



# TAMILNADU STEEL TUBES LIMITED

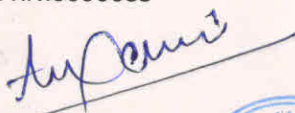

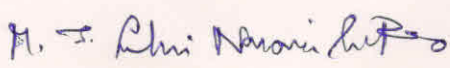


MFRS. & EXPORTERS OF : MS & GI, SQUARE & RECTANGLE STEEL PIPES

REGD. OFF : MERCURY APARTMENTS, 1st FLOOR, 65, PANTHEON ROAD, EGMORE, CHENNAI - 600 008.  
 PHONE : 28555653, 28555673, 28555733 FAX : 28555643 Web : www.tamilnadusteeltubesltd.com  
 E-MAIL : tnstl@vsnl.net / contact@tamilnadusteeltubesltd.com / tnt.share@yahoo.in CIN : L27110TN1979PLC007887

### Auditor's Report- Clause31 (a) of Listing Agreement

Pursuant to Clause31 (a) of Listing Agreement, we give below FORM-A information on "Matter of Emphasis" in the Auditor's Report for the year ended 31<sup>st</sup> March,2015.

#### FORM: A

1	Name of the Company	TAMILNADU STEEL TUBES LTD.
2	Annual Financial statements for the Year ended	31 <sup>st</sup> March,2015
3	Types of Audit observation	Qualified
4	Frequency of observation	1 Time
5	<p>For ABHAY JAIN &amp; CO. Chartered Accountants FRN:000008S</p>  <p>(A.K.JAIN) Partner M.No. 070224</p> 	<p>          MJ LAKSHMINARASIMHA RAO          Chairman of the Audit Committee          DIN: 01275880</p> <p>          RAKESH GOYAL (DIN-0990310)          Managing Director</p> <p>          N SUDHARSAN          Chief Financial Officer</p>

PLACE: CHENNAI  
 DATE : 12.08.2015

TO : BOMBAY STOCK EXCHANGE LTD.  
 MUMBAI  
 Copy to: Ahmedabad Stock Exchange Ltd.  
 Ahmedabad

For TAMILNADU STEEL TUBES LTD.  
 for TAMILNADU STEEL TUBES LTD.

  
 KAMALA LOCHAN RAY  
 AUTHORIZED SIGNATORY Secretary  
 M.No. 34369



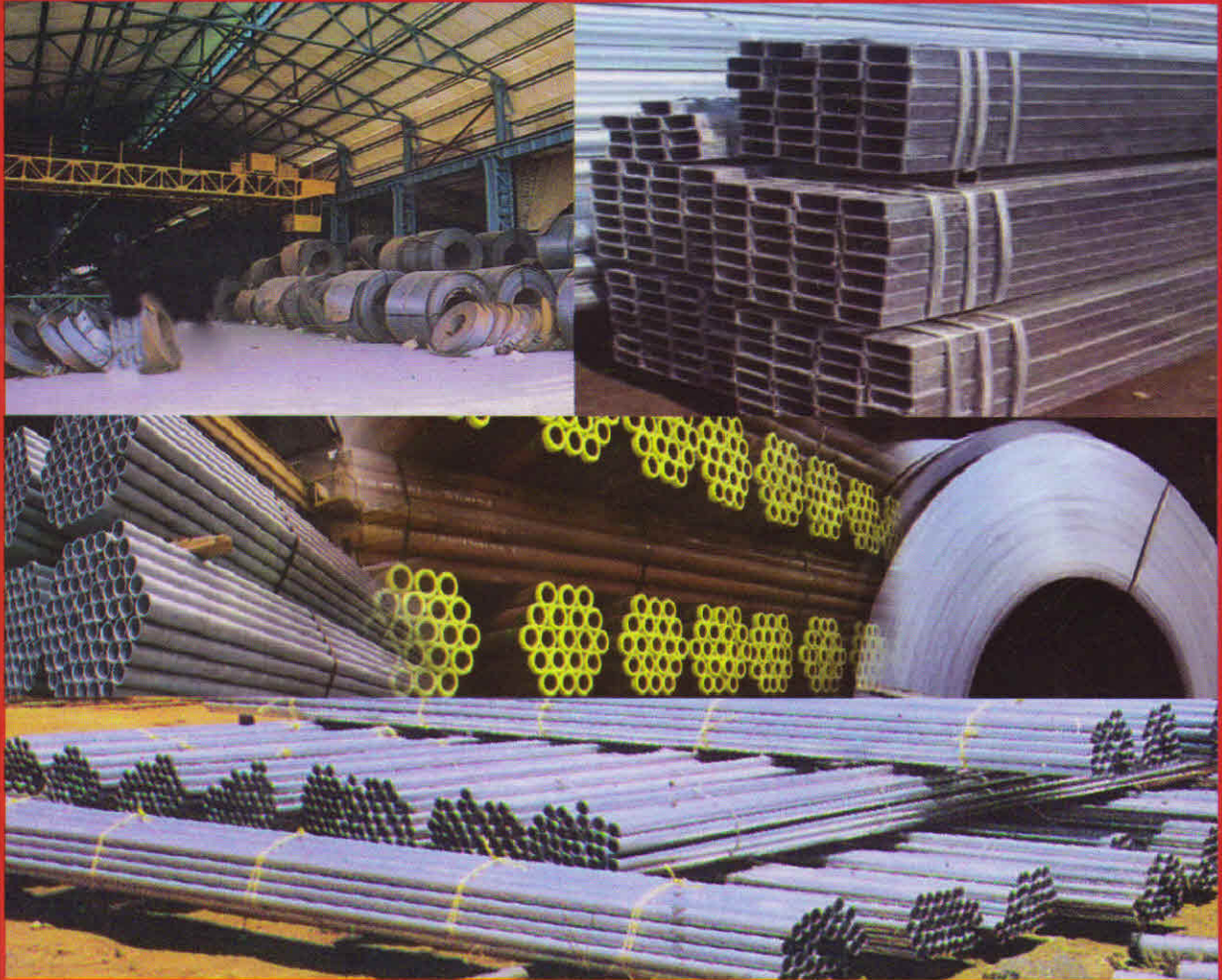
# TAMILNADU STEEL TUBES LIMITED

## ANNUAL REPORT 2014 - 2015



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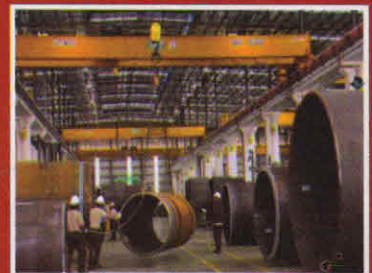
**TAMILNADU STEEL TUBES LTD.,**

REGD. OFF : MERCURY APARTMENTS, 1ST FLOOR,  
65, PANTHEON ROAD, EGMORE, CHENNAI - 600 008.

PHONE : 28555653, 28555673, 28555733 FAX : 28555643

E-MAIL : [tnstl@vsnl.net](mailto:tnstl@vsnl.net) / [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in)

Web : [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)



**Works : Plot B-10, Industrial Complex, Maraimalai Nagar - 603 209, Kancheepuram District, Phone : 044-27452233**



## TAMILNADU STEEL TUBES LTD.

Regd. Office: Mercury Apts., 1<sup>st</sup> Floor, No. 65, Pantheon Road, Egmore, CHENNAI-600 008

Phones: 2855 5653 / 2855 5673; Fax: 091-044-2855 5643

CIN : L27110TN1979PLC007887

e-mail: tnstl@vsnl.net / tnt.share@yahoo.in / contact@tamilnadusteeltubesltd.com

website: www.tamilnadusteeltubesltd.com

# 36<sup>th</sup> ANNUAL REPORT 2014-15

## CONTENTS

S.No.	Particulars	Page No.
1	General Information about the Company	2
2	Composition of Board	3
3	Letter to Shareholder(s)	4
4	Enriching Customer Experience	5
5	A Customer Centric Approach	6
6	Our Products	7
7	Performance Highlights	8
8	Financial Highlights	10
9	10 Years at a Glance	11
10	Notice	12
11	Directors' Report and Management Discussion & Analysis	26
12	ANNEXURE to Directors' Report	36
	Annexure - I : Form No. MGT-9 - Extract of Annual Return	37
	Annexure - II(a) : Policy for selection of Directors & Determining Directors' Independence	45
	Annexure - II(b) : Declaration of Independence	48
	Annexure - III : Remuneration Policy - SECTION - 197	50
	Annexure - IV : Secretarial Audit Report	54
	Annexure - V : Related Party Transactions - AOC-2	58
	Annexure - VI : Conservation of Energy, Technology etc.	60
	Annexure - VII: Corporate Governance Report	63
13	Standalone Financial Statements & Notes	93
14	Independent Auditors' Report	95
15	Balance Sheet	99
16	Statement of Profit and Loss	100
17	Cash Flow Statement	101
18	Corporate Information & Significant Accounting Policies.	102
19	Notes on Financial Statements	106
20	Shareholders' Referencer	118
21	Green Initiatives & E-Communication Registration Form	136
22	Members' Feedback Form	137
23	Form No.MGT - 11 ( Proxy Form )	138
24	Form No.MGT - 12 ( Polling Paper )	139
25	Attendance Slip	140



**GENERAL INFORMATION ABOUT THE COMPANY**

1. Corporate Identity Number (CIN) : **L27110TN1979PLC007887**  
2. Name of the Company : **TAMILNADU STEEL TUBES LTD.**  
3. Registered Address : Mercury Apartments, I Floor,  
65,Pantheon Road, Egmore  
CHENNAI – 600 008.
- Factory : B-10, Industrial Complex  
Maraimalai Nagar – 603 209  
Kancheepuram District
4. Website : [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)  
5. E-mail id : [tnstl@vsnl.net](mailto:tnstl@vsnl.net) / [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in)  
6. Financial Year Reported : 01.04. 2014 to 31. 03.2015  
7. Sector(s) that the Company is engaged  
in (industrial activity code wise) : STEEL TUBES & STEEL PIPES  
8. Markets served by the Company : SOUTH INDIA

<b>LEGAL ADVISOR</b>	<b>STATUTORY AUDITORS</b>	<b>INTERNAL AUDITOR</b>	<b>CHIEF FINANCIAL OFFICER</b>
P.R. SHANKAR ADVOCATE SUPREME COURT OF INDIA, NEW DELHI	Mr ABHAYKUMAR JAIN, FCA M/s ABHAY JAIN & CO. Bhushaira House 6/46, Nowroji Road Chetpet, Chennai – 31	Mr GAURAV JAIN, C.A. Bhushaira House 6, Nowroji Road Chetpet, Chennai – 31	Mr. N. SUDHARSAN
<b>COMPANY SECRETARY</b>	<b>SECRETARIAL AUDITOR</b>	<b>PRACTICING COMPANY SECRETARY</b>	<b>COST AUDITOR</b>
Mr KAMALA LOCHAN RAY COMPANY SECRETARY	Mr V.S. SOWRIRAJAN COMPANY SECRETARY	Mrs SOBANA PRANESH COMPANY SECRETARY	CMA LATHA VENKATESH
<b>BANKERS</b>	1. THE JAMMU & KASHMIR BANK LTD., CHENNAI – 2 2. CITY UNION BANK LTD., CHENNAI - 1		



## COMPOSITION OF BOARD

### BOARD OF DIRECTORS

#### Managing Director

Mr. RAKESH GOYAL

#### Independent Directors

Mr. M.J.Lakshmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari  
Mr. Gopal Singh

#### Wholetime Directors

Mr. Mahaveer Singh  
Mr. Vikram Singh  
Mr. MT Elumalai

Woman Director / Ind. Director  
Mrs.Seshadhri Rajalakshmi

### BOARD COMMITTEES

#### Audit Committee

Mr. M.J.Lakshmi Narasimha Rao  
Mr. Mahaveer Singh  
Mr. Vikram Singh  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari  
Mrs.Seshadhri Rajalakshmi

#### Nomination & Remuneration Committee

Mrs.Seshadhri Rajalakshmi  
Mr. M.J.Lakshmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari

#### Stakeholder Relationship Com. & Sh. Transfer Committee

Mr. M.J.Lakshmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari  
Mrs.Seshadhri Rajalakshmi  
Mr. M.T. Elumalai

#### Corp. Social Responsibility & Grievance Committee

Mr. Rakesh Goyal  
M.J.Lakshmi Narasimha Rao  
Mr. Mahaveer Singh  
Mr. Vikram Singh

#### Risk Management Committee

Mr. Rakesh Goyal  
MJ Lkashmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr.Mahaveer Singh  
Vikram Singh

#### Health, Safety, Environmental & Women Protection Com.

Mrs Seshadhri Rajalakshmi  
Mr. MJ Lkashmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari

#### Independent Directors' Committee

Mr. Gopal Singh  
Mr. M.J.Lakshmi Narasimha Rao  
Mr. Pradip Kumar Dubey  
Mr. Pradeep Kumar Tiwari  
Mrs.Seshadhri Rajalakshmi



**LETTER TO SHAREHOLDER(S)**

I am delighted to write once again to you on the performance of Tamilnadu Steel Tubes Limited for the Financial Year 2014-15, your Company Records, despite a challenging economic scenario due to Volatility in prices, slow growth of major industries and sluggish growth of economy.

The Production was lower compared to the prior year due to increase in cost of raw materials and slow off take of the major consumers and less demand required by the Government Departments. Particularly South Indian economy is in a mixed recovery with the lower financial and current account deficit, lower inflation and weak commodity prices.

It is in this context, Tamilnadu Steel Tubes Limited continues to quest for sustained growth. Our business continues to show strong growth potential. Our effort is to provide gathering momentums.

Our Company – “ TNT “ remain committed to our Goal of enriching the Customers’ experience, and providing quality merchandise at an attractive value proposition. T.N.T.’s introductions of Square & Rectangular Pipes have made a significant contribution. We will continue our relentless strategy and actively shape our future. We will focus on improving our portfolio, increasing efficiency, product innovation and expanding our business in the Steel Pipe Industry in South India.

During the year, “ TNT “ continued to retain its market share, and attract, retain the talent, performance management system and corporate working atmosphere. We are now making deep commitment to TNT’s Growth by investing our integrated energy.

I would like to thank all my colleagues for the un-flickering dedications in strengthening our core, we look at the future eagerly to continue to generate Shareholders’ value.

I would like to make a record of my sincere appreciation to the Board of Directors, Independent Directors, Stakeholders, Statutory Auditors, Solicitors, Cost Auditors, Secretarial Auditors for their valuable guidance, and to the Employees for their support.

I would like to express my gratitude to all our Shareholders for their continuous faith and trust reposed with us.

With Warm regards,

Sincerely Yours,

RAKESH GOYAL  
Managing Director

➤ **ENRICHING CUSTOMER EXPERIENCE :**

**Our vision requires that we work to ensure that the customer perceives value in all that we do to fulfill his needs in every interface with us. It is that which creates a special customer experience which we strive to enhance. Again, our customer denotes every partner in our supply chain right up to the end user.**

Our pipe project is based on the belief that Galvanized, square, rectangular, Conductive Pipes of various sizes create an enduring impression in the customer's mind. We define a light, medium and heavy pipe as one that not only looks appealing but also carries the correct weight, is dust free and sturdy enough to withstand multiple handling without any unseemly damage in the journey to the end user. It is a tough task that involves a host of improvements from the plant to the customer. A light, medium and heavy pipe signifies concern for all stakeholders.

Every frontline sales personnel spends a day at a retail counter to observe in-store consumer behavior from the moment a customer enters till the actual purchase is concluded. This helps us understand the buying process, what a consumer is looking for and the drivers that lead to final purchase.

We engage with each group of customers, supply chain members and influencers to impart product knowledge and appropriate skill development.

Our Customer Service teams also connect with construction engineers and contractors through a mix of engagements such as technical training programs, seminars and plant visits. In 2014, we conducted such training and arranged their factory visit.

➤ **OUR CHANNEL PARTNERS**

**TNT's vast network of dealers and retailers, our channel partners, plays a fundamental role in reaching out to customers - in making our pipes available and providing them primary service. Channel partners play a vital role in the successful sale of our products. They are central to the continued success of our brand equity. Through their effort and attentiveness, channel partners are responsible for contributing over three-fourths of our business.**

On our part, we Endeavour to team up with channel partners who have the required mind-set that makes them responsive to customers. Channel partners work in tandem with our sales teams. We provide them with a range of our quality products and assure them of the marketing, customer service and they need to succeed in serving the market and delivering value to satisfied customers. We offer them opportunities for skill development and training in product knowledge. We measure our responsiveness to them with tools like Easy TNT. And we gauge their satisfaction with us through regular structured surveys. Channel partners act as our valuable ambassadors.



➤ **A CUSTOMER CENTRIC APPROACH :**

In adopting a customer-centric approach we mean simply to demonstrate value in everything we do for our customers. We Endeavour to give our customers three valuable offerings:

<b>High Standard Products    Quick Delivery    Query &amp; Complaint Handling</b>
---

We have strived to ensure that the customer - the most valued among our stakeholders - sees and experiences value in everything we do to fulfill his or her needs at every stage, in every transaction, in every interface.

➤ **High Standard**

The Company believes that Quality control is essential to building a successful business that delivers products that meet or exceed customers' expectations. It also forms the basis of an efficient business that minimizes waste and operates at high levels of productivity. All products of TNT conform to highest Quality standards.it our commitments, our Custom

➤ **Enhancing Customer Value**

Inspired by our Group vision, we follow a Customer Charter that comprises a set of guiding principles to lead us on the path to be a customer-centric organization. Three fundamental commitments ensure that we remain focused on the customer in everything we do:

- **We are easy to do business with**
- **We keep our promises**
- **We create value**

**In Keeping with our commitments, our customer Charter puts forth three simple objectives for us to follow :**

- **Consistently meet highest product quality standards**
- **Consistently serve, support and seek feedback from end customer**
- **Consistently develop the skills of our channel partners and influencers**

Foremost in the charter is the demand that we provide a safe and secure environment which ensures no harm to customers and the communities we deal with, beyond the boundaries of our plants and establishments.

Our customer-centric approach is designed to enrich the customer experience and enhance customer value.

**OUR PRODUCTS**

<b>TNT</b>	<b>SHREE</b>	<b>JUPITER</b>	<b>SUPER</b>	<b>STAR</b>	<b>VICTOR</b>
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➤ **OUR CHANNEL PARTNERS :**

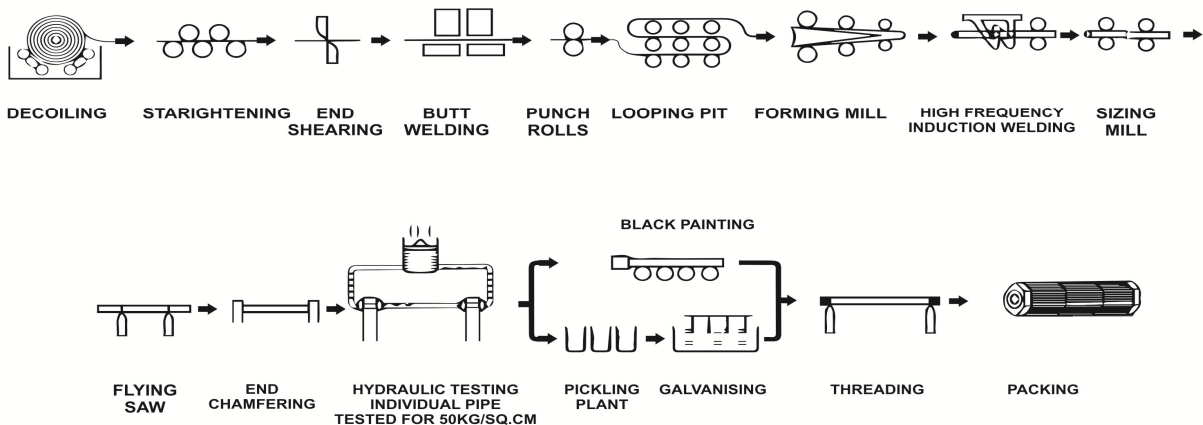
TNT's vast network of dealers plays a fundamental role in reaching out to customers - in making our Steel Pipes available and providing them primary service. Dealers play a vital role in the successful sale of our products. They are central to the continued success of our brand equity. On our part, we endeavor to team up with Dealers who have the required mind-set that makes them responsive to customers. Dealers work in tandem with our sales teams. We provide them with a range of our quality products and assure them of the marketing, customer service and logistics support they need to succeed in serving the market and delivering value to satisfied customers. We offer them opportunities for skill development and training in product knowledge. We measure our responsiveness to them with tools like Easy Access and we gauge their satisfaction with us through regular structured surveys. Dealers act as our valuable ambassadors.

Our latest initiative in semi-urban and rural markets as a hub for affordable steel pipes based products, and has unfurled a whole new kind of opportunity in creating a different kind of Dealership.

PRODUCTS	SIZES	MARKS	BUSINESS BRANDS
ERW M.S. Pipes	½ " upto 10 "	IS1239 part-1 IS – 1161 IS – 3601 IS – 9295 IS – 4923	TNT, KST, SHREE, VICTOR, SUPER, JUPITER, STAR
ERW Galvanised Pipes	½ " upto 10 "		
M.S. Square	½ " upto 10 "		
Galvanised Square	½ " upto 10 "		
M.S. Rectangular	½ " upto 10 "		
Galvanised Rectangular	½ " upto 10 "		
M.S. Round	½ " upto 10 "		
Galvanised Round	½ " upto 10 "		

**FLOW CHART**

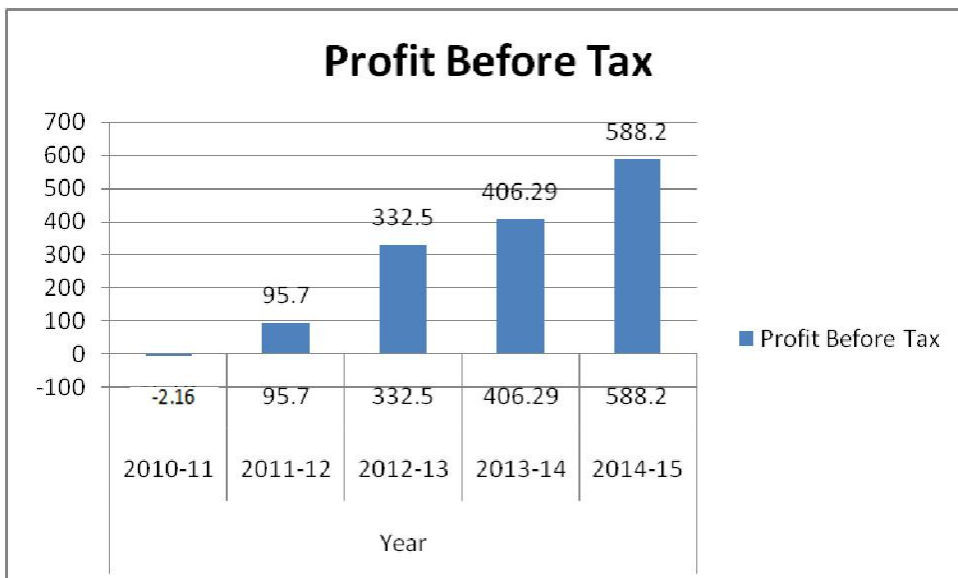
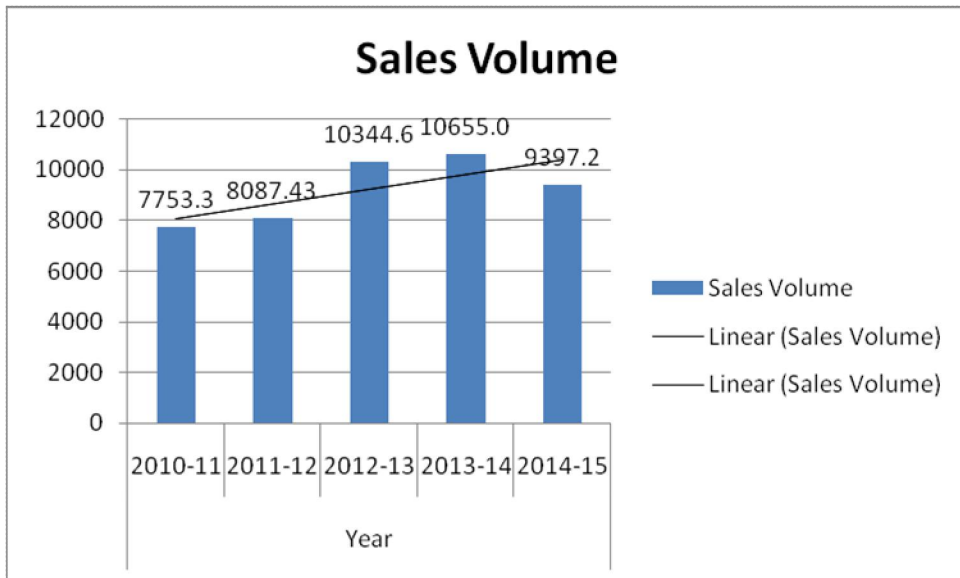
**MACHINE LAY-OUT OF TAMILNADU STEEL TUBES LIMITED AT FACTORY LOCATED AT MARAIMALAI NAGAR**





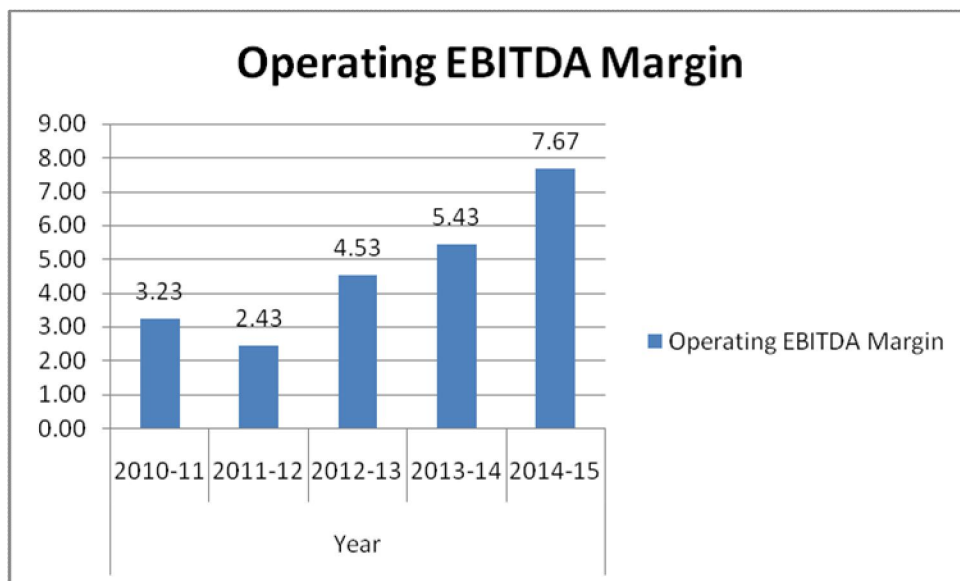
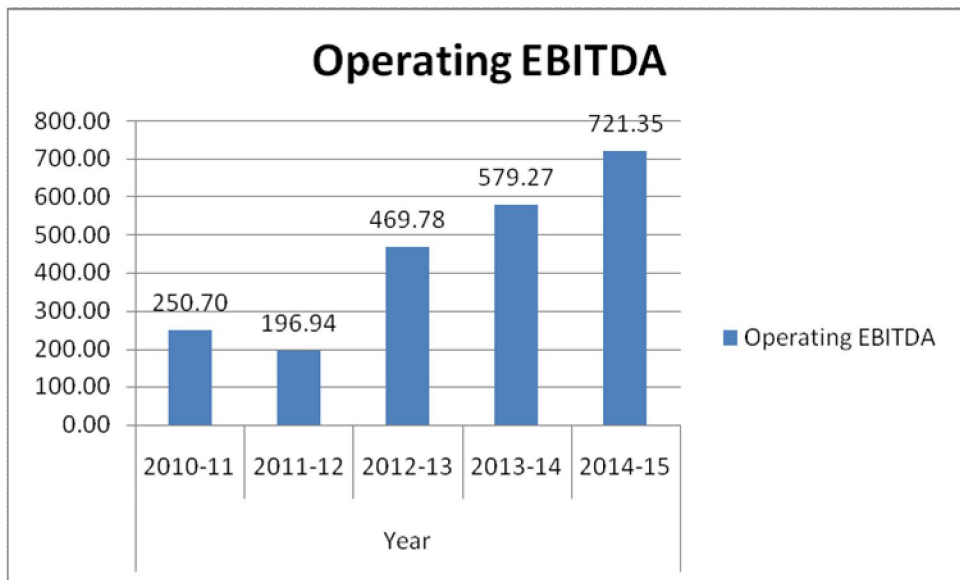
PERFORMANCE HIGHLIGHTS

(Rs. in Lakhs)





Rupees in Lakhs





**FINANCIAL HIGHLIGHTS : 2005-06 to 2014-2015**

<b>Rs. in Lakhs</b>										
<b>PARTICULARS</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Revenue from operations	3563.22	4825.85	7177.57	6304.30	7273.77	7753.28	8087.43	10354.56	10655.01	9397.20
Total Income	3627.49	4919.00	7493.88	6298.15	7345.80	7825.61	8088.60	10360.70	10658.33	9409.58
Earnings before Dep.,Fin. cost & Tax Expenses (EBDIT)	100.14	241.04	734.76	332.70	213.07	123.24	196.94	469.78	322.21	412.82
Depreciation & Amortization	25.14	24.61	25.21	20.22	19.45	21.61	21.56	20.03	27.32	30.33
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(257.06)	(308.54)
Profit for the Year	29.46	147.97	664.88	281.45	(361.11)	0.87	71.03	215.87	356.31	479.57
Equity Dividend %	-	-	-	-	-	-	-	-	-	-
Equity Share Capital	512.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48
Reserves & Surplus	(1638.22)	(1490.25)	(825.37)	(543.92)	(905.03)	(904.17)	(833.14)	(617.26)	(260.95)	192.48
Net Worth	(1125.74)	(977.77)	(312.89)	(31.44)	(392.55)	(391.69)	(320.66)	(104.78)	251.53	704.96
Gross Fixed Assets	695.86	698.27	726.65	754.83	763.87	804.33	836.43	962.49	979.62	982.07
Net Fixed Assets	155.64	133.43	136.59	144.80	134.39	153.47	168.37	276.97	283.44	229.42
Total Assets	1266.17	1608.28	1569.95	1166.15	1608.93	1879.02	2739.02	2899.13	3356.68	2891.10
<b>KEY INDICATORS</b>										
Earning Per Share	0.57	2.89	12.97	5.49	(7.05)	0.02	1.39	4.21	6.95	9.36
Turnover per Share	69.53	94.17	140.06	123.02	141.93	151.29	157.81	202.05	207.91	183.37
Book Value Per Share	(21.96)	(19.08)	(6.10)	(0.61)	(7.66)	(7.64)	(6.26)	(2.04)	4.91	13.75
Debt	138522	1214.46	710.74	439.55	396.15	406.73	460.27	517.31	475.81	975.12
Equity	(1125.74)	(977.77)	(312.89)	(31.44)	(392.55)	(391.69)	(320.66)	(104.78)	(251.53)	(704.96)
Debt: Equity Ratio	<b>(1.23):1</b>	<b>(1.24):1</b>	<b>(2.27):1</b>	<b>(13.98):1</b>	<b>(1.00):1</b>	<b>(1.04):1</b>	<b>(1.43):1</b>	<b>(4.94):1</b>	<b>1.89:1</b>	<b>1.38:1</b>
EBDIT / Gross Turnover %	2.81	4.99	10.24	5.28	2.93	1.59	2.44	4.54	3.02	4.39
Net Profit Margin %	0.83	3.07	9.26	4.46	(4.96)	0.01	0.88	2.08	3.34	5.10
RONW %	(2.62)	(15.13)	(212.50)	(895.18)	91.99	(0.22)	(22.15)	(206.02)	141.66	68.03



**TAMILNADU STEEL TUBES LIMITED**  
**TEN YEARS AT A GLANCE - STAND ALONE OPERATING RESULTS : 2005-06 to 2014-2015**

Rs. in Lakhs										
YEAR ENDING 31 <sup>st</sup> MARCH	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
TOTAL INCOME	3627.49	4919.00	7493.88	6298.15	7345.80	7825.61	8088.60	10360.70	10658.33	9409.58
PBDIT	100.14	241.04	734.76	332.70	213.07	123.24	196.94	469.78	322.21	412.82
DEPRECIATION	25.14	24.61	25.21	20.22	19.45	21.61	21.56	20.03	27.32	30.33
PBIT	75.00	216.43	709.55	312.48	193.63	101.64	175.38	449.75	294.89	382.49
PBT	29.66	148.43	665.18	282.02	(2.65)	(2.16)	95.73	332.53	149.23	279.64
EXCEPTIONAL ITEMS	-	-	-	-	-	-	-	-	(257.06)	(308.54)
TAX	-	-	-	-	345.28	-	26.75	115.10	47.80	102.13
DEFERRED TAX	-	-	-	-	13.18	(3.03)	(2.05)	1.55	2.18	6.47
PAT	29.46	147.97	664.88	281.45	(361.11)	0.87	71.03	215.87	356.31	479.57



## **TAMILNADU STEEL TUBES LTD.**

Regd. Office: Mercury Apts., 1<sup>st</sup> Floor, No. 65, Pantheon Road, Egmore, CHENNAI-600 008

Phones: 2855 5653 / 2855 5673; Fax: 091-044-2855 5643

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website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

## **36<sup>th</sup> ANNUAL GENERAL MEETING**

### **NOTICE**

**NOTICE** is hereby given that the **THIRTY SIXTH ANNUAL GENERAL MEETING** of the Members of **TAMILNADU STEEL TUBES LIMITED** (CIN No.L27110TN1979PLC007887) will be held on Wednesday 23<sup>rd</sup>, September 2015 at 10 A.M. at Rani Seethai Hall, 603, Anna Salai, Chennai- 600 002, to transact the following Businesses:

#### **ORDINARY BUSINESS:**

##### **1. ADOPTION OF ANNUAL ACCOUNTS**

To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year Ended - March 31<sup>st</sup>, 2015, the Reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Mahaveer Singh (DIN : 01907248), who retire by rotation and being eligible offers himself for re-appointment.

3. To appoint a Director in place of Mr. Vikram Singh Rathore (DIN : 01601165), who retire by rotation and being eligible offers himself for re-appointment.

##### **4. APPOINTMENT OF AUDITORS :**

To appoint Auditors and fix their Remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** M/s Abhay Jain & Co,(FRN - 000008S) Chartered Accountants, who have given their consent for appointment, be and are hereby appointed as Auditors of the Company pursuant to the provisions of Sec.139 & 142 and other applicable provisions, if any, of the Companies Act 2013 (The ACT) and the companies ( Audit and Auditors) Rules 2014 (The Rules) (including any statutory modification(s) or re-enactment (s) thereof for the time being in force measures who has been appointed to hold office from the conclusion of the this Annual General Meeting at such remuneration fixed by the Board of Directors for a period of two years for the Financial Years 2015-16 and 2016-17 .”



**SPECIAL BUSINESS:**

**5. FIXATION OF REMUNERATION OF COST AUDITOR:**

To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to CMA Latha Venkatesh, Cost Accountant (Firm Registration No.101017), appointed by the Board of Directors as Cost Auditor to conduct the Audit of the Cost Records of the Company for the Financial year ending 31<sup>st</sup> March 2016, amounting to Rs. 50,000/- (Rupees Fifty Thousand only ) as also the payment of Service Tax as applicable and re-imbusement of out of pocket expenses incurred in connection with the aforesaid audit, be and are hereby ratified and confirmed.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6. AUTHORIZING BOARD TO BORROWING FUNDS UPTO Rs. 10 CRORES UNDER SECTION 180(1) (C) OF THE COMPANIES ACT, 2013 :**

**“RESOLVED THAT** under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, The board of directors of the company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) be and is hereby authorized for borrowing fund/s, from Bank/ Financial Institutions, from time to time, as it may consider fit, any sum or sums of monies, on such terms and conditions as the Board may deem fit notwithstanding that the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loan obtained or to be obtained from the Company’s Bankers in the ordinary course of business) may exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed Rs.10 Crores (Ten Crores Only).”

**7. AUTHORIZING BOARD FOR CREATION OF CHARGE/MORTGAGE OF ASSETS FOR BORROWING FUNDS UPTO Rs. 10 CRORES :**

**“RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the members of the company giving their consent, for the board of directors of the company, to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non convertible and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached.





**“RESOLVED FURTHER THAT** the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed Rs.10 Crores (Ten Crores Only).

**8. INCREASING THE REMUNERATION OF MANAGING DIRECTOR:**

**“RESOLVE THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the members of The company be and are hereby give their consent to increase the remuneration of Managing Director of the Company, Mr. Rakesh Goyal (DIN:-00990310), from Rs. 18,00,000/- (Rupees Eighteen Lakhs only) to Rs. 22,00,000/- (Rupees Twenty Two Lakhs only) per annum with effect from 23.09.2015.

**RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr. Rakesh Goyal (DIN:-00990310) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, increase or enhance the scope of remuneration in accordance with provisions regarding payment of managerial remuneration under the Companies Act, 2013.”

**9. INCREASING THE REMUNERATION OF WHOLE TIME DIRECTOR Mr. VIKRAM SINGH RATHORE :**

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the members of The company be and are hereby give their consent to increase the remuneration of Mr. VIKRAM SINGH RATHORE (DIN:-01601165), whole time director of the company, , from Rs.34,500/- (Rupees Thirty Four Thousand Five Hundred only) to Rs. 39,500/- (Rupees Thirty Nine Thousand Five Hundred only) per month from this current Financial Year 2015-16.

**RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr. R.VIKRAM SINGH RATHORE (DIN:-01601165) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, increase or enhance the scope of remuneration in accordance with provisions regarding payment of managerial remuneration under the Companies Act, 2013.”

**10. INCREASING THE REMUNARATION OF WHOLE TIME DIRECTOR Mr. MAHAVEER SINGH:**

**“RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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force), the members of The company be and are hereby give their consent to increase the remuneration of Mr. Mahaveer Singh (DIN:-01907248), Whole Time Director of the Company, , from Rs.1,00,000/- (Rupees one lakh) to Rs. 1,25,000/- (Rupees one Lakh twenty five thousand only) per month from this current Financial Year 2015-16.

**RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr. MAHAVEER SINGH (DIN:-01907248) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, increase or enhance the scope of remuneration in accordance with provisions regarding payment of managerial remuneration under the Companies Act, 2013.”

**11. CHANGE IN DESIGNATION OF Mr M.T. ELUMALAI, AS “WHOLE TIME DIRECTOR” AND INCREASE IN HIS REMUNERATION :**

“**RESOLVED THAT** pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the Board of Directors of the Company be and are hereby give their consent for re-designation of Mr MT ELUMALAI (DIN:- 01278399), as a “Whole Time” Director on a remuneration of Rs. 19,150/- (Rupees Nineteen Thousand One Hundred Fifty only) per month from this current Financial Year 2015-16, and the matter be placed before the ensuing Annual General Meeting for Shareholders’ approval.

**RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr MT ELUMALAI (DIN:- 01278399) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to vary, increase or enhance the scope of remuneration in accordance with provisions regarding payment of managerial remuneration under the Companies Act, 2013.”

**12. To** authorize Board of Directors to take steps for Compliance as per Companies Act, 2013 and Amendments thereto in addition with SEBI Amendments from time to time

By Order of the Board

**PLACE : CHENNAI:**  
**DATE : 01.08.2015**

KAMALA LOCHAN RAY  
Company Secretary  
(M. No. 34369)

**REGISTERED OFFICE:**  
Mercury Apartments , First Floor  
No. 65, Pantheon Road  
Egmore, Chennai- 600008



**NOTE :**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.

2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/ her behalf and the proxy need not be a member of the company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital may appoint a single person as proxy, who shall not act as proxy for any other member. The instrument of Proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.

3. The business set out in the Notice will be transacted through **electronic voting system** and the company is providing facility for voting by electronic means. Instructions and other information relating to the e-voting are given in this Notice under Note No.18. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this notice to the members, separately.

4. Corporate members intending to send their authorized representation to attend the meeting are requested to send to the company a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting

5. In terms of Section 152 of the Companies Act, 2013, the Directors, retire by rotation at the meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the company recommends their respective re-appointment. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the listing agreement with the Stock Exchanges, are provided in the corporate governance report forming part of the annual report.

6. Members are requested to bring their attendance slip to the Meeting along with their copy of Annual Report.

7. In case of Joint holders attending the meeting, only such joint holder who is higher in the names will be entitled to vote.

8. Relevant documents referred to in the accompanying notice and the statement are open for inspection by the information at the Registered Office of the company on all working days, except Saturdays, during business hours up to date of the meeting.



9. The Company has notified closure of Register of Members and Share Transfer Books from **16.09.2015** to **23.09.2015** (both days inclusive)

10. The Company or its Registrars and Transfer Agents, M/s.Cameo Corporate Services Limited cannot act on any request received directly from the members holding the shares in electronic form for any such change are to be advised only to the Depository Participants by the members.

11. Members holding shares in the electronic form are requested to intimate immediately any Change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the company Registrars Share Transfer Agents – M/s Cameo Corporate Services Limited

12. The Company does not have the unpaid or unclaimed dividends declared up to financial years 2014-15 and no dues to pay from time to time on due dates, to the investor Education and Protection ( the IEPF) established by the Central Government.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Cameo Corporate Services Ltd.

14. Members holding shares in single name and physical form are advised to make nominations in the respect of their Shareholding in the Company.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Cameo Corporate Services Ltd, for consolidation into a single folio.

16. Members are advised to refer to the shareholders' References provided in the Annual Report.

17. Members are requested to fill in and send the Feedback Form provided in the Annual Report.

18. The Ministry of Corporate Affairs (Ministry) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by companies through electronic mode. In accordance with the Circulars bearing No. 17/2011 dated 21.04.2011 issued by the Ministry, companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc.) to their share- holders through electronic mode, to the registered e-mail addresses of the shareholders and the Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the company electronically.



19. Information and other instructions relating to e-voting are as under :

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the (AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their at the meeting through ballot paper.

NOTE: The Facility for Voting shall be decided by the company i.e. “remote e-voting” or “Ballot Paper” or “Poling Paper”

III The members who have cast their vote by remote e-voting prior to the (AGM) may also attend the (AGM) but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 17<sup>th</sup> Sep. 2015 (10:00 a.m.) and ends on 21<sup>st</sup> Sep, 2015 (5:00 p.m.). During this period members’ of the Company, holding shares either in physical form or in dematerialized for m, as on the cut-off date of 24<sup>th</sup> Aug, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

NOTE: The “remote e-voting” end time shall be 5:00 p.m. on the date preceding the date of general meeting and the cut-off date shall not be earlier than 7 days before the date of general meeting.

V. The process and manner for remote e-voting are as under:

**A)** In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

(iii) Click on Shareholder – Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.



- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select “EVEN” of “Tamilnadu Steel Tubes Ltd.”
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B)** In case a Member receives physical copy of the Notice of (AGM) [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy].
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the (AGM) :
  - (ii) Please follow all steps from Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the Folio which may be used for sending future communication/s
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24<sup>th</sup> Aug. 2015.
- NOTE: The cut-off date shall not be earlier than 7 days before the date of general meeting.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24<sup>th</sup> Aug, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.
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## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the (AGM) .
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. VS Sowrirajan (FCS 2368 / CP 6482 Company Secretary in Practice, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the (AGM) , at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the (AGM) but have not cast their votes by availing the remote e-voting facility.
- NOTE: The Facility for Voting shall be decided by the company i.e. “remote e-voting” or “Ballot Paper” or “Poling Paper”
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company Tamilnadu Steel Tubes Ltd., and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**By Order of the Board**

**CS KAMALA LOCHAN RAY**  
**Company Secretary**  
**(M. No. 34369)**

**PLACE: CHENNAI**  
**DATE: 01.08.2015**



**EXPLANATORY STATEMENT PURSUANT TO SEC. 102(1) of THE COMPANIES ACT, 2013.**

**ITEM NO 5:**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of CMA Latha Venkatesh (Firm Regn. No. 101017), Cost Accountant, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Company's Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending 31<sup>st</sup> March '16.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item No:5 for the approval of Members

**ITEM NO. 6 :**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the proposal for borrowing Fund(s), from Bank/ Financial Institutions, from time to time, as it may consider fit together with the money(ies) already borrowed by the Company (apart from temporary loan obtained or to be obtained from the Company's Bankers in the ordinary course of business) to be borrowed by the company under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, provided that the total amount so borrowed by the company shall not at any time exceed Rs.10 Crores (Ten Crores Only). In order to augment longterm resources for financing inter alia outgoing capital expenditure and general corporate performance, the Board may on an appropriate time, approach the Bank/s for secured/unsecured loan/s for increasing the production capacity. Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Company's Notice, to enable the authorities and the Board of Directors of the Company to borrow/avail loan from the financial institutions as may be required by the company from time to time, for a year from the date of passing this resolution. None of the Directors/Key Managerial Personnel of the company/relatives are in any way concerned or interested financially or otherwise in Resolution set out at Item No: 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No:6 for the approval of Members

**ITEM No. 7 :**

Pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the board of directors of the company, on the recommendation of the Audit Committee, and subject to the shareholders' approval at the ensuing AGM to be held on 23.09.2015, decided to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such





movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of banks/financial institutions, other investing agencies and trustees.

The total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans, shall not, at any time exceed Rs.10 Crores (Ten Crores Only), in order to enable the company to approach the Financial Institutions for creating the charge on the property of the company to avail secured loans, to offer as a Guarantee/Mortgage/Hypothecation to avail financial assistance inter alia the board may at an appropriate time offer or invite the financial institutions to grant secured loan for the improvement of the business.

Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Company's Notice, to offer or invite to avail loans from the financial institutions as may be required by the company from time to time for a year from the date of passing this resolution.

None of the Directors/Key Managerial Personnel of the company/relatives are in any way concerned or interested financially or otherwise in Resolution set out at Item No: 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No: 7 for the approval of Members

**ITEM NO. 8 :**

Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the Board of Directors, on the recommendations of the Remuneration Committee, followed by the Audit Committee, and subject to the shareholders' approval at the ensuing AGM to be held on 23.09.2015, decided to increase the remuneration of Managing Director of the Company, Mr. Rakesh Goyal (DIN:-00990310), from Rs. 18,00,000/- (Rupees Eighteen Lakhs only) to 22,00,000/- (Rupees Twenty Two Lakhs only) per annum with effect from 23.09.2015.

The aggregate of the remuneration payable to Mr. Rakesh Goyal (DIN:-00990310) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Company's Notice, for ratification of the remuneration payable to the Managing Director of the company for the financial year ending 31<sup>st</sup> March 2015 or till he demit the office.

The Board commends the Ordinary Resolution set out at Item No: 8 for the approval of Members



**ITEM NO.9:**

Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the Board of Directors, on the recommendation of the of the Remuneration Committee, followed by the Audit Committee, and subject to the shareholders' approval at the ensuing AGM to be held on 23.09.2015, decided to increase the remuneration of Mr. VIKRAM SINGH RATHORE (DIN:-01601165), whole time director of the company, , from Rs.34,500/- (Rupees Thirty Four Thousand Five Hundred only) to 39,500/-(Rupees Thirty Nine Thousand Five Hundred only) per month from this current Financial Year2015-16.

The aggregate of the remuneration payable to Mr. R.VIKRAM SINGH RATHORE (DIN-01601165) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Company's Notice, for ratification of the remuneration payable to the Director of the company for the Financial Year 2015-16 or till he demit the office.

The Board commends the Ordinary Resolution set out at Item No: 9 for the approval of Members

**ITEM NO. 10 :**

Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the Board of Directors, on the recommendation of the of the Remuneration Committee, followed by the Audit Committee, and subject to the shareholders' approval at the ensuing AGM to be held on 23.09.2015, decided to increase the remuneration of Mr. Mahaveer Singh (DIN:-01907248), Whole Time Director of the Company, from Rs.1,00,000/- (Rupees one lakh) to Rs. 1,25,000/- (Rupees one lakh twenty five thousand only) per month from this current Financial Year2015-16.

The aggregate of the remuneration payable to Mr. MAHAVEER SINGH (DIN:-01907248) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 10 of the Company's Notice, for ratification of the remuneration payable to the Director of the company for the financial year 2015-16 or till he demit the office.

The Board commends the Ordinary Resolution set out at Item No: 10 for the approval of Members.



**ITEM NO.11 : MT ELUMALAI, Executive Director :**

Mr M.T.ELUMALAI has been working as “Executive Director” but contributing to the progress of the Company, and for the growth and development of the Company, the Board has decided to re-designate him as “Wholetime Director” of the Company and fix his remuneration as a “Whole Time Director”.

Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013 (including any statutory modifications, enactments, or re-enactments, thereof for the time being in force), the Board of Directors, on the recommendation of the of the Remuneration Committee, followed by the Audit Committee, and subject to the shareholders’ approval at the ensuing AGM to be held on 23.09.2015, decided to fix the remuneration of Mr. M.T.ELUMALAI (DIN:-01907248), Wholetime Director of the Company, as Rs.19,150/- (Rupees Nineteen Thousand One Hundred fifty only) per month from this current Financial Year2015-16.

The aggregate of the remuneration payable to Mr MT ELUMALAI (DIN:- 01278399) as above shall be subject to overall ceilings laid down under Schedule V of the Companies Act, 2013.

Accordingly the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 11 of the Company’s Notice, for ratification of the remuneration payable to the Director of the company for the Financial Year 2015-16 or till he demit the office.

The Board commends the Ordinary Resolution set out at Item No: 10 for the approval of Members

**ITEM NO.12 :**

To authorize Board of Directors to take steps for Compliance as per Companies Act, 2013 and Amendments thereto in addition with SEBI amendments from time to time



**ANNEXURE TO ITEMS 2 & 3 OF THE NOTICE**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting  
( in pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Mr. Mahaveer Singh</b>	<b>Mr. Vikram Singh Rathore</b>
Director Identification No. (DIN)	01907248	016011656
Date of Birth	20.09.1958	25.06.1961
Nationality	Indian	Indian
Date of Appointment on Board	29.06.1994	29.12.2003
Qualification	B.E.	Graduate
Shareholding in TNT	<b>NIL</b>	<b>NIL</b>
List of Directorship held in other Companies ( excluding foreign, private and section 8 Companies)	<b>NIL</b>	<b>NIL.</b>
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees across Public Companies.	-Audit committee -CSR&G committee -Risk Management Committee	-Audit committee -CSR&G committee -Risk Management Committee
There are no inter-se relationships between the Board Members.		



**DIRECTORS' REPORT AND MANAGEMENT DISCUSSIONS & ANALYSIS**

To:  
The Members,

Your Directors have pleasure in presenting their 36<sup>th</sup> Annual Report on the business and operations of the Company and the Accounts for the Financial Year Ended March 31<sup>st</sup>, 2015.

**1. Financial Summary or Highlights/Performance of the Company**

The financial highlights are as follows (based on the stand alone financial statements of the company.)

Particulars	Amount in Rupees	
	2014-15	2013-14
Gross Income	94,09,58,397	1,06,58,33,066
Profit Before Interest, Depreciation & Tax	7,21,35,328	5,79,26,508
Financial Expenses	1,02,84,848	1,45,65,245
Profit Before Depreciation & Tax	6,18,50,480	4,33,61,263
Provision for Depreciation	30,33,302	27,32,446
Profit Before Tax	5,88,17,178	4,06,28,817
Provision for Tax	1,08,60,312	49,97,629
Profit After Tax	4,79,56,866	3,56,31,188
Balance of Profit brought forward	(2,92,73,010)	(6,49,04,198)
Balance available for appropriation	1,86,83,856	(2,92,73,010)
Proposed Dividend on Equity Shares	Nil	Nil
Tax on proposed Dividend	Nil	Nil
Transfer to General Reserve	Nil	Nil
Surplus carried to Balance Sheet	1,86,83,856	(2,92,73,010)

**Note:** the figure shown as surplus carried forward to Balance Sheet subject to depreciation adjustment as per companies' act, 2013. Details for the same has been furnished in explanatory Note No. 4.3 of Financial Statements.

**2. Brief description of the Company's working during the Year/State of Company's affairs**

The highlights of the Company's performance are as under:

- Revenue from operations decreased by 10% to Rs.9397.20 lakhs.
- PBDIT increased to Rs.721.35 Lakhs
- Profit before Tax increased to Rs.588.17 Lakhs.
- Net Profit increased to Rs. 479.57 Lakhs.

The Revenue from operations of the Company for year ended March 31, 2015 decreased by 10% to Rs.9397.20 Lakhs as compared to previous year. The decline in turnover reflects a sharp fall in Steel prices during the second half of the year. However strong operating



performance from the Tube business performance led to higher operating profits. Profit before Exceptional items and Tax increased from Rs.149.23 Lakhs to Rs.279.63 Lakhs. Profit after Tax was higher at Rs.479.57 lakhs as against Rs.356.31 Lakhs in the previous year.

The Financial Year 2014-15 has been a very successful and important year for the company. The company's square and rectangular pipe division delivered record earnings in this year even though collapse of steel prices unsettled in the market. During the year, the utilization of the capacity was 70% of the installed capacity. The company was able to capitalize on the market conditions through its operational excellence, higher efficiency and well executed strategies for raw material procuring and selling finished goods.

The Company contributes to the state exchequer primarily by way of payment of taxes and duties to various government agencies. During the year, a total of Rs. 1,08,60,310 was paid in the form of various taxes and duties.

### **3. Dividend**

No dividend has been declared this year. Company was previously a sick unit and slowly it has started recovering. So, the directors decided to use the profit for further growth of the company.

### **4. Reserves**

During the year under review the General Reserves of the Company stood at Rs. **1,92,47,900/-** after transfer of surplus funds during the year.

### **5. Directors and Key Managerial Personnel**

Mr. Mahaveer Singh(DIN-) 01907248 and Mr. Vikram Singh Rathore (DIN-) 01601165 Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.\_Details of both Directors have been given in Explanatory Statement of **Notice**.

During the Financial Year 2014-15, Mr. Gopal Singh (DIN : 01001134), and Mrs. Seshadhri Rajalakshmi (DIN 0692786) have been appointed as an Independent Directors for term of 3 years and 5 years respectively. No Director has been retired during this year. Appointment letters of independent directors can be followed by our web-link [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com).

Also, Mr. Kamala Lochan Ray (ACS - 34369) and Mr. Narasimhan Sudharsan have been appointed as Company Secretary and Chief Financial Officer with effect from 04.07.2014 and 01.10.2014 respectively.

### **6. Particulars of Employees**

Pursuant to rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is given in **Annexure- IV**; whereas Rule 5(2) is not applicable as no such employee is appointed this financial year.

**7. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Seven Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**8. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**9. Declaration by an Independent Director(s) and Re-appointment.**

A declaration by an Independent Director(s) that he/she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 – Declarations are attached as **Annexure**.

Mrs. Seshadhri Rajalakshmi, has been appointed as an Independent Director for Five Years and Mr Gopal Singh, has been appointed as an Independent Director (“Small Shareholders’ Director”) for a period of three years. The letters of Appointment for Independent Directors, setting of terms and conditions of appointment of Independent Directors is available for inspection at the Regd. Office of the Company during business hours on any working day and is also available on the website of the Company [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

**10. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is enclosed in **Annexure-IV** of the Directors Report.

**Managerial Remuneration:**

A) Details of the ratio of the remuneration of each director to the median employees’ remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report in **Annexure**

B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company, as no such employee has been appointed.

C) The following disclosures are mentioned in the Board of Director’s Report under the heading “Corporate Governance”, attached to the financial statement:—

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors;
- ii) Details of fixed component and performance linked incentives along with the performance criteria;

**11. Details of Subsidiary/Joint Ventures/Associate Companies**

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures - is not applicable to the Company as the Company has no subsidiary or joint venture

**12. Auditors**

The Auditors, M/s Abhay Jain & Co.,( FRN No.-000008S) Chartered Accountants, Chennai retire at the ensuing Annual General Meeting and, being eligible, offer themselves for reappointment for a period of two years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 38<sup>th</sup> AGM.

**13. Auditors' Report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**14. Disclosure about Cost Audit**

As per the Cost Audit Orders, Cost Audit is applicable to the Company's Steel Product business of the Company for the FY 2015-16.

In view of the same and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, CMA Latha Venkatesh (Firm Regn. No. 101017, M. No.27953) Cost Accountant, has been appointed as Cost Auditor to conduct the audit of cost records of the company for the Financial Year 2015-16. The Remuneration proposed to be paid to her requires ratification of the shareholders of the Company. In view of this, the Company's ratification for payment of remuneration to Cost Auditor is being sought at the ensuing AGM.

**15. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, Mr. V.S Sowrirajan ( FCS:2368 / CP No. 6482), Practicing Company Secretary, has been appointed as Secretarial Auditors of the Company. The Report ("MR-3") of the Secretarial Auditors is enclosed as **Annexure** to this report. The report is self-explanatory and do not call for any further comments.

**16. Internal Audit & Controls**

The Company continues to engage Mr Gaurav Jain, (Membership No: 235410.), Chartered Accountant, as its Internal Auditor. His scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an "ongoing basis" to improve efficiency in operations.



**17. Vigil Mechanism :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) The name of compliance officer : Mr M T Elumalai, e-mail id: [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in)

**18. Risk Management Policy**

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified & assessed. The Risk Management Policy was reviewed and approved by the Committee.

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours Management System that governs how the business of the Company and manages associated risks.

The Company has introduced several improvements to Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

**19. Extract of Annual Return**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report is attached as **ANNEXURE**

**20. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. Audit committee, risk management committee and independent directors committee have been constituted to observe internal control system.

**21. Deposits:**

The company has not accepted any Deposit from the public falling within the ambit of Sec.73 of the Company Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**22. Particulars of loans, guarantees or investments under Section 186**

**Details of Loans : (in balance sheet loans are found)**

SL No	Date of making loan	Details of Bo Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd.)	Rate of Interest	Security
				N i l					

**Details of Investments:-**

SL No.	Date of Investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd.)	Expected rate of return
				N i l			

**Details of Guarantee / Security Provided:**

SL No	Date of providings security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
				N i l			

**23. Particulars of contracts or arrangements with related parties:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been disclosed in Form No. AOC-2. as **Annexure** .

**24. Corporate Governance Certificate**

The Compliance certificate from the Auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is **annexed** with the report.

**25. MANAGEMENT DISCUSSION AND ANALYSIS**

The global economy witnessed a marked slowdown emerging economies as well as developed countries showed less than anticipated growth rate. In Domestic markets macroeconomic conditions showed signs of improvements, there was marginal increase in the GDP growth, with inflation falling within satisfactory levels, improved market sentiment post elections and Rupee remaining stable throughout the year. However, the South Indian markets showed very slow sign of progress especially in the Steel Products industry. The economic scenario was quite challenging last year however the Company achieved better than expected results.

***Economic scenario and outlook***

The growth in 2014-15 decreased as compared to the year 2013-14. The whole sale and consumable price inflation has also been decreased compared to the last year price on the back of the strong base effect. Contrary to the expectations, the steel pipe growth has been decreased during the year. The local economic growth appears to have bottomed out and gradual increase in economic activity is expected in 2015-16. The medium term to long term growth prospects look positive in view of the government determination to bring in reforms. For the year 2015-16, the economic is expected to grow at a higher rate than in 2014-15. The long term prospects for the economy are optimistic.

***Steel pipe industry outlook and opportunity***

The overall steel pipe demand is estimated to grow at the rate of 6% in 2015 the consumption growth may go beyond 6% if investment is made in the infrastructure segments, with the gradual reduction in the fiscal deficit and consumer price index. The company's continued focus on cost reduction, its trust on increasing the sale of its products and various other customer excellence initiatives should help in presenting improved performances.

***Market development***

The domestic sales in the southern states in 2014-15 increased by 1.5% as compared to last year. The company continues to focus on the individual consumer segment for higher profitability.

***Square Pipe Business:***

TNT's Square Pipe business continued on its growth trajectory with revenues and increasing despite a challenging price environment.

***Direct Business***

TNT Direct business grew profitably, during the year 2014-15, by achieving Profits before Depreciation, Finance Cost and Tax Expenses (PBDIT) of Rs. 721,35,328 an increase of 19.70 % as against the previous financial year.

***Finance***

Cash and cash equivalent as on 31<sup>st</sup> March 2015 is Rs. 1,16,63,296. The company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

***Costs***

During the Financial Year 2014-15, the company witnessed its upward movement, in the overall costs structure and the company continued to focus on the cost improvements through its excellent programmers.

***Selling price***

The company is selling its products at a competitive prices keeping in mind the need to overcome the present scenario.

***Sustainable development***

The sustainability has been deeply embodied into the company's business and has become an integral part of its decision making process while considering social, economic and environmental dimensions. During the year 2014-15 a sustainability program was developed to attain (1) reduction of emission (2) reduction in power consumption (3) reduction in water consumption (4) to include CSR programs. The company has obtained the certificate from the Pollution Control Board and other departments in accordance with the statutory requirements.

**26. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition, & Redressal) Act, 2013 and Rules made there under, your Company has constituted a Committee viz. **"Health, Safety, Environmental and Women Protection Committee"** chaired by Mrs Seshadhri Rajalakshmi, Director of the Company.

\*During the year Company has not received any complaint of harassment.

**27. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure** to this Report.

**28. Corporate Social Responsibility (CSR)**

"The Corporate Social Responsibility and Governance Committee" (CSR&G Committee) has been formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. Though it is not mandatory for this company during the Financial Year 2014-15, under Section 135, Rule 9 of Companies (Corporate Social Responsibility Policy) of the Companies Act, 2013, the company has initiated steps on a voluntary basis. The CSR Policy may be accessed on the Company's website at the link: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.

The Company has identified areas of engagement which are as under:

- Education: Access to quality education, training and skill enhancement.
- Environment: Environmental sustainability, ecological balance, conservation of natural resources. The Company would also undertake other need based initiatives as may be decided from time to time.

\*During the year, the Company has not spent any amount on this account.



### **29. Human Resources**

Your Company treats its “human resources” as one of its most important assets.

Many initiatives have been taken to support business through organizational efficiency. Process change support and various employees engagement programs which helped the organization to achieve higher productivity levels. A significant effort has also been undertaken, to develop leadership as well as technical / functional capabilities in order to meet future talent requirements.

### **Media and Entertainment**

The Company has done advertisement in Newspapers and wall posters, Banners and website.

### **30. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, state that ;

a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31,2015 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **31. Transfer of Amounts to Investor Education and Protection Fund**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).



**32. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to Bombay Stock Exchange Ltd. (BSE) and Ahmedabad Stock Exchange Ltd. (ASE) where the Company's Shares are listed.

**33. Acknowledgements**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, Vendors, Dealers, and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board

Place: CHENNAI  
Date: 01.08.2015

VIKRAM SINGH RATHORE  
Director  
(DIN : 01601165)

RAKESH GOYAL  
Managing Director  
(DIN : 00990310)



**ANNEXURES TO DIRECTORS' REPORT**

**INDEX**

<b><u>Annexure</u></b>	<b>Content</b>	<b>Page no.</b>
I	Extract of Annual Return - MGT 9	36
II(a)	Policy for selection of Directors & determining Directors' Independence	44
II(b)	Declaration of Independence	47
III	Remuneration Policy	49
IV	Secretarial Audit Report - FORM No. MR-3	53
V	Related Party Transaction - AOC-2	57
VI	Energy Conservation	59
VII	Corporate Governance Report	62



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## Annexure I: To Directors' Report

Form No. MGT - 9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015.

{ Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies,( Management and Administration ) Rules, 2014}.

I.	REGISTRATION AND OTHER DETAILS	
i)	CIN	L27110TN1979PLC007887
ii)	Registration Date	13.07.1979
iii)	Name of the Company	TAMILNADU STEEL TUBES LIMITED
iv)	Category / sub-category of the Company	Public Limited Company
v)	Address of the registered office and contact details	Mercury Apartments, I Floor 65, Pantheon Road, Egmore Chennai - 600 008., TAMILNADU
vi)	Whether Listed Company	Yes
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Ltd. Subramanian Building No.1, Club House Road, Chennai - 600 002
II.	Principal business activities of the Company	Manufacturers of ERW steel pipes (Black and galvanized)
	All the business activities contributing 10% or more of the total turnover of the Company	100%
III.	Particulars of holding, Subsidiary and Associate Companies	NIL
IV.	Share holding pattern (Equity share capital break up as percentage of total equity)	
i)	Category-wise Share holding	As per Attachment - A
ii)	Shareholding of Promoters	As per Attachment - B
iii)	Change in Promoters' Shareholding	As per Attachment - C
iv)	Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and holders of GDRS and ADRS)	As per Attachment - D
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment - E
V.	Indebtedness	
	Indebtedness of the company including interest outstanding / accrued but not due for payment.	As per Attachment - F
VI.	Remuneration of Directors and Key Managerial Personnel	As per Attachment - G
A.	Remuneration to Managing Director, Whole-time Directors and / or Manager	
B.	Remuneration to other Directors	
C.	Remuneration to Key Managerial Personnel other than MD / Management / WD	
VII.	Penalties / Punishment / Compounding of offences	As per Attachment - H





# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## ATTACHMENT- A CATEGORY-WISE SHAREHOLDING PATTERN

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.Promoters									
1.Indian									
a.Individual/HUF	--	980110	980110	19.12	618830	356280	975110	19.03	0.51
b. Central Govt.	--	--	--	--	--	--	--	--	--
c.State Govt(s)	--	--	--	--	--	--	--	--	--
d.Bodies Corporate	--	--	--	--	--	--	--	--	--
e.Banks / FI	--	--	--	--	--	--	--	--	--
f. Any Other...	--	--	--	--	--	--	--	--	--
Sub – Total (A)(1):	--	980110	980110	19.12	618830	356280	975110	19.03	0.51
2. Foreign									
a.NRIs-Individuals	--	--	--	--	--	--	--	--	--
b.Other-Individuals	--	--	--	--	--	--	--	--	--
c.Bodies Corporate	--	--	--	--	--	--	--	--	--
d.Banks / FI	--	--	--	--	--	--	--	--	--
e.Any Other....	--	--	--	--	--	--	--	--	--
Sub – Total(A)(2):	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoters(A)=(A)(1)+(A)(2)	--	980110	980110	19.12	618830	356280	975110	19.03	0.51
'B. Public Shareholding									
(1)Institutions	--	--	--	--	--	--	--	--	--
'a. Mutual Funds / UTI		70600	70600	1.38%	--	70600	70600	1.38%	--
'b. Banks / FI		--							
'c. Central Govt.		--							
'd. State Govt. (s)		--							
'e) Venture Capital Funds		--							
'f) Insurance Companies		--							
'g) FIIs		--							
'h) Foreign Venture Capital Funds		--							
'i) Others(Specify)		--							
Sub-Total (B)(1):		70600	70600	1.38%	--	70600	70600	1.38%	--



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(2) Non-Institutions									
a) Bodies Corporate	--	1000000	1000000	19.51	2000	441100	443100	8.65	11
i. Indian	--	--	--	--	--	--	--	--	--
ii. Overseas.	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	--	2417290	2417290	47.17	34600	2319300	2353290	45.92	2
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	--	656800	656800	12.82	580000	701000	1281000	25.00	12
c) Others (specify)	--	--	--	--	--	--	--	--	--
i) Shares held .....	--	--	--	--	--	--	--	--	--
ii) Other Foreign Nationals	--	--	--	--	--	--	--	--	--
iii) Foreign Bodies	--	--	--	--	--	--	--	--	--
iv) NRI / OCBs	--	--	--	--	--	--	--	--	--
v) Clearing Members / Clearing House	--	--	--	--	--	--	--	--	--
vi) Truss	--	--	--	--	--	--	--	--	--
vii) Limited Liability Partnership	--	--	--	--	--	--	--	--	--
viii) Foreign Portfolio Investor (Corporate)	--	--	--	--	--	--	--	--	--
ix) Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
Sub-Total (B)(2)	--	4074090	4074090	79.50	617500	3461590	4079090	79.56	0.06
c. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	5124800	5124800	100	1234100	3461400	5124800	100	--



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### ATTACHMENT: B SHAREHOLDING OF PROMOTERS

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Share	% of total share of the Co.	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
Indersain Goyal	77300	1.51	NIL	77300	1.51	NIL	
Indersain Goyal & Sons (HUF)	238340	4.65		238340	4.65		
Indersain Goyal (HUF)	70000	1.37		70000	1.37		
Rakesh Goyal (HUF)	143110	2.79		143110	2.79		
Seema Goyal	151560	2.96		151560	2.96		
Kedarnath Goyal	6890	0.14		6890	0.14		
Om Prakash Bagla	20000	0.39		20000	0.39		
Vimala Devi Bagla	9900	0.19		9900	0.19		
Sanjaykumar Agarwal	6000	0.12		6000	0.12		
Dikcha Devi Agarwal	4000	0.08		4000	0.08		
Renu Agarwal	6000	0.12		6000	0.12		
Anita Agarwal	4000	0.08		4000	0.08		
Om Prakash Garg	6000	0.12		6000	0.12		
Mangalchand Khemka	23000	0.45		23000	0.45		
Sarala Devi Khemka	5500	0.11		5500	0.11		
Nirmala Devi Khemka	5000	0.10		5000	0.10		
Puran Khemka	7000	0.14		7000	0.14		
Charanjit Kalra	10000	0.19		10000	0.19		
Richpal Singh	10500	0.20		5000	0.10		0.09
C.V. Durairajan	5000	0.10		5000	0.10		
Vimala Devi Agarwal	6600	0.13		6600	0.13		
Rajesh Choudary	10000	0.19		10000	0.19		
S.R.Sarathy	10000	0.19		10000	0.19		
S.K. Chopra	15000	0.29		15000	0.29		
Pawan Bagla	10300	0.20		10300	0.20		
Rajesh Bagla	10400	0.20		10400	0.20		
Sawarmal	20000	0.39		20000	0.39		
Sukhvinder Singh	20000	0.39		20000	0.39		
Mohanlal Jain	40000	0.78		40000	0.78		
Om Prakash Gupta	5510	0.11		5510	0.11		
Vivek Kumar Kajaria	8400	0.16		8400	0.16		
Kavirta Kajaria	7700	0.15		7700	0.15		
Sheo Kumar Kajaria	3100	0.06		3100	0.06		
Asha Rani Kajaria	4000	0.08	4000	0.08			
<b>TOTAL NO.OF SHARES</b>	<b>980110</b>	<b>19.12</b>		<b>975110</b>	<b>19.03</b>		



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

**ATTACHMENT: C**  
**CHANGE IN PROMOTERS' SHAREHOLDING**

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Richpal Singh	10500	0.20	5500	0.11

**ATTACHMENT: D**  
**SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)**

For Each of the Top 10 shareholders		Shareholding at the beginning of the year		Shareholding at the end of the year	
S.No.	Name	No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1.	Global Capital Markets Ltd.	250000	4.88	250000	4.88
2.	SeaTrans Dan Shipping Pvt. Ltd.	250000	4.88	250000	4.88
3.	Saatvik Goyal	238000	4.64	238000	4.64
4.	Fastrak Securities Pvt. Ltd.	200000	3.90	200000	3.90
5.	Durga Devi Goyal	168600	3.29	168600	3.29
6.	Drishya Goyal	160000	3.12	160000	3.12
7.	Jaykaydee Industries Ltd.	150000	2.93	150000	2.93
8.	Griffen Chemicals Ltd.	100000	1.95	100000	1.95
9.	Bank of India A/c BOI Mutual Fund	66000	1.29	66000	1.29
10.	Sharmada Securities Pvt. Ltd.	50000	0.98	50000	0.98
<b>Total</b>		<b>1632600</b>	<b>31.86</b>	<b>1632600</b>	<b>31.86</b>

**ATTACHMENT -E**  
**SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

For Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Rakesh Goyal	143110	2.79	143110	2.79
For Each of the KMPs	<b>Name of the Key Managerial Personnel</b>			
	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
None of the KMPs holding shares in the Company.	Nil	Nil	Nil	Nil



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### ATTACHMENT- F

#### INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rupees in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Fin. Year				
i) Principal amount	234.99	280.82	-	515.81
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i+ii+iii)	234.99	280.82	-	515.81
Change in Indebtedness during the Fin. Year				
Addition	5.77	528.87		534.65
Reduction	(35.34)	(40.00)		(75.34)
Net Change	(29.57)	488.87	-	459.30
Indebtedness at the end of the financial year				
i) Principal amount	205.42	769.69		975.11
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i+ii+iii)	205.42	769.69	-	975.11

### ATTACHMENT- G

#### REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

Sl.No.	Particulars of Remuneration	Mr. Rakesh Goyal (M.D)	Mr.Mahaveer Singh (Director)	Mr. Vikram Singh Rathore(Dir)
	Gross Salary			
1.	a) Salary as per provisions contained in Sec.17(1) of the IT. Act 1961	18,00,000	13,80,000	4,63,673
	b) Value of perquisites under Sec.17(2) of IT Act 1961	--	--	--
	c) Profits in lieu of salary u/s 17(3) of IT Act 1961	--	--	--
2	Stock Options	--	--	--
3	Sweat Equity	--	--	--
4	Commission			
	- As % of profit	--	--	--
	- Others specify			
5	Others please specify :			
	i. Deferred bonus	--	--	--
	ii) Retirals	--	--	--
	<b>TOTAL (A)</b>	<b>18,00,000</b>	<b>13,80,000</b>	<b>4,63,673</b>



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

**B. Remuneration to other Directors :**

**1. Independent Directors**

S.No.	Particulars of Remuneration	Name of the Directors					Total in Rs.
		L.N.Rao	P.K.Dubey	P.K.Tiwari	Mrs.Seshadhri Rajalakshmi	Gopal Singh	
1.	Fee for attending Board / Committee Meetings	15800	14600	14800	10200	2000	57400
2.	Commission	--	--	--	--	--	--
3.	Others, please specify	--	--	--	--	--	--
	<b>Total</b>	<b>15800</b>	<b>14600</b>	<b>14800</b>	<b>10200</b>	<b>2000</b>	<b>57400</b>

**2. Other Non Executive Directors**

Sr.No.	Particulars of Remuneration	Name of Director							
		NIL							

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

Sr.No.	Particulars of Remuneration	Key Managerial Personnel		
		Kamala Lochan Ray Company Secretary	M.T.Elumalai Executive Director	N. Sudharsan C.F.O.
	Gross Salary			
1.	a) Salary as per provisions contained in Sec.17(1) of the IT. Act 1961	3,85,433	2,36,057	1,83,206
	b) Value of perquisites under Sec.17(2) of IT Act 1961	--	--	--
	c) Profits in lieu of salary u/s 17(3) of IT Act 1961	--	--	--
2	Stock Options	--	--	--
3	Sweat Equity	--	--	--
4	Commission - As % of profit - Others specify	--	--	--
5	Others please specify : i) Deferred bonus ii) Retirals	-- --	-- --	-- --
	<b>TOTAL (A)</b>	<b>3,85,433</b>	<b>2,36,057</b>	<b>1,83,206</b>



**ATTACHMENT- H**

**PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority { RD / NCLT / COURT}	Appeal made, if any ( give details)
<b>A. COMPANY</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					

For and on behalf of the Board

Place: CHENNAI  
Date: 01.08.2015

RAKESH GOYAL  
Managing Director  
(DIN NO: 00990310)

**Annexure II (a): To Directors' Report**

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE**

**Introduction :**

TNT believes that an enlightened Board consciously creates a culture of leadership to provide a long term vision and policy approach to improve the quality of governance. Towards this, TNT ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

TNT recognizes the importance of Independent Directors in achieving the effectiveness of the Board. TNT aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

**Scope and Exclusion:**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**Terms and References:**

In this Policy, the following terms shall have the following meanings:

**"Director"** means a director appointed to the Board of a company.

**"Nomination and Remuneration Committee"** means the committee constituted by TNT's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

**"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

**Qualifications and criteria**

The Nomination and Remuneration Committee, and the Board, review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations

In evaluating the suitability of individual Board members, the Committee takes into account factors, such as:

- General understanding of the Company's business dynamics, global business and Social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.



**The proposed appointee shall also fulfill the following requirements:**

- Should possess a Director Identification Number;
- Should not be disqualified under the Companies Act, 2013;
- Will give his/her written consent to act as a Director;
- Will Endeavour to attend all Board Meetings and wherever he/she is appointed as a Committee Member, the Committee Meetings;
- Will abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Will disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his/her shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

The N & R Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

**Criteria of Independence**

The N & R Committee assesses the independence of Directors at the time of appointment / re-appointment and the Board assesses the same annually. The Board also re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company, means a director other than a Managing Director or a whole-time director or a nominee director :—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh

rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. who, neither himself nor any of his relatives—

i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(v) is a material supplier, service provider or customer or a lessor or lessee of the company.

f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### **Other directorships / committee memberships**

The N&R Committee takes into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.



**Annexure II (b) - To Directors' Report**

**DECLARATION OF INDEPENDENCE**

18.09.2014

To  
The Board of Directors  
M/s Tamilnadu Steel Tubes Ltd.  
Mercury Apts., 1<sup>st</sup> Floor  
65, Pantheon Road  
Egmore, Chennai – 600 008

**Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

I, **Mrs Seshadhri Rajalakshmi**, hereby certify that I am not a Director of any other Company, and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013,

**I certify that:**

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover **or** total income **or** Rs. 50 Lacs **or** such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
  - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;



- b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
  - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - c) holds together with my relatives 2% or more of the total voting power of the company; **or**
  - d) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  - I am not less than 21 years of age.

### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

**SESHADHRI RAJALAKSHMI**

DIN: 06927846

34/21, Nammalwar Street

East Tambaram, CHENNAI – 600 059

### **Note :**

The company has received similar Declaration of Independence Letter dt.18.09.2014 from Mr Gopal Singh (DIN -001001134 )Who has been appointed as Small Shareholders' Director / Independent Director of the Company w.e.f. 25.09.2014



**Annexure III- To Directors' Report**

**REMUNERATION POLICY**

Tamilnadu Steel Tubes Limited (TNT) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives :

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**Scope and Exclusion :**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

**Terms and References :**

In this Policy, the following terms shall have the following meanings :

**“Director”** means a director appointed to the Board of the Company.

**“Key Managerial Personnel”** means :

- (i) The Chief Executive Officer or the managing director or the manager ;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The Chief Financial Officer; and
- (v) Such other officer as may be prescribed under the Companies Act, 2013.

**“Nomination and Remuneration Committee”** means the committee constituted by TNT’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

**POLICY:-**

**Remuneration to Executive Directors and Key Managerial Personnel**

The Board, on the recommendation of the Nomination and Remuneration (HRNR) Committee, reviews and approves the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The Board, on the recommendation of the N&R Committee, also reviews and approves the remuneration payable to the Key Managerial Personnel of the company.



The remuneration structure to the Executive Directors and Key Managerial Personnel includes the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual Performance Bonus.

The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) is reviewed by the N&R Committee and Annual Performance Bonus is approved by the Committee based on the achievements against the Annual Plan and Objectives.

**Remuneration to Non-Executive Directors**

The Board, on the recommendation of the N&R Committee, reviews and approves the remuneration payable to the Non- Executive Directors of the Company.

Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

**Remuneration to other Employees**

Employees are assigned grades according to their qualifications, work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration is determined within the appropriate grade and is based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**As a measure of good Corporate Governance, we give below a Statement of Disclosure of Remuneration Under Sec. 197 of Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

(i) Ratio of the remuneration of each Executive Director to the Median Remuneration of the employees of the Company for financial year 2014-15, the percentage increase in remuneration of executive director, chief financial officer and company secretary during the financial year 2014-15, and the comparison of each key Managerial Personnel(KMP) against the performance of the company are as under:

S. No	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for FY-2014-15	% increase in Remuneration in the FY-2014-15	Ratio of Remuneration of each Director / to median remuneration of Employees	Comparison of the Reuneration of KMP against the performance of the Co.
1.	RAKESH GOYAL	18,00,000	Nil	15.70 : 1	-
2.	VIKRAM SINGH	4,63,673	17 %	4.04 : 1	-
3.	MAHAVEERSINGH	13,80,000	12 %	12.04 : 1	-
4.	M.T.ELUMALAI	2,36,057	13 %	2.05 : 1	-
5.	KAMALA LOCHAN RAY	3,85,433	N.A	3.36 : 1	-
6.	N.SUDHARSAN	1,83,206	N.A.	1.60 : 1	-



**(ii)** The medium remuneration of employees of the company during the financial year was Rs. 9,550/-

**(iii)** In the Financial Year, there was an increase of 3 employees in the medium remuneration of employees;

**(iv)** There were 89 permanent employees on the roll of company as on 31.03.2015;

**(v)** Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31,2015 increased by 44.76 %.Whereas the increase in medium remuneration was 10.5 %. The average increase in medium remuneration was in line with the performance of the company.

**(vi)** Comparison of remuneration of the Key Managerial Personnel(s) against the performance of the company: The Total remuneration of Key Managerial Personnel increased from **Rs. 31,92,927 in 2013-14 to Rs. 42,12,312 in 2014-15** whereas the Profit before Tax increased by 44.7 % ; to Rs.5.88 Lakhs in 2014-15 (Rs. 4.06 Lakhs in 2013-2014).

**(vii)** a) Price Earnings ratio of the company was 6.10 (55/9) as at March 31, 2015 and was 7.57 (53/7) as at March 31, 2014.

b) Percent increase over/decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- is : NIL

**viii)** Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was increased by 11.67 % whereas the managerial remuneration for the same financial year was increased by 14.12%

**ix)** The Key Parameters for the variable components of remuneration availed by the Directors are considered by the Board of Directors based on the recommendation of the Nominations and Remunerations Committee as per the Remuneration Policy Company

**x)** The Ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year – Not Applicable

**xi)** It is hereby affirmed that the remuneration paid as per the Remuneration Policy of the Company



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SEC. 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES,2014

#### Employed throughout the Financial Year 2014-15

S.No.	NAME	DESIGNATION	DATE OF JOINING
1	KAMALA LOCHAN RAY Age: 33 Years Qualification: B.Sc. Hons. & CS	COMPANY SECRETARY	02.05.2014
2	V. DEENA DAYALAN Age: 50 years Qualification: S S L C	ACCOUNTS ASSISTANT	01.07.2014
3	A MANISHANKAR Age: 23 Years Qualification: B.E.	OFFICE ASSISTANT	10.11.2014

#### Employed for a part of the Financial Year 2014-15 EMPLOYEES LEFT DURING 2014-15

S.No.	NAME	DESIGNATION	DATE OF LEAVING
1	U.NAGARJUN Age: 26 Years Qualification: B.Sc. (Com.Sc)	Office Assistant	30.06.2014
2	S.RAJALAKSHMI Age: 65 years Qualification: SSLC	Receptionist	30.06.2014
3	V.HEMAMALINI Age: 43 Years Qualification: 12 <sup>th</sup> STD	Office Assistant	16.09.2014

#### NOTE:

1. All appointments are contractual and terminable by notice on either side
2. Remuneration includes salary, bonus, various allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and gratuity paid but excluding gratuity provisions.
3. None of the employees mentioned above is related to any director of the Company
4. Information about qualifications and last employment is based on particulars furnished by the concerned employee.
5. None of the employees drawing remuneration more than the remuneration drawn by the whole time director but do not hold, by themselves or along with their spouse and dependent children , two percent or more of the equity shares of the company.





**Annexure IV- To Directors' Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To:

The Members

Tamilnadu Steel Tubes Limited

"Mercury Apartments", 1<sup>st</sup> Floor

65, Pantheon Road, Egmore

CHENNAI - 600 008.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tamilnadu Steel Tubes Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 2011; (No actions/events requiring compliance pursuant to this Regulations)

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (No actions/events requiring compliance pursuant to this Regulations)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 Notified on 28 October 2014;  
(No actions/events requiring compliance pursuant to this Regulations)
- (e) The Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008; (No actions/events requiring compliance pursuant to this Regulations)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.  
(No actions/events requiring compliance pursuant to this Regulations)
- (h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998 ;  
(No actions/events requiring compliance pursuant to this Regulations)
- (i) Other laws applicable to the company (as per the information made available, it is found no other Laws are specifically applicable to the company)

I have also examined compliance with the applicable clauses of the following :

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(not applicable during the year)**

(ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that ;**

Based on the information provided to me during the conduct of audit and based the reports submitted by the Board / Committees from time to time, in my opinion adequate systems, processes and control measures are in place exist in the company to monitor and ensure compliance with the applicable general laws like labour laws, competition laws and environmental laws.

Adequate systems and processes in the company, commensurate with the size of the company and nature of operations to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Chennai  
Date : 01.08.2015

Sd/-  
V.S.SOWRIRAJAN  
Company Secretary  
FCS No.2368 & C.P.No.6482

\*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



ANNEXURE A'

To:  
The Members  
Tamilnadu Steel Tubes Limited  
"Mercury Apartments", I Floor  
65, Pantheon Road, Egmore  
Chennai -600 008.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Chennai  
Date : 01.08.2015

Sd/-  
V.S.SOWRIRAJAN  
Company Secretary  
FCS No.2368 & C.P.No.6482



Annexure V- To Directors' Report

AOC -2

RELATED PARTY TRANSACTIONS

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### 2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. NO	NAME OF RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	AMOUNT IN Rs.	OUTSATANDING AS ON 31.03.2015
1	Mr. RAKESH GOYAL	MANAGING DIRECTOR	MANGIERIAL REMUNERATION	18,00,000	-
			LOAN GIVEN	6,29,69,349	5,28,87,422
			INTREST RECEIVED	39,11,147	-
2	Mr. MAHAVEER SINGH	WTD	MANGIERIAL REMUNERATION	13,80,000	-
3	Mr. VIKRAM SINGH RATHORE	WTD	MANGIERIAL REMUNERATION	4,63,673	-
4	Mr. KAMALA LOCHAN RAY	COMPANY SECRETARY	REMUNERATION	3,85,433	-
5	Mr. N SUDHARSAN	CHIEF FINANCIAL OFICER	REMUNERATION	1,83,206	-
6	Mrs . DURGA DEVI GOYAL	PROMOTER	LEASE DEPOSIT	2,05,00,000	2,00,00,000
7	VENKATESWARA CONDUITS PVT. LTD.	DIRECTORS INTERESTED	PURCHASE	85,52,207	-
			JOB WORK	25,66,083	-
			JOB WORK GIVEN	43,02,414	-

For and on behalf of the Board

Place: CHENNAI  
Date: 01.08.2015

RAKESH GOYAL  
Managing Director  
(DIN NO: 00990310)

**Annexure VI- To Directors' Report****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

**[Sec.134(3)(m) of the Companies Act, 2013 read with Rule 8(3)of the Companies (Accounts) Rules 2014]**

Sustainability is an integral part of the Company's business philosophy. During the Financial Year 2015, the Company has proposed to adopt GRI G4 principles. Your Company's Sustainable Development reduction in Specific Water Consumption, Environmental Development at the plant, reduction in Specific Energy Consumption and implementation of business inclusive CSR Projects.

**A: CONSERVATION OF ENERGY**

Company has achieved a reduction of specific electrical energy and maintained towards Energy conservation for the year 2015 as compared to 2014.

**a) Additional Proposals being implemented for further conservation of energy**

- Replacement of the pre-heater fan with an energy efficient pre-heater fan.
- Cooler efficiency improvement by replacing low pressure fans with high pressure fans;
- Installation of VSDs;
- Up-gradation of existing fans with high efficiency fans;

The above actions would ensure further saving in Electrical Energy during 2015.

**b) Impact of the above measures for reduction of energy consumption and consequent impact on cost of production**

The measures stated in point (a) above would further improve the Electrical Energy efficiency of the Plant.

**CO2 Emissions:**

In the second phase of the initiatives connected with the Low Carbon Technology for the steel tube industry under the umbrella of the steel tubes sustainability Initiative in South India, a detailed energy audit was carried out and majority of the recommended initiatives towards further energy and CO2 reduction were implemented. The Harmony instrument has been installed.

Increase in the Electrical Energy by using Alternative Fuels and Raw Materials (AFR)

- Increase the use of Alternative Raw materials (AR)
- Reduction of Electrical Energy
- Reducing Chemical Factor by producing steel tubes using industrial waste materials like zinc and sludge.
- Increasing the use of renewable energy
- Waste Heat Power generation from the process waste heat

Efforts on these fronts helped the Company to maintain CO2 reduction performance.

**Chemical Factor:**

Continuous efforts to control Chemical contents in helped the Company reduce CO2 emissions over four years. The Company's efforts in this regard were supplemented by the latest Technology and Knowhow.

**Stack Emissions and Fugitive Emissions:**

The Company has implemented various initiatives/ measures for improving the environmental performance of its Plants and surroundings.

**A. Conservation of Energy****Steps taken for conservation of energy**

Energy conservation dictates how efficiently a company can conduct its operations. TNT has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient practices that have reduced the growth in carbon di-oxide (CO2) emissions and strengthened the Company's commitment towards becoming an environment friendly organization.

A dedicated 'Energy Cell' is focusing on energy management and closely monitor energy consumption pattern across all manufacturing sites. Periodic energy audits are conducted to improve energy performance and benchmark with other international refineries and petrochemicals sites.

**B. Technology Absorption**

Tamilnadu Steel Tubes Limited (TNT), TNT's integrated central research & technology unit that helps create superior value by harnessing internal research and development skills and competencies and by innovating in emerging technology domains related to TNT's various businesses. TNT focuses on (i) new products, processes and catalyst development to support existing business and create breakthrough technologies for new businesses (ii) advanced troubleshooting, and (iii) support to capital projects, and profit and reliability improvements in manufacturing plants.





# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## ANNEXURE

**[Form for disclosure of particulars with respect to conservation of Energy: ]**

	<b>2014-15</b>	<b>2013-14</b>
<b>A. POWER &amp; FUEL CONSUMPTION :</b>		
<b>1. ELECTRICITY</b>		
a) Purchased Unit KWH :	14,83,856	14,26,936
Total Amount :	1,16,91,090	99,23,127
Rate / Unit :	7.88	6.95
b Own on Generation :		-
i. Through Diesel Generator Units :	1,31,365	3,70,078
Units per Ltr. of Diesel Oil :	2.50	2.50
Cost / Unit :	23.63	22.04
ii. Through Steam Turbine/Generator Units :	-	-
Units per Ltr. of Fuel Oil Gas Cost/Unit :	-	-
<b>2. COAL (Specify quality and where used)</b>		
Qty. (Tonnes) :	-	-
Total Cost :	-	-
Average Rate :	-	-
<b>3. FURNACE OIL</b>		
Qty. (Ltrs./MTs) :	283,791 MT	302,536 MT.
Total Cost :	124,97,651	155,43,357
Average Rate per Ltr./Kg. :	44.04 / Kg.	51.38 / Kg.
<b>4. OTHER INTERNAL GENERATION</b>		
Qty. :	-	-
Total Cost :	-	-
Rate / Unit :	-	-

### **B. CONSUMPTION PER UNIT PRODUCTION**

PRODUCT DETAILS : E.R.W. MS PIPES AND GALVANIZED PIPES:

UNIT	STANDARD	<u><b>2014-15</b></u>	<u><b>2013-14</b></u>
ELECTRICITY	-	97.59 UNIT/M.T. OF BLACK PIPES PRODUCTION	94.67 UNIT/M.T. OF BLACK PIPES PRODUCTION
FURNACE OIL	-	31.29 LTR/M.T. OF BLACK PIPES GALVANIZED	27.64 Kg./M.T. OF BLACK PIPES GALVANIZED
COAL / OTHERS	-	-	-

For and on behalf of the Board

PLACE : CHENNAI  
DATE : 30.05.2015

Sd/-  
**RAKESH GOYAL**  
Managing Director

Sd/-  
**MAHAVEER SINGH**  
Director



**Annexure VII- To Directors' Report**

**CORPORATE GOVERNANCE REPORT**

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE), the report containing the details of Corporate Governance systems and processes at Tamilnadu Steel Tubes Limited is as follow:

At Tamilnadu Steel Tubes Limited (TNT), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders; value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on the relationship and trust, is integral in creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of customer value, ownership mindset, respect, integrity, one team and Excellence.

***1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE***

Corporate Governance encompasses a set of system and practices to ensure that the company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mind set of the organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused have benefited from high quality products delivered at extremely competitive prices. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity.

At TNT, we achieve our ambition in a prudent and sustainable manner. TNT not only adheres to prescribed Corporate Governance practices as per Clause 49 of the Listing Agreement with the Stock Exchanges in India (Listing Agreement), but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfillment of stated goals and objectives.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

**Appropriate Governance Structure with defined roles and responsibilities**

The Company has put in place an internal governance structure with defined roles and responsibilities of every constitute of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the company. The Board has established six committees to discharge its responsibilities in an effective manner. TNT's Company Secretary acts as the Secretary to all the committees of the Board constituted under the Companies Act, 1956 / Companies Act, 2013. The Managing Director (MD) provides overall direction and guidance to the Board. Concurrently, the MD is responsible for overall implementation. In the operations and the functioning of the company, the MD is assisted by One Executive Director and a core group of senior level executives.

**Board Leadership**

A majority of the Board, 5 out of 9, are independent Directors. At TNT, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

**Ethics/Governance Policies**

At TNT, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of insider Trading
- Health, Safety and Environment & Women Staff Protection Policy
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related party transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Policy for Selection of Directors and determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other employees
- Policy for determining Material Subsidiaries

**Audits and Internal checks and balances**

**M/s Abhay Jain & Co** (FRN. 000008S), Chartered Accountants, Audit Firm, audit the accounts of the company. The Company has appointed **Mr Gaurav Jain** (M No.235410) Chartered Accountant, as an Internal Auditor. He himself with Audit Committee review the internal controls and operating system and procedures. A dedicated Legal Compliance cell ensures that the company conducts its business with high standards of legal, statutory and regulatory compliance. TNT has instituted a legal compliance programmed in conformity with the best international standards, supported by a robust online system that covers the Company's manufacturing units. The purview of this system includes various statutes, such as industrial and labor laws, taxation laws, Corporate and securities laws and health, safety and environment regulations.

At the heart our processes is the extensive use of technology. This ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilities accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies.

**Managements initiatives for Control and Compliance**

The Company has established the TNT management system as part of its transformation agenda. TNT Management system incorporates an integrated framework for managing risks and internal controls. The internal financial controls have been documented , embedded and digitalized in the business processes. Internal controls are regularly tested for design and operating effectiveness.

**Best Corporate Governance practices**

TNT maintains the highest standards of Corporate Governance. It is the Company's constant endeavor to adopt the best Corporate Governance practices. Some of the best implemented global governance norms include the following :

- The Company has a designated Lead Independent Director with a definite role
- All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Company's Stakeholders' Relationship Committee of Directors.
- The Company has independent Board Committees for matters related to Corporate Governance and Stakeholders' interface and nomination of Board members.
- The Company's internal audit is also conducted by independent auditors
- The Company also undergoes quarterly secretarial audit conducted by an independent company secretary who is in whole-time practice. The quarterly secretarial audit reports are placed before the Board , is included in the Annual Report.

**Risk Management Committee (RMC)**

To have a better assessment of the business and functional risks and to monitor risk mitigation effectiveness based on risk evaluation , the concept of BRMC was introduced comprising senior management personnel in the said committee.

**Social, Environmental and Economic Responsibilities**

TNT is committed to create value for the nation and enhance the quality of life across the entire socio-economic spectrum . TNT believes that Corporate Social Responsibility extends beyond the ambit of business and should focus on a broad portfolio of assets- human, physical and social.

**Shareholders' communications**

The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. TNT's corporate website ([www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)) has information for institutional and retail shareholders' alike. Shareholders seeking information related to their shareholding may



contact the company directly or through the Company's Registrars and Transfer Agents details of which are available on the company's website. TNT ensures that complaints and suggestions of its shareholders are responded to in a timely manner.

**Role of the Company Secretary in overall Governance process**

The Company Secretary plays a key role in ensuring that the Board (including committee's thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and secretarial standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

**Observance of the Secretarial Standard issued by the Institute of Company Secretaries of India**

The Institute of Company Secretaries of India (ICSI) , one of the India's premier professional bodies, has issued secretarial standards on Important aspects like Board meeting, General Meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of shares and Debentures, passing of the Resolution by Circulation, Affixing of Common Seal and Board's Report .The Company is adhering to these standards as required under the Act..

**2. BOARD OF DIRECTORS**

**Board Composition and category of Directors**

The Company's Policy is to maintain optimum combination Executive and Non- Executive Directors. The composition of the Board and category of Directors are as follows:

<b>Designation/Category</b>	<b>Name of the Directors</b>	<b>Executive/Non-executive</b>
Managing Director / Promoter Director.	Mr. Rakesh Goyal	Executive/Promoter
Independent Director	Mr. M.J. Lakshmi Narasimha Rao	Non-Executive
Whole-Time Director	Mr. Mahaveer Singh	Executive
Whole-Time Director	Mr. Vikram Singh	Executive
Whole-Time Director	Mr.M.T.Elumalai	Executive
Additional Director	Mr. Pradip Kumar Dubey	Non-Executive
Independent Director	Mr. Pradeep Kumar Tiwari	Non-Executive
Independent Director	Mrs.S. Rajalakshmi	Non-Executive
Small Shareholders ' Director	Mr. Gopal Singh	Non-Executive



**DIRECTORS' PROFILE**

**Mr .RAKESH GOYAL**

Mr .Rakesh Goyal aged ( 45 ) is highly qualified, well experienced and an able administrator, having vast / in-depth experience in E.R.W. Tube Manufacturing as well as in the Steel Industry for more than 26 years. He has been inducted as “**Managing Director**” in the year 1993.

Under his leadership, TNT’s sustainability initiatives were given shape by fashioning corporate strategies that not only enhance shareholder value but add significantly to the development of natural and social capital. TNT is an exemplar in sustainable business practices comparable to Air and Water positive.

In two consecutive years, the company has conferred Export Award from EEPCC for highest export of their products. In a career that spans over two decades, he has been acknowledged for his vision in TNT. He has formulated value best strategies to create a unique quality control model. He has been handled various sizes of products to establish the Brand Management and the Product Developments for the TNT’s companies products.

**Mr. M.J.LAKSHMI NARASIMHA RAO**

Mr. M.J. Lakshmi Narasimha Rao (78) is a Chartered Accountant and had held several positions in Public Sector Financial Institutions till he switched over to Independent practice in the year 1986, and continues in practice. Inducted as an Independent Director in the year 1993. Mr. L. N. Rao has held several responsibilities in TIIC (Tamilnadu Industrial Investments Corporation) covering finance, accounts, investments, reinsurance, legal matters, etc. and made significant contributions to its growth and development.

**Mr. MAHAVEER SINGH**

Mr. Mahaveer Singh (56) is an Engineer and having vast experience particularly in ERW Tube Manufacturing Mills and having in-depth knowledge in Steel Industry for more than 25 years. He has been inducted as a Director in the Year 1994 in the Board.

**Mr. VIKRAM SINGH RATHORE**

Mr. Vikram Singh Rathore (54) is a Graduate having vast experience in marketing in Steel Industry and an experienced Technician particularly ERW Tube Manufacturing Mills, for more than 23 years. He has been inducted as a Director 2003 in the Board.

**Mr.PRADIP KUMAR DUBAY**

Mr. Pradip Kumar Dubey (50) is an experienced person in the Marketing Field, especially ERW Tubes, as well as Technician and having a vast experience in the Industry for more than 16 years. He has been inducted as an Independent Director on 07.11.2011 in the Board.

**Mr.PRADEEP KUMAR TIWARI**

MR. Pradeep Kumar Tiwari (45) is an experienced Technician particularly in ERW Tube Manufacturing and having more than 11 years experience in this Industry. He has been inducted as an Independent Director on 31.05.2013 in the Board.



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### **Mrs. SESHADHRI RAJALAKSHMI**

Mrs. Seshadhri Rajalakshmi ( 67) is a Graduate doing Marketing & Sales and also having a vast knowledge and experience particularly in Steel Pipe Industry, for more than 16 years and to avail better service, the Company has inducted as an Independent Director with effect from 19.07.2014 in the Board.

### **Mr. M. T. ELUMALAI**

Mr. MT Elumalai (56) is a Graduate and having vast experience particularly in ERW Tube Manufacturing Mills and having in-depth knowledge in Steel Industry for more than 20 years. He has been inducted as a Director in the Year 2000 in the Board.

### **Mr. GOPAL SINGH**

Mr. Gopal Singh (65) is an Engineer and having vast experience particularly in ERW Tube Manufacturing Mills and having in-depth knowledge in Steel Industry for more than 30 years. He has been inducted as a "Small Shareholders' Director on 25.09.2014

### **NUMBER OF DIRECTORSHIP(S)/ COMMITTEE MEMBERSHIP(S) AS ON 31<sup>ST</sup> MARCH, 2015.**

SL NO.	NAME OF DIRECTOR	DATE OF JOINING THIS COMPANY	DIRECTORSHIP IN OTHER COMPANIES	MEMBERSHIP OF COMMITTEES OF OTHER COMPANIES	CHAIRMANSHIP OF COMMITTEES OF OTHER COMPANIES
1	Mr. Rakesh Goyal	16/03/2006	NIL	NIL	NIL
2	Mr. M.J.Lakshmi Narasimha Rao	10/03/1993	1	NIL	NIL
3	Mr. Mahaveer Singh	29/06/1993	NIL	NIL	NIL
4	Mr. Vikram Singh	29/12/2003	1	NIL	NIL
5	Mr.M.T.Elumalai	01/05/2002	1	NIL	NIL
6	Mr. Pradip Kumar Dubey	07/11/2011	1	NIL	NIL
7	Mr. Pradeep Kumar Tiwari	31/05/2013	1	NIL	NIL
8	Mrs.S. Rajalakshmi	19/07/2014	NIL	NIL	NIL
9	Mr. Gopal Singh	25/09/2014	1	NIL	NIL



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### COMPOSITION OF BOARD AND OTHER COMMITTEES

Name of the Director	Designation & Category	Chairmanship/Membership in different committees			
		Audit committee	Nomination & Rem.comt.	SRC & ST COMMITTEE	CSR&G COMITTEE
Mr.Rakesh Goyal	M.D / WTD	--	--	--	chairman
Mr. Gopal singh	INDEPENDENT DIRECTOR	--	--	--	--
Mr.M.J.Lakshmi Narasimhan Rao	INDEPENDENT DIRECTOR	chairman	✓	chairman	✓
Mr.Pradip Kumar Dubey	INDEPENDENT DIRECTOR	✓	✓	✓	--
Mr.Pradeep Kumar Tiwari	INDEPENDENT DIRECTOR	✓	✓	✓	--
Mrs.S.Rajalakshmi	INDEPENDENT DIRECTOR	✓	chairman	✓	--
Mr.Mahaveer Singh	WHOLE TIME DIRECTOR	✓	--	--	✓
Mr. M.T.Elumalai	WHOLE TIME DIRECTOR	--	--	✓	--
Mr.Vikram Singh	WHOLE TIME DIRECTOR	✓	--	--	✓

Chairmanship/Membership in different committees				
Name of the Director	Designation & Category	Risk management committee	Health, safety, environmental & Women protection committee	Independent directors committee
Mr.Rakesh Goyal	MD/WTD	✓	--	--
Mr. Gopal singh	INDEPENDENT DIRECTOR	--	--	✓
Mr.M.J.Lakshmi Narasimhan Rao	INDEPENDENT DIRECTOR	✓	✓	✓
Mr.Pradip Kumar Dubey	INDEPENDENT DIRECTOR	✓	✓	✓
Mr.Pradeep Kumar Tiwari	INDEPENDENT DIRECTOR	--	✓	✓
Mrs.S.Rajalakshmi	INDEPENDENT DIRECTOR	--	chairman	✓
Mr.Mahaveer Singh	WHOLE TIME DIRECTOR	✓	--	--
Mr. M.T.Elumalai	WHOLE TIME DIRECTOR	--	--	--
Mr.Vikram Singh	WHOLETIME DIRECTOR	✓	--	--

**Note:-**

- SRC & STC – Stakeholder Relationship Committee & Share Transfer Committee.
- CSR & G - Corporate Social Responsibility and Governance Committee.

Company Secretary	Auditors	Cost Auditor	Secretarial Auditor	Chief Financial Officer
CS Kamala Lochan Ray	M/s Abhay Jain & Co	CMA Latha Venkatesh	CS VS Sowrirajan	N Sudharsan



**CATEGORY OF DIRECTORS**

<b>Category of Director</b>	<b>Name of the Director</b>	<b>Executive or Non- Executive</b>
Promoter Director	<b>Mr. RAKESH GOYEL</b>	<b>MANAGING DIRECTOR</b>
Professional	<b>Mr. Mahaveer Singh</b>	WHOLE TIME DIRECTOR
	<b>Mr. Vikram Singh</b>	WHOLE TIME DIRECTOR
	<b>Mr. M. T. Elumalai</b>	WHOLE TIME DIRECTOR
Independent Directors	<b>Mr. M J Lakshmi Narasimha Rao Mr. Pradip Kumar Dubey Mr. Pradeep Kumar Tiwari Mrs. Seshadhri Rajalakshmi Mr. Gopal singh</b>	NON-EXECUTIVES

**Selection of Independent Directors**

Considering the requirement of skill sets in the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Human Resource, Nominations and Remuneration Committee, for appointment, as Independent Directors on the Board. The committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorship and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors independence. The Board considers the Committee's recommendation, and takes appropriate decision. The Appointment letter of independent directors can be found at web-site of company [www.tamilnadusteeltubes.com](http://www.tamilnadusteeltubes.com).

**Familiarization Programs for Independent Directors.**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on Business and performance updates of the company, global business environment, business strategy and risks involves. Detailed presentations on the Company's business segments were made at the separate meetings of the independent Directors held during the year.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site Visits to various plant locations are organized for the Directors to enable them to understand the operations of the company. Familiarization program of independent directors is disclosed in web address of company [www.tamilnadusteeltubes.com](http://www.tamilnadusteeltubes.com).

**Lead Independent Director**

The company's Board of Directors has designated Mr .M.J. Lakshmi Narasimha Rao, as the Lead Independent Director. The Lead Independent Directors' role is as follows:

- To preside over all meetings of Independent Directors

- To ensure there is an adequate and timely flow of information to independent Directors
- To liaise between the Managing Director, the Management and the Independent Directors
- To, preside over meetings of the Board and shareholders when the Managing Director is not present.
- To, perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors

**Meetings of Independent Directors**

Due to the changing business scenario, applicability of Companies Act, 2013 and recent amendments as per of SEBI Act the role and responsibilities of Independent Directors have become crucial for the Governance and Management of the Company. The Company's Independent Directors meet at least once in a year in financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the company's affairs and put forth their views to the Lead Independent Directors. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Managing Director. All the Independent Directors of the Company met on **26.03.2015** to discuss:

- The proper functioning of Management
- Auditor's Independence
- Overview of adequate internal controls
- Director's Independence & Director's Interest etc.

<b>S.No</b>	<b>NAME OF INDEPENDENT DIRECTORS</b>	<b>Attendance</b>
1	Mr.Gopal Singh	1
2	Mr. M.J. Lakshmi Narasimha Rao	1
3	Mrs. Seshadri Rajalakshmi	1
4	Mr. Mr. Pradeep Kumar Tiwari	1
5	Mr. Pradip Kumar Dubey	1
No. OF MEETINGS HELD : 1		
26.03.2015		

**CODE OF CONDUCT FOR SENIOR MANAGEMENT.**

The Company has in place a comprehensive code of conduct (the code) applicable to all employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the company viz. customer value, Ownership mind set, respect , Integrity, one team and excellence.

A copy of the Code has been put in the website of Co. [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) The Code has been circulated to Directors and management personnel, and its compliance is affirmed by them annually.

**BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES****Institutionalized decision making process**

The Board of Directors is the apex body constituted by shareholders for overseeing the company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interest is being served.

The Board has constituted seven Committees viz.

- 1) Audit Committee,
- 2) Nominations and Remuneration Committee,
- 3) Corporate Social Responsibility and Governance Committee,
- 4) Stakeholders' Relationship & Share Transfer Committee,
- 5) Health, Safety and Environmental
- 6) Women Staffs Protection Committee,
- 7) Risk Management Committee and

The Board is authorized to constitute additional functional Committees, from time to time, depending on business needs.

**BROAD FUNCTIONS OF THE BOARD**

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans of business and budgets including capital budgets and any updates
- Quarterly results of the Company and its operating divisions or business segments
- Company's annual Financial Results, Financial Statements, Auditors Report and Board's report
- Minutes of meetings of the Audit Committee and other Committees of the Board
- Show cause, demand, prosecution notices and penalty notices , which are materially important
- Fatal or serious accidents, dangerous occurrences , and any material effluent or pollution problems
- Any material default in financial obligations to and by the company, or substantial non-payment for goods sold by the Company
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken adverse view regarding another enterprise that have negative implication on the company
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in Human Resource / Industrial Relations front like implementation of voluntarily Retirement Scheme ,etc



- Sale of material nature exchange of investments, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfers delay (if any) among other
- Appointments, remuneration and resignation of Directors
- Formation/ reconstitution of Board Committees
- Terms of reference of Board Committees
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel
- Appointments of internal auditors and secretarial Auditors
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Quarterly summary of all long term borrowings made, bank guarantee issued and loans and investments made
- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Status of business risk exposure, its management and related action plans
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantee or providing security in respect of loans
- Brief on statutory developments, changes in government policies among others with impact thereof, Directors' responsibilities arising out of any such developments
- Compliance Certificate certifying compliance with all laws as applicable to the company
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for Board meetings.

**Recording minutes of proceedings at Board and Committee meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments. The minutes are entered in the minute's book within 30 days from the conclusion of the meeting.

**Board Evaluation**

The nomination and Remuneration Committee of the Company approved a Evaluation policy during the year, which was adopted by the Board of directors. The policy provides for evaluation of the Board, the committees of the board and individual directors, including the Chairman of the board. The Policy provides that evaluation of the performance of the Board as whole, Board committees and Directors shall be carried out on an annual basis and the same will be facilitated by an independent consultant once in three years

During the year, the first Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as whole, Board Committees and Directors. The exercise was led by the Non Executive chairman along with a Senior Independent Director of the Company. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on the action plan to improve on the identified parameters.

**Number of Board meetings held with dates**

*Eight Board meeting were held during the year, as against the minimum requirement of four meetings.* The details of Board meetings are given below

<b>Date</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
28.04.2014	7	6
31.05.2014	7	7
04.07.2014	7	3
19.07.2014	7	5
14.08.2014	7	7
25.09.2014	9	8
13.11.2014	9	6
10.02.2015	9	8



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, LAST ANNUAL MEETING (AGM)

Name of the Directors	Attendance at Meetings during 2014-15	
	Board	AGM
Mr.Rakesh Goyal	7	1
Mr. M.J. Lakshmi Narasimha Rao	8	1
Mr. Mahaveer Singh	8	1
Mr. Vikram Singh	8	1
Mr. Pradip Kumar Dubey	5	1
Mr. Pradeep Kumar Tiwari	6	1
Mrs. Seshadri Rajalakshmi	3	1
Mr Gopal Singh	NIL	NIL
Mr. M.T. Elumalai	6	1

Mr Kamala Lochan Ray , Company Secretary, of the Company is the Secretary of all Board Committees constituted under the Companies Act 2013

### **3.COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the governance of the Company and have been duly constituted. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roes which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meeting of all Committees are placed before the Board for review.

#### Procedure at Committee Meetings

The Company's guideline relating to the meetings are applicable to committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of committee are circulated to the Directors and placed before Board meetings for noting.

The following are the committees which are currently established by the Board.

#### **A)AUDIT COMMITTEE**

The Company's Audit committee comprises four Independent Directors, the Composition is explained in the following table. All the members have relevant experience in financial matters.

#### **Composition of the Committee**

S.No	Audit and Finance Committee	Attendance
1	Mr. M.J. Lakshmi Narasimha Rao - Chairman	5
2	Mr. Pradip Kumar Dubey - Member	3
3	Mr. Pradeep Kumar Tiwari - Member	3
4	Mrs. Seshadri Rajalakshmi - Member	1
5	Mr Mahaveer Singh -Member	3
6	Mr Vikram Singh -Member	4
NO. OF MEETINGS HELD:5		
26.04.2014	31.05.2014	07.07.2014
		13.11.2014
		10.02.2015

The Committee's composition meets with requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

**Terms of Reference and other details of Board Committees Power of the Audit Committee :**

- To investigate any activity within the terms of reference
- To seek information from an employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of the Audit Committee, inter alia, includes the following:**

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements is correct, sufficient and credible

- Recommending the appointing, remuneration and terms of appointment of statutory auditors including cost auditors of the company
- Approving payment to statutory auditors, including cost auditors, for any other service rendered by them
- Reviewing with the management, the annual financial statements and the auditor's report thereon before submission to the Board for approval with particular regarding financial matter.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
  - Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
  - Approval or any subsequent modification of transaction of the company with related parties
  - Scrutiny of inter-corporate loans and investments
  - Valuation of undertakings or assets of the company , wherever it is necessary
  - Evaluation of internal financial controls and risk management systems
  - Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
  - Formulating the scope, functioning, periodicity and methodology for conducting the internal audit
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department , reporting structure coverage and frequency of internal audit
  - Discussion with internal auditors of any significant findings and follow-up thereon

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc of the candidate
- Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee
- Reviewing the following information :
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statements of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters/letters of internal control weakness issued by the statutory auditors;
  - Internal audit reports relating to internal control weakness; and
  - Reviewing the appointment, removal and terms of remuneration of the Chief Internal auditor / internal auditor(s).

**Whistle Blower policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The Company has provided dedicated e-mail addresses: [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in) for reporting such concerns. Alternatively employees can also send written communications to the Company. The Whistle Blower Policy is available on the website of the Company: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

**(b) NOMINATION & REMUNERATION COMMITTEE**

In accordance with provisions of Section 178(1) of the Companies Act, 2013 and requirements of Clause 49 of Listing Agreement the Nomination and Remuneration Committee was duly constituted comprising of five Directors, all of whom are Non-executive Directors and all members are Independent.





S.No	Nomination and Remuneration Committee	Attendance	
1	Mr. M.J. Lakshmi Narasimha Rao- Chairman	4	
2	Mr. Pradip Kumar Dubey - Member	4	
3	Mr. Pradeep Kumar Tiwari -Member	4	
4	Mrs. Seshadri Rajalakshmi -Member	2	
NO. OF MEETINGS HELD:4			
31.05.2014	07.07.2014	13.11.2014	10.02.2015

### Composition of the Committee

The Committee's constitution and terms of reference are in compliance with provisions of the companies Act, 2013, Clause 49 of the Listing Agreement and securities and Exchange Board of India (Employee Stock Option Scheme And Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time

### Terms of Reference of the Committee, *inter alia*, includes the following :

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To recommend/ review remuneration of the Managing Director(s) and whole -time Directors based on their performance and defined assessment criteria
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
  - The quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
  - The conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
  - The exercise period within which the employee should exercise the option, and that option would lapse on failure to exercise the option within the exercise period;
  - The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
  - The right of an employee to exercise all options vested in him at one time or various points of time within the exercise period;
  - The granting , vesting and exercising of options in case of employees who are on long leave; and
  - The procedure for cashless exercise of options.

- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notifications, amendments or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.
- The Company’s policies for selection of Directors and determining Director’s Independence and Remuneration policy are disclosed in the Director’s ANNEURE II -of the Company

**Remuneration policy**

The Company’s Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as ANNEURE IV to the Directors’ Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company’s remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

**NOTE :**

1. The Remuneration to Directors, KMPs and Sitting Fees to Independent Directors are furnished in “**Annexure I : to Directors’ Report**” (in MGT-9)
2. The details of Remuneration Policy and payment to KMPs/Directors are annexed in Board of Directors’ Report as “**Annexure III: to Directors’ Report**”

During the year, the Company paid Rs.25,000/- as professional fees to Mr.Ramachandran, Advocate. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

**(c)STAKEHOLDERS’ RELATIONSHIP & SHARE TRANSFER COMMITTEE**

In accordance with provisions of Section 178 (5) of Companies Act, 2013 and clause 49 of Listing Agreement, the erstwhile Investor Grievance Committee has been reconstituted as Stakeholders Relationship Committee by the Board of Directors.

**Composition of the Committee**

S. No	Stakeholders’ Relationship & Share Transfer Committee			Attendance
1	Mr.M.J.Lakshmi Narasimhan Rao	- Chairman		4
2	Mr. Pradeep Kumar Tiwari	- Member		4
3	Mrs. Seshadri Rajalakshmi	- Member		2
4	Mr. Pradip Kumar Dubey	- Member		4
NO. OF MEETINGS HELD:4				
31.05.2014	07.07.2014	13.11.2014	10.02.2015	

The 'Stakeholder' Relationship, Grievance & Compliance Committee is primarily responsible to review all matters connected with the company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

This Committee's composition and the terms of reference meet with the requirement of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

**Terms of Reference of the Committee, *inter alia*, includes the following:**

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates.
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **Compliance Officer**

Shri M.T.Elumalai, Director and Compliance Officer, is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges and Mr Kamala Lochan Ray (Company Secretary), Chief Compliance Officer, verified all the compliances from time to time as directed by the Board. The dedicated e-mail id is: [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in)

#### **Prohibition of Insider Trading**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

#### **Investor Grievance Redressal**

Mr Kamala Lochan Ray, Company Secretary is the chief compliance officer to verifying the Investor Grievances in quarterly basis.

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	No. of complaints received	No. of complaints redressed
Non receipt of Annual Reports	4	4
Non receipt of Certificates	2	2
Share transfer	1	1
Other complaints	32	32
<b>TOTAL</b>	<b>39</b>	<b>39</b>

As on 31<sup>st</sup> March 2015, no complaints were outstanding.

#### **(d) CORPORATE SOCIAL RESPONSIBILITY & GOVERNANCE COMMITTEE**

In compliance with the provisions of Section 135, of the companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

##### **Composition of the Committee**

S. No	Corporate Social responsibility and Governance Committee	Attendance
1	Mr Rakesh Goyal - Chairman	1
2	Mr. M.J. Lakshmi Narasimha Rao - Member	1
3	Mr Vikram Singh - Member	1
4	Mr Mahaveer Singh - Member	1
NO. OF MEETINGS HELD : 1		
10.02.2015		

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

##### **Terms of Reference of the Committee, *inter alia*, includes the following:**

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR Policy of the Company from time to time.
- To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities.



- To oversee the implementation of policies contained in the Business Responsibility Policy Manual and to make any changes / modifications, as may be required, from time to time and to review and recommend the Business Responsibility Reports (BRR) to the Board for its approval.
- To observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary
- To ensure compliance with Corporate Governance norms prescribed under Listing Agreements with Stock Exchanges, the Companies Act and other statutes or any modification or re-enactment thereof.
- To advise the Board periodically with respect to significant developments in the law and practice of Corporate Governance and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines.
- To monitor the Company's compliance with Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate.
- To review and assess the adequacy of the Company's Corporate Governance Manual, Code of Conduct for Directors and Senior Management, Code of Ethics and other internal policies and guidelines and monitor that principles described therein are being incorporated into the Company's culture and business practices.
- To formulate / approve codes and / or policies for better governance.
- To provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- To disseminate factually correct information to investors, institutions and the public at large.
- To establish oversight on important corporate communication on behalf of the Company with the assistance of consultants / advisors, if necessary.
- To ensure institution of standardized channels of internal communications across the Company to facilitate a high level of disciplined participation.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

**e)HEALTH, SAFETY, ENVIRONMENTAL & WOMEN PROTECTION COMMITTEE  
COMMITTEE**

The Health, Safety and Environment Committee is formed as per THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 and it is primarily responsible to monitor and ensure the highest standards of environmental, health and safety norms are maintained, and the Company's operations are in compliance with applicable pollution and environmental laws across all locations. The Committee fulfils its responsibilities by reviewing the management of health, safety, environmental and social impacts of the Company's various projects and operations

**Composition of the Committee**

S. No	Health, Safety, Environmental & Women Protection Committee	Attendance
1	Mrs. Seshadri Rajalakshmi - Chairman	2
2	Mr. Pradeep Kumar Tiwari - Member	2
3	Mr. Pradip Kumar Dubey - Member	2
4	Mr.M.J.Lakshmi Narasimhan Rao - Member	2
NO. OF MEETINGS HELD : 2		
13.11.2014	10.02.2015	

**Terms of Reference of the Committee, *inter alia*, includes the following:**

- Monitoring and ensuring the highest standards of environmental, health and safety norms
- Ensuring compliance with applicable pollution and environmental laws at the Company's works / factories / locations by putting in place effective systems in this regard and reviewing the same periodically.
- Reviewing, as the Committee deems appropriate, the Company's health, safety and environment related policy and making recommendations as necessary.
- Reviewing the Company's performance on health, safety and environment related matters and suggesting improvements as the Committee may deem necessary
- Reviewing procedures and controls being followed at the Company's various manufacturing facilities and plants for compliance with relevant statutory provisions
- Reviewing regularly and making recommendations about changes to the charter of the Committee
- Obtaining or performing an annual evaluation of the Committee's performance and making appropriate recommendations.

**(f) RISK MANAGEMENT COMMITTEE**

The Risk Management Committee (RM Committee) was constituted by the Board on October 13, 2014 adhering to the requirements of the Companies Act, 2013 an Clause 49 of the Listing Agreement. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Clause 49 of the Listing Agreement.

**Composition of the Committee**

S.No	Corporate & Risk Management Committee*			Attendance
1	Mr.Rakesh Goyal	- Chairman		4
2	Mr. M.J. Lakshmi Narasimha Rao	- Member		4
3	Mr Mahaveer Singh	- Member		4
4	Mr. Vikram Singh	- Member		4
5	Mr. Pradip Kumar Dubey	- Member		4
NO. OF MEETINGS HELD:4				
31.05.2014	07.07.2014	13.11.2014	10.02.2015	

**Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimization
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function

**4.GENERAL BODY MEETINGS**
**Annual General Meetings**

During the preceding three years, the Company's Annual General Meetings were held at Rani Seethai Hall, Anna Salai, Chennai-600 002. The Date and time of Annual General Meetings held during last three years, and the special resolution(s) passed there at, are as follows:

Year	Date	Time	Special Resolution Passed
2014	25.09.2014	10.00 am	4 special resolutions passed
2013	25.09.2013	10.00 am	2 special resolutions passed
2012	29.09.2012	10.00 am	Nil



**Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

During the period under review, the Company had not entered into any material transaction with any of its related parties.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 32 of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its KMPs and associates. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All related party transactions are negotiated on an arm's length basis, and are intended to further the Company's interests.

## **5.COMMUNICATION TO SHAREHOLDERS**

### **Means of Communication**

**Quarterly Results:** The Company's Quarterly Results are published in "Makkal Kural" (Tamil) and "Trinity Mirror" (English) and are displayed on its website [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

**Website:** The Company's website ([www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

## **6.DISCLOSURES:**

### **Strictures and Penalties**

No strictures or penalties have been imposed on the company by the Stock Exchanges or by the Security and Exchange Board of India (SEBI) or by any statutory authority or any matter related to capital markets during the last three years.





**Annual Report:** The Annual Report containing, *inter alia*, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website ([www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)).

**Communiqué:** The printed copy of the Managing Director's speech is distributed to shareholders at Annual General Meetings. The document is also placed on the Company's website ([www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)) and sent to Stock Exchanges.

**Corporate Filing and Dissemination System (CFDS):**

The CFDS portal jointly owned, managed and maintained by BSE and Ahmadabad Stock Exchange is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal. In particular, the Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Designated Exclusive email-id:** The Company has designated the following email-ids exclusively for investor servicing:

- For queries on Annual Report: ([www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)).
- For queries in respect of shares in physical mode: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

**Shareholders' Feedback Survey:** The Company had sent feedback forms seeking shareholders' views on various matters relating to investor services and Annual Report 2013-14. The feedback received from shareholders was placed before the Stakeholders' Relationship Committee.



## 7. GENERAL SHAREHOLDER INFORMATION

### Company Registration Details

<b>CORPORATE IDENTITY NUMBER ( C I N )</b>	: L 27110 TN1979PLC007887
Name of the Company	: TAMILNADU STEEL TUBES LTD,
Address : Regd. Office	: Mercury Apts., 1 <sup>st</sup> Floor, 65, Pantheon Road Egmore, CHENNAI – 600 008
Factory	: B-10, Industrial Complex Maraimalai Nagar – 603 209 Kancheepuram Dist.
Financial Year	: April 1 <sup>st</sup> to March 31 <sup>st</sup>
Financial Calendar (tentative) Results for the quarter ending	: June 30, 2015 - Fourth week of July, 2015 Sep. 30, 2015 - Fourth week of Oct. 2015 Dec. 31, 2015 - Fourth week of Jan. 2016 Mar. 31, 2016 - Fourth week of May, 2016
<b>Annual General Meeting</b> Day, Date, Time and Venue	: Wednesday, 23.09. 2015 at 10.00 a.m. Rani Seethai Hall, 603, Anna Salai, Chennai – 600 002
Date of Book Closure	: 16.09.2015 to 23.09.2015 (both days inclusive)
Listing on Stock Exchanges	: 1. Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Scrip Code : 513540  2. Ahmedabad Stock Exchange Limited
Global Depository Receipts (GDRs)	: NIL
Overseas Depository	: NIL
Domestic Custodian	: NIL
Debt Securities	: NIL



**Payment of Listing Fees**

Annual Listing Fee for the year 2015-16 has been paid by the Company to Bombay Stock Exchange Ltd. and Ahmedabad Stock Exchange Ltd

**Registrars and Share Transfer Agents :** M/s. Cameo Corporate Services Ltd  
Subramanian Building  
No.1, Club House Road  
Chennai – 600 002.  
Tel: 044-28460390 / 28460718  
Email: [investor@cameoindia.com](mailto:investor@cameoindia.com)  
Website: [www.cameoindia.com](http://www.cameoindia.com)

**8. VOLUNTARY DISCLOSURE**

**SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS**

**SHARE TRANSFER**

Share transfers are processed and share certificates duly endorsed are delivered within a period of seven days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Managing Director and/or Company Secretary.

A summary of transfer/transmission of securities of the Company so approved by the Managing Director/Company Secretary is placed at every Board meeting / Stakeholders' Relationship Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

**Permanent Account Number**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee /s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

**Subdivision of Shares**

The Company had subdivided the face value of its Equity Shares from 100 to 10 in 1999. The old shares having face value of 100 are no longer tradable on the stock Exchanges. Members holding share certificates of the face value of 100 are requested to send the certificates to the Share Department of the Company for exchange with shares of the face value of 10 each.



**PENDING INVESTORS' GRIEVANCES:**

Any member / investor, whose grievance has not been resolved satisfactory, may kindly write to the company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondences, or can intimate through our dedicated e-mail id: [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in)

**RECONCILIATION OF SHARE CAPITAL**

As required by the Security and Exchange Board of India (SEBI) quarterly audit of the company share capital is being carried out by Independent External Auditor with a view to reconcile the total share capital admitted with the (CDSL) and held in physical form with issued and listed capital. The auditor certificate with regard to the same is submitted to the Bombay Stock Exchange Ltd and the same has also been placed before Stakeholders Relationship Committee and the Board of Directors.

**Distribution of Shareholding as on March 31, 2015**

Category code	Category of shareholder	No. of shareholders	Total number of shares	As a percentage of (A+B+C)
(A)	Shareholding of promoter and promoter Group			
(1)	Indian	37	975110	19.03
(2)	Foreign			
	Total Shareholding of promoter and promoter Group	37	975110	19.03
(B)	Public Shareholding			
(1)	Institutions	2	70600	1.38
(2)	Non - institutions	14169	4079090	79.56
	Total Public Shareholding	14171	4149690	80.94
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and promoter Group			
(2)	Public			
	TOTAL (A) + (B) = (C)	14208	5124800	100.00



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

Shareholding Pattern by Size as on March 31, 2015.

Category (shares)	No. of Share Holders	No. of Shares	% of Total Shares
Upto 500	13679	1772700	96.27
501-1000	311	252400	2.19
1001-5000	160	326400	1.13
5001-10000	28	212290	0.20
10001 - above	30	2561010	0.21
<b>TOTAL</b>	<b>14208</b>	<b>5124800</b>	<b>100.00</b>

Dematerialization of Shares

Mode of Holding	No. of Holders	No. of Shares	% age
NSDL	123	912170	17.80
CDSL	--	---	---
Physical	14085	4212630	82.20
<b>Total</b>	<b>14208</b>	<b>5124800</b>	<b>100.00</b>

### Liquidity

The Company's Equity Shares are among the actively traded shares on the Bombay Stock Exchanges. TNT shares are among the actively traded shares in Bombay Stock Exchange, both in terms of the number of shares traded, as well as value.

### Employee Stock Options

The Company has not introduced any Employee Stock Option Scheme.

### COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors, M/s. Abhay Jain & Co., confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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### TAMILNADU STEEL TUBES LTD.

Regd. Office: Mercury Apts., 1<sup>st</sup> Floor, No. 65, Pantheon Road, Egmore, CHENNAI-600 008

Phones: 2855 5653 / 2855 5673; Fax: 091-044-2855 5643

**CIN : L27110TN1979PLC007887**

e-mail: [tnstl@vsnl.net](mailto:tnstl@vsnl.net) / [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in) / [contact@tamilnadusteeltubesltd.com](mailto:contact@tamilnadusteeltubesltd.com)

website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

### **C.E.O. & C.F.O. CERTIFICATION**

We the undersigned, in our respective capacities as Chief Executive Officer and Managing Director and Chief Financial Officer of ACC Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2015 and that to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:

- i. significant changes, if any, in internal control over financial reporting during the year;
- ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's code of conduct.

Place : Chennai

Date : 01.08.2015

RAKESH GOYAL  
Managing Director  
(DIN:-00990310)

N.SUDARSAN  
Chief Financial Officer



**AUDITORS' CERTIFICATE**

**TO THE MEMBERS OF TAMILNADU STEEL TUBES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Tamilnadu Steel Tubes Limited, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Chennai

Date : 30.05.2015

**ABHAY JAIN & CO.,  
CHARTERED ACCOUNTANTS  
(FRN. 0000085)**

**Sd/-  
(A K JAIN)  
Partner  
M No.70224**



STANDALONE FINANCIAL STATEMENTS & NOTES

<b>TAMILNADU STEEL TUBES LTD. FINANCIAL ANALYSIS (STANDALONE)</b>				
	<b>2014-2015</b>		<b>2013-2014</b>	
	<b>Rs. in Lakhs</b>	<b>% of Revenue from Total Revenue</b>	<b>Rs. in Lakhs</b>	<b>% of Revenue from Total Revenue</b>
Revenue from operations (net)	9397.20	99.87%	10655.01	99.97%
Other Income	12.39	0.13%	3.32	0.03%
Cost of Material Consumed	8400.86	89.28%	9491.34	89.05%
Changes in Inventories of Finished Goods	(103.34)	-1.10%	(50.41)	-0.47%
Payment to Employees	188.69	2.01%	169.03	1.59%
power and fuel	144.23	1.53%	180.07	1.69%
Financial Expenses	102.85	1.09%	145.65	1.37%
Depreciation & Amortization Expenses	30.33	0.32%	27.32	0.26%
Other Expenses	366.33	3.89%	546.09	5.12%
Profit before Tax	279.63	2.97%	149.23	1.40%
	<b>2014-15</b>	<b>2013-14</b>	<b>change</b>	<b>change %</b>
Revenue from operations (net)	9397.20	10655.01	-1257.81	-11.80%
Other Income	12.39	3.32	9.07	273.02%
Cost of Material Consumed	8400.86	9491.34	-1090.48	-11.49%
Changes in Inventories of Finished Goods	-103.34	-50.41	-52.94	105.02%
Payment to Employees	188.69	169.03	19.66	11.63%
Power and Fuel	144.23	180.07	-35.83	-19.90%
Financial Expenses	102.85	145.65	-42.80	-29.39%
Depreciation & Amortization Expenses	30.33	27.32	3.01	11.01%
<b>OTHER EXPENSES</b>				
Directors Salary	36.44	31.93	4.51	14.12%
Payment to Auditors	4.32	5.32	-1.00	-18.80%
Insurance Expenses	6.07	4.80	1.27	26.46%
Freight Outward	43.60	49.02	-5.42	-11.06%
Miscellaneous Expenses	275.90	455.02	-179.12	-39.37%
Total - Other Expenses	366.33	546.09	-179.76	-32.92%
Profit Before Tax	279.63	149.23	130.40	87.38%





## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

M/s. Abhay Jain & Co, Chartered Accountants," Bushra House" Flat No.4-A, 2<sup>nd</sup> Floor, New No.6, Old No.46, Nowroji Road, Chennai – 600 031 hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligible to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### Cost Auditors

The Board has appointed Mrs Latha Venkatesh, Cost Auditor, (Firm Regn. No. 101017 M. No. 27953) for conducting the Audit of cost records of the company for various segments for the Financial Year 2015-16.

### Secretarial Auditor

The Board has appointed Mr. VS. Sowrirajan, Practising Company Secretary, (FCS 2368, CP . No 6482) to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### Audit Committee

The Audit Committee comprises Independent Directors namely Mr.M.J.Lakshmi Narasimha Rao, Mr.Mahaveer Singh, Mr.Vikram Singh, Mr.Pradip Kumar Dubey, Mr.Pradeep Kumar Tiwari and Mrs. S. Rajalakshmi. All the recommendations made by the Audit Committee were accepted by the Board.

### Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link:

### ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Place : Chennai  
Date : 01.08.2015

RAKESH GOYAL  
Managing Director  
(DIN:-00990310)



**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF TAMILNADU STEEL TUBES LIMITED**

**REPORT ON FINANCIAL STATEMENTS:** - We have audited the accompanying Financial statements of TAMILNADU STEEL TUBES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, and Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS :-** The Company's Board of Directors is responsible for the preparation of these financial statements that gives a true and fair view of the financial position, financial performance and cash flows of the Company with the Accounting generally accepted in India, including the accounting standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This Responsibility also includes maintenance of adequate accounting records in preventing and detecting frauds and other irregularities, selection and application of the appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITORS' RESPONSIBILITY :-** Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

**OPINION :-** In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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- a) In the case of the Balance Sheet, of the state of affairs of the Company at 31.03.2015 ;
- b) In the case of the Profit and Loss account, of the profit for the year ended on that date and ;
- c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

**REPORT ON OTHER LEGAL REGULATORY REQUIREMENTS :-** As required by the Companies' (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section-143(3) of the Act, we give in the Annexure a statement on the matters specified in Paragraphs-3 and 4 of the Order.

As required by Section-143(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013, dated 13.09.2013 of the Ministry of Corporate Affairs in respect of Section-133 of the Companies Act 2013;
- e) On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section-164(2) of the Act
- f) With respect to the other matters included in the auditor's report and to the best of our information and according to the explanation given to us.
  - 1 The company has disclosed the pending litigation on its financial position in its financial statement.
  - 2 The Company has made provisions, as required under the applicable law or accounting standards, for the material foreseeable losses, if any, on long term contracts including derivative contracts.
  - 3 There has been no delay in transferring amount, required to be transferred, to the investor's education and protection fund by the company.

FOR ABHAY JAIN & CO.,  
Chartered Accountants  
FRN : 000008S  
Sd/-  
(A. K. JAIN)  
Partner  
Membership No. 070224

Place : Chennai  
Date : 30.05.2015

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**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF TAMILNADU STEEL TUBES LIMITED, CHENNAI. ON THE ACCOUNTS FOR THE YER ENDED 31<sup>st</sup> MARCH 2015.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
  - (b) As explained to us, all the Fixed Assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- 2) (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to the Book Records.
- (3) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section-189 of the Companies Act, 2013. Consequently, the provision of Clause 3(iii), (iiia) and (iiib) of the orders are not applicable to the Company.
- (4) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been not
- (5) The company has not accepted any Deposits from the public within the meaning of section 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified.
- (6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (7) (a) According to the records of the company undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, VAT, Wealth Tax, Service Tax, Custom Duty,



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities..

(b) According to the information and explanations given to us and the records of the company examined by us. There are no dues of income tax, wealth tax, service tax, sales tax, customs duty and excise duty and cess as on 31 of March, 2015 which have not been deposited on account of a dispute, are as follows :

S.No.	Nature of Disputed Statutory Dues	Amount (Rs. in Lacs)	Forum where the Dispute is Pending
1.	<u>INCOME TAX DUES:</u> i) Block Assessment ii) AY 1997-1998 iii)AY 1999-2000 iv)AY 2011-2012	143.29 37.28 88.22 116.06	Appeal pending before the Hon'ble Madras High Court Appeal is filed before ATIT, Chennai
2.	<u>SERVICE TAX DUES:</u> (From Nov. 1997 to June 1998)	1.60	Pending for inclusion in Modified Draft Rehabilitation Scheme (MDRS) before BIFR

( c ) There is no amount required to be transferred by the company to the Investor Education and Protection Fund Account in accordance with provisions of the Companies Act and the rules made there under.

- (8) The Company has not accumulated loss at the end of the financial year ended as on 31<sup>st</sup> March 2015, but has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (9) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (10) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution
- (11) Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not raised any term loans during the year, hence the provisions of clause 11 of companies (Auditor's Report) Order, 2015 is not applicable to the company.
- (12) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

Place: Chennai  
Date : 30.05.2015

FOR ABHAY JAIN & CO.,  
Chartered Accountants  
( FRN No. : 000008S)  
SD/-  
(A. K. JAIN-Partner)  
Membership No. 070224



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2015

Particulars	Notes	Rupees in Thousands			
		As at March 31 <sup>st</sup> 2015		As at March 31 <sup>st</sup> 2014	
<b>(I) EQUITY AND LIABILITIES:</b>					
<b>(1) SHAREHOLDERS' FUNDS</b>					
(a) SHARE CAPITAL	3	51,248.00		51,248.00	
(b) RESERVES & SURPLUS	4	19,247.90		(26,095.12)	
(c) MONEY RECEIVED AGAINST SHARE WARRANTS		-	<b>70,495.90</b>	-	<b>25,152.88</b>
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>					
<b>(3) NON-CURRENT LIABILITIES</b>					
(a) LONG TERM BORROWINGS	5	18,181.92		20,083.49	
(b) DEFERRED TAX LIABILITIES (NET)	6	1,830.13		1,183.17	
(c) OTHER LONG TERM LIABILITIES		-		-	
(d) LONG TERM PROVISIONS		-	<b>20,012.05</b>	-	<b>21,266.66</b>
<b>(4) CURRENT LIABILITIES</b>					
(a) SHORT TERM BORROWINGS	7	79,330.02		27,497.36	
(b) TRADE PAYABLES	8	46,068.33		110,202.19	
(c) OTHER CURRENT LIABILITIES	9	73,203.31		151,569.14	
(d) SHORT TERM PROVISION		-	<b>198,601.66</b>	-	<b>289,268.69</b>
<b>TOTAL</b>			<b>289,109.61</b>		<b>335,688.23</b>
<b>(II) ASSETS</b>					
<b>(1) NON CURRENT ASSETS</b>					
(a) FIXED ASSETS					
(i) TANGIBLE ASSETS	10	22,941.72		28,343.51	
(b) LONGTERM LOANS & ADVANCES	11	4,374.77		7,228.46	
(c) OTHER NON-CURRENT ASSETS	12	1,101.30	<b>28,417.79</b>	1,101.30	<b>36,673.27</b>
<b>(2) CURRENT ASSETS</b>					
(a) CURRENT INVESTMENTS		-		-	
(b) INVENTORIES	13	97,271.04		97,201.63	
(c) TRADE RECEIVABLES	14	141,105.36		174,594.51	
(d) CASH & CASH EQUIVALENTS	15	11,663.30		16,286.99	
(e) SHORT TERM LOANS & ADVANCES	16	10,652.12		10,931.83	
(f) OTHER CURRENT ASSETS		-	<b>260,691.82</b>	-	<b>299,014.96</b>
<b>TOTAL</b>			<b>289,109.61</b>		<b>335,688.23</b>

Significant Accounting Policies and Notes of Financial Statements 1 to 30 as per our Report of even date FOR ABHAY JAIN & CO.

Chartered Accountants  
FRN No. :000008S

Sd/-  
RAKESH GOYAL  
(Managing Director)  
(DIN:-00990310)

Sd/-  
MAHAVEER SINGH  
(Director)  
(DIN:-01907248.)

Sd/-  
(A.K. JAIN)  
Partner  
M.No. 070224

Sd-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

Sd/-  
KAMALA LOCHAN RAY  
(Company Secretary)  
( M. No. 34369)

Place: Chennai  
Date : 30.05.2015



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### STATEMENT OF PROFIT AND LOSS FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2015

Particulars	Notes	Year Ended	Year Ended
		31.03.2015	31.03.2014
		(Rs. in '000)	(Rs. in '000)
REVENUE FROM OPERATIONS	17	939,719.77	1,065,501.02
OTHER INCOME	18	1,238.63	332.05
<b>TOTAL REVENUE</b>		<b>940,958.40</b>	<b>1,065,833.07</b>
<b>EXPENSES :</b>			
COST OF MATERIAL CONSUMED	19	84,00,86.09	949,134.07
CHANGES IN INVENTORIES OF FINISHED GOODS	20	(1,03,34.40)	(5,040.65)
PAYMENTS TO EMPLOYEES	21	18,868.82	16,902.69
FINANCIAL EXPENSES	22	10,284.85	14,565.25
DEPRECIATION & AMORTIZATION EXPENSES	23	3,033.30	2,732.45
OTHER EXPENSES	24	51,056.30	726,16.11
<b>TOTAL EXPENSES</b>		<b>9,12,994.95</b>	<b>1,050,909.91</b>
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		27,963.45	14,923.16
EXCEPTIONAL ITEMS	25	(30,853.73)	(25,705.66)
PROFIT BEFORE EXTRAORDINARY ITEMS		58,817.18	40,628.82
EXTRAORDINARY ITEMS	26	-	-
<b>PROFIT BEFORE TAX</b>		<b>58,817.18</b>	<b>40,628.82</b>
CURRENT TAX	27	10,213.35	4,780.00
DEFERRED TAX	28	646.96	217.63
<b>PROFIT ( LOSS ) FOR THE PERIOD</b>		<b>47,956.87</b>	<b>35,631.19</b>

EARNINGS PER EQUITY SHARE		
(1) BASIC	9	7
(2) DILUTED	9	7

Significant Accounting Policies and Notes of Financial Statements 1 to 30 as per our Report of event date

for ABHAY JAIN & Co.  
Chartered Accountants  
FRN No. :000008S  
Sd/-

Sd/-  
RAKESH GOYAL  
(Managing Director)  
(DIN:-00990310)

Sd/-  
MAHAVEER SINGH  
(Director)  
(DIN:-01907248.)

(A.K. JAIN)  
Partner  
M.No. 070224

Sd-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

Sd/-  
KAMALA LOCHAN RAY  
(Company Secretary)  
( Memb. No. 34369)

Place: Chennai  
Date : 30.05.2015



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2015

CASH FLOW FROM OPERATING ACTIVITIES	Rs. in '000			
	F.Y. 2014-2015		F.Y. 2013-2014	
NET PROFIT BEFORE TAX		58,817.18		40,628.82
DEPRECIATION	3,033.30		2,732.45	
INTEREST PAID	10,284.85		14,565.25	
LOSS ON SALE OF FIXED ASSETS	-		190.62	
INTEREST RECEIVED	(147.86)		(108.73)	
OTHER INCOME	(1,090.77)		(223.32)	
PROFIT ON SALE OF FIXED ASSETS	-	12,079.51	-	17,156.26
<b>OPERATING PROFIT BEFORE CHANGE OF WORKING CAPITAL</b>		<b>70,896.70</b>		<b>57,785.08</b>
<b>ADJUSTMENTS FOR :</b>				
INVENTORIES	(69.41)		(9,646.02)	
TRADE RECEIVABLES	33,489.15		(23,525.95)	
LONG TERM DEPOSITS	2,853.69		(2,885.24)	
OTHER NON CURRENT ASSETS	-		(436.64)	
SHORT TERM LOANS & ADVANCES	279.71		(1,836.66)	
TRADE PAYABLES	(64,133.86)		3,9423.31	
OTHER CURRENT LIABILITIES	(78,365.83)	<b>(105,946.56)</b>	(25,345.60)	<b>(24,252.81)</b>
<b>CASH GENERATED FROM OPERATION</b>		<b>(35,049.86)</b>		<b>33,532.27</b>
LESS: TAX PAID		10,213.35		4,780.00
<b>NET CASH FROM OPERATING ACTIVITY</b>		<b>(45,263.21)</b>		<b>28,752.27</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Loss on Sale of Fixed Assets	-		(190.62)	
Sale of Fixed Assets	-		343.00	
Purchase of Fixed Assets	(245.35)		(3,721.85)	
Add: Insurance Claim Received	168.56		223.32	<b>(3,346.14)</b>
Sundry Balance Written back	922.20			-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>845.42</b>		<b>(3,346.14)</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		<b>(44,417.80)</b>		<b>25,406.13</b>
PROCEEDS FROM LONG TERM BORROWINGS SECURED LOAN	(1,901.57)		(1,595.37)	
PROCEEDS FROM SHORT TERM BORROWINGS	51,832.65		(2,554.90)	
INTEREST RECEIVED	147.86		108.73	
INTEREST PAID	(10,284.85)	<b>39,794.10</b>	(14,565.25)	<b>(18,606.78)</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>39,794.10</b>		<b>(18,606.78)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		<b>(4,623.70)</b>		<b>6,799.35</b>
OPENING BAL. OF CASH & CASH EQUIVALENTS		16,286.99		9,487.64
CLOSING BAL. OF CASH & CASH EQUIVALENTS		11,663.30		16,287.00

Significant Accounting Policies and Notes of Financial Statements 1 to 30 as per our Report of even date for ABHAY JAIN & Co.

Sd/-  
Chartered Accountants  
FRN No. :000008S  
Sd/-  
(A.K. JAIN)  
Partner  
M.No. 070224

Sd/-  
RAKESH GOYAL  
(Managing Director)  
(DIN:-00990310)

Sd/-  
MAHAVEER SINGH  
(Director)  
(DIN:-01907248.)

Sd/-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

Sd/-  
KAMALA LOCHAN RAY  
(Company Secretary)  
(Memb. No. 34369)

Place: Chennai  
Date : 30.05.2015





**1) CORPORATE INFORMATION**

TAMILNADU STEEL TUBES LTD. (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act 1956. under RC No. L27110TN1979PLC007887. Its share is listed on Stock Exchanges in India. The Company is engaged in the manufacturing and selling a reputed Brand of Black Pipe (ERW Pipe) & G.I. Pipe. The Company caters only domestic market.

**2) SIGNIFICANT ACCOUNTING POLICIES**

**a) Change in Presentation of Financial Statement :**

During the year ended 31<sup>st</sup> March 2015, the Schedule III notified under the Companies Act 2013, has become applicable to the Company, for preparation and presentation of its Financial Statements. However, it has significant impact on presentation and disclosures made in the Financial Statements. The Company has also re-classified the previous year figures in accordance with the requirement applicable in the current year.

**b) Basis of Preparation of Financial Statements :**

The Financial Statements are prepared under historical cost convention in accordance with the generally accepted Accounting Principles in India and the provision of the Companies Act, 2013.

**c) Use of Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reported period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**d) Tangible Fixed Assets :**

The fixed assets, acquired are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalized criteria are met and directly attributable cost or bringing the assets to its working conditions for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to the item of fixed assets is added to its book value only if it increases the future benefits from the existing assets beyond its previously assessed standard performance. All other expenses on existing fixed assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

**e) Depreciation on Tangible Assets :**

Depreciation on fixed assets is calculated on Straight Line Value method (SLV) on the fixed assets using the rates arrived at based on the useful lives estimated by the management or those prescribed under the Schedule II to the Companies Act, 2013.

Accordingly net amount of Rs.2605018/- is being charged to Retained Earnings during the F/Y ended on 31.03.2015. Depreciation for additions to / deletions from owned Assets is calculated on prorata basis from/to the day of addition / deletion.

**f) Inventories :**

Raw materials, components, store and spares are valued at lower of cost and net realizable value. However, materials and other items held for the use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Scrap is valued at net realizable value. Net realizable value is estimated at selling price in the ordinary course of business.

**g) Revenue Recognition :**

Revenue from sale of products is recognized when practically all obligations connected with the transaction risks and rights to the buyer have been fulfilled and excluded sales tax and state value added taxes. This usually occurs upon dispatch and collection of the receivable is reasonably certain.

Interest income is recognized using time proportion method based on the rates implicit in the transaction.

**h) Employees' Benefits :**

- a) Contribution to Provident Fund and other recognized fund is charged to Profit & Loss Account.
- b) Liability for Leave Encashment is provided for as and when the entitlement is ascertained.
- c) In respect of Gratuity, the Company offers a non contributory defined benefit plan to its Employees. The liability for the same as at the year end is provided for on the basis of Actuarial Valuation. But during the year under audit, no provision is made as there is an excess provision.

**i) Excise Duty / Service Tax / Sales Tax and Value Added Tax :**

Excise Duty / Service Tax is accounted on the basis of both, payments made in respect of goods cleared/service provided as also provision made for goods lying in bonded warehouse if there is Sales Tax/Value added Tax is charged to Profit & Loss Account.

**j) Provision for Current Tax and Deferred Tax :**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.

**Deferred Taxes :**

Deferred tax resulting from "Timing Difference" between taxable and accounting income is accounted for using the tax rate and loss that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

**k) Segment Reporting :**

The accounting policies adopted for the segment reporting are in line with the accounting policies stipulated. The Company primarily operates in single business segment which is Steel Tubes (Black & GI Pipes), and accordingly there is no primary segments to be reported as per Accounting Standard 17 "Segment Reporting".

**l) Earning per Share :**

The basic earning per equity share is computed by dividing the net profit or loss for the attributable to the equity share holders by the weighted average number of equity shares outstanding during the reported period. The number of shares used in computed diluted earnings per share and also the weighted average number of shares considered for deriving basic earnings per share which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.

**m)** The Company has been declared by the Board for Industrial Financial Reconstruction Sick industrial company within the meaning of Sec-3(1)(o) of Sick Industrial Companies (Special Provisions) Act 198, but during the year the net worth is in positive. Hence the company ceased to be sick industrial Company.

**n)** Provision for rates and taxes (under current liability) includes a sum of Rs.3,08,44,000/- being Stamp Duty payable on acquisition of Factory Land situated at Maraimalai Nagar Industrial Estate Chengleput Taluk, Kancheepuram Dist, which was recognised as Revenue Expenses in the Financial Year 2009-10 is reversed in financial year 2014-15 as the provision no longer required.

**o) Impairment of Assets (AS-28) :**

In the opinion of the company, the recoverable amount of fixed assets of the company will not be lower than the book value of the fixed assets. Hence no provision has been made for impairment.



p) i) Service Tax due for the period November 1997 to June 1998 is Rs.1.60 Lakhs.

ii) Other Current liabilities includes a sum of Rs.49.41 lakhs towards Interest payable on Customs Duty as per JDGFT Letter F.No.04/88/40/00090 AM00, dated 08.03.2011 which was debited to General Expenses in the Financial Year Ended 31.03.2011.

iii) The Company has addressed letters to the suppliers and service provider seeking information from them as to whether they fall under the categories of "Micro Small and Medium Enterprises". The Company is yet to receive replies from them.

q) **CONTINGENT LIABILITIES :**

Company has received a show cause notice from Commercial Taxes Department for payment of tax Rs.2,44,16,070/- on account of input Credit Reversed Credit on Consignment and CST Sales. The issue is not yet finalized and it is under dispute.



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015

<u>NOTES</u>	<u>NOTES ON FINANCIAL STATEMENTS</u>	<u>As On</u> <u>31.03.2015</u> <u>(Rs in '000)</u>	<u>As On</u> <u>31.03.2014</u> <u>(Rs in '000)</u>
3	<b><u>SHARE CAPITAL</u></b> <b><u>AUTHORISED CAPITAL</u></b>		
	11,000,000 EQUITY SHARES OF RS.10/- EACH	110,000.00	110,000.00
	40,000 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES OF RS.10/- EACH	4,000.00	4,000.00
		<b>114,000.00</b>	<b>114,000.00</b>
3.1	<b><u>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</u></b> 5,124,800 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP IN CASH	51,248.00	51,248.00
	<b>TOTAL</b>	<b>51,248.00</b>	<b>51,248.00</b>
3.2	DETAILS OF SHAREHOLDINGS MORE THAN 5% SHARES	-	-
3.3	THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW :	5,124.80	5,124.80
		(No. of	(No. of
	EQUITY SHARES AT THE BEGINNING OF THE YEAR	shares)	shares)
	ADD: SHARES ISSUED ON PREFERANTIAL ALLOTMENT	-	-
	ADD: BONUS SHARES ISSUED	-	-
	<b>EQUITY SHARES AT THE END OF THE YEAR</b>	<b>5,124.80</b>	<b>5,124.80</b>
4	<b><u>RESERVES &amp; SURPLUS</u></b>		
4.1	<b><u>CAPITAL RESERVE</u></b>		
	RESERVE STATE SUBSIDY	1,178.00	1,178.00
	FORFEITED SHARES	1,999.89	1,999.89
	<b>TOTAL</b>	<b>3,177.89</b>	<b>3,177.89</b>
4.2	<b><u>GENERAL RESERVE</u></b>		
	BALANCE B/F	-	-
	LESS: TRANSFERRED TO PROFIT AND LOSS A/C	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>
4.3	<b><u>PROFIT AND LOSS ACCOUNT</u></b>		
	PROFIT AND LOSS ACCOUNT DEBIT	(29,273.01)	(64,904.20)
	LESS: ADJUSTED AGAINST GENERAL RESERVE		
	PROFIT FOR THE YEAR	47956.87	35631.20
	ADD: DEPRECIATION REVERSAL AS PER COMPANIES ACT, 2013	290.26	-
	LESS: DEPRECIATION ADJUSTMENT AS PER COMPANIES ACT, 2013	2904.11	-
	<b>TOTAL</b>	<b>(16,070.01)</b>	<b>(29,273.01)</b>
	<b>TOTAL</b>	<b>(19,247.90)</b>	<b>(26,095.12)</b>



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## NOTES ON FINANCIAL STATEMENTS

### LONG TERM BORROWINGS:

5	<b><u>SECURED :</u></b>		
	CAPITAL LOAN WITH J & K BANK	14,425.00	14,425.00
	PACKING CREDIT LOAN WITH J & K BANK	3,455.00	3,455.00
	<b><u>SECURITIES OFFERED :</u></b>		
	( Secured by Hypothecation of Stock-in-Trade, Stores, Spares & Consumables, Book Debts & Receivables, both present & future and further secured by residual charge on Fixed Assets)		
	<b><u>SECURED :</u></b>		
	<b>HDFC CAR LOANS</b>		
	( Secured by hypothecation of Motor Car Under Hire Purchase Agreement)	301.92	2,203.49
	<b>TOTAL</b>	<b>18,181.92</b>	<b>20,083.49</b>
6	<b><u>DEFERRED TAX LIABILITY (NET)</u></b>		
	Deferred Tax Liability related to Fixed Assets	11,83.17	9,65.54
	Deferred Tax Liability for the year	6,46.96	217.63
	<b>TOTAL</b>	<b>1,830.13</b>	<b>1,183.17</b>
7	<b><u>SHORT TERM BORROWINGS :</u></b>		
	<b><u>SECURED</u></b>		
	HDFC CAR LOANS	2,360.67	3,415.44
	<b>TOTAL</b>	<b>2,360.67</b>	<b>3,415.44</b>
7.1	<b><u>SECURITIES OFFERED :</u></b>		
	( Secured by Hypothecation of Motor Car Under Hire Purchase Agreement)	-	-
7.2	<b><u>UNSECURED</u></b>		
	FROM DIRECTOR	62,969.35	10,081.93
	INTER CORPORATE LOANS	14,000.00	14,000.00
	<b>TOTAL</b>	<b>76,969.35</b>	<b>24,081.93</b>
	<b>TOTAL OF SHORT TERM BORROWINGS</b>	<b>79,330.02</b>	<b>27,497.37</b>
8	<b><u>TRADE PAYABLES :</u></b>		
	TRADE PAYABLES GENERAL PURCHASE	1,025.48	1,560.11
	TRADE PAYABLE EXPENSES	697.82	16,237.28
	TRADE PAYABLES RAW MATERIAL	44,345.01	92,404.80
	<b>TOTAL</b>	<b>46,068.33</b>	<b>1,10,202.19</b>
9	<b><u>OTHER CURRENT LIABILITIES :</u></b>		
	DEPOSIT TRADE SECURITY	20,700.00	7556.56
	OTHER LIABILITIES	9,722.73	38336.56
	ADVANCE FROM CUSTOMERS	1,204.17	1636.93
	TDS PAYABLE	984.10	2315.07
	PROVISION FOR GRATUITY	35,000.00	1865.06
	PROVISION FOR TAXATION	10213.35	4780.00
	INCOME TAX FOR EARLY YEAR	26878.95	268789.59



**NOTES 10**  
**SCHEDULE OF FIXED ASSETS AS ON : 31. 03. 2015**

Rs. In '000

S.No	PARTICULARS	Rate	GROSS BLOCK				DEPRECIATION					NET BLOCK	
			COST AS AT 31.03.2014	ADDITIONS DURING THE YEAR	DELETION	TOTAL AS ON 31.03.2015	UPTO 31.03.2014	RESERVE	FOR THE YEAR	WRIT TEN BACK	UPTO 31.03.2015	AS ON 31.3.2015	AS ON 31.3.2014
1	LAND		2,461.14	-	-	2,461.14	-	-	-	-	0.00	2,461.14	2,461.14
2	BUILDING		5,783.60	-	-	5,783.60	5,072.70	(290.27)	127.38	-	4,909.83	873.78	710.90
3	PLANT & MACHINERY		66,421.58	-	-	66,421.58	56,703.53	1672.55	728.83	-	59,104.91	7,316.68	9,718.05
4	OFFICE EQUIPMENT		919.74	6.70	-	926.44	585.05	102.70	44.36	-	732.12	194.32	334.69
5	ELECTRICAL INSTALLATION		3,357.67	-	-	3,357.67	2,790.04		58.62	-	2,848.67	509.00	567.63
6	FURNITURES & FITTINGS		383.02	-	-	383.02	340.17	13.14	6.56	-	359.87	23.15	42.85
7	VEHICLES		15,967.52	-	-	15,967.52	2,722.65	654.83	1,810.86	-	5,188.33	10,779.18	13,244.87
8	AIR CONDITIONERS & WATER COOLER		1,323.27	202.34	-	1,525.61	340.05	374.34	161.07	-	875.45	650.16	983.22
9	COMPUTER		1,344.38	36.32	-	<b>1,380.70</b>	1,064.22	86.55	95.62	-	1,246.38	134.31	280.16
	<b>TOTAL</b>		<b>97,961.92</b>	<b>245.35</b>	<b>-</b>	<b>98,207.28</b>	<b>69,618.41</b>	<b>2613.85</b>	<b>3,033.30</b>	<b>-</b>	<b>75,265.56</b>	<b>22,941.72</b>	<b>28,343.51</b>
	<b>PREVIOUS YEAR FIGURES</b>		<b>94,865.21</b>	<b>3,721.85</b>	<b>625.13</b>	<b>97,961.93</b>	<b>67,168.10</b>		<b>2,732.45</b>	<b>282.13</b>	<b>69,618.41</b>	<b>28,343.51</b>	<b>27,697.11</b>

Note : Depreciation has been provided for the single shift on the basis of SLM at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2015 (Rs in '000)	As On 31.03.2014 (Rs. In '000)
11	<b><u>LONG TERM DEPOSITS WITH GOVT. &amp; OTHERS :</u></b>		
11.1	<b><u>DEPOSIT WITH GOVT. &amp; SEMI-GOVT</u></b>		
	INPUT SERVICE TAX	0.25	2,516.17
	FBT EXCESS PAID FY 2007-08	29.29	29.29
	FBT EXCESS PAID FY 2008-09	7.98	7.98
	IT ADVANCE	-	-
	ITTDs(CESS) RECEIVABLE	0.49	0.491
	ITTDs RECEIVABLE	160.11	83.13
	TELEPHONE DEPOSIT	1.00	94.01
	DEPOSIT TELEPHONE & TELX	71.21	71.21
	SALES TAX DEPOSIT	4.00	4.00
	DEPOSIT EB METER C.D.	35.00	35.00
	DEPOSIT H.T.SERVICE	1,800.53	1,262.33
	DEPOSIT M.E.S	4.300	4.300
	DEPOSIT - TN WASTE MANAGEMENT	10.00	10.00
	DEPOSIT METRO WATER SATHANGADU LAND	50.00	50.00
	ADDITIONAL INCOME TAX FOR AY 2011-12	2,195.62	2,195.62
	6 YEAR NATIONAL SAVING CERTIFICATE	5.00	-
			-
			-
	<b>TOTAL</b>	<b>4,374.74</b>	<b>7,228.46</b>
12	<b><u>OTHER NON CURRENT ASSETS :</u></b>		
12.1	<b><u>DEPOSIT OTHERS</u></b>		
	EXPORT INS AGENCY (ISFTA)	4.71	4.71
	HINDUSTAN ZINC LTD MOU DEPOSIT	500.00	500.00
	DEPOSIT CELL PHONE	8.50	8.50
	DEPOSIT OFFICE RENT	-	-
	DEPOSIT FOR PETROL	25.00	25.00
	DEPOSIT SECURITY DEPOSIT	75.24	75.24
	DEPOSIT FOR GAS	43.85	43.85
	ADVANCE RENT A.G JAISHREE EGMORE OFFICE	222.00	222.00
	ADVANCE RENT G.GEETHA EGMORE OFFICE	222.00	222.00
	<b>TOTAL</b>	<b>1,101.30</b>	<b>1,101.30</b>





## TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2015 (Rs in '000)	As On 31.03.2014 (Rs. in '000)
13	<b><u>INVENTORIES :</u></b> RAW MATERIALS (VALUED AT COST)	33,865.47	44,086.90
	FINISHED PRODUCT (VALUED AT COST OR MARKET VALUE WHICHEVER IS LESS)	61,532.42	51,174.64
	OTHER GOODS	1,138.69	1,162.01
	STORES AND SPARES	734.52	778.08
	<b>TOTAL</b>	<b>97,271.04</b>	<b>97,201.63</b>
14	<b><u>TRADE RECEIVABLES :</u></b> (UNSECURED CONSIDERED GOOD)		
	MORE THAN SIX MONTHS	1,41,076.26	27.99
	LESS THAN SIX MONTHS	29.10	1,74,566.53
	<b>TOTAL</b>	<b>1,41,105.36</b>	<b>1,74,594.51</b>
15	<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
	CASH ON HAND	1,140.62	2,137.73
	BALANCE WITH BANK (IN CURRENT ACCOUNT)	10,522.68	14,149.26
	<b>TOTAL</b>	<b>11,663.30</b>	<b>16,286.99</b>
16	<b><u>SHORT TERM LOANS &amp; ADVANCES :</u></b>		
	(UNSECURED CONSIDERED GOOD, RECEIVABLES IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED)		
	ADVANCE TO SUPPLIERS	581.51	3,821.01
	PREPAID EXPENSES	614.44	448.14
	CENVAT CREDIT & PLA ACCOUNT	1,872.05	1,539.53
	SALES TAX	1,146.59	211.42
	ADVANCE TO OTHERS	426.81	401.01
	OTHER RECEIVABLES	10.72	10.72
	ADVANCE INCOME TAX	6,000.00	4,500.00
	<b>TOTAL</b>	<b>10,652.12</b>	<b>10,931.83</b>
17	<b><u>REVENUE FROM OPERATIONS :</u></b>		
	SALES	10,57,549.59	11,98,340.49
	LESS: EXCISE DUTY	1,17,829.82	1,32,839.48
	<b>TOTAL</b>	<b>9,39,719.77</b>	<b>10,65,501.01</b>



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	Notes on Financial Statements	As On 31.03.2015 (Rs. in '000)	As On 31.03.2014 (Rs. in '000)
18	<b><u>OTHER INCOME :</u></b>		
	INTEREST RECEIVED	147.86	108.727
	INSURANCE CLAIM RECEIVED	168.56	223.324
	SUNDRY BALANCE WRITTEN BACK	922.21	-
	PROFIT ON SALE OF FIXED ASSETS	-	-
	<b>TOTAL OTHER INCOME</b>	<b>1,238.63</b>	<b>332.051</b>
	<b>TOTAL INCOME</b>	<b>940958.40</b>	<b>10,65,833.07</b>
19	<b><u>COST OF MATERIALS CONSUMED :</u></b>		
19.1	<b><u>COST OF RAW MATERIALS CONSUMED :</u></b>		
	OPENING STOCK	44,086.90	39,057.17
	ADD: PURCHASE	79,0833.84	8,97,862.09
		<b>8,34,920.74</b>	<b>9,36,919.27</b>
	LESS: CLOSING STOCK	33,865.47	44,086.90
	<b>RAW MATERIAL CONSUMED</b>	<b>8,01,055.27</b>	<b>8,92,832.37</b>
19.2	<b><u>MANUFACTURING EXPENSES:</u></b>		
	CARRIAGE INWARD	3,711.53	5,831.04
	LABOUR CHARGES	9,232.89	12,235.66
	CONSUMPTION OF STORES	25,020.86	34,211.88
	MACHINERY MAINTENANCE	1,065.53	4,023.13
	<b>TOTAL</b>	<b>39,030.82</b>	<b>56,301.70</b>
	<b>TOTAL COST OF MATERIALS CONSUMED (19.1+19.2)</b>	<b>8,40,086.09</b>	<b>9,49,134.07</b>
20	<b><u>CHANGES IN INVENTORIES OF FINISHED GOODS</u></b>		
	<b><u>STOCK IN PROCESS &amp; STOCK-IN-TRADE</u></b>		
	<b><u>CLOSING INVENTORIES :</u></b>		
	FINISHED GOODS	61,532.42	51,174.64
	OTHER GOODS	1,138.63	1,162.01
	<b>TOTAL</b>	<b>62,671.05</b>	<b>52,336.65</b>
	<b><u>OPENING INVENTORIES :</u></b>		
	FINISHED GOODS	51,174.64	46,469.61
	OTHER GOODS	1,162.01	826.40
	<b>TOTAL</b>	<b>52,336.65</b>	<b>47,296.00</b>
	<b>CHANGE IN INVENTORIES</b>	<b>(10,334.40)</b>	<b>(5,040.65)</b>



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

		As On 31.03.2015 (Rs. in '000)	As On 31.03.2014 (Rs. in '000)
NOTES	<b><u>Notes on Financial Statements for the year ended 31<sup>st</sup> March 2015.</u></b>		
21	<b><u>EMPLOYEE BENEFITS EXPENSES :</u></b>		
	SALARY	11,610.30	12,330.91
	LEAVE SALARY	1,063.34	439.38
	BONUS	1,351.02	541.10
	P.F. COMPANY'S CONTRIBUTION	962.93	700.54
	E.S.I COMPANY'S CONTRIBUTION	327.66	274.53
	STAFF WELFARE	1,797.43	2,616.22
	GRATUITY	1,756.14	-
	<b>TOTAL</b>	<b>18,868.82</b>	<b>16,409.89</b>
22	<b><u>FINANCIAL EXPENSES :</u></b>		
	INTEREST TO BANK	459.10	618.04
	BANK CHARGES	23.99	19.00
	INTEREST TO OTHERS	9,801.76	13,928.21
	FINANCE COST PRIOR YEAR	-	-
	<b>TOTAL</b>	<b>10,284.85</b>	<b>14,565.25</b>
23	<b><u>DEPRECIATION AND AMORTISATION EXPENSES</u></b>		
	DEPRECIATION FOR THE YEAR	3,033.30	2,732.45
	<b>TOTAL</b>	<b>3,033.30</b>	<b>2,732.45</b>
23.1	<b><u>AMORTIZATION EXPENSES</u></b>		
	AMORTIZATION EXPENSES FOR THE YEAR	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>
	<b>TOTAL (A + B)</b>	<b>3,033.30</b>	<b>2732.45</b>



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2015 (Rs. In '000)	As On 31.03.2014 (Rs. In '000)
24	<b><u>OTHER EXPENSES :</u></b>		
24.1	<b><u>MANAGERIAL REMUNERATION:</u></b>		
	DIRECTORS SALARY	3,643.67	3,192.93
	<b>TOTAL (A)</b>	<b>3,643.67</b>	<b>3,192.93</b>
24.2	<b><u>PAYMENT TO AUDITORS :</u></b>		
	AUDIT FEES	75.00	75.00
	TAX AUDIT FEES	25.00	25.00
	CERTIFICATION & OTHER SERVICES	120.00	120.00
	I.T MATTERS	100.00	-
	VAT AUDIT FEES	10.00	-
	SERVICE TAX	42.43	12.36
	INTERNAL AUDIT FEES	60.00	300.00
	<b>TOTAL</b>	<b>432.43</b>	<b>532.36</b>
24.3	<b><u>INSURANCE EXPENSES</u></b>		
	INSURANCE	607.34	479.53
	<b>TOTAL</b>	<b>607.34</b>	<b>479.53</b>
24.4	<b><u>POWER &amp; FUEL EXPENSES</u></b>		
	Power & Fuel	14,423.19	18,006.64
	<b>TOTAL</b>	<b>14,423.19</b>	<b>18,006.64</b>



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2015 (Rs. in '000)	As On 31.03.2014 (Rs. in '000)
24.5	<b><u>OTHER EXPENSES :</u></b>		
	RENT & LEASE RENT	1,185.00	999.69
	POSTAGE & TELEGRAM	63.93	72.68
	TELEPHONE	471.83	530.23
	CONVEYANCE	845.36	768.17
	TRAVELLING EXPENSES	465.22	376.85
	PRINTING & STATIONERY	428.47	460.77
	SUBSCRIPTION & MEMBERSHIP FEES	124.76	131.90
		725.43	289.35
	OFFICE MAINTENANCE	1,977.08	2,379.60
	DONATION	1,295.10	24.50
	VEHICLE MAINTENANCE	394.93	340.79
	MISCELLANEOUS EXPENSES	2,810.55	880.47
	PROFESSIONAL CHARGES	293.43	883.12
	AMC CHARGES	250.63	198.97
	SALES TAX	1,034.95	85.90
	RATES & TAXES	7.67	27.52
	REPAIRS & MAINTENANCE	6,031.65	8,145.43
	LOSS ON SALE OF FIXED ASSETS	-	190.62
	DIRECTORS SITTING FEES	57.40	4.80
	BAD DEBTS	582.19	729.85
	FREIGHT & TRANSPORTATION	4,359.95	4,902.00
	EXCISE DUTY	251.28	158.67
	ADVERTISEMENT	45.75	82.70
	SALES PROMOTION	5,452.55	5,579.36
	COMMISSION & BROKERAGE	2,727.55	22,169.07
	I.T. Paid for F/Y 2011-12	-	1.63
	<b>TOTAL</b>	<b>31,949.66</b>	<b>50,404.65</b>
	<b>TOTAL (A+B+C+D+E)</b>	<b>51,056.30</b>	<b>72,616.11</b>
	<b><u>EXCEPTIONAL ITEMS :</u></b>		
25	INCOME TAX FOR THE AY 2000-01 written back	-	(25,705.66)
	PROVISIONS FOR STAMP DUTY FOR M.M.NAGAR FACTORY (NO LONGER REQUIRED)	(30,844.00)	-
	EXCESS I.T. PROVISIONS OF FY-2013-14	(9.73)	-
	<b>TOTAL</b>	<b>30,853.73</b>	<b>(25,705.66)</b>



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

NOTES	Notes on Financial Statements for the Year ended	As On 31.03.2015 (Rs. in '000)	As On 31.03.2014 (Rs. in '000)
26	<b><u>EXTRA ORDINARY ITEMS :</u></b> Extraordinary Items for the year	-	-
	<b>TOTAL</b>	-	-
27	<b><u>CURRENT TAX</u></b> Current Tax for the year	10,213.53	11,510.00
		<b>10,213.53</b>	<b>4,780.00</b>
28	<b><u>DEFERRED TAX</u></b>	646.96	217.63
		646.96	217.63
29	<b><u>RELATED PARTY DISCLOSURE</u></b>		
29.1	<b>NATURE OF RELATIONSHIP</b>		
	<b><u>KEY MANAGERIAL PERSON</u></b>		
	i) HOLDING COMPANY	NIL	NIL
	ii) SUBSIDIARIES	NIL	NIL
	<b><u>iii) KEY MANAGERIAL PERSONNEL :</u></b>		
	RAKESH GOYAL (Managing Director)		
	MAHAVIR SINGH (Whole Time Director)		
	VIKRAM SINGH (Whole Time Director)		
	M.T.ELUMALAI (Whole Time Director)		
	KAMALA LOCHAN ROY (Company Secretary)		
	NARASIMHAN SUDHARSAN (Chief Financial Officer)		
	<b><u>iv) RELATIVES OF KEY MANAGERIAL PERSONNEL</u></b>		
	DURGA DEVI GOYAL		
	SEEMA GOYAL		
	DRISHYA GOYAL		
	SAATVIK GOYAL		
	SAACHI GOYAL		
	INDERSAIN GOYAL		
	INDERSAIN GOYAL HUF (S)		
	RAKESH GOYAL (HUF)		



Rupees in '000

NOTES	Notes on Financial Statements for the Year Ended 31 <sup>st</sup> March 2015	As on 31 <sup>st</sup> March 2015	As on 31 <sup>st</sup> March 2014	Loan Taken	Loan Repaid	Lease Deposit	Interest Paid
29.2	<b><u>Nature of Transaction of Key Managerial Personnel &amp; Relatives</u></b>						
	Rakesh Goyal	62,969.35	10,081.93	52,887.42	-	-	3,911.15
	<b><u>Relative of Key Managerial Personnel</u></b>						
	Saachi Goyal		700.00		700.00		
	Indersain Goyal & Sons HUF		3,499.78		3,986.49		486.71
	Indersain Goyal HUF (S)*						
	Indersain (Rakesh Goyal)*		10,639.04		10,639.04		
	Durga Devi Goyal		29,270.46	1,400.00	31,215.51		545.05
	Durga Devi Goyal	20,500.00	500.00			20,000.00	
	Seema Goyal		9,515.00		9,515.00		
	Rakesh Goyal HUF		695.00		695.00		
	Drishya Goyal		135.00		135.00		
	Saatvik Goyal		676.00		676.00		



# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> March, 2015

### 29.3 FIRM OR COMPANY IN WHICH THE RELATIVES OF KEY MANGERIAL ARE RELATED Transaction with M/s Venkateshwara Conduits (P) Ltd.

(Rs. in '000)

	AS AT 31 <sup>st</sup> MARCH	
	2015	2014
PURCHASE	8,552.51	3,163.47
SALES	-	25.37
JOB WORK	2,566.08	424.28
JOB WORK GIVEN	4,302.41	4,797.27

### 30 GENERAL

Amount

		AS AT 31 <sup>st</sup> MARCH	
		2015	2014
a)	Balance in Sundry Debtors/ Creditors and advances are subject to confirmation		
b)	Previous year's figures have been re-arranged and re-grouped wherever necessary		
c)	Tax deducted at Source from the payment to contractors, professional charges and salaries have been deposited in time		
d)	Earnings in foreign exchange	NIL	NIL
e)	Expenditure in foreign currency		

SIGNATURE TO NOTES TO ACCOUNTS FROM No.1 to No. 30  
As per our report of even date

FOR ABHAY JAIN & CO.  
Chartered Accountants  
FRN No. :000008S

Sd/-  
RAKESH GOYAL  
(Managing Director)  
(DIN:-00990310)

Sd/-  
MAHAVEER SINGH  
(Director)  
(DIN:-01907248.)

Sd/-

(A.K. JAIN)  
Partner  
M.No. 070224

Sd-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

Sd/-  
KAMALA LOCHAN RAY  
(Company Secretary)  
( M. No. 34369)

Place: Chennai  
Date : 30.05.2015



## SHAREHOLDERS' REFERENCER

➤ **AN OVERVIEW**

- The Company has currently around 14205 shareholders holding Equity Shares.
- The Company's Equity Shares are listed on BSE Limited (BSE) and Ahmadabad stock Exchange (ASE). The Company's Equity Shares are the most actively traded security on both BSE and ASE.
- The Company's Equity Shares are under compulsory trading in demat form only.
- 17.90% of the Company's Equity Shares are held in demat form.
- M/s Cameo Corporate Service Limited, Chennai – 2, is the Registrars and Transfer Agents (R&TA) of the Company.

➤ **INVESTOR SERVICE AND GRIEVANCE HANDLING MECHANISM**

- The Company has appointed ABHAY JAIN & CO, as Chartered Accountant.
- The Company has prescribed service standards for the various Investors related activities. These standards are periodically reviewed by the Company.

The service standards set by the Company for various Investor related transactions/ activities are as follows:

**(A) Registration Item**

Sl.No.	Particulars	Service Standards (No. of Working days)
1.	Transfers	30 days
2.	Transmissions	30 days
3.	Transpositions	15 days
4.	Deletions of Name	15 days
5.	Folio Consolidation	30 days
6.	Change of Name	30 days
7.	Demat	30 days
8.	Remat	30 days
9.	Issue of Duplicate Certificates	30 days
10.	Replacement of Certificates	30 days
11.	Certificate Consolidation	30 days
12.	Certificate Split	30 days
13.	Change of Address	15 days
14.	Bank Mandate/Details	15 days
15.	Nomination by security holders	30 days
16.	Power of Attorney by Security holders	30 days

**(B) Correspondence**

Sl.No.	Particulars	Service Standards (No. of Working days)
1.	Non-receipt of Annual Reports	7 days
2.	Non -receipt of Dividend Warrants	7 days
3.	Non-receipt of Interest/Redemption Warrants	7 days
4.	Non-receipt of Certificates	7 days
5.	Revalidation of Dividend warrants	7 days
6.	Revalidation of Redemption Warrants	7 days
7.	Multiple Queries	7 days
8.	IEPF Letters	7 days

➤ **DEALING IN SECURITIES**

➤ What the types of accounts for dealing in securities are in demat form?

**Beneficial Owner Account (B.O Account)/ Demat Account:** An account opened with a Depository Participant (DP) In the name of Investor for holding and transferring securities.

**Trading Account:** An Account opened by the broker in the name of the Investor for buying and selling of securities.

**Bank Account :** A bank account opened in the name of the Investor and linked to the Beneficial Owner account/ Demat account for debiting or crediting money with respect to transactions in the securities market.

➤ **What is Delivery Instruction Slip (DIS) and what precautions one should observe with respect to DIS?**

- To give delivery of the securities the beneficial owner has to fill in a form called Delivery Instruction Slip (DIS). DIS may be compared to cheque book of a bank account. The following precautions are to be a taken in respect of DIS.
- Ensure that DIS numbers are pre-printed and DP takes acknowledgement for the DIS booklet issued to the Investor.
- Ensure that the account number (client id) is pre stamped.
- If the account is a joint account, all the joint holders have to sign the instruction slips. Instruction cannot be executed if all joint holders have not signed.
- Avoid using loose slips.
- Do not leave singed blank DIS with anyone viz, broker/sub-broker, DPs or any other person/entity.
- Keep the DIs book under lock and key when not in use.
- If only one entry is made in the DIS book, strike out the remaining space to prevent misuse.
- Personally fill in target account-Id and all details in the DIS.
- If the DIS booklet is lost/stolen/not traceable, the same must be intimated to the DP, immediately, in writing, On receipt of such intimation, the DP will cancel the unused DIS of the said booklet.

➤ **What is online trading in securities?**

Online trading in securities refers to the facility available to an investor for placing his own orders using the internet trading platform offered by the trading member viz, the broker. The orders so placed by the investor using internet would be routed through the trading member.

➤ **What is SARAL Account Opening Form?**

Securities and Exchange Board of India (SEBI) vide its circular dated March 04. 2015. Has introduced SARAL Account opening form for resident individuals.

Individual investors can open a trading account and demat account by filling up a simplified Account Opening Form (“AOF”) termed as “SARAL OF”. This form will be separately available with the intermediaries and can also be downloaded from the Exchanges and Depositors’ website. The Investors who open such account through SARAL AOF will also have the option to obtain other facilities, whenever they required, on furnishing of additional information as per prescribed relations/circulars.

➤ **What precautions an online Investor must take?**

Investor trading online must take the following precautions:

- Default password provided by the broker must be changed before placing the order.
- The password should not be shared with others and password must be changed at periodic intervals.
- Proper understanding of the manner in which the online trading software has to be operated.
- Adequate training on usage of software.
- The online trading system has facility for order and trade confirmation after placing the orders.

➤ **What are the other safety measures an online client must observe?**

- Avoid placing order from shared PCs/ through cyber cafes.
- Log out after having finished trading to avoid misuse.
- Do not click “remember me” option while signing in from shared PCs/ through cyber cafes.
- Do not leave the terminal unattended while “signed –in” on the trading system.
- Protect your personal computer against viruses by placing a firewall and an anti-virus solution.
- Do not open email attachments from people you do not know.

➤ **What are the do's and don'ts while dealing in securities market?**

**DO'S**

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (Client registration, Client agreement forms etc).
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in securities / derivatives before undertaking transactions.
- Assess the risk – return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals.
- Beware of the false promises and to note that there are no guaranteed returns on investments in the Stock Market.
- Give clear and unambiguous instructions to your broker/sub-broker/DP.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in the contract note, immediately on receipt.
- Always settle dues through the normal banking channels with the market intermediaries.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transactions and the holding statements that you receive from your DP.
- Keep copies of all your investment documentation.
- Handle DIS book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (client id) be pre-stamped.
- In case you are not transacting frequently make use of the freezing facilities provided for your demat account.
- Pay the margins required to be paid in the time prescribed.
- Deliver the shares in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- In case of complaints, approach the right authorities for redressal in a timely manner.

**DON'TS**

- Don't undertake off-market transactions in securities.
- Don't deal with unregistered intermediaries.
- Don't fall prey to promises of unrealistic returns.
- Don't invest on the basis of hearsay and rumors; verify before investment.
- Don't forget to take note of risks involved in the Investment.
- Don't be misled by rumors circulating in the market.
- Don't blindly follow media reports on corporate developments, as some of these could be misleading.
- Don't follow the herd or play on momentum – it could turn against you.
- Don't be misled by so called hot tips.
- Don't try to time the market.
- Don't hesitate to approach the proper authorities for redressal of your doubts/grievances.
- Don't leave signed blank DISs of your demat account lying around carelessly or with anyone.
- Do not sign blank DIS and keep them with DP or broker to save time. Remember your carelessness can be your peril.
- Do not keep any signed blank transfer deeds.

**COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/ INVESTORS:**

- Deal with Registered Intermediaries.  
Investors should transact through a registered intermediary who is subject to regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, investors may take up the matter with SEBI/Stock Exchanges.

**Obtain documents related to purchase and sale of securities**

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of purchase or sale of securities and it should be ensured that the Contract Note/Confirmation Memo contains order number, order time, trade number, trade time, security descriptions, bought and sold quantity, price, brokerage, service tax and securities transaction tax, In case the Investors have any doubt about the details contained in the contract note, they can avail the facility provided by BSE/NSE to verify the trades on BSE/ NSE websites, It is recommended that this facility be availed in respect of a few trades on random basis, even if there is no doubt as to the authenticity of the trade/transaction.

**Transfer securities before Book / Closure / Record Date.**

The corporate benefit on the securities lying in the clearing account of the brokers cannot be made available to the members directly by the company. In case an investor has bought any securities, he must ensure that the securities are transferred to his demat account before the book closure/record date.

**INITIATIVES TO BE TAKEN BY THE COMPANY****➤ Reminder letters to Investors.**

The Company gives shall given an opportunity to investors by sending reminder letters on yearly basis for claiming their outstanding dividend amount which is due for transfer to investor Education & Protection Fund.

**➤ COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

Register NECS Mandate and furnish correct bank account particulars with company/ Depository Participant (DP)

Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company's R&TA and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc, from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.

**DEMATERIALISATION / REMATERIALISATION OF SHARES.**

- What is dematerialization (Demat) is the process by which securities held in physical form are cancelled and destroyed and the ownership thereof is retained in fungible form in a depository by way of electronic balances.
- **Why dematerialize shares? Is trading compulsory in demat form?**

SEBI has notified various companies whose shares shall be traded in demat form only. By virtue of such notification, the shares of the Company are also subject to compulsory trading only in demat form on the Stock Exchange.

**➤ What are the benefits of dematerialization?**

- Elimination of bad deliveries
- Elimination of all risks associated with physical certificates
- No stamp duty on transfers
- Immediate transfer/trading of securities
- Faster settlement cycle
- Faster disbursement of non-cash corporate benefits like rights, bonus, etc.
- SMS alert facility.
- Lower brokerage is charged by many brokers for trading in dematerialized securities
- Periodic status reports and information available on Internet
- Ease related to change of address of investor

- Elimination of problems related to transmission of demat shares
- Ease in portfolio monitoring
- Ease in pledging the shares
  
- **What is the procedure for dematerialization of shares?**
- Shareholders should submit the duly filled in Demat Request Form (DRF) along with physical certificate(s) to the concerned DP.
- DP intimates the relevant Depository of such request through the system.
- DP submits the the DRF and the certificate(s) to the Company's R &TA
- The Company's R&TA confirm the dematerialization request from Depository.
- The company's R&TA, after dematerializing the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialization.
- Depository updates its accounts and informs the DP.
- DP updates the demate account of the shareholder.
- The entire process should be completed within 21 days.
  
- **Can shares held jointly in physical form be dematerialized, if the sequence of names mentioned in certificate differs from sequence of names as per beneficiary account?**

Depositories provide "Transposition cum Demat facility" to help joint holders to dematerialize securities in difference sequence of names. For this purpose, DRF and Transposition form should be submitted to the DP.

- **What is SMS alert facility?**

NSDL and CDSL have launched SMS alert facility for demat account holders where by the investors can receive alerts for debits and credits in their demat accounts. Under this facility, investors can receive alerts, a day after such debits (transfers) / credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their DPs. Alerts for debits are sent, if the debits (transfer) are up to five ISINs in a day. In case debits (transfer) are for more than five ISINs, alerts are sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP.

- **Why the Company cannot take on record bank details in case of dematerialized shares?**

As per the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the bank account details furnished by the concerned Depository. Therefore, investors are requested to keep their bank particulars updated with their concerned DP.

➤ **What is dematerialization of shares?**

It is the process through which shares held in electronic form are converted into physical form by issuance of share certificate(s).

➤ **What is the procedure for rematerialisation of Shares?**

- Shareholders should submit the duly filled in Rematerialisation Request Form (RRF) to the concerned DP.
- DP intimates the relevant Depository of such requests.
- DP submits RRF to the Company's R&TA
- Depository confirms dematerialization request to the Company's R&TA
- The Company's R&TA updates accounts and prints certificate(s) and informs the Depository.
- Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.
- Share certificate(s) is dispatched to the share holder by Company's R&TA.

➤ **COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

Open Demat Account and dematerialize your shares. Investors should convert their physical holdings of securities into demat holdings to reap the benefits of dematerialization set out under Para 3.3 of this reference.

➤ **Monitor holdings regularly**

Demat account should not be kept dormant for long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the investor is likely to be away for a long period of time and where the securities are held in electronic form, the investor can make a request to the DP to keep the account frozen so that there can be no debit to the account till the instructions for freezing the account are countermanded by the investor.

➤ **Register for SMS alert facility**

Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited and Central Depository Services (India) Limited proactively inform the investors of transaction in the demat account by sending SMS, Investors will be informed about debits and credits to their demat account without having to call-up their DPs and investors need not wait for receiving Transaction Statements from DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.



➤ **NOMINATION FACILITY**

➤ **What is nomination facility and to whom is it more useful?**

Section 72 of the Companies Act 2013 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of death of all joint holders.

➤ **What is the procedure for appointing a nominee?**

Investors especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form SH-13 for initial registration of nomination and Form SH -14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R&TA. The said forms may be downloaded from the Company's website. [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) under the section "Investor Relation".

However, if shares are held in dematerialized form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

➤ **Who can appoint a nominee and who can be appointed as a nominee?**

Individual shareholders holding the shares/ debentures in single name or joint names can appoint a nominee. In case of joint holdings, joint holders together have to appoint the nominee. An individual having capacity to contract only can be appointed as a nominee. Minor(s) can, however, be appointed as a nominee.

➤ **Can a nomination once made by revoked/ varied?**

It is possible to revoke/vary a nomination once made. If nomination is made by joint holders, and one of the joint holders dies, the remaining joint holder(s) can make a fresh nomination by revoking the existing nomination.

➤ **Are the joint holders deemed to be nominees to the shares?**

Joint holders are not nominees they are joint holders of the relevant shares having joint rights on the same. In the event of death of nay one of the joint holders, the surviving joint holder(s) of the shares is/are the only person(s) recognized under law as holder(s) of the shares. Surviving joint holder(s) may appoint nominee.

➤ **Is nomination form required to be witnessed?**

A nomination form must be witnessed.

➤ **What rights are conferred on the nominee and how can he exercise the same?**

As per the provisions of Section 72 of the Companies Act 2013, the nominee is entitled to all the rights in the securities of the deceased shareholder in relation to such securities to the exclusion of all other persons. In the event of death of the shareholder, all the rights of the shareholder shall vest in the nominee. In case of joint holding, all the rights shall vest in the nominee only in the event of death of all the joint holders. The nominee is required to apply to the Company or to the DP as may be applicable by reporting death of the nominator along with the attested copy of the death certificate.

➤ **COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

**Submit Nomination Form**

Investors should register their nominations in case of physical shares with the Company's R&TA and in case of dematerialized shares with their DP. Nomination would help the nominees to get the shares transmitted in their favour without any hassles. Investors must ensure that nomination made is in the prescribed Form and must be witnessed in order to be effective. The Form may be downloaded from the Company's website [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) under the section "Investor Relation".

➤ **TRANSFER/TRANSMISSION/ TRANSPOSITION / DUPLICATE CERTIFICATES ETC.**

➤ **What is the procedure for transfer of shares in favour of transferee(s)?**

Transferee(s) need to send share certificate(s) along with share transfer deed in the prescribed Form SH-4 as per Companies Act, 2013, duly filled in, executed and share transfer stamps affixed, to the Company's R&TA. It takes about 3 working days for the Company's R&TA to process the transfer from the date of lodgment, although the statutory time limit fixed for completing a transfer is 15 days under the Listing Agreement and one month under the Companies Act, 2013.

➤ **Is submission of Permanent Account Number (PAN) mandatory for transfer/ transmission / transposition of shares in physical form?**

SEBI has made it mandatory to furnish a copy of the PAN to the Company/R&TA in the following case, viz., (a) for securities market transactions and off market transactions involving transfer of shares in physical form; (b) Deletion of name of the deceased holder(s), where the shares are held in the name of two or more shareholders; (c) Transmission of shares to legal heir(s) where deceased shareholder was the sole holder of the shares; and (d) Transposition of shares – where there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.

➤ **What should transferee (purchaser) do in case transfer form is returned with objection?**

Transferee needs to immediately proceed to get the errors/ discrepancies corrected. Transferee needs to contact the transferor (seller) either directly or through his broker for rectification or replacement of the securities; the same should be resubmitted for effecting

transfer. In case the errors are non-rectifiable, purchaser has recourse to the seller and/or his broker through the Stock Exchange to get back his money. However, in case of off-market transactions, matter should be settled with the seller only.

- **Can single holding of shares be converted into joint holdings or joint holdings into single holding? If yes, what is the procedure involved in doing the same?**

Yes, conversion of single holding into joint holdings or joint holdings into single holding or transfer with the family members leads to a change in the pattern of ownership, and therefore, the procedure for a normal transfer as mentioned above needs to be followed.

- **How to get shares registered which are received by way of gift? Does it attract stamp duty?**

The procedure for registration of shares gifted (held in physical form) is the same as the procedure for a normal transfer. The stamp duty payable for registration of gifted shares would @ 25 paise for every 100 or part thereof, of the market value of the shares prevailing as on the date of the document, if any, conveying the gift or the date of execution of the transfer deed, whichever is higher. In case the shares held in demat form are gifted no stamp duty is payable.

- **What is the procedure for getting shares in the name of surviving shareholder(s), In case of joint holding in the event of death of one shareholder?**

The Surviving shareholder(s) will have to submit a request letter supported by an attested copy of the death certificate of the deceased shareholder and accompanied by the relevant share certificate(s). The company's R&TA, on receipt of the said documents and after due scrutiny, will delete the name of the deceased shareholder from its records and return the share certificate(s) to the surviving shareholder(s) with necessary endorsement

- **What is the procedure for getting physical shares in the name of legal heir(s), In case of single holding and nomination is not registered, in the event of death of sole shareholder?**

If the value of shares of the company as on the date of application is up to Rs.2,00,000 the legal heir(s) should submit the following documents along with a request letter, transmission form, attested copy of the death certificate of the deceased shareholder and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his/their name(s).

- No objection certificate (NOC) from all legal heir(s) who do not object to such transmission (or) copy of family Settlement Deed duly notarized or attested by a Gazette Officer and excited by all the legal heirs of the deceased holder.
- Indemnity made on appropriate non judicial stamp paper - indemnifying the R&TA company. If the value of shares of the company as on the date of application is more

than Rs.2,00,000, the legal heir(s) should submit the following documents along with a request letter, transmission form, attested copy of the death certificate of the deceased shareholder and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his / their name(s).

- Succession certificate (or) Probate of will (or) Letter of Administration (or) Court decree.
- What is the procedure for getting demat shares in the name of legal heir(s), in case on single holding and nomination is not registered, in the event of death of sole shareholder?

If the value of shares of the company as on the date of application is up to 5,00,000, the legal heir(s) should submit the following documents to the DP.

- Notarized copy of the death certificate
- Transmission Request Form(TRF)
- Affidavit – to the effect of the claim of legal ownership to the shares
- Deed of Indemnity – Indemnifying the depository and Depository Participants (DP)
- NOC from legal heir (s), if applicable or family settlement deed duly executed by all legal heirs of the deceased beneficial owner.

If the value of shares of the company as on the date of application is more than Rs.5,00,000, the legal heir(s) should additionally submit one of the following documents to the DP.

- Surety form
- Succession certificate
- Probated will
- Letter of Administration

**NOTE :**

As per SEBI circular dated October 28,2013 the timeline for processing the transmission requests by the DP for securities held in dematerialized mode shall be 7 days and by the Company/R&TA for the securities held in physical mode shall be 21 days, after receipt of the prescribed documents from the claimants/legal heirs.

- **How can the change in order of names (i.e. transposition) be effected?**

Share certificates along with a request letter duly signed by all the joint holders may be sent to the company's R&TA for change in order of names, known as 'transposition'. Transposition can be done only for the entire holdings under a folio and therefore, requests for transposition or part holding cannot be accepted by the Company / R&TA, For shares held in demat form, investors are advised to approach their DP concerned for transposition of the names.

➤ **What is the procedure for obtaining duplicate share certificate(s) in case of loss/misplacement of original share certificate(s)?**

Shareholders who have lost/misplaced share certificate(s) should inform the Company's R&TA, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available.

The R&TA shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares converted by the lost share certificate(s). It is recommended that the shareholders should lodge a FIR with police station regarding loss of share certificate(s). They should send their request for duplicate share certificate(s) to the Company's R&TA and submit documents as required by the R&TA.

➤ **What is the procedure to get the certificates issued in various denominations consolidated into a single certificate?.**

Consolidation of share certificates helps in saving costs in the event of dematerializing shares and also provides convenience in holding the shares physically. Shareholders having certificates in various denominations under the same folio should send all the certificates to the Company's R&TA for consolidation of all the shares into a single certificate.

If the shares are not under the same folio but have the same order of names, the shareholder should write to the Company's R&TA for the prescribed form for consolidation of folios. This will help the investors to efficiently monitor their holding and the corporate benefits receivable thereon.

➤ **INITIATIVES TAKEN BY THE COMPANY**

➤ **Consolidation of Folios**

The Company has initiated a unique investor servicing measure for consolidation of small holdings within the same household. In terms of this, those shareholders holding less than 10 shares (under a single folio) in the company, within the same household, can send such shares for transfer along with transfer forms duly filled in and signed, free of cost; the stamp duty involved in such cases will be borne by the Company.

➤ **COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

➤ **Consolidate Multiple Folios**

Investors should consolidate their shareholding held in multiple folios, this would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

➤ **Opt for Corporate Benefits in Electronic Form**

In case of non-cash corporate benefits like split of shares/ bonus shares, the holders of shares in physical form must opt to get the shares in electronic form by providing the details of demat account to the R&TA.

➤ **Exercise caution**

There is likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the company. Company should be updated on any change of address or contact details. Similarly, information of death of shareholder should also be communicated.

➤ **Mode of Postage**

Share certificates and high value dividend/interest warrants / cheques / demand drafts should not be sent by ordinary post. It is recommended that investors should send such instruments by registered post or courier.

➤ **UNCLAIMED SHARES**

- What are the regulatory provisions and procedure governing unclaimed shares lying in physical form with the Company or its R&TA?

As per Clause 5A of the Listing Agreement with the Stock Exchanges:

- a. Shares issued in dematerialized form pursuant to a public issue or any other issue, which remain unclaimed and are lying in the escrow account, shall be credited to unclaimed shares suspense account in demat form, opened by the Company with one of the depository participants, for this purpose.
- b. Shares issued in physical form pursuant to a public issue or any other issue, which remains unclaimed, the Company, after complying with the procedure prescribed therein, shall transfer all such unclaimed shares into one folio in the name of "Unclaimed Suspense Account" and shall dematerialize such shares with one of the depository participants.

➤ **What is the status of Compliance by the Company with regard to these provisions?**

In terms of Clause 5A of the Listing Agreement, details relating to unclaimed shares lying in the suspense account at the beginning of the year, number of shareholders who had approached the Company claiming for the unclaimed shares, number of shareholders, to whom the said unclaimed shares were transferred from the suspense accounts during the year and the aggregate number of shareholders along with number of unclaimed shares lying in the suspense account at the end of the year, have been set out under para "Equity shares in Suspense Account" in the Corporate Governance Report.

As per Section 124(6) of the Companies Act, 2013 (once the same is notified) all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF shall

also be transferred by the company in the name of IEPF. However, the shares can be claimed by the investor after following the prescribed procedure under the Companies Act, 2013.

- **INVESTOR SERVICING AND GRIEVANCE REDRESSAL - EXTERNAL AGENCIES**
- **Ministry of Corporate Affairs**

Ministry of Corporate Affairs (MCA) e-Governance initiative christened as “MCA21” on the MCA **Portal** ([www.mca.gov.in](http://www.mca.gov.in)): One of the key benefits of this initiative includes timely redressal of investor grievances. MCA 21 system accepts complaints under the e Form prescribed, which has to be filed online. The status of complaint can be viewed by quoting the Service Request Number (SRN) provided at the time of filing the complaint.

- **Securities and Exchange Board on India (SEBI)**

SEBI, in its endeavor to protect the interest of investors, has provided a platform wherein the investors can lodge their grievances. This facility is available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) under the Investor Guidance Section.

#### **SEBI Complaints Redress System (SCORES)**

The Investor complaints are processed in a centralized web based complaints redress systems. The salient features of this system are : Centralized database of all complaints. Online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

All companies against whom complaints are pending on SCORES, will have to take necessary steps within 4 days of receipt of complaint through SCORES and resolve the complaint; within 30 days of receipt of complaint and also keep the complainant duly informed of the action taken.

SEBI has issued guidance to general public about effective ways to redress their grievances. The guidance lists down the matters which are considered as complaints and handled by SEBI, the matters which are not considered as complaints, how the investor complaints’ are handled by SEBI, the arbitration mechanism, etc.

- **Stock Exchanges**

Bombay Stock Exchange Limited (BSE) has formed an investor Grievance Cell (IGC) to redress investors’ grievances electronically. The investors have to log on to the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and go to the link “Investors Service”.

BSE Limited (BSE) – BSE provides an opportunity to the investors to file their complaints electronically through its website [www.bseindia.com](http://www.bseindia.com) under the “Investor Grievances”.

➤ **Depositories**

National Securities Depository Limited (NSDL) – In order to help its clients resolve their doubts, queries, complaints, NSDL has provided an opportunity wherein they can raise their queries by logging on to [www.nsdl.co.in](http://www.nsdl.co.in) under the “Investors” section of an email can be marked mentioning the query to [relations@nsdl.co.in](mailto:relations@nsdl.co.in).

➤ **MISCELLANEOUS**

**Change of address**

➤ **What is the procedure to get change of address registered in the Company’s records?**

Shareholders holding shares in physical form may send a request letter, duly signed by all the holders, giving the new address along with Pin Code, to the Company’s R&TA. Shareholders are also requested to quote their folio number and furnish proof of address such as attested copies of Ration Card/PAN card/ Passport/ Latest Electricity or Telephone Bill/ Lease Agreement, Aadhaar Card, etc, If shares are held in dematerialized form, information about change in address needs to be sent to the DP concerned.

**Change of Name**

➤ **What is the procedure for registering change of name of shareholders?**

Shareholders may request the Company’s R&TA for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc, should be enclosed. The Company’s R&TA, after verification, will effect the change of name and send the share certificate(s) in the new name of the shareholders. Shareholders holding shares in demat form, may request the concerned DP in the format prescribed by DP.

➤ **Authority to another person to deal with shares**

What is the procedure for authorizing any other person to deal with the shares of the Company?

Shareholder needs to execute a Power of Attorney in favour of the concerned person and submit a notarized copy of the same to the Company’s R&TA. After scrutiny of the documents, the R&TA shall register the Power of Attorney and inform the shareholders concerned about the registration number of the same. Whenever a transaction is done by the Power of Attorney holder, this registration number should be quoted in the communication.

**Permanent Account Number (PAN)**

It has become mandatory to quote PAN before entering into any transaction in the securities market. The Income Tax Department of India has highlighted the importance of PAN on its website: [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in) where in lot of queries with respect to PAN have been replied to in the FAQ section.



➤ **Insider Trading**

The Securities and Exchange Board of India vide its Notification dated January 15, 2015 has notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (New Regulations). The New Regulations will come into effect from May 15, 2015 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 shall stand repealed from the date, Under the New Regulations, the requirements of Initial disclosures are applicable to promoter, key managerial personnel and director of a company and requirements of continual disclosures are applicable to promoter, employee and director of a company.

➤ **Takeover Regulations**

SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 cast obligation on the Investor (acquirer) to make disclosure w.r.t. acquisition and disposal of shares. The relevant provisions as contained in the Regulations 29 (1)(2) and (3) are given below:

➤ **Disclosure of acquisition**

Any acquirer who acquires shares (including convertible securities) or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, aggregating to five per cent or more of the shares of such target company, should disclose their aggregate shareholding and voting rights in such target company, to target company and stock Exchanges within 2 working days to the receipt of intimation of the allotment / acquisition, as the case may be.

➤ **Disclosure, in case of change in holding**

Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, should disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in share holding falling below five per cent, if there has been change in such holdings from the last disclosure made; and such change exceeds tow per cent of total shareholding or voting rights in such target company, to target company and stock exchanges within 2 working days of such change.

➤ **E-voting**

The Companies Act, 2013 and Clause 35 B of the Listing Agreement requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholder's resolutions, to be passed at General Meetings.

➤ **Register e-mail address**

To contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, Investors are requested to register their e-mail addresses with TNT, if shares are held in physical mode or with their DP, if the holding is in electronic mode.

➤ **Intimate mobile number**

Intimate your mobile number and changes therein in any to TNT, If shares are held in physical mode or to your DP if the holding is in electronic mode, to receive communications on corporate actions and other information of the company.

➤ **SHAREHOLDERS' GENERAL RIGHTS :**

- To receive not less than 21 clear days notice of general meetings.
- To receive notice and forms for Postal Ballots in terms of the provisions of the Companies Act, 2013 and the relevant Rules issued there under.
- To receive copies of Balance Sheet and Statement of Profit and Loss along with all annexures/ attachments (Generally) known as Annual Report ) not less than 21 days before the date of the annual general meeting.
- To participate and vote at general meetings either personally or through proxy (proxy can vote only in case of a poll).
- To receive dividends and other corporate benefits like bonus, rights etc, once approved.
- To demand poll on any resolution at a general meeting in accordance with the provisions of the Companies Act, 2013.
- To inspect statutory registers and documents as permitted under law.
- To require the Board of Directors to call an extraordinary general meeting in accordance with the provisions of the Companies Act, 2013.

➤ **DUTIES & RESPONSIBILITIES OF INVESTORS**

- To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- To be aware of relevant statutory provisions and ensure effective compliance therewith.
- To deal with only SEBI registered intermediaries while dealing in the securities.
- Not to indulge in fraudulent and unfair trading in securities nor to act upon any unpublished price sensitive information.
- To participate effectively in the proceedings of shareholders' meetings.
- To contribute to the Greener Environment and accordingly register email addresses to enable the company to send all documents/notices including Annual Reports electronically.
- To register nominations, which would help the nominees to get the shares transmitted in their favour without any hassles
- To participate in the e-voting facility provided by the company or attend the General meeting of the Company and cast their vote.
- To respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI/Depository /DP/Brokers /Sub-brokers/Other Intermediaries/Company, seeking investor feedback comments.



**TAMILNADU STEEL TUBES LTD.**

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website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

**Date :**

Dear Shareholder,

**RE : Green Initiative in Corporate : Go Paperless**

The Ministry of Corporate Affairs ('Ministry') has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with the Circulars bearing No.17/2011 dated 21.04.2011 issued by the Ministry, companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc.) to their shareholders through electronic mode, to the registered e-mail addresses of the shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment.

This is also a golden opportunity for every shareholder of Tamilnadu Steel Tubes Limited (the Company) to contribute to the Corporate Social Responsibility initiative of the Company. All you have to do is to register your e-mail id with the Company to receive communication through electronic mode.

**ADVANTAGES OF REGISTERING FOR E-COMMUNICATION :**

Receive communication promptly. Reduce paper consumption and save trees. Eliminate wastage of paper. Avoid loss of document in postal transit. Save costs on paper and postage.

We therefore, invite you to contribute to the cause by filling up the form given along with for registering your e-mail ID and send it back to us.

Kindly note that you still wish to get a hard copy/physical copy of all the communications, the Company undertakes to provide the same at no extra cost to you. In case you desire to receive the above mentioned documents in physical form, you are requested to send an e-mail to [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in) or send a letter to the address as mentioned above.

Best Regards,

for **TAMILNADU STEEL TUBES LIMITED**

Sd/-

**(Rakesh Goyal)**

Managing Director.

=====

**E-COMMUNICATION REGISTRATION FORM**

To  
M/s Tamilnadu Steel Tubes Ltd.  
Mercury Apartments, First Floor,  
No.65, Pantheon Road, Egmore,  
CHENNAI -600 008

Dear Sir / Madam,

**RE : Green Initiative in Corporate Governance**

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. / DP ID & Client ID .....

Name of the 1<sup>st</sup> Registered Holder .....

Name of the Joint Holder (s) .....

Registered Address .....

e-mail ID .....

Date :

**Signature of the First Holder** .....

**TAMILNADU STEEL TUBES LTD.**Regd. Office: Mercury Apts., 1<sup>st</sup> Floor, No. 65, Pantheon Road, Egmore, CHENNAI-600 008

Phones: 2855 5653 / 2855 5673; Fax: 091-044-2855 5643

**CIN : L27110TN1979PLC007887**

e-mail: tnstl@vsnl.net / tnt.share@yahoo.in / contact@tamilnadusteeltubesltd.com

website: www.tamilnadusteeltubesltd.com

**MEMBER'S FEED BACK FORM**

Name : \_\_\_\_\_ E-mail ID : \_\_\_\_\_

Address : \_\_\_\_\_

DP ID : \_\_\_\_\_ Client ID : \_\_\_\_\_

Folio No. : \_\_\_\_\_

(In case of physical holding)

No. of equity shares held : \_\_\_\_\_

Signature of Member

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Directors' Report Management Discussion & Analysis	Contents					
	Presentation					
Business Responsibility Report	Contents					
	Presentation					
Report on Corporate Social Responsibility	Contents					
	Presentation					
Corporate Governance Report	Contents					
	Presentation					
	Presentation					
Shareholders' Referencer	Contents					
	Presentation					
Quality of Financial & Non-Financial information in the Annual Report	Contents					
	Presentation					
Information on Company's Website	Contents					
	Presentation					
<b>INVESTOR SERVICES</b>						
Turnaround time for response to Shareholder query						
Quality of response						
Timely receipt of Annual Report						
Conduct of Annual Report						
Promptness in confirming demat / remat requests						
Overall rating						
Views/Suggestions for improvement, if any :-						

Members are requested to send this feedback form to the address given overleaf.

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**Form No. MGT-11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature , or failing him		

Name :	E-mail Id:
Address:	
Signature , or failing him	

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> AGM of the Company, to be held on Wednesday, the 23<sup>rd</sup> Sep. 2015, at 10.00 a.m. at Rani Seethai Hall, No. 603, Anna Salai, Chennai-600 002 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolu- tion No.	Resolution/s	Vote	
		For	Against
1.	Adoption of Annual Accounts, Statement of Profit & Loss, Balance Sheet, Report of Directors' and Auditors' for the Fin. Year ended: 31 <sup>st</sup> March, 2015		
2	Re-appointment of Mr Mahaveer Singh, as Wholetime Director		
3	Re-appointment of Mr Vikram Singh Rathore , as Wholetime Director		
4	Re-appointment of M/s. Abhay Jain & Co. Chartered Accountants as Statutory Auditors & fixing their remuneration		
5.	Fixation of Remuneration of Cost Auditor		
6	Authorising Board to borrow funds upto Rs. 10.00 Crores U/S 180(1) (c ) of the Companies Act 2013		
7	Authorising Board to for creation of Charge/Mortgage of Assets for borrowing funds upto Rs. 10.00 Crores .		
8.	Increasing the Remuneration of Managing Director		
9.	Increasing the Remuneration of Mr Vikram Singh, wholetime Director		
10.	Increasing the Remuneration of Mr Mahaveer Singh, wholetime Director		
11.	Change in Designation of Mr MT Elumalai, as Wholetime Director & increase in his Remuneration		
12	To authorize BOD to take steps as per Companies Act 2013 from time to time		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Shareholder Signature of Proxy holder Signature of the shareholder

Affix Re.1  
Rev.  
Stamp

Note: 1) This form of proxy in order to be effective should be duly completed and deposited

at the Regd. Office of the Company not less than 48 hours before the commencement of the Meeting.

2)The proxy need not be a Member of the company

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**FORM No. MGT-12****POLLING PAPER**

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

**BALLOT PAPER**

S. No.	Particulars	Details
1	Name of First Named Shareholder  (In Block Letters)	
2	Postal Address	
3.	Registered Folio No. or DP ID No. & Client ID No.	
4	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Item No.	Description	I assent to the resolution	I dissent to the resolution
1.	To Consider and adopt Audited Financial Statements, Reports of the Board of Directors and Auditors		
2.	Re-appointment of Mr Mahaveer Singh		
3.	Re-appointment of Mr Vikram Singh Rathore		
4.	Appointment of Auditors & fixing their remuneration		
5.	Fixation of remuneration of Cost Auditor		
6.	Authorising Board to borrowing funds upto Rs.10 crores		
7.	Authorising Board for creation of charges/mortgage of Assets for borrowing funds upto Rs.10 Crores		
8.	Increasing remuneration of Managing Director - Mr Rakesh Goyal		
9.	Increasing remuneration of Mr Vikram Singh Rathore - Whole Time Director.		
10.	Increasing remuneration of Mr Mahaveer Singh - Whole Time Director.		
11	Change in designation of Mr MT Elumalai as Wholetime Director and increase in his remuneration		
12	To authorize BOD to take steps as per Companies Act 2013 from time to time		

PLACE:

DATE :

Signature of the shareholder/Proxy Holder



**TAMILNADU STEEL TUBES LTD.**

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website: www.tamilnadusteeltubesltd.com

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**36<sup>th</sup> Annual General Meeting on :** Wednesday, the 23<sup>rd</sup> Sep. 2015, at 10.00 a.m.

**At :** Rani Seethai Hall, No. 603, Anna Salai, Chennai-2

Full Name of the Member/s attending \_\_\_\_\_

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the Member)

I hereby record my presence at the 36<sup>th</sup> Annual General Meeting of M/s Tamilnadu Steel Tubes Ltd. , on Wednesday, the 23<sup>rd</sup> Sep. 2015, at 10.00 a.m.

(Member's /Proxy's Signature)

**Note:**

1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.

2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.

3) A Proxy need not be a member of the Company.

4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.