TRUSTING THE FAMILY: A SHORT HISTORY OF TATA SONS OWNERSHIP

The weight and might of the 18 per cent stake in Tata Sons inherited by Cyrus Mistry’s father Pallonji Shapoorji played a key role in him trumping international competition to take up the corner office in Bombay House. This stake will come into play again if things turn less friendly between the Mistrys and their fellow shareholders: Sir Dorabji Tata Trust and Sir Ratan Tata Trust, which between them own 66 per cent and are headed by Ratan Tata. Here’s a look at how the Mistrys and the trusts came to own their Tata Sons shares:

**1904**
After Jamsetji’s death, his two sons Dorab, Ratan and cousin RD Tata merge companies to form the modern-day Tata Sons

**1918**
Sir Dorab bequeaths close to 40% stake in Tata Sons to Sir Ratan Tata Trust (SRTT) and small portion to widow Navajbhai

**1932**
Sir Dorab dies, leaving close to 40% in Tata Sons to Sir Dorabji Tata Trust (SDTT)

**1936**
Dinshaw’s debt gets converted to equity of 12.5% in Tata Sons

**1936—38**
Sylla and Darab sell more shares to Shapoorji, taking his stake to 17.5%

**1938**
JRD becomes second largest shareholder in Tata Sons

**1948**
JRD divides shareholding equally with siblings Sylla, Darab, Jimmy and Rodabeh

**1950**
Navajbhai adopts Naval, father of Ratan and Noel Tata

**1966**
Rights issue: Stake up to 18.5%

**1975**
Pallonji Shapoorji, son of Shapoorji Pallonji, inherits the Tata stake

**1982**
Pallonji Shapoorji sells in Tata Sons buyback to bring down stake to 18%

**1998**
Pallonji retires on turning 75. Younger son Cyrus Pallonji Mistry steps in as director

**Current shareholding of Tata Sons:**
- Trusts – 66%
- Pallonji Shapoorji – 18%
- Tata Group firms – 13%
- Tata family members, others – 3%

*Trusts’ shareholding has reduced slightly since 2003

Source: Media reports, Wikipedia, Tata Central Archives, ACC

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