



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

### TAMILNADU STEEL TUBES LTD.

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**C.I.N. - U27110TN1979PLC007887**

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**LETTER TO SHAREHOLDERS :**

In the Financial Year 2013-14, the Steel Industry economy has shown a sign of slow down with growth and demand, particularly in the Southern parts of India in the second half of the financial year.

The domestic upstream production was lower compared to the prior year, due to the increased cost of raw materials. Emerging markets, including South India, had to face multiple challenge of rising current account deficit, depreciation of the local currency and capital outflows.

We are implementing several new technologies in the manufacturing domain and to retain our existing market share. Our ambition goal of making TNT Pipes is one of the premium product of Steel Pipes in South India.

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

TNT has always pride itself in manufacturing quality pipes and contribute into the South Indian Economy growth.

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

I would like to thank all my colleagues for their commitment and contribution towards TNT's growth. As we strengthen our core, we look at the future eagerly to continue to generate shareholders value.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our stakeholders, who have reposed trust in us and extended their constant support.

With Best Wishes,

Sincerely Yours,

**RAKESH GOYAL**  
Managing Director





## YOUR DIRECTORS' PROFILE

### **Mr RAKESH GOYAL**

Mr RAKESH GOYAL (45), DIN – 00990310, was appointed as a Managing Director in the year 1993. Professionally qualified from reputed Institutions, highly qualified, well experienced and an able administrator. having vast / indepth experience in E.R.W. Tube Manufacturing as well as in the Steel Industry For more than 20 years. Under his Leadership, TNT's sustainability initiatives were given shape by fashioning corporate strategies that not only enhance Shareholders' value but added significantly to the development of natural and social capital. He is the member of several Educational and Social Welfare Associations

**Other Directorships** : - Nil -  
**Committee Membership of Other Companies** : - Nil -

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

Mr M.J. LAKSHMI NARASIMHA RAO (77), DIN : 01275880, was appointed as an Independent Director in the year 1993. He is a qualified Chartered Accountant and had held several positions in Public Sector Financial Institutions till he switched over to Independent practice in the year 1986, and continues in practice. In a career that spans over three decades, he has been acknowledged for his vision and commitment, leveraging the significant learning of sustainable excellence within TNT. He is a member of various Social Organizations.

**Other Directorships** : M/s Indo Asia Finance Ltd.  
**Committee Membership of Other Companies** : - Nil -

### **Mr MAHAVEER SINGH**

Mr MAHAVEER SINGH (56), DIN : 01907248, was appointed as a Director in the year 1994. He is an Engineer and having vast experience particularly in ERW Tube Manufacturing Mills and having indepth knowledge in Steel Industry for more than 25 years. He holds wide range of responsibilities for the TNT's business. He took charge of TNT's Pipe Manufacturing Division as a Works Manager, in the year 1985 and he is credited with successful turnaround of TNT's Exponential growth thereafter. He spare-headed the growth involving capital infusion, maximum output and maintaining the quality of the product to brand the product as a premium product.

**Other Directorships** : - Nil -  
**Committee Membership of Other Companies** : - Nil -

### **Mr VIKRAM SINGH**

Mr VIKRAM SINGH (54), DIN – 01601165, was appointed as a Director in the year 2003. He is a professionally qualified Graduate, having vast knowledge / experience in Marketing in Steel Industry, and an experienced Technician particularly in ERW Tube Manufacturing Mills for more than 24 years. He joined the Company as a Sales Executive. During his tenure, the Company has handled wide range of responsibilities in Sale, Brand Management, and Product Development. He has been involved in the incubation and development of TNT's new initiatives. He is a Co-Header and his visions have improved the company's Sales and Financial aspects of the company.

**Other Directorships** : - Nil -  
**Committee Membership of Other Companies** : - Nil -

**Mr PRADIP KUMAR DUBEY**

Mr PRADIP KUMAR DUBEY (51), DIN: 03160298, was appointed as an Independent Director in the year 2011. He is a Graduate. An experienced person in the Marketing Field, especially ERW Tubes, as well as Technician and having vast knowledge/experience in Marketing in Steel Industry, and an experienced Technician particularly in ERW Tube Manufacturing Mills for more than 25 years. He held various positions and he is the instrumental in creating new techniques and due to his advice, the Company's requirements have been met effectively.

**Other Directorships**

Name of the Company	Position
M/s Venkateswara Conduits Pvt. Ltd.	Director

**Committee Membership of Other Companies : - Nil -**

**Mr PRADEEP KUMAR TIWARI**

Mr PRADEEP KUMAR TIWARI (43), DIN : 06589154, was appointed as an Independent Director on 31.05.2013. He is a Graduate. An experienced Technician particularly in ERW Tube Manufacturing and having more than 10 years experience in this Industry. He is on the Board as a non-executive and also a member of various Committees. He was instrumental in developing and managing materials management and advising for increasing the production and to achieve the output and enhanced the performances of the company's production. His technical expertise has helped the company to achieve ,maximum performances in production,

**Other Directorships**

Name of the Company	Position
M/s Venkateswara Conduits P.Ltd.	Director

**Committee Membership of Other Companies : - Nil -**

**Mrs SESHADHRI RAJALAKSHMI**

Mrs SESHADHRI RAJALAKSHMI (66), DIN: 06927846, has been appointed as an Independent Director on 19.07.2014. She is a Graduate doing Marketing & Sales, and also having a vast knowledge and experience in interacting with various departments, particularly in Steel Pipe Industry, for more than 15 years and to avail better service, the Company has inducted her as an Independent Director.

**Other Directorships**

: - Nil -

**Committee Membership of Other Companies**

: - Nil -



**COMPANY INFORMATION**

Name of the Company	: TAMILNADU STEEL TUBES LTD.
C.I.N. (Corporate Identity Number)	: U27110TN1979PLC007887
Incorporation	: 1979
Initial Public Offering	: 1994
Listing with Stock Exchanges	: Madras, Bombay & Ahmedabad
BSE Scrip Code	: 5 1 3 5 4 0
I.S.I.N.	: I N E 1 7 6 E 0 1 0 1 2

**BOARD OF DIRECTORS**

**Managing Director**

RAKESH GOYAL

**Independent Directors**

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

**Wholetime Directors**

Mahaveer Singh  
Vikram Singh

**BOARD COMMITTEES**

**Audit Committee**

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

**CSR and Governance Committee**

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

**Corporate Management Committee /Executive Directors**

Rakesh Goyal  
M.J.Lakshmi Narasimha Rao  
Mahaveer Singh  
Vikram Singh  
Pradip Kumar Dubey

**Health, Safety, Environmental & Women Staffs' Protection Committee**

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

**Shareholders Relationship, Investors' Grievances & Share Transfer Committee**

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

**Independent Directors Committee**

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

**Nomination & Remuneration Committee**

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

**Executive Director**

M.T. Elumalai

**Executives**

N Sudharsan  
C.C. Rajasekaran



## TAMILNADU STEEL TUBES LIMITED, CHENNAI

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CHIEF FINANCIAL OFFICER	:	Mr VIKRAM SINGH
CHIEF EXECUTIVE OFFICER	:	Mr M.T.ELUMALAI
LEGAL ADVISOR	:	Mr P.R.SHANKAR, Advocate Supreme Court of India New Delhi
COMPANY SECRETARY	:	Mr KAMALA LOCHAN RAY Chennai-600 008
AUDITORS	:	M/S.ABHAY JAIN & CO. Chartered Accountants Chennai-600 031
INTERNAL AUDITORS	:	M/s R. GOPAL & ASSOCIATES Internal Auditors Chennai-600 031
COST AUDITORS	:	Mrs.LATHA VENKATESH Cost Auditors Chennai – 600 044
BANKERS	:	1. THE JAMMU & KASHMIR BANK LTD. Chennai – 600 002  2. CITY UNION BANK LTD. Chennai – 600 001
REGISTRAR & SHARE TRANSFER AGENTS	:	M/S.CAMEO CORPORATE SERVICES LTD. Subramanian Building No.1, Club House Road Chennai – 600 002 (Tel) 044 - 2846 0390 / 2846 0718
REGISTERED OFFICE	:	Mercury Apartments, First Floor No.65. Pantheon Road Egmore, CHENNAI – 600 008 (Tel) 044 – 2855 5653 / 2855 5673 Fax : 044 – 2855 5643 E-mail : <a href="mailto:tnstl@vsnl.net">tnstl@vsnl.net</a> / <a href="mailto:tnt.share@yahoo.in">tnt.share@yahoo.in</a> <a href="mailto:contact@tamilnadusteeltubesltd.com">contact@tamilnadusteeltubesltd.com</a> Website: <a href="http://www.tamilnadusteeltubesltd.com">www.tamilnadusteeltubesltd.com</a> <b>CIN : U27110TN1979PLC007887</b>
WORKS	:	B-10, Industrial Complex Maraimalai Nagar – 603 209 Kancheepuram District. Tamilnadu



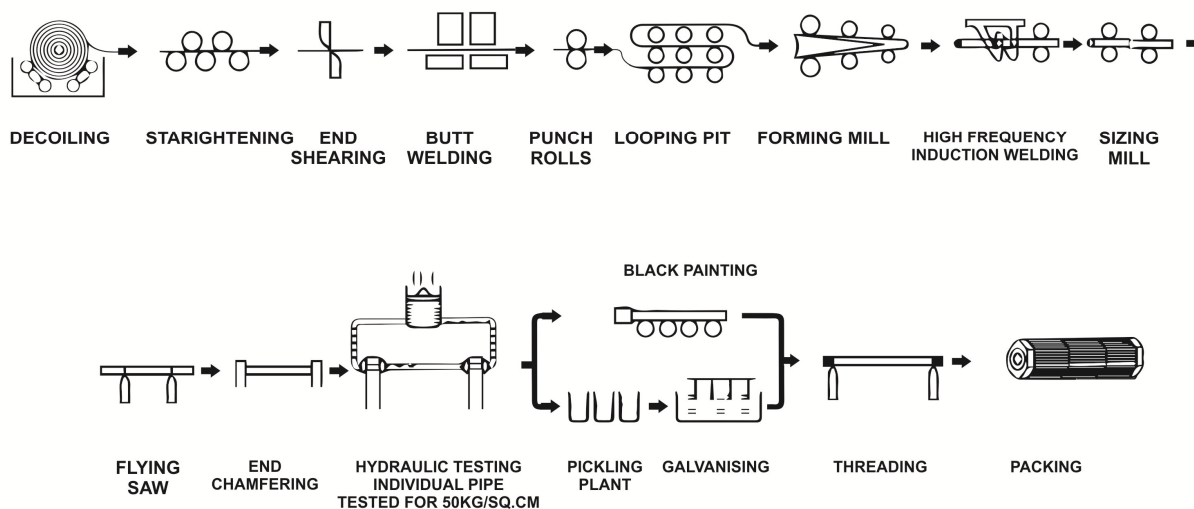
## MAJOR PRODUCTS , BRANDS AND MARKS :

YOUR Company is manufacturing various sizes of ERW Pipes – Black & Galvanized, Square, Rectangular and Round Pipes ranging from ½ inch to 10 inches. The products are being identified with Brands and Marks. These products are being used mainly for Irrigation, water supply projects, sewerage and drainage, mines, coal fields, Industries, plumbing and construction, Bridge constructions, Airports, Automobiles, Warehousing, etc.

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

## FLOW CHART :-

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





# TAMILNADU STEEL TUBES LIMITED, CHENNAI

## FINANCIAL HIGHLIGHTS – 2004-05 TO 2013-14

RS. IN LAKHS

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue from operations	3079.35	3563.22	4825.85	7177.57	6304.30	7273.77	7753.28	8087.43	10354.56	10655.01
Total Income	3101.15	3627.49	4919.00	7493.88	6298.15	7345.80	7825.61	8088.60	10360.70	10658.33
Earnings before Depreciation, Finance Cost and Tax Expenses (EBDIT)	42.92	100.14	241.04	734.76	332.70	213.07	123.24	196.94	469.78	322.21
Depreciation and Amortisation	26.59	25.14	24.61	25.21	20.22	19.45	21.61	21.56	20.03	27.32
Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	257.06
Profit for the Year	(10.11)	29.46	147.97	664.88	281.45	(361.11)	0.87	71.03	215.87	356.31
Equity Dividend %	-	-	-	-	-	-	-	-	-	-
Equity Share Capital	412.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48	512.48
Reserves and Surplus	(1685.21)	(1638.22)	(1490.25)	(825.37)	(543.92)	(905.03)	(904.17)	(833.14)	(617.26)	(260.95)
Net Worth	(1272.73)	(1125.74)	(977.77)	(312.89)	(31.44)	(392.55)	(391.69)	(320.66)	(104.78)	251.53
Gross Fixed Assets	695.23	695.86	698.27	726.65	754.83	763.87	804.33	836.43	962.49	979.62
Net Fixed Assets	180.15	155.64	133.43	136.59	144.80	134.39	153.47	168.37	276.97	283.44
Total Assets	1199.61	1266.17	1608.28	1569.95	1166.15	1608.93	1879.02	2739.02	2899.13	3356.68
Key Indicators										
Earning Per Share	(0.24)	0.57	2.89	12.97	5.49	(7.05)	0.02	1.39	4.21	6.95
Turnover per Share	74.65	69.53	94.17	140.06	123.02	141.93	151.29	157.81	202.05	207.91
Book Value Per Share	(30.85)	(21.96)	(19.08)	(6.10)	(0.61)	(7.66)	(7.64)	(6.26)	(2.04)	4.91
Debt: Equity Ratio	(1.94):1	(2.12):1	(2.64):1	(6.02):1	(38.09):1	(5.10):1	(5.80):1	(9.54):1	(28.67):1	12.35:1
EBDIT/Gross Turnover %	1.39	2.81	4.99	10.24	5.28	2.93	1.59	2.44	4.54	3.02
Net Profit Margin %	(0.32)	0.83	3.07	9.26	4.46	(4.96)	0.01	0.88	2.08	3.34
RONW %	0.79	(2.62)	(15.13)	(212.50)	(895.18)	91.99	(0.22)	(22.15)	(206.02)	141.66