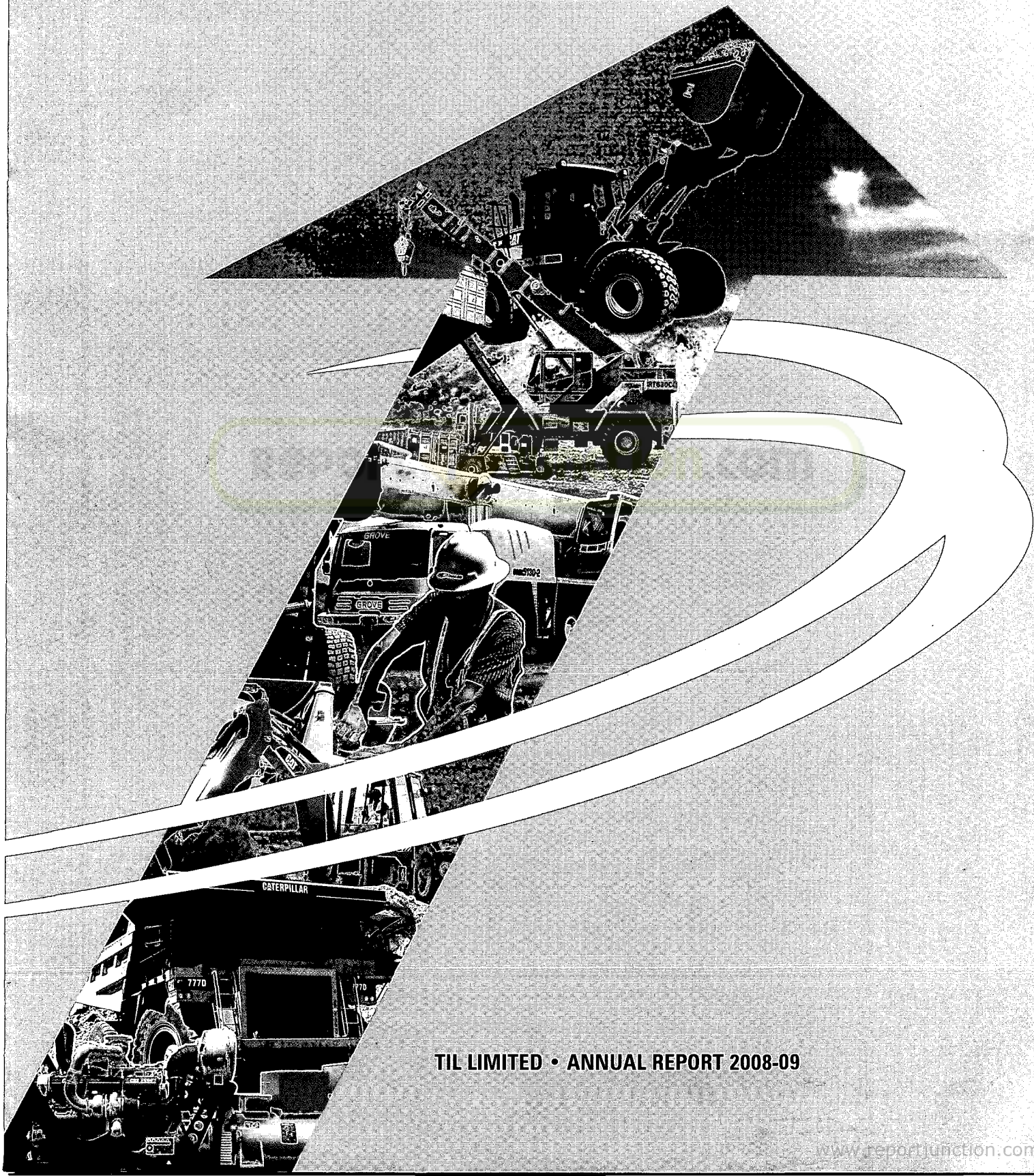


Gearing up for the next level



TIL LIMITED • ANNUAL REPORT 2008-09

FORWARD LOOKING STATEMENT

In this Annual Report, the forward-looking information if any, is for enabling investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccuracies in our assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, arising as a result of new information, future events or otherwise.



Notice

of Annual General Meeting

NOTICE is hereby given that the Thirty-Fourth Annual General Meeting of the Members of TIL LIMITED will be held at 1, Taratolla Road, Garden Reach, Kolkata 700 024, on Tuesday the 28th July, 2009 at 10 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date together with the Report of the Directors and Auditors thereon.
2. To consider declaration of dividend.
3. To appoint a Director in place of Mr. R. L. Gaggar who retires by rotation, and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to section 224A of the Companies Act 1956, Price Waterhouse, Chartered Accountants, be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs. 26,25,000 plus out-of-pocket expenses as may be agreed upon between the Auditors and the Board of Directors."

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:
"RESOLVED THAT Dr. T. Mukherjee who was appointed by the Board of Directors as an Independent Non Executive Additional Director of the Company w.e.f. 4th June, 2009, and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member u/s.257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed a Director of the Company."
6. To consider and, if thought fit, to pass, with or without modification, the following Resolution as Special Resolution:
"RESOLVED THAT pursuant to sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies

Act, 1956 including Schedule XIII thereto approval be and is hereby accorded to the re-appointment and remuneration payable to Mr. A. Mazumdar, Chairman and Wholetime Director for a period of five years with effect from 1st June, 2009 to 31st May, 2014 on the terms and conditions as set out in the explanatory statement attached to the notice convening Annual General Meeting."

"RESOLVED FURTHER THAT the above said remuneration including incentives/ Compensation, allowances and perks will also be payable as minimum remuneration in the event of absence/inadequacy of net profits during any financial year as approved by the Remuneration Committee.

AND FURTHERMORE THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem expedient."

7. To consider and, if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 including Schedule XIII thereto approval be and is hereby accorded to the re-appointment and remuneration payable to Mr. S. Mazumder, Vice Chairman & Managing Director for a period of five years with effect from 1st June, 2009 to 31st May, 2014 on the terms and conditions as set out in the explanatory statement attached to the notice convening Annual General Meeting."

"RESOLVED FURTHER THAT the above said remuneration including incentives/Compensation, allowances and perks will also be payable as minimum remuneration in the event of absence/inadequacy of net profits during any financial year as approved by the Remuneration Committee.

AND FURTHERMORE THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem expedient."

By Order of the Board

TIL LIMITED

Registered Office :
1, Taratolla Road, Garden Reach
Kolkata 700 024
Date : 4th June, 2009.

Debashis Nag
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd July, 2009 to 28th July, 2009 (both days inclusive).
3. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall.
4. Members, who hold shares in de-materialised form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting.
5. Members are requested to quote their Folio Number/Client ID and DP ID in all correspondence and Members holding shares in physical form are requested to advise change of address, if any, to the Company or its Share Transfer Agent. All intimation of change of Address must state the PIN code for proper delivery.
6. Members are requested to immediately intimate their bank particulars giving the name of the bank, branch and type of account to the Company's Registrar and Share Transfer Agent, C. B. Management Services (P) Ltd., P-22, Bondel Road, Kolkata 700 019. It is extremely important for the interest of the members to furnish bank particulars to avoid fraudulent encashment of dividend warrants.
7. The Dividend on Shares if declared, will be payable to those members whose names appear in the Register of Members as on 28th of July, 2009 or to their mandatees subject to the provisions of section 206A of the Companies Act, 1956. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the National Securities Depositories Ltd. and Central Depository Services (India) Ltd. for this purpose.

8. Payment of dividend will be rounded off pursuant to the provisions of Rule 23 of the Companies (Central Government's) General Rules & Forms.
9. Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Register & Share Transfer Agents before the closure of the Register of Members for the transfer of shares.
10. An Explanatory Statement relating to the items of Special Business is annexed hereto, as required under section 173(2) of the Companies Act, 1956.
11. The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed / re-appointed is also annexed.
12. Members are requested to bring their copies of the Annual Report and Accounts at the meeting.

EXPLANATORY STATEMENT TO ITEM NO. 5.

[Pursuant to Section 173(2) of the Companies Act '56.]

The Board of Directors of the Company on 4th June, 2009 appointed Dr. T. Mukherjee as an Independent Non Executive Additional Director of the Company u/s.260 of the Companies Act, 1956. Dr. Mukherjee holds office upto the date of forthcoming Annual General Meeting of the Company. The Company has received notice u/s.257 of the Companies Act, 1956, from a member of the Company proposing candidature of Directorship of Dr. T. Mukherjee at the forthcoming Annual General Meeting.

Dr. Mukherjee joined TATA Steel as Research & Development Engineer and later on rose to occupy key positions such as Executive Director on the Board of TATA Steel and became Dy. Managing Director. Dr. Mukherjee was the Chairman of Tata Metaliks, Jamipol, Metaljunction, Hooghly MetCoke and Power Ltd., Sila Eastern, Thailand, Board member of Tata Chemicals, Tata Yodogawa, Tata Refractories, Tata Timken and many other companies.

Dr. T. Mukherjee was a visiting lecturer at the University of Sheffield and was a member of the faculty in the post graduate course on iron making and steel making. He received the Bessemer Gold Medal and was elected a Fellow of the Royal Academy of Engineering and was conferred an honorary degree of Doctor of Metallurgy by the University of Sheffield. Keeping in view and experience and

expertise of Dr. Mukherjee, your Directors appointed him as an Additional Director w.e.f. 4th June, 2009, subject to the approval of the members of the Company. The details of Dr. Mukherjee's age, qualification, expertise and other Directorship and Committee Memberships of other Board and Committees have been given in the annexure attached to the notice convening the Annual General Meeting.

Your Directors commend the acceptance of the resolutions by the shareholders.

No Director of the Company other than Dr. Mukherjee is interested or concerned in the resolution.

EXPLANATORY STATEMENT TO ITEM NO. 6.

[Pursuant to Section 173(2) of the Companies Act, 1956.]

Mr. A. Mazumdar was re-appointed as Chairman and Wholetime Director of the Company with effect from 1st June, 2004 for a period of five years and his present tenure expires on 31st May, 2009. Considering his wide knowledge and experience and services to the Company, the Board at its meeting held on 11th May, 2009 reappointed Mr. A. Mazumdar as Chairman and Wholetime Director for a further period of five years with effect from 1st June, 2009. The remuneration payable to Mr. A. Mazumdar, as recommended by the Remuneration Committee at its meeting held on the same day, are set out in the Agreement to be entered into by the Company with him, the terms including memorandum of interest are set out below:

Remuneration

Salary : Rs. 24,00,000 p.a.

Special Pay : Rs. 15,00,000 p.a.

Commission including Special Pay / Incentives @ 2% of the adjusted profits computed in the manner laid down under the Companies Act, 1956 as amended.

Allowances and Perquisites: H.R.A., gas, electricity, water and furnishing, medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, leave travel assistance, special allowance, etc. in accordance with the rules of the Company, the monetary value of such allowances and perquisites not exceeding Rs.26,00,000 p.a. and for this purpose perquisites shall be evaluated as per Income Tax Rules, in the absence of any such rules the perquisites shall be evaluated at the actual cost and use of

company's car for official purpose and telephone at residence for local and long distance official calls shall not be included in such cost.

Retirement Benefits: Company's contribution to PF, Gratuity, and Superannuation Funds shall be as per Company Rules.

Leave with full remuneration and enhancement thereof in accordance with the Rules of the Company.

In the event of absence or inadequacy of profits of the Company in any financial year, Mr. A. Mazumdar will be entitled to receive the said remuneration as a minimum remuneration.

Modification / variation in the Rules of the Company shall also be applicable to this appointment.

The agreement provides that either party may terminate the agreement by giving three months notice in writing.

The copy of agreement between the Company and Mr. A. Mazumdar will be available for Inspection of members at the Registered Office of the Company from 10 A.M. to 1 P.M. on any business day (excluding Saturday) and also at the meeting.

This may be treated as an abstract of terms u/s.302 of the Companies Act, 1956.

The reappointment and remuneration payable to Mr. A. Mazumdar requires approval of the members of the Company in the general meeting. The Board recommends its adoption.

None of the Directors is concerned or interested in the above resolution except Mr. A. Mazumdar who is related to Mr. S. Mazumder.

EXPLANATORY STATEMENT TO ITEM NO. 7.

[Pursuant to Section 173(2) of the Companies Act, 1956.]

Mr. S. Mazumder was re-appointed as Managing Director of the Company with effect from 1st June, 2004 for a period of five years and his present tenure expires on 31st May, 2009. Mr. Mazumder has been promoted to the position of Vice Chairman & Managing Director of the Company w.e.f. 1st April, 2008. Considering his wide knowledge and experience and services to the Company, the Board at its meeting held on 11th May, 2009 reappointed Mr. S. Mazumder as Vice Chairman & Managing Director for a further period of five years with effect from 1st June, 2009. The remuneration of Mr. S. Mazumder, as recommended by the Remuneration Committee at its meeting held on the same day, are set out in the Agreement

to be entered into by the Company with him, the terms including memorandum of interest are set out below:

Remuneration

Salary : Rs. 22,80,000 p.a.

Special Pay : Rs. 15,00,000 p.a.

Commission including Special Pay / Incentives @ 2% of the adjusted profits computed in the manner laid down under the Companies Act, 1956 as amended.

Allowances and Perquisites: H.R.A., gas, electricity, water and furnishing, medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, leave travel assistance, special allowance, etc. in accordance with the rules of the Company, the monetary value of such allowances and perquisites not exceeding Rs. 27,20,000 p.a. and for this purpose perquisites shall be evaluated as per Income Tax Rules, in the absence of any such rules the perquisites shall be evaluated at the actual cost and use of company's car for official purpose and telephone at residence for local and long distance official calls shall not be included in such cost.

Retirement Benefits: Company's contribution to PF, Gratuity, and Superannuation Funds shall be as per Company Rules.

Leave with full remuneration and enhancement thereof in accordance with the Rules of the Company.

In the event of absence or inadequacy of profits of the Company in

any financial year, Mr. S. Mazumder will be entitled to receive the said remuneration as a minimum remuneration.

Modification / variation in the Rules of the Company shall also be applicable to this appointment.

The agreement provides that either party may terminate the agreement by giving three months notice in writing.

The copy of agreement between the Company and Mr. S. Mazumder will be available for Inspection of members at the Registered Office of the Company from 10 A.M. to 1 P.M. on any business day (excluding Saturday) and also at the meeting.

This may be treated as an abstract of terms u/s.302 of the Companies Act, 1956.

The reappointment and remuneration payable to Mr. S. Mazumder requires approval of the members of the Company in the general meeting. The Board recommends its adoption.

None of the Directors is concerned or interested in the above resolution except Mr. S. Mazumder who is related to Mr. A. Mazumdar.

Registered Office :

1, Taratolla Road, Garden Reach
Kolkata 700 024

Date : 4th June, 2009.

By Order of the Board

TIL LIMITED

Debashis Nag

Company Secretary

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

The particulars of Directors who is proposed to be appointed/re-appointed are given below:

Particulars	Mr. A. Mazumdar	Mr. S. Mazumder	Mr. R. L. Gaggar			
Date of Birth	6th November , 1934	11th February, 1948	1st December, 1932			
Date of last appointment	1st June, 2004	1st June, 2004	24th July, 2007			
Qualification	B.Sc. Engg. (USA)	MBA (USA) AMP (Harvard)	B.A. (Hons), LL.B.			
Experience	<p>Mr. A. Mazumdar is the Executive Chairman of TIL Limited. He has more than 50 years of experience in engineering industry. He is also the Chairman of Myanmar Tractors Ltd., Myanmar and TIL Overseas Pte Ltd., Singapore. He is also a member of Board of Governors of Indian Institute of Management, Calcutta and also member of Court of Governors of Administrative Staff College of India, past President of ASSOCHAM, Bengal Chamber of Commerce & Industry and Bengal Club.</p>	<p>Mr. S. Mazumder is the Vice Chairman & Managing Director and also Director of Myanmar Tractors Ltd, Myanmar, TIL Overseas Pte., Ltd., Singapore and Tractors Nepal Pvt. Ltd. Nepal. He has wide experience of more than 32 years. Mr. Mazumder is the Member of Managing Committee of ASSOCHAM and also the Chairman of ASSOCHAM Eastern Region Development Council. He is the member of National Council and National Committee on Defense of CII. Mr. Mazumder is the past Chairman of CII – Eastern Region</p>	<p>Mr. Gaggar is a practicing Solicitor & Advocate for more than 50 years. He is also on the Board of various reputed companies.</p>			
Chairman / Director of other Companies	Company	Position	Company	Position	Company	Position
	Myanmar Tractors Ltd. Myanmar	Chairman	Myanmar Tractors Ltd. Myanmar	Director	Somani Ceramics Ltd.	Director
	TIL Overseas Pte. Ltd. Singapore	Chairman	TIL Overseas Pte. Ltd., Singapore	Director	Sarda Plywood Industries Ltd.	Director
	Nachiketa Investments Co. (P) Ltd.	Director	Tractors Nepal Pvt. Ltd.	Director	Peria Karmalal Tea & Produce Co. Ltd.	Director
	Salgurn Merchants (P) Ltd.	Director	Marbellous Trading (P) Ltd.	Director	Paharpur Cooling Towers Ltd.	Director
			Salgurn Merchants (P) Ltd.	Director	International Combustion India Ltd	Director
			B.P. Commodities (P) Ltd.	Director	Subhas Projects & Marketing Ltd.	Director

Chairman / Director of other Companies	Company	Position	Company	Position	Company	Position
					Machino Plastics Ltd.	Director
					Sumedha Fiscal Service Ltd	Director
					Shree Cement Ltd.	Director
					Financial & Management Services Ltd.	Director
					Machino Bassel India Ltd.	Director
					Eastern Silk Industries Ltd	Director
					Bhaskar Silicon Ltd.	Director
Committee positions held in other Companies					Somani Ceramics Ltd.	Audit, Share Holders/ Investors Grievance, Remuneration.
					Sarda Plywood Industries Ltd.	Audit, Remuneration, Share Holders/ Investors Grievance.
					Paharpur Cooling Towers Ltd.	Audit
					Shree Cement Ltd.	Audit, Remuneration, Selection, Share Holders/ Investors Grievance.

Name	Dr. Tridibesh Mukherjee
Date of Birth	13.10.1942
Father's Name	Late Dinesh Chandra Mukherjee
Address	6A, Road # 10, Circuit House Area (East), Jamshedpur 831 001
Permanent Account No (PAN)	AETPM7030H
Director Identification No (DIN)	00004777
Qualification	D Met (Sheffield), FR Eng, FNAE
Experience	<p>Dr. Tridibesh Mukherjee joined Tata Steel as a Research and Development Engineer and later rose to occupy key positions as Executive Director on the Board of Tata Steel in 2000 and became Dy. Managing Director (Steel) in 2001. He was also a director of Tata Chemicals for 8 years, till 31.03.09.</p> <p>Dr. Tridibesh Mukherjee was a Visiting Lecturer at the University of Sheffield in 1980 and in '81, when he was a member of the faculty in the post-graduate course on Iron Making and Steel making. He received the Bessemer Gold Medal, was elected a Fellow of the Royal Academy of Engineering and was conferred an honorary degree of Doctor of Metallurgy by the University of Sheffield. He served a three year term, between 2005 and 2007, as the Chairman of the Technology Committee of the International Iron and Steel Institute.</p> <p>Dr. Mukherjee has been closely associated with the acquisitions of Natsteel Asia, Singapore, Millennium Steel, Thailand and finally Corus. He held the position of Group Director (Technology and Integration), responsible for all research, technology and performance improvement functions, internationally, across the Tata Steel Group, till his retirement on 31.03.09. Dr. Mukherjee was the Chairman of Tata Metaliks, Jamipol, Metaljunction, Hooghly MetCoke and Power Ltd., Sila Eastern, Thailand, Board member of Tata Yodogawa, Tata Refractories, Tata Timken and many other companies.</p>

DIRECTORSHIP DURING THE LAST THREE YEARS:

Chairman / Director of other Companies	Company	Date of Appointment	Date of Cessation
Director	Tata Steel Limited	01.08.2000	31.03.2009
Director	Corus Group plc, UK	23.04.2007	31.03.2009
Director	Tata Chemicals Ltd.	04.03.2002	31.03. 2009
Director	Tayo Rolls Limited	09.12.1989	22.07.2005
Director	Timken India Limited	10.06.1993	02.05.2003
Director	Tata Refractories Limited	30.08.1993	15.04.2005
Chairman	Jamshedpur Injection Powder Ltd.	24.04.1995	Jan'08
Chairman	Tata Metaliks Limited	26.06.1995	Jan'08
Director	Tata Advanced Materials Ltd.	21.09.2001	09.12.2004
Chairman	Mjunction Services Ltd.	07.01.2002	Jan'08
Director	TM International Logistics Ltd.	18.01.2002	Jan'08
Director	Tata Ryerson Limited	01.03.2002	28.01.2006
Chairman	Sila Eastern Ltd., Thailand	16.04.2004	Jan'08
Chairman	Hooghly Met Coke & Power Co. Ltd.	10.02.2005	Jan'08
Director	NatSteel Asia Pte Ltd., Singapore	15.02.2005	Jan'08
Chairman of the Executive Committee of the Board	Tata Steel (Thailand) Public Co. Ltd.	27.04.2006	Jan'08

Chairman / Director of other Companies	Company	Committee Position
	Nil	Nil

No. of Shares held in TIL Ltd. : Nil