

TULSYAN NEC LIMITED

Board of Directors

Lalitkumar Tulsyan
Executive Chairman

Sanjay Tulsyan
Managing Director

S. Soundararajan

P.T. Rangamani

A.P. Venkateswaran

S. Ramakrishnan

Sanjay Agarwalla

V. Kirubanandan

C. Ramachandran

K. Janakiraman
Company Secretary

Registered Office
61, Sembudoss Street,
Chennai - 600 001.

Corporate Office
Apex Plaza, I Floor, New No. 77,
(Old No. 3), Nungambakkam High Road,
Chennai - 600 034.
Tel. : 044-3918 1060, Fax : 044-3918 1097
E-mail: tulsyanec@gmail.com
Web site: www.tulsyanec.co.in

Administrative Office
37, Kaveriappa Layout,
Miller Tank Bund Road,
Vasanth Nagar, Bangalore - 560 052.

Bankers
Canara Bank
Syndicate Bank
Andhra Bank
State Bank of India
IDBI
Indian Overseas Bank

Auditors
C.A. Patel & Patel, Chennai.

Share Transfer Agents
Cameo Corporate Services Ltd.
Subramanian Building,
1 Club House Road, Chennai - 600 002.

Steel Division

39, Dr. Harikrishna Naidu Street,
Ambattur, Chennai - 600 053.

Plot No. A 15/N,(pt)
SIPCOT Industrial Complex,
Gummudipoondi,
Tiruvallur District, Tamil Nadu.

D-4, SIPCOT Industrial Complex,
Gummudipoondi,
Tiruvallur District, Tamil Nadu.

Depot

55/2, Cuddalore Main Road,
Ariyankuppam,
Pondicherry - 605 007.

Windmill

Kudimangalam, Udumalpet,
Tamil Nadu.

Pazhavoor, Tirunelveli District,
Tamil Nadu.

Kavalakurichi, Tirunelveli District,
Tamil Nadu.

Synthetics Division

7-A, Doddaballapura Industrial Area,
Kasba Hobli, Karnataka.

2-B, Survey No. 16, Korandanahalli
Malur Industrial Area, Malur Kolar District
Karnataka - 563 130

Plot No.20, KIADB Industrial Area,
Malur - 563130, Kolar District, Karnataka

Plot No. E-4, Madkaim Industrial Area,
Madkaim Village, Ponda Taluk, Goa.

Survey No. 4/1-P-1,
Adakamaranahully Village,
Dasanapura Hobli Makali Post,
Tumkur Road, Bangalore.

Survey No. 237 to 245,
Boincheruvupalli Village,
Peapully Mandal, Kurnool District,
Andhra Pradesh - 518 220.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 64th Annual General Meeting of the Company will be held on **Wednesday the 14th September, 2011** at 11:00 a.m. at Narada Gana Sabha Mini Hall, 254, T.T.K. Road, Chennai - 600 018, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date, together with the Report of the Directors and Auditors thereon.
2. To declare dividend.
3. To Appoint a Director in place of **Shri V. Kirubanandan**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To Appoint a Director in place of **Shri S. Ramakrishnan**, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT M/s. C.A. Patel and Patel, Chartered Accountants, Chennai, retiring auditors of the Company be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors of the Company"

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modifications, the following as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 2(26), 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, (including any statutory modification(s) or re-enactment thereof and guideline issued by central Government from time to time and subject to the necessary approval if any, the Shareholders of the Company be and is hereby accorded their approval for the re-appointment of **Shri**

Sanjay Tulsyan as Managing Director of the Company for a period of 5 years with effect from 01.10.2011 and revision of remuneration not exceeding of Rs 10,00,000 per month for a period of 5 years with effect from 01.04.2011 as per the terms and conditions, including remuneration as set out in the draft of the agreement to be entered into by the Company with him, submitted to the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement, so as not to exceed the limits and stipulations specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to between the Board and **Shri Sanjay Tulsyan** or as may be varied by the General Meeting."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to alter, vary and modify the said terms including salary, allowances and perquisites in such manner as may be agreed to between the Board and **Shri Sanjay Tulsyan** within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act, and if necessary, as may be stipulated by the Central Government as may be agreed to accordingly between the Board and **Shri Sanjay Tulsyan**."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, **Shri Sanjay Tulsyan**, shall be paid the same remuneration as stated herein above, as minimum remuneration but subject to the upper limit, if any, prescribed under Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), as may be applicable from time to time."

"RESOLVED FURTHER THAT Shri Sanjay Agarwalla, Whole-time Director of the Company be and is hereby authorized to file necessary forms/returns with ROC and do all other acts/things in connection therewith to give effect to the above resolution."

7. To consider and if thought fit, to pass with or without modifications, the following as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 2(26), 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, (including any statutory modification(s) or re-enactment thereof and guideline issued by central Government from time to time and subject to the necessary approval if any, the Shareholders of the Company be and is hereby accorded their approval for the re-appointment of **Shri Lalitkumar Tulsyan** as Managing Director of the Company and designated as "Executive Chairman" for a period of 5 years with effect from 12.07.2011 and revision of remuneration not exceeding of Rs 10,00,000 per month for a period of 5 years with effect from 01.04.2011 as per the terms and conditions, including remuneration as set out in the draft of the agreement to be entered into by the Company with him, submitted to the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement, so as not to exceed the limits and stipulations specified in Schedule XIII to the Companies Act, 1956, or any amendments thereto as may be agreed to between the Board and Shri Lalitkumar Tulsyan or as may be varied by the General Meeting."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to alter, vary and modify the said terms including salary, allowances and perquisites in such manner as may be agreed to between the Board and Shri Lalitkumar Tulsyan within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act, and if necessary, as may be stipulated by the Central Government as may be agreed to accordingly between the Board and **Shri Lalitkumar Tulsyan**"

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, **Shri Lalitkumar Tulsyan**, shall be paid the same remuneration as stated herein above, as minimum remuneration but subject to the upper limit, if any, prescribed under Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-

enactment thereof, for the time being in force), as may be applicable from time to time."

"RESOLVED FURTHER THAT Shri Sanjay Tulsyan, Managing Director of the Company be and is hereby authorized to file necessary forms/returns with ROC and do all other acts/things in connection therewith to give effect to the above resolution."

8. To consider and if thought fit, to pass with or without modifications, the following as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 2(26), 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, (including any statutory modification(s) or re-enactment thereof and guideline issued by central Government from time to time and subject to the necessary approval if any, the Shareholders of the Company be and is hereby accorded their approval for the re-appointment of **Shri Sanjay Agarwalla** as Whole time Director of the Company for a period of 5 years with effect from 22.09.2011 and revision of remuneration not exceeding of Rs 10,00,000 per month for a period of 5 years with effect from 01.04.2011 as per the terms and conditions, including remuneration as set out in the draft of the agreement to be entered into by the Company with him, submitted to the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement, so as not to exceed the limits and stipulations specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to between the Board and **Shri Sanjay Agarwalla** or as may be varied by the General Meeting."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to alter, vary and modify the said terms including salary, allowances and perquisites in such manner as may be agreed to between the Board and **Shri Sanjay Agarwalla** within and in accordance with and subject to the limits prescribed in Schedule XIII to the said Act, and if necessary, as may be stipulated by the Central Government as may be agreed

to accordingly between the Board and **Shri Sanjay Agarwalla.**"

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, **Shri Sanjay Agarwalla**, shall be paid the same remuneration as stated herein above, as minimum remuneration but subject to the upper limit, if any, prescribed under Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force), as may be applicable from time to time."

"RESOLVED FURTHER THAT Shri Sanjay Tulsyan, Managing Director of the Company be and is hereby authorized to file necessary forms/returns with ROC and do all other acts/things in connection therewith to give effect to the above resolution."

For and on behalf of the Board

Place : Chennai
Date : 12.08.2011

Lalitkumar Tulsyan
Executive Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER.**

2. The Proxies to be valid should be lodged with the Share Transfer Agents, not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 07.09.2011 to 14.09.2011 (both days inclusive).
4. Members are requested to forward transfer requests, change of address, power of attorney, etc., to the Share Transfer Agents, viz., Cameo Corporate Services Limited, Subramaniam Building, 1, Club House Road, Chennai - 600 002.
5. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting and also their copy of the Annual Report.
6. Dividend including Dividend for the year 2003-2004 and subsequent years, remaining unclaimed for a period of 7 years, are transferable to the Investor Education and Protection Fund established by Central Government as per Section 205A(5) of the Companies Act, 1956. Reminders are sent to members for encashing unclaimed and unpaid dividends, on regular basis, Members who have not yet preferred a claim are, therefore, requested to contact the Registrar and Share Transfer Agents immediately. No claim shall lie against the fund or the Company in respect of unclaimed and unpaid dividends transferred to the IEPF as per section 205C of the Companies Act 1956.

PARTICULARS OF THE DIRECTORS SEEKING REAPPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

ITEM NO. 3, 4, 6, 7 AND 8

| Name of Director | Shri Kirubanandan Venkatachalam | Shri Selvaganapathy Ramakrishnan | Shri Sanjay Tulsyan | Shri Lalitkumar Tulsyan | Shri Sanjay Agarwalla |
|---|---------------------------------|---|--|--|---|
| Date of Birth | 30.04.1948 | 15.07.1954 | 12.01.1964 | 18.02.1960 | 26.06.1963 |
| Expertise in specific functional areas. | 42 Years | 32 Years | 25 Years | 30 Years | 20 Years |
| Qualification | B.E., M.Tech., M.B.A | B.Com. | B.Com. (Hons.) | B.Com. | B.Com. |
| List of other companies in which directorship held as on 31st March 2011 | NIL | 1. Buildmet Fibers Pvt. Ltd. 2. Shakthi Kiran Foods Pvt. Ltd. 3. Good Creations Pvt. Ltd. 4. Transpac Asia Pvt. Ltd. | 1. Tulsyan Smelters Pvt. Ltd. 2. Cosmic Global Ltd. 3. Tulsyan Power Ltd. 4. Balaji Engineering & Galvanizing Ltd. 5. Tulsyan Alloys Ltd. 6. Chitrakoot Steel & Power Pvt. Ltd. 7. Buildmet Fibers Pvt. Ltd. 8. Color Peppers Media Pvt. Ltd. | 1. Tulsyan Smelters Pvt. Ltd. 2. Cosmic Global Ltd. 3. Tulsyan Power Ltd. 4. Balaji Engineering & Galvanizing Ltd. 5. Tulsyan Alloys Ltd. 6. Chitrakoot Steel & Power Pvt. Ltd. 7. Buildmet Fibers Pvt. Ltd. | 1. Tulsyan Power Ltd. 2. Cosmic Global Ltd. 3. Balaji Engineering & Galvanizing Ltd. 4. Chitrakoot Steel & Power Pvt. Ltd. 5. Color Peppers Media Pvt. Ltd. |
| Chairman/Member of the Committees of the Board of other companies in which he is a director as on 31st March 2011 | NIL | NIL | NIL | NIL | NIL |
| Shareholding as on 31st March 2011 held individually held jointly with other | NIL NIL | NIL NIL | 1304732 NIL | 1344693 NIL | 100 NIL |

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS IN THE NOTICE IS ANNEXED:

ITEM NO. 6

The term of office of **Shri Sanjay Tulsyan, Managing Director** of the Company is to expire on 30.09.2011. The Board of Directors of the Company has re-appointed at its meeting held on 12.08.2011 for a further period of 5 years with effect from 01.10.2011, and also revised his remuneration not exceeding of Rs 10,00,000/- per month for a period of 5 years with effect from 01.04.2011 by considering his knowledge, experience and contribution rendered by him to the growth and interest of the company and subject to the approval of the shareholders of the company and the Central Government under Sections 2(26), 198, 269, 309 and 310 read with Schedule XIII of the Companies Act 1956 as the case may be.

This may also be treated as an abstract of the terms of the contract and memorandum of interest in relation to reappointment of Shri Sanjay Tulsyan as Managing Director and revision of remuneration to Shri Sanjay Tulsyan pursuant to Sec 302 of the Companies Act, 1956.

None of the Directors of the Company are interested or concerned in any of the above resolutions except the proposed Appointees Shri Sanjay Tulsyan and Shri Lalit Kumar Tulsyan being Directors of the Company.

Your Directors recommend the special resolution for the approval of the members.

ITEM NO. 7

The term of office of **Shri Lalitkumar Tulsyan, Managing Director** of the Company is to expire on 11.07.2011. The Board of Directors of the Company has re-appointed at its meeting held on 07.07.2011 for a further period of 5 years with effect from 12.07.2011, and also revised his remuneration not exceeding of Rs 10,00,000/- per month for a period of 5 years with effect from 01.04.2011 by considering his knowledge, experience and contribution rendered by him to the growth and interest of the company and subject to the approval of the shareholders of the company and the Central Government under Sections

2(26), 198, 269, 309 and 310 read with Schedule XIII of the Companies Act 1956 as the case may be.

This may also be treated as an abstract of the terms of the contract and memorandum of interest in relation to reappointment of **Shri Lalitkumar Tulsyan** as Managing Director and revision of remuneration to Shri Lalitkumar Tulsyan pursuant to Sec 302 of the Companies Act, 1956.

None of the Directors of the Company are interested or concerned in any of the above resolutions except the proposed Appointees Shri Lalitkumar Tulsyan and Shri Sanjay Tulsyan being Directors of the Company.

Your Directors recommend the special resolution for the approval of the members.

ITEM NO. 8

The term of office of **Shri Sanjay Agarwalla, Whole-time Director** of the Company is to expire on 21.09.2011. The Board of Directors of the Company has re-appointed at its meeting held on 12.08.2011 for a further period of 5 years with effect from 22.09.2011, and also revised his remuneration not exceeding of Rs 10,00,000/- per month for a period of 5 years with effect from 01.04.2011 by considering his knowledge, experience and contribution rendered by him to the growth and interest of the company and subject to the approval of the shareholders of the company and the Central Government under Sections 2(26), 198, 269, 309 and 310 read with Schedule XIII of the Companies Act 1956 as the case may be.

This may also be treated as an abstract of the terms of the contract and memorandum of interest in relation to reappointment of Shri Sanjay Agarwalla as Whole time Director and revision of remuneration to Shri Sanjay Agarwalla pursuant to Sec 302 of the Companies Act, 1956.

None of the Directors of the Company are interested or concerned in any of the above resolutions except the members of the company.

Your Directors recommend the special resolution for the approval of the members.

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

We take pleasure in presenting the 64th Annual Report of the Company together with the Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement for the year ended 31st March, 2011.

FINANCIAL RESULTS

| | Rupees in Lakhs | |
|--|-----------------|-----------|
| | 2010-2011 | 2009-2010 |
| Profit before Depreciation and tax | 2365.39 | 2258.48 |
| Less: Depreciation | 857.88 | 813.33 |
| Profit for the year before exceptional items | 1507.51 | 1445.15 |
| Less: Exceptional Items | 126.96 | 85.73 |
| Profit for the year | 1380.55 | 1359.42 |
| Less: Provision for Current Tax | 290.00 | 360.00 |
| Deferred Tax | 156.22 | 150.17 |
| Add: Surplus brought forward | 3334.84 | 2698.85 |
| Amount available for appropriation | 4269.17 | 3548.10 |
| Appropriations: | | |
| Interim dividend | 50.00 | – |
| Corporate Tax on Interim Dividend | 8.50 | – |
| Dividend | 50.00 | 100.00 |
| Corporate Tax on dividend | 5.31 | 11.26 |
| General Reserve | 105.00 | 102.00 |
| Balance carried forward | 4050.16 | 3334.84 |

OPERATIONS AND OUTLOOK

During the year under review, Sales and other receipts grew 32.93% YOY to Rs. 84310.61 Lakhs. EBITDA grew by 4.73% YOY to Rs. 2365.39 Lakhs and PAT grew by 10.02% YOY to 934.33 Lakhs. Your directors expect a growth of 35% in the top line for the FY 2012.

As in the last year during the current year also there were drastic power cuts consequently effecting our costs and also the production. Due to these power cuts we could not utilize our capacities in full thus losing out on economies of large scale production. The 35 MW captive thermal power plant at Gummudipoondi is expected to commence production from June 2012. During the current year your company proposes to set up an additional captive Power

Plant of 35 MW capacity, additional Induction furnaces of 4 numbers of 20T each for billet manufacturing with annual installed capacity of 274000 MTPA this will be set up at the new site where the captive power plant of 35MW is under implementation. The company is setting up a Wire Rod and Bundling machine with a coal gasifier at the existing rolling mill division in Gummudipoondi.

DIVIDEND

Your Company paid interim dividend of 10% during January 2011. Your directors are now pleased to recommend a final dividend of 10% on the paid up capital of Rs. 5 Crore. This together with the interim dividend aggregated to a record total dividend of 20% for the financial year ended 31st March 2011, on the paid up capital of Rs. 5 Crore.

DIRECTORS

Shri V. Kirubanandan, Director of the Company, retires by rotation and being eligible, offers himself for re-election.

Shri S. Ramakrishnan, Director of the Company, retires by rotation and being eligible, offers himself for re-election.

AUDITORS

The Auditors of the Company M/s. C.A. Patel & Patel, Chartered Accountants, Chennai, retire at the ensuing Annual General Meeting of the Company and are being eligible, offer themselves for re-appointment.

PERSONNEL

Your Directors wish to express their appreciation to the employees at all levels for their contribution to the Company's performance during the year under review.

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988 AND PARTICULARS OF FOREIGN EXCHANGE EARNINGS AND OUTGO

The Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 are enclosed with the report.

FIXED DEPOSITS

The Company has complied with the provisions of Section 58A of the Companies Act, 1956 and Rules made there under in respect of acceptance of deposits from public. There are no unpaid/unclaimed deposits.

DEMATERIALISATION OF SHARES

Your Company has entered into an arrangement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for dematerialization of the Company's shares in accordance with the provisions of the Depositories Act, 2001. Accordingly, our company's shares can be dematerialized in the CDSL and NSDL under the ISIN - INE463D01016.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Profit of the Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis

AUDIT COMMITTEE

In compliance of Section 292A of the Companies Act, 1956, an Audit Committee of the Board is consisting of the following Directors:

1. Shri S. Soundararajan - Chairman
2. Shri S Ramakrishnan
3. Shri A P Venkateswaran

CORPORATE GOVERNANCE

The Company has complied with the mandatory requirements of Corporate Governance as prescribed in the Listing

Agreement entered into with the Stock Exchanges to the extent possible, taking into account, the operational requirements, financial position of the Company etc. A separate report on Corporate Governance along with the Auditor's Certificate on its compliance is attached as Annexure to this report.

PARTICULARS OF EMPLOYEES

The statement of particulars of employees as required section 217(2A) of the Companies Act, 1956, read with the Companies(Particulars of Employees) Rules, 1975 as amended is appended.

STATUTORY DISCLOSURES

None of the Directors are disqualified under the provisions of Section 274(1)(g) of the Companies Act, 1956. The Directors have made the requisite disclosures, as required under the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement

SUBSIDIARY COMPANIES

As per the Resolution passed by the Board of Directors at their meeting held on 12th August 2011, the Balance Sheet, Profit & Loss Account and the reports of the Board of Directors and Auditors of the Subsidiary Companies have not been attached to the Balance Sheet of your Company. On written request the copies of Annual Report of the subsidiary companies will be provided to the shareholders.

GENERAL

The Directors take this opportunity to convey their appreciation of the services rendered and support given by the Company's Bankers, Financial Institutions, suppliers and customers.

Your Directors thank you, the Shareholders for your continued patronage.

For and on behalf of the Board

Place : Chennai
Date : 12.08.2011

LALITKUMAR TULSYAN
Executive Chairman

INFORMATION AS PER SECTION 217 (2A) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2011

| Sl. No. | Name of the Employee | Age Years | Designation | Gross Rem. Received Rs. | Qualification | Experience in years | Share holding % | Date of Employment | Last Employment |
|---------|----------------------|-----------|--------------------|-------------------------|-----------------|---------------------|-----------------|--------------------|-----------------|
| 1 | Lalit Kumar Tulsyan | 51 | Executive Chairman | 60,00,000 | B. Com., | 30 | 26.89 | 1/27/1994 | - |
| 2 | Sanjay Tulsyan | 47 | Managing Director | 60,00,000 | B. Com., (Hons) | 25 | 26.10 | 9/6/1986 | - |



ANNEXURE TO DIRECTORS' REPORT

Information under Section 217 (1) (e) of the Companies Act, 1956

| A. CONSERVATION OF ENERGY | 2010-2011 | 2009-2010 |
|--|------------------|------------------|
| I Electricity | | |
| a. Purchase in units | 68828051 | 48666640 |
| Total Amount (Rs.in lakhs) | 3727.99 | 2286.58 |
| Rate per unit (Rs.) | 5.42 | 4.69 |
| b. Own generation in units | 17020 | 21020 |
| Unit per liter of diesel | 2.8 | 2.79 |
| Cost per unit | 14.28 | 11.66 |
| c. Windmill generation (units) | 4369985 | 4619828 |
| II Coal | | |
| Consumption (MT) | 11700.35 | 2850.540 |
| Total Amount (Rs.in lakhs) | 577.25 | 72.75 |
| Average Rate (Rs.) | 4933.61 | 2552.14 |
| III Furnace Oil | | |
| Consumption (litres) | 3386200 | 6056016 |
| Total Amount (Rs.in lakhs) | 862.87 | 1340.82 |
| Average Rate (Rs.) | 25.48 | 22.14 |
| B. CONSUMPTION PER UNIT OF PRODUCTION | | |
| Finished Steel Products | 174290 | 155543 |
| Electricity (Units) | 97 | 97 |
| Furnace Oil (Litres) | 19 | 38 |
| Coal (Kgs.) | 89 | 18 |
| MS Billets | | |
| Production | 75679 | 56894 |
| Electricity | 689 | 657 |
| C. TECHNOLOGY ABSORPTION | Not Applicable | Not applicable |
| D. ACTIVITY RELATING TO EXPORTS | | (Rs.in lakhs) |
| (i) Foreign Exchange earned | 3190.20 | 1857.19 |
| (ii) Foreign Exchange used | 12135.46 | 6492.08 |

For and on behalf of the Board

Place : Chennai
Date : 12.08.2011

LALITKUMAR TULSYAN
Executive Chairman

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST
IN THE SUBSIDIARY COMPANY**

| Name of the Subsidiary company | Financial Year of the Subsidiary company ended on | Number and face value of shares held by Tulsyan NEC Limited in the subsidiary company at the end of financial year of the subsidiary company | Extent of Interest of Holding company at the end of financial year of the subsidiary company | Profit of the subsidiary company for the financial year since it became subsidiary company | Amount of profit of the subsidiary company not dealt within the books of holding company | Amount of profit of the subsidiary company dealt within the books of holding company |
|---|--|--|--|--|---|---|
| Cosmic Global Ltd | 31-03-2011 | 11,25,000 shares of Rs. 10/- each | 76.71% | 4659737 | 2972237 | 1687500 |
| Tulsyan Power Ltd | 31-03-2011 | 50,000 shares of Rs. 10/- each | 100% | NIL | NIL | NIL |
| Chitrakoot Steel & Power Pvt. Ltd. | 31-03-2011 | 64,89,200 shares of Rs. 10/- each | 100% | 857752 | 857752 | NIL |
| Balaji Engineering & Galvanizing Ltd | 31-03-2011 | 49,400 shares of Rs. 10/- each | 98.80% | NIL | NIL | NIL |
| Color Peppers Media Private Limited | 31-03-2011 | 50,000 shares of Rs. 10/- each | 100% | 163250* | 163250 | NIL |

* Profit earned since the date from which it became subsidiary company - i.e. 09/12/2010