



TAMILNADU STEEL TUBES LIMITED

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

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

TNT/2019-20/ 270

23rd September 2019

BSE Ltd

Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street -Mumbai 400001

Dear Sir/Madam

**Sub: Intimation of proceedings of 40th Annual General Meeting of the Company held this day
23.09.2019 along with annual report 2018-19**

Further to our earlier letter dt.17.08.2019 we wish to inform you that 40th Annual General Meeting of the Company was held today- **Monday the 23rd September 2019 at 10.00 AM** at Rani Seethai Hall No.603 Anna Salai, Chennai 600002. We are pleased to forward herewith the following Reports with respect to the above.

01. The summary of the proceedings of the 40th Annual General Meeting as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure requirements) Regulation 2015(Annexure-I).
02. Annual Report for the year 2018-19 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 duly approved and adopted by the Members as per provisions of the Companies Act 2013(Annexure-II)

Kindly take the same on your record.

Thanking you

Yours Faithfully
For Tamilnadu Steel Tubes Limited

C.Muruganandam
Company Secretary
ACS 12232





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PROCEEDINGS OF THE 40TH ANNUAL GENERAL MEETING HELD ON 23.09.2019 AT 10.00 AM AT RANI SEETHAI HALL NO.603 ANNA SALAI CHENNAI 600 002

The 40th Annual General Meeting was held on Monday the 23rd September 2019 at 10.00 AM at Rani Seethai Hall, No.603 Anna Salai Chennai 600 002 and commenced . The meeting was chaired by Mr.M.J Lakshmi Narasimha Rao, Mrs.Seshadhiri Rajalakshmi, Mr.Rajesh Sai Iyer, Mrs. Renuka Ramesh all are Non Executive independent Directors And Mr. Rakesh Goyal, Mr.N.Sudharsan, Mr.M.T.Elumalai, Mr.Bivashwa Das (All are whole time Directors) were present at the meeting. The Statutory Auditors of the Company, M/s Abhay Jain & Co, Chartered Accountants Chennai, was also present in the AGM Meeting.

Welcome Address :

The Company Secretary Mr.C.Muruganandam has welcomed the Shareholders, Directors, Head of Finance, Statutory Auditors, Secretarial Auditors, Scrutinizer, Advisors and other participants. The Company secretary Mr.C.Muruganandam has commenced the meeting with the prayer.The requisite quorum was being present, and Mr.C.Muruganandam The Company Secretary has requested the members to elect the Chairman and to call the meeting to order. The Members has unanimously elected Mr.M.J Lakshmi Narasimha Rao as a chairman to this meeting.

Chairman's address :

Chairman Mr. M.J Lakshmi Narasimha Rao welcomed the members and other participants. In his brief speech he highlighted the detailed performance of the Company during the FY 2018-19 and made comparison to previous year performance. He then highlighted the Performance of the Company during FY 2018-19 in terms of profit, NIM, CAR, AUM, ROA, ROE Yield, NPA etc.

Items Transacted at the Meeting :

The Following items as per the notice of the 40th Annual General Meeting were transacted at the meeting.

Ordinary Business:

01. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year Ended 31st March 2019, together with the Reports of the Board Directors and Auditors thereon **(Ordinary Resolution)**
02. To appoint a Director in place of Mr. Bivashwa Das (DIN: 07253655) who retire by rotation and being eligible offer himself for reappointment.**(Ordinary Resolution)**

C.M.J
23/9





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Special Business:

03. Appointment of Shri N. Sudharsan (DIN:08562284 as a Whole time Director of the Company for a period of five years from 14th August 2019 with the terms and conditions including remuneration as set out in the Explanatory Statement. **(Ordinary Resolution)**
04. Ratification of Remuneration to Cost Auditor. **(Ordinary Resolution)**
05. Reappointment of Mrs. Sheshadhri Rajalakshmi as an independent Directory of the Company for a further period of five years with effect from 20th July 2019 **(Special Resolution)**
06. Approval of related party transactions entered by the Company namely Mrs. Durga Devi Goyal. **(Special Resolution)**

Thereafter the Chairman invited the members for their views/queries on the Financial Statement and also the performance of the Company and such other matters. Some Shareholders raised few queries and clarifications on the financial statements. The Chairman has addressed and explained to all the queries raised by every shareholder.

Voting at the Annual General Meeting

Company Secretary informed the members present that the Company had provided to its members the facility to cast their votes electronically, on all the resolutions set for the in the notice calling 40th Annual General Meeting of the Company. Members who were present at the meeting and had not cast their meeting electronically were provided with an opportunity to cast their votes by physical Ballot at the end of the meeting. He also informed to the members that Mr. Shesadhiri Sowrirajan, Practicing Company Secretary was appointed by the Board of Directors as the Scrutinizer for conducting the electronic voting and also ballot process in a fair and transparent manner. At the end of the discussion on the resolutions, the Chairman with the assistance of the Scrutinizer advice all members present to cast their vote and put in the ballot box kept at the AGM Hall. Accordingly all the members cast their vote by polling paper who had not availed the facility of e-voting process.

Vote of Thanks

Thereafter Meeting concluded with a vote of thanks to the Chair, Directors, Members and other participants by Mr. C. Muruganandam Company Secretary along with a respect to the National Anthem.

C. Muruganandam
23/5





**40th
ANNUAL REPORT
2018 - 2019**



TAMILNADU STEEL TUBES LIMITED

Corporate Information

The Board of Directors#

Mr. Rakesh Goyal
Managing Director

Mr. M.J.Lakshmi Narasimha Rao
Lead Independent Director

Mr. N.Sudharsan
Whole time Director

Mr. M.T. Elumalai
Whole time Director

Mr. Bivashwa Das
Whole time Director

Mrs. Seshadhri Rajalakshmi
Independent Director

Mr. Rajesh Sai Iyer
Independent Director

Mrs. Renuka Ramesh
Independent Director

[*As on August 14 2019]

Board Committees#

Audit Committee:

Mr. M.J.Lakshmi Narasimha Rao
Mr. N.Sudharsan
Mr. Rakesh Goyal
Mr. Rajesh Sai Iyer
Mrs. Renuka Ramesh
Mrs. Seshadhri Rajalakshmi

Nomination and Remuneration Committee:

Mr. Rajesh Sai Iyer
Mr. M.J.Lakshmi Narasimha Rao
Mrs. Seshadhri Rajalakshmi

CSR Committee:

Mr. M.J.Lakshmi Narasimha Rao
Mr. N.Sudharsan
Mrs. Renuka Ramesh
Mr. Bivashwa Das
Mrs. Seshadhri Rajalakshmi

Risk Management Committee:

Mr. M.J.Lakshmi Narasimha Rao
Mr. N.Sudharsan
Mr. Bivashwa Das

Stakeholders Relationship Committee:

Mr. M.J.Lakshmi Narasimha Rao
Mrs. Renuka Ramesh
Mr. M.T. Elumalai
Mr. N.Sudharsan
Mrs. Seshadhri Rajalakshmi

Executive Officers#

Mr. C Muruganandam
Company Secretary & Compliance Officer

Mrs. G Chitra
Chief Financial Officer

Statutory Auditors:

Mr. Abhay Kumar Jain
M/s. Abhay Jain & Co
Bhushaira House
6/46, Nowroji Road,
Chetpet, Chennai- 31

Cost Auditor:

CMA Latha venkatesh

Secretarial Auditor

Mr. V.S. Sowrirajan
Practising Company Secretary

Internal Auditor:

Ms. N. Neerja, FCA

Compliance Advisor:

Ms. Sobhna Pranesh, FCS

GST Audit:

Mr. Kesavan, CA

Legal Advisor

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

Corporate Identification Number (CIN)

L27110TN1979PLC007887

Website

www.tamilnadusteeltubesltd.com

Registrar & Share Transfer Agent:

M/s. Cameo Corporate Services Limited
No.1 Subramanian Building
Club House Road
Chennai-600002
Ph: +91 44 4002 0723, 4002 0700
Fax: +91 44 4002 0129
E-mail: cameo@cameoindia.com

Registered Office:

Mercury Apartments, 1st Floor,
65, Pantheon Road,
Egmore, Chennai-600008
Ph: +91 44 28555653/ 28555673
E-mail: tnsteel79@gmail.com; tnt.share@yahoo.in

Factory:

B-10, Industrial Complex,
Maraimalai Nagar-603209
Kancheepuram District
Ph: +91 44 27452233

Bankers

HDFC Bank, Egmore
City Union Bank, Chennai-1
City Union Bank, M.M. Nagar
Indian Bank
State Bank of India

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Board of Directors



Mr. Rakesh Goyal
Managing Director



**Mr. M.J.Lakshmi
Narasimha Rao, CA.**
Independent Director



**Mrs. Renuka
Ramesh, CA.**
Independent Director



**Mrs. Seshadhri
Rajalakshmi**
Independent Director



**Mr. Rajesh
Sai Iyer, CMA.**
Independent Director



Mr. N. Sudharsan
Whole-time Director



Mr. M.T.Elumalai
Whole-time Director



Mr. Bivashwa Das
Whole-time Director

Letter to Shareholders

Dear Fellow Shareowners,

It gives me great pleasure to share with you Good performance of our Company in the Financial Year 2018-19. Our aim to strengthening our position as "South India's Largest Quality Pipe Manufacturer & Supplier", by expanding our supply in the Pipe Industry.

While other measures of the Government, namely, the enactment of the Real Estate (Regulation and Development) Act, 2016 (RERA) and implementation of the Insolvency and Bankruptcy Code, 2016 (IBC) shall play a positive role for the economy over a period of time.

The improvement seen lower in the Indian Industrial Production (IIP) numbers in last couple of months suggest that the Indian economy has now moved on a recovery path which is a good indicator. The Indian economy is poised to grow at a rate of 6% in 2018-19, after an estimated 6.6% growth in 2017-2018.

During the Financial Year 2018-19, your Company completed 40 years of its tryst with the Nation, a vintage enjoyed by a mere handful of names in our corporate annals.

In spite of challenging macro environment in FY 2019, we passionately launched new products, advanced our product pipeline, pursued innovation, enhanced our manufacturing capabilities with improved technologies and made a real difference to the lives of people.

Made up of eminent personalities of professional progress 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.

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

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.

Creating Digital System in Production : We are making a strategic transition by creating an Electronic/ Computer guided atmosphere to achieve the 100 % perfection of our products manufactured.

Governance and Safety : TNT's Governance standards are built on the foundation of systems that support transparency and ethical business conduct. In an effort to strengthen risk management and internal controls, TNT instituted the Management System designed to operationalise harmonious work culture by codifying and embedding standardized processes.

Sustainability : We are committed to making continuous improvements across the triple bottom line and enabling positive change in the society. Our ability to manage, utilize and transform our Production at a reduced cost and to supply the product in the Market at a competitive price to withstand the challenges during the current financial year

Conclusion : We are in a rapidly changing the Pipe Manufacturing Industry where the digital connectivity and abundance of data is reshaping value creation models. We continue to improve and evolve consistently fostering an entrepreneurial mindset across the Organisation. Overall, we delivered yet another year of good performance, achieving remarkable success across our businesses.

I would like to thank the entire team at TNT for their untiring efforts and unflinching commitment to achieve the lofty goals we have set for our coming years.

As always I would once again take this opportunity to thank our talented employees for their passion and dedication and our stakeholders for their continued support

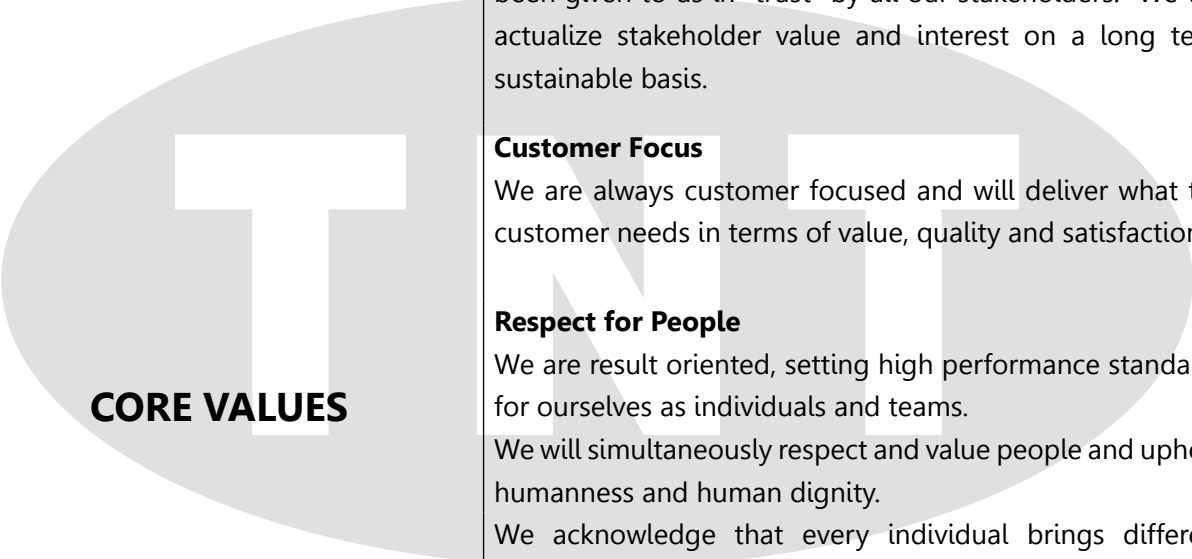
With Best Wishes,

Sincerely Yours,

RAKESH GOYAL

Managing Director



| | |
|---|--|
| <p>THE “TNT” VISION</p> | <p>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.</p> |
| <p>THE “TNT” MISSION</p> | <p>To enhance the wealth generating capability of the enterprise in a environment, delivering superior and sustainable stakeholder value.</p> |
|  <p>CORE VALUES</p> | <p>TNT’s Core Values are aimed at developing a customer-focused, high performance organization which creates value for all its stakeholders:</p> <p>Trusteeship 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>Customer Focus We are always customer focused and will deliver what the customer needs in terms of value, quality and satisfaction.</p> <p>Respect for People 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.</p> <p>We want individuals to dream, value differences, create and experiment in pursuit of opportunities and achieve leadership through teamwork.</p> <p>Excellence We do what is right, do it well and win. We will strive for excellence in whatever we do.</p> |

| | |
|------------------------------------|---|
| | <p>Innovation We will constantly pursue newer and better processes, products, services and management practices.</p> |
| | <p>Nation Orientation 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>CORPORATE STRATEGIES</p> | <p>TNT's corporate strategies are:</p> <ul style="list-style-type: none"> • Create multiple drivers of growth by developing business that best matches organizational capabilities in domestic markets. • Continue to focus on the latest technology for galvanized and stainless steel pipes production • Benchmark the health of each branded products comprehensively across the criteria of Market Standing, Profitability and Internal Vitality • Enhance the competitive power of the portfolio through synergies derived by blending the diverse skills and capabilities residing in TNT's business. • Create distributed leadership within the organization by nurturing talented and focused top management teams for the businesses. • 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 |


CODE OF CONDUCT
Preamble

TNT's Code of Conduct is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal 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

Good Corporate Citizenship

We recognize society as an important stakeholder in this enterprise and therefore it is part of our responsibility to practice good corporate citizenship.

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

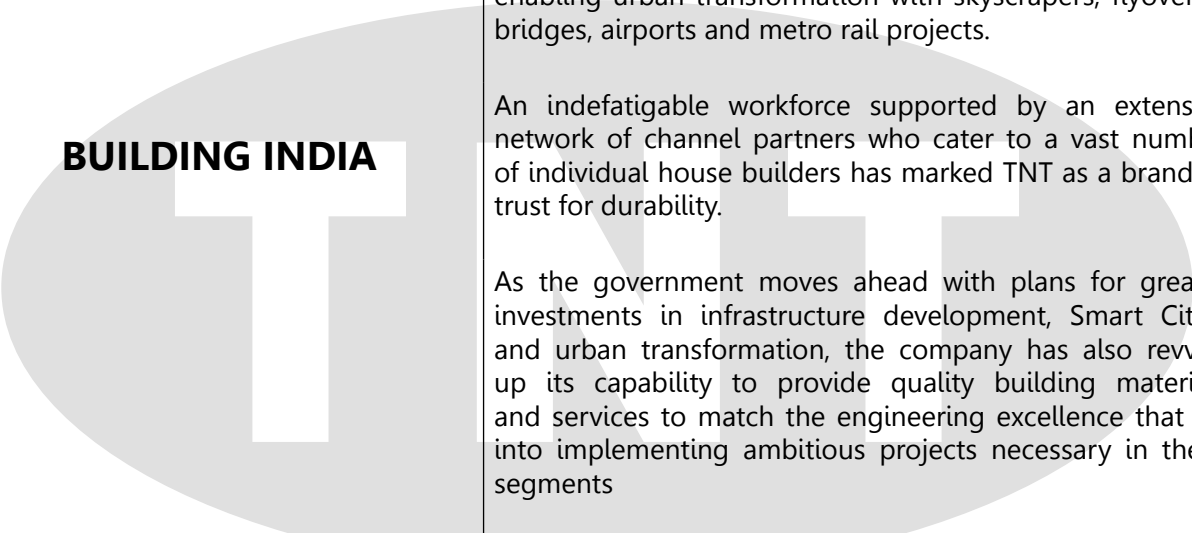
Any waiver of any provision of this Code of Conduct for a director, senior management or employee must be placed for approval before the Company's Board of Directors / Corporate Management Committee, as appropriate.

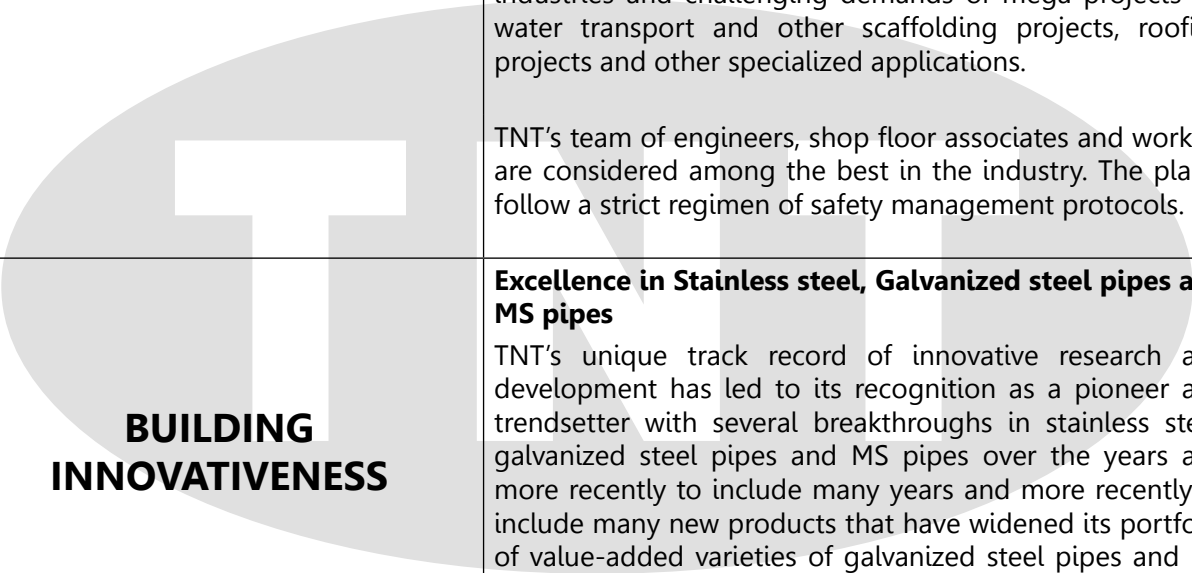
Non Adherence

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

| | |
|--|--|
| | <p>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> <p>In the 39 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>BUILDING INDIA</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 & 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>MADE IN INDIA</p>  | <p>Manufacturing Excellence 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>BUILDING INNOVATIVENESS</p> | <p>Excellence in Stainless steel, Galvanized steel pipes and MS pipes 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 trend setter 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 100 dealers and more than 500 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 endeavor 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 behavior. 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 40 years of Journey, TNT has crafted a unique track record of innovative research and development 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 Centers 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 endeavors to maintain the company's tradition of upholding the highest standards of Corporate Governance. The Managing Director oversees day to day working and operations of the Company with the help of other Whole-time Directors. Also he is assisted by the Executive Committee (Exco) which includes the functional heads of Finance, Manufacturing, Marketing, Human Resources and Procurement. The Ex-co 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 ecofriendly; 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 license to operate.

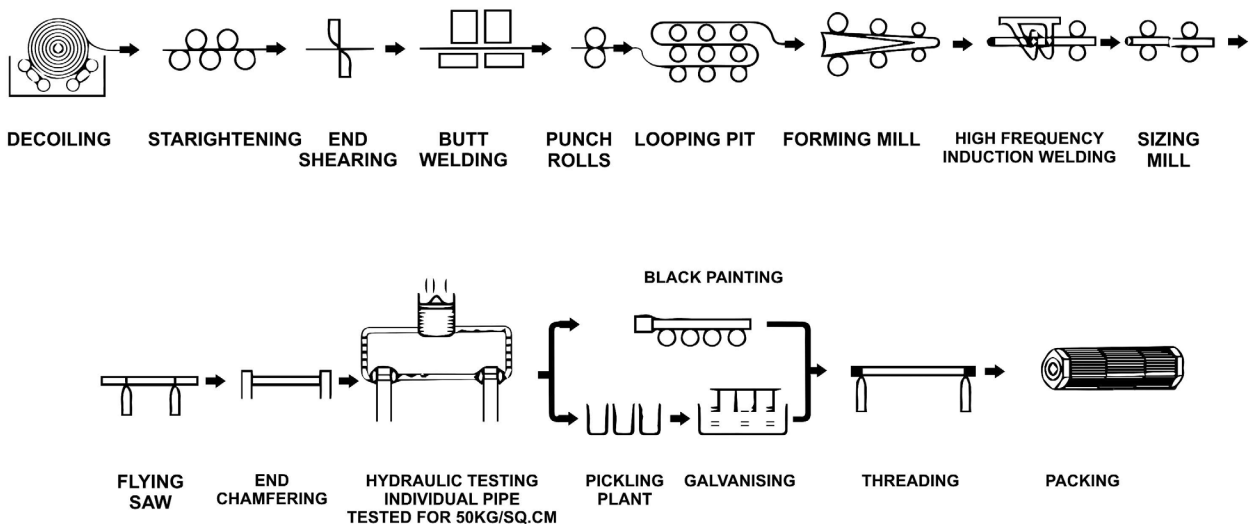
People - Architects of Success:

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.

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

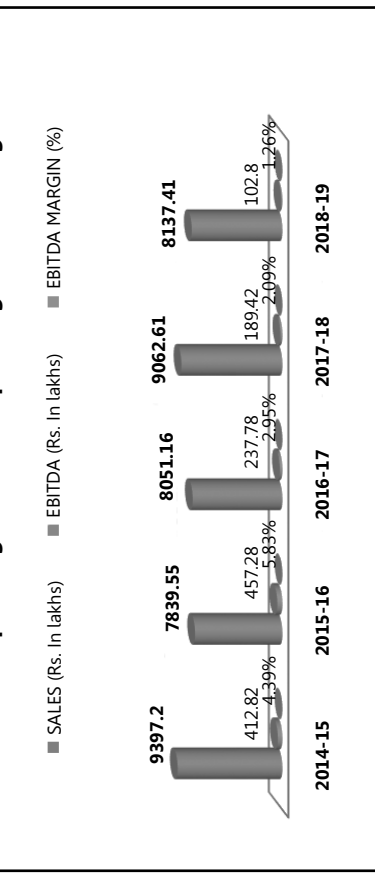


Financial Highlights

NET SALES, OPERATING EBITDA & OPERATING EBITDA MARGIN

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------|---------|---------|---------|---------|---------|
| Sales | 9397.2 | 7839.55 | 8051.16 | 9062.61 | 8137.41 |
| EBITDA | 412.82 | 457.28 | 237.78 | 189.42 | 102.8 |
| EBITDA Margin (%) | 4.39% | 5.83% | 2.95% | 2.09% | 1.26% |

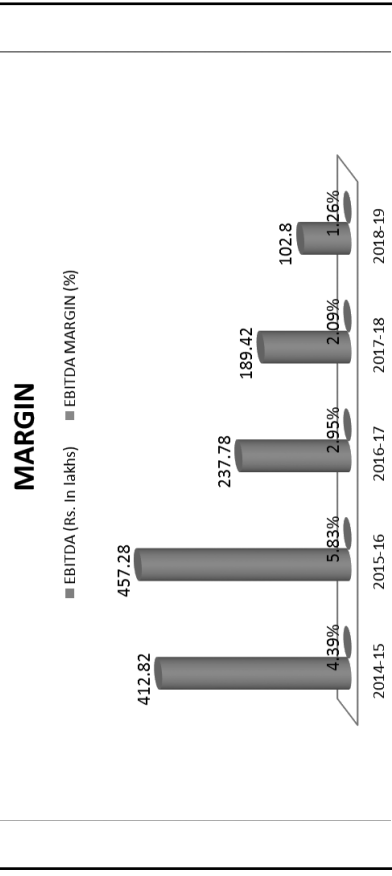
Net Sales, Operating EBITDA & Operating EBITDA Margin



OPERATING EBITDA & OPERATING EBITDA MARGIN

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------|---------|---------|---------|---------|---------|
| EBITDA | 412.82 | 457.28 | 237.78 | 189.42 | 102.8 |
| EBITDA Margin (%) | 4.39% | 5.83% | 2.95% | 2.09% | 1.26% |

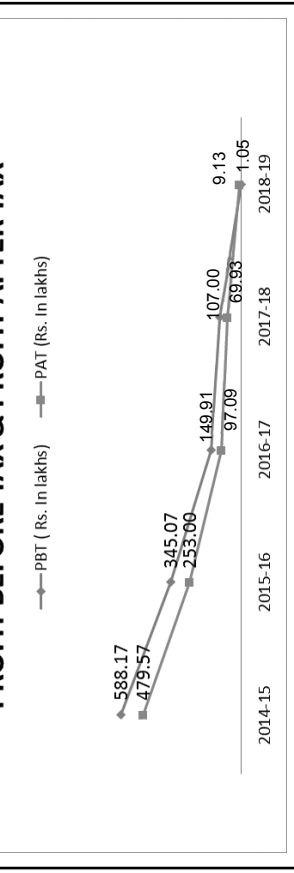
OPERATING EBITDA & OPERATING EBITDA MARGIN



PROFIT BEFORE TAX & PROFIT AFTER TAX

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------|---------|---------|---------|---------|---------|
| PBT (Rs. In lakhs) | 588.17 | 345.07 | 149.91 | 107.00 | 9.13 |
| PAT (Rs. In lakhs) | 479.57 | 253.00 | 97.09 | 69.93 | 1.05 |

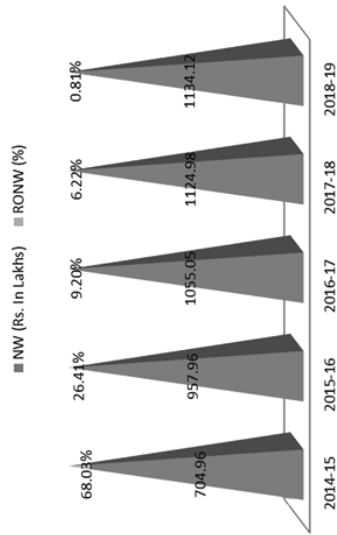
PROFIT BEFORE TAX & PROFIT AFTER TAX



NET WORTH & RETURN ON NET WORTH

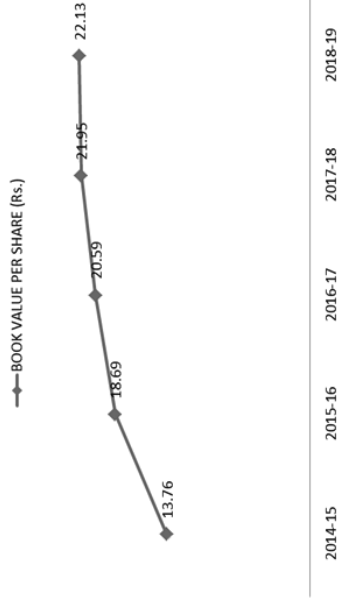
| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------|---------|---------|---------|---------|---------|
| NW (Rs. In Lakhs) | 704.96 | 957.96 | 1055.05 | 1124.98 | 1134.12 |
| PAT | 479.57 | 253.00 | 97.09 | 69.93 | 91.13 |
| RONW (%) | 68.03% | 26.41% | 9.20% | 6.22% | 0.81% |

NET WORTH & RETURN ON NET WORTH



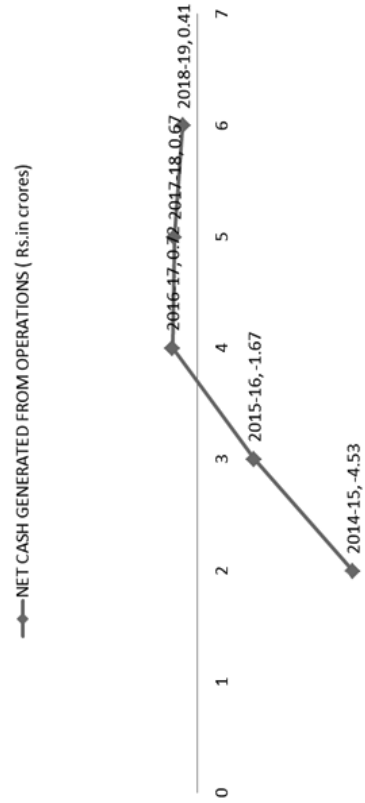
BOOK VALUE PER SHARE (Rs.)

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|----------------------------|---------|---------|---------|---------|---------|
| Book Value per Share (Rs.) | 13.76 | 18.69 | 20.59 | 21.95 | 22.13 |
| Net worth | 704.96 | 957.96 | 1055.05 | 1124.98 | 1134.12 |
| No of Shares | 5124800 | 5124800 | 5124800 | 5124800 | 5124800 |



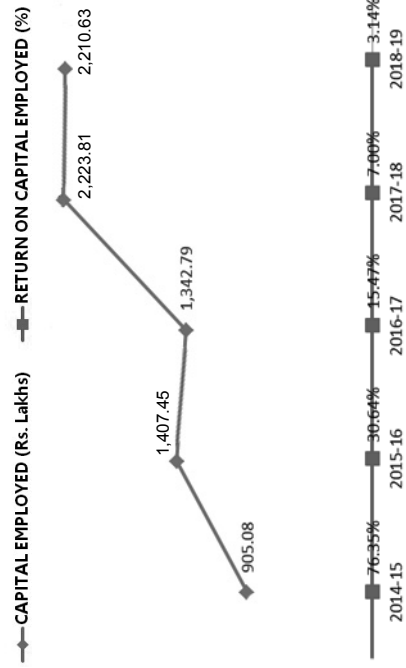
NET CASH GENERATED FROM OPERATIONS (Rs.in crores)

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------|---------|---------|---------|---------|---------|
| Net Cash Generated | -4.53 | -1.67 | 0.72 | 0.67 | 0.41 |



CAPITAL EMPLOYED & RETURN ON CAPITAL EMPLOYED

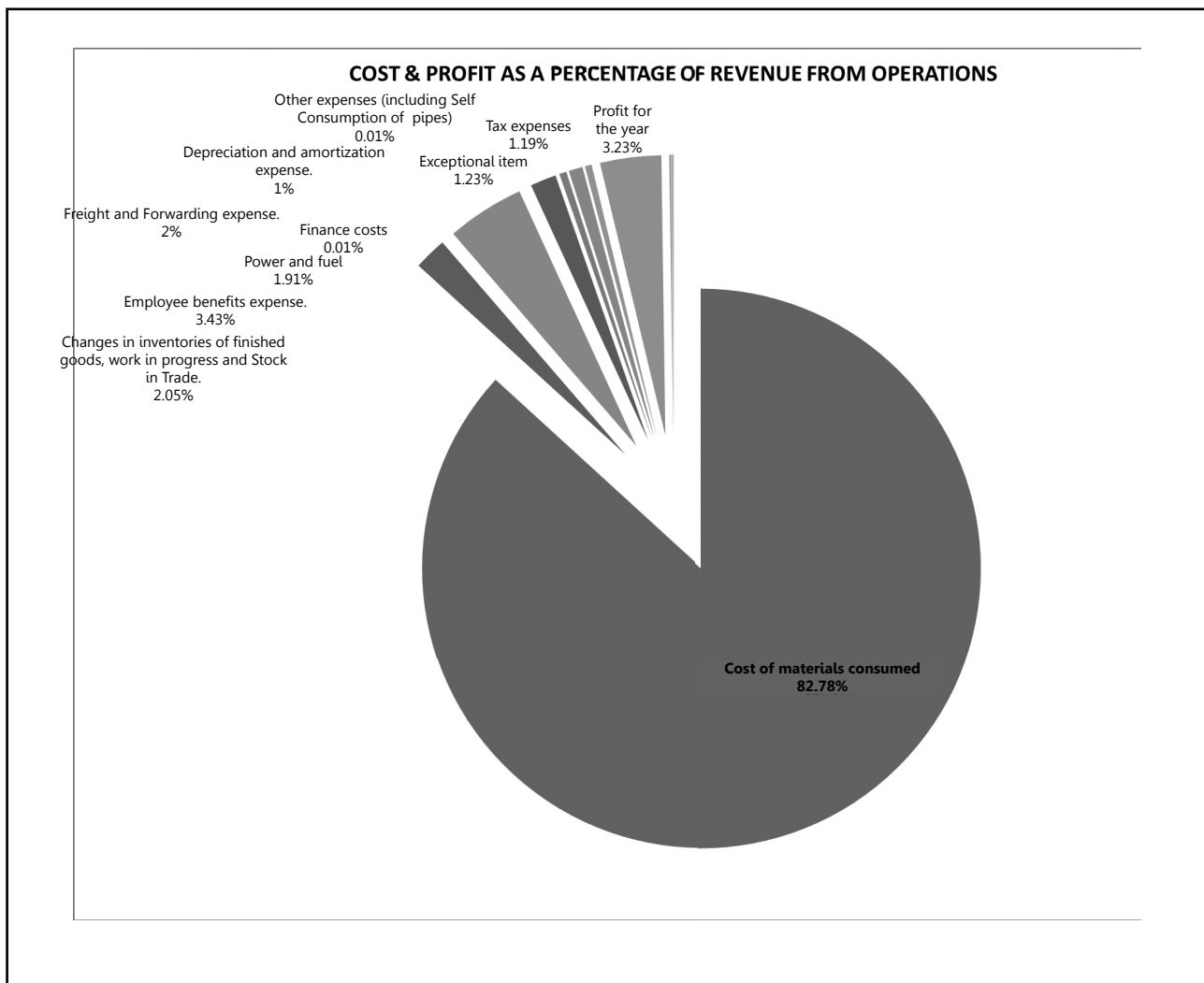
| | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------------------|---------|----------|----------|----------|----------|
| Capital Employed | 905.08 | 1,407.45 | 1,342.79 | 2,223.81 | 2,210.63 |
| Return on Capital Employed (%) | 76.35% | 30.64% | 15.47% | 7.00% | 3.14% |



TAMILNADU STEEL TUBES LIMITED

Cost & Profit as a Percentage of Revenue from Operations 2018-19

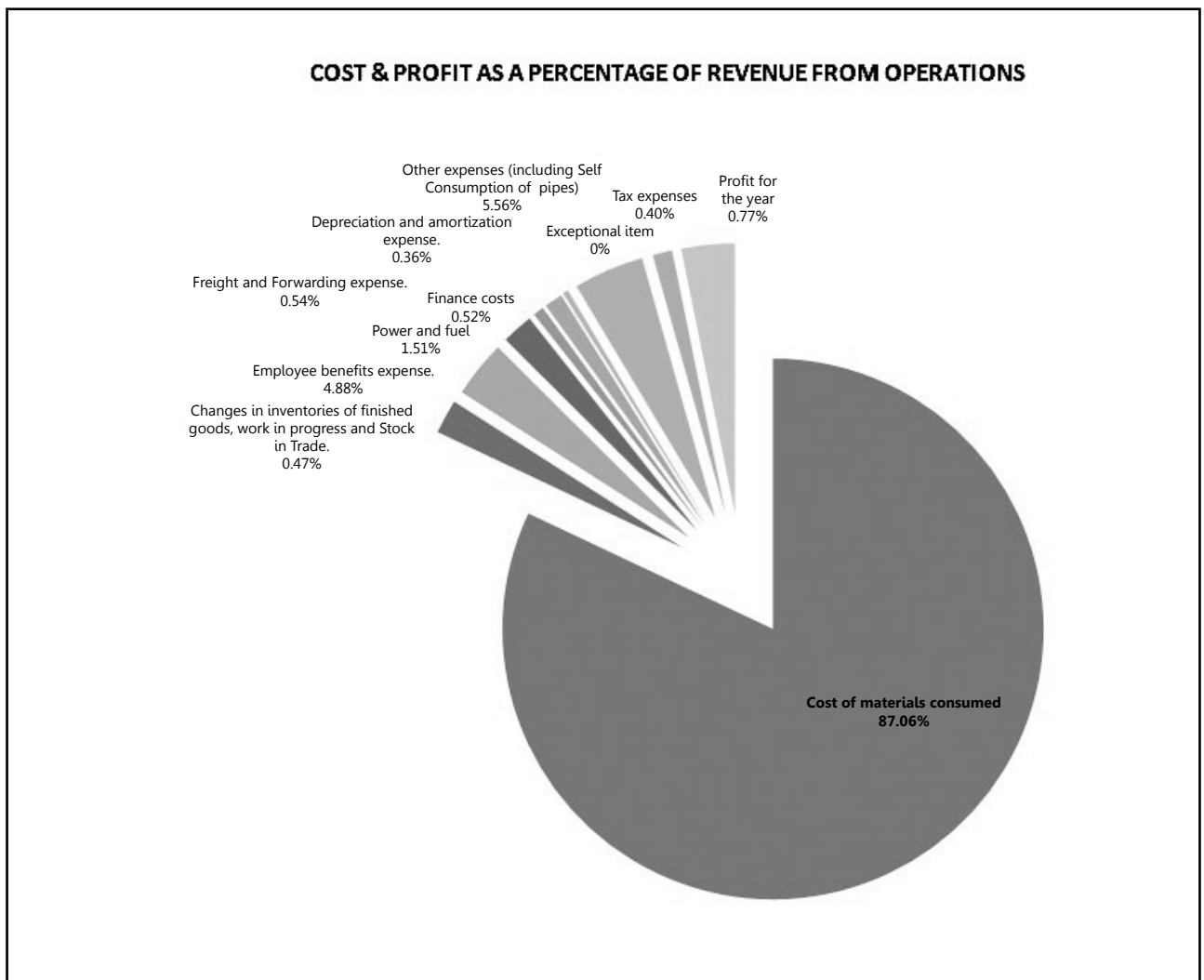
| | Amount in Crores | |
|--|------------------|-------|
| Revenue from operations (net) | 81.37 | 100% |
| Other income | 0.12 | 100% |
| Cost of materials consumed | 73.64 | 91.1% |
| Changes in inventories of finished goods, work in progress and Stock in Trade. | -1.6 | 2.05% |
| Employee benefits expense. | 3.8 | 3.43% |
| Power and fuel | 1.26 | 1.91% |
| Freight and Forwarding expense. | 0.35 | 2% |
| Finance costs | 0.68 | 0.01% |
| Depreciation and amortization expense. | 0.33 | 1% |
| Other expenses (including Self Consumption of pipes) | 0.46 | 0.01% |
| Exceptional item | - | 1.23% |
| Tax expenses | -0.8 | 1.19% |
| Profit for the year | 0.09 | 3.23% |



TAMILNADU STEEL TUBES LIMITED

Cost & Profit as a Percentage of Revenue from Operations 2017-18

| | Amount in Crores | |
|--|------------------|--------|
| Revenue from operations (net) | 90.62 | 100% |
| Other income | 0.07 | 0.07% |
| Cost of materials consumed | 78.90 | 87.06% |
| Changes in inventories of finished goods, work in progress and Stock in Trade. | 0.43 | 0.47% |
| Employee benefits expense. | 4.43 | 4.88% |
| Power and fuel | 1.37 | 1.51% |
| Freight and Forwarding expense. | 0.49 | 0.54% |
| Finance costs | 0.48 | 0.52% |
| Depreciation and amortization expense. | 0.33 | 0.36% |
| Other expenses (including Self Consumption of pipes) | 5.04 | 5.56% |
| Exceptional item | - | - |
| Tax expenses | 0.37 | 0.40% |
| Profit for the year | 0.70 | 0.77% |



STANDALONE FINANCIAL HIGHLIGHTS – 2009-10 to 2018-19

(Rs. in Lakhs)

| PARTICULARS | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|----------|----------|----------|-----------|----------|----------|---------|---------|---------|---------|
| Revenue from operations | 7273.77 | 7753.28 | 8087.43 | 10354.56 | 10655.01 | 9397.20 | 7839.55 | 8051.16 | 9062.61 | 8137.41 |
| Total Income | 7345.80 | 7825.61 | 8088.60 | 10360.70 | 10658.33 | 9409.58 | 7911.29 | 8067.95 | 9070.07 | 8148.97 |
| Earnings before Depreciation, Finance Cost and Tax Expenses (EBDIT) | 213.07 | 123.24 | 196.94 | 469.78 | 322.21 | 412.82 | 457.28 | 237.78 | 189.42 | 102.8 |
| Depreciation and Amortisation | 19.45 | 21.61 | 21.56 | 20.03 | 27.32 | 30.33 | 26.01 | 30.03 | 33.70 | 33.47 |
| Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 257.06 | (308.54) | - | - | - | - |
| Profit for the Year | (361.11) | 0.87 | 71.03 | 215.87 | 356.31 | 479.57 | 253.00 | 97.09 | 69.93 | 9.13 |
| 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 | (905.03) | (904.17) | (833.14) | (617.26) | (260.95) | 192.48 | 445.48 | 542.57 | 612.50 | 621.64 |
| Net Worth | (392.55) | (391.69) | (320.66) | (104.78) | 251.53 | 704.96 | 957.96 | 1055.05 | 1124.98 | 1134.12 |
| Gross Fixed Assets | 763.87 | 804.33 | 836.43 | 962.49 | 979.62 | 982.07 | 967.88 | 1034.72 | 1071.93 | 1077.82 |
| Net Fixed Assets | 134.39 | 153.47 | 168.37 | 276.97 | 283.44 | 229.42 | 208.60 | 257.37 | 251.67 | 228.73 |
| Total Assets | 1608.93 | 1879.02 | 2739.02 | 2899.13 | 3356.68 | 2891.10 | 2697.38 | 3114.42 | 3372.99 | 3059.62 |
| Key Indicators | - | - | - | - | - | - | - | - | - | - |
| Earnings Per Share | (7.05) | 0.02 | 1.39 | 4.21 | 6.95 | 9.36 | 4.94 | 1.89 | 1.36 | 0.18 |
| Turnover per Share | 141.93 | 151.29 | 157.81 | 202.05 | 207.91 | 183.37 | 152.97 | 157.11 | 176.83 | 158.78 |
| Book Value Per Share | (7.66) | (7.64) | (6.26) | (2.04) | 4.91 | 13.75 | 18.69 | 20.59 | 21.95 | 22.13 |
| Debt: Equity Ratio | (5.10):1 | (5.80):1 | (9.54):1 | (28.67):1 | 12.35:1 | 3.1:1 | 1.82:1 | 1.95:1 | 0.98:1 | 1.70:1 |
| EBDIT/Gross Turnover % | 2.93 | 1.59 | 2.44 | 4.54 | 3.02 | 4.39 | 5.83 | 2.95 | 2.09% | 1.26% |
| Net Profit Margin % | (4.96) | 0.01 | 0.88 | 2.08 | 3.34 | 5.10 | 3.23 | 1.21 | 0.77% | 0.11% |
| RONW % | 91.99 | (0.22) | (22.15) | (206.02) | 141.66 | 68.03 | 26.41 | 9.20 | 6.22% | 0.81% |

10 Years at a Glance

STANDALONE OPERATING RESULTS – 2008-09 to 2018-19

(Rs. In Lakhs)

| Particulars | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------|----------|---------|---------|----------|----------|----------|---------|---------|---------|---------|
| TOTAL INCOME | 7345.80 | 7825.61 | 8088.60 | 10360.70 | 10658.33 | 9409.58 | 7911.29 | 8067.95 | 9070.07 | 8148.97 |
| PBDIT | 213.07 | 123.24 | 196.94 | 469.78 | 322.21 | 412.82 | 457.28 | 237.78 | 189.41 | 94.44 |
| DEPRECIATION | 19.45 | 21.61 | 21.56 | 20.03 | 27.32 | 30.33 | 26.01 | 30.03 | 33.70 | 33.48 |
| PBIT | 193.63 | 101.64 | 175.38 | 449.75 | 294.89 | 382.49 | 431.27 | 207.75 | 155.71 | 84.26 |
| PBT | (2.65) | (2.16) | 95.73 | 332.53 | 149.23 | 279.64 | 345.07 | 149.91 | 106.99 | 1.06 |
| EXCEPTIONAL ITEM | | | | | (257.06) | (308.54) | - | 0 | 0 | 0 |
| TAX | 345.28 | 0.00 | 26.75 | 115.10 | 47.80 | 102.13 | 94.68 | 47.11 | 34.99 | 1.5 |
| DEFERRED TAX | 13.18 | (3.03) | (2.05) | 1.55 | 2.18 | 6.47 | (2.61) | 5.71 | 2.08 | 9.6 |
| PAT | (361.11) | 0.87 | 71.03 | 215.87 | 356.31 | 479.57 | 253.00 | 97.09 | 69.93 | 9.14 |

VALUE ADDED STATEMENT

(Rs.In Lakhs)

| PARTICULARS | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|------------------|------------------|-----------------|----------------|----------------|----------------|
| (A) Sales | 11,983.40 | 10,575.50 | 8,374.52 | 9,065.70 | 9062.61 | 8137.42 |
| Total of A | 11,983.40 | 10,575.50 | 8,374.52 | 9,065.7 | 9062.61 | 8137.42 |
| (B) Less: Cost of Bought in Materials and Services | | | | | | |
| 1. Consumption of Materials | 8,928.32 | 8,010.55 | 6,203.45 | 6,935.78 | 7890.42 | 7364.10 |
| 2. Increase in stock/(Decrease in Stock) | (50.41) | (103.34) | 160.58 | (39.85) | 43.10 | (15.95) |
| 3. Audit Fees | 5.32 | 4.32 | 3.72 | 3.90 | 2.45 | 4.00 |
| 4. Provision for Doubtful Debts | 7.30 | 5.82 | - | - | - | - |
| 5. Interest on working Capital loan from Banks | - | - | - | - | - | - |
| 6. Other Manufacturing & Admin Expenses | 1,241.84 | 840.78 | 768.38 | 716.15 | 501.86 | 457.36 |
| 7. Exceptional items | (257.06) | (308.54) | - | - | - | - |
| Total of B | 9,875.32 | 8,449.59 | 7,136.12 | 7,377.54 | 8437.83 | 7665.94 |
| (C) Value Added by Manufacturing & Trading Activities (A-B) | 2,108.08 | 2,125.90 | 1,238.41 | 1,688.16 | 624.78 | 471.48 |
| (D) Add: Other Income | 3.32 | 12.39 | 71.74 | 16.34 | 7.46 | 11.55 |
| (E) Gross/Total Value Added (C+D) | 2,111.40 | 2,138.29 | 1,310.15 | 1,704.50 | 632.24 | 483.03 |
| Application of Value Added | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
| (A) Employees Benefit | 169.03 | 188.69 | 269.45 | 361.40 | 442.82 | 380.22 |
| (B) Government fees | | | | | | |
| Income Tax, Corporation Tax, | | | | | | |
| Tax Distributed on Profits, Cess & Local Taxes | 1,378.93 | 1,293.37 | 634.56 | | 34.98 | |
| Total of B | 1,378.93 | 1,293.37 | 634.56 | 1,099.00 | 34.98 | 1.50 |
| (C) Investment Cost | | | | | | |
| Interest on Debentures | 1,378.93 | 1,293.37 | | 1,099.00 | 978.39 | |
| Interest on Borrowings | 145.65 | 102.85 | 86.20 | - | - | - |
| Interest on Fixed Loans From Financial Institution | - | - | - | 57.83 | 48.73 | 68.28 |
| Equity Dividend | - | - | - | - | - | - |
| Preference Dividend | - | - | - | - | - | - |
| Total of C | 145.65 | 102.85 | 86.20 | 57.83 | 48.73 | 68.28 |

| PARTICULARS | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|-----------------|-----------------|-----------------|-----------------|---------------|---------------|
| (D)To Provide for Expansion & Maintenance of the Company | | | | | | |
| Depreciation | 27.32 | 30.33 | 26.01 | 30.03 | 33.70 | 33.47 |
| Retained Profit | 356.31 | 479.57 | 253.00 | 97.09 | 69.93 | 9.13 |
| General Reserve | - | - | - | - | - | - |
| Deferred Tax Account | 2.18 | 6.47 | (2.62) | 5.72 | 3.70 | (9.57) |
| Total of D | 385.81 | 516.37 | 276.39 | 132.84 | 107.33 | 33.03 |
| Total (A+B+C+D) | 2,111.40 | 2,138.29 | 1,310.15 | 1,704.50 | 632.24 | 483.03 |

Notes:

1. Cash and cash equivalents includes Cash and bank balances, investment in short term deposits and mutual funds
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 Earnings 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

NOTICE**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: tnsteel79@gmail.com / tnt.share@yahoo.in / contact@tamilnadusteeltubesltd.com

Web: www.tamilnadusteeltubesltd.com

40th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Fortieth Annual General Meeting** of the Members of **TAMILNADU STEEL TUBES LTD** will be held on **Monday, the 23rd September, 2019** 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 31st March, 2019, together with the Reports of the Board of Directors and Auditors thereon.

Item No.2: To appoint a Director in place of Mr. Bivashwa Das (DIN: 07253655) who retire by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS

Item No. 3: To consider and if though fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), the consent of the members be and is hereby accorded for the appointment of Shri N. Sudharsan as a Whole Time Director of the Company for a period of 5 years, with effect from 14th August 2019 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee (“Committee”) and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-

appointment /remuneration in such manner as deemed fit necessary.

RESOLVED FURTHER THAT the remuneration payable to Shri N. Sudharsan shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Shri N. Sudharsan, Whole Time Director by way of salary, perquisites and allowances shall not exceed the maximum remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

RESOLVED FURTHER THAT Shri N. Sudharsan, Whole Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.

Item No. 4 .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 and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in

force), the remuneration payable to FCMA 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 2020, amounting to Rs. 80,000/- (Rupees Eighty Thousand only) plus Taxes as applicable and re-imbursalment of out of pocket expenses incurred in connection with the aforesaid audit, be and are hereby ratified and confirmed.”

Item No. 5: Reappointment of Mrs. Sheshadhri Rajalakshmi as an independent Director of the Company:

To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

“RESOLVED THAT, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, this Meeting hereby approves the re-appointment of Mrs. Sheshadhri Rajalakshmi (DIN: 06927846) as an Independent Director of the Company for further period of five years with effect from 20th July, 2019, or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

Item No. 6: Approval of related party transaction under section 188 of the companies act, 2013 and regulation 23 of SEBI (LODR) regulations, 2015.

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

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any of the Companies Act, 2013 and relevant Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of Regulation 23 of Securities and Exchanges Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for approval of material related party transaction entered by the company with Related party namely Mrs. Durga devi Goyal of company’s property situated at M M Nagar, Chennai, measuring 9605 sq.ft.

“RESOLVED FURTHER THAT the Board of Directors, be and are hereby, severally, authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolutions.”

NOTE:

A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.

In respect of items 3 to 6, 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.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need **not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

1. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.**
2. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
3. 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.
4. 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.

5. 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.
6. 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.
7. The Register of Members and Share Transfer Books of the Company will be closed from 17.09.2019 to 23.09.2019 (both days inclusive).
8. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, along with the request for merging of folio etc., to the Company's Registrar and Share Transfer Agents – M/s Cameo Corporate Services Limited.
9. For the purpose of availing Nomination facility, members holding shares in dematerialized form are required to lodge the nomination with their Depository Participant and members holding shares in physical form are required to fill and submit Form SH-13 (available on request) with the Company's Registrar and Transfer Agents- M/s Cameo Corporate Services Limited.
10. 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 (M/s. Cameo Corporate Services Ltd.)

11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form as trading

in physical shares is not feasible and also to eliminate all the risks associated with such physical shares. Members can contact the Company or the Company's Registrar and Transfer Agents- M/s Cameo Corporate Services Limited, for assistance in this regard.

12. The Company does not have the unpaid or unclaimed dividends declared up to financial years 2018-19 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. A Route Map showing directions to reach the Venue of the 40th 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 Regulation 44(1) of SEBI (Listing Obligation and disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facilities to its Members in respect of the business to be transacted at the 40th Annual General Meeting. 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 Annual General Meeting 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 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 Tuesday, the 22nd Sep. 2019 (05.00 p.m.) Ballot Forms received after this date will not be treated as valid.

VI. The remote e-voting period commences on September 20, 2019 at 10:00 a.m. and ends on September 22, 2019 at 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 16.09.2019, may cast their vote by remote e-voting. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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 of September 16, 2019.

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 Members 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, and on the website of NSDL 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 Thursday, September 20, 2018.

The process and manner for remote e-voting:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

A detail on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

- a) **For Members who hold shares in demat account with NSDL- 8 Character DP ID followed by 8 Digit Client ID,** For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
- b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
- c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company, for example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat

account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

A detail on Step 2 is given below:

How to cast your vote electronically on NSDL e-voting

1. After successful login at step 1, you will be able to see the Home Page of e-Voting. Click on e-Voting. Then click on Active Voting Cycles.
2. After click on Active Voting Cycles,, You will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

Members may also send their queries relating to e-voting to user manual available at the download section of 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.

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. 16.09.2019., may obtain the login ID and password by sending a request at 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 or contact NSDL at toll free No. 1800-222-990.

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.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3:

The Board of Directors pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on August 14, 2019 appointed Mr. N Sudharsan as Additional Director and further appointed him as Whole Time Director of the Company with effect from the said date for a term of 5 years, which is further subject to requisite approval from the shareholders in accordance with the applicable provisions of the Companies Act, 2013. Mr. N Sudharsan holds a bachelor Degree having experience of 20 years in Steel Pipe Industries.. He has a rich experience of over 20 years in fund raising, strategy turn around, mergers and acquisitions, project management and project finance. Mr. N Sudharsan was the Chief Financial Officer of our Company since long back. Taking into consideration his rich profile and in view of the increased responsibility, the Board proposed the appointment of Mr. N Sudharsan as Whole Time Director of the Company subject to requisite approvals. Accordingly, Mr. N Sudharsan has resigned as the CFO of the Company from the said date.

Item No.4:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of CMA Latha Venkatesh (Firm Regd. No. 101017) Cost Accountant, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019. 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. 4 of the Company's Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending 31st March 2019.

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

Item No.5

The Members at the 35th Annual General Meeting held on 25th September, 2014 approved the appointment of Mrs. Seshadhri Rajalakshmi as an Independent Director of the Company for a period of five years with effect from the said date. Mrs. Seshadhri Rajalakshmi has completed his present term on 19th July, 2019. She ceases to be a Director at this Annual General Meeting and a Shareholder having expressed with the intention to propose the appointment of Mrs. Seshadhri Rajalakshmi as an Independent Director under Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act 2013, read with the Companies (Appointment & Qualification of Directors) Rules 2014, and Schedule IV to the Companies Act 2013, and a Resolution is proposed for appointing her as an Independent Director. She is a Graduate with more than 15 years' experience in Steel Pipes Industry as well as Marketing & Selling and she is not disqualified to act as an Independent Director. The Board of Directors of the Company ('the Board') at the meeting held on 14th August, 2019, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the re-appointment of Mrs. Seshadhri Rajalakshmi as an Independent Director of the Company with effect from 20th July, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), or any amendment thereto or modification thereof.

Except Mrs. Seshadhri Rajalakshmi, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

The General Information about the Company and details about the appointee is annexed herewith the Notice.

Item No.6

In accordance with Regulation 23 of SEBI (LODR) Regulations, 2015 ("Regulations"), all material related party transactions shall be placed for approval of the shareholders in the General Meeting.

The Board of Directors of the Company based on the recommendations of the Audit Committee, considered this at its meeting held on August 14, 2019, and commended this to Shareholders for their approval. Accordingly, the approval of the shareholders by way of Ordinary Resolution is sought under Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 to enable the Company to enter into related Party Transactions. The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Accordingly, the details of all related party transactions entered and are still subsisting are given here in below for approval of the shareholders

| Sl. No | Name of the related party | Nature of Relationship | Nature of transaction | Area |
|--------|---------------------------|------------------------|-----------------------|--------------|
| 1 | Mrs. Durga Devi Goyal | Mother | Lease of property | 9605 sqr.ft. |

Except Mr. Rakesh Goyal, Managing Director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said Resolution.

Regd. Office

Mercury Apartment,
1st Floor,
65 Pantheon Road
Egmore

Chennai
14.08.2019

By Order of the Board

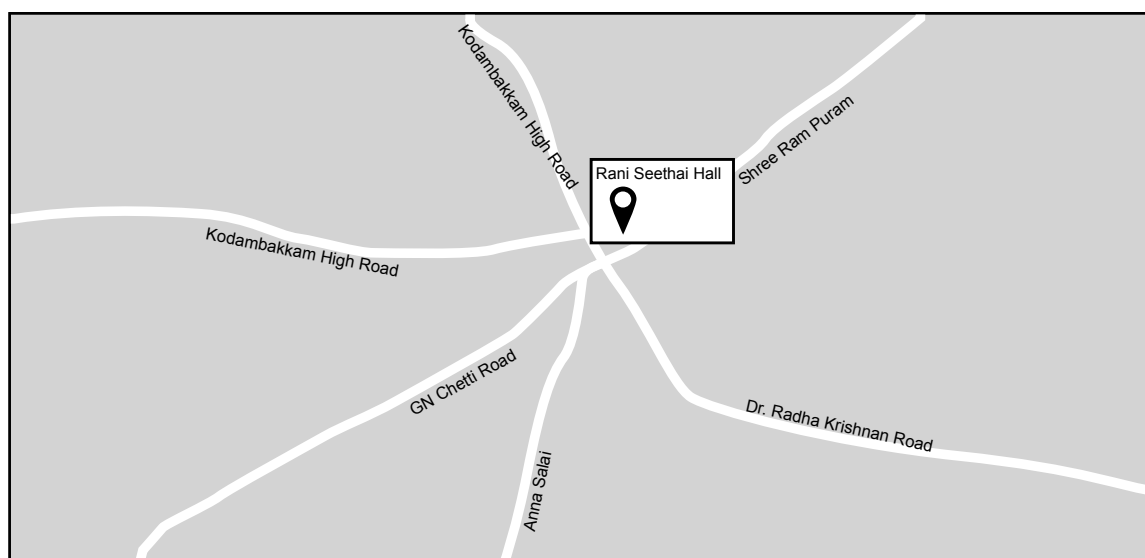
Sd/-
C. Muruganandam
Company Secretary
A12232

ANNEXURE TO THE NOTICE

Statement pursuant to the provisions of section ii of part ii of schedule v of the companies act, 2013 [including secretarial standard – 2 and SEBI (LODR) regulations, 2015, as applicable] in respect of item nos. 4 of the notice.

1. details of directors retiring by rotation / seeking appointment/ re-appointment at the ensuing annual general meeting [as per SEBI (LODR) Regulation, 2015]

| | | | |
|--|---|--|--|
| Name | Mr. Bivashwa Das | Mrs. Seshadhri Rajalakshmi | Mr. N sudharsan |
| DIN | 07352655 | 06927846 | |
| Date of Birth | 23.05.1984 | 20.09.1958 | 28.08.1955 |
| Qualification | B.E | B.A | B.Com |
| 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 15 years in the Steel Industry. He is responsible for overseeing the operations of the Unit. | A Graduate having experience over 20 years. In various industry. He has a rich experience over 20 years in Fund raising and Project Management |
| Date of First appointment | 23.09.2015 | 19.07.2014 | 14.08.2019 |
| Name of the companies in which he holds Directorship of Boards | NIL | NIL | NIL |
| Name of the Companies in which he hold membership of the Committees of the Board | NIL | NIL | NIL |
| No. of shares held in the Company | NIL | NIL | NIL |
| Nationality | Indian | Indian | Indian |

AGM Hall Route Map:



Rani Seethai Hall

Auditorium

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

🌐 raniseethaihall.com

📞 044 2829 4863

TNT

BOARD'S REPORT **& MANAGEMENT DISCUSSION AND ANALYSIS**

Dear Members,

Your Directors are pleased to present the **40th Annual Report** of the Company together with the Audited Financial Statements for the year ended 31st March, 2019. The Management Discussion and Analysis also forms part of this report.

1. FINANCIAL RESULTS (standalone):

The Company's Financial Results for the year ended 31st March 2019 is summarized below:

[Rs. in Crore]

| | 2018-19 | 2017-18 |
|--|----------------|----------------|
| Revenue from Operations (Net) and other income | 81.37 | 90.70 |
| Profit Before Tax (PBT) | 0.01 | 1.07 |
| Provision for Tax | (0.08) | 0.37 |
| Profit After Tax (PAT) | 0.09 | 0.70 |
| Other Comprehensive Income | - | - |
| Total Comprehensive Income | 0.09 | 0.70 |
| Balance brought forward from previous year | 5.81 | 5.11 |
| Profit available for Appropriations | 5.90 | 5.81 |
| Appropriations : | | |
| Interim Equity Dividend | - | - |
| Proposed Final Equity Dividend | - | - |
| Tax on Equity Dividends | - | - |
| Transfer to General Reserve | - | - |
| Surplus carried to the next year's account | 5.90 | 5.81 |

*Ind-AS Adjustments

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

Consolidated Revenue

Total income, comprising Revenue from Operations (Net) and other income for the year was Rs.81.37 Crore, as compared to Rs. 90.70 Crore in 2017-18. Total Revenue from Operations (Net) Decreased in 2018-19.

Other Operating Revenue

Other operating revenue for the year ended March 31, 2018 includes Rs.0.11 Crore (last year Rs. 0.07 Crore)

Profit before Tax

Profit before tax for the year is Rs.0.01 Crore as compared to Rs. 1.07 Crore in 2017-18

Total Comprehensive Income

Total Comprehensive Income for the year is Rs.0.09 Crore as compared to Rs. 0.70 Crore in 2017-18.

Material Changes and Commitments

Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

3. TRANSFER TO RESERVES

The Company has not proposed to transfer any amount to the General Reserves.

4. CASH & CASH EQUIVALENT

Cash and Cash Equivalent as at March 31, 2019 was Rs.3.62 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.

5. DIVIDEND

Your Directors has not recommended any dividend for the financial year 2018-19.

6. SHARE CAPITAL

The Company's paid up Equity Share Capital as on March 31st 2019 is Rs.5.12 Crore. The Company has neither issued any shares with differential 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 31, 2019 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.

7. 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.

8. STANDALONE FINANCIAL STATEMENTS

The Standalone Financial Statements of the Company for the Financial Year Ended 31.03.2019 are prepared in compliance with the applicable provisions of the Act, Indian Accounting Standards (Ind-AS) 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 of the Company for the year ended 31st March 2019 have been disclosed as per Division II of Schedule III to the Companies Act, 2013.

Pursuant to the provisions of Section 136 of the Companies 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 web link www.tamilnadusteeltubesltd.com

9. AWARDS AND CERTIFICATIONS

In two consecutive years, the company has conferred Export Award from EEPC for highest export of their products.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

For the present, the company is not falling under purview/ compliance of the same as per section 135 of the Companies Act, 2013. 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. The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

11. 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.

12. 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 there under is annexed herewith to the Board's Report.

13. 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 or the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis the Company.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 and SEBI Regulations.

Directors and KMPs resigned and appointed during the year:

- 1 Mr. Jyotiprakash Sahoo Company Secretary & Compliance Officer also resigned w.e.f 15.10.2018.
- 2 Mr. C Muruganandam, an Associate Member of the Institute of Company Secretaries of India, has been appointed as the Company Secretary & Compliance Officer of the Company w.e.f 15.05.2019.
- 3 Mr. Mahaveer Singh, Whole-time Director has resigned w.e.f 14th August 2019.
- 4 Mr. N sudharsan, has resigned as CFO and appointed as Whole-time Director w.e.f 14th August 2019.
- 5 Mrs. G Chitra has been appointed as CFO w.e.f 14th August 2019.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of Independence as given under Section 149(7) of the Companies Act, 2013 and the relevant provisions of the Listing Regulations.

Further, in accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. M.T. Elumalai (DIN: 01278399) Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-election. Mrs. Seshadhri

Rajalakshmi, Independent Director of the Company, Whose term of office has ended on 19.07.2019, reappointed again for a term of further five years by the Board subject to the consent of the members of the Company at the ensuing Annual General Meeting of the Company.

The required information of the Directors being re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

There was no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above.

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 there under.

- | | |
|------------------------|---------------------------------------|
| 1. Mr. Rakesh Goyal | - Managing Director |
| 2. Mr. C. Muruganandam | - Company Secretary & Head Compliance |
| 3. Mr. N. Sudharsan | - Whole-time Director |
| 4. Mr. M.T. Elumalai | - Whole-time Director |
| 5. Mr. Bivashwa Das | - Whole-time Director |
| 6. Mrs. G chitra | - Chief Financial Officer |

15. DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report.

16. AUDITORS

Statutory Auditors

The members, in the 38th Annual General Meeting held on September 4, 2017, appointed M/s. Abhaya Jain & Co., Chartered Accountants, [Firm's Registration No. 000008S] as the Statutory Auditors of the Company, to hold office for a term of 5 (five) years from the conclusion of the 38th Annual General Meeting (AGM) of the Company held in the financial year 2016-17 until the conclusion of the AGM of the Company for the financial year 2021-22 on such remuneration as may be determined by the Board of Directors.

Pursuant to the amendment to Section 139 of the Companies Act, 2013 which was notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no longer required. There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the Financial Year 2018-19.

The notes to accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

Cost Auditors

On the recommendation of the Audit Committee the Board of Directors appointed FCMA Latha Venkatesh, Cost Accountants (Firm Registration No. 101017), as Cost Auditor of the Company for the financial year 2019-20 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. 4 of the notice convening the Annual General Meeting.

Secretarial Audit

The Company has appointed Mr. VS Sowri Rajan (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 for the Financial Year 2018-19. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure.

17. MEETINGS

Board Meetings

During the year under report, Four (4) 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 four including the chairman of the committee are Independent Directors. During the year, Four (4) 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 once during the reporting period. Details of the Committee are given in the Corporate Governance Report.

18. SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval given on 10 April 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1 July 2015. The said standards were further amended w.e.f. 1 October 2017. The Company is in compliance with the same.

19. EXTRACT OF ANNUAL RETURN

As required by Section 92(3) of the Act and the Rules framed there-under, the extract of the Annual Return in Form MGT 9 is available on the website of www.tamilnadusteeltubesltd.com.

20. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

21. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief in accordance 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, 2019, 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, 2019, 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

22. 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.

23. INTERNAL CONTROL SYSTEMS

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.

24. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism named Ethical View Reporting Policy (EVRP) to report concerns about unethical behavior, 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.

Board Effectiveness

a. Familiarization Programme for the Independent Directors

In compliance with the requirements of SEBI (Listing Obligation and Disclosure Requirements) 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.

b. 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.

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. ECONOMIC SCENARIO AND OUTLOOK

Indian economy followed a path of recovery registering growth in the Financial Year 2018-19. 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 2018-19 closed as a momentous year for the country marked by landmark economic reforms even as the global economic scenario was indifferent. That is the Goods and Services Tax (GST), a single tax intended to replace the existing Central and State indirect taxes and the e-way Bill.

The outlook for the current financial year 2018-19 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 2018-19 was welcomed for its thrust on the rural sector, infrastructure development, housing and a boost to the overall investment climate. If 2018-19 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.

27. 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 since 1979. TNT was established with a vision to manufacture and to 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 2019 would include the following:

- •To pursue a judicious value-cum-volume strategy so as to maximize 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 off takes.
- •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.

28. G.I. PIPES & TUBES – PERFORMANCE

| PARTICULARS | 2018-19 | 2017-18 |
|-----------------------------------|----------------|----------------|
| Production – Metric Tonnes | 13528.810 | 20600.090 |
| Sales volume – Metric Tonnes | 13386.635 | 18751.600 |
| Net Sale Value - (Rs. in lakhs) | 8,137.41 | 9062.61 |
| Operating EBITDA - (Rs. in lakhs) | 102.80 | 189.42 |
| Operating EBITDA – margin | 1.26 % | 2.09% |

Costs – Pipes & Tubes Business

During the year 2018-19, the Company maintained a close focus on effective cost management through various initiatives.

a) Cost of Materials consumed

Cost of materials consumed was Rs.7364.10 in 2018-19 as against Rs.7890.42 Lakhs during the year 2017-18.

b) Power & Fuel

The Power & Fuel spent in 2018-19 was Rs. 1.26 Crore, as compared to Rs.1.38 Crore spent in 2017-18. 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 is Rs.0.35 Crore as compared to Rs.0.49 Crore in 2017-18.

d) Employee costs

Overall employee costs, as a share of total income from operations, decreased to 14.12% in 2018-19

e) Other Expenditure

Other expenditure constitutes Rs.46.13 Crore of total income from operations of the Company as compared to Rs. 50.43 Crore in 2017-18.

29. SUSTAINABLE DEVELOPMENT

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

CO2 Emissions:

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

Green Energy

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

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.

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.

30. 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.

31. 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.

32. 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 2018-19, 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 there under, 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.

33. 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.

The Company is faced with various risks at an operational level which very often have the potential to offer business opportunities. Some of the main risks are discussed herein:

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

Your Company also regularly examines potential opportunities created from situations involving business risks. These include possibilities in the areas of the availability and sourcing of raw materials, energy efficiency and conservation, logistics, product development and market segmentation based on research, imbibing best practices in manufacturing and other areas leading to productivity improvement.

34. 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 Frame work.

35. 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.

36. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis is describing Company's objective, expectations and 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

| | | |
|------------------------|------------------------|--------------------------|
| | Sd/- | Sd/- |
| Chennai | M.T.ELUMALAI | RAKESH GOYAL |
| August 14, 2019 | Director | Managing Director |
| | (DIN: 01907248) | (DIN: 00990310) |

ANNEXURES TO BOARD'S REPORT**I N D E X**

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ANNEXURE I**CSR POLICY STATEMENT & ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2018-19**

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 and society also.

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 Organizations and Academic Institutions in pursuit of our Goals.
- Interact regularly with stakeholders, review and publicly report our CSR initiatives.

Details Of Amount Spent On CSR Activities During The Financial Year 2018-19

| S I . 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 | Amount spent on the projects or programs: Sub Heads (1) Direct expenditure on projects or programs (2) Overheads | Cumulative expenditure upto the reporting period, i.e., March 31, 2019 (Rs. in crore) | Amount spent direct or through implementing agency |
|-------------|------------------------------------|---|---|--|---|--|--|
| 1. | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

For and on behalf of the Board

Sd/-

Sd/-

Chennai

August 14, 2019

**M.J. Lakshmi
Narasimha Rao**

Director
(DIN: 01275880)

M.T. Elumalai

Whole Time Director
(DIN: 01278399)

ANNEXURE II**POLICY FOR SELECTION OF DIRECTORS, KMPs 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 recognizes the importance of Independent Directors in achieving the effectiveness of the Board. TNT aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

Scope and Exclusion:

This Policy sets out the guiding principles for the 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:

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 out 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

Sd/-
Rakesh Goyal
Managing Director
DIN: 00990310

ANNEXURE III**REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES****INTRODUCTION:**

- Tamilnadu Steel Tubes Ltd., (TNT) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

SCOPE AND EXCLUSION:

This Policy sets out the guiding principles for the 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:

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

“**Key Managerial Personnel**” means

- the Chief Executive Officer or the Managing Director or the Manager;
- the Company Secretary;
- the Whole-time Director;
- the Chief Financial Officer; and
- such other officers 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:

- a. Basic Pay
- b. Perquisites and Allowances
- c. Stock Options
- d. Commission (Applicable in case of Executive Directors)
- e. Retiral benefits
- f. 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 organization. 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.

Chennai

For and on behalf of Board of Directors

August 14, 2019

**Sd/-
Rakesh Goyal
Managing Director
DIN: 00990310**

Annexure -IV**Form No. MR-3**

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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 2018 ('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 2019 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; (No actions/ events requiring compliance pursuant to this Regulations)

- (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 Regulation);
- (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. During the financial year, two Independent Directors were appointed.

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.

Chennai
August 14, 2019

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

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

ANNEXURE-A**To**

The Members

Tamilnadu Steel Tubes Limited
"Mercury Apartments", 1st Floor
65, Pantheon Road, Egmore
Chennai - 600 008.

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

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

Chennai
August 14, 2019

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

ANNEXURE V**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****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 optimize 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 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. Steps have been taken for 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 | 14,81,325 |

[FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:]**A. POWER & FUEL CONSUMPTION**

| | | | |
|----|----------------------------------|------------|-------------|
| 1. | ELECTRICITY | 2018-19 | 2017-18 |
| a) | Purchase Unit KWH | 12,65,120 | 14,68,560 |
| | Total Amount | 11,570,205 | 1,29,06,031 |
| | Rate / Unit | 9.15 | 8.79 |
| b) | Own on Generation | - | - |
| | i. Through Diesel Generator Unit | 37,000 | 30,750 |

| | | | |
|----|---|-------------|-----------|
| | Units per Ltr. of Diesel Oil | 2.5 | 2.5 |
| | Cost | 29.21 | 24.38 |
| | ii.Through Steam Turbine / Generate Units | - | - |
| | Units per Ltr. of Fuel Oil Gas Cost/Unit | - | - |
| 2. | COAL(Specify quality and where used) | - | - |
| | Qty. (Tonnes) | - | - |
| | Total Cost | - | - |
| | Average Rate | - | - |
| 3. | FURNACE OIL | - | - |
| | Qty. (Ltrs./MTs) | 2,38,863 | 2,53,667 |
| | Total Cost | 1,02,36,426 | 78,71,603 |
| | Average Rate per Ltr./Kg | 42.8 | 31.03 |
| 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 | 2018-19 | 2017-18 |
|----------------------|----------|--|--|
| Electricity | - | 94.84 Unit/MT of Black Pipe Production | 91.21 Unit/MT of Black Pipe Production |
| Furnace Oil | - | 44.27 LTR/Mt of Black Pipes Galvanized | 35.23 LTR/Mt of Black Pipes Galvanized |
| Coal / Others | - | - | - |

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 characterization 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 and Import Substitution

The potential benefits derived from R&D and Technology absorption, adoption and innovation initiatives in FY 2017-18 is approximately about Rs.7.6 Lakhs.

Information regarding Imported Technology (Imported during last three years: Nil

Foreign Exchange Earnings and Outgo: **Nil**

For and on behalf of Board of Directors

**Sd/-
Rakesh Goyal
Managing Director
DIN: 00990310**

**Chennai
August 14, 2019**

Annexure VI**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2019****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

| I. REGISTRATION & OTHER DETAILS: | | |
|---|--|---|
| 1 | CIN | L27110TN1979PLC007887 |
| 2 | Registration Date | 13.07.1979 |
| 3 | Name of the Company | TAMILNADU STEEL TUBES LIMITED |
| 4 | Category/Sub-category of the Company | PUBLIC LIMITED COMPANY |
| 5 | Address of the Registered office & contact details | Mercury Apartment, 1st Floor, 65, Pantheon Road, Egmore, Chennai-600 008, TN Email: tnt.share@yahoo.in Website: www.tamilnadusteeltubes.com |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s. CAMEO Corporate Services Ltd. Subramanian Building, No.1, Club House Road, Chennai-600 002, Tamil Nadu |

| II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY | | | |
|--|--|----------------------------------|------------------------------------|
| (All the business activities contributing 10 % or more of the total turnover of the company shall be stated) | | | |
| S. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
| 1 | Manufacturer of ERW Steel Pipes (Black & Galvanized) and Stainless Steel Pipes | 24311 | 100 |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES | | | | | |
|--|---------------------------------|---------|--------------------------------|------------------|--------------------|
| SN | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
| 1 | Nil | Nil | Nil | Nil | Nil |

| IV. SHARE HOLDING PATTERN | | | | | | | | | |
|--|---|----------------|----------------|-------------------|---|----------------|----------------|-------------------|--------------------------|
| (Equity share capital breakup as percentage of total equity) | | | | | | | | | |
| (i) Category-wise Share Holding | | | | | | | | | |
| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2018] | | | | No. of Shares held at the end of the year [As on 31-March-2019] | | | | % Change during the year |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 599,310 | 289,800 | 889,110 | 17.35% | 599,310 | 164,200 | 736,510 | 14.90% | 17.00% |
| b) Central Govt | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| c) State Govt | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| d) Bodies Corp. | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| e) Banks / FI | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| f) Any other | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Sub Total (A) (1) | 599,310 | 289,800 | 889,110 | 17.35% | 599,310 | 164,200 | 736,510 | 14.90% | 17.00% |
| (2) Foreign | | | | | | | | | |
| a) NRI Individuals | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| b) Other Individuals | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| c) Bodies Corp. | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| d) Any other | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Sub Total (A) (2) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| TOTAL (A) | 599,310 | 289,800 | 889,110 | 17.35% | 599,310 | 164,200 | 736,510 | 14.90% | 17.00% |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | 70,600 | 70,600 | 1.38% | - | 70,600 | 70,600 | 1.38% | 0.00% |
| b) Banks / FI | -- | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| c) Central Govt | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| d) State Govt(s) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| e) Venture Capital Funds | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| f) Insurance Companies | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| g) FIs | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| h) Foreign Venture Capital Funds | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| i) Others (specify) | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Sub-total (B)(1):- | - | 70,600 | 70,600 | 1.38% | - | 70,600 | 70,600 | 1.38% | 0.00% |

| | | | | | | | | | |
|--|-----------|-----------|-----------|---------|-----------|-----------|-----------|---------|--------|
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 8300 | 1034500 | 1,079,800 | 21.07% | 1005000 | - | 10,05,000 | 19.61% | |
| ii) Overseas | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| b) Individuals | - | - | - | - | - | - | - | - | -- |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 173290 | 2220000 | 2,393,290 | 46.70% | 2110600 | 282080 | 2392680 | 46.69% | 1.30% |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 640600 | 51400 | 692,000 | 13.50% | 640600 | 177000 | 817600 | 15.95% | 46.44% |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Overseas Corporate Bodies | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Foreign Nationals | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Clearing Members | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Trusts | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Foreign Bodies - DR | - | - | - | 0.00% | - | - | - | 0.00% | 0.00% |
| Sub-total (B)(2):- | 822,190 | 3,305,900 | 4,165,090 | 81.27% | 3756200 | 205280 | 4,215280 | 82.25% | 0.12% |
| Total Public (B) | 749,800 | 3,480,890 | 4,230,690 | 82.55% | 822,190 | 3,376,500 | 4,235,690 | 82.65% | 0.10% |
| C. Shares held by Custodian for GDRs & ADRs | | | | 0.00% | | | | 0.00% | 0.00% |
| Grand Total (A+B+C) | 1,349,110 | 3,775,690 | 5,124,800 | 100.00% | 1,421,500 | 3,666,300 | 5,124,800 | 100.00% | 0.44% |

| (ii) Shareholding of Promoter | | | | | | | | |
|--------------------------------------|---------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Rakesh Goyal (HUF) | 143,110 | 2.79% | | 143,110 | 2.79% | | 0.00% |
| 2 | Rakesh Goyal (Individual) | 304,640 | 5.94% | | 304,640 | 5.94% | | 0.00% |
| 3 | Seema Goyal | 151,560 | 2.96% | | 217,560 | 4.25% | | 0.00% |
| 4 | Kedarnath Goyal | 6,890 | 0.14% | | 0 | 0.14% | | 100.00% |
| 5 | Mohanlal Jain | 40,000 | 0.78% | | 0 | 0.78% | | 100.00% |
| 6 | Om Prakash Bagla | 20,000 | 0.39% | | 0 | 0.39% | | 100.00% |

| | | | | | | | | |
|----|-------------------------------|----------------|---------------|--|----------------|---------------|--|---------|
| 7 | Vimala Devi Bagla | 9,900 | 0.19% | | 0 | 0.19% | | 100.00% |
| 8 | Sanjay kumar Agarwal | 6,000 | 0.12% | | 6,000 | 0.12% | | 0.00% |
| 9 | Dikcha Devi Agarwal | 4,000 | 0.08% | | 4,000 | 0.08% | | 0.00% |
| 10 | Renu Agarwal | 6,000 | 0.12% | | 6,000 | 0.12% | | 0.00% |
| 11 | Anita Agarwal | 4,000 | 0.08% | | 4,000 | 0.08% | | 0.00% |
| 12 | Om Prakash Garg | 6,000 | 0.12% | | 0 | 0.12% | | 100.00% |
| 13 | Mangalchand Khemka | 23,000 | 0.45% | | 3,000 | 0.06% | | 0.00% |
| 14 | Sarala Devi Khemka | 5,500 | 0.11% | | 0 | 0.11% | | 100.00% |
| 15 | Nirmala Devi Khemka | 5,000 | 0.10% | | 5,000 | 0.10% | | 0.00% |
| 16 | Puran Khemka | 7,000 | 0.14% | | 7,000 | 0.14% | | 0.00% |
| 17 | Charanjit Kalra | 10,000 | 0.20% | | 0 | 0.20% | | 100.00% |
| 18 | Richpal Singh | 5,500 | 0.11% | | 0 | 0.11% | | 100.00% |
| 19 | Vimala Devi Agarwal | 6,600 | 0.13% | | 0 | 0.13% | | 100.00% |
| 20 | Rajesh Choudary | 10,000 | 0.20% | | 0 | 0.20% | | 100.00% |
| 21 | S.R.Sarathy | 10,000 | 0.20% | | 0 | 0.20% | | 100.00% |
| 22 | S.K. Chopra | 15,000 | 0.29% | | 0 | 0.29% | | 100.00% |
| 23 | Pawan Bagla | 10,300 | 0.20% | | 0 | 0.20% | | 100.00% |
| 24 | Rajesh Bagla | 10,400 | 0.20% | | 0 | 0.20% | | 100.00% |
| 25 | Sawarmal | 20,000 | 0.39% | | 20,000 | 0.39% | | 0.00% |
| 26 | Sukhvinder Singh | 20,000 | 0.39% | | 20,000 | 0.39% | | 0.00% |
| 27 | Om Prakash Gupta | 5,510 | 0.11% | | 0 | 0.11% | | 100.00% |
| 28 | Vivek Kumar Kajaria | 8,400 | 0.16% | | 8,400 | 0.16% | | 0.00% |
| 29 | Kavita Kajaria | 7,700 | 0.15% | | 7,700 | 0.15% | | 0.00% |
| 30 | Sheo Kumar Kajaria | 3,100 | 0.06% | | 3,100 | 0.06% | | 0.00% |
| 31 | Asha Rani Kajaria | 4,000 | 0.08% | | 4,000 | 0.08% | | 0.00% |
| | TOTAL NUMBER OF SHARES | 894,110 | 17.45% | | 763,510 | 14.90% | | |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Particulars | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|------------------------------|------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Seema Goyal | | | | | | |
| | At the beginning of the year | | | 1,51,560 | 2.96% | | |
| | At the end of the year | | | | | 217560 | 4.25 % |

| (iv) Shareholding Pattern of top ten Shareholders | | | | | | | |
|---|-------------------------------------|------|---------|---|-------------------|---|-------------------|
| (Other than Directors, Promoters and Holders of GDRs and ADRs): | | | | | | | |
| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Kareetem Traders Limited | | | | | | |
| | At the beginning of the year | | | 5000 | 0.09% | | |
| | Changes during the year | - | 1000000 | - | | | |
| | At the end of the year | - | | 10,05,000 | 19.61% | 1005000 | 19.61 % |
| 2 | Rakesh Goyal | | | | | | |
| | At the beginning of the year | | 0 | 304600 | 5.94% | | |
| | Changes during the year | - | 0 | - | 0 | | |
| | At the end of the year | - | 0.00% | 304640 | 5.94% | 304640 | 5.94% |
| 3 | Saatvik Goyal | | | | | | |
| | At the beginning of the year | | | 238400 | 4.65% | | |
| | Changes during the year | - | 0.00% | - | 0.00% | | |
| | At the end of the year | - | 0.00% | 238,400 | 4.65% | 238,400 | 4.65% |
| 4 | Seema Goyal. | | | 151560 | | | |
| | At the beginning of the year | | | 151560 | 2.96% | | |
| | Changes during the year | - | | - | | | |
| | At the end of the year | - | 0.00% | 217560 | 4.25% | 217560 | 4.25% |
| 5 | Durga Devi Goyal | | | | | | |
| | At the beginning of the year | | | 242200 | 4.73% | | |
| | Changes during the year | - | 0.00% | - | 0.00% | | |
| | At the end of the year | - | 0.00% | 242,200 | 4.73% | 242,200 | 4.73% |
| 6 | Drishya Goyal | | | | | | |
| | At the beginning of the year | | | 160,000 | 3.12% | - | 0.00% |
| | Changes during the year | | | - | 0.00% | - | 0.00% |
| | At the end of the year | | | - | 0.00% | 160,000 | 3.12% |
| 7 | Rakesh Goyal. | | | | | | |

| | | | | | | | |
|---|------------------------------|---|-------|---------|-------|---------|-------|
| | At the beginning of the year | | | 143,110 | 2.79% | - | |
| | Changes during the year | - | | 0 | 0.00% | | |
| | At the end of the year | - | | 0 | 0.00% | 143,110 | 2.79% |
| 8 | Indersain Goyal | | | | | | |
| | At the beginning of the year | | | 0- | 0.00% | | |
| | Changes during the year | - | 0.00% | 93,500 | 1.82% | | |
| | At the end of the year | - | | | | 93,500 | 1.82% |
| 9 | BOI Mutual Fund | | | | | | |
| | At the beginning of the year | | | 70,600 | 1.38% | | |
| | Changes during the year | - | 0.00% | - | 0.00% | | |
| | At the end of the year | - | 0.00% | 70,600 | 1.38% | 70,600 | 1.38% |
| 10 | PR SHANKAR (HUF). | | | | | | |
| | At the beginning of the year | | | 10000 | 0.19% | | |
| | Changes during the year | - | | 32,100 | 0.62% | | |
| | At the end of the year | - | | 42,100 | | 42,100 | 0.81% |
| <p>Note: The above information is provided based on the Beneficiary Position received from Depositories and Physical share register. The quarter wise change in the holding position of the above shareholders is provided on the company's website.</p> | | | | | | | |

| (v) Shareholding of Directors and Key Managerial Personnel: | | | | | | | |
|---|--|------|--------|---|-------------------|---|-------------------|
| SN | Shareholding of each Directors and each Key Managerial Personnel | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Mr. Rakesh Goyal, MD | | | | | | |
| | At the beginning of the year | | | 304640 | 0.00% | | 0.00% |
| | Changes during the year | | | - | 0.00% | | 0.00% |
| | At the end of the year | | | 304640 | 0.00% | | 0.00% |

| V. INDEBTEDNESS | | | | |
|---|-------------------------------------|-----------------|----------|--------------------|
| Indebtedness of the Company including interest outstanding/accrued but not due for payment. | | | | |
| | | | | (Rs. in Lacs) |
| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 22.71 | 1107.30 | - | 1130.01 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 22.71 | 1107.30 | - | 1130.01 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 66.53 | 128.70 | - | 195.23 |
| * Reduction | (33.98) | (20.35) | - | (54.33) |
| Net Change | 32.55 | 108.35 | - | 140.90 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 55.26 | 1215.65 | - | 1270.91 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 55.26 | 1215.65 | - | 1270.91 |

| A. Remuneration to Managing Director, Whole-time Directors and/or Manager: | | | | | | |
|---|---|-------------------------|----------------|---------------|---------------|-----------------------------|
| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount (Rs in Lac) |
| | | Rakesh Goyal | Mahaveer Singh | Bivashwa Das | M.T. Elumalai | |
| | Designation | MD | WTD | WTD | WTD | |
| 1 | Gross salary | 3000096 | 2310000 | 289140 | 380002 | 5979238 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - | - | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission | - | - | - | - | - |
| | - as % of profit | - | - | - | - | - |
| | - others, specify | - | - | - | - | - |
| 5 | Others, please specify | - | - | - | - | - |
| | Total (A) | 3000096 | 2310000 | 289140 | 380002 | 5979238 |

| B. Remuneration to other Directors: | | | | | | |
|--|--|----------------------------------|------------------------|----------------------|------------------------------|-----------------------|
| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount (Rs/Lac) |
| 1 | Independent Directors | M.J.Lakshmi Narasimha Rao | Rajesh Sai Iyer | Renuka Ramesh | Seshadhri Rajalakshmi | |
| | Fee for attending board committee meetings | 32000 | 28000 | 18000 | 34000 | 112000 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | 32000 | 28000 | 18000 | 34000 | 112000 |
| 2 | Other Directors | Rakesh Goyal | Mahaveer Singh | Bivashwa Das | M.T. Elumalai | - |
| | Fee for attending board committee meetings | 16000 | 28000 | 18000 | 18000 | 80000 |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | 16000 | 28000 | 18000 | 18000 | 80000 |
| | Total (B)=(1+2) | - | - | - | - | - |
| | Total Managerial Remuneration | | | | | 6171238 |

| VII. 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) |
| A. COMPANY | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | NIL | | |
| Punishment | | | | | |
| Compounding | | | | | |

Annexure VII

The particulars required under Section 197(12) of the Companies Act, 2013 read with the Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 annexed to and forming part of the Directors Report for the year ended 31st March 2019.

| | | |
|----|---|---|
| 1 | The ratio of the remuneration of each Director to the median remuneration of the employees. | Rs.1.83 Lakhs per annum to Rs.29.18 Lakhs per annum Ratio of remuneration is 1: 28 |
| 2 | % increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) in the financial year | 18.75% increase in remuneration to Whole Time Director. 12% increase in remuneration to CFO. No increase in remuneration to CS (New Appointment). |
| 3 | % increase in the median remuneration of employees in the financial year. | 12% |
| 4 | The number of permanent employees on the rolls of company; | 198 |
| 5 | The explanation on the relationship between average increase in remuneration and company performance; | Increase in remuneration to employees is considered based on the performance criteria fixed by the Company. |
| 6 | Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the company; | Performance incentive is linked to overall performance of the individual and Company. |
| 7 | Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer. | No Public Offer is carried out so far after the Initial public offer. |
| 8 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Salary increase to non-managerial employees is at 12% and for managerial employees is at 18% |
| 9 | Comparison of the each remuneration of the KMPs against the performance of the Company; | Remuneration consists of two parts (i) fixed and (ii) variable incentive. Payment of variable incentive is based on overall performance of the Company. |
| 10 | The key parameters for any variable component of remuneration availed by the Directors; | No Director other than executive Directors are receiving any remuneration except sitting fees payment. |
| 11 | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year. | Not applicable |

It is affirmed that the remuneration paid / payable to the Directors, KMPs and other median employees are as per the remuneration policy of the Company.

Chennai
August 14, 2019

Rakesh Goyal
Managing Director
DIN: 00990310

Annexure – VIII

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 arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis- 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.) | Outstanding as on 31.03.19 |
|--------|---------------------------|--------------------|-----------------------------|-----------------|----------------------------|
| 1 | Rakesh Goyal | Managing Director | Managerial remuneration | 3,000,096 | - |
| | | | Loan given | 11,038,301 | |
| | | | Interest received | - | - |
| 2 | Mrs. Seema Goyal | Accounts executive | Managerial remuneration | 6,00,000 | 1,00,000 |
| 3 | Mrs. Durga Devi Goyal | Promoter | land lease advance received | 105,000,000 | - |
| | | | | | - |

Chennai
August 14, 2019

For and on behalf of Board of Directors

Sd/-
M. T. Elumalai
Whole-time Director
DIN: 01278399

Annexure IX**REPORT ON CORPORATE GOVERNANCE**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019.

1. 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 40 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.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has adopted best practices mandated in the Listing Regulations. A Report on compliance with Corporate Governance as stipulated in the Listing 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.

2. BOARD OF DIRECTORS:

The Board of Directors 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.

The Composition of Board and meetings:

The Company's Board is a balanced mix of Executive and Non-Executive Directors, all having diverse experience and expertise in their fields of operation. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations. As at the end of corporate financial year 2019, the total Board strength comprises of Eight (8) Directors on the Board, out of which Four (4) are Non-Executive Directors including a Non-Executive Chairman, and the rest are Executive Directors.

Attendance of Directors at Board Meetings and the last Annual General Meeting (AGM) and number of directorships / committee memberships held by the Directors in other Companies:

| Name of the Director | Category | Attendance | | Number of Directorship in other Public Companies as on 31st March, 2019 | Committee Chairmanship and Membership | | Shareholding of Non-Executive Directors as at March 31, 2019 |
|--|------------------------------------|---------------|----------------------|---|---------------------------------------|------------|--|
| | | Board Meeting | AGM held on 20.09.18 | | Chairmanship | Membership | |
| Mr.Rakesh Goyal DIN:00990310 MD | Executive Director | 4 | √ | NIL | NIL | 1 | NA |
| Mr. Bivashwa Das DIN:07352655 | Executive Director | 4 | √ | NIL | NIL | 2 | - |
| Mr. Mahaveer Singh DIN:01907248 | Executive Director | 4 | √ | NIL | NIL | 4 | - |
| Mr. M.T.Elumalai DIN:01278399 | Executive Director | 4 | √ | NIL | NIL | 1 | - |
| Mr. L.N Rao DIN:01275880 | Independent Non-Executive Director | 4 | √ | 2 | 4 | 4 | - |
| Mr. Rajesh Sai Iyer DIN:05353374 | Independent Non-Executive Director | 4 | √ | NIL | NIL | 2 | - |
| Mrs. Renuka Ramesh DIN:07904904 | Independent Non-Executive Director | 4 | √ | NIL | NIL | 3 | - |
| Mrs. Shesadhri Rajalakshmi DIN:06927846 | Independent Non-Executive Director | 4 | √ | NIL | NIL | 4 | - |

Number of Board Meetings held and the dates on which held:

There were Four (4) Board Meetings of the Company held during the financial year 2018-2019 on the following dates: May 30, 2018, August 14, 2018, November 14, 2018, and February 14, 2019.

3. COMMITTEES OF BOARD:

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.

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:

The composition of the Audit Committee and the scope of its activities and powers are in conformity with and include the areas prescribed under the Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and the Rules framed thereunder. The Audit Committee comprises of Six Directors who are well versed with the financial matters and corporate laws. The Audit Committee met four (4) times on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019. The necessary quorum was present for all the meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 20, 2018.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

| Name of the Director | Category | Position | No. of Meetings Attended |
|-----------------------------|-----------------------------|-----------------|---------------------------------|
| M.J.Lakshmi Narasimha Rao | Independent, Non- Executive | Chairman | 4 |
| Mahaveer Singh | Executive | Member | 4 |
| Rajesh Sai Iyer | Independent, Non- Executive | Member | 4 |
| Rakesh Goyal | Executive | Member | 4 |
| Renuka Ramesh | Independent, Non- Executive | Member | 4 |
| Seshadhri Rajalakshmi | Independent, Non- Executive | Member | 4 |

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

The terms of reference and role of the Audit Committee are as per guidelines set out in the Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia reviews:

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, inter alia, include reviewing changes in the accounting policies, if any, and reasons for the same. Major accounting estimates based on exercise of judgment 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 judgment 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 arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

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 was invited to attend the Meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. Managing Director, Chief Financial Officer (CFO), the Internal Auditor, attend the Audit Committee Meetings. Company Secretary acts as 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.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors, all being Independent. The Committee met Four times in 2018-2019 on May 30, 2018, August 14,

2018, November 14, 2018 and February 14, 2019. The necessary quorum was present for both the meeting. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on September 20, 2018. The composition of the Committee during 2018-2019 and the details of meetings held and attended by the members are as under:

| Name of the Director | Category | Position | No. of Meetings Attended |
|---------------------------|-----------------------------|----------|--------------------------|
| Rajesh Sai Iyer | Independent, Non- Executive | Chairman | 4 |
| M.J.Lakshmi Narasimha Rao | Independent, Non- Executive | Member | 4 |
| Seshadhri Rajalakshmi | Independent, Non- Executive | Member | 4 |

The Company Secretary acts as the Secretary to the Committee.

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.

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 to Directors:

The Company has a well-defined policy for the remuneration of the Directors, Key Managerial Personnel and other employees. The said policy was approved by the Board based upon the recommendation of the Nomination and Remuneration Committee.

The Board of Directors / Nomination and Remuneration Committee is authorized to decide the remuneration of the Executive Directors, subject to the approval of the members. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company. The Company does not have a scheme for grant of stock options.

Terms of appointment and remuneration of the MD

The terms and conditions for appointment and remuneration of the 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 20, 2018

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 |
| Total | : | 1,45,008 |
| | | 2,50,008 |

Allowances

- Housing: Free furnished residential accommodation or HRA at the rate of 40% of the basic salary.
- 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.
- Medical Reimbursement: Such amount as may be decided by the Company and CEO & MD, in addition to Group Medi-claim Policy, as per the rules of the Company.
- Special Allowance: as may be decided by the Board, on the recommendation of the Nomination & Remuneration Committee.

Perquisites

- Membership of one club.
- Personal Accident Insurance Policy, as per the rules of the Company.
- 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 Funds and Superannuation Funds are provided as per Company rules 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 to other Directors:

The Company has a policy for determining the remuneration of the Non-Executive Directors of the Company. The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and / or Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed thereunder. The remuneration determined for the Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. The Non-Executive Directors are paid sitting fees of Rs. 2,000/- per meeting for attending Board Meetings, Committee meetings and separate meeting of Independent Directors.

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 | 30,00,096 | - | 16,000 | 30,16,096 |
| Mahaveer Singh | 23,10,000 | - | 28,000 | 23,38,000 |
| M.T. Elumalai | 3,80,002 | - | 18,000 | 3,98,002 |
| Bivashwa Das | 2,89,140 | - | 18,000 | 3,07,140 |
| Lakshmi Narasimha Rao | - | - | 32,000 | 32,000 |
| Rajesh Sai Iyer | - | - | 28,000 | 28,000 |
| Renuka Ramesh | - | - | 18,000 | 18,000 |
| Seshadhri Rajalakshmi | - | - | 34,000 | 34,000 |
| TOTAL | 59,79,238 | - | 1,92,000 | 61,71,238 |

Stakeholders' Relationship Committee:

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor grievance. During the year under review, the Committee met 2 (Two) times on May 30, 2018 & 14th February, 2019. The composition and details of the meetings attended as on 31.03.2019 by the members are given below:

| Name of the Director | Category | Position | No. of Meetings Attended |
|----------------------------|-----------------------------|----------|--------------------------|
| M.J. Lakshmi Narasimha Rao | Independent, Non- Executive | Chairman | 2 |
| M.T. Elumalai | Executive Director | Member | 2 |
| Seshadhri Rajalakshmi | Independent, Non- Executive | Member | 2 |
| Mahaveer Singh | Executive Director | Member | 2 |
| Renuka Ramesh | Independent, Non- Executive | Member | 2 |

Company Secretary is the "Compliance Officer" who oversees the redressal of the investors' grievances. All the Members of the above Committee have attended the Annual General Meeting of the Company. During the year 12 (Twelve) complaints were received from shareholders, out of which all complaints have been attended / resolved. As on March 31, 2019, no investor grievance has remained unattended / pending for more than thirty days.

Terms of Reference

- The Committee act in accordance with the terms of reference which shall, inter alia, include:
- 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.

Corporate Social Responsibility (CSR) 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 Committee met once during the year under report on May 30, 2018. The details of Members' participation at the Meetings and composition of the Corporate Social Responsibility (CSR) Committee as at March 31, 2019 are as under:

| Name of the Director | Category | Position | No. of Meetings Attended |
|---------------------------|-----------------------------|----------|--------------------------|
| M.J.Lakshmi Narasimha Rao | Independent, Non- Executive | Chairman | 2 |
| Bivashwa Das | Executive Director | Member | 2 |
| Seshadhri rajalakshmi | Independent, Non- Executive | Member | 2 |
| Mahaveer Singh | Executive Director | Member | 2 |
| Renuka Ramesh | Independent, Non- Executive | Member | 2 |

The Company Secretary acts as the Secretary to the Committee.

Risk Management & Vigil Mechanism 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 (Listing Obligations and Disclosure Requirements) 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 Committee met 2 (Two) times during the year under report on May 30, 2017 and on November 11, 2017. The details of Members' participation at the Meetings and composition of the Corporate Social Responsibility (CSR) Committee as at March 31, 2018 are as under:

| Name of the Director | Category | Position | No. of Meetings Attended |
|---------------------------|-----------------------------|----------|--------------------------|
| M.J.Lakshmi Narasimha Rao | Independent, Non- Executive | Chairman | 2 |
| Bivashwa Das | Executive Director | Member | 2 |
| Mahaveer Singh | Executive Director | Member | 2 |

Executive Committee :

This Committee comprises the 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

4. GENERAL BODY MEETINGS:

Details of the location of the last three Annual General Meetings (AGM) and details of the special resolutions passed:

| Annual General Meeting (AGM) | Date | Time | Venue | No. of Special Resolution Passed |
|------------------------------|------------|----------|---|----------------------------------|
| 37th | 19.09.2016 | 10.00 AM | Rani Seethai Hall, 603, Anna Salai, Chennai-600 002, TN | 1 |
| 38th | 04.09.2017 | 10.00 AM | | 3 |
| 39th | 20.09.2018 | 10.00 AM | | 3 |

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

Postal Ballots:

No resolutions were passed through postal ballot during the last financial year.

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:

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.

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

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.

5. 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.

Mrs. Renuka Ramesh (DIN: 07904904) was appointed as a Small Shareholders' Director for a period of 3 years i.e. from 04.09.2017 and she has given her declaration to act as an Independent Director.

Mr. M.J.Lakshmi Narasimha Rao (DIN: 01275880) Independent Director has been again appointed for a period of 5 years from 25.09.2017 at a special resolution passed at the 38th Annual General Meeting held on 04.09.2017.

Mr. Rajesh Sai Iyer (DIN: 05353374) has been appointed as an Independent Director for a period of 5 years from 04.09.2017. This has been approved by the Shareholders at an Ordinary resolution passed at the 38th Annual General Meeting held on 04.09.2017.

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 and under Sec 149 of the Companies Act, 2013.

During the year under review, the Independent Directors met 2 (Two) times on May 30, 2018, and on November 11, 2018. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the Listing Regulations and as per provisions of the Companies Act, 2013.

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 on-going familiarization programme for existing Independent & Non-Independent Director.

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 39 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.

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.

6. 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 behavior, 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 (Listing Obligation and Disclosure Requirements) 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.

7. DISCLOSURES:

a) Indian Accounting Standards (Ind-AS)

The Company has been adopted "Ind-AS" with effect from April, 2017. The implementation of "Ind-AS" is a major change process for which the Company has established a project team and has dedicated considerable resources.

b) Related Party Transactions

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the normal course of business and are carried out on an arm's length basis.

c) Compliance/ Strictures and Penalties

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

d) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

e) 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.

f) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations

During the year, the Company has complied with the mandatory requirements as stipulated in Listing Regulations. With respect to the compliance with the non-mandatory requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations, the Company has adopted the following non-mandatory requirements:

- i) The Chairman being Non-Executive Director, an office is made available for his use during his visits to the Company and is reimbursed the expenses incurred towards the performance of his duties.
- ii) During the year under review, there is no audit qualification on the Company's financial statements. Your Company continues to adopt best practices to ensure a regime of unmodified audit opinion.
- iii) The position of Chairperson of Board and the Managing Director are separate.
- i) The Internal Auditor of the Company reports to the Chief Financial Officer and has direct access to the Audit Committee.

g) Subsidiary and Associates

During the year ended March 31, 2019, the Company does not have any listed/unlisted subsidiary and Associate companies as defined in Regulation 16 of the Listing Regulations.

h) 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 code "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.

8. CEO / CFO CERTIFICATION:

The Managing Director and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The certificate is attached to this report.

9. 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015. The aforesaid financial results are announced to the Stock Exchanges immediately after the approval of the Board. 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 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 (Listing Obligation and Disclosure Requirements) 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 2018 – 31st March, 2019.

Registrar and Transfer Agents and Share Transfer System

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

10. COMMUNICATION TO 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.

11. 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 2019-20.

| 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 transfers 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 |
|----------------------|-----|----------|--------------------|---------|--------------------|-------|--------------------|---------------------|--------------------|
| 14054 | 100 | 3574600 | 69.75 | 1455400 | 28.40 | 94800 | 1.85 | 5124800 | 100% |

vi. Distribution of Shareholding as on March 31, 2019.

| Category (Shares)(in Rs.) | No. of Share Holders | % of Share Holders | No. of Shares | % of Total Shares |
|---------------------------|----------------------|--------------------|----------------|-------------------|
| 10 - 5000 | 13554 | 96.44 | 1757100 | 34.29 |
| 5001 - 10000 | 303 | 2.16 | 246800 | 4.82 |
| 10001- 20000 | 109 | 0.77 | 166100 | 3.24 |
| 20001- 30000 | 32 | 0.23 | 79100 | 1.54 |
| 30001- 40000 | 11 | 0.08 | 40400 | 0.79 |
| 40001- 50000 | 8 | 0.06 | 37700 | 0.76 |
| 50001-100000 | 15 | 0.11 | 110990 | 2.17 |
| 10001-and above | 22 | 0.16 | 2686610 | 52.42 |
| Total | 14054 | 100 | 5124800 | 100 |

vii. Dematerialization of Shares:

| Mode of Holding | No. of Holders | No of Shares | Percentage |
|-----------------|----------------|----------------|------------|
| NSDL | 698 | 1455400 | 28.40 |
| CDSL | 238 | 94800 | 1.85 |
| PHYSICAL | 13128 | 3574600 | 69.75 |
| Total | 14054 | 5124800 | 100 |

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.

viii. Statement showing Shareholding of more than 1% of the Capital as on March 31, 2019:

| Sl. No. | Folio No. / Client ID | Names of the Shareholders | Number of shares | Percentage of capital |
|---------|-----------------------|---------------------------|------------------|-----------------------|
| 1 | - | Kareetem Traders Limited | 1005000 | 19.61 |
| 2 | - | Rakesh Goyal | 304640 | 5.94 |
| 3 | - | Saatvik Goyal | 238,400 | 4.65 |
| 4 | - | Seema Goyal. | 217560 | 4.25 |
| 5 | - | Durga Devi Goyal | 242,200 | 4.73 |
| 6 | - | Drishya Goyal | 160,000 | 3.12 |
| 7 | - | Rakesh Goyal. | 143,110 | 2.79 |
| 8 | - | Indersain Goyal | 93,500 | 1.82 |
| 9 | - | BOI Mutual Fund | 70,600 | 1.38 |
| 10 | - | PR SHANKAR (HUF). | 42,100 | 0.81 |
| | Total | | 2517110 | 49.1 |

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

FINANCIAL CALENDAR 2018 - 19:

| | |
|---|---|
| Board Meeting for consideration of Accounts for the financial year ended March 31, 2019 | 15.05.2019. |
| Posting of Annual Reports | On or before 31.08.2019. |
| Book Closure Dates | 17.09.2019 to 23.09.2019. (both days inclusive) |
| Last date for receipt of proxy forms | 21.09.2019 |
| Date, time & Venue of the 39th Annual General Meeting. | September 23, 2019 at 10.00 AM at Rani Seethai Hall 603, Anna Salai, Chennai – 600 002, TN |
| Board Meeting for consideration of Audited Financial Results for the Quarter Ended & Financial Year ended March 31, 2019. | 15.05.2019 |

Address for Correspondence:

Investors can communicate at the following addresses:

| 1. | Mr. C Muruganandan- Company Secretary | 2. | M/s. CAMEO Corporate Services limited |
|----|--|----|--|
| | Tamilnadu Steel Tubes Limited Mercury Apartments, I Floor 65, Pantheon Road, Egmore CHENNAI – 600 008, TN Phone 044 - 2855 5653 / 2855 5733; Fax N: 044 - 28555643 E-mail: tnt.share@yahoo.in Website: www.tamilnadusteeltubesltd.com | | Registrar & Transfer Agent Subramanian Building 1, Club House Road, Chennai-600002, TN Phone: 044-4002 0723 Email: cameo@cameoindia.com murali@cameoindia.com |

MANAGING DIRECTOR'S DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To

The Members
Tamilnadu Steel Tubes Limited

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct framed by the Company.

For and on behalf of Board of Directors

Sd/-

Rakesh Goyal
Managing Director
DIN: 00990310

Place: Chennai
August 14, 2019

MANAGING DIRECTOR / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of 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 year ended March 31, 2019 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility 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 and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2019;
 - ii) Significant changes in accounting policies during the year ended March 31, 2019 and that the same have been disclosed in the notes to the Financial Statements, if any; 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 a significant role in the Company's Internal Control System over financial reporting.

For Tamilnadu Steel Tubes Limited

Date: 14.08.2019
Place: Chennai

Sd/-
Rakesh Goyal
Managing Director
DIN: 00990310

Sd/-
N. Sudharsan
Chief Financial Officer

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. This certificate is issued in accordance with the terms of our agreement dated March 15, 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Tamilnadu Steel Tubes Limited ('the Company') for the year ended March 31, 2018 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations.

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

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

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Abhay Jain & Co
Chartered Accountants
Firm's Registration No: 000008S

Chennai
August 14, 2019

CA A.K. Jain
Partner, M. No.70224

ANNEXURE – X**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, 2019:**

- (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 Ind-AS for the year 2018-19.
- (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, 2019 is Rs.0.18 per share 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 are 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, 2019.

| | | |
|-----|---|-----|
| (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

Sd/-

Rakesh Goyal
Managing Director
DIN: 00990310

Place: Chennai
August 14, 2019

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

| PARTICULARS | 2017-18 | % of Revenue from operations | 2018-19 | % of Revenue from operations |
|--|----------------|-------------------------------------|----------------|-------------------------------------|
| Net sales | 90.63 | 100 | 81.37 | 100 |
| Other operating revenue | 0.07 | 0.00 | 0.12 | 0.00 |
| Revenue from operations (net) | 90.70 | 100 | 81.49 | 100 |
| Cost of materials consumed | 78.90 | 87 | 73.64 | 90 |
| Changes in inventories of finished goods, work in progress and Stock in Trade. | 0.43 | 0 | (1.60) | -2 |
| Employee benefits expense. | 4.43 | 5 | 3.80 | 5 |
| Power and fuel | 1.37 | 2 | 1.27 | 2 |
| Freight and Forwarding expense. | 0.50 | 1 | 0.35 | 0 |
| Finance costs | 0.48 | 1 | 0.68 | 1 |
| Depreciation and amortization expense. | 0.34 | 0 | 0.33 | 0 |
| Other expenses (including Self Consumption of pipes) | 3.18 | 43.51 | | |
| | 89.63 | 99 | 81.48 | 100 |
| Profit before exception item and tax | 1.07 | 1 | 0.01 | 0 |
| Exceptional item | - | - | - | |
| Profit before tax | 1.07 | 1.18 | 0.01 | 0 |
| Tax expenses | 0.37 | 0 | (0.08) | 0 |
| Profit for the year | 0.70 | 1 | 0.09 | 0 |

During the Financial year 2018-19, the Company has recorded a profit after tax of **Rs.0.09 Crore** as compared to **Rs.0.70 Crore** in the Financial Year 2017-18.

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

Analysis of Standalone Financial (Break up Details)

1. Revenue from Operations (Net):

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|---------------------------------------|---------|---------|--------|----------|
| Steel Tubes (Black and GI pipes only) | 81.37 | 90.63 | -9.26 | -10.22% |

Revenue from operations (net) has decreased marginally, as against last year.

2. Other Income:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--------------|---------|---------|--------|----------|
| Other income | 0.12 | 0.07 | 0.05 | 71.43% |

Majority of other income represents Lease Rent Received and Insurance claim received.

3. Cost of Materials Consumed:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|----------------------------|---------|---------|--------|----------|
| Cost of materials consumed | 73.64 | 78.90 | -5.26 | -6.67% |

Cost of materials consumed has come down due to decrease in cost charged by the supplier of material.

4. Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--|---------|---------|--------|----------|
| Changes in inventories of finished goods, work in progress and Stock in Trade. | (1.60) | 0.43 | -2.03 | -472.09% |

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

5. Employees Benefits Expenses:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|-----------------------------|---------|---------|--------|----------|
| Employee benefits expenses. | 3.80 | 4.43 | -0.63 | -14.22% |

Employee benefits expense has come down due to employee attrition.

6. Power and Fuel:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|----------------|---------|---------|--------|----------|
| Power and Fuel | 1.27 | 1.37 | -0.1 | -7.30% |

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

7. Freight and Forwarding Expense:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--------------------------------|---------|---------|--------|----------|
| Freight and Forwarding expense | 0.35 | 0.49 | -0.14 | -28.57% |

8. Finance Costs:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|-------------------|---------|---------|--------|----------|
| Interest expenses | 0.68 | 0.49 | 0.19 | 38.78% |

There is a marginal increase in Finance Cost due to increased cost of borrowing.

9. Depreciation and Amortization Expense:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|---------------------------------|---------|---------|--------|----------|
| Depreciation on tangible assets | 0.33 | 0.34 | -0.01 | -2.94% |

In the previous year, a increase in depreciation 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.

10. Other Expenses:

[Figures in Rs. Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|------------------------|---------|---------|--------|----------|
| Rent | 0.10 | 0.10 | 0.00 | 1% |
| Rates and Taxes | - | 0.14 | (0.14) | -100% |
| Repairs | 0.60 | 0.39 | 0.21 | 53% |
| Insurance | 0.09 | 0.09 | (0.00) | -3% |
| Advertisement | 0.00 | 0.01 | (0.00) | -68% |
| Miscellaneous Expenses | 0.18 | 0.20 | (0.02) | -10% |

11. Tax Expenses:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--------------|---------|---------|--------|----------|
| Tax expenses | (0.08) | 0.37 | (0.45) | -122% |

12. Net Fixed Assets:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--------------------------|-------------|-------------|-------------|---------------|
| Tangible assets | 2.29 | 2.52 | (0.23) | -9% |
| Capital Work in progress | - | - | - | - |
| Total | 2.57 | 2.09 | 0.48 | 25.68% |

13. Loans and Advances:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|-------------------------------|------------|-------------|--------------|-------------|
| Long-term loans and advances | 0.32 | 0.35 | (0.03) | -9% |
| Short-term loans and advances | 0.60 | 0.21 | 0.39 | 187% |
| Total | 2.2 | 8.75 | -6.54 | -75% |

14. Inventories:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|---------------|---------|---------|--------|----------|
| Raw Materials | 3.85 | 6.05 | (2.20) | -36% |

| | | | | |
|----------------------|-------------|--------------|---------------|------------|
| Finished Goods | 5.43 | 3.80 | 1.63 | 43% |
| Stores & Spare Parts | 0.00 | 0.04 | (0.03) | -97% |
| Other Goods (Scrap) | 0.16 | 0.12 | 0.04 | 31% |
| Total | 9.44 | 10.00 | (0.57) | -6% |

Inventory holding was seen consistent comparison to previous years.

19. Trade Receivables:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|-------------------|---------|---------|--------|----------|
| Trade receivables | 13.79 | 18.23 | (4.44) | -24% |

Trade Receivable has decreased compared to the previous year. So far Company has been introduced suitable policies to make improvement in receivable management.

20. Cash and Bank Balances:

[Figures in Crores]

| Particulars | 2017-18 | 2017-18 | Change | Change % |
|------------------------|---------|---------|--------|----------|
| Cash and bank balances | 1.57 | 1.57 | 1.25 | 386.27 |

21. Trade Payables:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|----------------|---------|---------|--------|----------|
| Trade payables | 0.16 | 4.57 | (4.41) | -97% |

24. Other Current Liabilities:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|------------------------|-------------|-------------|-------------|-------------|
| Statutory dues | 0.33 | 0.34 | (0.01) | -4% |
| Advance from customers | 0.00 | 0.02 | (0.02) | -89% |
| Other payables | 0.69 | 0.65 | 0.03 | 5% |
| Total | 1.02 | 1.01 | 0.01 | 0.01 |

25. Cash Flow:

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|---|---------|---------|--------|----------|
| Net cash flow from operating activities | 0.41 | 0.67 | (0.26) | -38% |

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--|---------|---------|--------|----------|
| Net cash used for investing activities | (0.03) | 7.59 | (7.62) | -100% |

[Figures in Crores]

| Particulars | 2018-19 | 2017-18 | Change | Change % |
|--|---------|---------|--------|----------|
| Net cash used for financing activities | 1.66 | (7.01) | 8.68 | 124% |

RATIO ANALYSIS

1. Operating EBITDA Margin (%)

| | 2018-19 | 2017-18 |
|-------------------------|---------|---------|
| Operating EBITDA Margin | 1.26% | 2.09% |

2. Average Return on Capital Employed (%)

| | 2018-19 | 2017-18 |
|------------------------------------|---------|---------|
| Average Return on Capital Employed | 3.14% | 7.00% |

3. Return on Net Worth (%)

| | 2018-19 | 2017-18 |
|---------------------|---------|---------|
| Return on Net worth | 6.11% | 13.84% |

4. Current Ratio (Times)

| | 2018-19 | 2017-18 |
|---------------|---------|---------|
| Current Ratio | 3.36 | 2.69 |

5. Net Worth per Share (Rs.)

| | 2018-19 | 2017-18 |
|---------------------|---------|---------|
| Net worth per share | 22.13 | 21.95 |

6. Earnings per Share (Rs.)

| | 2018-19 | 2017-18 |
|--------------------------|---------|---------|
| Basic Earnings per share | 0.18 | 1.36 |

7. Fixed Asset Turnover Ratio (times)

| | 2018-19 | 2017-18 |
|----------------------------|---------|---------|
| Fixed Asset Turnover Ratio | 35.58 | 36.01 |

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF TAMIL NADU STEEL TUBES LIMITED**

REPORT ON THE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of Tamilnadu Steel Tubes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE "Ind AS" 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow & changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards Ind AS) prescribed 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 Ind AS 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 Ind AS financial statements based on our audit. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statement.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at 31st March, 2019 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report to the extent applicable that:
 - a) We have sought and 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 including other Comprehensive Income, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind As financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 expresses 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 in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended, in our opinion 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 Ind AS 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.

For ABHAY JAIN & Co.,
Chartered Accountants
(FRN. 000008S)

Place: Chennai
Date: 14th August 2019
UDIN: 19070224AAAAAL6653

(A K JAIN)
Partner
M No. 070224

Annexure "A" to the Independent Auditors' Report on the Ind AS Financial Statements of Tamil Nadu Steel Tubes Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s. Tamil Nadu Steel Tubes Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is 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") 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 applicable to an audit of Internal Financial Controls and, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Company has, 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 31st March 2019, 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.

Place : Chennai
Date : 14th August 2019

For ABHAY JAIN & Co.,
Chartered Accountants
(FRN. 000008S)

(A K JAIN)
Partner
M No. 070224

Annexure - B to the Independent Auditors' Report on the Financial Statements of Tamil Nadu Steel Tubes Limited

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, 2019.

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 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, Goods & Service Tax, Custom Duty, Excise Duty, 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 (Rs.in Lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|----------------------|----------------|----------------------|------------------------------------|---------------------------------------|
| 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 | 34.52 | 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 | 1.60 | Nov, 1997 to June, 1998 | Before BIFR |

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.
13. In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
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 39. Accordingly, the provisions of Clause 3(14) of the Order are not applicable.
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.

For ABHAY JAIN & Co.,
Chartered Accountants
(FRN. 000008S)

Place : Chennai
Date : 14th August 2019

(A K JAIN)
Partner
M No. 070224

BALANCE SHEET AS AT 31st MARCH, 2019**[in Rupees]**

| | Particulars | Notes | As at 31st March, 2019 | As at 31st March, 2018 |
|----------|--|-------|---------------------------|---------------------------|
| A | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 3 | 22,873,470 | 25,167,521 |
| | (b) Capital Work-in-Progress | | | |
| | (c) Goodwill | | | |
| | (d) Other Intangible Assets | | | |
| | (e) Financial Assets | | | |
| | (i) Investments | | | |
| | (ii) Trade Receivables | | | |
| | (iii) Loans | | | |
| | (iv) Other financials assets | 4 | 1,126,299 | 1,126,299 |
| | (f) Non-Current Tax asset | 5 | 3,771,743 | 6,979,208 |
| | (g) Other Non-Current Assets | 6 | 2,108,349 | 2,409,137 |
| | Total Non-Current Assets | | 29,879,861 | 35,682,165 |
| 2 | Current Assets | | | |
| | (a) Inventories | 7 | 94,350,552 | 100,044,968 |
| | (b) Financials Assets | | | |
| | (i) Investments | | | |
| | (ii) Trade Receivables | 8 | 137,896,607 | 182,316,898 |
| | (iii) Cash and Cash Equivalents | 9 | 36,149,113 | 15,675,652 |
| | (iv) Bank balance other than mentioned above | | | |
| | (v) Loans | | | |
| | (vi) Other financials assets | 10 | 6,024,988 | 2,101,729 |
| | (c) Other Current Assets | 11 | 603,176 | 419,716 |
| | (d) Assets classified as held for sale | 12 | 1,058,000 | 1,058,000 |
| | Total Current Assets | | 276,082,436 | 301,616,963 |
| | Total Assets (1+2) | | 305,962,297 | 337,299,128 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | (a) Equity Capital | 13 | 51,248,000 | 51,248,000 |
| | (b) Other Equity | 14 | 62,163,635 | 61,250,480 |
| | Total Equity | | 113,411,635 | 112,498,480 |
| 2 | Liabilities | | | |
| | (a) Non-Current Liabilities | | | |
| | (i) Financial Liabilities | | | |
| | - Borrowings | 15 | 1,161,941 | 2,534,890 |
| | - Trade Payable | | | |
| | - Other Financial Liabilities | | | |
| | (ii) Provisions | 16 | 2,741,248 | 2,918,589 |
| | (iii) Deferred Tax Liabilities (Net) | | 1,389,916 | 2,347,705 |

| | | | |
|---|----|-------------|-------------|
| (iv) Other non-current liabilities | 17 | 105,100,000 | 105,000,000 |
| Total Non-Current Liabilities | | 110,393,105 | 112,801,184 |
| (b) Current Liabilities | | | |
| (i) Financial Liabilities | | | |
| - Borrowings | 18 | 43,961,001 | 19,556,977 |
| - Trade Payable | | | |
| - Dues to micro and small enterprises | | | |
| - Dues to Others | 19 | 1,570,718 | 45,704,004 |
| - Other Financial Liabilities | 20 | 286,299 | 5,300,002 |
| (ii) Other Current Liabilities | 21 | 16,534,311 | 18,283,276 |
| (iii) Provisions | | | |
| (iv) Current Tax Liabilities (net) | 22 | 19,805,228 | 23,155,205 |
| Total Current Liabilities | | 82,157,557 | 111,999,464 |
| Total Liabilities | | 192,550,662 | 224,800,648 |
| Total Equity and Liabilities | | 305,962,297 | 337,299,128 |
| | | | |
| Basis of preparation, measurement and significant accounting policies | 2 | | |

Significant Accounting Policies and Notes of Financial Statements 1 to 33 as per our Report of even date

As per our report of even date attached
FOR ABHAY JAIN & CO
Chartered Accountants
FRN No: 000008S

For and on Behalf of the Board

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

RAKESH GOYAL
[Managing Director]
[DIN : 00990310]

M T ELUMALAI
[Director]
[DIN: 01278399]

Place: Chennai
Date : 14th August 2019

NARASIMHAN SUDHARSAN
[Chief Financial Officer]

STATEMENT OF PROFIT AND LOSS FOR THE FINANCIAL YEAR ENDED
31st March 2019

[in Rupees]

| | Particulars | Note | As at 31st March, 2019 | As at 31st March, 2018 |
|----------|--|------|------------------------|------------------------|
| A | Income from operations | | | |
| | (a) Net sales/income from operations | 23 | 813,741,293 | 906,261,135 |
| | (b) Other Income | 24 | 1,156,173 | 746,469 |
| | Total income from operations net | | 814,897,466 | 907,007,604 |
| B | Expenses | | | |
| | (a) Cost of Raw Material Consumed | 25 | 736,410,304 | 789,042,308 |
| | (b) Purchases of Stock in Trade | | | |
| | (c) Changes in Inventories of Finished Goods, Work in progress and Stock in trade | 26 | (15,952,205) | 4,310,361 |
| | (d) Employee benefits expense | 27 | 38,022,332 | 44,282,174 |
| | (e) Depreciation and amortisation expense | 3 | 3,347,224 | 3,369,671 |
| | (f) Finance costs | 28 | 6,828,470 | 4,872,049 |
| | (g) Other expenses | 29 | 46,135,952 | 50,431,124 |
| | Total expenses | | 814,792,077 | 896,307,687 |
| | Profit before tax | | 105,389 | 10,699,917 |
| | Tax expense | | | |
| | Current Tax | | 150,023 | 3,498,892 |
| | Deferred Tax | | (957,789) | 207,605 |
| | Profit for the period | | 913,155 | 6,993,420 |
| | Other Comprehensive income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| | Total Other Comprehensive Income for the period / Year (Comprising profit and other comprehensive Income for the period) | | - | - |

| | | | | |
|--|--|---|---------|-----------|
| | Total Comprehensive Income for the period / Year (Comprising profit and other comprehensive Income for the period) | | 913,155 | 6,993,420 |
| | Total other comprehensive income net of tax | | | |
| | Total comprehensive income for the period | | | |
| | Earnings per Equity share | | | |
| | Equity shares of par value Rs. 10 each | | | |
| | (a) Basic | | 0.18 | 1.36 |
| | (b) Diluted | | 0.18 | 1.36 |
| | Basis of preparation, measurement and significant accounting policies | 2 | | |
| | | | | |

Significant Accounting Policies and Notes of Financial Statement 1 to 33 as per our report of even date

As per our report of even date attached
 FOR ABHAY JAIN & CO
 Chartered Accountants
 FRN No: 000008S

For and on Behalf of the Board

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

RAKESH GOYAL
[Managing Director]
[DIN : 00990310]

M T ELUMALAI
[Director]
[DIN: 01278399]

Place: Chennai
 Date : 14th August 2019

NARASIMHAN SUDHARSAN
[Chief Financial Officer]

Statement of Cash flow for the year ended 31st March 2019

[in Rupees]

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
| Cash Flow from Operating Activities: | | |
| Net Profit Before Tax | 105,389 | 10,699,917 |
| Adjustments for: | | |
| Depreciation | 3,347,224 | 3,369,671 |
| Interest Paid | 6,828,470 | 4,872,049 |
| Loss on Sale of Fixed Asset | 62,981 | 361,010 |
| Interest Received | (414,035) | (135,889) |
| Other Income | - | - |
| Insurance Claim Received | (354,525) | (268,063) |
| Sundry Balance Written Back | - | - |
| Lease Rent Received | (387,613) | (342,517) |
| Operating Profit before Working Capital Changes | 9,187,891 | 18,556,178 |
| Adjustment For: | | |
| [Increase]/decrease in Inventories | 5,694,416 | (6,813,262) |
| [Increase]/decrease in Trade Receivables | 44,420,291 | (8,160,784) |
| [Increase]/decrease in Long Term Loans & Advances | 3,508,254 | 3,976,625 |
| [Increase]/decrease in Short Term Loans and Advances | (4,106,720) | (1,919,463) |
| Increase/[decrease] in Trade Payables | (44,133,286) | 2,350,090 |
| Increase/[decrease] in Other Current Liabilities | (10,289,986) | 2,215,808 |
| Cash generated from Operation | 4,280,860 | 10,205,192 |
| Less: Tax Paid | (150,023) | (3,498,892) |
| Net Cash Used in Operating Activitiy (A) | 4,130,837 | 6,706,300 |
| Cash Flow from Investing Activities: | | |
| Loss on Sale of Fixed Assets | (62,981) | (361,010) |
| Sale of Fixed Assets | 429,052 | 534,923 |
| Purchase of Fixed Assets | (1,482,226) | (4,392,627) |
| Insurance Claim Received | 354,525 | 268,063 |
| Sundry Balance Written back | - | - |
| Lease Advance received | 100,000 | 105,000,000 |
| Advance of Sale of Land | - | (25,500,000) |
| Lease Rent received | 387,613 | 342,517 |
| Net Cash used in Investing Activities (B) | (274,016) | 75,891,866 |

| | | |
|---|-------------------|---------------------|
| Cash Flow from Financing Activities | | |
| Proceed from Long Term Borrowings | (1,372,949) | 1,400,577 |
| Proceed from Short Term Borrowings | 24,404,024 | (66,810,578) |
| Interest Received | 414,035 | 135,889 |
| Interest Paid | (6,828,470) | (4,872,049) |
| | | |
| Net Cash from Financing Activities (C) | 16,616,640 | (70,146,161) |
| | | |
| Net Increase/ [Decrease] in Cash or Cash Equivalents [A+B+C] | 20,473,461 | 12,452,005 |
| | | |
| Opening Balance of Cash & Cash Equivalents | 15,675,652 | 3,223,647 |
| Closing Balance of Cash & Cash Equivalents | 36,149,113 | 15,675,652 |

As per our report of even date attached
 FOR ABHAY JAIN & CO
 Chartered Accountants
 FRN No: 000008S

For and on Behalf of the Board

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

RAKESH GOYAL
[Managing Director]
[DIN : 00990310]

M T ELUMALAI
[Director]
[DIN: 01278399]

Place: Chennai
 Date : 14th August 2019

NARASIMHAN SUDHARSAN
[Chief Financial Officer]

NOTES TO THE FINANCIAL STATEMENT

As at and for the year ended March 31st, 2019

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 to only domestic market.

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Measurement:

These financial statements have been prepared in accordance with the Indian Accounting Standards (**hereinafter referred to as in 'Ind AS'**) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting standard Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

These financial statements for the year ended 31st March, 2019 are prepared under Ind AS. For all periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements under historical cost convention in accordance with the generally accepted Accounting Principles in India and the provision of the Companies Act, 2013 read with 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, 2016, as amended) and other relevant provisions of the Companies Act, 2013 immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as Current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of financial statements 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.

2.3 SIGNIFICANT ACCOUNTING POLICIES

(a) Property, Plant and Equipment:

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

(b) Inventories:

Raw materials, components, stores 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 less the estimated costs of completion and estimated costs necessary to make the sale.

(c) Cash & Cash Equivalents:

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(d) Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

Decision has been made to sell.

The assets are available for immediate sale in its present condition.

the assets are being actively marketed and

Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized.

(e) Financial Instruments:

Financial Assets:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through profit and loss (FVTPL), their transaction costs are recognized in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial Liabilities:**Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(f) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(g) Revenue Recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

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. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, GST etc.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

(h) Expenditure:

Expenses are accounted on accrual basis

(i) Employee Benefits:

a. Defined Contribution Plans:

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees

b. Defined Benefit Plans:

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.

Liability for Leave Encashment is provided for as and when the entitlement is ascertained

(j) Impairment of Non-Financial Assets:

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss.

(k) Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

(l) Leases:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

(m) 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 shareholders 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.

n) Excise Duty / Goods & Services Tax:

Excise Duty / GST 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 Goods & Service Tax is charged to Profit & Loss Account.

o) 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".

p) 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.

Notes to the financial statements for the year ended 31st Mar, 2019 (Cont.)

[Amount in Rupees]

| 3. PROPERTY PLANT AND EQUIPMENT | LAND | BUILDING | PLANT & MACHINERY | OFFICE EQUIPMENT | ELECTRICAL INSTALLATION | FURNITURE & FITTINGS | VEHICLES | AIR CONDITIONERS & WATER COOLER | COMPUTER | TOTAL |
|---|-----------|----------|-------------------|------------------|-------------------------|----------------------|------------|---------------------------------|----------|------------|
| Gross Block | | | | | | | | | | |
| Balance as at 1st April 2016 (Deemed Cost) | 1,403,142 | 817,232 | 6,684,300 | 150,304 | 450,379 | 16,581 | 7,859,204 | 470,895 | 110,874 | 17,962,911 |
| Additions | - | - | 6,657,886 | 132,690 | 200,789 | - | 3,758,761 | 60,490 | 84,900 | 10,895,516 |
| Disposals | - | - | - | - | - | - | 2,372,872 | - | - | 2,372,872 |
| Balance as at 31st March 2017 | 1,403,142 | 817,232 | 13,342,186 | 282,994 | 651,168 | 16,581 | 9,245,093 | 531,385 | 195,774 | 26,485,555 |
| Additions | 50,000 | - | - | - | - | - | 4,248,859 | - | 93,768 | 4,392,627 |
| Disposals | - | - | - | - | - | - | 670,981 | - | - | 670,981 |
| Balance as at 31st March 2018 | 1,453,142 | 817,232 | 13,342,186 | 282,994 | 651,168 | 16,581 | 12,822,971 | 531,385 | 289,542 | 30,207,201 |
| Additions | - | - | - | - | - | - | 1,247,945 | 161,289 | 72,991 | 1,482,225 |
| Disposals | - | - | - | - | - | - | 894,067 | - | - | 894,067 |
| Balance as at 31st March 2019 | 1,453,142 | 817,232 | 13,342,186 | 282,994 | 651,168 | 16,581 | 13,176,849 | 692,674 | 362,533 | 30,795,359 |
| Accumulated Depreciation | | | | | | | | | | |
| Balance as at 1st April 2016 | - | - | - | - | - | - | - | - | - | - |
| Additions | - | 50,550 | 1,004,169 | 55,275 | 73,466 | 6,564 | 1,578,569 | 168,873 | 65,851 | 3,003,317 |
| Disposals | - | - | - | - | - | - | 1,197,250 | - | - | 1,197,250 |
| Balance as at 31st March 2017 | - | 50,550 | 1,004,169 | 55,275 | 73,466 | 6,564 | 381,319 | 168,873 | 65,851 | 1,806,067 |

| | | | | | | | | | | |
|--------------------------------------|------------------|----------------|-------------------|----------------|----------------|----------|------------------|----------------|----------------|-------------------|
| Additions | - | 50,550 | 1,026,660 | 60,708 | 77,699 | 6,564 | 1,915,016 | 156,791 | 75,683 | 3,369,671 |
| Disposals | - | - | - | - | - | - | 136,058 | - | - | 136,058 |
| Balance as at 31st March 2018 | - | 101,100 | 2,030,829 | 115,983 | 151,165 | 13,128 | 2,160,277 | 325,664 | 141,534 | 5,039,680 |
| Additions | - | 50,550 | 969,136 | 51,046 | 77,699 | 3,453 | 2,000,381 | 123,459 | 71,500 | 3,347,224 |
| Disposals | - | - | - | - | - | - | 465,015 | - | - | 465,015 |
| Balance as at 31st March 2019 | - | 151,650 | 2,999,965 | 167,029 | 228,864 | 16,581 | 3,695,643 | 449,123 | 213,034 | 7,921,889 |
| Net Block | | | | | | | | | | |
| Balance as at 1st April 2016 | 1,403,142 | 817,232 | 6,684,300 | 150,304 | 450,379 | 16,581 | 7,859,204 | 470,895 | 110,874 | 17,962,911 |
| Balance as at 31st March 2017 | 1,403,142 | 766,682 | 12,338,017 | 227,719 | 577,702 | 10,017 | 8,863,774 | 362,512 | 129,923 | 24,679,488 |
| Balance as at 31st March 2018 | 1,453,142 | 716,132 | 11,311,357 | 167,011 | 500,003 | 3,453 | 10,662,694 | 205,721 | 148,008 | 25,167,521 |
| Balance as at 31st March 2019 | 1,453,142 | 665,582 | 10,342,221 | 115,965 | 422,304 | - | 9,481,206 | 243,551 | 149,499 | 22,873,470 |

Notes to the financial statements for the year ended 31st Mar, 2019

| (All Amounts in Rs.) | | | |
|----------------------|--|-----------------------------------|-----------------------------------|
| 4 | OTHER FINANCIAL ASSETS | | |
| | (Unsecured, considered good unless otherwise stated) | | |
| | | As at 31st March, 2019 | As at 31st March, 2018 |
| | NON-CURRENT | | |
| | Security and other deposits | 1,126,299 | 1,126,299 |
| | Total | 1,126,299 | 1,126,299 |
| 5 | DEFERRED TAX ASSETS AND LIABILITIES | - | - |
| | | - | - |
| | Non-Current tax asset (net) | 3,771,743 | 6,979,208 |
| | Total | 3,771,743 | 6,979,208 |
| 6 | OTHER NON-CURRENT ASSETS | - | - |
| | | - | - |
| | Security Deposits with excise, EB and Other Government Authorities | 2,108,349 | 2,409,137 |
| | Capital Advances | - | - |
| | Other Advance includes advances for material(s) | - | - |
| | Less: Allowance for bad and doubtful advances | - | - |
| | Total | 2,108,349 | 2,409,137 |
| 7 | INVENTORIES | | |
| | | | |
| | Raw material | 38,460,516 | 60,487,282 |
| | Finished goods | 54,257,937 | 37,958,962 |
| | Other goods | 12,247 | 359,017 |
| | stores and spares | 1,619,852 | 1,239,707 |
| | Total | 94,350,552 | 100,044,968 |
| 8 | TRADE RECEIVABLES | - | - |
| | (Unsecured unless otherwise stated) | - | - |
| | | - | - |
| | Considered good | 137,896,607 | 182,316,898 |
| | Considered doubtful | - | - |
| | Less: Allowance for bad and doubtful debts | - | - |
| | Total | 137,896,607 | 182,316,898 |

| (All Amounts in Rs.) | | | | |
|----------------------|---|--|-----------------------------------|-----------------------------------|
| 9 | CASH AND CASH EQUIVALENTS | | As at 31st March, 2019 | As at 31st March, 2018 |
| | Cash on hand | | 273,861 | 777,179 |
| | Balance with Banks | | | |
| | in current accounts | | 15,633,752 | 14,898,473 |
| | Term deposits with original maturity of less than three months | | - | - |
| | Short term, highly liquid investments | | - | - |
| | Treasury bills with original maturity of less than three months | | - | - |
| | BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS | | - | - |
| | Earmarked balances with banks | | - | - |
| | unpaid dividend | | - | - |
| | Margin money deposits | | - | - |
| | Investments in term deposits [with original maturity of more than three months but less than twelve months] | | 20,241,500 | - |
| | Total | | 36,149,113 | 15,675,652 |
| | | | | |
| 10 | OTHER FINANCIAL ASSETS | | | |
| | Advance to GENERAL PURCHASE | | 123,736 | 162,025 |
| | Advance for RAW MATERIAL | | 5,559,951 | 1,324,191 |
| | Advance for Expenses | | 50,220 | 310,296 |
| | Advances Others | | 291,081 | 305,217 |
| | Total | | 6,024,988 | 2,101,729 |
| 11 | OTHER CURRENT ASSETS | | | |
| | VAT credit receivable | | 27,171 | 56,687 |
| | Excise duty receivable | | - | 57,230 |
| | Service tax Credit | | - | - |
| | CENVAT receivable | | 79,324 | 79,324 |
| | GST receivable | | | |
| | Other advance [includes prepaid expenses etc] | | 496,681 | 226,475 |
| | Total | | 603,176 | 419,716 |
| 12 | ASSETS HELD FOR SALE | | | |
| | Free hold land | | 1,058,000 | 1,058,000 |
| | Total | | 1,058,000 | 1,058,000 |

(All Amounts in Rs.)

| 13. EQUITY SHARE CAPITAL | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2017 |
|--|------------------------|------------------------|------------------------|
| AUTHORISED CAPITAL | | | |
| 11,000,000 EQUITY SHARES OF RS.10/- EACH | | | |
| 40,000 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES OF RS.10/- EACH | | | |
| ISSUED, SUBSCRIBED & FULLY PAID-UP CAPITAL | | | |
| 51,24,800 [31st March 2017 51,24,800 and 1st April 2016 51,24,800] | 51,248,000 | 51,248,000 | 51,248,000 |
| Equity Shares of Rs.10/-each fully paid up in cash | | | |

| | As at 31st March, 2019 | | As at 31st March, 2018 | | As at 31st March, 2017 | |
|---|------------------------|--------------|------------------------|--------------|------------------------|--------------|
| | Number of shares | Amount | Number of shares | Amount | Number of shares | Amount |
| a) Reconciliation of the number of shares | | | | | | |
| EQUITY SHARES | | | | | | |
| Balance as at the beginning of the year | 5,124,800 | 51,248,000 | 5,124,800 | 51,248,000 | 5,124,800 | 51,248,000 |
| Add: shares issued during the year | - | - | - | - | - | - |
| Balance as at the end of the year | 5,124,800 | 51,248,000 | 5,124,800 | 51,248,000 | 5,124,800 | 51,248,000 |
| b) Rights, preference and restrictions attached to shares | | | | | | |
| Equity Shares - 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. | | | | | | |
| c) Details of equity shares held by shareholders holding more than 5% of the agreegrate shares in the Company | | | | | | |
| | As at 31st March, 2019 | | As at 31st March, 2018 | | As at 31st March, 2017 | |
| | Number of shares | % of holding | Number of shares | % of holding | Number of shares | % of holding |
| Mr. Rakesh Goyal (Equity Shares, 5.9444%) | 304,640 | 5.944% | 304,640 | 5.944% | 304,640 | 5.944% |
| d) Shares allotted as fully paid-up pursuant to contract(s) without payment of being received in cash during five years immediately preceding Mar 31, 2019 | | | | | | |
| The Company has not made any issue of Bonus Shares or shares in consideration other than cas in pursuance of any contract during the past five years preceding the reporting year | | | | | | |
| e) The Company has not bought back any shares during the five years immediately preceding the reporting year | | | | | | |

(All Amounts in Rs.)

| 14. OTHER EQUITY | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2017 |
|---|---------------------------|---------------------------|---------------------------|
| A. Summary of Other Equity balance | | | |
| Capital Reserve | | | |
| Reserve State Subsidy | 1,178,000 | 1,178,000 | 1,178,000 |
| Forfeited Shares | 1,999,888 | 1,999,888 | 1,999,888 |
| Retained Earnings | 58,985,747 | 58,072,592 | 51,079,172 |
| Items of other Comprehensive Income | | | |
| - Remeasurements of defined benefit plans | | | |
| Total Other Equity | 62,163,635 | 61,250,480 | 54,257,060 |

| 15 | BORROWINGS | As at 31st March, 2019 | As at 31st March, 2018 |
|----|---|---------------------------|---------------------------|
| | Borrowings | 1,161,941 | 2,534,890 |
| | Total | 1,161,941 | 2,534,890 |
| 16 | PROVISIONS | As at 31st March, 2019 | As at 31st March, 2018 |
| | NON-CURRENT | | |
| | Provisions for employee benefits (pension, compensated absence and others) (refer note) | 2,741,248 | 2,918,589 |
| | Other provisions (including restructuring etc) | - | - |
| | Total(A) | 2,741,248 | 2,918,589 |
| | CURRENT | | |
| | Provisions for employee benefits (pension, compensated absence and others) (refer note) | - | - |
| | Total(B) | - | - |
| | Total (A + B) | 2,741,248 | 2,918,589 |
| 17 | OTHER NON-CURRENT LIABILITIES | As at 31st March, 2019 | As at 31st March, 2018 |
| | Advance for land | 105,100,000 | 105,000,000 |
| | Employee and ex-employee related liabilities | - | - |
| | Total | 105,100,000 | 105,000,000 |
| 18 | SHORT TERM BORROWINGS | As at 31st March, 2019 | As at 31st March, 2018 |
| | Secured | | - |
| | HDFC car loan | 2,649,809 | 2,991,492 |
| | (Secured by hypothecation of MotorCar Under Hire purchase agreement) | - | - |
| | Unsecured | - | - |
| | From directors | 39,811,192 | 15,065,485 |
| | Inter corporate loans | 1,500,000 | 1,500,000 |
| | Total | 43,961,001 | 19,556,977 |

(All Amounts in Rs.)

| 19 | TRADE PAYABLE | As at 31st March, 2019 | As at 31st March, 2018 |
|----|--|------------------------|------------------------|
| | DUES TO MICRO AND SMALL ENTERPRISES (as per intimation received from vendor) | | |
| | a. Principal and interest amount remaining unpaid | | |
| | b. Interest due thereon remaining unpaid | | |
| | c. Interest paid by the Company in terms of Sections 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day | | |
| | d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprise Act, 2006 | | |
| | e. Interest accrued and remaining unpaid | | |
| | f. Interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprises | | |
| | DUES TO OTHERS | | |
| | Acceptances | - | - |
| | Trade payable | 1,570,718 | 45,704,004 |
| | Total | 1,570,718 | 45,704,004 |
| | | | |
| 20 | OTHER FINANCIAL LIABILITIES | As at 31st March, 2019 | As at 31st March, 2018 |
| | NON-CURRENT | | - |
| | Security Deposits | 286,299 | 5,300,002 |
| | Total(A) | 286,299 | 5,300,002 |
| | CURRENT | | - |
| | Other payable (payable for purchase of property, plant and equipment, employee liability etc) | | - |
| | Total(B) | - | - |
| | Total (A + B) | 286,299 | 5,300,002 |
| | a. There are no amounts due for payment to the Investor Education and Protection fund under section 125 of companies act 125 of the Companies Act 2013 as at 31st March 2018 (31st March 2017 Nil, 1st April 2016 Nil) | | - |
| | | | - |
| 21 | OTHER CURRENT LIABILITIES | As at 31st March, 2019 | As at 31st March, 2018 |
| | Salaries, wages, bonus and other employee payable | 6,354,786 | 8,166,084 |
| | Statutory dues (including provident fund, tax deducted at source and others) | 3,269,417 | 3,397,330 |
| | Advance from customers | 19,647 | 176,465 |
| | Other payables | 6,890,461 | 6,543,397 |
| | Total | 16,534,311 | 18,283,276 |

(All Amounts in Rs.)

| | | | |
|-----------|---|-------------------------------|-------------------------------|
| 22 | DEFERRED TAX ASSETS AND LIABILITIES | As at 31st March, 2019 | As at 31st March, 2018 |
| | Non-Current tax liabilities (net) | 19,805,228 | 23,155,205 |
| | Total | 19,805,228 | 23,155,205 |
| 23 | REVENUE FROM OPERATIONS | As at 31st March, 2019 | As at 31st March, 2018 |
| | Sale of products | 809,958,363 | 901,953,988 |
| | Other operating revenue | - | - |
| | Others - sale of scrap, commission etc | 3,782,930 | 4,307,147 |
| | Total | 813,741,293 | 906,261,135 |
| | | - | - |
| 24 | OTHER INCOME | As at 31st March, 2019 | As at 31st March, 2018 |
| | Interest Income | | |
| | Bank deposits | 268,333 | - |
| | Others | 145,702 | 135,889 |
| | Insurance claim received | 354,525 | 268,063 |
| | Lease rent received | 387,613 | 342,517 |
| | Total | 1,156,173 | 746,469 |
| 25 | COST OF MATERIALS CONSUMED | As at 31st March, 2019 | As at 31st March, 2018 |
| | Cost Of Raw Materials Consumed | - | - |
| | Opening Stock | 60,487,282 | 49,491,840 |
| | Add: Purchase | 675,980,353 | 765,714,514 |
| | Less: Closing Stock | 38,460,516 | 60,487,282 |
| | Raw Material Consumed | 698,007,119 | 754,719,072 |
| | Manufacturing Expenses | - | - |
| | Carriage Inward | 15,264,976 | 11,191,044 |
| | Labour Charges | 1,999,015 | 516,765 |
| | Consumption Of Stores | 20,610,884 | 21,927,290 |
| | Machinery Maintenance | 528,309 | 688,137 |
| | TOTAL | 38,403,184 | 34,323,236 |
| | TOTAL COST OF MATERIALS CONSUMED | 736,410,304 | 789,042,308 |
| 26 | CHANGES IN INVENTORIES OF FINISHED GOODS STOCK IN PROCESS & STOCK-IN-TRADE | As at 31st March, 2019 | As at 31st March, 2018 |
| | Closing Inventories : | | |
| | Finished Goods | 54,257,937 | 37,958,962 |
| | Other Goods (Scrap) | 12,247 | 359,017 |
| | Total | 54,270,184 | 38,317,979 |
| | Opening Inventories : | - | - |
| | Finished Goods | 37,958,962 | 42,322,095 |
| | Other Goods (Scrap) | 359,017 | 306,245 |
| | Total | 38,317,979 | 42,628,340 |
| | Change In Inventories | (15,952,205) | 4,310,361 |

(All Amounts in Rs.)

| 27 | EMPLOYEE BENEFITS EXPENSES | As at 31st March, 2019 | As at 31st March, 2018 |
|-----------|-------------------------------------|-------------------------------|-------------------------------|
| | Salary | 31,189,820 | 33,879,737 |
| | Leave Salary | 1,038,778 | 2,403,911 |
| | Bonus | 1,264,452 | 2,851,586 |
| | P.F. Company's Contribution | 2,613,059 | 2,908,993 |
| | E.S.I Company's Contribution | 1,231,540 | 1,376,657 |
| | Staff Welfare | 684,683 | 861,290 |
| | Total | 38,022,332 | 44,282,174 |
| | | - | - |
| 28 | FINANCE COST | As at 31st March, 2019 | As at 31st March, 2018 |
| | Interest To Bank | 436,090 | 455,204 |
| | Bank Charges | 9,733 | 3,896 |
| | Interest To Others | 6,382,647 | 4,412,949 |
| | Total | 6,828,470 | 4,872,049 |
| 29 | OTHER EXPENSES | As at 31st March, 2019 | As at 31st March, 2018 |
| | A. MANAGERIAL REMUNERATION: | - | - |
| | Directors Remuneration | 3,296,236 | 5,988,966 |
| | Total | 3,296,236 | 5,988,966 |
| | B. PAYMENT TO AUDITORS | - | - |
| | Audit Fees | 90,000 | 75,000 |
| | Tax Audit Fees | 40,000 | 25,000 |
| | Certification & Other Services | 120,000 | 120,000 |
| | Income Tax Matters | 150,000 | 10,000 |
| | Vat/GST Audit Fees | - | 15,000 |
| | Total | 400,000 | 245,000 |
| | C. INSURANCE EXPENSES | - | - |
| | Insurance | 886,524 | 913,144 |
| | Total | 886,524 | 913,144 |
| | D. POWER & FUEL EXPENSES | - | - |
| | Power & Fuel | 12,677,663 | 13,704,761 |
| | Total | 12,677,663 | 13,704,761 |
| | E. OTHERS : | - | - |
| | Rent & lease rent | 1,025,640 | 1,017,500 |
| | Postage & telegram | 43,796 | 69,654 |
| | Telephone | 247,248 | 334,723 |
| | Conveyance | 810,875 | 793,553 |
| | Travelling expenses | 354,352 | 792,213 |
| | Printing & stationery | 741,446 | 479,728 |
| | Subscription & membership | 150,764 | 222,036 |
| | Fees | 530,120 | 614,447 |
| | Office maintenance | 1,177,605 | 881,578 |

(All Amounts in Rs.)

| | | | |
|-----------|--|-----------------------------------|-----------------------------------|
| | Donation | 240,000 | 221,300 |
| | Vehicle maintenance | 421,450 | 262,083 |
| | Miscellaneous expenses | 1,801,886 | 2,002,812 |
| | Professional charges | 3,995,010 | 2,146,405 |
| | Amc charges | 447,745 | 283,358 |
| | Sales tax | 6,563 | 49 |
| | Rates & taxes | - | 1,436,483 |
| | Repairs & maintenance | 5,982,276 | 3,906,305 |
| | Loss on sale of fixed assets | 62,981 | 361,010 |
| | Directors sitting fees | 384,650 | 250,000 |
| | Bad debts | - | 28,000 |
| | Freight & transportation | 3,529,069 | 4,948,243 |
| | Advertisement | 17,500 | 54,950 |
| | Sales promotion | 6,530,955 | 6,948,966 |
| | Commission & brokerage | - | 1,414,210 |
| | Internal audit fees | 91,500 | 31,500 |
| | Water expense | 76,000 | 69,790 |
| | Swacch bharat cess | - | 8,357 |
| | Income tax expense | 206,098 | - |
| | TOTAL (E) | 28,875,529 | 29,579,253 |
| | Grand Total - Other expenses | 46,135,952 | 50,431,124 |
| | | - | - |
| 30 | Related Party Disclosure | As at 31st March, 2019 | As at 31st March, 2018 |
| | A) List of Related Parties | | |
| | i) Key Managerial Personnel | | |
| | Rakesh Goyal (Managing Director) | | |
| | Mahavir Singh (Whole-time Director) | | |
| | M.T.Elumalai (Director) | | |
| | Jyotiprakash Sahoo (Company Secretary) | | |
| | Narasimhan Sudharsan (Chief Financial Officer) | | |
| | ii) Relatives of Key Managerial Personnel | | |
| | Durga Devi Goyal | | |
| | Seema Goyal | | |
| | Drishya Goyal | | |
| | Saatvik Goyal | | |
| | Saachi Goyal | | |
| | Indersain Goyal HUF(S) | | |
| | Rakesh Goyal (HUF) | | |

(All Amounts in Rs.)

| | | | |
|-----------|---|-------------------------------|-------------------------------|
| | B) Transactions with Related Parties | | |
| | Durga Devi Goyal - Lease Rent Received | 276,000 | 272,517 |
| | Seema Goyal (Salary) | 600,000 | 700,000 |
| | Director's Salary, Bonus and Leave Salary | | |
| | Rakesh Goyal (Managing Director) | 3,000,096 | 3,000,096 |
| | Mahavir Singh (Whole-time Director) | 495,000 | 2,272,000 |
| | P.K.Dubey | - | 110,640 |
| | M.T.Elumalai (Director) | 380,002 | 353,270 |
| | Bishwasva Das (Director) | 289,140 | 252,960 |
| | Consultation fees to Director | | |
| | Mahavir Singh (Whole-time Director) | 1,815,000 | - |
| | Interest to Director | | |
| | Rakesh Goyal (Managing Director) | 2,053,062 | |
| | C) Repayment of Loan | | |
| | Durga Devi Goyal | - | 104,190,558 |
| | Rakesh Goyal | - | - |
| | D) Outstanding Balance with Related Party | | |
| | Durga Devi Goyal Receivable / (payable) | (8,297,949) | - |
| | Rakesh Goyal Receivable / (payable) | (31,513,243) | (15,065,486) |
| | Durga Devi Goyal - Lease Rent receivable/(payable) | - | 27,140 |
| | Durga Devi Goyal - Lease Advance Recivable/ (payable) | (105,100,000) | (105,000,000) |
| | Seema Goyal (Salary) | - | (150,000) |
| 31 | CONTINGENT LIABILITIES | | |
| | On account of VAT appeal before Tribunal for reversal of input credit for AY2014-15 | 25,400,000 | - |
| | On account of Income Tax penalty u/s 271(1)(c) for AY2011-12 filed by the department before ITAT, Chennai | 8,200,000 | - |
| | On Account of Income Tax Appeal Before ITAT, Chennai - A/Y 2011-12 | - | 37,324,230 |
| | On Account of Income Tax Appeal before CIT (A) - A/Y 2014-15 | - | 651,770 |
| | Service Tax | - | 160,000 |
| | Total | 33,600,000 | 38,136,000 |
| 32 | EARNING PER SHARE | As at 31st March, 2019 | As at 31st March, 2018 |
| | a) Basic & Diluted | | |
| | Profit after tax | 913,155 | 6,993,420 |
| | Weighted average number of shares outstanding | 5,124,800 | 5,124,800 |
| | Basic & Diluted EPS Rs. | 0.18 | 1.36 |
| | Face Value Rs. | 10.00 | 10.00 |

(All Amounts in Rs.)

| 33 | GENERAL | As at 31st March, 2019 | As at 31st March, 2018 |
|-----------|---|-----------------------------------|-----------------------------------|
| a) | Balance in Sundry Debtors / Creditors and advances are subjected to confirmation | | |
| b) | Previous Year's Figure have been Re-arranged and Re-grouped wherever necessary. | | |
| c) | Tax Deducted at Source from the payment to contractors, Professional charges and salaries have been deposited in time. | | |
| d) | Earnings in foreign exchange | NIL | NIL |
| e) | Expenditure in foreign currency | NIL | NIL |
| 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. 33 as per report of even date

As per our report of even date attached
FOR ABHAY JAIN & CO
Chartered Accountants
FRN No: 000008S

For and on Behalf of the Board

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

RAKESH GOYAL
[Managing Director]
[DIN : 00990310]

M T ELUMALAI
[Director]
[DIN: 01278399]

Place: Chennai
Date : 14th August 2019

NARASIMHAN SUDHARSAN
[Chief Financial Officer]



TAMILNADU STEEL TUBES LTD.

CIN: L27110TN1979PLC007887

Regd. Office: Mercury Apts., 1st Floor, No. 65, Pantheon Road, Egmore, Chennai-600 008,TN

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

E-mail: tntsteel79@gmail.com / tnt.share@yahoo.in

Website: www.tamilnadusteeltubesltd.com

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.**

For TAMILNADU STEEL TUBES LIMITED

Sd/-

(Rakesh Goyal)

Managing Director

E-COMMUNICATION REGISTRATION FORM

To

M/s Tamilnadu Steel Tubes Ltd.

Mercury Apartments, 1st 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



TAMILNADU STEEL TUBES LTD.

CIN: L27110TN1979PLC007887

Regd. Office: Mercury Apts., 1st Floor, No. 65, Pantheon Road, Egmore, Chennai-600 008, TN

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

E-mail: tntsteel79@gmail.com / tnt.share@yahoo.in

Website: www.tamilnadusteeltubesltd.com

Members
Feedback Form
2018-19

Name : _____ **E-mail ID** : _____

Address : _____

DP ID : _____ **Client ID** : _____

Folio No. : _____

(In case of physical holding)

No. of equity shares held: _____

Signature of Member

| | | Excellent | Very Good | Good | Satisfactory | Unsatisfactory |
|---|--------------|-----------|-----------|------|--------------|----------------|
| ANNUAL REPORT | | | | | | |
| Management Discussion & Analysis Report | Contents | | | | | |
| | Presentation | | | | | |
| Report on Corporate Social Responsibility | Contents | | | | | |
| | Presentation | | | | | |
| Corporate Governance Report | Contents | | | | | |
| | Presentation | | | | | |
| Board's Report | Contents | | | | | |
| | Presentation | | | | | |
| Shareholders' Reference | Contents | | | | | |
| | Presentation | | | | | |
| Quality of Financial & Non Financial Information in the Annual Report | Contents | | | | | |
| | Presentation | | | | | |
| Information on Company's Website | Contents | | | | | |
| | Presentation | | | | | |
| INVESTOR SERVICES | | | | | | |
| 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.

**TAMILNADU STEEL TUBES LTD.**

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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 | | |
|---------------------|--|----------------|
| Sl. 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 | No. of shares held by me | 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, 2019 | | | |
| 2 | Re-appointment of Director, Mr. Bivashwa Das, who retire by rotation | | | |
| 3 | Appointment of Mr. N Sudharsan as a whole time Director | | | |
| 4. | Ratification of remuneration to Cost Auditor CMA Latha Venkatesh. | | | |
| 5. | Appointment of Seshadhri Rajalakshmi as Independent Director of the Company | | | |
| 6. | Approval of related party transaction under section 188 of the companies act, 2013 and regulation 23 of SEBI (LODR) regulations, 2015 | | | |

| |
|--------------------------------|
| Affix Re.1 Revenue Stamp |
|--------------------------------|

Place:

Date:

Signature of the Shareholder

Signature of the shareholder/Proxy Holder



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ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

**40th Annual General Meeting on : Monday, September 23, 2019, at 10.00 a.m.
Rani Seethai Hall, No. 603, Anna Salai, Chennai-600 002**

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 40th Annual General Meeting of M/s. Tamilnadu Steel Tubes Ltd., on Monday, September 23, 2019 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.**


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Website: 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 **40th Annual General Meeting** of the Company, to be held on **Monday, the 23rd September, 2019, 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 Financial Year ended 31st March, 2019. | | |
| 2. | Re-appointment of Director, Mr. Bivashwa Das, who retire by rotation. | | |
| 3. | Appointment of Mr. N Sudharsan as a whole time Director | | |
| 4. | Ratification of remuneration of Cost Auditor | | |
| 5. | Appointment of Seshadhri Rajalakshmi as Independent Director of the Company | | |
| 6. | Approval of related party transaction under section 188 of the companies act, 2013 and regulation 23 of SEBI (LODR) regulations, 2015 | | |

Signed this ____ day of _____ 2019

Signature of the shareholder

Note:

- 1) This form of Proxy in order to be effective should be duly completed and deposited at Registered Office at Tamilnadu Steel Tubes Limited, 1st Floor, Mercury Apartment, 65, Pantheon Road, Egmore, Chennai-08, Tamilnadu, not less than 48 hours before the scheduled time of the meeting.
- 2) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.
- 3) It is optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.



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: tnsteel79@gmail.com / tnt.share@yahoo.in

Web: www.tamilnadusteeltubesltd.com

Works: Plot B-10, Industrial Complex

Maraimalai Nagar – 603 209

Kancheepuram District, Phone: 04427452233