



# TAMILNADU STEEL TUBES LIMITED

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## ANNUAL REPORT 2016-2017



**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

**38<sup>th</sup> ANNUAL REPORT 2016-17****CONTENTS**

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**ANNEXURE**
**MAPPING TO THE SEBI FRAME WORK**

Question	Reference	
	Section	Page No
<b>Section A : General Information about the Company</b>		
1. Corporate Identity Number (CIN) of the Company 2. Name of the Company 3. Registered Address 4. Website 5. Email id 6. Financial Year Reported 7. Sector(s) that the Company is engaged in (industrial activity code-wise)	AR	116
8. List three key products/services that the Company Manufactures / provides (as in balance sheet) 9. Total number of locations where business activity is undertaken by the Company	AR	116
10. Markets served by the Company– Local/State/National/International	AR	116
<b>Section B : Financial Details of the Company</b>		
1. Paid up Capital (INR)	AR	116
2. Total Turnover (INR)	AR	116
3. Total profit after taxes (INR)	AR	116
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	AR	116
<b>Section C : Other Details</b>		
<b>Section D : BR Information</b>		
<b>1. Details of Director/Directors responsible for BR</b>		
a) Details of the Director/Director the BR policy/policies <ul style="list-style-type: none"> <li>• DIN Number</li> <li>• Name</li> <li>• Designation</li> </ul> b) Details of the BR head <ul style="list-style-type: none"> <li>• DIN Number (if applicable)</li> <li>• Name</li> <li>• Designation</li> <li>• Telephone number</li> <li>• e-mail ID</li> </ul>	AR	119
<b>2. Details of Director/Directors responsible for BR</b>		
a) Details of the Director/Director the BR policy/policies <ul style="list-style-type: none"> <li>• DIN Number</li> <li>• Name</li> <li>• Designation</li> </ul> b) Details of the BR head <ul style="list-style-type: none"> <li>• DIN Number (if applicable)</li> <li>• Name</li> <li>• Designation</li> <li>• Telephone number</li> <li>• e-mail ID</li> </ul>	AR	119

3. Governance Related to BR Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	AR	119
Does the Company publish a BR or a Sustainability Report? What is the Hyperlink for viewing this report? How frequently it is published?	AR	119
<b>Section E : Principle-wise Performance</b>		
<b>Principle1: Ethics, Transparency and Accountability</b>		
Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors / NGOs /Others?	AR	119
How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	AR	119
<b>Principle 2 : Sustainable Products and Services</b>		
List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	AR	120
For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	AR	120
Does the company have procedures in place for sustainable sourcing (including transportation)?	AR	120
Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	AR	120
If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	AR	120
Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	AR	120
<b>Principle 3 : Employee Well Being</b>	AR	121
Total number of employees. Total number of employees hired on temporary/contractual/casual basis. Number of permanent women employees. Number of permanent employees with disabilities	AR	121
Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	AR	121
What percentage of your under mentioned employees were given safety and skill up gradation training in the last year?	AR	121
<b>Principle 4 : Valuing Marginalized Stakeholders :</b>		122
Has the company mapped its internal and external stakeholders?	AR	122
Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders	AR	122
<b>Principle 5 : Human Rights</b>		
Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures/Suppliers / Contractors / NGOs/ Others	AR	122

How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	AR	122
<b>Principle 6 : Environment</b>		
Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers/Contractors/ NGOs/ others.	AR	122
Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?	AR	122
Does the company identify and assess potential environmental risks?	AR	122
Does the company have any project related to Clean Development Mechanism? Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N.	AR	122
Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year	AR	122
<b>Principle 7 : Policy Advocacy</b>		123
Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: Have you advocated/lobbied through above associations for the advancement or improvement of public good?	AR	123
<b>Principle 8 : Inclusive Growth</b>		
Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8?	AR	123
Are the programs/projects undertaken through in-house team/own foundation/external/ NGO/Govt. structures/any other organisation?	AR	123
Have you done any impact assessment of your initiative?	AR	124
What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.	AR	124
Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	AR	124
<b>Principle 9 : Customer Welfare</b>		
What percentage of customer complaints/consumer cases are pending as on the end of financial year.	AR	124
Does the company display product information on the product label, over and above what is mandated as per local laws?	AR	124
Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of end of financial year Did your company carry out any consumer survey/ consumer satisfaction trends?	AR	124

## COMPOSITION OF BOARD

### **BOARD OF DIRECTORS**

Mr.Rakesh Goyal  
 Mr.Mahaveer Singh  
 Mr.M.T.Elumalai  
 Mr.Bivashwa Das  
 Mr.Pradip Kumar Dubey  
 Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Gopal Singh  
 Mrs.Seshadhri Rajalakshmi

#### **Managing Director**

Mr.Rakesh Goyal

#### **Independent Directors**

Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Gopal Singh

#### **Women Director**

Mrs.Seshadhri Rajalakshmi\

#### **Wholetime Director**

Mr.Bivashwa Das  
 Mr.Pradip Kumar Dubey  
 Mr.Mahaveer Singh  
 Mr.M.T.Elumalai

### **BOARD COMMITTEES**

#### **Audit Committee**

Mr.Rakesh Goyal  
 Mr.Gopal Singh  
 Mr.M.T.Elumalai  
 Mrs.Seshadhri Rajalakshmi  
 Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Mahaveer Singh,

#### **Corp.Social Responsibility & Governance Committee**

Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Mahaveer Singh  
 Mr.Gopal Singh  
 Mrs.Seshadhri Rajalakshmi  
 Mr.Bivashwa Das

#### **Stakeholders'/Shareholders' Relation & Grievance Committee**

Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Gopal Singh  
 Mr.Mahaveer Singh  
 Mrs.Seshadhri Rajalakshmi  
 Mr.M.T.Elumalai

#### **Risk Management & Vigil Mechanism Committee**

Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Mahaveer Singh  
 Mr.Bivashwa Das  
 Mr.Pradip Kumar Dubey

#### **Health, Safety, Enviroment & Women Protection Committee**

Mrs.Seshadhri Rajalakshmi  
 Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Pradip Kumar Dubey  
 Mr.Bivashwa Das  
 Mr.M.T.Elumalai

#### **Nomination & Renumeration & BR Committee**

Mr.M.J.Lakshmi Narasimha Rao  
 Mr.Mahaveer Singh  
 Mr.Bivashwa Das  
 Mr.Gopal Singh  
 Mrs.Seshadhri Rajalakshmi

#### **Registered Office**

Mercury Apts., 1st Floor  
 65, Pantheon Road  
 Egmore, Chennai - 600 008  
 Ph: 044-28555653; 28555673  
 E-mail:tntsl@vsnl.net;tnt.share@yahoo.in

#### **Factory Address**

B-10 Industrial Comple  
 Maraimalai Nagar-603 209  
 Kancheepuram District  
 Ph: 044-27452233

#### **Bankers**

1. The Jammu & Kashmir Bank Ltd., Chennai-2
- 2.City Union Bank. Chennai-1
- 3.City Union Bank Ltd., M.M.Nagar
- 4.Indian Bank, MGT Branch, Chennai-1
5. State Bank Of India, Chennai-6

#### **Registrar & Share Transfer Agents**

M/s.Cameo Corporate Services Limited  
 No.1 Subramanian Building  
 Club House Road  
 Chennai - 600 002

#### **Company Secretary**

CS. Kamal Lochan Ray

#### **Statutory Auditors**

Mr.A.K.Jain, FCA  
 M/s Abhay Jain & Co  
 Bhushaira House  
 6/46, Nowroji Road  
 Chetpet, Chennai- 600 031

#### **Internal Auditor**

Mrs.Niraja, FCA  
 No.31, 69th street  
 11th Sector, K.K.Nagar  
 Chennai-600 078

#### **Chief Financial Officer**

Mr.N.Sudharsan

#### **Cost Auditor**

CMA Lathavenkatesh

#### **Secretarial Auditor**

Mr.V.S.Sowrirajan  
 Practising Company Secretary

#### **Share Transfer Scrutinize**

Mrs.Sobana Pranesh,  
 Practising Company Secretary

#### **Legal Advisor**

P.R.Shankar, Advocate  
 Supreme Court of India,  
 New Delhi

### **ANNUAL GENERAL MEETING**

On Monday the 4th September, 2017  
 at 10:00 am

Rani Seethai Hall, Anna Salai, Chennai-600 002

**Website:** [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

## **LETTER TO SHAREHOLDER(S)**

I have great pleasure in welcoming you to the 38th Annual General Meeting. The role out of the much awaited goods and services tax, the radical steps to demonetize high value currency, the large scale mobilization of Jan-Dhan Yojana, the direct benefit transfer schemes are undoubtedly examples of inspired action towards progress, the spirit of competitiveness, federalism and also spurned the state government's ease of doing business. This in turn showed positive impact in the investment climate. Today in the annual address I would like to highlight your company's integrated approach towards personalization of professionalism of management of the company.

During the Financial Year 2016-17, your Company completed 38 years of its tryst with the Nation, a vintage enjoyed by a mere handful of names in our corporate annals.

The current year 2017-18 was also a testing year, with an economy that failed to energize the pipe industry and confronted the steel market with subdued sales. But amid these challenges, there were positive developments in Steel Pipe Industry by way of greater cost efficiency, strengthened product development and energetic customer excellence initiatives.

Made up of eminent personalities of professional prowess and indubitable integrity, the Board guides the company in retaining its reputation of being professionally managed with its core values firmly rooted in demonstrating sound ethics and good corporate citizenship to deliver maximum value to its stakeholders.

The Union Budget proposals announced this February have brightened prospects for the national economy with plans that are expected to advance macroeconomic growth, boost investor confidence and provide impetus to the rural economy. The Steel Pipe Industry and we are particularly enthused by measures devised to accelerate investment in infrastructure development and Agricultural Sector.

In this unfolding scenario, I am confident that your Company's continued focus on cost competitiveness and the thrust on enhancing customer excellence will help it present an improved performance.

TNT has a strong and dedicated team of Employees, responsive to every problem, to meet any challenge with purposeful grit and determination.

In the decades of the company's operations, its products and services have been used in raising mega structures and iconic landmarks that symbolize South India in progress.

TNT has played a meaningful role in the Steel Industry providing quality Steel Pipes materials and services and sharing its expertise as the government moves ahead with plans for greater investments in infrastructure development, Smart Cities and urban transformation, the company has also revved up its capability to provide quality Steel Tubes/Pipes and services to match the engineering excellence that go into implementing ambitious projects necessary in these segments.

TNT has been an unrivalled pioneer in Steel Pipe Industry in South India. Its facilities for the production of Steel Pipes, which have state-of-the-art technology including a considerable degree of automated process control systems, demonstrate high performance levels and assure consistent quality to match world class standards.



TNT's Steel Plant is capable of meeting specific needs of Dealers/Customers – beginning with the basic requirements of every individual and challenging demand of mega projects for High Performance and other specialized applications.

TNT's unique track record of innovative research and development has led to its recognition as a pioneer and trendsetter with several breakthroughs in Steel Tubes/Pipes over the years and more recently to include many new products that have widened its portfolio of value added varieties for special and customized applications.

The customer is the pivot in the process of innovation, quality and product development - with systems in place to harvest new customer insights and expectations to improve on service levels. With the customer strategically ensconced in the driver's seat of the planning process, a purposeful direction and metrics emerge in the context of decision-making in all aspects of creating and securing value for the customer.

It has been your company's resolve to build a strong industrial approach for the company's growth with a responsibility to ensure that the growth is increasingly creates meaningful trust, livelihood and secure ecological environment. I have tremendous faith in TNT's best class team of dedicated professionals and I know that they will have no stones unturned in the quest to take their company to greater heights to serve you, our shareholders and our society.

As always may I once again on behalf of the company take this opportunity to thank you for your support and encouragement.

Thank You dear shareholders let's put Tamilnadu Steel Tubes Limited on the top.

With Best Wishes,  
Sincerely Yours,

RAKESH GOYAL  
Managing Director

<b>THE “TNT” VISION &gt;&gt;</b>	Sustain TNT’s position as one of South India’s most valuable company through best class of performance, creating growing value for the Company’s stakeholders.
<b>THE “TNT” MISSION &gt;&gt;</b>	To enhance the wealth generating capability of the enterprise in a environment, delivering superior and sustainable stakeholder value.
<b>CORE VALUES &gt;&gt;</b>	<p>TNT’s Core Values are aimed at developing a customer-focused, high performance organization which creates value for all its stakeholders:</p> <p><b>Trusteeship</b> As professional managers, we are conscious that TNT has been given to us in “trust” by all our stakeholders. We will actualize stakeholder value and interest on a long term sustainable basis</p> <p><b>Customer Focus</b> We are always customer focused and will deliver what the customer needs in terms of value, quality and satisfaction.</p> <p><b>Respect for People</b> We are result oriented, setting high performance standards for ourselves as individuals and teams. We will simultaneously respect and value people and uphold humanness and human dignity. We acknowledge that every individual brings different perspectives and capabilities to the team and that a strong team is founded on a variety of perspectives. We want individuals to dream, value differences, create and experiment in pursuit of opportunities and achieve leadership through teamwork.</p> <p><b>Excellence</b> We do what is right, do it well and win. We will strive for excellence in whatever we do.</p> <p><b>Innovation</b> We will constantly pursue newer and better processes, products, services and management practices.</p>

	<p><b>Nation Orientation</b></p> <p>We are aware of our responsibility to generate economic value for our stakeholders. In pursuit of our goals, we will make no compromise in complying with applicable laws and regulations at all levels.</p> <p>TNT is a board-managed professional company, committed to creating enduring value for the stakeholders. It has a rich organizational culture rooted in its core values of respect for people and belief in the empowerment. Its philosophy of all-round value creation is backed by strong corporate governance policies and systems.</p>
<p><b>CORPORATE STRATEGIES &gt;&gt;</b></p>	<p><b>TNT's corporate strategies are:</b></p> <ul style="list-style-type: none"> <li>• Create multiple drivers of growth by developing business that best matches organizational capabilities in domestic markets.</li> <li>• Continue to focus on the latest technology for galvanized and stainless steel pipes production</li> <li>• Benchmark the health of each branded products comprehensively across the criteria of Market Standing, Profitability and Internal Vitality</li> <li>• Enhance the competitive power of the portfolio through synergies derived by blending the diverse skills and capabilities residing in TNT's business.</li> <li>• Create distributed leadership within the organization by nurturing talented and focused top management teams for the businesses.</li> <li>• Continuously strengthen and refine Corporate Governance processes and systems to catalyse the entrepreneurial energies of management by striking the golden balance between executive freedom and the need for effective control and accountability</li> </ul>
	<p><b>Preamble</b></p> <p>TNT's Code of Conduct is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.</p>

**CODE OF CONDUCT >>**

**Philosophy**

TNT recognizes society as an important stakeholder in this enterprise and therefore it is part of our responsibility to ensure that the organization is managed in a manner that protects and furthers the interests of our stakeholders.

**Corporate Governance Policy**

The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company

**Personal Conduct**

All directors, senior management and employees are expected to demonstrate exemplary personal conduct by adhering to ethical manners such as transparency, audit ability, avoidance of conflict of interest, protection of confidential information and by leading an example.

**Waivers**

Any waiver of any provision of this Code of Conduct for a director, senior management or employee must be placed for approval before the Company's Board of Directors / Corporate Management Committee, as appropriate.

**Non Adherence**

Any instance of non-adherence of this Code of Conduct should be brought to the attention of the immediate reporting authority with copies to the relevant Divisional Chief Executive / Head of Corporate Department and the Head of Corporate Human Resources.

**Duties of Independent Directors**

The duties of Independent Directors of the Company, as laid down under Schedule IV to the companies Act,2013 in pursuant to Clause 49 of the Listing Agreement with Stock Exchange

**Whistleblower Policy**

It encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the Company's Code

<p><b>BUILDING INDIA &gt;&gt;</b></p>	<p>In the 38 years of the company’s operations, its products and services have been used in raising mega structures and iconic landmarks that symbolize a nation in progress.</p> <p>TNT has played a meaningful role in the nation building process, providing quality building materials and services and sharing its expertise – touching the lives of generations of people in cities, towns and villages. Its presence has been vital in raising mega structures like dams, canals, irrigation schemes, power plants, ports, roads and railways besides enabling urban transformation with skyscrapers, flyover &amp; bridges, airports and metro rail projects.</p> <p>An indefatigable workforce supported by an extensive network of channel partners who cater to a vast number of individual house builders has marked TNT as a brand to trust for durability.</p> <p>As the government moves ahead with plans for greater investments in infrastructure development, Smart Cities and urban transformation, the company has also revved up its capability to provide quality building materials and services to match the engineering excellence that go into implementing ambitious projects necessary in these segments</p>
<p><b>MADE IN INDIA &gt;&gt;</b></p>	<p><b>Manufacturing Excellence</b></p> <p>TNT has been an unrivalled pioneer in South India’s galvanized steel pipes and MS pipes industries. Its facilities for the manufacture of stainless steel, galvanized steel and M.S. Steel pipes, which have state-of-the-art technology including a considerable degree of automated process control systems, demonstrate high performance levels and assure consistent quality to match class standards. The recently commissioned new stainless in the existing plant is in itself a showcase of South India’s project and engineering excellence.</p>

	<p>TNT stainless steel and galvanized steel pipes and MS pipes plants are capable of meeting specific needs of customers - beginning with the basic requirement of engineering units, builder, government agencies, automobile and textile industries and challenging demands of mega projects for water transport and other scaffolding projects, roofing projects and other specialized applications.</p> <p>TNT's team of engineers, shop floor associates and workers are considered among the best in the industry. The plants follow a strict regimen of safety management protocols.</p>
<p><b>BUILDING INNOVATIVENESS &gt;&gt;</b></p>	<p>Excellence in Stainless steel, Galvanized steel pipes and MS pipes</p> <p>TNT's unique track record of innovative research and development has led to its recognition as a pioneer and trendsetter with several breakthroughs in stainless steel, galvanized steel pipes and MS pipes over the years and more recently to include many new products that have widened its portfolio of value-added varieties of galvanized steel pipes and MS pipes.</p>

## Hallmark of Quality - STEEL PIPE

### ERW - G.I., Black & Galvanized and SS Pipes

TNT has been a trendsetter in South India's steel industry. TNT has been the brand of choice for cities and villages as well as enduring structures for infrastructure and steel industry. Our range of steel pipes is marketed by a vast countrywide distribution network of over 50 dealers and 100 retailers.

### **Product Development**

TNT manufactures various sizes of pipes - Square, Rectangular and now introduced Stainless Steel Pipes for special applications – supplied in bulk for large areas. We have an assortment of special applications. Product Development is a vital role in our endeavour for customer excellence, enabled by a focus on applied research and innovation that drives quality, process improvement and application.

### **Quality**

TNT demonstrates a tradition of providing trustworthy and consistent quality through the application of modern technology to meet the needs and preferences of a nationwide customer base in the steel industry. TNT factory has the state of the art process control instrumentation, quality control systems and testing laboratories manned by qualified personnel. As a result of this unwavering focus on quality, TNT pipes' specifications exceed statutory standards.

### **TNT's S.S. Pipes**

TNT's pioneering efforts in introducing stainless steel pipes coupled with the promotion of bulk steel pipes. Handling facilities have been responsible for redefining the pace and quality in metropolitan cities and in mega infrastructure projects. Today, TNT is one of the largest manufacturers of steel pipes in South India.

Numerous landmark structures in India's metro cities have been using TNT pipes in mega projects, townships, commercial complexes, factories, bridges, flyovers, roads, agricultural sector and railways.

TNT is manufactured under computer controlled operations, transported and placed at site using sophisticated equipment and methods. The use of TNT pipe is an environment friendly practice that is sophisticated, ensures high levels of quality assurance and value addition and causes minimal disturbance to its surroundings. This makes its utility more significant in crowded cities and localities.

TNT pipes are supplied in a variety of grades and compositions to meet specific demands of customized applications – from simple requirements to meet the complex needs of mega projects.

### **CUSTOMER EXCELLENCE**

We do our utmost to create a unique experience for our customers. We do what it takes to see that the customer experiences value in everything we do – in our products, in our service, in our communication, in every transaction and in every interface involving the customer. This customer centric approach demands that we offer superior products, superior logistics and superior service.

A young and dynamic sales force manages the frontline engagement with customers. They work with a large contingent of dedicated channel partners who are in turn complemented by an extensive network of retailer outlets that makes it easy to reach the masses of South India who make up our main customers.

Besides our standard offering, we promote an assortment of Premium products that incorporates enhanced technical features appropriate for different local conditions. Premium products come packed in tamper proof packaging.

A selection of routine studies and dipstick survey ensures that we always have the pulse of our valued clientele. Frontline sales personnel spend time in retail outlets to gather insights into the buying process from in-store consumer behaviour. Tools like Net promoter Score and the E3 Model (Economic, Emotional & Ego) helps gauge dealer satisfaction and understand their needs.

Customer Service teams offer a range of Technical Services from providing basic product knowledge to retail buyers to customized and fee-based services for the large buyer. A variety of other technical seminars and training programmes conducted by our Customer Service teams allow useful engagements with experienced engineers.

### **INNOVATIVE & FUTURE READY**

In its 38 Years' Journey, TNT has crafted a unique track record of innovative research and development. Justly earning for itself the sobriquet of pioneer and trendsetter. The company's accomplishments have added value to the steel pipe industry – notably with the establishment of the South India's first wholly steel pipe plant and also the introduction of stainless steel pipes.

Regularly insights from our marketing and R&D teams help us discover new ways to address the urban and large customers' changing needs through enhancements in service delivery ;and product development. Our recent advancements including the adoption of technologies like Radio frequency identification device have strengthened logistics.

We are mindful of the needs of other customer segments as well, such as enabling the setting up of Green Building Centres to address the demand for affordable areas in the smaller towns and villages.

Our technical teams are engrossed in pursuing continuous improvements in manufacturing operations and energy efficiency. We prepare ourselves to participate in the country's ambitious growth plans with the expansion of our capacity.

These and other such efforts seek to shape for the company a future as noteworthy as its past rendering it innovative and future ready in building sustainable solutions and enabling the people who can help make it happen.

### **LEADERSHIP & GOVERNANCE**

TNT is a professionally managed company with its core values based on ethics and good corporate citizenship. The Board of Directors comprises eminent professionals of unquestionable integrity, a majority of who are Independent Directors. The Board endeavours to maintain the company's tradition of upholding the highest standards of Corporate Governance. The Chief Executive Officer and MD oversee day to day working and operations of the Company. He is assisted by the Executive Committee (Exco) which includes the functional heads of Finance, Manufacturing, Marketing, Human Resources and Procurement. The Exco is responsible and accountable for overall business deliverables.



## A Brand That Cares

### Sustainable Business :

Your Company rejoices in greening the environs around us. A deep concern for conservation of the earth's precious resources is integrated into all activities of our value chain from slitting to sales. We continuously explore ways to make our business more planet friendly; from deploying clean works techniques to transforming Factory into lush forests or useful water bodies. We minimize the use of Chemicals that gainfully utilize industrial wastes.

All this helps cut our carbon footprint down to a level that is best in class. We have been among most sustainable companies and conducting sustainable business.

### A Caring Company :

We partner with the rural community living around our operations to improve the quality of their lives. In their well-being lies our licence to operate.

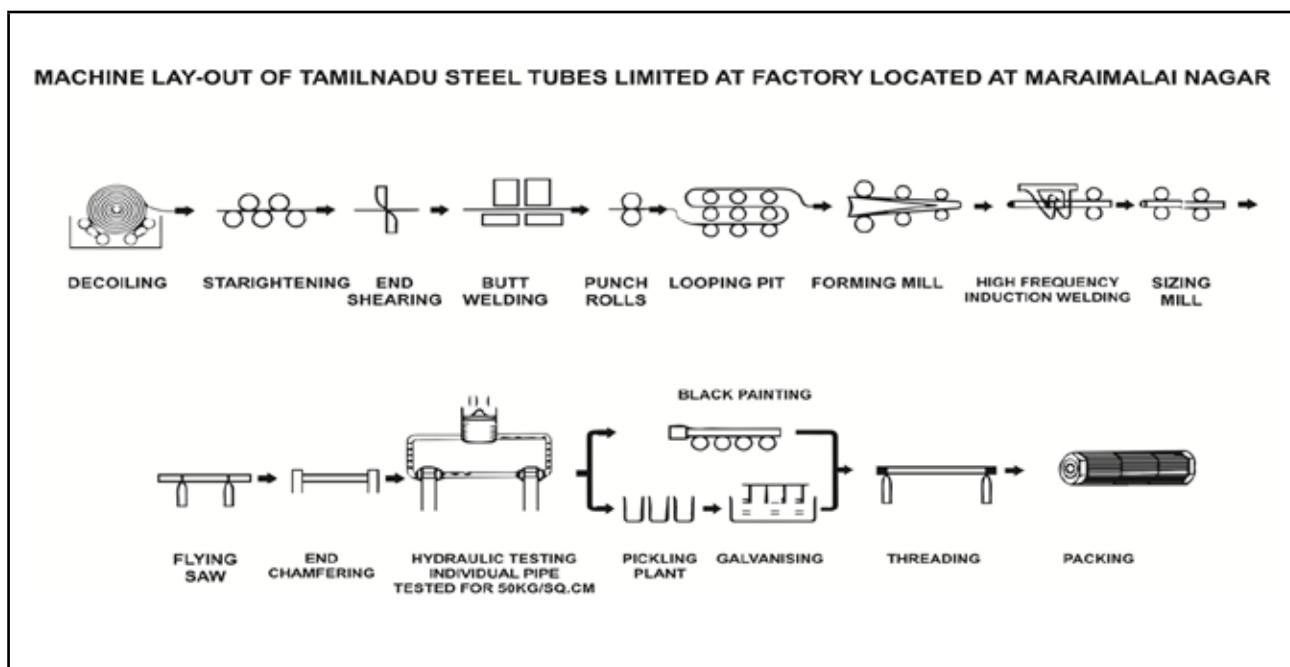
### People - Architects of Success :

TNT is proud to retain its position as the Best Employer to work for in the Steel Pipe Sector. The company's Human Resource function incorporates effective engagements with all levels of employees with a view to ensure that the workforce is close knit, motivated and ready to excel in the marketplace.

The Training programme, initiated in 2015, aims to re-engineer the work culture in our manufacturing units such that they can become more responsive to address the changing requirements of the industry. Our Shop floor associates endorsed this initiative as part of a remarkable common long term accord with the company.

Efforts continued to make sure that training and leadership development processes are designed to enhance technical and functional capabilities, with special focus on nurturing young talent. This will help us meet emerging challenges and keep the organization's talent pool effervescent and future ready.

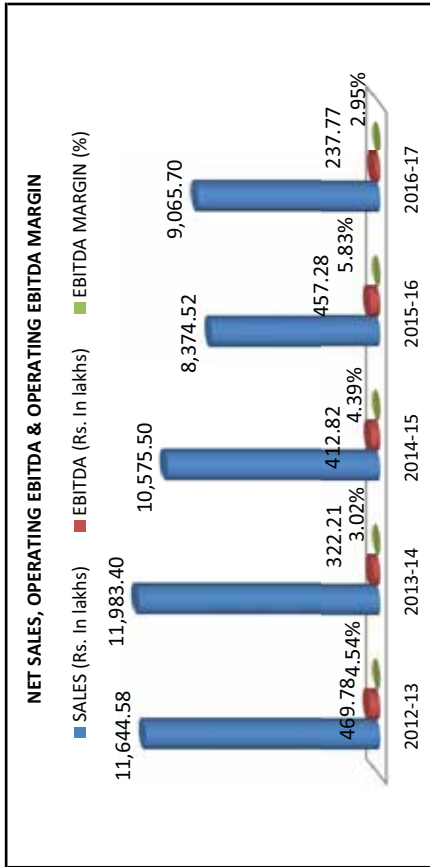
### FLOW CHART



## AMILNADU STEEL TUBES LIMITED

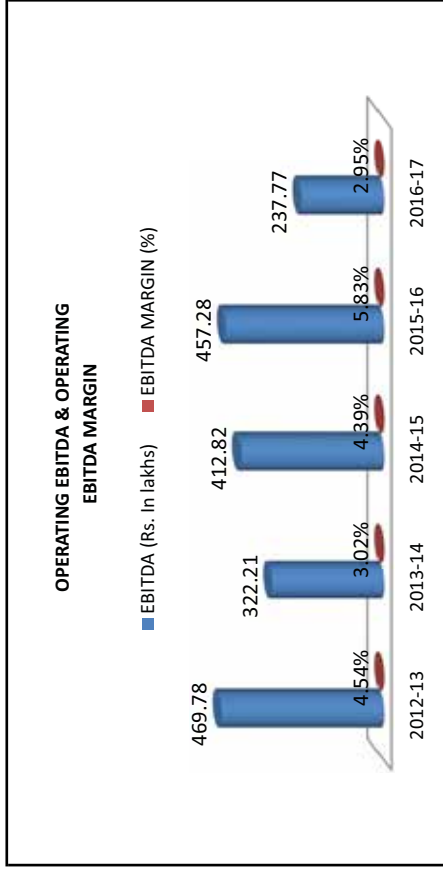
### NET SALES, OPERATING EBITDA & OPERATING EBITDA MARGIN

	2012-13	2013-14	2014-15	2015-16	2016-17
SALES (Rs. In lakhs)	11,644.58	11,983.40	10,575.50	8,374.52	9,065.70
EBITDA (Rs. In lakhs)	469.78	322.21	412.82	457.28	237.77
EBITDA MARGIN (%)	4.54%	3.02%	4.39%	5.83%	2.95%



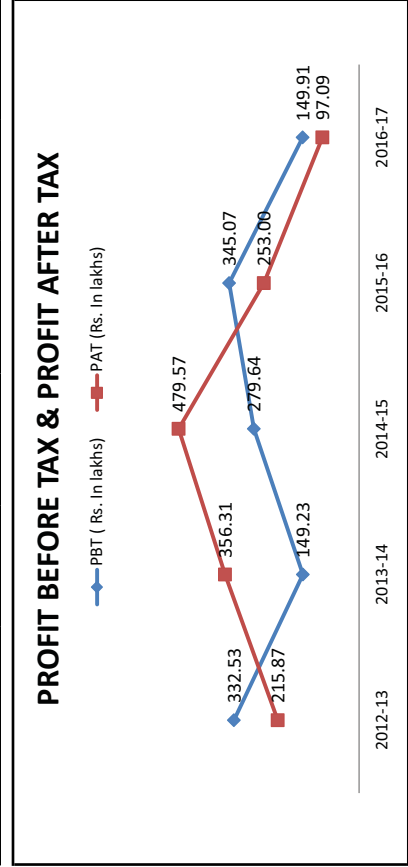
### OPERATING EBITDA & OPERATING EBITDA MARGIN

	2012-13	2013-14	2014-15	2015-16	2016-17
EBITDA (Rs. In lakhs)	469.78	322.21	412.82	457.28	237.77
EBITDA MARGIN (%)	4.54%	3.02%	4.39%	5.83%	2.95%



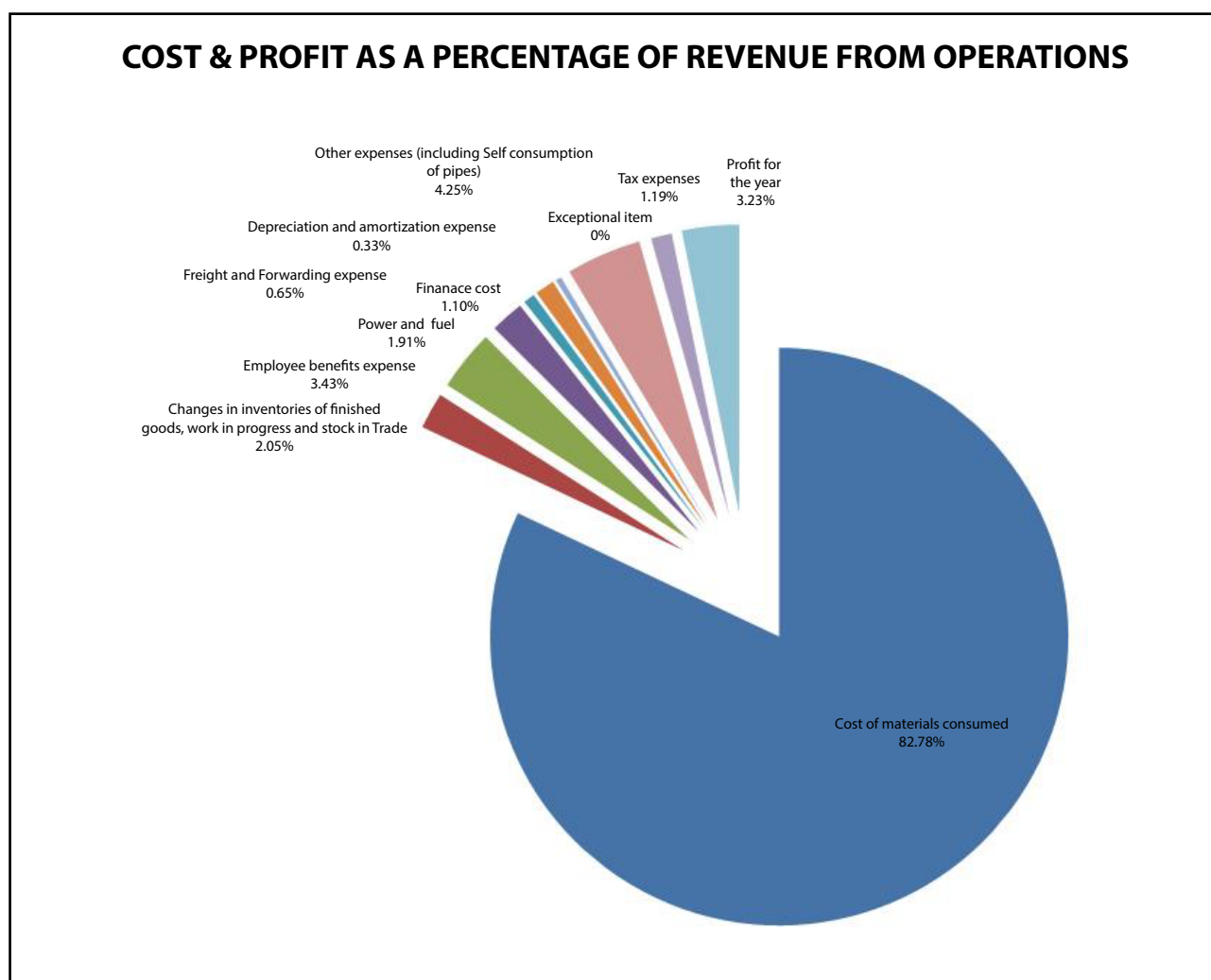
### PROFIT BEFORE TAX & PROFIT AFTER TAX

	2012-13	2013-14	2014-15	2015-16	2016-17
PBT (Rs. In lakhs)	332.53	149.23	279.64	345.07	149.91
PAT (Rs. In lakhs)	215.87	356.31	479.57	253.00	97.09



**TAMILNADU STEEL TUBES LIMITED**  
**COST & PROFIT AS A PERCENTAGE OF REVENUE FROM OPERATIONS**  
 2015-16

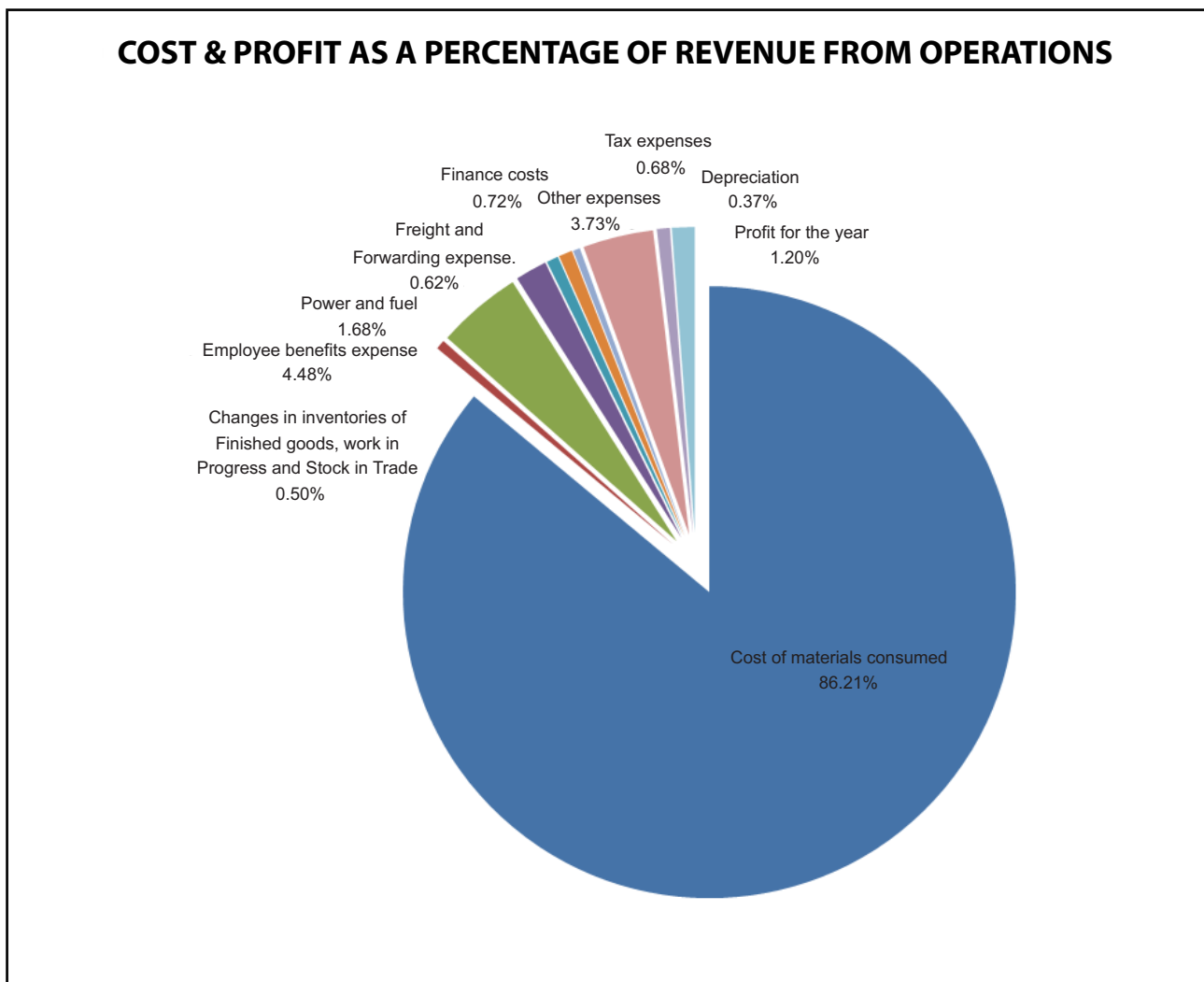
<b>Revenue from operations (net)</b>	<b>78.4</b>	<b>100%</b>
Other income	0.72	0.92%
Cost of materials consumed	64.9	82.78%
Changes in inventories of finished goods, work in progress and Stock in Trade.	1.61	2.05%
Employee benefits expense.	2.69	3.43%
Power and fuel	1.5	1.91%
Freight and Forwarding expense.	0.51	0.65%
Finance costs	0.86	1.10%
Depreciation and amortization expense.	0.26	0.33%
Other expenses (including Self Consumption of pipes)	3.33	4.25%
Exceptional item	-	
Tax expenses	0.93	1.19%
<b>Profit for the year</b>	<b>2.53</b>	<b>3.23%</b>



**TAMILNADU STEEL TUBES LIMITED**  
**COST & PROFIT AS A PERCENTAGE OF REVENUE FROM OPERATIONS**  
**2016-17**

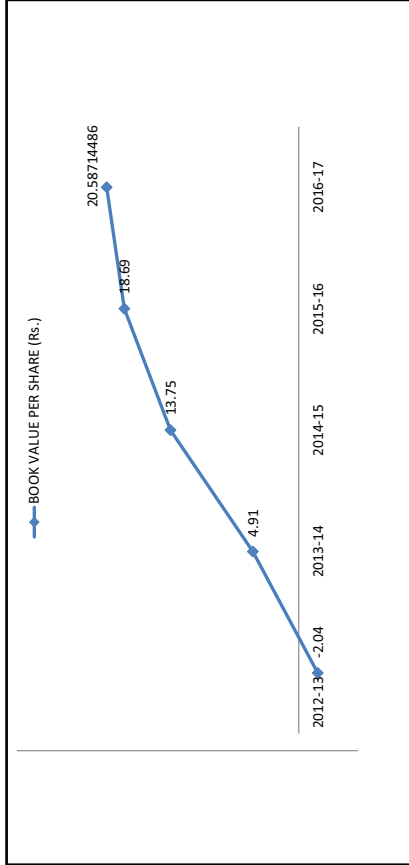
**COST & PROFIT AS A PERCENTAGE OF REVENUE FROM OPERATIONS**

Revenue from operations (net)	80.5	100%
Other income	0.16	0.20%
Cost of materials consumed	69.4	86.21%
Changes in inventories of finished goods, work in progress and Stock in Trade.	0.4	0.50%
Employee benefits expense.	3.61	4.48%
Power and fuel	1.35	1.68%
Freight and Forwarding expense.	0.5	0.62%
Finance costs	0.58	0.72%
Depreciation and amortization expense.	0.3	0.37%
Other expenses (including Self Consumption of pipes)	3	3.73%
Exceptional item	0	0.00%
Tax expenses	0.55	0.68%
Profit for the year	0.97	1.20%



**BOOK VALUE PER SHARE (Rs.)**

	2012-13	2013-14	2014-15	2015-16	2016-17
BOOK VALUE PER SHARE (Rs.)	-2.04	4.91	-2.04	13.75	20.58714486



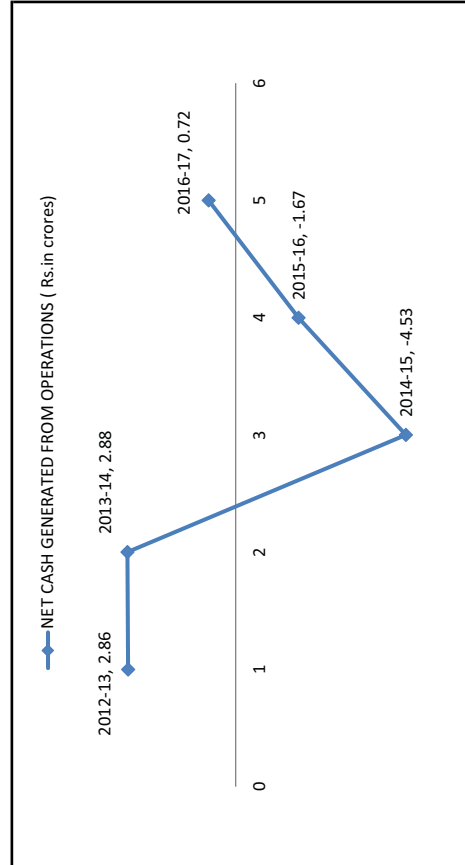
**NET WORTH & RETURN ON NET WORTH**

	2012-13	2013-14	2014-15	2015-16	2016-17
NW (Rs. In Lakhs)	-104.78	251.53	704.96	957.96	1055.05
RONW (%)	-206.02%	141.66%	68.03%	26.41%	9.20%



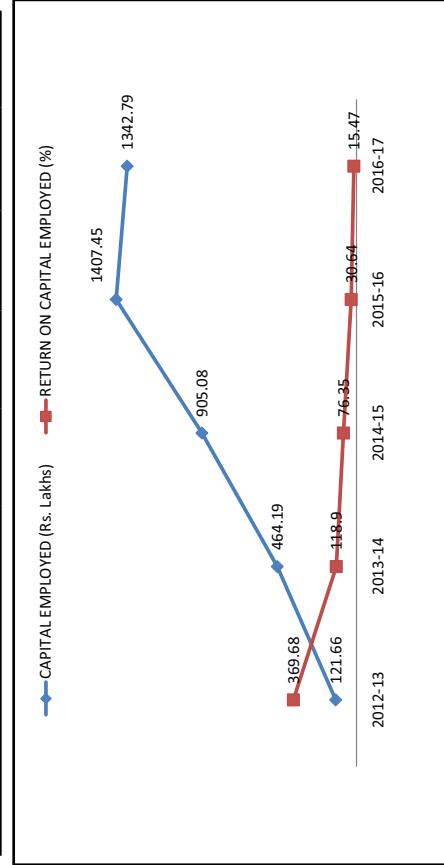
**NET CASH GENERATED FROM OPERATIONS (Rs. in crores)**

	2012-13	2013-14	2014-15	2015-16	2016-17
NET CASH GENERATED FROM OPERATIONS (Rs. in crores)	2.86	2.88	-4.53	-1.67	0.72



**CAPITAL EMPLOYED & RETURN ON CAPITAL EMPLOYED**

	2012-13	2013-14	2014-15	2015-16	2016-17
CAPITAL EMPLOYED (Rs. Lakhs)	121.66	464.19	905.08	1407.45	1342.79
RETURN ON CAPITAL EMPLOYED (%)	369.68	118.9	76.35	30.64	15.47



## **TAMILNADU STEEL TUBES LTD.**

### **FINANCIAL HIGHLIGHTS - 2007-08 to 2016-17**

PARTICULARS	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue from operations	7177.57	6304.30	7273.77	7753.28	8087.43	10354.56	10655.01	9397.20	7839.55	8051.16
Total Income	7493.88	6298.15	7345.80	7825.61	8088.60	10360.70	10658.33	9409.58	7911.29	8067.95
Earnings before Depreciation, Finance Cost and Tax Expenses (EBDIT)	734.76	332.70	213.07	123.24	196.94	469.78	322.21	412.82	457.28	237.78
Depreciation and Amortisation	25.21	20.22	19.45	21.61	21.56	20.03	27.32	30.33	26.01	30.03
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	257.06	(308.54)	-	-
Profit for the Year	664.88	281.45	(361.11)	0.87	71.03	215.87	356.31	479.57	253.00	97.09
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 and Surplus	(825.37)	(543.92)	(905.03)	(904.17)	(833.14)	(617.26)	(260.95)	192.48	445.48	542.57
Net Worth	(312.89)	(31.44)	(392.55)	(391.69)	(320.66)	(104.78)	251.53	704.96	957.96	1055.05
Gross Fixed Assets	726.65	754.83	763.87	804.33	836.43	962.49	979.62	982.07	967.88	1034.72
Net Fixed Assets	136.59	144.80	134.39	153.47	168.37	276.97	283.44	229.42	208.60	257.37
Total Assets	1569.95	1166.15	1608.93	1879.02	2739.02	2899.13	3356.68	2891.10	2697.38	3114.42
Key Indicators										
Earning Per Share	12.97	5.49	(7.05)	0.02	1.39	4.21	6.95	9.36	4.94	1.89
Turnover per Share	140.06	123.02	141.93	151.29	157.81	202.05	207.91	183.37	152.97	157.11
Book Value Per Share	(6.10)	(0.61)	(7.66)	(7.64)	(6.26)	(2.04)	4.91	13.75	18.69	20.59
Debt: Equity Ratio	<b>(6.02):1</b>	<b>(38.09):1</b>	<b>(5.10):1</b>	<b>(5.80):1</b>	<b>(9.54):1</b>	<b>(28.67):1</b>	<b>12.35:1</b>	<b>3.1:1</b>	<b>1.82:1</b>	<b>1.95:1</b>
EBDIT/Gross Turnover %	10.24	5.28	2.93	1.59	2.44	4.54	3.02	4.39	5.83	2.95
Net Profit Margin %	9.26	4.46	(4.96)	0.01	0.88	2.08	3.34	5.10	3.23	1.21
RONW %	(212.50)	(895.18)	91.99	(0.22)	(22.15)	(206.02)	<b>141.66</b>	68.03	26.41	9.20

## TAMILNADU STEEL TUBES LIMITED

### 10 YEARS AT A GLANCE STANDALONE OPERATING RESULTS - 2007-08 to 2016-17

(RS. IN LAKHS)

YEAR ENDING 31ST MARCH	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>TOTAL INCOME</b>	7493.88	6298.15	7345.80	7825.61	8088.60	10360.70	10658.33	9409.58	7911.29	8067.95
<b>PBDIT</b>	734.76	332.70	213.07	123.24	196.94	469.78	322.21	412.82	457.28	237.78
<b>DEPRECIATION</b>	25.21	20.22	19.45	21.61	21.56	20.03	27.32	30.33	26.01	30.03
<b>PBIT</b>	709.55	312.48	193.63	101.64	175.38	449.75	294.89	382.49	431.27	207.75
<b>PBT</b>	665.18	282.02	(2.65)	(2.16)	95.73	332.53	149.23	279.64	345.07	149.91
<b>EXCEPTIONAL ITEM</b>							(257.06)	(308.54)	-	0
<b>TAX</b>	0.00	0.00	345.28	0.00	26.75	115.10	47.80	102.13	102.13	47.11
<b>DEFFERED TAX</b>	13.18	(3.03)	(2.05)	1.55	2.18	6.47	1.55	2.18	(2.61)	5.71
<b>PAT</b>	664.88	281.45	(361.11)	0.87	71.03	215.87	356.31	479.57	253.00	97.09

**TAMILNADU STEEL TUBES LTD. , VALUE ADDED STATEMENT**

(Rs.In Lakhs)

PARTICULARS	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>(A) Sales</b>	8,938.02	11,644.58	11,983.40	10,575.50	8,374.52	9,065.70
<b>Total of A</b>	<b>8,938.02</b>	<b>11,644.58</b>	<b>11,983.40</b>	<b>10,575.50</b>	<b>8,374.52</b>	<b>9,065.70</b>
<b>(B) Less: Cost of Bought in Materials and Services</b>						
1. Consumption of Materials	6,762.59	8,440.41	8,928.32	8,010.55	6,203.45	6,697.34
2. Increase in stock/(Decrease in Stock)	16.30	45.42	-50.41	-103.34	160.58	-39.85
3. Audit Fees	2.20	2.32	5.32	4.32	3.72	3.90
4. Provision for Doubtful Debts	19.70	-	7.30	5.82	-	-
5. Interest on working Capital loan from Banks	-	-	-	-	-	-
6. Other Manufacturing & Admin Expenses	967.45	1,186.83	1,241.84	840.78	768.38	716.15
7. Exceptional items	-	-	-257.06	-308.54	-	-
<b>Total of B</b>	<b>7,768.25</b>	<b>9,674.99</b>	<b>9,875.32</b>	<b>8,449.59</b>	<b>7,136.12</b>	<b>7,377.54</b>
<b>(C) Value Added by Manufacturing &amp; Trading Activities (A-B)</b>	<b>1,169.77</b>	<b>1,969.59</b>	<b>2,108.08</b>	<b>2,125.90</b>	<b>1,238.41</b>	<b>1,688.16</b>
<b>(D) Add: Other Income</b>	1.17	6.15	3.32	12.39	71.74	16.34
<b>(E) Gross/Total Value Added (C+D)</b>	<b>1,170.94</b>	<b>1,975.73</b>	<b>2,111.40</b>	<b>2,138.29</b>	<b>1,310.15</b>	<b>1,704.50</b>
<b>Application of Value Added</b>	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>(A) To Pay Employees</b>						
Salaries, Wages, Bonus, Gratuities & Other Benefits	88.46	164.10	169.03	188.69	269.45	361.40
<b>Toatal of A</b>	<b>88.46</b>	<b>164.10</b>	<b>169.03</b>	<b>188.69</b>	<b>269.45</b>	<b>361.40</b>
Salaries, Remuneration & Commission	26.20	28.19	31.98	37.01	43.54	53.43
<b>Toatal of B</b>	<b>26.20</b>	<b>28.19</b>	<b>31.98</b>	<b>37.01</b>	<b>43.54</b>	<b>53.43</b>



PARTICULARS	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b><u>(C ) To Pay Government</u></b>						
Income Tax,Corporation Tax,Tax Distributed on Profits, Cess & Local Taxes	886.10	1,428.77	1,378.93	1,293.37	634.56	1,099.00
<b>Toatal of C</b>	<b>886.10</b>	<b>1,428.77</b>	<b>1,378.93</b>	<b>1,293.37</b>	<b>634.56</b>	<b>1,099.00</b>
Interest on Debentures	-	-	-	-	-	-
Interest on Borrowings	79.65	117.22	145.65	102.85	86.20	
Interest on Fixed Loans From Financial Institution	-	-	-	-	-	57.83
Equity Dividend	-	-	-	-	-	-
Preference Dividend	-	-	-	-	-	-
<b>Toatal of D</b>	<b>79.65</b>	<b>117.22</b>	<b>145.65</b>	<b>102.85</b>	<b>86.20</b>	<b>57.83</b>
<b><u>(E ) To Provide for Expansion &amp; Maintenance of the Company</u></b>						
Depreciation	21.56	20.03	27.32	30.33	26.01	30.03
Retained Profit	71.03	215.87	356.31	479.57	253.00	97.09
General Reserve	-	-	-	-	-	-
Deferred Tax Account	-2.05	1.55	2.18	6.47	-2.62	5.72
<b>Toatl of E</b>	<b>90.54</b>	<b>237.46</b>	<b>385.81</b>	<b>516.37</b>	<b>276.40</b>	<b>132.84</b>
<b>Total (A+B+C+D+E)</b>	<b>1,170.94</b>	<b>1,975.73</b>	<b>2,111.40</b>	<b>2,138.29</b>	<b>1,310.15</b>	<b>1,704.50</b>



## 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

### 38<sup>th</sup> ANNUAL GENERAL MEETING

### NOTICE

**NOTICE** is hereby given that the **THIRTY EIGHT ANNUAL GENERAL MEETING** of the Members of **TAMILNADU STEEL TUBES LTD** [CIN No.L27110TN1979PLC007887] will be held on Monday, the 4th September, 2017 at 10.00 A.M. at Rani Seethai Hall, No. 603, Anna Salai, Chennai- 600 002, to transact the following Businesses:

#### **ORDINARY BUSINESS:**

**Item No.1:** To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year Ended March 31, 2017, and the Reports of Board of Directors and Auditors' thereon.

**Item NO.2** To appoint a Director in place of Mr. M.T.Elumalai (DIN :01278399) who retire by rotation and being eligible, offer himself for re-appointment.

**Item NO.3** To appoint a Director in place of Mr. Mahaveer Singh (DIN :01907248) who retire by rotation and being eligible, offer himself for re-appointment.

**Item NO. 4** To appoint a Director in place of Mr. Bivashwa Das (DIN : 07352655) who retire by rotation and being eligible, offer himself for re-appointment.

#### **Item No. 5: Appointment of Statutory Auditors.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Abhay Jain & Co., Chartered Accountants (FRN No:000008S) be and is hereby appointed as the Statutory Auditors of the Company for a term of five years commencing from the conclusion of this Annual General Meeting till the conclusion of the 43rd Annual General Meeting to be held in 2022 (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration plus service tax, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee Thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

**SPECIAL BUSINESS****Item No.6 Appointment of Mr. M.J.Lakshmi Narasimha Rao as Independent Director**

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

**“RESOLVED THAT** pursuant to Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof for the time being in force), Mr M.J.Lakshminarasimha Rao, (DIN: 01275880) who was appointed as an Independent Director of the Company with effect from 25.09.2014 and who holds office up to this Annual General Meeting till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr.M.J. Lakshminarasimha Rao (DIN: 01275880) for the office of Director of the Company, be and is hereby appointed as an Non Executive Independent Director of the Company for a period of 5 (Five) years with effect from 4th September 2017 and he shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.

**Item No.7 Appointment of Mr. Rajesh Sai Iyer, as Independent Director**

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

**“RESOLVED THAT** pursuant to Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as “the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof for the time being in force), Mr. Rajesh Sai Iyer (DIN: 07905221) in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rajesh Sai Iyer (DIN: 07905221) for the office of Director of the Company, be and is hereby appointed as an Non Executive Independent Director of the Company for a period of 5 (Five)years with effect from 4th September 2017 and he shall be liable to retire by rotation

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.

**Item No.8 Appointment of Mrs Renuka Ramesh as Small Shareholder Director**

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

**“RESOLVED THAT** pursuant to the provisions of section 151 of the Companies Act, 2013, and Rule 7 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and subject to the approval of small shareholders Mrs. Renuka Ramesh (DIN :07904904), be and is hereby appointed as a small shareholder director on the Board of Directors of the Company for a period of three years with effect from 4th September 2017, whose period of appointment shall not be liable to retire by rotation, in the manner as prescribed in the Act.”

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.

**Item No. 9. Ratification of Remuneration to 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 31st March 2018, amounting to Rs. 80,000/- (Rupees Eighty Thousand only) as also the payment of Service Tax as applicable and re-imburement of out of pocket expenses incurred in connection with the aforesaid audit, be and are hereby ratified and confirmed.”

**Item No. 10 Authorizing Board of Directors and KMPs for e-filing and compliance purposes:**

**“RESOLVED THAT** the Board of Directors of the Company in addition with other KMPs be and are hereby authorized to sign digitally before the authorities concerned viz. ROC, State and Central Govt., and other Statutory Authorities ; and do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolutions.”

PLACE : CHENNAI  
DATE : 05.08.2017

**REGISTERED OFFICE:**

Mercury Apartments , First Floor  
No. 65, Pantheon Road  
Egmore, Chennai- 600008

By Order of the Board  
KAMALA LOCHAN RAY  
Company Secretary  
(M. No. 34369)

**NOTE:**

1. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of the Business under item No.2 to 7 of the accompanying Notice are annexed hereto.
2. In respect of items 2 to 4, a statement giving additional information on the Directors seeking appointment/re-appointment is annexed herewith as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Regulations).
3. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the Meeting instead of himself and a proxy need not be a member of the Company.

In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the Regd. Office of the Company not later than 48 Hours before the commencement of the Meeting i.e. 10.00 a.m. on Saturday, the 2nd September 2017.

4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than 10 % of the total share capital of the Company carrying voting rights . A Member holding more than 10 % of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.

5. Corporate Members intending to send their authorized representation to attend the Annual General Meeting, pursuant to SEC. 113 of the Companies Act 2013, are requested to send the Company, a certified true copy of the relevant Board Resolution together with specimen signatures of those representatives authorized under the said Resolution to attend and vote on their behalf at the Meeting

6. Members, Proxies, Authorized representatives are requested to bring to the Meeting the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.

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

8. Relevant documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to date of the Meeting.

9. The Register of Members and Share Transfer Books of the Company will be closed from 28.08.2017 to 04.09. 2017 (both days inclusive)

10. 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.

11. 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 dematerialized form should inform their DP and Members holding shares in physical form should inform the Share Transfer Agents ( Cameo Corporate Services Ltd.)

12. The Company does not have the unpaid or unclaimed dividends declared up to financial years 2015-16 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. Members holding shares in single name are advised to make a nominations in the respect of their Shareholding in the Company. The nomination form can be downloaded from the Company's website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) Members holding shares in physical form should file their nomination forms with the Share Transfer Agents Cameo Corporate Services Ltd, Subramaniam Bldg., No. 2, Club House Road, Chennai-600 002, whilst those Members holding shares in dematerialized mode should file their nomination with their DP.

14. A Route Map showing directions to reach the Venue of the 38th AGM is given at the end of this Notice as per the requirements of the Secretarial Standards-2 on "General Meeting"

### **Process and manner for voting through Electronic Means:**

#### **General Information:**

- 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 from time to time and sub clause (1) & (2) of Clause 44 of SEBI Regulations, the Company is pleased to offer e-voting facilities to its Members in respect of the business to be transacted at the 38th AGM. The company has engaged the services of NSDL as Authorized Agency to provide e-voting facility. It is clarified that it is not mandatory for a Member to vote using remote e-voting facility. In order to facilitate those Members who do not wish to use e-voting facility, the company is enclosing a Ballot Form. Resolutions passed by Members through e-voting or ballot forms are deemed to have been passed as if they have been passed at the Annual General Meeting (AGM).
- II. The facility for e-voting shall also be made available at the AGM those members who have not cast their votes earlier.
- III. The members who have cast their vote by remote e-voting or by Ballot Form prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. Members can opt for only one mode of voting i.e. either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Forms shall be treated as invalid.
- V. In case a Member is desirous of obtaining a duplicate Ballot Form, he/she may send e-mail to [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in) by mentioning their Folio No. / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer Mr V.S.Sowrirajan (FCS 2368 / CP 6482), Company Secretary in Practice, not later than Friday, the 2nd Sep. 2017 (05.00 p.m.) Ballot Forms received after this date will not be treated as valid.
- VI. The remote e-voting period commences on 31.08.2017 (10:00 a.m.) and ends on 03.09.2017(5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of

27.08.2017, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL & CDSL for voting thereafter.

The Voting rights of Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date, i.e. 27.08.2017.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure as aforesaid but has ceased to be a Member on the cut-off date, he / she shall not be entitled to vote. Such person should treat this Notice for information purpose only.

- VII. The Member who are present at the Meeting but have not cast their votes by availing the remote e-voting facility or by a Ballot earlier, will be allowed to vote electronically at the Meeting with the assistance of the representatives of NSDL.

Mr. V.S. 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.

- VIII. The Scrutinizer shall submit his report to the Chairman. The results declared along with the Report of the Scrutinizer shall be placed on the website of the Company – [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com), and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

- IX. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on date of Annual General Meeting i.e. on Monday, the 4th Sep. 2017.

**The process and manner for remote e-voting:**

**A) For members whose email addresses are registered with the Company / Depositories:**

- (i) Those Members, whose valid email IDs are registered with the Company Depository Participant(s) will receive an email from NSDL.
- (ii) Open the e-mail and thereafter open the attached 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.
- (iii) Browse the following URL:<https://www.evoting.nsdl.com>
- (iv) Click on Shareholder – Login
- (v) Insert user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (vi) Password change menu will appear. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Please keep a note of your new password. It is strongly recommended not to share your

password with any other person and take utmost care to keep your password confidential.

- (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (viii) Select “EVEN” of “Tamilnadu Steel Tubes Ltd.”
- (ix) Now you are ready for remote e-voting as Cast Vote page opens.
- (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (xi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) who wish to cash their votes through remote e-voting are required to send a 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) For Members whose email addresses are not registered with the Company / Depositories:**

Members will receive a Ballot Form along with the Annual Report. They have two options:

- (i) To opt for e-voting by using the Initial password that is provided in the enclosed Ballot Form. Follow all steps from Sl. No.(i) to (xiii) above, to cast vote.

OR

- (ii) To opt for casting their vote in physical form, by filling in the Ballot Form and posting it to the address mentioned in the enclosed prepaid Business Reply envelope.

**Additional Information:**

In case Members have any queries relating to remote e-voting, they are requested to refer to the “Frequently Asked Questions (FAQs) for Members” and “Remote e-voting User Manual for Members” available at the downloads section at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

Members may also send their queries relating to e-voting to user manual available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

If a Member is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password/PIN for casting your vote.

The Members are requested to update their mobile numbers and e-mail ids in the user profile details of the Folio which may be used for sending future communication/s to them.

iv) 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. 27.08.2017., may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user





ID and password for casting your vote. If you have forgotten your password, you can reset your password by using “Forgot User details / Password” option available on [www.evoting@nsdl.co.in](mailto:www.evoting@nsdl.co.in) or contact NSDL at toll free No. 1800-222-990.

**By Order of the Board of Directors,  
For Tamilnadu Steel Tubes Ltd**

**CS KAMALA LOCHAN RAY**

Company Secretary  
(M. No. 34369)

PLACE: CHENNAI  
DATE: 05.08.2017

### **Registration / Updating of E-Mail IDs and Bank Details**

Members are requested to support “Green Initiative” by registering their e-mail address with the company, if not already done.

Those Members who have changed their e-mail ID, are requested to register their new e-mail ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividends etc. **Members are requested to register / update their bank details with the Company in case shares are held in physical form and with their depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically through ACH / NECS.**

**ANNEXURE TO THE ITEM 2, 3, 4, 6, 7 and 8 OF THE NOTICE DATED 05.08.2017  
DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE  
ENSUING ANNUAL GENERAL MEETING**

**[ as per SEBI (LODR) Regulations 2015 ]**

Name	Mr.M.T.Elumalai	Mr.Mahaveer Singh	Mr.Bivashwa Das	Mr. M.J.Lakshminarasimha Rao	Mr. Rajesh Sai Iyer	Mrs.Renuka Ramesh
Director Identification No. (DIN)	01278399	01907248	07352655	01275880	07905221	29.08.1968
Date of Birth	05.04.1958	20.09.1958	23.05.1984	12/07/1938	12/07/1938	12/07/1938
Qualification	B.A	B.E	B.E	B.Com. Hons.	B.Com.,FCA,DISA	B.Com.,FCA,DISA
Experience (including expertise in specific functional area) / Brief Resume	A Graduate and has a work experience of over 20 years in the Steel Industry particularly in ERW Pipe.	A Graduate and having in depth knowledge over 25 years in the Steel Industry. He is responsible for overseeing the operations of the Unit.	A Graduate Having vast experience in steel industry particularly in Marketing over 12 years	A qualified chartered Accountant and had held various positions in Public Sector Financial Institutions till he switched over to Independent practice in 1989, and continues in practice	Practicing as Cost Accountant for the past 7 years and continues in practice.	A qualified chartered accountant for more than 10 years and continues in practise
Date of First appointment	23.09.2015	29.06.1994	07.12.2015	10.03.1993	04.09.2017	04.09.2017
Name of the companies in which he holds Directorship of Boards	NIL	NIL	NIL	1.Indo Asia Finance Limited ( From 31.12.2014) 2.Nahar Finance & Leasing Ltd. (From 18.02.2016)	NIL	NIL
Name of the Companies in which he hold membership of the Committees of the Board	NIL	NIL	NIL	1.Indo Asia Finance Limited ( From 31.12.2014) 2.Nahar Finance & Leasing Limited (From 18.02.2016)	NIL	NIL
No. of shares held in the Company	NIL	NIL	NIL	NIL	NIL	NIL
Nationality	Indian	Indian	Indian	Indian	Indian	Indian

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 6 – Re- Appointment of Mr.M.Lakshmi Narasimha Rao as Independent Director

At the Annual General Meeting held on 25th September 2014, Mr M.J.Lakshmi Narasimha Rao was appointed as an Independent Director for term of three years from his date of appointment i.e. from 25.09.2014 to 24.09.2017. Since his tenure is nearing completion, the Board of Directors, on the basis of recommendation from the Nomination and Remuneration Committee propose to re-appoint him as an independent director for a further period of 5 years commencing from 25th September 2017.

A brief resume of Mr M.J.Lakshmi Narasimha Rao is attached herewith. Mr.M.J.Lakshmi Narasimha Rao has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. The Board is of the opinion that Mr.M.J. Lakshmi Narasimha Rao continues to fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Non-Executive Independent Director. The Company has received a notice, in writing, from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of for the office of Non-Executive Independent Director of the Company.

Since Mr M.J.Lakshmi Narasimha Rao is above the age of 70 years (he is now aged 79 years), this resolution is proposed to be passed as a Special Resolution. Brief resume and other details of the Independent Director whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith as Annexure

Except Mr.M.Lakshmi Narasimha Rao, no other director or Key Managerial Personnel is interested or concerned in this resolution.

### Item No. 7 – Appointment of Mr. Rajesh Sai Iyer, as Independent Director

The Board of Directors, on the basis of recommendation from the Nomination and Remuneration Committee propose to appoint Mr. Rajesh Sai Iyer as an independent director for a further period of 5 years commencing from 4th h September 2017.

A brief resume of Mr Rajesh Sai Iyer is attached herewith. He has submitted a declaration to the Company to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act. The Board is of the opinion that Mr. Rajesh Sai Iyer fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Non-Executive Independent Director. The Company has received a notice, in writing, from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of for the office of Non-Executive Independent Director of the Company.

Brief resume and other details of the Independent Director whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith as Annexure - 1.

Except Mr Rajesh Sai Iyer , no other director or Key Managerial Personnel is interested or concerned in this resolution

#### **Item No. 8- Appointment of Mrs Renuka Ramesh as Small Shareholder Director**

The tenure of the existing Small Shareholder Director, Mr. Gopal Singh is coming to an end and it is proposed to appoint Mrs.Renuka Ramesh as a small shareholder director for a period of 3 years from 4th September 2017.

The Company has received on 24.07.2017 a notice from 1968 small shareholders, being not less than one-tenth of the total number of small shareholders, proposing the name of Ms.Renuka Ramesh., for being appointed as a small shareholders Director to represent on the Board of Directors of the company.

Mrs. Renuka Ramesh has provided his consent to his appointment and a declaration that he meets the criteria of independence as provided in section 149 (6).A copy of the notice received in this behalf is sent herewith.

The tenure of office of Mrs. Renuka Ramesh if elected, will be for a period of 3 years w.e.f. 4th September 2017 whose period of appointment shall not be liable to retire by rotation,

Statement received from Mrs. Renuka Ramesh indicating her Director Identification Number, the declaration confirming that she is not disqualified to become a director and her consent to act as director of the company is annexed to this Notice

None of the other directors or the Key Managerial Personnel is interested or concerned in the resolution.

#### **Item No. 9: Ratification of Remuneration to Cost Auditor**

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 31st March, 2018. 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. 9 of the Company's Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending 31st March '18.

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.10 Authorizing Board of Directors and KMPs for e-filing and compliance purposes:

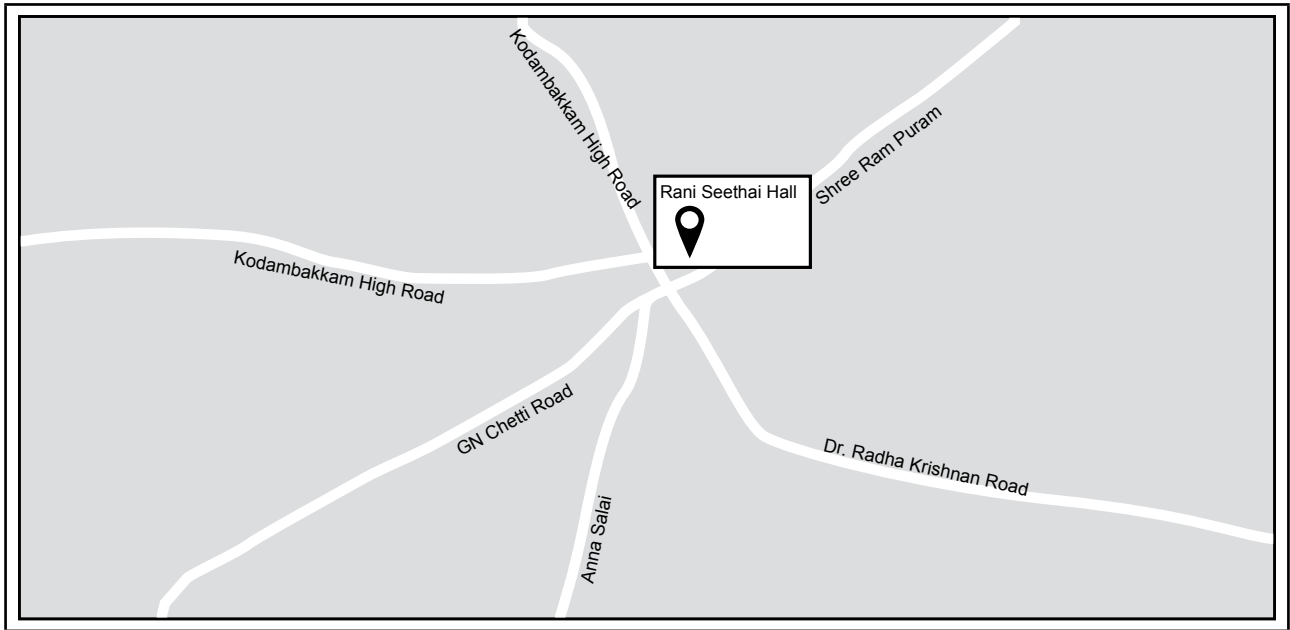
Pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the company, on the recommendation of the Audit Committee, and subject to the shareholders' approval at the ensuing AGM to be held on 04.09.2017, the Board of Directors of the Company in addition with other KMPs be and are hereby authorized to sign digitally before the authorities concerned viz. ROC, State and Central Govt., and other Statutory Authorities ; and do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolutions."

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, 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.

### AGM HALL ROUTE MAP



#### Rani Seethai Hall

4 reviews

Auditorium

📍 603, 1st Floor, Raja Annamalai Chettiar Memorial Building, Anna Salai, Near Gemini Flyover, Thousand Lights, Chennai, Tamil Nadu 600006

🌐 [raniseethaihall.com](http://raniseethaihall.com)

📞 044 2829 4863



## BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To :

THE MEMBERS OF TAMILNADU STEEL TUBES LTD.

The Directors are pleased to present the 38th Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2017. The Management Discussion and Analysis forms part of this report.

### 1.FINANCIAL RESULTS

	Standalone Rs. Crore	
	2016-17	2015-16
Revenue from Operations (Net) and other income	80.68	79.11
Profit Before Tax (PBT)	1.59	3.45
Provision for Tax	0.53	0.92
<b>Profit After Tax (PAT)</b>	<b>0.99</b>	<b>2.53</b>
Balance brought forward from previous year	4.14	1.61
Profit available for Appropriations	5.11	4.14
<b>Appropriations :</b>		
Interim Equity Dividend	-	-
Proposed Final Equity Dividend	-	-
Tax on Equity Dividends	-	-
Transfer to General Reserve	-	-
Surplus carried to the next year's account	<b>5.11</b>	<b>4.14</b>

### 2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

#### **Consolidated Income**

Consolidated income, comprising Revenue from Operations (Net) and other income for the year was Rs.80.68 crores, as compared to Rs.79.11 crores in 2015 - 16.

Total consolidated Revenue from Operations (Net) increased to Rs.80.52 crores from Rs.78.40 crores in 2015- 16.

#### **Other Operating Revenue**

Other operating revenue for the year ended March 31, 2017 includes Rs. 0.16 crore (last year Rs.0.70 crore)

#### **Consolidated Profit Before Tax**

Consolidated profit before tax for the year was Rs.1.50 crores as compared to Rs.3.45 crores in 2015-16.

#### **Consolidated Profit After Tax**

Consolidated Profit after Tax for the year was Rs.0.97 crore as compared to Rs.2.53 crores in 2015 - 16.

### **Material Changes**

No material changes or commitments have occurred between the end of the calendar year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

### **3. TRANSFER TO RESERVES**

The Company has not proposed to transfer any amount to the General Reserves. Thus an amount of Rs.0.97 crore is proposed to be retained in the Statement of Profit and Loss.

### **4. SHARE CAPITAL**

The Company's paid up Equity Share Capital as on March 31, 2017 was Rs.5.12 Crores. The Company has neither issued shares with different rights as to Dividend, Voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the company, under any Scheme. As on March 31st 2017, none of the Directors of the Company hold shares of convertible instruments of the Company

No disclosure is required under Section 67(3)(c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

### **5. FINANCIAL LIQUIDITY**

Cash and Cash Equivalent as at March 31, 2017 was Rs.1.19 Crores. 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.

### **6. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **7. STANDALONE FINANCIAL STATEMENTS**

The Standalone Financial Statements of the Company for the Financial Year Ended 31.03.2017 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the SEBI (LODR) Regulations 2015'). The Financial Statements have been prepared on the basis of the audited Financial Statements of the company, its subsidiaries, joint ventures or associate.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Standalone Financial Statements along with all relevant documents and the Auditors' Report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website of the company and can be accessed at the weblink: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

### **8. ECONOMIC SCENARIO AND OUTLOOK**

Indian economy followed a path of recovery registering growth in the Financial Year 2016-17. The prospect for economic growth became buoyant with the agrarian and rural economy benefiting from a good monsoon after two successive rain deficient years. The growth was



affected in a few months during the year by the impact of the demonetization scheme. The financial year is expected to end with GDP growth is estimated to have a rise.

The second half of the financial year 2016-17 closed as a momentous year for the country marked by two landmark economic reforms even as the global economic scenario was indifferent. The first is the Goods and Services Tax (GST), a single tax intended to replace the existing Central and State indirect taxes, which is expected to come into force in the financial year 2017-18.

The second reform was the rollout of the demonetization scheme in early November. In the long run, this reform aims to usher in greater transparency in financial transactions and a transition towards a cashless economy; in the short term, it has squeezed liquidity and consumption across the economy, notably in the Steel Pipe Industry.

The outlook for the current financial year 2017-18 brightens as liquidity in the economy moves towards normalization, with expectations for early revival and growth in overall consumption across several sectors including Steel Pipe Industry.

The Union Budget for 2017-18 was welcomed for its thrust on the rural sector, infrastructure development, housing and a boost to the overall investment climate. If 2017-18 also experiences a normal monsoon, GDP growth is likely to rebound in the current financial year. Better liquidity and improved tax collections will enhance government's ability to spend on infrastructure and other development projects, leading to faster growth.

## **9. STAINLESS STEEL PIPES INDUSTRY - OUTLOOK AND OPPORTUNITIES**

Consistent with the positive outlook for the Indian economy, we foresee a similar revival in demand for pipes. Signs of increased demand activity have been witnessed in industrial and commercial segments. Besides this, there are healthy indicators of an uptrend in demand for pipes from various projects such as power plants, irrigation schemes, ports, railways and metro rail projects.

TNT is one of the most trusted Stainless Steel Pipes and Tubes Manufacturing Company in South India. TNT was established in the year 1979 with a vision to manufacture and provide Stainless Steel Tubular Pipes to the Industry. The Promoters of the Company with an ample experience and expertise sensed the Board in the fast emerging field and invested in the best available human resources technology, infrastructure. TNT offers a wide spectrum of Stainless Steel Pipes and Tubes for use in a diverse range of industry including Oil, Gas, Power, Fertilizer and Heat Exchangers, Paper and pulp, , water treatment, dairy, sugar and food processing unlike etc. With its model production and quality assurance facilities, TNT provides its customers with effective reliable and qualitatively superior products which enjoy lasting reputation and ensures total satisfaction of its customers.

The critical challenges before your Company in 2017 would include the following:

- To pursue a judicious value-cum-volume strategy so as to maximise utilization of existing capacity including the additional capacity from the newly expanded Jamul plant.
- To continue to step up the sale of value creating Premium products
- To further streamline channel management and strengthen marketing activities in a manner that leverages the Company's brand equity.

- To continue promotion and facilitation of cashless transactions in the retail network with a view to ensure uninterrupted retail offtakes.
- To develop the means to foresee changes in the value chain and the agility needed to keep strict control on the costs of fuel and raw materials amid volatile global prices.

The above initiatives together with your Company’s continued focus on cost efficiency and other customer excellence initiatives should help in presenting an improved performance.

## 10. G.I. PIPES & TUBES – PERFORMANCE

PARTICULARS	2016-17	2015-16
Production – Metric Tonnes	16300.090	18756.291
Sales volume – Metric Tonnes	16537.600	17345.623
Net Sale Value - (in lakhs)	8051.61	7839.55
Operating EBITDA - (in lakhs)	237.77	457.28
Operating EBITDA – margin	2.95 %	5.83%

### 10.1 Costs – Pipes & Tubes Business

During the year 2016-17, the Company maintained a close focus on effective cost management through various initiatives.

#### **a) Cost of Materials consumed**

Cost of materials consumed was Rs.6935.79 Lakhs in 2016-17 as against Rs. 6490.45 Lakhs during the year 2015-16.

#### **b) Power & Fuel**

Power & Fuel costs were reduced by 10 % in 2016–17 as compared to 2015-16. The Power & Fuel spent in 2016 - 17 was Rs. 1.35 crores, as compared to Rs.1.50 crores spent in 2015 - 16.

The Company continues to focus on reducing the overall cost of fuel as well as shifting its dependence on linkage by optimizing the fuel mix to enhance the use of alternative fuels.

#### **c) Freight & Forwarding expenses**

Freight and forwarding expenses during the year were Rs.0.50 crore as compared to Rs.0.51 crore in 2015 – 16. Freight and forwarding expenses maintained comparable.

#### **d) Employee costs**

Overall employee costs, as a share of total income from operations, increased to 30..% in 2016 – 17 from 3.43 % in 2015 - 16.

#### **e) Other Expenditure**

Other expenditure constitutes Rs.493.13 Lakhs of total income from operations of the Company as compared to Rs. 533.53 Lakhs in 2015-16.

## 11. CAPEX

The company does not have any CAPEX programme for the present.

## 12. SUSTAINABLE DEVELOPMENT

The Company’s Sustainable Development programme continues to be comprehensive and robust.

### **12.1 CO2 Emissions:**

Your Company is committed to cut its carbon footprint in line with the Low Carbon Technology Roadmap for the Pipe Industry.

### **12.2 Green Energy**

Controlling Emissions: The installation of dust monitors as per the statutory requirement of TNPCB was completed at our plant.

### **12.3 Water Performance:**

Performance and to achieve a water positive status, the Company has focused its efforts on two approaches:

- (i) Reduction of fresh water intake by lowering water demand in process and non-process areas and waste water recycling after treatment. Water metering and monitoring systems were installed.
- (ii) Conservation of water by rain water harvesting in plants, and sustained water harvesting measures undertaken over the years has helped our Plant become self-reliant without being dependent on natural water sources like rivers and bore wells. These two approaches have helped your Company reduce its specific water consumption.

### **12.4 Biodiversity**

Your Company is committed to the conservation of biodiversity. Efforts on biodiversity conservation are focused on following areas:

- i) To study and assess the biodiversity operated by the Company.
- ii) On-ground implementation of activities which conserves biodiversity:
- iii) Afforestation activities in and around our plant premises with native species of trees at our Plant.

## **13. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES :**

For the present, the company is not falling under compliance of the same. However, the Company's CSR Policy has been re-stated making it more comprehensive and in alignment with the requirements of the Act, when applicable.

### **14. HEALTH & SAFETY (H & S Policy – Initiatives)**

H&S business processes and information systems across the Company were further strengthened with the proposed launch of an online H&S application called "Click2Safety". This application helps streamline reporting in a manner that gives access to all employees, is standardized, is faster and enriches the H & S Database.

### **LOGISTICS SAFETY**

Logistics safety is one of the major focus areas for your Company. Ongoing initiatives undertaken in this regard included provisions of various plant and parking level protocols, creation of certain hygiene factors for truck drivers and their crew such as amenities at truck parking yards, improving tarpaulin tying practices, improving Personal Protective Equipment usage, renewal of logistics contracts to include safety parameters and issue of "passports", for drivers as well

as vehicles which are informal internal databases that provide details of individual identity, registration, roadworthiness and safety preparedness.

## **15. HUMAN RESOURCES**

The Company adopted a functional organization structure which is intended to enable the organization to be more collaborative, agile and streamlined in implementing strategy, harnessing internal functional expertise to the fullest and in enhancing stakeholder value

### **EMPLOYEE RELATIONS**

The HR policy is intended as a part of the Company's continuous efforts to offer one of the "Best Places to Work" in the Pipe Industry. This policy was designed to attract new talent and motivate existing employees to contribute to their peak performance levels. The Company's HR function is recognized in the sector for its engagement and leadership development processes in nurturing talent necessary to keep the Organization's talent pool future ready. The Company continued with efforts to ensure that its pool of human resources is "future ready" through its robust processes of learning & development, capability building and its development programmes for shop floor associates. Efforts continued to be taken to develop leadership lines as well as to enhance technical and functional capabilities with special focus on nurturing young talent, in order to meet future challenges.

### **Productivity Improvement**

During the financial year 2015-16, the Company has introduced Stainless Steel Pipes (SS Pipes) production and took initiative to introduce a more responsive, efficient and lean organization design in the Plant. This is continued to show its production with improvement in the future years.

### **India Manufacturing Transformation (IMT)**

The IMT Programme aims to make the work-culture in the core areas of production and maintenance in the Steel Pipe Plant more contemporary. This envisages a lean manufacturing organization design with multitasking, standardization and simplification of manufacturing processes, improved productivity standards, introduction of a centralized maintenance design with better planning and benchmarking with the best-in-class. These initiatives will enable the Steel Pipe Plant operate more efficiently in a competitive environment and render them compatible with National manufacturing standards.

### **Industrial Relations**

Employee Relations at all the Units remained cordial. This has helped to build a healthy relationship and resolve issues through mutual dialogue. A major achievement in this area was the successful conclusion of a common long term wage settlement between the Company and the employees. This accord incorporates novel elements such as a productivity enhancement scheme, improvement in housekeeping, elimination of waste and effective utilization of time. The settlement is expected to contribute towards enhancing productivity at the Plant besides enjoining employees and shop-floor associates at Plant to adapt to a richer work culture.

### **Prevention of Sexual Harassment of Women at Workplace**

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment

of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace. All women, permanent, temporary or contractual including those of service providers are covered under the policy. An Internal Complaints Committee comprising five management staff has been set up to redress complaints relating to sexual harassment. Besides, in the Unit there is one nodal person to receive and forward complaints to the “first instance person (FIP) who is a woman” or directly to the Committee.

During the year, the Company has not received any complaint on sexual harassment and there are no complaints pending.

Awareness programmes were conducted across the Company to sensitize the employees to uphold the dignity of their colleagues at workplace, particularly with respect to prevention of sexual harassment.

## **16 . BUSINESS RISKS & OPPORTUNITIES**

The Business Risk Management Committee, chaired by an Independent Director, is functioning as required under SEBI Regulations. The Committee met twice during the year. Details of this Committee, its terms of reference and functioning are set out in the Corporate Governance Report.

The Company has implemented a Business Risk Management Policy which lays down the framework to identify business risks at both Corporate level and at Business Segment level.

The Company’s approach to addressing business risks is comprehensive and enables timely anticipation of risks and identification of opportunities enabling appropriate responses, thereby enhancing the Company’s competitive advantage. Separate approaches are defined for each of the main business segments of Steel Pipes and forms an integral part of the company’s Mid Term Planning cycle.

### **Competitive Risks**

The South India steel Industry is presently facing intense competition with the entry of new players and some existing manufacturers growing inorganically. We expect this situation to continue. To mitigate this risk, the Company is leveraging on its expertise, experience and the additional Stainless Steel Pipes which are commissioned in Q1 2016. This enabled the Company to maintain its market share particularly in the Southern Region. Simultaneously, the Company is implementing measures to enhance its brand equity, visibility and comparative advantage, broaden its product portfolio and service offerings while leveraging on its ICI (Infrastructure, Commercial and Institutional) Sales Team to offer value to large customers. The Company is also closely monitoring its costs so as to be more competitive in the Market Place.

### **Proactive Safety Culture**

Your company has identified Health & Safety of employees and workmen as one of its key focus areas. These include possibilities in the areas of the availability and sourcing of Raw Materials, Energy, Efficiency and Conservation, Logistics and production development and market segmentation based on research, imbibing best practices in manufacturing and other areas leading productivity improvement.

Safety on National roads is largely dependent on various factors such as the overall condition and maintenance of roads, vehicle road-worthiness and general observance of road traffic laws. As part of its Logistics Safety function and Indian Road Safety Programme, the Company has taken several initiatives including regular simulator-based driver training, vehicle inspection for road-worthiness and the use of Global Positioning Systems (GPS) to monitor outbound movement of Steel Pipes to the end user.

## **Opportunities**

### **Internal Audit and their adequacy**

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year.

The company has an in-house Internal Audit (IA) function. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the IA function reports to the Chairman of the Audit Committee of the Board. The IA Department evaluates the efficacy and adequacy of Internal Control System, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the company. Based on the report of IA function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **Internal Controls Over Financial Reporting**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring for proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has adopted Accounting Policies which are in line with the Accounting Standards and the Act. These are in accordance with generally accepted accounting principles in India. Changes in policies, if required, are made in consultation with the Auditors and are approved by the Audit Committee.

The company has a robust financial closure, certification mechanism for certifying adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

## **18. INDIAN ACCOUNTING STANDARDS ( IND AS) – IFRS CONVERGED STANDARDS**

The Ministry of Corporate Affairs vide its Notification dt. February 15, 2015 has notified the Companies (Indian Accounting Standard) Rules, 2015.

In pursuance of this notification, the Company will adopt IND AS with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2017.

The implementation of IND AS is a major change process for which the Company has established a project team and is dedicating considerable resources. The impact of the change on adoption of IND AS is being assessed.

## 19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism named Ethical View Reporting Policy (EVRP) to report concerns about unethical behaviour, actual/suspected frauds and violation of company's code of Conduct. Protected disclosures can be made by a whistle blower through several channels. An Ethical View Committee has been constituted to discuss the finding of the investigations of the complaints and to recommend remedial actions. The Audit Committee of the Board oversees the functioning of the Ethical View Committee.

Also during the year, your Company reached out extensively to employees to conduct greater awareness on Value Creation in Competitive Environment (VCCE) and on Anti Bribery and Corruption Directive (ABCD) through e-learning modules and face to face sessions, achieving a high level of engagement and compliance. This reflects your company's strong commitment to "Zero tolerance" for non-compliances in this regard and to doing business the right way and with integrity.

## 20. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMPs)

### Appointment of Directors / Change in Directors

There was no change / appointment of Directors during the financial year 2016-17

Mr. M.T.Elumalai, Mr.Mahveer Singn and Mr.Bivashwa Das, Directors retire by rotation and being eligible offer for re-appointment.

Mr.M.J.Lakshminarasimha Rao, Independent Director (DIN: 01275880) who was reappointed for a period of 3 years from the 35th AGM ( 25.09.2014) is retiring at the conclusion of the ensuing 38th AGM and is proposed to be re-appointed as Non-Executive Independent Director for a further period of 5 years (04.09.2017 to 03.09.2022)

### Independent Directors

Mrs. Seshadhri Rajalakshmi, Independent Director (DIN: 06927846) holds office for a fixed term of five years ( from 19.07.2014 to 18.07.2019) and is not liable to retire by rotation.

Mr.Gopal Singh, Independent Director ( Small Shareholders' Director) holds office for a term of three years ( from 25.9.2014 to 24.9.2017) and shall vacate office on completing three year term on 24th September 2017.

It is proposed to appoint Mr.Rajesh Sai Iyer, as an Independent Director for a period of 5 years from 4th September 2017 and Mrs.Renuka Ramesh as Small Shareholder Director for a period of 3 years from 4th September 2017.

In accordance with section 149(7) of the Act, each Independent Director has given a written declaration to the company confirming that he/she meets the criteria of independence as mentioned under section 149(6) of the Act and SEBI (LODR) Regulations.

Appointment of Independent Director/s :- In view of Resignation of Mr Gopal Singh (Small Shareholder Director), the Company has decided to appoint to induct Independent Director and accordingly, the necessary appointment of Independent Directors are being made in the ensuing AGM.

## Board Effectiveness

### a. Familiarization Programme for the Independent Directors

In compliance with the requirements of SEBI (LODR) Regulations 2015, the Company has put in place of familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report.

## Board Evaluation

Pursuant to the provisions of the Act and the SEBI (LODR) Regulations 2015, the Board has carried out the 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 Committee. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

## Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to section 2(51) and section 203 of the Act, read with the Rules framed thereunder.

1. Mr RAKESH GOYAL - CEO & Managing Director
2. Mr KAMALA LOCHAN RAY - Company Secretary & Head Compliance
3. Mr N. SUDHARSAN - Chief Financial Officer
4. Mr. M.T.ELUMALAI - Whole Time Director
5. Mr.PRADIP KUMAR DUBEY - Whole Time Director
6. Mr. BIVASHWA DAS - Whole Time Director
7. Mr. MAHAVEER SINGH -- Whole Time Director

None of the key Managerial Personnel have resigned during the year under review.

## Criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior leadership positions

Your company has laid down well-defined criteria for the selection of candidates for appointment as Directors, Key Managerial Personnel and senior leadership positions. The relevant information has been given in Annexure. which forms part of the Board's Report.

## Remuneration Policy for Directors

The policy for Remuneration of Directors Key Managerial Personnel and Senior Management Personnel is set out in Annexure .which forms part of the Board's Report.

## 21. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of section 134 of the Act.

- a) that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any:
- b) that such Accounting Policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates



have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2017, and of the Profit of the Company for the year ended on that date.

- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Annual Accounts have been prepared on a going concern basis;
- e) that proper Internal Financial Controls laid down by the Directors were followed by the Company and such Internal Financial Controls are adequate and were operating effectively; and ;
- f) That proper system to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

## **22. MEETINGS**

### **Board Meetings**

During the year, Seven (7) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

### **Audit Committee**

The Audit Committee comprises Six (6) members of which three including the chairman of the committee are Independent Directors. During the year, Six (6) Audit Committee Meetings were convened and held. Details of the committee are given in the Corporate Governance Report.

### **CSR Committee**

The CSR Committee comprises Five (5) members of which three including the Chairman of the Committee are Independent Directors. The Committee met twice during the reporting period. Details of the Committee are given in the Corporate Governance Report.

## **23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions with related parties are placed before the Audit Committee as also the Board of approval prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The statement is supported by a Certificate from the CEO & MD and the CFO. Your Company has developed a related party transactions manual, standard operating procedures for the purpose of identification and monitoring of related party transactions.

The policy on related party transactions as approved by the board is available on the Company's website and can be accessed through weblink: <http://www.tamilnadusteeltubesltd>. All transactions entered into with related parties during the year were on an arm's length pricing basis and were in the ordinary course of business. There were no material related party transactions i.e transactions exceeding ten percent of the annual consolidated turnover as per the last Audited Financial Statements entered into during the year. Accordingly, there are no transactions that are required to be reported in form AOC 2.

None of the Directors nor the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

## 24. AUDITORS

### **Statutory Auditors**

As per the provisions of section 139 of the Companies Act 2013, the term of office of M/s.Abhay Jain & Co., as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s.Abhay Jain & Co, as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the re-appointment of Mrs.Abhay Jain & Co (Firm Registration Number : 000008S) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Members' attention is drawn to a Resolution proposing the appointment of Mrs.Abhay Jain & Co (Firm Registration Number : 000008S) as Statutory Auditors of the Company which is included at Item No. 5 of the Notice convening the Annual General Meeting.

The Auditors have given an unqualified Audit Report

### **Cost Auditors**

On the recommendation of the Audit Committee, the Board of Directors appointed CMA Latha Venkatesh, Cost Accountants (Firm Registration No. 101017), as Cost Auditor of the Company for the financial year 2017-18 under Section 148 of the Companies Act 2013 read with The Companies (Cost Records and Audit) Amendment Rules 2014. CMA Latha Venkatesh has confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141 (4) of the Companies Act 2013 and that their appointment meets the requirements of Section 141 (3) (g) of the Companies Act 2013. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditor is required to be placed before the Members at the ensuing AGM for their ratification. Accordingly, a Resolution for seeking Members' ratification for the remuneration payable to CMA Latha Venkatesh, Cost Auditor is included at Item No. 9 of the notice convening the Annual General Meeting.

### **Secretarial Audit**

The Company has appointed Mr VS Sowrirajan (FCS 2368) / Company Secretaries in Practice, to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure .

## **AWARDS**

In two consecutive years, the company has conferred Export Award from EEPIC 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 handled various sizes of products to establish the Brand Management and the Product Developments for the TNT's companies products.

## **25. ENHANCING SHAREHOLDER VALUE**

Your Company firmly believes that its success in the marketplace and a good reputation are among the primary determinants of value to the Shareholder. The organizational vision is founded on the principles of good Governance and by the resolve to be a customer-centric organization which motivates the Company's Management to be aligned to deliver leading-edge building products backed with dependable after sales services.

Your Company is committed to creating and maximizing long-term value for Shareholders and essentially follows a four pronged approach to achieve this end.

- a) by increasing all-round operational efficiencies.
- b) by identifying strategies that enhance its competitive advantage.
- c) by managing risks and pursuing opportunities for profitable growth, and
- d) by cementing relationships with other important Stakeholder Groups through meaningful engagement processes and mutually rewarding associations that Enable it to create positive impacts on the economic, societal and environmental dimensions of the Triple Bottom Line.

Underlying this is also a dedication to value-friendly financial reporting that assures the Shareholder and investor of receiving transparent and unfettered information on the Company's performance.

## **26. CORPORATE GOVERNANCE**

A separate Section on Corporate Governance practices followed by the Company, together with a Certificate from the Company's Auditors confirming compliance, forms a part of this Annual Report, as per SEBI (LODR) Regulations 2015.

## **27. BUSINESS RESPONSIBILITY REPORTING**

A separate Section on Business Responsibility forms part of this Annual Report as required by SEBI (LODR) Regulations.

## **28. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act, and the Rules framed thereunder is annexed herewith as Annexure to the Board's Report.

## **29. EXTRACT OF ANNUAL RETURN**

As required by Section 92(3) of the Act and the Rules framed thereunder, the extract of the Annual Return in Form MGT 9 is enclosed as Annexure to the Board's Report.

### **30. PARTICULARS OF EMPLOYEES**

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as Annexure to the Board's Report. The information on Employees who were in receipt of remuneration will be provided to any Member on a written request to the Company Secretary. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

### **31. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the Annual Financial Statements for the Financial Year Ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Note 2 of the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2017, and of the Profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis;
- e) That proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) That proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively

### **32. INTEGRATED REPORTING**

Your company believes in transparent reporting that is value-friendly to shareholders and investors. The Annual Report carries a detailed section containing the "Business Responsibility Report". The companies studying the requirements of the Integrated Reporting Framework.

### 33. ACKNOWLEDGEMENTS

Your Directors are thankful to the Central and State Government Departments, Organizations and Agencies for their continued guidance and co-operation. The Directors are grateful to all valuable Stakeholders of the Company viz. our Customers, Shareholders, Dealers, Vendors, Banks and other Business Associates for their excellent support and help rendered during the year. The Directors also acknowledge the unstinted commitment and valued contribution of all employees of the Company.

### 33. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forward-looking within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations with regard to demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in Government Regulations, Tax Laws, Economic Developments and other factors such as litigation and industrial relations.

For and on behalf of the Board

PLACE : CHENNAI  
DATE : 30.05.2017

**MAHAVEER SINGH**  
Director  
(DIN : 01907248)

**RAKESH GOYAL**  
Managing Director  
(DIN : 00990310)

## ANNEXURES TO BOARD'S REPORT

### I N D E X

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## ANNEXURE I CSR POLICY STATEMENT

(APPROVED BY THE BOARD OF DIRECTORS ON 30.05.2017)

Our vision is to be one of the most respected companies in India, delivering superior and sustainable value to all our customers, business partners, shareholders, employees, and host communities.

Our CSR initiatives focus on the holistic development of our host communities while creating social, environmental and economic value to society.

To pursue these objectives we will continue to:

- Upload and promote the principles of inclusive growth and equitable development.
- Devise and implement Community Development Plans based on the needs and priorities of our host communities and measure the effectiveness of such development programmes.
- Work actively in the areas of Livelihood advancement, Enhancing employability and Income Generation, Improving Quality and reach of education, Promoting Health and Sanitation, Conserving the Environment and supporting local Sports, Art and Culture.
- Collaborate with like-minded bodies such as Governments, Civil Society Organisations and Academic Institutions in pursuit of our Goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

For and on behalf of Board of Directors

M.T.ELUMALAI  
Whole Time Director  
DIN : 01601165

## ANNEXURE II

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY(CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

#### DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2016-17

S. No.	CSR project or activity identified	Sector in which the project is covered (clause no. of schedule VII to the Companies Act 2013, as amended)	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise (₹ in crore)	Amount spent on the projects or programs: Sub Heads (1) Direct expenditure on projects or programs (2) Overheads (₹ in crore)	Cumulative expenditure upto the reporting period, i.e., March 31, 2017 (₹ in crore)	Amount spent direct or through implementing agency
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of Board of Directors

M.T.ELUMALAI  
Whole Time Director  
DIN : 01601165



## ANNEXURE III

### **POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE INTRODUCTION:**

Tamilnadu Steel Tubes Ltd (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 recognises 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 Human Resources, 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:

1. **"Director"** means a director appointed to the Board of a company.
2. **"B.R.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 Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
3. **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of Listing Regulations.

### **POLICY:**

#### **Qualifications and criteria**

- The Business Responsibility, Nomination and Remuneration (BRNR) Committee, and the Board, shall 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 global operations.
- In evaluating the suitability of individual Board members, the HRNR Committee may take 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:
- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his 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, Listing Regulations and other relevant laws.
- The NRBR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

### **Criteria of Independence**

The NRBR Committee shall assess the independence of Directors at the time of appointment /re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by Director.

The criteria of independence, as laid down in Companies Act, 2013 and Listing Regulations, is as below: An independent director in relation to a company, means a non-executive 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 50 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 an 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 10 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 non-profit organisation that receives twenty-five per cent or more of its receipts or corpus 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 Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NRBR Committee shall take 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.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.



A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

For and on behalf of Board of Directors

M.T.ELUMALAI  
Whole Time Director  
DIN : 01601165

## ANNEXURE IV

### REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

#### INTRODUCTION

- Tamilnadu Steel Tubes Ltd., (TNT) recognises the importance of aligning the business objectives with specific and measureable 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 Business Responsibility, 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, Remuneration & Business Responsibility, Committee” means the committee constituted by TNT’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

#### POLICY:

##### Remuneration to Directors and Key Managerial Personnel

The Board, on the recommendation of the Nomination, Remuneration & B R Committee, (NRBR) shall review and approve 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 NRBR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

The remuneration structure to the Directors and Key Managerial Personnel shall include the following components:

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

The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the HRNR Committee and Annual Performance Bonus will be 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 BRNR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

### **Remuneration to other employees**

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

For and on behalf of Board of Directors

M.T.ELUMALAI  
Whole Time Director  
DIN : 01601165

**Annexure -V To Board's Report  
Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017**

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

To:

The Members  
Tamilnadu Steel Tubes Limited  
"Mercury Apartments", 1st 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 2017 ('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 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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;
  - (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 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on 2nd September, 2015 to take effect from 1st December, 2015.
- (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;
- (e) The Securities and Exchange Board of India (Registrars to an Issue & Share Transfer Agent) Regulations, 1993 regarding the Companies Act and dealing with Client.
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (No actions/events requiring compliance pursuant to this Regulations)
- (g) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998; ( No actions/events requiring compliance pursuant to this Regulations)
- (h) Other laws applicable to the company, as per the representation made by 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
- (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.

The requirements of Corporate Governance with regard to composition of Board of Directors and Constitution of Committees as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company with effect from 1st December, 2015. 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 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.

I further report that during the audit period there were no specific actions / events, in pursuance of above referred laws, rules, regulations, guidelines etc having a major bearing on the company's affairs.

Sd/-

V.S.SOWRIRAJAN

Company Secretary

FCS No.2368 & C.P.No.6482

Place : Chennai

Date : 30.05.2017

\*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

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.

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.

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.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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.

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 : 30.05.2017

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

## ANNEXURE VI

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

#### A. CONSERVATION OF ENERGY

##### (I) STEPS TAKEN FOR CONSERVATION OF ENERGY

Energy security has always been one of the key components of TNT's business strategy and also one of the biggest challenges encountered globally, the Company is now better equipped to benefit from volatile fuel prices and optimise energy cost.

The Company's systems and processes ensure optimum energy usage by continuous monitoring of all forms of energy and increasing the efficiency of operations.

A dedicated 'Energy Cell', at the site and group levels, is focusing on energy management and closely monitors energy consumption pattern across all manufacturing sites. Periodic energy audits are conducted to improve energy performance and benchmark with other Steel pipe manufacturing companies.

Major energy conservation and initiatives taken during the FY 2016-17.

##### Initiatives taken at various manufacturing divisions

Replacement of old motors with Energy efficient motors in TNT Pipe Manufacturing Divisions.

Replacement of Fluorescent tube lights with LED lights in TNT Manufacturing Divisions.

Installations of an Energy efficient equipments and air compressor to replace old ones for saving energy at TNT Manufacturing Division.

##### (II) STEPS TAKEN BY THE COMPANY FOR UTILISING ALTERNATE SOURCES OF ENERGY

Rooftop solar photo voltaic projects are being studied across TNT manufacturing unit. Innovative applications of renewable energy such as solar thermal integration with manufacturing processes, biomass co-firing etc are being evaluated.

Biogas generation facilities are also evaluated to process organic waste.

##### (III) THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT

Sr. No.	Manufacturing Division	Capital investments on energy efficient equipments ( Crores)	Energy Savings (Gcal/hr)	Financial Saving ( In Rs.)
(I)	Tamilnadu Steel Tubes Ltd Works : B-10, Industrial Estate, MM Nagar – 603 209 Kancheepuram District	Nil	Nil	9,21,709

**[FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:]**

**A. POWER & FUEL CONSUMPTION**

1. ELECTRICITY	2016-17	2015-16
a) Purchase Unit KWH	14,20,320	15,60,530
Total Amount	1,26,01,927	1,35,23,636
Rate / Unit	8.87	8.66
b) Own on Generation		
i. Through Diesel Generator Unit	39,440	63,130
Units per Ltr. of Diesel Oil	2.5	2.50
Cost	22.22	20.02
ii. Through Steam Turbine / Generate Units		-
Units per Ltr. of Fuel Oil Gas Cost/Unit	-	-
2. COAL (Specify quality and where used)		
Q ty. (Tonnes)	-	-
Total Cost	-	-
Average Rate	-	-
3. FURNACE OIL		
Qty. (Ltrs./MTs)	2,61,380	271,765
Total Cost	73,84,966	68,78,123
Average Rate per Ltr./Kg	28.25	25.31
4. OTHER INTERNAL GENERATION		
Qty.	-	-
Total Cost	-	-
Rate / Unit	-	-

**B. CONSUMPTION PER UNIT PRODUCTION**

**PRODUCTION DETAILS: E.R.W MS PIPES AND GALVANIZED PIPES:**

UNIT	STANDARD	2016-17	2015-16
ELECTRICITY	-	91.44 UNIT/MT OF BLACK PIPE PRODUCTION	98.49 UNIT / M.T. OF BLACK PIPES PRODUCTION
FURNACE OIL	-	37.43 LTR/MT OF BLACK PIPES GALVANIZED	33.56 LTR/MT OF BLACK PIPES GALVANIZED
COAL / OTHERS	-	-	-

For and on behalf of Board of Directors

PLACE: CHENNAI  
DATE: 30.05.2017

M.T.ELUMALAI  
Director  
DIN : 01601165

## **POWER & FUEL CONSUMPTION: TECHNOLOGY ABSORPTION**

Research and technology at TNT helps create superior value by harnessing internal research and development skills and competencies and creates innovations in emerging technology domains related to TNT's businesses. Research and technology at TNT focuses on (i) new products, processes and catalyst development to support existing businesses and create breakthrough technologies for new businesses, (ii) advanced troubleshooting, and (iii) support to capital projects, and profit and reliability improvements in manufacturing plants.

### **MAJOR EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION**

- Multi-functional sulfur soil nutrient for enhancing crop quality and yield as sodic soil amendment.
- Development of low cost Carbon dioxide adsorbent and capture process.
- Development of the process for direct synthesis of dimethyl carbonate from Carbon dioxide.
- Benzene extraction process from olefinic fluidised catalytic cracking (FCC) gasoline.
- Development of high active FCC catalyst.
- Demo unit to demonstrate multi zone catalytic cracking process (MCC).
- Development of Zeolite Socony Mobil-5 (ZSM-5) additive (RMP-5) to improve propylene yield in the FCC.
- Accelerated deactivation protocol for Vacuum gas oil Hydro treating unit (VGOHT) catalyst.
- Fast characterisation of crude using Near-infrared (NIR) to provide assay update support.
- In-house corrosion model developed to estimate the life of steel pipes.

### **Biofuels and Bio-Chemicals**

- Development of 'Green Bio crude' from algae using sea water, sunlight and low cost nutrients.
- Development of high yielding biofuel hybrid crops.
- Development of high yielding, waste land based non-edible crops for large scale cultivation for production of biofuels/chemicals.
- In-house research and external technology for converting abundantly available cellulosic biomass in India to fuels and chemicals.
- Application of biotechnology to enhance the productivity of biofuels species.
- Testing the best hybrids produced by us and others at different agro-climatic zones to identify most productive cultivators.
- Popularising the cultivation of bio-fuel crops by growers by conducting method and varietal demonstrations.
- Genetic modifications, synthetic biology, high throughput screening and metabolic flux analysis for biomolecule production.
- Developed a web portal (algorithm) for predicting genes for improving industrial traits for bio-fuel production.

**THE BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION**

The potential benefits derived from R&D and Technology absorption, adoption and innovation initiatives in FY 2016-17 is approximately `about 10 Lakhs.

**INFORMATION REGARDING IMPORTED TECHNOLOGY (IMPORTED DURING LAST THREE YEARS)**

Details of technology imported	Technology import from	Year of import	Status implementation / absorption
Nil	Nil	Nil	Nil

EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT	
Sr. No.	
a)Capital	Nil
b) Revenue	Nil
Total	Nil

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

**(I) ACTIVITIES RELATING TO EXPORT, INITIATIVES TO INCREASE EXPORTS, DEVELOPMENTS OF NEW EXPORT MARKETS FOR PRODUCTS AND SERVICES AND EXPORT PLAN.**

The Company has continued to explore the possibility for exporting pipes.

**(II) TOTAL FOREIGN EXCHANGE EARNED AND USED**

₹ in crore

Foreign Exchange earned in terms of actual inflows	Nil
Foreign Exchange outgo in terms of actual outflows	Nil

For and on behalf of Board of Directors

PLACE: CHENNAI  
DATE: 30.05.2017

**M.T.ELUMALAI**  
Director  
DIN : 01601165

**Annexure VII: to Board's Report**

**Form No. MGT - 9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on March 31, 2017.**

**{ 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) and Stainless Steel Pipes
	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 of the company including interest outstanding / accrued but not due for payment..	As per Attachment - F
	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

**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	599310	294800	894110	17.45	599310	294800	894110	17.45	--
b. Central Govt.	--	--	--	--	--	--	--	--	--
c. State Govt(s)	--	--	--	--	--	--	--	--	--
d. Bodies Corporate	--	--	--	--	--	--	--	--	--
e. Banks / FI	--	--	--	--	--	--	--	--	--
f. Any Other...	--	--	--	--	--	--	--	--	--
Sub - Total (A)(1):	599310	294800	894110	17.45	599310	294800	894110	17.45	--
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)	599310	294800	894110	17.45	599310	294800	894110	17.45	--
'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	--



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									
i. .Indian	11900	441100	453000	8.84	2400	441000	443400	8.65	0.14
ii. Overseas.	--	--	--	--	--	--	--	--	--
b)Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	65400	2348590	2413990	47.10	106800	2317890	2424690	47.31	0.21
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakhs.	640600	651400	1292000	25.21	640600	651400	1292000	25.21	--
c) Others (specify)	--	1100	1100	0.02	--	--	--	--	--
i) Shares held	--	--	--	--	--	--	--	--	--
ii) Other Foreign Nationals	--	--	--	--	--	--	--	--	--
iii) Foreign Bodies	--	--	--	--	--	--	--	--	--
iv) NRI / OCBs	--	--	--	--	--	--	--	--	--
v) Clearing Members/ Clearing House	--	--	--	--	--	--	--	--	--
vi) Truss	--	--	--	--	--	--	--	--	--
vii) Ltd Liability Partnership	--	--	--	--	--	--	--	--	--
viii)Foreign Portfolio Investor (Corporate)	--	--	--	--	--	--	--	--	--
ix)Qualified Foreign Investor	--	--	--	--	--	--	--	--	--
Sub-Total (B)(2)	717900	3442190	4160090	81.17	749800	3410290	4160090	81.17	--
c. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	1317210	3807590	5124800	100	1349110	3775690	5124800	100	---

**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 share-holding during the year	
Rakesh Goyal (HUF)	143110	2.79	Nil	143110	2.79			
Rakesh Goyal	304640	5.94		304640	5.94			
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	5500	0.10		5500	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			
Kavita 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				
TOTAL NO.OF SHARES	894110	17.45	894110	17.45				

**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
	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

**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	238400	4.65	238400	4.65
4.	Fastrak Securities Pvt. Ltd.	200000	3.90	200000	3.90
5.	Durga Devi Goyal	242200	4.73	242200	4.73
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	70600	1.38	70600	1.38
10.	Sharmada Securities Pvt. Ltd.	50000	0.98	50000	0.98
Total		1711200	33.40	1711200	33.40

**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	304640	5.94	--	--
Rakesh Goyal (HUF)	143110	2.79	--	--
For Each of the KMPs	Name of the Key Managerial Personnel			
	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

**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	438.43	692.42	-	1130.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i+ii+iii)	438.43	692.42	-	1130.85
Change in Indebtedness during the Financial Year				
Addition	18.08	291.22	-	309.30
Reduction	(178.80)	(131.34)	-	(310.14)
Net Change	(160.72)	159.88	-	(0.84)
Indebtedness at the end of the financial year				
i) Principal amount	277.71	852.30	-	1130.01
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total ( i+ii+iii)	277.71	852.30	-	1130.01

**ATTACHMENT- G**

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Remuneration to Managing Director, Whole-time Directors and / or Manager : (in Rs.)

Sl. No	Particulars of Remuneration	Rakesh Goyal (M.D)	Mahaveer Singh (Dir)	Elumalai MT (Dir)	Bivashwa Das (Dir)	Pradip Kumar Dubey (Dir)
	Gross Salary					
1.	a) Salary as per provisions contained in Sec.17(1) of the IT Act 1961	24,66,696	19,32,000	2,95,344	2,06,001	1,43,253
	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>24,66,696</b>	<b>19,32,000</b>	<b>2,95,344</b>	<b>2,06,001</b>	<b>1,43,253</b>

**Remuneration to other Directors :**
**Independent Directors**

S.No.	Particulars of Remuneration	Name of the Director			
		L.N.Rao	Mrs.Seshadhri Rajalakshmi	Gopal Singh	Total in Rs.
1.	Fee for attending Board / Committee Meetings	56,000	50,000	36,000	1,42,000
2.	Commission	--	--	--	--
3.	Others, please specify	--	--	--	--
	Total	56,000	50,000	36,000	1,42,000

**Other Non Executive Directors**

S.No.	Particulars of Remuneration	Name of the Directors					Total in Rs.
		Rakesh Goyal	Mahaveer Singh	Elumalai MT	Pradipkumar Dubey	Bivashwa Das	
1.	Fee for attending Board / Committee Meetings	26,000	42,000	34,000	24,000	32,000	1,58,000
2.	Commission	--	--	--	--	--	--
3.	Others, please specify	--	--	--	--	--	--
	Total	26,000	42,000	34,000	24,000	32,000	1,58,000

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

S.No	Particulars of Remuneration	Kamala Lochan Ray Company Secretary	N. Sudharsan C.F.O.
	Gross Salary	Rs.	Rs.
1.	a) Salary as per provisions contained in Sec.17(1) of the IT. Act 1961	4,55,000	2,36,423
	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	--	--
	TOTAL (A)	4,55,000	2,36,423

**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	N I L				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	N I L				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N I L				
Punishment					
Compounding					

For and on behalf of Board of Directors

**PLACE: CHENNAI**  
**DATE: 30.05.2017**

**M.TELUMALAI**  
**Director**  
**DIN : 01601165**

## Annexure VIII

### Information pursuant to Section 197 (2) read with Rule 5 of the Companies Act 2013 (Appointment & Remuneration of Managerial Personnel Rules, 2014)

#### 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.

#### DETAILS OF EMPLOYEES EMPLOYED AT CORPORATE OFFICE :

##### Employed throughout the Financial Year 2016-17:

S.No.	Details of Employees	No. of Employees
1.	Total number of employees joined during the Year 2016-17	12

##### Employees left during the year 2016-17 :

S.No.	Details of Employees	No. of Employees
1.	Total number of employees who left during the Year 2016-17	7

#### DETAILS OF FACTORY EMPLOYEES:

##### Employed throughout the Financial Year 2016-17:

S.No.	Details of Employees	No. of Employees
1.	Total number of employees joined during the Year 2016-17	221

##### EMPLOYEES LEFT DURING THE YEAR 2016-17:

S.No.	Details of Employees	No. of Employees
1.	Total number of employees who left during the Year 2016-17	142

#### NOTE:

All appointments are contractual and terminable by notice on either side

Remuneration includes salary, bonus, various allowances, contribution to Provident Fund and Superannuation Fund, taxable value of perks and gratuity paid but excluding gratuity provisions.

None of the employees mentioned above is related to any director of the Company

Information about qualifications and last employment is based on particulars furnished by the concerned employee.

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 - IX

### 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.**

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

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

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

SL. NO	NAME OF THE RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	AMOUNT IN Rs.	OUTSATAN DING AS ON 31.03.16
1	RAKESH GOYAL	MANAGING DIRECTOR	MANGERIAL REMUNERATION	24,66,696	19,99,998
			LOAN GIVEN	40,27,185	5,35,95,099
			INTREST RECEIVED	-	47,80,750
2	Mrs .SEEMA GOYAL	ACCOUNTS EXECUTIVE	MANGERIAL REMUNERATION		60,000
3	Mrs . DURGA DEVI GOYAL	PROMOTER	SALE AGREEMENT ADVANCE	10,41,90,558	2,55,00,000-
4	Mr. MAHAVEER SINGH	WTD	MANGERIAL REMUNERATION	19,32,000	16,80,000
5	VIKRAM SINGH (till 30.09.2015)	WTD	MANGERIAL REMUNERATION	-	2,69,320
6	M.TELUMALAI	WTD	MANGERIAL REMUNERATION	295,344	2,60,670
7	Mr BIVASWADAS (w.e.f.7.12.2015)	WTD	MANGERIAL REMUNERATION	2,06,001	70,380
8	Mr P.K.DUBEY (w.e.f.7.12.2015)	WTD	MANGERIAL REMUNERATION	1,43,253	31,050
9	CS KAMALA LOCHAN RAY	COMPANY SECRETARY	REMUNERATION	4,55,000	3,85,433
10	N SUDHARSAN	C.F.O.	REMUNERATION	2,36,423	1,83,206

For and on behalf of Board of Directors

PLACE: CHENNAI  
DATE: 30.05.2017

M.TELUMALAI  
Director  
DIN : 01601165



## Annexure X - To Board's Report

### CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Governance Philosophy of your Company is based on strong foundations of ethical values and professionalism which over the past 38 years of the Company's existence has become a part of its culture. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Ethical View Reporting Policy and its well structured internal control systems which are subjected to regular review for their effectiveness, reinforces accountability and integrity of reporting and ensures transparency and fairness in dealing with the Company's stakeholders. The Company's focus on sustainable development, its customer centric approach to creating value for the customers by ensuring product quality and innovative value added service offerings coupled with its outreach through CSR activities and programmes has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and other stakeholders.

A Report on compliance with the principles of Corporate Governance as prescribed in The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

### GOVERNANCE STRUCTURE

TNT's Governance structure comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a judicious blend in governance as the Board sets out the overall corporate objectives and provides direction and independence to the Management to achieve these corporate objectives within a given framework. This brings about a conducive environment for value creation through sustainable profitable growth.

**Board of Directors** - The Board of Directors and the Committees of the Board play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interests of the Company. The Board's composition and size is robust and enables it to deal competently with emerging business development issues and exercise independent judgement.

**Committee of Directors** - Having regard to the significant contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to focus on various areas of the business, the Board has constituted the following Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee which are mandatory Committees.

**Management Structure** - Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

**Chief Executive Officer & Managing Director** – The Chief Executive Officer and Managing Director (CEO&MD) is in overall operational control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees.

**Executive Committee (ExCo)** - This Committee comprises the Chief Executive Officer & Managing Director, Chief Marketing Officer. The Committee operates within the framework of the strategic policies laid down by the Board and is responsible and accountable for overall business deliverables. The Committee provides a platform for the ExCo Members to meet on a regular basis to review monthly performance against set targets, discuss and decide on cross functional operational matter, address various business challenges and monitor implementation

**Organization Structure, Roles and Responsibilities :**

During the year, after reviewing its organizational capabilities, systems and processes, the region based organization structure was replaced by a function based structure. This has resulted in leveraging functional expertise in driving business objectives and become ready to address various operational and business challenges in a more proactive manner thereby enhancing customer value. The new function based structure is broadly divided into verticals viz. Sales & Marketing, Corporate Services, Manufacturing, Human Resource, Finance and Procurement.

The manufacturing unit has a Manufacturing Cluster Head who reports to the Chief Manufacturing Officer. The Manufacturing Cluster Head are in overall charge of the plant. They are, inter-alia, accountable for ensuring continuous improvement in the operations and maintenance performance of the Plant, adoption of best practices, productivity improvement, capability building of employees, coordination of demand / supply as per market requirements and to support sales and logistics team in the dispatch of pipes from the Unit.

The Director / Plant of manufacturing unit is responsible for the day-to-day operations and maintenance of the Plant and all related functions including addressing local issues and compliances as applicable at plant level.

**BOARD OF DIRECTORS**

Composition of the Board as on March 31, 2017

Category	No. of Directors
Non-Executive & Independent Directors including a Woman Director.	3
Non Executive – Wholetime Directors (including CEO & Managing Director)	5
Total	8

The Chairman of the Board of Directors is a Non-Executive and an Independent Director. The composition of the Board of Directors is in conformity with the SEBI (LODR) Regulations 2015.

## Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They collectively bring with them a range of skills and experience to the Board, which enhances the quality of the Board's decision making process.

**Mr. M.J. Lakshmi Narasimha Rao (DIN: 01275880)** : Mr. M.J. Lakshmi Narasimha Rao is the Chairman of the Board of Directors and a Non-Executive and an Independent Director.

Mr. M.J. Lakshmi Narasimha Rao (80) 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. He 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. He was re-appointed on 25.09.2014 for a period of 3 years and his term is expiring at the ensuing AGM and seeking for reappointment for a further period of 5 years which is subject to the approval by the shareholders at the ensuing AGM and he is eligible for the same

With his considerable wealth of experience, Mr. M.J. Lakshmi Narasimha Rao brings immense value to the Board of TNT. Under his leadership, TNT has achieved significant improvements in the areas of project management, logistics and overall cost-competitiveness. The impact of this guidance is visible in the high growth trajectory TNT has experienced since 1999.

Mr. M.J. Lakshmi Narasimha Rao is a Member on the Nomination & Remuneration Committee of the Board.

**Mr. Mahaveer Singh - (DIN: 01907248)** : Mr. Mahaveer Singh (59) is a Non Executive and Non-Independent Director. He has a work experience of over twenty six years in the steel industry. In addition to his rich operational experience in Steel Pipes Industry particularly in ERW Tube Manufacturing Mills and having in-depth knowledge in Steel Industry and aggregates business. He has a strong track record in financial performance and Occupational Health & Safety and he is responsible for overseeing the operations of the unit. He has been inducted as a Director in the Year 1994 in the Board. He is the Member on the Stakeholders' Relationship Committee and also on the Audit Committee, Risk Management & Vigil Mechanism Committee, CSR & Grievance Committee.

**Mr. Rakesh Goyal - (DIN: 00990310)** Mr. Rakesh Goyal (47) is the Chief Executive Officer & Managing Director of the Company. He has over twenty nine years experience in the Steel Industry, and an able administrator, having vast / in-depth experience in E.R.W. Tube Manufacturing as well as in the Steel Industry. Mr. Rakesh Goyal was responsible for developing integrated strategies for the implementation of robust business plans, building organizational capability and manufacturing footprint. 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 EEPC 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 handled various sizes of products to establish the Brand Management and the Product Developments for the TNT's companies products.

He is a Member of Audit Committee. As CEO & Managing Director of TNT, Mr. Rakesh Goyal is in overall control and responsible for the day-to-day affairs of the Company.

**Mr. Bivashwa Das - (DIN: 07352655)** Mr. Bivashwa Das (33) was appointed w.e.f. December 07, 2015 as a Non-Executive and Non-Independent Director. He is a graduate having vast experience in marketing in Steel Industry for more than 12 years.

**Mr. Gopal Singh - (DIN: 01001134)** Mr. Gopal Singh (66) is a Non-Executive and Independent Director. He is a deeply engaged Independent Director and having vast experience particularly in ERW Tube Manufacturing Mills and having in-depth knowledge in Steel Industry for more than 32 years. He has been inducted as a "Small Shareholders' Director" on 25.09.2014 for a period of 3 years and his tenure is expiring.

His strong belief is that good governance is a sustainable competitive advantage creator. Evolving from a background in ERW Tube Manufacturing Mill, he now seeks to create enduring value for Companies and Organizations he is involved with. He is a strong supporter of a clean and green environment.

Mr. Gopal Singh is the Chairman of the Independent Directors' Committee.

**Mr. Pradip Kumar Dubey - (DIN: 03160298)** Mr. Pradip Kumar Dubey (52) was appointed w.e.f. 07.12.2015 as Non-Executive and Non-Independent Director. He has a wide and varied experience in Steel Pipe Industry, especially ERW Tubes, as well as Technician and having a vast experience in the Industry for more than 18 years.

Mr. Pradip Kumar Dubey is a Member on the Risk Management & Vigil Mech. Committee, HS, Environmental & Women Protection Committee, of the Board.

**Mr. M.T. Elumalai - (DIN: 01278399)** Mr. M.T. Elumalai (57) is a Non-Executive and Non-Independent Director on the Board. He is a Graduate and having vast experience particularly in ERW Tube Manufacturing Mills and having in-depth knowledge of supply chain management in Steel Industry for more than 20 years. He has been inducted as a Director in the Year 2000 in the Board. He is the Member of the Stakeholders' / Shareholders' Relationship & Share Transfer Committee of the Board.

**Mrs. Seshadhri Rajalakshmi - (DIN: 06927846)** Mrs. Seshadhri Rajalakshmi (68) is a Non-Executive and Independent Director. She is a Graduate doing Marketing & Sales and also having a vast knowledge and experience particularly in Steel Pipe Industry, for more than 17 years and to avail better service, the Company has inducted as an Independent Director with effect from 19.07.2014 in the Board for a period of 5 years.

She is the Chairman in the Health, Safety, Env. & Women Protection Committee, and also Member in Audit Committee, Nomination & Remuneration Committee, Stakeholders' / Shareholders' Relationship & Share Transfer Committee, CSR & Grievance Committee.

None of the Directors of the Company and Key Managerial Personnel are inter se related.

#### **Directorships and Membership on Committees:**

The total number of Directorships held by the Directors and the position of Membership / Chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and "SEBI (LODR) Regulations 2015" in this regard.

Name of the Director	Category	Date of appointment	No. of Director ship(s) held in Indian public listed companies	Committee(s) position Member Chairman	
Rakesh Goyal	Mg. Director	16.03.2016	1	1	-
Mahaveer Singh	Director(WTO)	29.06.1993	1	3	-
M.T.Elumalai	Director(WTO)	23.09.2015	1	3	-
Pradip Kumar Dubey	Director(WTO)	07.12.2015	1	2	-
Bivashwa Das	Director(WTO)	07.12.2015	1	4	-
M.J.Lakshmi Narasimha Rao	Ind. Director	25.09.2014 (3 yrs)	2	7	6
Gopal Singh	Ind. Director	25.09.2014 (3 years)	1	5	-
Mrs.Seshadhri Rajalakshmi	Ind. Director (Woman)	19.07.2014	1	6	1

### Board Diversity

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board.

Pursuant to SEBI (LODR) Regulations 2015, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture.

### INDEPENDENT DIRECTORS

Independent Directors play an important role in the governance processes of the Board. With different points of views flowing from their expertise and experience they enrich the decision making process at the Board and prevent conflicts of interest in the decision making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration committee identifies potential candidates based on certain laid down criteria and takes into consideration the diversity of the Board.

Mrs.Seshadhri Rajalakshmi (DIN: 06927846) Woman Independent Director, has been appointed for a fixed tenure of five years from her date of appointment. This appointment has been approved by the Members of the Company at the Annual General Meeting of the Company held on September 25, 2014.

Mr.Gopal Singh (DIN: 01001134) Independent Director was appointed as a Small Shareholders' Director for a period of 3 years i.e. from 25.09.2014 and his tenure has been completed and he is resigning from his Independent Director's post.

Mr.M.J.Lakshmi Narasimha Rao (DIN: 01275880) Independent Director has been appointed for a fixed tenure of three years from his date of appointment. This appointment has been approved by the Members of the Company at the Annual General Meeting of the Company held on September 25, 2014. Since his tenure is expiring on the date of conclusion of this AGM (i.e. on 04.09.2017), he is seeking for reappointment and also eligible for the same.

None of the Independent Directors serve as "Independent Directors" in more than seven listed companies.

The Independent Directors have confirmed that they meet with the criteria of independence laid down under the Act and the SEBI (LODR) Regulations 2015.

During the year under review, the Independent Directors met on 30.05.2016 and 31.12.2016 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties :
- Evaluation of the performance of the Corporate Secretarial function; and Other related matters.

All the Independent Directors were present throughout the Meeting. They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at a Board level / Management level.

#### **INDUCTION PROGRAMME FOR NEW DIRECTORS AND ONGOING FAMILIARIZATION PROGRAMME FOR EXISTING INDEPENDENT AND NON INDEPENDENT DIRECTORS.**

An appropriate induction programme for new Directors and an ongoing familiarization with respect to the business / working of the Company for all Directors is a major contributor for meaningful Board level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to the Director, inter alia, explains his / her role, function, duties and responsibilities and the Board's expectations from him / her as a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Act, SEBI (LODR) Regulations 2015 and other relevant regulations and his / her affirmation taken with respect to the same.

By way of an introduction to the Company, the Director is presented with a book on the Company which traces its history over 38 years of its existence, relevant Annual Reports, Sustainable Development Report, brochure on the CSR activities pursued by the Company.

A presentation is also shared with the newly appointed Director giving an overarching perspective of the steel pipe Industry, organizational set-up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his / her role as a Director of the company.

Further, as an ongoing process, the Board of Directors is updated on a quarterly basis through presentations and discussions on the overall economic trends, the performance of the Steel Industry and that of the Company, analysis of the circumstances which helped or adversely impacted the Company's performance, comparison of the Company's performance, with its peers in the Industry based on the information available in public domain, and the initiatives taken / proposed to be taken to bring about an overall improvement in the performance of the Company, marketing strategy, business risks and mitigation plans etc.

### **PERFORMANCE EVALUATION OF THE BOARD AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act and the SEBI (LODR) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees respectively. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors. The Chairman of the Board of Directors and the Chairman of Nomination & Remuneration Committee met all the Directors individually to get an overview of the functioning of the Board and its constituents inter-alia on the following broad criteria i.e. attendance and level of participation, independence of judgment exercised by Independent Directors, interpersonal relationship etc.

Based on the inputs received from the Directors, an action plan is drawn up in consultation with the Directors to encourage greater engagement of the Independent Directors with the Company.

### **REMUNERATION OF DIRECTORS**

The policy for remuneration of Directors, Key Managerial Personnel and Management Executive Committee is set out as Annexure to the Boards' Report.

### **Terms of appointment and remuneration of the CEO & MD**

The terms and conditions for reappointment and remuneration of the CEO&MD was as per the Resolution passed at the meeting of the Board of Directors held on 10.02.2016 and approved by the Members of the Company at the Annual General Meeting held on September 19, 2016 are as under :

Period of Reappointment – five years with effect from 16.03.2016.

The terms and conditions for remuneration to the CEO & MD was as per the Resolution passed at the meeting of the Board of Directors held on 31.12.2016 subject to the approval by the Members of the Company at the ensuing Annual General Meeting to be held on September 04, 2017 are as under :

**Details of Remuneration & other perks of Mr Rakesh Goyal, Managing Director:**

				Rs.
Basic			:	45,000
D.A.			:	60,000
Other Allowances & Perquisites				
Conveyance	:	45,000		
H.R.A.	:	33,333		
P.F.	:	1,800		
Children Education Fund	:	24,000		
Medical, Tour & Fringe Benefits	:	40,875	:	1,45,008
<b>Total</b>	<b>:</b>			<b>2,50,008</b>

**Allowances -**

- i. Housing: Free furnished residential accommodation or HRA at the rate of 40% of the basic salary
- ii. LTA: An amount not exceeding 12.5% of the basic salary. The entitlement for any one year to the extent not availed of shall be allowed to be accumulated upto the next two company's financial years.
- iii. Medical Reimbursement: Such amount as may be decided by the Company and CEO&MD,
- iv. Special Allowance: as may be decided by the Board, on the recommendation of the Nomination & Remuneration Committee.

**Perquisites**

- i. Membership of one club.
- ii. Personal Accident Insurance Policy, as per the rules of the Company.
- iii. Other Perquisites, as may be decided by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the overall ceiling on managerial remuneration as prescribed under the Companies Act, 2013.

**Retiral Benefits** - Contribution to Provident Fund and Superannuation Fund, as per the rules of the Company. Gratuity at the rate of half month's basic salary for each completed year of service.

**Performance Bonus** - Annual Performance Bonus not exceeding 30% of the Annual Fixed Gross Compensation based on CEO&MD's performance against set goals and the Company meeting the Target performance for the financial year.



### Remuneration drawn by the Directors and the Key Managerial Personnel:

The Remuneration drawn by the Directors and the Key Managerial Personnel during the year is as under :

Name of the Director	Salary Rs.	Commission Rs.	Sitting fees Rs.	Total Rs.
Rakesh Goyal (MD)	24,66,696	--	26,000	24,92,696
Mahaveer Singh	19,32,000	--	42,000	19,74,000
M.T.Elumalai	2,95,344	--	34,000	3,29,344
Bivashwa Das	2,06,001	--	32,000	2,38,000
Pradip Kumar Dubey	1,43,253	--	24,000	1,67,253
<b>Key Managerial Personnel (KMP)</b>				
Kamala Lochan Ray Company Secretary	4,55,000	--	--	4,55,000
N.Sudharsan (CFO)	2,01,673	--	--	2,36,423

### MEETINGS

#### Board Meetings held during the Year 2016-17

Date of Board Meetings	Total strength of the Board	No. of Directors present
30.05.2016	8	8
19.07.2016	8	8
13.08.2016	8	6
19.09.2016	8	8
14.11.2016	8	8
31.12.2016	8	8

### Attendance of Directors at Board Meeting and Annual General Meeting

Name of the Director	Attendance at the Board Meeting held on							
	May 30, 2016	July 19, 2016	Aug 13, 2016	Sept. 19, 2016	Nov 14, 2016	Dec 31, 2016	Feb.06, 2017	Attendance at the AGM held on Sept.19, 2016
Rakesh Goyal	✓	✓	✓	✓	✓	✓	✓	✓
Mahaveer Singh	✓	✓	LOA	✓	✓	✓	✓	✓
M.T. Elumalai	✓	✓	✓	✓	✓	✓	✓	✓
Bivashwa Das	✓	✓	✓	✓	✓	✓	LOA	✓
P.K. Dubey	✓	✓	✓	✓	✓	✓	✓	✓
M.J. Lakshmi Narasimha Rao	✓	✓	✓	✓	✓	✓	✓	✓
Gopal Singh	✓	✓	LOA	✓	✓	✓	LOA	✓
Mrs.Seshadri Rajalakshmi	✓	✓	✓	✓	✓	✓	✓	✓

The Act facilitates the participation of a Director in Board/Committee Meetings through video conference or other audio visual mode. Accordingly, the option to participate in the Meeting through video conference was made available for the Directors except in respect of such items which are not permitted to be transacted through video conference.

### **Duties and Functions of the Board**

The Board of Directors provide strategic guidance, monitors operational performance and ensures that robust policies and procedures are in place and through its various Committees guarantees the quality of the Company's risk management, internal controls and ensures compliance with all relevant laws. In particular, the Board periodically reviews the items required to be placed before it and reviews and approves quarterly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets. It monitors overall operating performance, Health & Safety (H&S) performance, and reviews such other items which require Boards' attention. It directs and guides the activities of the Management towards achieving set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as per the guidelines in SEBI (LODR) Regulations 2015, to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The Agenda is sent out to the Directors within the period stipulated in the Secretarial Standards.

### **COMMITTEES OF THE BOARD**

Over the long years of its existence, the Company has developed robust governance structure and processes. For instance, long before it was mandated by the law, the Board of Directors had constituted the Audit Committee. A Stakeholders Relationship & Share Transfer Committee was constituted to look into various matters relating to the shares of the Company and Investor Relations, which Committee has transformed as Stakeholders' Relationship Committee. Health Safety, Environmental & Women Protection Committee, CSR & Grievance Committee, and also Nomination and Remuneration committee have been reconstituted.

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained herein. Each of these Committees have the requisite expertise to handle issues relevant to their field. These Committees spend considerable time and give focused attention to the various issues placed before it and the guidance provided by these Committees lends immense value and enhances the decision making process of the Board. The Board reviews the functioning of these committees from time to time.

The Meetings of each of these Committees are convened by the respective Chairman of the Committees, who also inform the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the respective Board / Committee Meetings.

### **Audit Committee - Mandatory Committee**

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems & processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. Majority of the Members on the Committee, including the Chairman are independent Directors. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and SEBI (LODR) Regulations 2015. Some of the important functions performed by the Committee are :

#### **Financial Reporting and Related Processes :**

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon, audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, interalia, include reviewing changes in the accounting policies, if any, and reasons for the same. Major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and/or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Reviews the investments made by the company.

#### **Internal financial Controls and Governance Processes :**

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism ( implemented in the Company as Ethical View Reporting Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

#### **Audit**

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board the appointment / re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act 2013, and payment for such services.

- Recommends to the Board the remuneration of the Statutory Auditors / Cost Auditors.
- Discussions with the Statutory Auditors / Internal Auditor on significant difficulties encountered during the course of the Audit.
- Reviewing the annual Cost Audit Report submitted by the Cost Auditor.

### **Other Duties**

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

### **The composition of the Audit Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under :**

Name of the Member	Category	Attendance at the Audit Committee Meeting held on					
		30.05.16	19.07.16	13.08.16	14.11.16	31.12.16	06.02.17
M.J.L.N.Rao (Chairman)	Non-Executive / Independent	✓	✓	✓	✓	✓	✓
Mahaveer Singh	Executive	✓	✓	LOA	✓	✓	✓
Rakesh Goyal	Executive	✓	✓	✓	✓	✓	✓
M.T.Elumalai	Non-Executive	✓	✓	✓	✓	✓	✓
Mrs.Seshadri Rajalakshmi	Non-Executive / Independent	✓	✓	✓	✓	✓	✓
Gopal Singh	Non-Executive / Independent	✓	✓	LOA	✓	✓	LOA

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General Meeting of the Company.

All the Members on the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended all the Audit Committee Meetings held during the year. The Cost Auditor is invited to attend the Meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The Chief Executive Officer & Managing Director (CEO & MD), the Chief Financial Officer (CFO), the Internal Auditor, attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Internal Auditor to get their inputs on significant matters relating to their respective areas of Audit.

**Self Assessment by the Audit Committee**

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

**Stakeholders' Relationship / Shareholders Grievance Committee – Mandatory Committee**

The Stakeholders' Relationship Committee comprises five Members of which three Member are Independent Directors. The Committee is governed by a Charter.

The terms of reference of the Committee are:

- To approve transfer / transmission of shares / debentures and such other securities as may be issued by the Company from time to time ;
- Issue of duplicate share certificates in respect of shares / debentures and other securities reported lost, defaced or destroyed as per the laid down procedure;
- To issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- To approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto;
- To authorize the Company Secretary & Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notice, non-receipt of declared dividend / interest, change of address for correspondence etc, and to monitor action taken.
- To authorize the Company Secretary & Head Compliance / other officers of the Share Department to attend to matters relating to transfer / transmission of shares, issue of duplicate share certificates for shares reported lost, defaced or destroyed, to issue new certificates against subdivision of shares and renewal, split or consolidation of share certificates;
- To monitor Investor Relation activities of the Company and to give guidance on the flow of information from the Company to the Investors;
- To monitor expeditious redressal of grievances of shareholders/security holders including complaints relating to transfer / transmission of shares / securities, Annual Reports, issue of duplicate certificates and other complaints;
- All other matters incidental or related to shares, debentures and other securities of the Company.

Any other matter as may be assigned to the Committee by the Board of Directors.

The composition of the Stakeholders' Relationship/Shareholders' Grievances Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Stakeholders' Relationship & Share Transfer Committee Meeting held on		
		30.05.2016	19.07.2016	14.11.2016
M.J.Lakshmi Narasimha Rao (Chairman)	Non-Executive/ Independent	✓	✓	✓
Mahaveer Singh	Executive	✓	✓	✓
M.T.Elumalai	Executive	✓	✓	✓
Mrs.Seshadri Rajalakshmi	Non-Executive/ Independent	✓	✓	✓
Gopal Singh	Non-Executive/ Independent	✓	✓	✓

All the Members of the above Committee have attended the Annual General Meeting of the Company.

Mr Kamala Lochan Ray, Company Secretary & Head Compliance functions as the Compliance Officer.

During the year, 52 complaints were received from shareholders, out of which all complaints have been attended / resolved. As on March 31, 2017, no investor grievance has remained unattended / pending for more than thirty days.

**Nomination, Remuneration & Business Responsibility (B.R.) Committee - Mandatory Committee.**

The Nomination, Remuneration & B.R. Committee is governed by a Charter. The Chairman of the Committee is an Independent Director and majority of the Members on the Committee are Independent Directors.

The terms of reference of the Committee inter-alia, include the following:

Succession planning of the Board of Directors and Management Executive Committee;

Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;

Identifying potential individuals for appointment as Key Managerial Personnel and all Ex-Co Members;

Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Members of the Executive Committee and their remuneration;

Review the performance of the Board of Directors, Key Managerial Personnel and Members of the Executive Committee based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel and Executive Committee Members, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration

to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

The composition of the Nomination, Remuneration & B.R. Committee as at March 31, 2017 and the details of Members' participation at the Meetings of the Committee are as under :

Name of the Member	Category	Attendance at the Nomination & Remuneration Committee Meeting held on :			
		30.05.16	13.08.16	14.11.16	31.12.16
M.J.Lakshmi Narasimha Rao (Chairman)	Non-Executive / Independent	✓	✓	✓	✓
Gopal Singh	Non-Executive / Independent	✓	✓	✓	✓
Mrs.Seshadri Rajalakshmi	Non-Executive / Independent	✓	✓	✓	✓
Mahaveer Singh	Executive	✓	✓	✓	✓
Bivashwa Das	Executive	✓	✓	✓	✓

As prescribed under the Act, the Chairman of the Committee was present at the Annual General Meeting of the Company.

#### Corporate Social Responsibility (CSR) & Grievance Committee - Mandatory Committee

The Company has always been mindful of its obligations vis-à-vis the communities it impacts and has been pursuing various CSR activities. The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises;

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility (CSR) Committee as at March 31, 2017 and the details of Members' participation at the Meetings of the Committee are as under :

Name of the Member	Category	Attendance at the CSR & Grievance Committee Meeting held on :
		30.05.2016
M.J.Lakshmi Narasimha Rao	Non-Executive / Independent	✓
Gopal Singh	Non-Executive / Independent	✓
Mrs.Seshadri Rajalakshmi	Non-Executive / Independent	✓
Mahaveer Singh	Executive	✓
Bivashwa Das	Executive	✓

### Risk Management & Vigil Mechanism Committee - Mandatory Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor, mitigate and minimize risks as also identify Business Opportunities.

The Risk Management Committee was constituted by the Board of Directors, pursuant to the requirement of the Listing Agreement with the Stock Exchanges which has now been replaced by the SEBI (LODR) Regulations 2015. The Committee is governed by a Charter and its objectives and scope broadly comprises:

- Oversight of risk management performed by the operating management;
- Reviewing the Business Risk Management (BRM) policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
- Within its overall scope as aforesaid, the Committee shall review risk trends, exposure, potential impact analysis and mitigation plans.

The composition of the Risk Management & Vigil Mechanism Committee as at March 31, 2017 and the details of Members' participation at the Meetings of the Committee are as under :

Name of the Member	Category	Attendance at the Risk Management & Vigil Mechanism Committee meeting held on :		
		30.05.16	13.08.16	14.11.16
M.J.Lakshmi Narasimha.Rao	Non-Executive/ Independent	✓	✓	✓
Mahaveer Singh	Executive	✓	✓	✓
P.K.Dubey	Executive	✓	✓	✓
Bivashwa Das	Executive	✓	✓	✓

### DISCLOSURES

#### INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Company is required to adopt "IND AS" with effect from April, 2017, if the Turnover exceeds Rs. 500.00 Crores, and the implementation of "IND AS" is a major change process for which the Company has established a project team and has dedicated considerable resources. The impact of the change on adoption of "IND AS" has been assessed and the Company is ready to adopt "IND AS". if the Turnover exceeds Rs. 500.00 Crores

#### Related Party Transactions

All Transactions with related parties were in the ordinary course of business and on an arm's length pricing basis.



## Strictures and Penalties

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

## CODE OF BUSINESS CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and to all employees. The Company follows a policy of “Zero Tolerance” to bribery and corruption in any form and the Board has laid down the “Anti Bribery & Corruption Directive” which forms an Appendix to the Code.

The code lays down the standard of conduct which is expected to be followed by the Directors and by the employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were required to complete an e-learning module, in addition to a face-to-face training given by the Company from time to time.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and Stakeholder Responsibility.

The Company has an Ethical View Reporting (EVR) Policy to deal with instances of fraud and mismanagement, if any. The EVR Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is meted out to any person for a genuinely raised concern.

## PREVENTION OF INSIDER TRADING

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new code for Prevention of Insider trading.

The new code viz. “Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders” and the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company’s shares. It also prohibits the purchase or sale of company’s shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The company Secretary & Head Compliance is responsible for implementation of the code.

All Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

## MEANS OF COMMUNICATION

The company follows a robust process of communicating with its stakeholders/shareholders, and investors through multiple channels of communications such as dissemination of information on the online portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website.

The unaudited quarterly results are announced within forty five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as required under SEBI (LODR) Regulations 2015. The aforesaid financial results are announced to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in Trinity Mirror (English). The Tamil translation of the same is published in Makkal Kural, which are regional daily newspapers.

The audited financial statements form part of the Annual Report which is sent to the Members within the statutory period and well in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly / half yearly and the audited financial statements and the press releases of the Company are also placed on the Company's website [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) and can be downloaded.

The presentations on the performance of the Company are placed on the Company's website immediately after these are communicated to the Stock Exchanges for the benefits of the institutional investors and analysts and other shareholders.

The Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI (LODR) Regulations 2015. including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre).

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchange.

All disclosures made to the stock exchange are also available on the Company's website under the heading 'Investors' Relations'.

Facility has been provided by SEBI for investors to place their complaints / grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). 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.

A separate dedicated section under 'Investors' Relations', under sub heading ' Financial Reporting' on the Company's website gives information on Quarterly Financial Results, Corporate Governance Report, Compliance Reports and other relevant information of interest to the investors / public.

The Company also uploads on the BSE Listing Centre Portal, details of all notices, Resolutions and other relevant information of interest to the Investors as per SEBI (LODR) Regulations 2015.

## GENERAL INFORMATION TO SHAREHOLDERS

**Financial Year** : 1st April 2016 – 31st March, 2017.

### **Investor Services :**

The Company has appointed Registrar and Transfer Agents – M/s.Cameo Corporate Services Ltd, No.1, Club House Road, Chennai – 600 002 who offers all share related services to its Members and Investors. These services include transfer / transmission / dematerialization of shares / consolidation / Split shares / renewal of share certificates, issuance of duplicate share certificates, change of address and investor grievances.

The Company is Registered with NSDL and CDSL.

The Company's ISIN Code is INE176E01012.

### **Address for Correspondence:**

#### **Company – Regd. Office :-**

Tamilnadu Steel Tubes Limited

Mercury Apartments, I Floor

65, Pantheon Road, Egmore

**CHENNAI – 600 008.**

**Telephone Nos.:** (044) 2855 5653 / 2855 5733; **Fax No.:** (044) 28555643

e-mail: [tnt.share@yahoo.in](mailto:tnt.share@yahoo.in); website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

### **Registrar & Transfer Agents :**

M/s. Cameo Corporate Services Ltd

“Subramaniam Building”

No.1, Club House Road

**CHENNAI – 600 002.**

Phone: 044-28460718

Email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com); [murali@cameoindia.com](mailto:murali@cameoindia.com)

### **Communication by Members:**

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain their Demat Account/s, for queries relating to shareholding, change of address. However, queries relating to non-receipt of annual reports or on matters relating to the working of the Company should be addressed to the Company.

Members who hold shares in physical form should address their queries to the Registrar & Transfer Agents.

Members are requested to ensure that correspondence for change of address, subdivision of shares, renewals / split / consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and / or address.

Members are requested to indicate their DP ID & Client ID / Ledger Folio number in their correspondence with the Company to the Registrar & Transfer Agents and also to provide their Email addresses and telephone numbers / FAX numbers to facilitate prompt response from the Registrar & Transfer Agents.

**Plant Location :**

The Location of the Company's Plant is : B-10, Industrial Complex  
Maraimalai Nagar – 603 209  
Kancheepuram Dist., Tamil Nadu

**MARKET INFORMATION****Listing on Stock Exchange**

The Company's shares are listed on the following Stock Exchange and the listing fees have been paid to the Exchanges for the Financial Year 2017-18.

Name and Address of the Stock Exchange	Stock Code/ Scrip Code	ISIN Number for NSDL/ CDSL/ (Dematerialized shares)
BOMBAY STOCK EXCHANGE LTD. Phiroze Jeejeebhoy Towers Dalal Street, MUMBAI - 400 001	513540	INE176E01012

## SHARE TRANSFER SYSTEM / OTHER RELATED MATTERS.

### i. Share Transfer

Share transfer for Rs.10 face value shares, in physical form are processed by the Company's Registrar & Transfer Agents, M/s.Cameo Corporate Services Ltd, Chennai and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Registrar Transfer Agents are complete in all respects. Incomplete Share Transfer forms are rejected / returned to the Transferee/s immediately by the Registrar Transfer Agents by Registered Post.

### ii. Nomination facility for shareholding

As per the provisions of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form, from the Registrar Transfer Agents of the company. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### iii. Permanent Account Number (PAN)

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

### iv. Pending Investors' Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Registrar Transfer Agents or to the Company Secretary & Head Compliance at the Registered Office with a copy of the earlier correspondence.

### v. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the company's share capital is being carried out by the Statutory Auditors with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) held in physical form, with the issue and listed capital. The Company has received circular from BSE vide their mail dated 19.06.2017 wherein they have intimated that filing of reconciliation of share capital audit report (REG55A) should be in XBRL mode with effect from 01.07.2017 onwards which is mandatory. Accordingly, the Auditors' Certificate has been obtained by the company and filed in XBRL mode along with original share capital audit report in PDF file. The said report is also placed before Stakeholders' Relationship Committee and the Board of Directors.

No. of share holders	%	Physical	% of share capital	NSDL	% of share capital	CDSL	% of share capital	Total No. of shares	% of share capital
14,175	100%	13867	73.67	1348210	26.31	900	0.02	5124800	100%

### Distribution of Shareholding as on March 31, 2017.

Category (Shares)	No. of Share Holders	% of Share Holders	No. of Shares	% of Total Shares
1 - 500	13650	96.30	1768600	34.51
501 - 1000	307	2.16	248900	4.86
1001- 2000	112	0.79	170500	3.33
2001- 3000	30	0.21	74700	1.46
3001- 4000	10	0.07	36600	0.71
4001- 5000	10	0.07	48100	0.94
5001-10000	28	0.20	212290	4.14
10001-and above	28	0.20	2565110	50.05
<b>Total</b>	<b>14175</b>	<b>100.00</b>	<b>5124800</b>	<b>100.00</b>

### Dematerialization of Shares

Mode of Holding	No. of Holders	No of Shares	Percentage
NSDL	305	1348210	26.31
CDSL	3	900	0.02
PHYSICAL	13867	3775690	73.67
<b>Total</b>	<b>14175</b>	<b>5124800</b>	<b>100.00</b>

The Company has entered into Agreements with National Securities Depository Limited (NSDL) as well as Central Depository Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with these Depositories.

Members holding shares in physical mode are urged in their own interest to hold these shares in dematerialized form with the Depository Participant.

Statement showing Shareholding of more than 1% of the Capital as on March 31, 2017

S.No.	Folio No. / Client ID	Names of the Shareholders	Number of shares	Percentage of capital
1	31303	Seatrans Dan Shipping	250000	4.87
2	31300	Global Capital Market	250000	4.87
3	22818164	Mrs.Durga Devi Goyal	242200	4.72
4	22842614	Saatvik Goyal	238400	4.65
5	31301	Fastrak Securities	200000	3.90
6	22842399	Drishya Goyal	160000	3.12
7	31298	Jaykaydee Industries	150000	2.92
8	22818381	Seema Goyal	151560	2.95
9	31299	Griffin Chemicals	100000	1.95
10	24541 & 27002	Bank of India, A/c BOI Mutual Fund	70600	1.38
	Total		1812760	35.33

Global Depository Receipts (GDR) / American Depository Receipts (ADR) / Warrants or any Convertible instrument, conversion dates and likely impact on Equity

NIL

### Particulars of past three Annual General Meetings

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
37th	2016-17	Rani Seethai Hall 603, Anna Salai Chennai – 600 002	19.09.2016	10.00 AM	--
36th	2015-16	-do-	23.09.2015	10.00 AM	--
35th	2014-15	-do-	25.09.2014	10.00 AM	4 Special Resolutions passed.

#### Extraordinary General Meeting (EGM)

No Extraordinary General Meeting was held during the period under reference.

Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

During the year under review, no resolution has been passed through the exercise of postal ballot.

#### FINANCIAL CALENDAR 2016 - 17 :

Board Meeting for consideration of Accounts for the financial year ended March 31, 2017	30.05.2017.
Posting of Annual Reports	On or before 10.08.2017.
Book Closure Dates	28.08.2017 to 04.09. 2017. (both days inclusive)
Last date for receipt of proxy forms	02.09.2017
Date, time & Venue of the 38th AGM	Rani Seethai Hall 603, Anna Salai, Chennai – 600 002
Board Meeting for consideration of Audited Financial Results for the QE / FY ended March 31, 2017.	30.05.2017

For and on behalf of Board of Directors

PLACE: CHENNAI  
DATE: 05.08.2017

**M.TELUMALAI**  
Director  
DIN : 01601165

**ANNEXURE XI**  
**GENERAL INFORMATION TO SHAREHOLDERS**  
**AGM DETAILS**

Date	Monday, 4th September, 2017
Venue	Rani Seethai Hall, 603, Anna Salai Chennai – 600 006
Time	10.00 am
Book Closure Dates	28.08.2017 to 04.09.2017 (both days inclusive)

**Registrar & Share Transfer Agents**

The Company has appointed M/s.Cameo Corporate Services Ltd, Chennai-2 as Registrar and Share Transfer Agents to the Company which provides Investor Servicing, Share Transfers and other related services to the Investors.

**Stakeholders' / Shareholders' Grievances and Share Transfer Committee**

The Share Transfer Committee comprises the following 5 members :

- |                                |   |                      |   |          |
|--------------------------------|---|----------------------|---|----------|
| 1. Mr.M.J.Lakshminarasimha Rao | - | Independent Director | - | Chairman |
| 2 Mr.Gopal Singh               | - | Independent Director | - | Member   |
| 3. Mrs.Seshadri Rajalakshmi    | - | Independent Director | - | Member   |
| 4. Mr.M.T.Elumalai             | - | Wholetime Director   | - | Member   |
| 5. Mr. Mahaveer Singh          | - | Whole time Director  | - | Member   |

The Shareholders' grievances and share transfer committee of the company met 3 times during the financial year ended 31.3.2017 to approve share transfers. The processing activities with respect to request received for share transfer are generally complied within 3 working days. There were no share transfers pending as on 31.3.2017. (As per SEBI Regulations 1993).

**Shareholder / Investor Complaints**

The Registrar and Share Transfer Agents attend to Shareholder / Investor complaints within five working days. The Company also attends to the Investor's complaints whenever the complaints are received from the Investors. Pending cases relating to dispute over signatures and PAN Card information in mismatching of the shareholders has been made a party are not material in nature. During the financial year one investor complaint relating to signature dispute in terms of the complaint identification policy of the company approved by the shareholders relationship committee were received and were promptly resolved.

**Dematerialization of Shares :**

As on 31.3.2017 13,49,110 shares are in dematerialized form under the Depository Systems in India – NSDL & CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE176E01012.

The processing activities with respect to requests received for dematerialisation are dealt with the Registrar and Share Transfer Agent M/s.Cameo Corporate Services Ltd, Chennai-2.



### Distribution of Shareholding as on 31st March, 2017.

Category (Shares)	No. of share Holders	No of Shares	% of Total Shares
Upto 500	13670	1771600	34.57
501-1000	311	252200	4.92
1001-5000	160	324500	6.34
5001-10000	29	222290	4.34
10001-above	27	2554210	49.84
<b>Total</b>	<b>14197</b>	<b>5124800</b>	<b>100</b>

Mode of Holding	No.of Holders	No.of Shares	Percentage
NSDL	346	1348210	26.31
CDSL	2	900	0.02
PHYSICAL	13981	3775690	73.67
<b>Total</b>	<b>14197</b>	<b>5124800</b>	<b>100.00</b>

### Categories of Shareholders as on 31st March, 2017.

Category	No. of shares held	%
<b>(A) Promoters</b>	<b>894110</b>	<b>17.45</b>
<b>(B) Institutional shareholding</b>		
Financial Institutions, Insurance Companies, Mutual Funds and Banks	70,600	1.38
Foreign Portfolio Investors and Foreign Institutional Investors.	--	--
<b>Sub-Total (B)</b>	<b>70,600</b>	<b>1.38</b>
<b>(C) Non-Institutional Shareholding</b>		
Foreign Companies	--	--
NRIs, PIOs and Foreign Nationals	--	--
Bodies Corporate	443400	8.65
Public and Others	3716690	72.52
<b>Sub-Total (C)</b>	<b>4160090</b>	<b>81.17</b>
<b>Public Shareholding (B+C)</b>		
<b>Grant Total (A+B+C)</b>	<b>5124800</b>	<b>100%</b>

### Global Depository Receipts:

**N I L**

### Listing of Shares on Stock Exchanges with Scrip Code

Stock Exchange	Scrip Code
Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street MUMBAI - 400 001 Telephone nos. : 022-2272 1233 /34 Facsimile no. : 022-2272 1919 e-mail : is@bseindia.com website : www.bseindia.com	513540

The Listing Fees for the Financial Year 2017-18 have been paid to the Stock Exchanges :

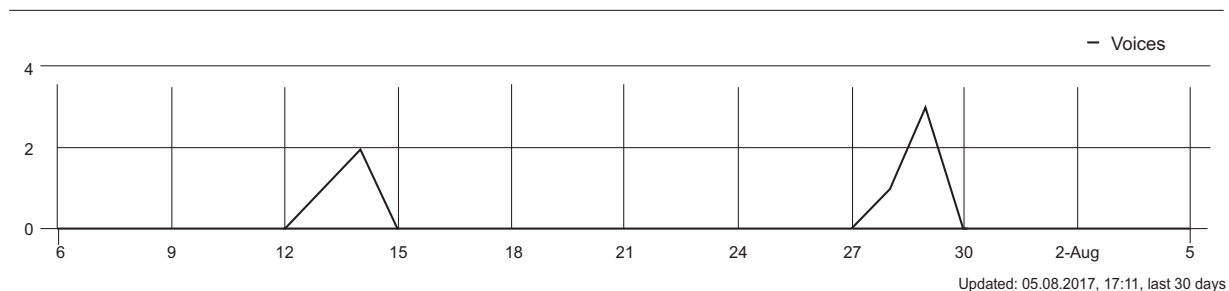
**Bombay Stock Exchange.**

Stock Exchange	Reuters Code
BSE	513540

**Monthly High and Low Quotes and Volume of Shares traded on BSE**

Year & Month	BSE		
	High Rs	Low Rs.	Volume in 000's (Nos.) (Nos.)
2016 April	57.65	57.65	100
May	57.65	57.65	100
June	57.65	57.65	100
July	57.65	57.65	100
August	57.65	57.65	100
September	57.65	57.65	100
October	57.65	57.65	100
November	57.65	57.65	100
December	57.65	57.65	100
2017 January	57.65	57.65	100
February	57.65	57.65	100
March	57.65	57.65	100

**During the year, the Company's shares have been quoted in the market.**



**Financial Calendar**

**FINANCIAL YEAR 2017-18  
( 1st April – 31st March)**

1	First Quarter Results	July 2017
2	Second Quarter and Half Year Results	October / November 2017
3	Third Quarter Results	January / February 2018
4	Fourth Quarter and Annual Results	May 2018

### Particulars of past three Annual General Meetings.

AGM	Financial Year	Venue	Date	Time	Special Resolutions passed
37th	2016-17	Rani Seethai Hall 603, Anna Salai Chennai - 600 002	19.09.2016	10.00 AM	--
36th	2015-16	Rani Seethai Hall 603, Anna Salai Chennai - 600 002	23.09.2015	10.00 AM	--
35th	2014-15	-do-	25.09.2014	10.00 am	4 Special Resolutions passed.

### Service of documents

The Notice, along with the Report and Accounts, has been sent in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the remaining Shareholders. Shareholders who wish to update or register their e-mail addresses with the Company or with the Depositories may use the Form for updation / registration which is being sent and can also be downloaded from the Company's corporate website under the section 'Investor Relations'.

### Bank Details

Shareholders holding shares in the certificate form are requested to advise ISC of change in their address / mandate / bank details to facilitate better servicing.

Shareholders are advised that their bank details, or where such details are not available, their addresses, as furnished by them to ISC or to the Depositories, will be printed on the dividend warrants as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a measure of protection against fraudulent encashment.

### Permanent Account Number (PAN)

Attention is drawn that Shareholders holding shares in the certificate form are mandatorily required to furnish copy of PAN Card in the following cases:

Transferees' and Transferors' PAN Cards for transfer of shares,

Legal heirs' / Nominees' PAN Cards for transmission of shares,

Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and

Joint holders' PAN Cards for transposition of shares.

### Nomination Facility

Shareholders who hold shares in the certificate form and wish to make any nomination / change nomination made earlier in respect of their shareholding in the Company, should submit to ISC the prescribed Form; such Form can be downloaded from the Company's corporate website under the section 'Investor Relations' or can be furnished by ISC on request.

## Depository Services

Shareholders may write to the Depositories – NSDL & CDSL - for guidance on depository services.

### Address for Correspondence with Depositories

National Securities Depository Limited Trade World, 'A' Wing, 4th & 5th Floors Kamala Mills Compound Senapati Bapat Marg, Lower Parel MUMBAI - 400 013. Telephone no. : 022-2499 4200 Facsimile no. : 022-2497 6351 e-mail : info@nsdl.co.in website : www.nsdl.co.in	Central Depository Services (India) Limited 17th Floor, Phiroze Jeejeebhoy Towers Dalal Street MUMBAI - 400 001. Phones: 022 - 2272 1263 / 8692 / 3333 / 3224 Fax : 022-2272 2072 / 3199 e-mail : cdslindia.com website : www.cdslindia.com
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Shareholders holding shares in the dematerialized form should address their correspondence to their respective DPs.

In all correspondence with the Registrar and Share Transfer Agents, Registered Folio numbers / DP ID & Client ID numbers should be furnished to facilitate prompt response. Shareholders are requested to also provide their e-mail addresses and contact numbers.

## ANNEXURE – XII

### Disclosures with respect to Employees’ Stock Option Scheme, 2006 of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (share Based Employee Benefits) Regulations, 2014 as on March 31, 2017 :

(A) Relevant disclosures in terms of the ‘guidance note on accounting for employee share-based payments’ issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Members may refer to the audited financial statement prepared as per Indian GAAP for the year 2016-17.

(B) Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Ind-AS 33 (Earnings per Share).

Diluted EPS for the year ended March 31, 2017 is Rs. 1.89 ps, calculated in accordance with Ind-AS 33 (Earnings per Share ).

(C) Details related to Employees’ Stock Option Scheme, 2006 (“ESOS”)

(i) The description including terms and conditions of ESOS is summarized as under :

(a)	Date of shareholder’s approval	NIL
(b)	Total number of options approved under ESOS :	NIL
( c )	Vesting requirement	NIL
(d)	Exercise Price or pricing formula	NIL
(e)	Maximum term of option granted	NIL
(f)	Source of shares (Primary, secondary or combination )	NIL
(g)	Variation in terms of options	NIL

(ii) Option movement during the year : As on March 31, 2017.

(a)	Number of options outstanding at the beginning of year	NIL
(b)	Number of options granted during the year.	NIL
( c )	Number of options forfeited / lapsed during the year	NIL
(d)	Number of options vested during the year	NIL
(e)	Number of options exercised during the year	NIL
(f)	Number of shares arising as a result of exercise of options	NIL
(g)	Money realized by exercise of options (Rs.)	NIL
(h)	Loan repaid by the Trust during the year from exercise price received	NIL
(i)	Number of options outstanding at the end of the year	NIL
(j)	Number of options exercisable at the end of the year	NIL

(iii) Employee wise details of options granted during the year :

(a) Key managerial personnel and senior managerial personnel – Nil

(b) Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year – Nil

(c) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil

For and on behalf of Board of Directors

M.T.ELUMALAI  
Whole Time Director  
DIN : 01601165



**TAMILNADU STEEL TUBES LTD.**

Regd. Office: Mercury Apts., 1st 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

**COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Financial Year Ended March 31, 2017.

For Tamilnadu Steel Tubes Ltd.

Place: Chennai

Date : 30.05..02017

RAKESH GOYAL

Chief Executive Officer & Managing Director

**CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We the undersigned, in our respective capacities as Chief Executive Officer and Managing Director and Chief Financial Officer of M/s. Tamilnadu Steel Tubes 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, 2017 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 on 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 : 30.05.2017

RAKESH GOYAL  
Managing Director  
(DIN:-00990310)

N.SUDHARSAN  
Chief Financial Officer

### **ANALYSIS OF STANDALONE FINANCIAL WITH BREAK UP DETAILS**

The following table sets forth the breakup of the Company's expenses as part of the Revenue from operations' (Net).

PARTICULARS	2016-17 (Rs.)	% of Revenue from operations	2015-16 (Rs.)	% of Revenue from operations
Net sales	80.52		78.4	
Other operating revenue			-	
Revenue from operations (net)	80.52	100%	78.4	100%
Other income	0.16	0.20%	0.72	0.92%
Cost of materials consumed	69.36	86.14%	64.9	82.78%
Changes in inventories of finished goods, work in progress and Stock in Trade.	0.4	0.50%	1.61	2.05%
Employee benefits expense.	3.61	4.48%	2.69	3.43%
Power and fuel	1.35	1.68%	1.5	1.91%
Freight and Forwarding expense.	0.5	0.62%	0.51	0.65%
Finance costs	0.58	0.72%	0.86	1.10%
Depreciation and amortization expense.	0.3	0.37%	0.26	0.33%
Other expenses (including Self Consumption of pipes)	3.08	3.83%	3.33	4.25%
Profit before exception item and tax	1.5	1.86%	3.46	4.41%
Exceptional item	-		-	
Profit before tax	1.5	1.86%	3.46	4.41%
Tax expenses	0.53	0.66%	0.93	1.19%
Profit for the year	0.97	1.20%	2.53	3.23%

During the Financial year 2016-17, the Company has recorded a profit after tax of ` 0.97 Crore as compared to 2.53 Crores` in the Financial year 2015-16.

- Despite a challenging year, full year profit after tax is up as compared to previous year. Operating cost is down mainly driven by strong cost saving measures, especially on account of raw materials optimisation.
- The new S.S.Pipes production will strengthen the company's market presence especially in the Southern region.

Notes:

1. Cash and cash equivalents includes Cash and bank balances
2. Current maturities of Long-Term Borrowings have been included in Borrowings and excluding same from current liabilities
3. Operating EBITDA: Profit from operations before other income, finance costs and depreciation and amortization expense.
4. Average Return on Capital Employed: EBIT/ Average Capital Employed (Capital Employed: Net worth + Long-term borrowings + Current maturities of Long-Term borrowings).
5. Return on Net worth: Profit after Tax / Net worth
6. Debts Equity Ratio: (Long-term borrowings + Current maturities of Long-Term borrowings) / Shareholders' funds
7. Price Earning Ratio: Market Price per share / Basic Earnings per share
8. Net worth per share: Net Worth / Number of Equity Shares
9. Current Assets : Total assets - Fixed assets - Investments
10. Current Liability: Current liability excluding Short-term borrowings + Long-term provisions

**ANALYSIS OF STANDALONE FINANCIAL**  
**(BREAK UP DETAILS)**

**1. REVENUE FROM OPERATIONS (NET) :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Steel Tubes (Black and GI pipes only)	80.52	78.40	2.12	2.63%

Revenue from operations (net) has increased marginally, as experienced last year; this year also revenue got affected by Varadah Cyclone.

**2. OTHER INCOME:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Other income	0.16	0.72	-0.56	-350.00%

Majority of other income represents Lease Rent Received and Insurance claim received. There is substantial reduction when compared to last year as there was Income tax provision pertains to previous year (Asst. Year 1999 - 2000) which was no longer required was written back.

**3. COST OF MATERIALS CONSUMED**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Cost of materials consumed	69.36	64.90	4.46	6.43%

Cost of materials consumed has increased marginally due to increase in cost of Raw material.

**4. PURCHASE OF TRADED GOODS**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Coils	--	--	--	--
Zinc	--	--	--	--
TOTAL	--	--	--	--

There is no trading activity during the year.

**5. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Changes in inventories of finished goods, work in progress and Stock in Trade.	0.40	1.61	-1.21	-302.50%

Stock of Finished Goods, WIP and Raw Materials kept at optimum level.



**6. EMPLOYEES BENEFITS EXPENSE :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Employee benefits expenses.	3.61	2.69	0.92	25.48%

Employee benefits expense has increased due to normal hike in salary w.e.f. April 01, 2016.

**7. POWER AND FUEL:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Power and Fuel	1.35	1.50	-0.15	-11%

Power and fuel cost has been in decreasing trend due to efficiency in operation.

**8. FREIGHT AND FORWARDING EXPENSE:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Freight and Forwarding expense	0.50	0.51	-0.01	-2.00%

No wide variation warranting any comments.

**9. FINANCE COSTS :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Interest expenses	0.58	0.86	-0.28	-48.28%

There is substantial reduction in Finance Cost due to reduction in borrowing. No wide variation warranting any comments.

**10. DEPRECIATION AND AORTIZATION EXPENSE:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Depreciation on tangible assets	0.30	0.26	0.04	13.33%

In the previous year, a reduction in depression charge of 0.19 Crore has been made on account of change in useful lives of fixed assets in accordance with the provisions of Schedule II of the companies Act, 2013.

**11. OTHER EXPENSES:**

Figures in Rs. Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Rent	0.10	0.09	0.01	10.00%
Rates and Taxes	0.11	0.08	0.03	27.27%
Repairs	0.48	0.41	0.07	14.58%
Insurance	0.08	0.09	-0.01	-12.50%
Advertisement	0.02	0.06	-0.04	-200.00%
Miscellaneous Expenses	2.29	2.60	-0.31	-13.54%

No wide variation warranting any comments.

**12. EXCEPTIONAL ITEM :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Exceptional item	-	-	-	-

No exceptional income or expenditure during the year under review warranting any comments.

**13. TAX EXPENSES :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
TAX EXPENSES	0.53	0.93	-0.40	-75.47%

Being mandatory provision, no comments are required.

**14. NET FIXED ASSETS:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Tangible assets	2.57	1.91	0.66	-25.68%
Capital Work in progress	0	0.18	-0.18	-
Total	2.57	2.09	0.48	25.68%

Decrease in Net Tangible assets is due to mandatory provision of depreciation. Hence no comments are required.

**15. INVESTMENT:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Noncurrent investments	-	-	-	-
Current investments	-	-	-	-
Total	-	-	-	-

**16. LOANS AND ADVANCES:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Long-term loans and advances	0.97	1.15	-0.18	-18.56%
Short-term loans and advances	0.54	0.49	0.05	9.26%
TOTAL	1.51	1.64	-0.13	-9.30%

No wide variation warranting any comments.

**17. OTHER ASSETS :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Other non-current assets	-	-	-	-
Other current assets	-	-	-	-
TOTAL	-	-	-	-

No change and hence no comments.

**18. INVENTORIES:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Raw Materials	4.95	3.72	1.23	24.85%
Finished Goods	4.23	4.57	-0.34	-8.04%
Stores & Spare Parts	0.11	0.12	-0.01	-9.09%
Other Goods (Scrap)	0.03	0.09	-0.06	-200.00%
TOTAL	9.32	8.50	0.82	-192.28

Inventory holding has been consistent when compared to the parameters.

**19. TRADE RECEIVABLES :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Trade receivables	17.41	13.90	-0.21	-1.51%

Trade receivable level has been consistent when compared to the parameters.

**20. CASH AND BANK BALANCES:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Cash and bank balances	0.32	0.83	-0.51	-159.38%

Cash and Bank holding level has been consistent when compared to the parameters.

**21. PROVISIONS :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Long-term provisions	-	-	-	-
Short-term provisions	-	-	-	-
TOTAL	-	-	-	-

**22. SHORT-TERM & LONG TERM BORROWINGS :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Short term borrowings	8.64	6.97	1.67	19.33%
Long term borrowings	2.66	4.34	-1.68	-63.16%

No wide variation warranting any comments.

**23. TRADE PAYABLES :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Trade payables	4.34	0.89	3.45	79.49%

Trade payable level has been consistent when compared to the parameters.

**24. OTHER CURRENT LIABILITIES :**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Statutory dues	2.81	3.35	-0.54	-19.22%
Advance from customers	-	0.01	-	-
Security deposits and retention money	0.52	0.52	0	0.00%
Other payables	1.41	1.16	0.25	17.73%
<b>TOTAL</b>	<b>4.74</b>	<b>5.04</b>	<b>-0.30</b>	<b>-1.49</b>

Current Liabilities level has been consistent when compared to the parameters.

**25. CASH FLOW:**

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Net cash flow from operating activities	0.72	-1.77	2.49	345.83%

No wide variation warranting any comments.

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Net cash used for investing activities	-0.66	0.03	-0.69	104.55%

No wide variation warranting any comments.

Figures in Crores

PARTICULARS	2016-17	2015-16	Change	Change %
Net cash used for financing activities	-0.57	1.41	-1.98	347.37%

No wide variation warranting any comments

## BUSINESS RESPONSIBILITY REPORT

### Section A: General Information about the Company

- |  |  |
|--|--|
| 1. Corporate Identity Number (C.I.N.)  | : L27110TN1979PLC007887  |
| 2. Name of the Company   | : TAMILNADU STEEL TUBES LTD.   |
| 3. Registered Office Address   | : Mercury Apts., 1st Floor<br>No. 65, Pantheon Road<br>Egmore, CHENNAI – 600 008 |
| Works  | : B-10, Industrial Estate<br>Maraimalai Nagar - 603 209<br>Kancheepurm District  |
| 4. Website   | : www.tamilnadusteeltubesltd.com   |
| 5. e-mail id   | : tnt.share@yahoo.in, tnstl@vsnl.net   |
| 6. Financial Year Reported   | : 01.04.2016 to 31.03.2017   |
| 7. Sectors that the Company is engaged in<br>(Industrial Activity - code wise) | : TAMIL NADU and<br>All other Southern States                                    |

Group	Class	Sub class	Description
--	6	--	Manufacture of ERW Black & Galvanized Steel Tubes

- |   |  |
|---|--|
| 8. List three key product/services that the Co. Manufactures/provides (as in Balance Sheet) | : ERW Black & Galvanised Steel Tubes - Square & Rectangular and also Stainless Steel Pipes |
| 9. Total Number of Locations where business Activity is undertaken by the Company           | :  |
| i. Number of International Locations  | : Nil  |
| ii. Number of National Locations  | : Nil  |
| 10. Markets Served by the Company   | : South India Markets  |

### Section B: Financial Details of the Company

- |  |                    |
|--|--------------------|
| 1. Paid up Capital (INR)   | : Rs. 5,12,48,000  |
| 2. Total Turnover (INR)  | : Rs. 80,51,61,024 |
| 3. Total Profit after Taxes (INR)  | : Rs. 97, 08,832   |
| 4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after Tax (%) : | Nil                |
| 5. List of activities in which expenditure in 4 above has been incurred                            | : Nil              |

### Section C: Other Details

1. Does the Company have any Subsidiary Company / Companies ? Nil
2. Does the Subsidiary Company / Companies participate in the BR initiatives of the Parent Company ? If yes, then indicate the number of such subsidiary companies? Nil

3. Do any other entity/entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [ Less than 30%, 30-60%, More than 60%]

Nil

**Section D : BR Information**

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR policy / Policies:

S.No.	Name	Designation	D.I. N.
1	Mr MJ Lakshmi Narasimha Rao	Director/Chairman	01275880
2	Mr Gopal Singh	Director	03160298
3	Mrs Seshadhri Rajalakshmi	Woman Director	06927546

b) Details of the BR Head :

Sr.No	Particulars	Details
1	DIN	01275880
2	Name	Mr MJ Lakshmi Narasimha Rao
3	Designation	Director (Independent)
4	Telephone Number	98400 21728
5	E mail Id	rsmassociateschennai@gmail.com

2. Principle-wise (as per NVGs) BR policy /policies (Reply in Y/N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under :

P1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 - Businesses should promote the well being of the employees.

P4 – Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 – Businesses should respect and promote human rights.

P6 - Businesses should respect, protect and make efforts to restore the environment

P7 – Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should support inclusive growth and equitable development.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S.No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Cusrtomer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.....	Y	Y Note 1	Y	Y	Note 2	Y	Refer Note 10	Y	-
2	Has the Policy been formulated in consultation with the relevant stakeholders?	Y	--	Y	Y	-	Y		Y	-
3	Does the policy conform to any national / international standards? If yes, specify? ( 50 words)	Y	Y Note 1	Y	Y Note 4	-	Y		Y -	-
4	Has the policy been approved by the Board? If Yes, has it been signed by MD / owner / CEO / appropriate Board Directors?	Y	--	Note 6	Y	-	Y		Y	-
5	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y Note 1	Y	Y	-	Y		Y	-
6	Indicate the link for the policy to be viewed online?	Y	--	-	#	-	Y		#	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	--	-	Y	-	Y		Y	-
8	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	-	Y		Y	-
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Note 8	Note 8	Y	-	N		Y	-
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	--	N	Y	-	Y		Y	-

### 3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

3 to 6 months.

#### **Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?**

Yes, the Company releases a Sustainable Development (SD) Report. BRR is included in the Annual Report. This report constitutes the Company's Business Responsibility Report. The hyper-link for viewing the sustainability Report of the company. [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

### Section E : Principle – Wise Performance

#### **Principle 1. Business should conduct and govern themselves with Ethics, Transparency and Accountability.**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company considers Corporate Governance as an integral part of good management. The Company has a Code of Business Conduct ( along with an anti-Bribery and Corruption Directive) and a vigil mechanism named Ethical View Reporting policy that are approved by the Board of Directors. These are applicable to all Board Members and employees of the Company and an annual affirmation is taken from the designated employees. The Anti-Bribery and Corruption Directive and the Ethical View Reporting Policy also extends to the Company's business partners viz. vendors/service providers/customers.

2. How many stakeholders complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company received 52 complaints under the Ethical View Reporting policy and all were resolved.

#### **Principle 2. Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

The Company's products viz. MS & Galvanized Steel Pipes – Square & Rectangular Pipes. The company also uses industrial/municipal hazardous waste as alternative fuel.

The Company uses biomass in its manufacturing process.



2. For each such product, provide the following details in respect of resource use ( energy, water, raw material etc) per unit of product (optional):

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain:

Consumption per unit of production	Current year (2016-17)	Previous year (2015-16 )
Electrical Energy (KWH)	91.44 Unit/MT	98.49 Unit/MT
Furnace Oil (Ltrs./MT)	37.43 LTR/MT	33.56 LTR/MT

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year.

The Company’s products do not have any broad based impact on energy. However, as the Pipe manufacturing process is highly energy intensive, the Company takes several measures to reduce thermal and electrical energy consumption.

3. Does the Company have procedures in place for sustainable sourcing (including transportation) ? if yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.

Yes, the Company’s integrated plant is situated close to areas which helps minimize transportation. All the materials are transported inward by Road.

In the manufacture of Pipes, the company utilizes alternative fuel and raw materials(AFR) which help conserve natural resources. The Company encourages procurement through vendors who adopt sustainable practices.

4. Has the Company undertaken any steps to procure goods and services from Local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company has a policy of procuring goods and services like horticulture, house-keeping and the like from nearby suitable sources of supply.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%) Also, provide details thereof in about 50 words or so.

The Steel manufacturing process does not directly discharge any significant effluent or waste. TNT has the facility of consuming wastages in the process of re-cycling as alternate Fuel in the manufacturing Unit. The usages of Water and Air Pollution is less than the permitted level in the Unit.

**Principle 3 : Businesses should promote the well-being of all employees.**

1. Please indicate total number of employees:

Sl.No	Category of Employees	No .of Employees
1	Directors, Executives, Engineers	12
2	Accountants, Cashiers Office Assts. etc.	21
3	Technical – Skilled/Unskilled & others	186
	Total	219

2. Please indicate total number of employees hired on temporary/ contractual Casual Basis :

Sl.No	Category of Employees	No .of Employees
1	Retainers / Advisors	Nil
2	Sub Contracted Employees.	4
3	Third Party Employees	Nil
4	Casual Employees	Nil
	Total	Nil

3. Please indicate the number of permanent women employees:

Number of permanent women employees: 5

4. Please indicate the number of permanent employees with disabilities:

Number of permanent employees with disabilities : 3

5. Do you have an employee association that is recognized by the Management?

No

6. What percentage of permanent employees are members of this recognized employee association.

Not Applicable

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and those pending as on the end of the financial year.

Sl.No	Category	No. of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child-labour/forced labour/ involuntary labour	Nil	Nil
2	Sexual Harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of undermentioned employees were given safety and skill Up-gradation training in the last year?

- a. Permanent Employees : 95 %
- b. Permanent women employees : 2 %
- c. Casual/Temporary/Contractual employee : 2 %
- d. Employees with disabilities : 1 %

**Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process.

2. Out of the above, has the company identified the disadvantaged, vulnerable and Marginalized stakeholders?

Yes, the company has identified the disadvantaged, vulnerable and marginalized stakeholders with the help of socio-demographic data of the community through base line surveys.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The company has enhanced the access to healthcare for the community through health camps and mobile health clinics. The company also jointly works with the local district administration for promoting national campaigns on DOTS for TB, Malaria prevention and immunization.

**Principle 5: Businesses should respect and promote human rights.**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

All aspects of the human rights are inbuilt and covered under the Company's code of Business conduct as well in various human resource practices / policies.

2. How many stakeholders complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

The Company received 52 complaints under the Ethical View Reporting policy and all were resolved.

**Principle 6: Businesses should respect, protect and make efforts to restore the environment**

1. Does the policy related to principle 6 cover only the company or extends to the Group / Joint Ventures/Suppliers/Contractors/NGOs/others ?

The Company's Corporate Environment Policy extends to cover the Company.

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming etc. ? Y / N

If Yes, please give hyper-link for webpage etc.

Yes, the company is committed to reduce GHGs emissions and has a clear roadmap to achieve this. The hyperlink for the same is <http://www.tamilnadusteeltubesltd.com>

3. Does the Company identify and assess potential environmental risks ? Y/N

Yes, the Company has a mechanism to identify and assess potential environmental risks in its plant and in respect of its projects.

4. Does the Company have any project related to clean Developmental Mechanism (CDM) ? If so, provide details thereof in about 50 words or so. Also if yes, whether any environmental compliance report is filed ?

No.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc. ? Y / N. If Yes, please give hyper-link for webpage etc.

The company has taken up several initiatives on clean technology, energy efficiency and renewable energy such as the Waste Heat Recovery System (WHRS) The hyperlink for the same is <http://www.tamilnadusteeltubesltd.com>

6. Are the Emissions / Waste generated by the Company within the permissible limits given by the CPCB / SPCB for the financial year being reported ?

Yes, the emissions/waste generated by the company are within the permissible limits prescribed by the CPCB / TNPCB.

7. Number of show cause / legal notices received from CPCB / TNPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year .

Nil.

**Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in responsible manner.**

1. Is your company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.

The company is a Member of:

- i. Confederation of Indian Industry (CII)
- ii Hindustan Chamber of Commerce and Industry

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No: If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development policies, Energy Security, water, Food Security, Sustainable Business Principle, others)

Yes, following are the Broad Areas:

- i. Waste Management – Co-processing of municipal and industrial hazardous & non-hazardous wastes
- ii. Energy Conservation

**Principle 8: Businesses should support inclusive growth and equitable development.**

1. Does, the Company have specified programmes / initiatives / projects in pursuit of the policy related to principle 8? If yes, details thereof.

Yes, the Company has specified programmes / initiatives / projects in pursuance of its CSR policy. The Company engages all sections of the host communities for developing their village through micro plans. Implementation of these micro plans & monitoring is done by the community advisory panels (CAP) at the plant location. The CAP helps at all stages of CSR interventions i.e planning of CSR activities, process monitoring and evaluation. The CSR project participants include the disadvantaged, vulnerable and marginalized sections of society.

The Company has carried out CSR Projects in pursuance of inclusive development, primarily focusing on :

Livelihood & Employability  
Quality of Education  
Health & Sanitation

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Govt. Structure / any other organization ?

The Company's CSR Projects are implemented through an internal team.

3. Have you done any impact assessment of your initiative ?

Yes, the Company has conducted impact assessments of its CSR initiatives. A Social Audit Committee was constituted which engaged as organization for a field visit to the plant sites. Based on the findings of the field visits, the implementation effectiveness and efficiency were mapped on a CSR performance score and which was then incorporated into the company's performance management system.

4. What is the company's direct contribution to community development projects - Amount in INR and details of the projects undertaken ?

Proposed to do it in future based on the anticipation of Profit during the current Financial Year.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the Community ? Please explain in 50 words.

Yes, the Company follows a participatory approach in the selection of CSR initiatives. A community Advisory panel (CAP) comprising representatives and opinion leaders of community is functional at plant location, which facilitate inclusive project planning, information sharing and participatory implementation.

Stakeholder Engagement Surveys (SES) are conducted at regular intervals to identify feedback of the community, required modifications are carried out in ongoing initiative implementation projects. This helps in fostering ownership amongst local communities.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

1. What percentage of customer complaints / consumer cases are pending as on the end of financial year 2016-17 ?

Nil

2. Does the Company display product information on the product label, over and above what is mandated as per local law? Yes / No / N.A. / Remarks (additional information)

Yes, in respect of our products like MS Square, Rectangular Pipes and Stainless Steel Pipes etc. apart from the statutory information, the key product benefits are also highlighted on Pipes.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practice, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Nil

4. Did your Company carry out any consumer survey /Dealers' Meet - consumer satisfaction trends?

Yes, Customer Satisfaction Survey - "Dealers' Meet" is carried out by the Company on Quarterly basis in every year.

## RATIO ANALYSIS

### 1. OPERATING EBITDA MARGIN (%)

	2016-17	2015-16
Operating EBITDA MARGIN	2.95%	5.83%

The Operating EBITDA margin level has decreased due to poor market conditions

### 2. AVERAGE RETURN ON CAPITAL EMPLOYED (%)

	2016-17	2015-16
Average Return on Capital Employed	15.47%	30.64%

Average return on capital employed has decreased due to poor market conditions.

### 3. RETURN ON NET WORTH (%)

	2016-17	2015-16
Return on Net worth	9.20%	26.41%

Return on Net worth in the current year is reduced due to demonetization and financial crunch

### 4. CURRENT RATIO (TIMES)

	2016-17	2015-16
Current Ratio	1.56	1.84

The Company's current ratio for 2016-17 is recorded at 1.56 times which is fairly in line with 1.84 times registered in 2015-16.

### 5. NET WORTH PER SHARE (Rs.)

	2016-17	2015-16
Net worth per share	20.59	18.69

Net worth per share has increased as compared to previous year .

### 6. EARNING PER SHARE (Rs.) :

	2016-17	2015-16
Basic Earnings per share	1.89	4.94

Basic Earnings per share stood at Rs.1.89 for the current financial year as against Rs.4.94 in the previous year.

### 7. FIXED ASSET TURNOVER RATIO (TIMES)

	2016-17	2015-16
Fixed Asset Turnover Ratio	31.28	37.58

Asset turnover ratio stood at 35.22 as against 40.15 in the previous year due to variation in the market.

## TRANSITION TO IND AS

### BACKGROUND:

As per notification from Ministry of Corporate Affairs dated 16.02.2015, Listed Companies having a net worth of Rs. 500 Crores or more are required to comply with Ind-AS in the preparation of their financial statements for accounting periods beginning on or after April 1, 2016.

In pursuance of this notification and as the Company is having 1st April to 31st March as its financial year, the Company will adopt IND AS with effect from 1st April ,2017 with the comparatives for the periods ending 31st March, 2017.

### Company's Transition plan:

The Company is on track towards Ind-AS transition and the impact on change on adoption of Ind-AS has been assessed.

Following are key impact areas. The assessment contained herein is preliminary as full compliance with Ind AS will be effective as at 31.03.2018 if the Company's Turnover exceeds Rs.500 Crores. The information represents our current best estimates based on principles and regulations known to date and may be affected by changes to Ind AS or the interpretation or audit / review thereafter.

### 1. IND AS 1-PRESENTATION OF FINANCIAL STATEMENTS

- New Components of Financial Statements
- Statement of Changes in Equity for the year
- 'Other Comprehensive Income' section in the Statement of Profit and Loss for the year.

Following are the major Components of Other Comprehensive Income:

- Re-measurements of defined employee benefit plans
- Gain and losses on equity instruments measured at fair value through other comprehensive
- income
- Deferred tax Asset / Liability on above adjustments
- Distinction between Financial and Non-Financial assets / liabilities in the Balance Sheet.
- Other disclosures as required as per Ind AS Compliant Schedule III of the Companies Act, 2013.

### 2. IND AS 101 -FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS

The Company has elected to apply the following optional exemptions in preparation of its Ind AS opening Balance Sheet:

- The Company has opted to apply Ind AS 103 'Business Combinations' prospectively from the date of transition. Accordingly any acquisitions that occurred prior to January 01, 2016 will not be required to be restated.
- The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP (IGAAP) carrying amount as its deemed cost on the date of transition.

### 3. IND AS 10 -EVENTS AFTER THE REPORTING PERIOD

Under IND-AS, the Company will recognise a liability for final in the period when the dividends are approved by the shareholders. Accordingly, dividend distribution tax recognised as on Balance Sheet date as per IGAAP will be reversed in the Balance Sheet under IND-AS.

#### 4. IND AS 12 - INCOME TAXES

Under IND-AS Deferred tax is to be recognised on undistributed profits of Joint Ventures and elimination of intra group profits/losses.

#### 5. IND AS 16 - PROPERTY, PLANT AND EQUIPMENT

- Under IND-AS, Spares which meet the definition of Property, Plant and Equipment will be capitalized.
- Under Current Indian GAAP, written down value of such spares are charged to Statement of Profit and Loss, on issue for consumption.
- Lease hold land where the Company has control towards the land, will be classified as intangible assets.

#### 6. IND AS 18 - REVENUE

- Under IND-AS, the Company will recognise revenue at the fair value of consideration received or receivable. Any sales incentive, discounts or rebates in any form, including cash discounts given to customers will be considered as selling price reductions and accounted as reduction from revenue.
- Accordingly, discount on sales will be netted off from revenue under IND-AS. As per IGAAP, currently this is shown under "Other expenses".
- As per IND-AS compliant Schedule III of the Companies Act, 2013, Excise and GST duty recovery will be part of Gross sales and Excise and GST duty payment will be shown separately under other expenses.

#### 7. IND AS 19 - EMPLOYEE BENEFITS

- Under IND-AS, the interest cost on defined benefit obligation and expected return on plan assets will be recognised under finance cost.
- Re-measurements on defined benefit obligation will be recognised in 'Other Comprehensive Income'.

#### 8. IND AS 38: INTANGIBLE ASSETS

Under Current IGAAP, goodwill is amortized over a period of ten years from the date of acquisition / investment.

#### 9. IND AS 37 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision for site restoration liability shall be shown as a discounted value under Ind AS 37.

#### 10. IND AS 109 - FINANCIAL INSTRUMENTS

- Investments in mutual fund are valued at fair value under Ind AS 109
- Investment in quoted equity instruments will be valued at fair value
- The Company currently accounts for current investments at lower of cost and fair value and investment in equity instruments at cost.
- Long term financial assets will be discounted to its net present value.
- The Company recognised long term assets at an undiscounted value as current IGAAP principles explicitly prohibit discounting



## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

M/s. Abhay Jain & Co, Chartered Accountants," Bushra House" Flat No.4-A, 2nd 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 2016-17.

### 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 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 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.Gopal Singh, and Mrs. S. Rajalakshmi and Wholetime Directors, Mr.Mahaveer Singh and Mr.M.T.Elumalai and Managing Director Mr.Rakesh Goyal. 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 : 30.05.2017

RAKESH GOYAL  
Managing Director  
(DIN:-00990310)

**Auditors' Report On Standalone Financial Results of  
M/s TAMILNADU STEEL TUBES LTD., CHENNAI  
For the Q.E. and Year Ended March 31st 2017**

To: Board of Directors

M/s TAMILNADU STEEL TUBES LTD.

Mercury Apts., 1st Floor

65, Pantheon Road, Egmore,

CHENNAI – 600 008..

We have audited the accompanying Statements of Standalone Financial Results of M/s TAMILNADU STEEL TUBES LTD. for the Quarter Ended 31st March, 2017 and the Financial Year Ended 31st March 2017, ( "the Statements"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. These Quarterly Financial Results as well as the Yearly Financial results have been prepared on the basis of Audited Financial Statement for the Year Ended 31st March, 2017 and the Financial Results for the nine-month period ended December 31, 2016, which were subject to Limited Review, which are the responsibility of the Company management and approved by the Board of Directors, has been prepared on the basis of the related standalone Financial Statements which are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act. 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.

We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accounts of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the statements. An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of the significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us the statements:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 in this regard; and
- (ii) give a true and fair view in conformity with the aforesaid accounting standards and other accounting principles generally accepted in India of the net loss and other financial information of the Company for the Quarter Ended 31/03/2017 as well for the Financial Year ended 31st March, 2017.

Place: Chennai  
Date: 30.05.2017

for ABHAY JAIN & Co.  
Chartered Accountants  
(FRN. 000008S)

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

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TAMIL NADU STEEL TUBES LIMITED REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Tamilnadu Steel Tubes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the 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 matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give

the true and fair view of the financial position, financial performance and cash flows of the Company with the accounting principles 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 accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of the appropriate accounting policies, making judgements 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 preparation and 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 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:

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

- (b) In the case of the Statement of Profit and Loss, of the profit of the Company 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.
- (d) Company had provided requisite disclosures as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and based on our audit procedure performed we report that these are in accordance with the books of accounts maintained by the company.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
  - e. On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. 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.
    - i) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
    - ii) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of Section 143(3) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Chennai  
Date: 30.05.2017

for ABHAY JAIN & Co.  
Chartered Accountants  
(FRN. 000008S)

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

## **Annexure - A to the Independent Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Tamilnadu Steel Tubes Limited, company incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Holding Company and its subsidiary company, which is company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Chennai  
Date: 30.05.2017

for ABHAY JAIN & Co.  
Chartered Accountants  
(FRN. 000008S)

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

## Annexure - B to the Independent Auditors' Report

The Annexure referred to in paragraph 1 of our Report of even date to the members of TAMILNADU STEEL TUBES LIMITED. On the accounts of the Company for the year ended 31st March, 2017.

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, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable  
(c) The title deeds of immovable properties are held in the name of the Company.
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. The Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to 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. Therefore the provision of clause 3(3a), (3b) and (3c) of the said order are not applicable to the Company
4. In our opinion, and according to the information and explanations given to us, the Company has not given any loan nor made any investment and not provided guarantee or any security as such the provisions of Section 185 and 186 of the Companies Act, 2013 is not applicable on the Company.
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 there under 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 information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise duty, value added tax as at [balance sheet date] which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
		(Rs.in Lakhs)		
INCOME TAX ACT, 1961	Regular Demand	143.29	Block Assessment	Hon'ble Madras High Court
INCOME TAX ACT, 1961	Regular Demand	37.28	A/Y 1997-98	Hon'ble Madras High Court
INCOME TAX ACT, 1961	Regular Demand	17.96	A/Y 1999-2000	Hon'ble Madras High Court
INCOME TAX ACT, 1961	Regular Demand	116.06	A/Y 2011-12	Appeal is filed before ITAT, Chennai.
SERVICE TAX	Regular Demand	1.6	Nov, 1997 to June, 1998	Before BIFR
INCOME TAX ACT, 1961	Regular Demand	65.17	A/Y 2014-15	CIT(A)

8. According to the records of the Company examined by us and the information and explanation given to us , the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or government as of the balance sheet date.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(9) of the Order are not applicable to the Company.
10. 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 by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(12) of the Order are not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review<sup>39</sup>. Accordingly, the provisions of Clause 3(14) of the Order are not applicable to the Company.
15. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(15) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(16) of the Order are not applicable to the Company.

Place: Chennai  
Date: 30.05.2017

for ABHAY JAIN & Co.  
Chartered Accountants  
(FRN. 000008S)

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

**BALANCE SHEET AS AT 31st MARCH 2017**

Particulars	Notes	Rupees in Thousands			
		As at March 31st 2017		As at March 31st 2016	
<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	54,257.06		44,548.23	
(c) MONEY RECEIVED					
AGAINS SHARE WARRANTS		-	105,505.06	-	95,796.23
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>					
<b>(3) NON-CURRENT LIABILITIES</b>					
(a) LONG TERM BORROWINGS	5	1,134.31		17,880.00	
(b) DEFERRED TAX					
LIABILITIES (NET)	6	2,140.10		1,568.49	
(c) OTHER LONGTERM LIABILITIES	7	25,500.00		25,500.00	
(d) LONG TERM PROVISIONS		-	28,774.41	-	44,948.49
<b>(4) CURRENT LIABILITIES</b>					
(a) SHORT TERM BORROWINGS	8	86,367.55		69,706.02	
(b) TRADE PAYABLES	9	43,353.91		8,947.21	
(c) OTHER CURRENT LIABILITIES	10	47,441.26		50,340.25	
(d) SHORT TERM PROVISION		-	177,162.73	-	128,993.48
<b>TOTAL</b>			<b>311,442.21</b>		<b>269,738.20</b>
<b>( II ) ASSETS</b>					
<b>(1) NON CURRENT ASSETS</b>					
<b>(a) FIXED ASSETS</b>					
(i) TANGIBLE ASSETS	11	25,737.49		20,859.67	
(b) LONGTERM LOANS & ADVANCES	12	9,741.27		11,534.32	
(c) OTHER NON-CURRENT ASSETS		-	35,478.76	-	32,393.99
<b>(2) CURRENT ASSETS</b>					
(a) CURRENT INVESTMENTS		-		-	
(b) INVENTORIES	13	93,231.71		85,054.63	
(c) TRADE RECEIVABLES	14	174,156.11		139,016.14	
(d) CASH & CASH EQUIVALENTS	15	3,223.65		8,313.73	
(e) SHORT TERM LOANS & ADVANCES	16	5,351.98		4,959.71	
(f) OTHER CURRENT ASSETS		-	<b>275,963.45</b>	-	<b>237,344.21</b>
<b>TOTAL</b>			<b>311,442.21</b>		<b>269,738.20</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 : 30.05.2017

**STATEMENT OF PROFIT AND LOSS FOR THE FINANCIAL YEAR ENDED 31st March 2017**

Rupees in Thousands

Particulars	Notes	Year Ended	Year Ended
		31.03.2017	31.03.2016
		(Rs. in '000)	(Rs. in '000)
REVENUE FROM OPERATIONS	17	805,161.02	783,955.10
OTHER INCOME	18	1,634.14	7,174.02
<b>TOTAL REVENUE</b>		<b>806,795.16</b>	<b>791,129.12</b>
<b>EXPENSES :</b>			
COST OF MATERIAL CONSUMED	19	693,578.75	649,045.14
CHANGES IN INVENTORIES OF FINISHED GOODS	20	3,985.07	16,057.64
PAYMENTS TO EMPLOYEES	21	36,140.13	26,945.30
FINANCIAL EXPENSES	22	5,783.30	8,619.52
DEPRECIATION & AMORTIZATION EXPENSES	23	3,003.32	2,601.26
OTHER EXPENSES	24	49,313.48	53,353.14
<b>TOTAL EXPENSES</b>		<b>791,804.05</b>	<b>756,622.00</b>
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		14,991.10	34,507.11
EXCEPTIONAL ITEMS	25	-	-
PROFIT BEFORE EXTRAORDINARY ITEMS		14,991.10	34,507.11
EXTRAORDINARY ITEMS	26	-	-
PROFIT BEFORE TAX		14,991.10	34,507.11
CURRENT TAX	27	4,710.66	9,468.42
DEFERRED TAX	28	571.61	(261.64)
<b>PROFIT ( LOSS ) FOR THE PERIOD</b>		<b>9,708.83</b>	<b>25,300.33</b>

EARNINGS PER EQUITY SHARE (Rs. 10/- each)		
(1) BASIC	1.89	4.94
(2) DILUTED	1.89	4.94

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/-  
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 : 30.05.2017

**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017**

CASH FLOW FROM OPERATING ACTIVITIES	Rs. in '000		
	F.Y. 2016-2017		F.Y. 2015-2016
NET PROFIT BEFORE TAX		14,991.10	34,507.11
DEPRECIATION	3,003.32		2,601.26
INTEREST PAID	5,783.30		8,619.52
LOSS ON SALE OF FIXED ASSETS	175.62		281.00
INTEREST RECEIVED	(157.33)		(158.14)
OTHER INCOME	-		(7,015.88)
INSURANCE CLAIM RECEIVED	(286.72)		-
SUNDRY BALANCE WRITTEN OFF	(276.81)		-
LEASE RENT RECEIVED	(913.27)	7,328.10	-
		<b>22,319.21</b>	<b>38,834.88</b>
<b>OPERATING PROFIT BEFORE CHANGE OF WORKING CAPITAL</b>			
<b>ADJUSTMENTS FOR :</b>			
INVENTORIES	(8,177.08)		12,216.41
TRADE RECEIVABLES	(35,139.98)		2,089.23
LONG TERM LOANS & ADVANCES	1,793.05		(7159.55)
SHORT TERM LOANS & ADVANCES	(392.28)		5692.41
TRADE PAYABLES	34,406.71		(37,121.12)
OTHER CURRENT LIABILITIES	(2,898.99)	(10408.55)	(22,863.06)
<b>CASH GENERATED FROM OPERATION</b>		<b>11910.65</b>	<b>(8310.80)</b>
LESS: TAX PAID		4710.66	9,468.42
<b>NET CASH FROM OPERATING ACTIVITY (A)</b>		<b>7199.99</b>	<b>(17,779.22)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Loss on Sale of Fixed Assets	(175.62)		(281.00)
Sale of Fixed Assets	11756.22		1,400.05
<b>Purchase of Fixed Assets</b>	<b>(9,056.76)</b>		<b>(1,919.26)</b>
<b>Other Long Term Liability</b>	<b>-</b>		<b>1101.30</b>
Add: Insurance Claim Received	286.72		-
Sundry Balance Written back	276.81		-
Lease Rent received	913.27		-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(6,579.95)</b>	<b>301.09</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
PROCEEDS FROM LONG TERM BORROWINGS SECURED LOAN	(16,745.69)		25,198.08
PROCEEDS FROM SHORT TERM BORROWINGS	16,661.53		(9,624.00)
Other Income	-		7,015.88
INTEREST RECEIVED	157.33		158.14
INTEREST PAID	(5,783.30)		(8,619.52)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		<b>(5,710.12)</b>	<b>14,128.58</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>(5,090.09)</b>	<b>(3,349.56)</b>
<b>OPENING BAL. OF CASH &amp; CASH EQUIVALENTS</b>		<b>8,313.73</b>	<b>11,663.30</b>
<b>CLOSING BAL. OF CASH &amp; CASH EQUIVALENTS</b>		<b>3,223.65</b>	<b>8,313.73</b>

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

Sd/-  
(A.K. JAIN)  
Partner  
M.No. 070224  
Place: Chennai  
Date : 30.05.2016

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

Sd/-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

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

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

## **NOTES TO THE FINANCIAL STATEMENT**

As at and for the year ended March 31, 2017.

### **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 CIN: L27110TN1979PLC007887. Its shares are 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) 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. Pursuant to section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) rules 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation with recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under Companies Act, 1956 shall continue to apply in all the material aspects with the accounting standards notified under Section 211(3C) (Companies (Accounting Standards) Rules, 206, as amended) and other relevant provisions of the Companies Act, 2013.

#### **b) 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.

#### **c) 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.

Losses arising from the retirement of, and gains or losses arising from disposal of the fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

#### **d) 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.

Depreciation for additions to / deletions from owned Assets is calculated on prorata basis from/to the day of addition / deletion.

**e) Inventories :**

Raw materials, components, store and spares are valued at lower of cost and net realizable value. However, materials and other items held for 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.

**f. Impairment of Assets (AS - 28)**

The assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. In the opinion of the company, the recoverable amount of the 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.

**g. Cash & Cash Balances**

Specified Bank Notes Disclosures :- We are hereby providing the schedule of closing cash balance held as on 8th November, 2016 and transactions during the period 8th November, 2016 to 30th December, 2016 are as follows :-

**Specified Bank Notes Disclosure**

Particulars	SBN's (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing Cash in Hand as on 8th Dec, 2016	13,35,000	2,58,829	15,93,829
Add: - Permitted Receipts	-	5,24,962	5,24,962
Add: - Non Permitted Receipts	-	-	-
Less: - Permitted Payments	-	3,47,584	3,47,584
Less: - Amount Deposited in Banks	13,35,000	-	13,35,000
Closing Cash in Hand as on 30th Dec, 2016.	-	4,36,207	4,36,207

**h. Revenue Recognition :**

Revenue from sale of products manufactured, sale of products traded and sale or supply of services 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.

**i. Other Income**

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

**j. 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.

**k) 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/services 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.

**l) Taxation**

**Current 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 Liability is reversed and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

**m) Segment Reporting :**

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

**n) Earning per Share :**

The basic earning per equity share is computed by dividing the net profit or loss for the period 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.

- o)** The Company has been declared by the Board for Industrial & Financial Reconstruction as a “Sick” industrial company within the meaning of Sec 3(1)(o) of Sick Industrial Companies (Special Provisions) Act 1985, but during the year the net worth is in positive. Hence the company ceased to be Sick Industrial Company.

**p) Contingent Liabilities**

- i. Income Tax Dues for the A/Y 2011-12 Rs. 116.06 Lakhs for which no provision is being made in books of accounts and appeal is filed before ITAT, Chennai being contingent on the judgment of Hon’ble ITAT.
- ii. Income Tax Dues for the A/Y 2014-15 Rs. 65.17 Lakhs for which no provision has made in the books of accounts and appeal is filed before CIT(A). Being contingent on the judgement of CIT(A). Out of Rs. 65.17 Lakhs we have deposited Rs. 5 Lakhs.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTES	NOTES ON FINANCIAL STATEMENTS	As On 31.03.2017 (Rs in '000)	As On 31.03.2016 (Rs in '000)
3	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED CAPITAL</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>TOTAL</b>	<b>114,000.00</b>	<b>114,000.00</b>
3.1	<b>ISSUED, SUBSCRIBED &amp; PAID-UP CAPITAL</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		
	NAME OF THE SHAREHOLDER(CLASS OF SHARES, % OF HOLDING)		
	Mr.Rakesh Goyal (Equity Shares, 5.9444%)	304.64	304.64
3.3	THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW :		
	EQUITY SHARES AT THE BEGINNING OF THE YEAR	5,124.80	5,124.80
	<u>ADD: SHARES ISSUED ON PREFERANTIAL ALLOTMENT</u>	-	-
	<u>ADD: BONUS SHARES ISSUED</u>	-	-
	<b>EQUITY SHARES AT THE END OF THE YEAR</b>	<b>5,124.80</b>	<b>5,124.80</b>
3.4	<b>DISCLOSURE OF RIGHTS</b>		
	THE COMPANY HAS ISSUED ONLY ONE CLASS OF EQUITY SHARES HAVING A PAR VALUE OF RS.10 PER SHARE. EACH HOLDER OF EQUITY SHARE IS ENTITLED TO ONE VOTE PER SHARE. THE COMPANY DECLARES DIVIDEND IN INDIAN RUPEES. DIVIDEND WHEN PROPOSED BY THE BOARD OF DIRECTORS IS SUBJECT TO THE APPROVAL OF THE SHAREHOLDERS AT THE ANNUAL GENERAL MEETING, EXCEPT IN THE CASE OF INTERIM DIVIDEND, IF ANY.		
4	<b>RESERVES &amp; SURPLUS</b>		
4.1	<b>CAPITAL RESERVE</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>GENERAL RESERVE</b>		
	BALANCE B/F	-	-
	LESS: TRANSFERRED TP PROFIT AND LOSS A/C	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>
4.3	PROFIT AND LOSS ACCOUNT		
	PROFIT AND LOSS ACCOUNT DEBIT	41,370.34	16,070.01
	LESS:ADJUSTED AGAINST GENERAL RESERVE	-	-
	PROFIT OF THE YEAR	9,708.83	25,300.33
	<b>TOTAL</b>	<b>51,079.17</b>	<b>41,370.34</b>
	<b>TOTAL</b>	<b>54,257.06</b>	<b>44,548.23</b>



NOTES	NOTES ON FINANCIAL STATEMENTS	As On 31.03.2017 (Rs in '000)	As On 31.03.2016 (Rs in '000)
5	<b>LONG TERM BORROWINGS :</b>		
	<b>SECURED :</b>		
	CAPITAL LOAN WITH J & K BANK	-	14,425.00
	PACKING CREDIT LOAN WITH J & K BANK	-	3,455.00
	<b>SECURITIES OFFERED :</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)		
	HDFC CAR LOANS		
	(Secured by hypothecation of Motor Car Under Hire Purchase Agreement)	1,134.31	-
	<b>TOTAL</b>	<b>1,134.31</b>	<b>17,880.00</b>
6	<b>DEFERRED TAX LIABILITY (NET)</b>		
	Deferred Tax Liability related to Fixed Assets	1,568.49	1,830.13
	Deferred Tax Assets created during the year	571.61	(261.69)
	<b>TOTAL</b>	<b>2,140.10</b>	<b>1,568.49</b>
7	<b>OTHER LONG TERM LIABILITIES</b>		
	Advance Received for Sale of Land	25,500.00	25,500.00
	<b>TOTAL</b>	<b>25,500.00</b>	<b>25,500.00</b>
8	<b>SHORT TERM BORROWINGS :</b>		
	<b>SECURED LOANS</b>		
	HDFC CAR LOANS	1,137.31	463.95
	(secured by hypothecation of motorcar under HPA)		
	<b>TOTAL</b>	<b>1,137.31</b>	<b>463.95</b>
8.1	<b>UNSECURED</b>		
	FROM DIRECTORS & RELATIVES	79,755.66	53,595.10
	INTER CORPORATE LOANS	1,500.00	14,000.00
	Add: Interest Accrued and Due	3,974.59	1,646.98
	<b>TOTAL</b>	<b>85,230.24</b>	<b>69,242.07</b>
	<b>TOTAL OF SHORT TERM BORROWINGS</b>	<b>86,367.55</b>	<b>69,706.02</b>
9	<b>TRADE PAYABLES :</b>		
	TRADE PAYABLE RAW MATERIAL	35,950.42	1,866.05
	TRADE PAYABLES GENERAL PURCHASE	1,062.68	973.42
	TRADE PAYABLE EXPENSES	6,340.82	6,107.73
	<b>TOTAL</b>	<b>43,353.91</b>	<b>8,947.21</b>
10	<b>OTHER CURRENT LIABILITIES :</b>		
	DEPOSIT TRADE SECURITY	5,200.00	5,200.00
	OTHER LIABILITIES	14,068.72	11,648.45
	ADVANCE FROM CUSTOMERS	5.39	117.51
	TDS PAYABLE	731.46	960.95
	PROVISION FOR GRATUITY	3,069.82	3,289.71
	PROVISION FOR INCOME TAX	4,710.66	9,468.42
	INCOME TAX FOR EARLY YEARS	19,655.20	19,655.20
	<b>TOTAL</b>	<b>47,441.26</b>	<b>50,340.25</b>

**NOTES 11**
**SCHEDULE OF FIXED ASSETS AS ON : 31.03.2017**

Rs. In '000

S.No	PARTICULARS	RATE	GROSS BLOCK			DEPRECIATION			NET BLOCK			
			COST AS AT 01.04.2016	ADDITIONS DURING THE YEAR	DELETION	TOTAL AS ON 31.03.2017	UPTO 31.03.2016	FOR THE YEAR	WRITTEN BACK	UPTO 31.03.2017	AS ON 31.03.2017	AS ON 31.3.2016
1	LAND		2,461.14	-	-	2,461.14	-	-	-	-	2,461.14	2,461.14
2	BUILDING		5,783.60	-	-	5,783.60	4,966.37	50.55	-	5,016.92	766.68	817.23
3	PLANT & MACHINERY		66,421.58	6,657.89	-	73,079.47	59,737.28	1,004.17	-	60,741.45	12,338.02	6,684.30
4	OFFICE EQUIPMENT		926.45	132.70	-	1,059.14	776.14	55.28	-	831.42	227.72	150.30
5	ELECTRICAL INSTALLATION		3,357.67	200.79	-	3,558.46	2,907.29	73.47	-	2,980.76	577.70	450.38
6	FURNITURES & FITTINGS		383.02	-	-	383.02	366.44	6.56	-	373.00	10.02	16.58
7	VEHICLES		12,629.02	3,758.76	2,372.87	14,015.00	4,769.81	1,578.57	1,197.25	5,151.13	8,863.77	7,859.20
8	AIR CONDITIONERS & WATER COOLER		1,525.61	60.50	-	1,586.10	1,054.71	168.87	-	1,223.59	362.51	470.90
9	COMPUTER		1,461.20	84.90	-	1,546.10	1,350.32	65.85	-	1,416.17	129.92	110.87
	TOTAL		94,949.28	10,895.52	2,372.87	103,471.92	75,928.37	3,003.32	1,197.25	77,734.43	25,737.49	19,020.91
	PREVIOUS YEAR FIGURES		98,207.28	1,919.26	3,338.50	96,788.04	75,265.56	2,601.26	1,938.46	75,298.37	20,859.67	22,941.72

Note : Depreciation has been provided for the single shift on the basis of SLM at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2017 (Rs in '000)	As On 31.03.2016 (Rs. In '000)
12	<b><u>LONG TERM DEPOSITS WITH GOVT. &amp; OTHERS :</u></b> <b><u>DEPOSIT WITH GOVT. &amp; SEMI-GOVT</u></b> <b>INPUT SERVICE TAX</b>	10.33	0.37
	FBT EXCESS PAID FY 2007-08	-	-
	FBT EXCESS PAID FY 2008-09	-	-
	ITTDS(CESS) RECEIVABLE	-	-
	ITTDS RECEIVABLE	15.73	15.81
	TELEPHONE DEPOSIT	1.00	1.00
	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	2,392.78	2,088.25
	DEPOSIT M.E.S	4.30	4.30
	DEPOSIT - TN WASTE MANAGEMENT	10.00	10.00
	DEPOSIT METRO WATER SATHANGADU LAND	50.00	50.00
	ADDITIONAL INCOME TAX FOR AY 2011-12	2215.62	2,205.62
	6 YEAR NATIONAL SAVING CERTIFICATE	5.00	5.00
	Income Tax paid as per MAT (AY 2015-16) (Credit available u/s 115JAA)	-	1,942.46
	Advance Income Tax FY 16-17	3,300.00	4,000.00
	Income Tax (Appeal AY 14-15)	500.00	-
	<b>Deposit with others</b>	<b>682.30</b>	<b>657.30</b>
	<b>Rent Deposit</b>	<b>444.00</b>	<b>444.00</b>
	<b>TOTAL</b>	<b>9,741.27</b>	<b>11,534.32</b>
13	<b><u>INVENTORIES :</u></b> RAW MATERIALS ( VALUED AT COST )	49,491.84	37,193.31
	FINISHED PRODUCT (VALUED AT COST OR MARKET VALUE WHICHEVER IS LESS)	42,322.09	45,744.40
	OTHER GOODS (Scrap)Valued at Net Realizable Value)	306.25	869.01
	STORES AND SPARES (Valued at Cost)	1,111.53	1,247.91
	<b>TOTAL</b>	<b>93,231.71</b>	<b>85,054.63</b>
14	<b><u>TRADE RECEIVABLES :</u></b> (UNSECURED CONSIDERED GOOD) MORE THAN SIX MONTHS	1,261.55	1,461.55
	Other Debts	172,894.57	137,554.59
	<b>TOTAL</b>	<b>174,156.11</b>	<b>1,39,016.14</b>
15	<b><u>CASH &amp; CASH EQUIVALENTS</u></b> CASH ON HAND	704.07	873.71
	BALANCE WITH BANK (IN CURRENT ACCOUNT)	2,519.58	7,440.02
	<b>TOTAL</b>	<b>3,223.65</b>	<b>8,313.73</b>

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2017 (Rs. in '000)	As On 31.03.2016 (Rs. in '000)
16	<b>SHORT TERM LOANS &amp; ADVANCES :</b> (UNSECURED CONSIDERED GOOD, RECEIVABLES IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED)		
	ADVANCE TO SUPPLIERS	3,214.86	3,246.00
	PREPAID EXPENSES	257.28	523.27
	CENVAT CREDIT & PLA ACCOUNT	1,377.95	425.43
	SALES TAX	101.87	357.16
	ADVANCE TO OTHERS	389.31	397.13
	OTHER RECEIVABLES	10.72	10.72
	<b>TOTAL</b>	<b>5,351.98</b>	<b>4,959.71</b>
17	<b>REVENUE FROM OPERATIONS :</b>		
	SALES	906,569.77	837,452.48
	LESS: EXCISE DUTY	101,408.75	53,497.37
	<b>REVENUE FROM OPERATIONS</b>	<b>805,161.02</b>	<b>783,955.10</b>
18	<b>OTHER INCOME :</b>		
	INTEREST RECEIVED	157.33	158.14
	INSURANCE CLAIM RECEIVED	286.72	-
	SUNDRY BALANCE WRITTEN BACK	276.81	-
	LEASE RENT RECEIVED	913.27	
	INCOME TAX Provision-AY 1999-2000(Reversed) (No Longer Required Written Back)	-	7,015.88
	TOTAL OTHER INCOME	1,634.13	7,174.02
	<b>TOTAL INCOME</b>	<b>8,06,795.16</b>	<b>7,91,129.12</b>
19	<b>COST OF MATERIALS CONSUMED :</b>		
19.1	<b>COST OF RAW MATERIALS CONSUMED :</b>		
	OPENING STOCK	37193.31	33,865.47
	ADD: PURCHASE	682032.54	6,23,672.75
		<b>7,19,225.85</b>	<b>6,57,538.22</b>
	LESS: CLOSING STOCK	49491.84	37,193.31
	<b>RAW MATERIAL CONSUMED</b>	<b>6,69,734.01</b>	<b>6,20,344.91</b>
19.2	<b>MANUFACTURING EXPENSES :</b>		
	CARRIAGE INWARD	4,731.64	4,035.93
	LABOUR CHARGES	1.99	1,102.18
	CONSUMPTION OF STORES	18,617.92	21,076.86
	MACHINERY MAINTENANCE	493.20	2,485.26
	<b>TOTAL</b>	<b>23,844.74</b>	<b>28,700.23</b>
	<b>TOTAL COST OF MATERIALS CONSUMED (19.1+19.2)</b> (Power and Fuel expenses were classified under "Other Expenses in the current Financial Year.)	<b>6,93,578.75</b>	<b>6,49,045.14</b>

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2017 (Rs in '000)	As On 31.03.2016 (Rs. In '000)
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	42,322.09	45,744.40
	OTHER GOODS (Scrap)	306.24	869.01
	<b>TOTAL</b>	<b>42,628.34</b>	<b>46,613.41</b>
	<b><u>OPENING INVENTORIES :</u></b>		
	FINISHED GOODS	45,744.40	61,532.42
	OTHER GOODS (scrap)	869.01	1,138.63
	<b>TOTAL</b>	<b>46,613.41</b>	<b>62,671.05</b>
	CHANGE IN INVENTORIES	<b>3,985.07</b>	<b>16,057.64</b>
21	<b><u>EMPLOYEE BENEFITS EXPENSES :</u></b>		
	SALARY	29,613.41	20,903.68
	LEAVE SALARY	11,517.78	762.69
	BONUS	967.04	851.87
	P.F. COMPANY'S CONTRIBUTION	2,201.29	2,039.91
	E.S.I COMPANY'S CONTRIBUTION	1,055.12	782.76
	STAFF WELFARE	1,151.49	1,604.41
	GRATUITY	-	-
	<b>TOTAL</b>	<b>36,140.13</b>	<b>26,945.30</b>
22	<b><u>FINANCIAL EXPENSES :</u></b>		
	INTEREST TO BANK	224.48	163.47
	BANK CHARGES	1.59	2.67
	INTEREST TO OTHERS	5557.23	8,453.38
	<b>TOTAL</b>	<b>5783.30</b>	<b>8,619.52</b>
23	<b><u>DEPRECIATION &amp; AMORTISATION EXPENSES</u></b>		
	DEPRECIATION FOR THE YEAR	3,003.31	2,601.26
	<b>TOTAL</b>	<b>3,003.31</b>	<b>2,601.26</b>
24	<b><u>OTHER EXPENSES :</u></b>		
24.1	<b><u>MANAGERIAL REMUNERATION:</u></b>		
	DIRECTORS SALARY	5,043.29	4,125.97
	<b>TOTAL (A)</b>	<b>5,043.29</b>	<b>4,125.97</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	85.00	100.00
	VAT AUDIT FEES	10.00	10.00
	<b>TOTAL (B)</b>	<b>315.00</b>	<b>330.00</b>

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2017 (Rs. in '000)	As On 31.03.2016 (Rs. in '000)
<b>24.3</b>	<b><u>INSURANCE EXPENSES</u></b>		
	Insurance	848.95	922.30
	TOTAL (C)	848.95	922.30
<b>24.4</b>	<b><u>POWER &amp; FUEL EXPENSES</u></b>		
	Power & Fuel	13,451.40	15,013.26
	TOTAL (D)	13,451.40	15,013.26
<b>24.5</b>	<b><u>OTHERS :</u></b>		
	RENT & LEASE RENT	976.80	947.20
	POSTAGE & TELEGRAM	99.17	96.22
	TELEPHONE	419.68	478.85
	CONVEYANCE	846.70	907.63
	TRAVELLING EXPENSES	665.35	746.92
	PRINTING & STATIONERY	490.08	516.62
	SUBSCRIPTION & MEMBERSHIP	171.34	144.53
	FEEs	871.66	631.82
	OFFICE MAINTENANCE	994.64	2,894.06
	DONATION	609.00	601.69
	VEHICLE MAINTENANCE	288.53	308.30
	MISCELLANEOUS EXPENSES	2071.55	2,736.11
	PROFESSIONAL CHARGES	1342.81	735.08
	AMC CHARGES	353.66	276.17
	SALES TAX	-	47.86
	RATES & TAXES	199.49	118.63
	REPAIRS & MAINTENANCE	4832.63	4,137.71
	LOSS ON SALE OF FIXED ASSETS	175.62	281.00
	DIRECTORS SITTING FEES	300.00	228.00
	BAD DEBTS	-	-
	FREIGHT & TRANSPORTATION	5021.59	5129.57
	EXCISE DUTY	-	-
	ADVERTISEMENT	27.90	62.73
	SALES PROMOTION	6060.29	8,090.59
	COMMISSION & BROKERAGE	2344.31	2,411.45
	INTERNAL AUDIT FEES	75.00	45.00
	WATER EXPENSE	80.82	22.50
	INCOME TAX EXPENSE	309.21	358.66
	SWACCH BHARAT CESS	27.00	6.73
	ROUND OFF	2	
	<b>TOTAL (E)</b>	29,654.84	32,961.62
	TOTAL (A+B+C+D+E)	49,313.48	53,353.14

NOTES	<u>NOTES ON FINANCIAL STATEMENTS</u>	As On 31.03.2017 (Rs. in '000)	As On 31.03.2016 (Rs. in '000)
25	<b><u>EXCEPTIONAL ITEMS :</u></b>		
	INCOME TAX FOR THE AY 2000-01 written back	-	-
	PROVISIONS FOR STAMP DUTY FOR M.M.NAGAR FACTORY (NO LONGER REQUIRED)	-	-
	EXCESS I.T. PROVISIONS OF FY-2013-14	-	-
	<b>TOTAL</b>	-	-
27	<b><u>CURRENT TAX</u></b>		
	Income Tax Provision for the Current Tax	4,710.66	9,468.42
		<u>4,710.66</u>	<u>9,468.42</u>
28	<b><u>DEFERRED TAX</u></b>		
	Provision for Deferred Tax for the Year	571.61	(261.64)
		<u>571.61</u>	<u>(261.64)</u>
29	<b><u>RELATED PARTY DISCLOSURE</u></b>		
29.1	<b><u>NATURE OF RELATIONSHIP</u></b>		
	<b><u>KEY MANAGERIAL PERSONNEL</u></b>		
	i) HOLDING COMPANY	NIL	NIL
	ii) SUBSIDIARIES	NIL	NIL
	iii) KEY MANAGERIAL PERSONNEL :		
	RAKESH GOYAL (Managing Director)		
	MAHAVIR SINGH (Whole Time Director)		
	M.T.ELUMALAI ( Director)		
	KAMALA LOCHAN ROY (Company Secretary)		
	NARASIMHAN SUDHARSAN (Chief Financial Officer)		
	iv) RELATIVES OF KEY MANAGERIAL PERSONNEL		
	DURGA DEVI GOYAL		
	SEEMA GOYAL		
	DRISHYA GOYAL		
	SAATVIK GOYAL		
	SAACHI GOYAL		
	INDERSAIN GOYAL HUF (S)		
	RAKESH GOYAL (HUF)		

**29.2**

Nature of Transaction of Key Managerial Personnel & Relatives	(Rs. in '000)	
Rakesh Goyal ( as on 31.03.2017 / 31.03.2016)	4,027,185	53,595,099
Relative of Key Managerial Personnel	-	5,595.38
Durga Devi Goyal	104,190,558	25,500,000
Seema Goyal ( salary)	420,000	60,000

**29.3 FIRM OR COMPANY IN WHICH THE RELATIVES OF KEY MANGERIAL ARE RELATED TRANSACTION WITH M/s. VENKATESWARA CONDUITS (P) LTD.**

(Rs. in '000)

	AS AT 31st MARCH	
	2017	2016
PURCHASE	-	5,595.38
CAPITAL GOODS PURCHASED	-	1,838.76
JOB WORK RECEIPT	-	-
JOB WORK PAID	-	796.42

**29.4 DIRECTORS SALARY, BONUS & LEAVE SALARY**

MR.RAKESH GOYAL (MANAGING DIRECTOR)	2,466.70	1,999.99
MR.MAHAVEER SINGH (DIRECTOR)	1,932.00	1,750.00
MR.VIKRAM SINGH	-	269.32
MR.P.K. DUBEY (DIRECTOR)	143.25	31.05
MR.M.T.ELUMALAI (DIRECTOR)	295.34	-
MR.BISHWASVA DAS(DIRECTOR)	206.00	75.60
	<b>5,043.294</b>	<b>4,125.97</b>

**30 CONTINGENT LIABILITIES**

On account of Income Tax Appeal before ITAT, Chennai - A/Y 2011-1211	11,606.70	11,606.70
On account of Income Tax Appeal before CIT (A) - A/Y 2014-15	6,517.70	-
	18,124.40	11,606.70

**31 GENERAL**

Amount

		AS AT 31ST MARCH	
		2017	2016
a)	Balance in Sundry Debtors/ Creditors and advances are subject to confirmation.		
b)	Previous year's figures have been re-arranged and re-grouped where- ver 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		
f)	Additional information pursuant to the provisions of schedule-III of Companies Act, 2013 to the extent applicable to the company.		

**SIGNATURE TO NOTES TO ACCOUNTS FROM No.1 to No. 31 As per our report of even date**

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

Sd/-  
RAKESH GOYAL  
(Managing Director)  
(DIN:-00990310)  
Sd/-  
NARASIMHAN SUDHARSAN  
(Chief Financial Officer)

Sd/-  
MAHAVEER SINGH  
(Director)  
(DIN:-01907248.)  
Sd/-  
KAMALA LOCHAN RAY  
(Company Secretary)  
( M. No. 34369)

Place: Chennai  
Date : 30.05.2016



## SHAREHOLDERS' REFERENCER

### AN OVERVIEW

- The Company has currently around 14,500/- shareholders holding Equity Shares.
- The Company's Equity Shares are listed on BSE Limited (BSE)
- The Company's Equity Shares are one of the traded securities on BSE.
- The Company's Equity Shares are under compulsory trading in demat form only.
- 30 % of the Company's Equity Shares are held in demat form.
- The Company's Registrars and Transfer Agents (R&TA) for its share registry (both physical as well as electronic) is Cameo Corporate Services Limited, having its office at "Subramanian Building", No.1 Club House Road, Chennai – 600 002

### INVESTOR SERVICE AND GRIEVANCE HANDLING MECHANISM

- All investor service matters are being handled by Cameo, the Registrar with a large number of Investor Service Centres across the South India, which discharges investor service functions effectively, efficiently and expeditiously.
- The Company has appointed Mrs. Sobana Pranesh, Practicing Company Secretary, Chennai, as Secretarial Auditors to concurrently audit the securities related transactions being handled at Cameo.
- The Company has prescribed service standards to respond to various investor related activities. These standards are reviewed periodically by the Company.

### THE SERVICE STANDARDS SET BY THE COMPANY TO RESPOND TO VARIOUS INVESTOR RELATED TRANSACTIONS/ACTIVITIES ARE AS FOLLOWS:

Sr. No.	Particulars	Service Standards (No. of working days)
<b>(A) REGISTRATION ITEMS</b>		
1.	Transfers	3
2.	Transmissions	3
3.	Transpositions	3
4.	Deletion of Name	3
5.	Folio Consolidation	3
6.	Change of Name	3
7.	Demat	3
8.	Remat	3
Sr. No.	Particulars	Service Standards (No. of working days)
9.	Issue of Duplicate Certificates	15
10.	Replacement of Certificates	3
11.	Certificate Consolidation	3
12.	Certificate Split	3
13.	Change of Address	2
14.	Bank Mandate/Details	2

15.	Nomination by security holders	2
16.	Recording Power(s) of Attorney by security holders	2
(B)	CORRESPONDENCE	
1.	Non-receipt of Annual Reports	2
2.	Multiple Queries	4

## 1. DEALING IN SECURITIES

### A) WHAT ARE THE TYPES OF ACCOUNTS REQUIRED FOR DEALING IN SECURITIES IN DEMAT FORM?

**Beneficial Owner Account (B. O. Account) / Demat Account:** An account opened with a Depository Participant (DP) in the name of the 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:** An account opened in the name of the investor and linked to the B.O. Account / Demat Account for debiting or crediting money with respect to transactions in the securities market.

### B) 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 a cheque book of a bank account. The following precautions are to be taken in respect of DIS:

- Ensure that DIS numbers are pre-printed and DP takes acknowledgment 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 signed 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.

### C) 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.

**D) WHAT IS SARAL ACCOUNT OPENING FORM?**

- Securities and Exchange Board of India (SEBI) vide its circular dated March 4, 2015, has introduced SARAL account opening form for resident individuals trading in cash segment. Individual investors trading in cash segment can open a Trading Account and Demat Account by filling up a simplified Account Opening Form ('AOF') termed as 'SARAL AOF'. This form is separately available with the intermediaries and can also be downloaded from the Stock Exchanges' and Depositories' website. The investors who open such account through SARAL AOF will also have the option to obtain other facilities, whenever they require, on furnishing of additional information as per prescribed **regulations / circulars**.

**E) 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.
- Obtain proper understanding of the manner in which the online trading software has to be operated.
- Get adequately trained before using the software.
- The online trading system has facility for order and trade confirmation after placing the orders.

**F) WHAT ARE THE OTHER SAFETY MEASURES AN ONLINE CLIENT MUST OBSERVE?**

- Avoid placing order from shared PCs / through cyber cafés.
- 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" in the trading system.
- Protect your personal computer against viruses by placing a firewall and an anti-virus solution.
- Do not open e-mails from people you do not know.

**G) 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 transaction and the holding statements that you receive from your DP.
- Keep copies of all your investment documentation.
- Handle DIS Book issued by DPs 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 rumours; verify before investment.
- Don't forget to take note of risks involved in the investment.
- Don't be misled by rumours 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.

### **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 relating 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 benefits 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.

## **2. DIVIDEND**

### **A) WHAT ARE THE MODES BY WHICH THE DIVIDEND IS PAID?**

Dividend is paid under four modes, viz.:

- (a) National Automated Clearing House (NACH)
- (b) National Electronic Fund Transfer (NEFT)
- (c) Direct Credit to shareholders' account by bank
- (d) Physical despatch of Dividend Warrant

**B) WHAT IS NATIONAL AUTOMATED CLEARING HOUSE (NACH)?**

The National Payments Corporation of India (NPCI) has implemented an electronic payment service termed as “National Automated Clearing House (NACH)” for banks, financial institutions, Corporates and Government Departments. It is a centralised system, launched with an aim to consolidate multiple Electronic Clearing Systems running across the country, and has both Debit and Credit variants. NACH aims at facilitating inter-bank, high volume, debit/credit transactions, which are bulk and repetitive in nature. NACH system covers several Core Banking enabled banks spread across the geography of the country irrespective of the location of the bank branches.

**C) WHAT IS NACH CREDIT FOR PAYMENT OF DIVIDEND AND HOW DOES IT OPERATE?**

- NACH Credit is an electronic payment service used for affording credits to a large number of beneficiaries in their bank accounts for the payment of dividend by raising a single debit to the bank account of the user entity. NACH operates on the principle of single debit to the sponsor bank’s account and multiple credits to different destination banks’ accounts.

**D) WHAT ARE THE BENEFITS OF NACH (PAYMENT THROUGH ELECTRONIC FACILITIES)?**

Some of the major benefits are:

- a. Investor need not make frequent visits to his bank for depositing the physical paper instruments.
- b. Prompt credit is given to the bank account of the investor through electronic clearing.
- c. Fraudulent encashment of warrants is avoided.
- d. Exposure to delays / loss in postal service are avoided.
- e. Issue of duplicate warrants is avoided as there can be no loss in transit of warrants.

**E) HOW TO AVAIL OF NACH FACILITY?**

Investors holding shares in physical form may send their NACH Mandate Form, duly filled in, to the Company’s R&TA. The Form may be downloaded from the “Downloads” section under the “Investor Relations” dropdown on the Company’s website, [tamilnadusteeltubesltd.com](http://tamilnadusteeltubesltd.com)

However, if shares are held in dematerialised form, NACH Mandate has to be filed with the concerned DP directly, in the format prescribed by the DP.

Investors must note that NACH essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

In this regard, shareholders are requested to furnish their new bank account number allotted by the banks post implementation of CBS, along with a cancelled cheque pertaining to the concerned account:

- (a) To the R&TA of the Company in case the shareholders hold shares in physical form; and
- (b) to the concerned DP in case the shareholders hold shares in demat form.

**F) CAN INVESTORS OPT OUT OF NACH FACILITY?**

Investors have a right to opt out from this mode of payment by giving an advance notice of four weeks, prior to payment of dividend, either to the Company’s R&TA or to the concerned DP, as the case may be.

**G) WHAT IS PAYMENT OF DIVIDEND THROUGH NEFT FACILITY AND HOW DOES IT OPERATE?**

NEFT is a nation-wide payment system facilitating electronic transfer of funds from one account to another. Dividend payment through NEFT denotes payment of dividend electronically through RBI clearing to selected bank branches which have implemented Core Banking Solutions (CBS). This extends to all over the country, and is not necessarily restricted to the designated centres where payment can be handled through Electronic Clearing System. To facilitate payment through NEFT, the shareholder is required to ensure that the bank branch where his/her account is operated, is under CBS. The shareholders shall also ensure that particulars of the updated bank account are registered with the Company's R&TA in case shares are held in physical form and with the concerned DP in case shares are held in demat form.

**H) WHAT IS PAYMENT OF DIVIDEND THROUGH DIRECT CREDIT AND HOW DOES IT OPERATE?**

The Company appoints a bank as its Dividend banker for distribution of dividend. The said banker carries out direct credit to those investors who are maintaining accounts with the said bank, provided the bank account details are registered with the DP for dematerialised shares or with the Company's R&TA prior to the payment of dividend for shares held in physical form.

**I) WHAT SHOULD A SHAREHOLDER DO IN CASE OF NON-RECEIPT OF DIVIDEND?**

Shareholders should write to the Company's R&TA, furnishing the particulars of the dividend not received, and quoting the folio number / DPID and Client ID particulars, as the case may be. On expiry of the validity period, if the dividend warrant remains unpaid in the records of the Company, a duplicate warrant will be issued. The R&TA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant.

No duplicate warrants will be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

**J) WHY DO THE SHAREHOLDERS HAVE TO WAIT TILL THE EXPIRY OF THE VALIDITY PERIOD OF THE ORIGINAL WARRANT FOR ISSUE OF DUPLICATE WARRANT?**

Since the dividend warrants are payable at par at several centres across the country, banks do not accept 'stop payment' instructions. Hence, shareholders have to wait till the expiry of the validity of the original warrant for issue of duplicate warrant. Validity of dividend Warrant is for three months from the date of issue.

**K) WHY SHARES SHOULD BE TRANSFERRED BEFORE THE BOOK CLOSURE/ RECORD DATE FIXED FOR DIVIDEND PAYMENT?**

- The dividend on shares 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 shares, he must ensure that the shares are transferred to his demat account before the book closure / record date.

**L) WHAT ARE THE PROVISIONS RELATING TO TAX ON DIVIDEND?**

**The provisions relating to tax on dividend are provided for ready reference of Shareholders:**

- Income by way of dividend in excess of ₹ 10 lakh shall be chargeable to tax in the case of all the resident assesses @ 10%, except the following:

- A domestic company
- A fund or institution or trust or university or other educational institution or hospital or other medical institution whose income is exempt under section 10(23C) of the Income Tax Act
- A trust or institution registered under section 12AA of the Income Tax Act

The taxation of dividend income in excess of ₹ 10 lakh is on gross basis.

- The Company is required to pay dividend tax @ 17.647% (grossed up) and surcharge @12% together with education cess @ 2% and secondary higher education cess @ 1%, that is, 20.36%.

## **M) WHAT ARE THE PROVISIONS RELATING TO TAX ON TRANSACTION IN SHARES?**

### **General:**

- Short Term Capital Gains (STCG) tax is payable in case the shares are sold within 12 months from the date of purchase @ 15% plus surcharge\*:
- No Long Term Capital Gains (LTCG) tax is payable on sale of shares through a recognised stock exchange, provided Securities Transaction Tax (STT) has been paid and shares are sold after 12 months from the date of purchase. However, exemption for income arising on transfer of equity shares acquired on or after October 1, 2004 shall be available only if acquisition was charged to STT. In any other case, lower of the following is payable as LTCG tax:
  - a) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*; or
  - b) 10% of the capital gain computed without substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*.

### **Buy-back of shares:**

- Where any shareholder receives any consideration from a company under a buy-back, the difference between the cost of acquisition and the value of consideration received by the shareholder will be taxable under the Head "Capital Gains".
- STCG tax is payable @ 15% plus surcharge\*, if the shares are held for less than 12 months.
- No LTCG tax is payable if buy-back is routed through a recognised stock exchange, provided STT has been paid and shares are held for a period of 12 months or more. However, exemption for income arising on transfer of equity shares acquired on or after October 1, 2004 shall be available, only if acquisition is chargeable to STT. In any other case, lower of the following is payable as LTCG tax:
  - a) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*; or
  - b) 10% of the capital gain computed without substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*.



**Bonus Shares:**

- For computing Capital Gains, in an event of transfer of bonus shares by a shareholder, the cost of acquisition shall be taken as NIL.
- STCG tax is payable @ 15% plus surcharge\*, if such bonus shares are held for less than 12 months.
- No LTCG tax is payable if such bonus shares are sold through a recognised stock exchange, provided STT has been paid and bonus shares are held for a period of more than 12 months. In any other case, lower of the following is payable as LTCG tax:
  - a) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*; or
  - b) 10% of the capital gain computed without substituting 'cost of acquisition' with 'indexed cost of acquisition' plus surcharge\*
- If bonus shares are held as stock in trade, the shareholder may take weighted average cost of the original and bonus shares as the cost of bonus shares. In that case, the total cost of the original and bonus shares will not change.
- In case of an individual, Hindu Undivided Family, Association of Persons, Body of Individuals, Artificial Judicial Person, in addition to the education cess @ 2% and secondary higher education cess @ 1%, surcharge @ 10% is payable for income exceeding 50 lakh but up to 1 crore and @ 15% for income exceeding 1 crore.
- In case of a domestic company, together with education cess @ 2% and secondary higher education cess @ 1%, surcharge @ 7% is payable for income exceeding 1 crore but up to 10 crore, and @ 12% for income exceeding 10 crore.

**Recommendations to the Shareholders / Investors**

Register NACH Mandate and furnish correct bank account particulars to Company's R&TA/ Depository Participant (DP)

Investors holding shares in physical form should provide the NACH Mandate to the Company's R&TA and investors holding shares in demat form should ensure that correct and updated particulars of their bank account are available with their 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.

**3. TRANSFER OF UNPAID / UNCLAIMED DIVIDEND / SHARES IN THE NAME OF INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY.****A) WHAT ARE THE STATUTORY PROVISIONS GOVERNING UNPAID DIVIDEND?**

Dividend lying in the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF).

**B) WHERE CAN THE STATUS OF UNCLAIMED DIVIDEND NOT TRANSFERRED TO IEPF BE VERIFIED?**

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 1, 2016 (date of last Annual General Meeting) on the website of the Company (Web-link: <http://www.tamilnadusteeltubesltd.com>, as also on the Ministry of Corporate Affairs' website ([www.mca.gov.in](http://www.mca.gov.in)) which can be accessed by the shareholders for this purpose.

**C) WHAT IS THE STATUS OF UNPAID / UNCLAIMED DIVIDEND FOR DIFFERENT YEARS?**

The status of unclaimed and unpaid dividend if any of the Company shall be kept upto 7 years

**D) WHAT ARE THE PROVISIONS RELATING TO TRANSFER OF SHARES IN THE NAME OF IEPF AUTHORITY? WHICH SHARES OF A COMPANY ARE LIABLE TO BE TRANSFERRED IN THE NAME OF IEPF AUTHORITY?**

In accordance with Section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF Authority.

However, shares in respect of which specific order of Court or Tribunal or statutory Authority restraining any transfer of such shares and payment of dividend is registered with the company or shares which are pledged or hypothecated under the provisions of the Depositories Act, 1996, shall not be so transferred.

The voting rights on shares transferred in the name of IEPF Authority shall remain frozen until the rightful owner claims the shares.

**E) WHERE CAN THE DETAILS OF SHARES LIABLE TO BE TRANSFERRED IN THE NAME OF IEPF AUTHORITY BE VERIFIED?**

Details of shares liable to be transferred in the name of IEPF Authority are made available on the website of the Company. Shareholders are advised to visit the web-link: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com) to verify if any shares held by them are liable to be transferred in the name of IEPF Authority.

Further, the Company, three months before the due date of transfer of shares, communicates individually the concerned shareholders whose shares are liable to be transferred in the name of IEPF Authority, by sending them an intimation at their latest available address, informing them about the dividend which has remained unpaid / unclaimed for a period of seven consecutive years or more and the eventuality leading to transfer of shares in the name of IEPF Authority.

**F) WHETHER SHARES / DIVIDEND TRANSFERRED IN THE NAME OF IEPF AUTHORITY CAN BE CLAIMED FROM IEPF AUTHORITY?**

Yes. Shares transferred in the name of IEPF Authority in pursuance of Section 124(6) of the Act as well as dividend(s) transferred to IEPF in pursuance of Section 124(5) of the Act can be claimed from IEPF Authority.

**G) WHAT IS THE PROCEDURE TO CLAIM SHARES AND / OR DIVIDEND FROM IEPF AUTHORITY?**

A claimant shall download form IEPF-5 from the website of IEPF Authority (<http://www.iepf.gov.in>) for filing the claim (for shares and / or dividend). It is advised to read the instructions given in the help-kit carefully before filling the form.

After carefully filling information in form IEPF-5 and attaching necessary documents, as prescribed in the said form, the form shall be saved on computer and filed electronically, free of cost, with IEPF Authority by uploading the same on the link: <http://www.mca.gov.in/mcafoportal/showEformUpload.do>. On successful uploading, an acknowledgement will be generated indicating the SRN. The said SRN shall be used for future tracking of the form. After successfully filing / uploading, form IEPF-5 and the acknowledgement issued shall be printed.

A claimant is required to submit indemnity bond in original, copy of acknowledgement and self-attested copy of form IEPF-5 along with the other documents as mentioned in the form IEPF-5 to Nodal Officer (IEPF) of the company at its registered office in an envelope marked "Claim for refund from IEPF Authority".

Claim forms completed in all aspects are verified by the company and on the basis of company's verification report, refund shall be released by IEPF Authority in favour of the claimant's Aadhaar linked bank account through electronic transfer.

#### **H) WHERE CAN A SHAREHOLDER / CLAIMANT SUBMIT HIS / HER CLAIM FORM ETC. WITH THE COMPANY?**

A shareholder / claimant, claiming shares and / or dividend amounts from the Company shall, after filing form IEPF-5 with IEPF Authority electronically, submit the necessary documents, as prescribed in form IEPF-5, to the Company's Nodal Officer. Details of Company's Nodal Officer are given below:

Shri Kamala Lochan Ray

Company Secretary & Nodal Officer

"Mercury Apts.," I Floor

65, Pantheon Road, Egmore,

Chennai – 600 008.

#### **Recommendations to the Shareholders / Investors:**

Shareholders / investors are advised to promptly encash dividend amount(s) due to them. Details of shares liable for transfer in the name of IEPF Authority / dividend amounts to be transferred to IEPF are available on the Company's web-link: <http://www.tamilnadusteeltubesltd.com/InvestorRelations/ShareholdersInformation>, which the shareholders / investors are advised to visit to verify the details.

#### **4. DEMATERIALISATION/ REMATERIALISATION OF SHARES**

##### **A) WHAT IS DEMATERIALISATION OF SHARES?**

Dematerialisation (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.

##### **B) WHY DEMATERIALISE SHARES? IS TRADING COMPULSORY IN DEMAT FORM?**

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

**C) WHAT ARE THE BENEFITS OF DEMATERIALISATION?**

- 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 dematerialised 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

**D) WHAT IS THE PROCEDURE FOR DEMATERIALISATION 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 requests through the system.
- DP submits the DRF and the Certificate(s) to the Company's R&TA.
- The Company's R&TA confirms the dematerialisation request from Depository.
- The Company's R&TA, after dematerialising the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialisation.
- Depository updates its accounts and informs the DP.
- DP updates the demat account of the shareholder.
- The entire process should be completed within 21 days.

**E) CAN SHARES HELD JOINTLY IN PHYSICAL FORM BE DEMATERIALISED, 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 different sequence of names. For this purpose, DRF and Transposition Form should be submitted to the DP.

**F) WHAT IS SMS ALERT FACILITY?**

NSDL and CDSL provide SMS Alert facility for demat account holders whereby 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 (transfers) are up to five ISINs in a day. In case debits (transfers) 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.

### **G) WHY THE COMPANY CANNOT TAKE ON RECORD BANK DETAILS IN CASE OF DEMATERIALISED SHARES?**

As per the Depository Regulations, the Company is obliged to pay dividend on dematerialised 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.

### **H) WHAT IS REMATERIALISATION OF SHARES?**

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

### **I) 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 request.
- DP submits RRF to the Company's R&TA.
- Depository confirms rematerialisation 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 rematerialized.
- Share certificate(s) is dispatched to the shareholder by Company's R&TA.

### **Recommendations to the Shareholders / Investors**

#### **Open Demat Account and Dematerialise your shares**

Investors should convert their physical holdings of securities into demat holdings to reap the benefits of dematerialisation set out under referencer.

#### **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 instruction for freezing the account is 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 to know about the debits and credits.

## 5. NOMINATION FACILITY

### A) WHAT IS NOMINATION FACILITY AND TO WHOM IS IT MORE USEFUL?

Section 72 of the Act 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.

### B) 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 the Act 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 Relations".

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

### C) 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 holding, joint holders together have to appoint the nominee. An individual having capacity to contract only can be appointed as a nominee. Minor can, however, be appointed as a nominee.

### D) CAN A NOMINATION ONCE MADE BE 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.

### E) 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 any one of the joint holders, the surviving joint holder(s) of the shares is / are the only person(s) recognised under law as holder(s) of the shares. Surviving Joint holder(s) may appoint a nominee.

### F) IS NOMINATION FORM REQUIRED TO BE WITNESSED?

A nomination form must be witnessed.

### G) WHAT RIGHTS ARE CONFERRED ON THE NOMINEE AND HOW CAN HE EXERCISE THE SAME?

As per the provisions of Section 72 of the Act, 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.

## 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 dematerialised 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 Relations".

## 6. TRANSFER / TRANSMISSION / TRANSPOSITION / DUPLICATE CERTIFICATES ETC.

### A) 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(s) in the prescribed Form SH-4 as per the Act, duly filled in, executed and share transfer stamps affixed and also duly attested PAN of the transferor(s) as well as the transferee(s) to the Company's R&TA. It takes about three working days for the Company's R&TA to process the transfer from the date of lodgement, although the statutory time limit fixed for completing a transfer is fifteen days under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and one month under the Act.

### B) 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 cases, 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 names of two or more shareholders.

### C) WHAT SHOULD TRANSFEREE (PURCHASER) DO IN CASE TRANSFER FORM IS RETURNED WITH OBJECTIONS?

Transferee (purchaser) 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 with good securities. After 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.

### D) 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 within 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.

**E) 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 be @ 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.

**F) 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.

**G) WHAT IS THE PROCEDURE FOR GETTING THE SHARES HELD IN SINGLE NAME HAVING NOMINATION TRANSMITTED IN THE NAME OF NOMINEE?**

The following documents are required to be submitted by the nominee:

- Duly signed transmission request form;
- Original or Copy of death certificate duly attested by a Notary Public or by a Gazetted Officer; and Self-attested copy of PAN card of the nominee. (Copy of PAN card may be substituted with ID proof in case of residents of Sikkim after collecting address proof)

**H) WHAT IS THE PROCEDURE FOR GETTING PHYSICAL SHARES IN THE NAME OF LEGAL HEIR(S) IN THE EVENT OF DEATH OF THE SOLE SHAREHOLDER WITHOUT NOMINATION?**

The following documents needs to be submitted by the legal heir(s):

- Duly signed transmission request form;
- Original or Copy of death certificate duly attested by a Notary Public or by a Gazetted Officer;
- Self-attested copy of PAN card (Copy of PAN card may be substituted with ID proof in case of residents of Sikkim after collecting address proof)

Additional documents:

a) Affidavit from all the legal heirs made on appropriate non judicial stamp paper – to the effect of identification and claim of legal ownership to the securities.

Provided that in case the legal heir(s)/claimant(s) is named in the succession certificate or probate of will or will or letter of administration, an affidavit from such legal heir/claimant(s) alone would be sufficient.

b) For value of securities up to ₹ 2, 00,000 (Rupees two lakh only) per issuer company as on date of application, one or more of the following documents:

- i. Succession certificate or probate of will or will or letter of administration or court decree, as may be applicable in terms of Indian Succession Act, 1925.



ii. In the absence of the documents as mentioned at (i) above

- A No objection certificate [NOC] from all legal heir(s) executed by all the legal heirs of the deceased holder not objecting to such transmission (or) copy of Family Settlement Deed duly notarized, and
- An Indemnity bond made on appropriate non judicial stamp paper – indemnifying the STA/ Issuer Company.

c) For value of securities more than ₹ 2, 00,000 (Rupees two lakh only) per issuer company as on the date of application:

- Succession certificate or probate of will or will or letter of administration or court decree, as may be applicable in terms of Indian Succession Act, 1925.

**I) WHAT IS THE PROCEDURE FOR GETTING DEMAT SHARES IN THE NAME OF LEGAL HEIR(S) IN THE EVENT OF DEATH OF THE SOLE BENEFICIAL OWNER WITHOUT NOMINATION?**

- 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 ` 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:

The timeline for processing the transmission requests by the DP for securities held in dematerialised form is 7 days and by the Company / R&TA for the securities held in physical form is 21 days, after receipt of the prescribed documents from the claimants/legal heirs.

**J) HOW CAN THE CHANGE IN ORDER OF NAMES (THAT IS, TRANSPOSITION) BE EFFECTED?**

Share certificate(s) along with a request letter duly signed by all the joint holders and copies of their PAN Cards, duly attested, 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, request for transposition of 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 names.

**K) 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 covered by the lost share certificate(s). It is recommended that the shareholders should lodge 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.

**L) WHAT IS THE PROCEDURE TO GET THE CERTIFICATES ISSUED IN VARIOUS DENOMINATIONS CONSOLIDATED INTO A SINGLE CERTIFICATE?**

Consolidation of share certificates helps in saving cost while dematerialising the share certificates and also provides convenience in holding the shares physically. Shareholders having certificates in various denominations under the same folio should send all such certificates to the Company's R&TA for consolidation into a single certificate.

If the shares are not under the same folio but have the same order of names, shareholders should write to the Company's R&TA in the prescribed form for consolidation of folios. This will help the investors to efficiently monitor their holding and the corporate benefits receivable thereon.

**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 a shareholder has either expired or is not residing at the address registered with the Company. The Company's R&TA should be updated on any change of address or contact details. Similarly, information of death of shareholder should also be communicated promptly.

**Mode of Postage**

It is recommended to use registered post or speed post facility when investors send important/ high value documents, share certificates etc. to the Company / R&TA.

## **7. UNCLAIMED SHARES UNDER LISTING REGULATIONS**

### **A) WHAT ARE THE REGULATORY PROVISIONS AND PROCEDURE GOVERNING CONSOLIDATION OF UNCLAIMED SHARES?**

As per Regulation 39 of the Listing Regulations read with Schedule VI thereto:

a) Shares issued in dematerialised form pursuant to a public issue or any other issue, which remain unclaimed, shall be credited to a demat suspense account opened by the company for this purpose with one of the depository participants.

b) Shares issued in physical form pursuant to a public issue or any other issue, which remain unclaimed, shall be transferred into one folio in the name of “unclaimed suspense account” and shall be dematerialised in the unclaimed suspense account opened by the company for this purpose with one of the depository participants.

Any corporate benefits accruing on such shares, viz., bonus shares, split, etc., shall also be credited to such demat suspense account or unclaimed suspense account, as applicable, for a period of seven years and thereafter shall be transferred in accordance with the provisions of Applicable laws.

The voting rights on such unclaimed shares shall remain frozen till the rightful owner claims the shares.

### **B) WHAT IS THE STATUS OF COMPLIANCE BY THE COMPANY WITH REGARD TO THESE PROVISIONS?**

In terms of Regulation 34 of the Listing Regulations read with Schedule VI thereto, details relating to aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year, number of shareholders who had approached the Company for transfer of shares from suspense account during the year, number of shareholders to whom the said unclaimed shares were transferred from the suspense account during the year, and the aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, have been set out under “Equity Shares in Suspense Account” in the Corporate Governance Report.

## **INVESTOR SERVICING AND GRIEVANCE REDRESSAL - EXTERNAL AGENCIES**

### **1. MINISTRY OF CORPORATE AFFAIRS (MCA)**

MCA has launched its e-Governance initiative, that is, MCA21, on the MCA portal ([www.mca.gov.in](http://www.mca.gov.in)). One of the key benefits of this initiative is timely redressal of investor grievances. MCA21 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.

## 2. SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)

SEBI, in its endeavour to protect the interest of investors, has provided a platform wherein the investors can lodge their grievances. This facility is known as SEBI Complaints Redress System (SCORES) and is available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) and on SCORES' website (<http://scores.gov.in>).

## 3. 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: Centralised 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, have to take necessary steps to resolve the complaint and submit action taken report within thirty days of receipt of complaint and also keep the complainant duly informed of the action taken.

SEBI has issued frequently asked questions (FAQs) in respect of SCORES which inter alia 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. These FAQs can be accessed on the link: <http://scores.gov.in/Docs/FAQ-SCORES.pdf>.

## 4. STOCK EXCHANGES

BSE Limited (BSE) - BSE has provided an opportunity to the investors to file their complaints electronically through its website: [www.bseindia.com](http://www.bseindia.com) under the "Investor Grievances" section.

## 5. 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 or an email can be marked mentioning the query to: [relations@nsdl.co.in](mailto:relations@nsdl.co.in).

**Central Depository Services (India) Limited (CDSL)** - Investors who wish to seek general information on depository services may mail their queries to: [investors@cdslindia.com](mailto:investors@cdslindia.com). With respect to the complaints / grievances of the demat account holders relating to the services of the DP, e-mails may be addressed to: [complaints@cdslindia.com](mailto:complaints@cdslindia.com).

## 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 details of the new address along with Pin Code, to the Company's R&TA. Shareholders are requested to quote their folio number(s) and furnish proof of new address such as attested copies of Ration Card / Passport / Latest Electricity or Telephone Bill / Lease

Agreement, Aadhaar card, etc. If shares are held in dematerialised form, information about change of address needs to be sent to the DP concerned.

## **CHANGE OF NAME**

### **What is the procedure for registering change of name of shareholders?**

Shareholders holding shares in physical form 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 such as duly attested copies of 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 for effecting change of name.

### **Authority to another person to deal with shares**

#### **What is the procedure for authorising any other person to deal with the shares of the Company?**

A shareholder needs to execute a Power of Attorney in favour of the concerned person and submit a notarised 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 registration details to the shareholder concerned. Whenever the Power of Attorney holder proposes to enter into a transaction, the registration number mentioned above should be quoted in the correspondence.

### **Permanent Account Number (PAN)**

It is 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), wherein lots of queries with respect to PAN have been replied to in the FAQ section.

### **Insider Trading**

In order to strengthen the legal framework for prohibition of insider trading in securities, SEBI notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations). The Regulations came into force from May 15, 2015, replacing its over two decade old antecedent. Under the Regulations, promoters, key managerial personnel and directors of a company are required to file initial disclosure whereas continual disclosure is required to be filed by promoters, employees and directors of the company.

In view of the Regulations, the Company has revised its Code to Regulate, Monitor and Report Trading by Insiders (Reliance Code). The Reliance Code inter alia prohibits insiders from trading in securities while in possession of unpublished price sensitive information in relation to the Company and also during the period when the Trading Window is closed.

## Takeover Regulations

The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Takeover Regulations) cast obligation on the investor (acquirer) to make disclosure w.r.t. acquisition/disposal of shares. The relevant provisions are summarised 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 the target company and Stock Exchanges within 2 working days of the receipt of intimation of allotment / acquisition of shares or voting rights in the target company, 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 shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made; and such change exceeds two per cent of total shareholding or voting rights in such target company, to the target company and Stock Exchanges within 2 working days of such change.

### E-voting

The Act, the Companies (Management and Administration) Rules, 2014 and Clause 44 of the Listing Regulations require a listed company to provide e-voting facility to its shareholders in respect of all shareholders' 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 Cameo, if shares are held in physical form or with their DP, if the holding is in electronic form.

### Intimate mobile number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Cameo, if shares are held in physical form or to their DP if the holding is in electronic form, 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 Act and the relevant Rules issued there under.

- To receive copies of the financial statements, including consolidated financial statements, if any, report of directors and auditors thereon and every other document required by law to be annexed or attached to the financial statements (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 Act.
- 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 Act.

### **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, this 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.

Regd. Office: Mercury Apts., 1st 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

**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 or send a letter to the address as mentioned above.

**Registration / Updating of E-Mail IDs and Bank Details**

Members are requested to support "Green Initiative" by registering their e-mail address with the company, if not already done.

Those Members who have changed their e-mail ID, are requested to register their new e-mail ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividends etc. **Members are requested to register / update their bank details with the Company in case shares are held in physical form and with their depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically through ACH.**

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 1st Registered Holder : \_\_\_\_\_  
 Name of the Joint Holder (s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 e-mail ID : \_\_\_\_\_

Signature of the First Holder





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website: www.tamilnadusteeltubesltd.com

**Name** : \_\_\_\_\_ **E-mail ID** : \_\_\_\_\_

**Address** : \_\_\_\_\_

**DP ID** : \_\_\_\_\_ **Client ID** : \_\_\_\_\_

**Folio No.** : \_\_\_\_\_

**(In case of physical holding)**

**No. of equity shares held:** \_\_\_\_\_

**Members  
Feedback Form  
2016-17**

**Signature of Member**

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
<b>ANNUAL REPORT</b>						
Management Discussion & Analysis Report	Contents					
	Presentation					
Business Responsibility Report	Contents					
	Presentation					
Report on Corporate Social Responsibility	Contents					
	Presentation					
Corporate Governance Report	Contents					
	Presentation					
Board's Report	Contents					
	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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website: [www.tamilnadusteeltubesltd.com](http://www.tamilnadusteeltubesltd.com)

#### 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 38th AGM of the Company, to be held on Monday, the 4th September, 2017, 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:

Resolution 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: 31st March, 2017		
2.	Re-appointment of Director, Mr M.T.Elumalai, who retire by rotation		
3.	Re-appointment of Director Mr.Mahaveer Singh, who retire by rotation		
4.	Re-appointment of Director Mr.Bivashwa Das, who retire by rotation		
5.	Appointment of Statutory Auditors - M/s.Abhay Jain & Co FIRM as Statutory Auditor to the Company		
6.	Appointment of Mr M.J.Lakshminarasimha Rao, as an Independent Director		
7.	Appointment of Mr.Rajesh Sai Iyer, as an Independent Director		
8.	Appointment of Mrs.Renuka Ramesh as small share holders' Director (Independent Director)		
9.	Ratification of remuneration to Cost Auditor CMA Latha Venkatesh.		
10.	Authorizing Board of Directors and KMPs for e-filing and compliance purposes.		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2017

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

Facility of online pre-registration for attending the Annual General Meeting:

The Company is pleased to provide Web Check-in facility to its members to enable speedy and hassle free entry to the venue of the Annual General Meeting (the "Meeting"). This facility offers online pre-registration of members for attending the Meeting and generates pre-printed Attendance Slips for presentation at the venue of the Meeting.

Members may avail the said Web Check-in facility from 9:00 a.m. (IST) on July 17, 2017 to 5:00 p.m. (IST) on July 20, 2017.

The procedure to be followed for Web Check-in is as follows:

- Log on to <http://www.cameoindia.com> and click on "Web Check-in for General Meetings (AGM/EGM/CCM)".
- Select event / name of the company: Reliance Industries Limited
- Pass through the security credentials, viz., DP ID / Client ID / Folio no. entry, and PAN No & "CAPTCHA" as directed by the system and click on "Submit" button.
- The system will validate the credentials. Then click on "Generate my Attendance Slip" button.
- The Attendance Slip in PDF format will be generated.
- Select the "PRINT" option for direct printing or download and save for printing the Attendance Slip.

Members completing Web Check-in successfully need not queue up at the registration counter(s) and are advised to use the dedicated counter(s) being made available at the venue for attending the Meeting.

Members using Web Check-in facility are requested to carry their valid photo identity proofs along with the above referred Attendance Slip for verification purpose.

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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.	Adoption of Annual Accounts, Statement of Profit & Loss, Balance Sheet, Report of Directors' and Auditors' for the Fin. Year ended: 31st March, 2017		
2.	Re-appointment of Director, Mr M.T.Elumalai, who retire by rotation		
3.	Re-appointment of Director Mr.Mahaveer Singh, who retire by rotation		
4.	Re-appointment of Director Mr.Bivashwa Das, who retire by rotation		
5.	Appointment of Statutory Auditors - M/s.Abhay Jain & Co FIRM as Statutory Auditor to the Company		
6.	Appointment of Mr M.J.Lakshminarasimha Rao, as an Independent Director		
7.	Appointment of Mr.Rajesh Sai Iyer, as an Independent Director		
8.	Appointment of Mrs.Renuka Ramesh as small share holders' Director (Independent Director)		
9.	Ratification of remuneration to Cost Auditor CMA Latha Venkatesh.		
10.	Authorizing Board of Directors and KMPs for e-filing and compliance purposes.		

PLACE :

DATE :

Affix Re.1 Rev.  
Stamp

Signature of the shareholder/Proxy

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

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**38th Annual General Meeting on : Monday, the 19<sup>th</sup> Sep. 2016, 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 37<sup>th</sup> Annual General Meeting of M/s Tamilnadu Steel Tubes Ltd., on Monday, the 19<sup>th</sup> Sep. 2016, 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.

PLEASE SEE OVERLEAF FOR AVAILING FACILITY OF ONLINE PRE-REGISTRATION FOR ATTENDING THE ANNUAL GENERAL MEETING



**BOOK POST  
PRINTED MATTER**



**SHREE**

**JUPITER**

**SUPER**

**STAR**

**VICTOR**



*If Undelivered Please Return to:*

**TAMILNADU STEEL TUBES LTD.,**

Regd. Off: Mercury Apartments, 1st Floor,  
65, Pantheon Road, Egmore, Chennai – 600 008.

Phone: 044-28555653, 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: 04427452233