



# THE TINPLATE COMPANY OF INDIA LIMITED

A **TATA** Enterprise



**95<sup>th</sup> Annual Report  
2013-14**

# CORPORATE SOCIAL RESPONSIBILITY



## BOARD OF DIRECTORS

(as on 22nd April, 2014)

Mr Koushik Chatterjee (*Chairman*)

Mr Anand Sen

Mr Dipak Kumar Banerjee

Mr S P Nagarkatte

Mr B N Samal

Mr Ashok Kumar Basu

Mr Bushen Raina

Mr T V Narendran (*ceased w.e.f. 24.10.2013*)

Dr Sougata Ray

Mr Tarun Kumar Daga (*Managing Director*)

### Management

Mr Tarun Kumar Daga (*Managing Director*)

Mr Chacko Joseph (*Chief Financial Officer*)

Mr Ramesh Iyer (*Vice President - Operations & Projects*)

Mr Sarvesh Kumar (*Vice President - Marketing & Sales*)

Mr Aditya Roy Chowdhury (*Vice President - Strategy, TQM & IT*)

Dr C D Singh (*Director Medical Services*)

Mr S Kar (*Company Secretary*)

### Auditors

Messrs Deloitte Haskins & Sells

### Principal Bankers

State Bank of India

Union Bank of India

The Honkong & Shanghai Banking Corporation Ltd.

HDFC Bank Limited

### Registered Office

4 Bankshall Street, Kolkata 700 001

Phone : 91 33 22435401, Fax : 91 33 22304170

E-mail: [company.secretariat@tatatinplate.com](mailto:company.secretariat@tatatinplate.com)

Website: [www.tatatinplate.com](http://www.tatatinplate.com)

**Corporate Identity No. :** L28112WB1920PLC003606

## CONTENTS

01	Board of Directors
02	Chairman's Statement
03	Performance Highlights
04	Notice
20	Directors' Report
32	Auditors' Report
38	Balance Sheet
39	Profit & Loss Statement
40	Cash Flow Statement
42	Notes to the Financial Statements
71	Report on Corporate Governance
85	Annexure I to Directors' Report
90	Production Statistics
91	Financial Statistics

# CHAIRMAN'S STATEMENT



Dear Shareholders,

I am happy to present to you the 95th Annual Report of The Tinsplate Company of India Limited and the financial performance for the year 2013-14. The financial year 2013-14 was a challenging year for the Indian economy as its growth rate slowed down due to a variety of factors including high interest rates, inflationary conditions, low level of capital formation and regulatory bottlenecks. However, India has a huge opportunity to grow in the next decade and be one of the most competitive nations of the future. In order to realise this potential, the country will require significant investments in physical and social infrastructure in the coming years. With the new government in place, having a strong political mandate, there is an expectation that the government and the policy makers will put a framework of development in place that would revive the economy and enhance its competitiveness. The packaging industry is also looking forward to the new initiatives for boosting the growth of processed food industry as also for improving the organized retail trade in India. With increased urbanization in India, the packaging

industry will continue to be attractive and tinsplate as a safe, recyclable product would be well poised to grow in consumption.

Over the last decade, the Company has been on a growth path to add capacity and it continues to work on pursuing operational excellence and market differentiation including better service levels to its customers. The growth in the tinsplate industry is highly correlated with the growth in the processed food and beverage industry. With a market share of over 45%, the Company maintained its leadership position in the steadily growing Indian market in the financial year 2013-14. The Company also registered a new high in the exports segment backed by a favorable exchange rate. Going forward, the Company will work towards consolidating its market position through differentiated value added product mix and enhancing its service levels to the customers. As the consumption levels of packaged products increases in the country in the future, the Company will be well poised to grow along with the market.

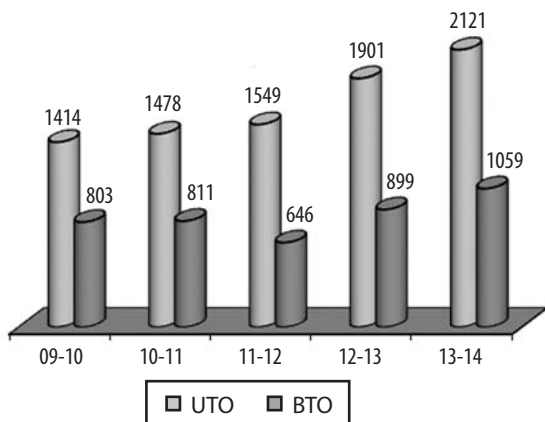
Finally, I would like to express my gratitude to all our shareholders, customers, suppliers and lenders for their continued support and partnership that has further strengthened the Company. I would also like to thank all the employees and the Golmuri Tinsplate Workers Union for their efforts and contributions towards the Company's progress.

Yours Sincerely

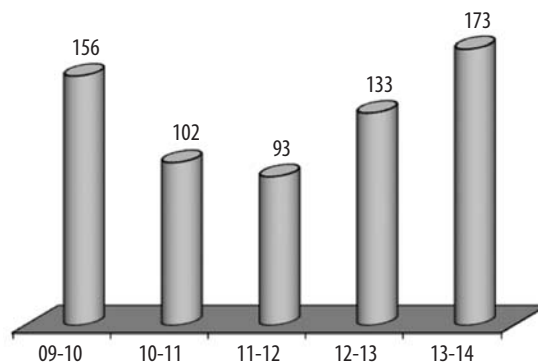
A handwritten signature in blue ink that reads "Koushik Chatterjee". The signature is stylized and written in a cursive-like font.

**Koushik Chatterjee**  
Chairman

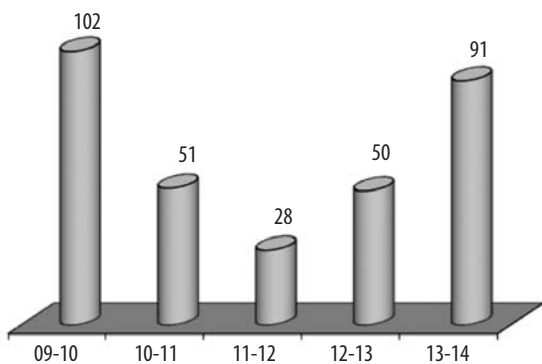
# PERFORMANCE HIGHLIGHTS



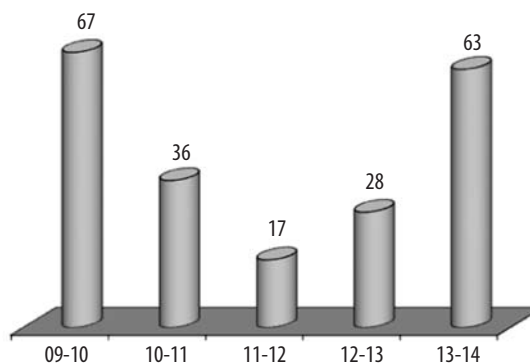
**Underlying Turnover/ Book Turnover (₹ Crs)**



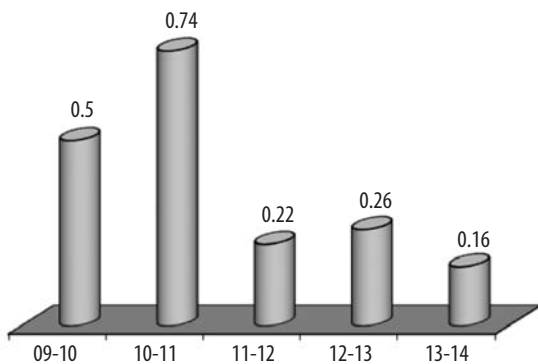
**EBITDA (₹ Crs)**



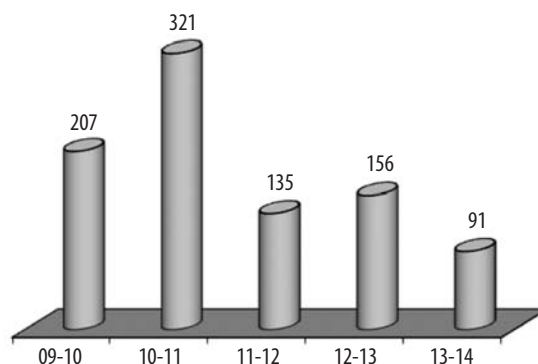
**PBT (₹ Crs)**



**PAT (₹ Crs)**



**Debt - Equity Ratio**



**Debt (₹ Crs)**

## THE TINPLATE COMPANY OF INDIA LIMITED

### NOTICE

THE NINETY-FIFTH ANNUAL GENERAL MEETING OF THE TINPLATE COMPANY OF INDIA LIMITED will be held on Friday, 5th September, 2014 at 11.00 am at the Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6 Netaji Subhas Road, Kolkata - 700001 to transact the following business :

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on the Non-cumulative Optionally Convertible Preference Shares of the Company.
3. To declare dividend on the Equity Shares of the Company.
4. To appoint a Director in place of Mr Anand Sen (DIN: 00237914), who retires by rotation and is eligible for re-appointment.
5. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, Messrs Deloitte Haskins and Sells, Chartered Accountants (Firm Registration No. 302009E), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the ninety-eighth AGM of the Company to be held in the year 2017(subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

6. Re-appointment of Mr Tarun Kumar Daga as the Managing Director :

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

"RESOLVED THAT pursuant to Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under, as amended from time to time, read with Schedule V to the Act, the Company hereby approves the re-appointment and terms of remuneration of Mr. Tarun Kumar Daga (DIN : 01686499), Managing Director of the Company for a further period from 17th June 2014 to 16th June, 2019, not liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement

annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year with liberty to the Directors to alter and vary the terms and conditions of the said re-appointment in such manner so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to between the Directors and Mr Tarun Kumar Daga.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

7. Appointment of Mr Dipak Kumar Banerjee as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, to the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV of the Act, as amended from time to time, Mr Dipak Kumar Banerjee (DIN: 00028123), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 5th September, 2014 up to 4th September, 2019."

8. Appointment of Mr S P Nagarkatte as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, to the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, as amended from time to time, Mr S P Nagarkatte (DIN: 00328069), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 5th September, 2014 up to 15th April, 2018."

9. Appointment of Mr Ashok Kumar Basu as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, to the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, as amended from time to time, Mr Ashok Kumar Basu (DIN: 01411191), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 5th September 2014 up to 23rd March, 2017."

10. Appointment of Dr Sougata Ray as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, to the Companies Act, 2013 ("the Act") and the Rules made there under read with Schedule IV to the Act, as amended from time to time, Dr Sougata Ray (DIN: 00134136), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 5th September, 2014 up to 4th September, 2019."

11. Authority to Directors to borrow in excess of the paid-up capital and free reserves :

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

"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 11th July, 2006, consent of the Company be and is hereby accorded pursuant to Section 108(1)(c) of the Companies Act, 2013 to the Board of Directors of the Company for borrowing from time to time any sum or sums of money which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the aggregate of the moneys borrowed and to be borrowed and outstanding at any one time shall not exceed the amount of ₹ 1200 crores."

12. Creation of Charges :

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

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks/Financial Institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Equity Shares and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of Loans



together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the Loans, shall not, at any time exceed the limit of ₹ 1,200 crores.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

13. Ratification of Cost Auditors' remuneration.

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 1.5 lakhs per annum plus out of pocket expenses payable to M/s Shome & Banerjee, Cost Accountants, who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules there under, for the year ending 31st March, 2015.

Registered Office :  
4, Bankshall Street,  
Kolkata 700001  
Dated : April 22, 2014  
CIN : L28112WB1920PLC003606  
Website : www.tatatinplate.com

By Order of the Board

S KAR  
Company Secretary

**NOTES :**

- (a) The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 6 to 13 above are annexed hereto. The relevant details of Director seeking appointment / re-appointment under item nos.4 and 6 to 10 above pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- (c) The Register of Members and Share Transfer Books of the Company will be closed from Thursday, 21st August, 2014 to Friday, 5th September, 2014 (both days inclusive).
- (d) If dividend on the Equity Shares as recommended by the Board of Directors is passed at the meeting, payment of such dividend will be made on and from 10th September, 2014 to those members whose names are on the Company's Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before 20th August, 2014. In respect of Equity Shares held in electronic form, the dividend will be paid to the beneficial owners of the shares as at the end of business hours on 20th August, 2014 as per details furnished by the Depositories for this purpose.

Members are requested to register their bank details with their depository participant in case they hold shares in electronic form or with the Company's Registrar and Share Transfer Agents, TSR Darashaw Private Limited in case of holding in physical form to facilitate payment of dividend, etc., either in electronic mode or for printing on the payment instruments.

- (e) Members are requested to bring the attendance slips along with copies of Annual Report to the Meeting.
- (f) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.
- (g) As per the provisions of the Companies Act, 2013 facility for making nominations is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents, TSR Darashaw Private Limited by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. The contact details of the Company's Registrar and Share Transfer Agents, TSR Darashaw Private Limited are given in this Annual report.

To support the Green Initiatives, the Members who have not registered their email addresses are requested to register their email addresses with TSR Darashaw Pvt. Ltd / Depositories.

- (h) In accordance with the Companies Act, 2013 read with the Rules the Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The voting period begins on Thursday, 28th August, 2014 at 9.00 am and ends on Saturday, 30th August, 2014 at 6.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. July 18, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

1. The procedure and instructions for e-voting are as under :
  - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - b. Click on "Shareholders" tab.
  - c. Now, select the "The Tinsplate Company of India Limited" from the drop down menu and click on "SUBMIT".
  - d. Now Enter your User ID.
    - i. For CDSL : 16 digits beneficiary ID,
    - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - e. Next enter the Image Verification as displayed and Click on Login.
  - f. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - g. If you are a first time user follow the steps given below :

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name followed by the last 8 digit of their Demat Account Number/Folio No. as the case may be, in the PAN field.</li> <li>• In case the Folio No. is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.</li> </ul>
-----	---

Date of Birth or Date of Incorporation  OR Dividend Bank Details	Enter the Date of Birth (DOB) as recorded in your Demat Account or in the Company's records for the said Demat Account in dd/mm/yyyy format or enter Folio No.  OR Enter the Dividend Bank Details as recorded in your Demat Account or in the Company's records for the said Demat Account or Folio No.  Please enter any one of the details i.e. DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company please enter the number of shares held in the Dividend Bank details.
---	---

- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN for the relevant "The Tinsplate Company of India Limited" on which you choose to vote.
- l. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- n. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

r. Note for Institutional Shareholders :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.
4. Mr. A K Labh of A K Labh & Co., Practicing Company Secretaries (Membership No. FCS 4848), has been appointed as the Scrutinizer to scrutinize the e-voting process including the Ballot Form received from the Members who do not have access to the e-voting process in a fair and transparent manner.
5. The Scrutiniser shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
6. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutiniser appointed by the Board of Directors of the Company, at The Tintplate Company of India Limited, 4 Bankshall Street, Kolkata - 700001 in the enclosed postage pre-paid self-addressed envelope, not later than Thursday, 28th August, 2014 (5:30 PM). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [company.secretariat@tatatinplate.com](mailto:company.secretariat@tatatinplate.com) by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutiniser not later than Thursday, 28th August, 2014 (5:30 PM). Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e., either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

7. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.tatatinplate.com](http://www.tatatinplate.com) and on the website of CDSL within two days of the passing of the resolutions at the Ninety Fifth AGM of the Company on Friday, 5th September, 2014 (5:30 PM) and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

## ANNEXURE TO NOTICE

As required by Section 102 of the Companies Act, 2013 (hereinafter referred to as "the Act") the following Explanatory Statement sets out all material facts relating to the business mentioned under item No. 6 to 13 of the accompanying Notice dated 22nd April, 2014.

### Item No. 6

The Members of the Company at Annual General Meeting held on 31st August, 2009 appointed Mr Tarun Kumar Daga as the Managing Director (MD) of the Company, for a period of 5 years from 17th June 2009 to 16th June, 2014. The Board on recommendation of the Nomination and Remuneration Committee, at its meeting held on 22nd April, 2014, re-appointed Mr Daga as the MD of the Company, for a further period of 5 years from 17th June 2014 and approved the terms and conditions of his appointment, subject to the approval of the Members at the Annual General Meeting of the Company and Central Government, if necessary.

Mr Daga holds a BE (Electrical & Electronics) degree from BITS, Pilani, a PGDM from IIM, Lucknow and has completed a General Management Programme at CEDEP (INSEAD), France. He joined Tata Steel Limited in 1991 and his service was seconded to the Company in 1997 and has over 23 years of experience in the Steel /Tinplate Industry. He has held various positions in the Company. Previous to his appointment as Managing Director, Mr Daga was the Executive Director from 9th March 2009 after serving the Company as Chief Operating Officer since October 2006.

The main terms and conditions relating to the re-appointment of Mr Daga as MD are as follows :

1. Period : From 17th June 2014 to 16th June, 2019.
2. Nature of Duties : Mr Daga shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and separately communicated to him and such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company.
3. A) Remuneration :
  - a) Salary : ₹ 2,58,720/- per month, in the scale of ₹ 1,22,000/- to 3,00,000/- per month with annual increment effective from 1st April, each year, as may be decided by the Board, based on the merit and taking into account the Company's performance for the year;
  - b) Bonus/ performance linked incentive, and/or commission based on certain performance criteria laid down by the Board;
  - c) Benefits, perquisites and allowances as will be determined by the Board from time to time.
- B) Minimum Remuneration : Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of Mr Daga's tenure, the Company has no profits or its profits are inadequate, the Company will pay to Mr Daga remuneration by way

of salary, benefits, perquisites and allowances and commission or performance-linked bonus as approved by the Board and to the extent permitted under the Act.

4. Other terms of re-appointment :

- (i) The terms and conditions of Mr Daga's re-appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereinafter in this regard in such manner as may be agreed to between the Board and Mr Daga, subject to such approvals as may be required.
- (ii) The re-appointment may be terminated by either party giving to the other party three months' notice of such termination or the Company paying three months' remuneration in lieu thereof.
- (iii) Mr Daga shall not become interested or otherwise concerned, directly or through his spouse and/or children in any selling agency of the Company.
- (iv) Mr Daga's employment may be terminated by the Company without notice or payment in lieu of notice :
  - (a) if Mr Daga is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company to which he is required by the terms of his appointment to render services; or
  - (b) in the event of any serious repeated or continuing breach (after prior warning) or non observance by Mr Daga of any of the stipulations contained in the terms of his appointment; or
  - (c) in the event the Board expresses its loss of confidence in Mr Daga.
- (v) Upon the termination by whatever means of Mr Daga's employment :
  - (a) Mr Daga shall immediately tender his resignation as a Director of the Company and from such other offices held by him in the Company, without claim for compensation for loss of office.
  - (b) Mr Daga shall not without the consent of the Company at any time thereafter represent himself as connected with the Company.
- (vi) Mr Daga is re-appointed by virtue of his employment in the Company and his appointment is subject to the provisions of Section 167(1)(h) of the Act. He shall not be liable to retire by rotation.
- (vii) The terms and conditions of re-appointment of Mr Daga also include clauses pertaining to adherence with the Tata Code of Conduct, intellectual property, non-competition, non conflict of interest with the Company and maintenance of confidentiality.
- (viii) If and when the tenure of his appointment expires or is terminated for any reason whatsoever, Mr Daga will cease to be MD and also cease to be a Director. If at any time Mr Daga ceases to be a Director of the Company for any reason whatsoever, he shall cease to

be the MD and the terms of his appointment shall forthwith terminate. If at any time Mr Daga ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and the MD of the Company.

Mr Tarun Kumar Daga is interested and concerned in the Resolution mentioned at Item no. 6 of the Notice. Other than Mr Daga, no other Directors, Key Managerial Personnel (KMP) or their respective relatives of Directors or KMP are concerned or interested in the Resolution.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the approval of the Members is sought for the appointment and terms of remuneration of Mr. Tarun Kumar Daga as MD as set out above.

The Resolution regarding the appointment of Mr Daga at Item No. 6 is commended for approval by the Members.

**Item No. 7**

Mr Dipak Kumar Banerjee has been a Non-Executive Director of the Company since 28th July 2003 and is considered as an Independent Director under clause 49 of the Listing Agreements entered with the Stock Exchanges. Mr Banerjee is a Chartered Accountant by profession and he was associated with Unilever Group of Companies in India and UK. He has over 38 years of experience, particularly in the field of mergers, acquisitions, corporate restructuring and disposals, apart from financial and accounting aspects.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Dipak Kumar Banerjee has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Dipak Kumar Banerjee as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from the date of this AGM upto a period of five consecutive years, i.e. up to 4th September, 2019.

In the opinion of the Board, Mr Dipak Kumar Banerjee fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Dipak Kumar Banerjee as an Independent Director is now being placed before the Members at the Annual General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company. Mr Dipak Kumar Banerjee is interested and concerned in the Resolution mentioned at Item No.7 of the Notice. Other than Mr Dipak Kumar Banerjee, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.7 of the Notice.



**Item No. 8**

Mr S P Nagarkatte has been a Non-Executive Director of the Company since 21st January 2004 and is considered as an Independent Director under clause 49 of the Listing Agreements entered with the Stock Exchanges. Mr Nagarkatte is an Engineer by profession and was an employee of the erstwhile ICICI Ltd. which reverse merged into ICICI Bank Ltd. Mr Nagarkatte had earlier served as the Nominee of ICICI Ltd. on the Board of Directors of the Company with effect from 12th April 1997.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr S P Nagarkatte has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr S P Nagarkatte as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director up to 15th April, 2018, when he will retire as per the Tata Group Policy on Retirement of Directors.

In the opinion of the Board, Mr S P Nagarkatte fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr S P Nagarkatte as Independent Director is now being placed before the Members at the Annual General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr S P Nagarkatte is interested and concerned in the Resolution mentioned at Item No. 8 of the Notice. Other than Mr S P Nagarkatte, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 8 of the Notice.

**Item No. 9**

Mr Ashok Kumar Basu has been a Non-Executive Director of the Company since 23rd October 2008 and is considered as an Independent Director under clause 49 of the Listing Agreements entered with the Stock Exchanges. Mr Basu, I.A.S. (Retd) has worked in various capacities in the Government of West Bengal and Government of India. He was Secretary, Ministry of Steel and Mines, from August 1997 to May 2000, Secretary Ministry of Power from June 2000 to March 2002 and Chairman, Central Electricity Regulatory Commission during April 2002-2007.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr Ashok Kumar Basu has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Ashok Kumar Basu as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an

Independent Director up to 23rd March 2017, when he will retire as per the Tata Group Policy on Retirement of Directors.

In the opinion of the Board, Mr Ashok Kumar Basu fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Ashok Kumar Basu as Independent Director is now being placed before the Members at the Annual General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Mr Ashok Kumar Basu is interested and concerned in the Resolution mentioned at Item No.9 of the Notice. Other than Mr Ashok Kumar Basu, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.9 of the Notice.

#### **Item No. 10**

Dr Sougata Ray has been a Non-Executive Director of the Company since 4th May 2011 and is considered as an Independent Director under clause 49 of the Listing Agreements entered with the Stock Exchanges. Dr Ray graduated in Mechanical Engineering from Indian Institute of Science and Technology, Shibpur. He is a Fellow (Ph.D) in Management from Indian Institute of Management, Ahmedabad. He worked as Junior and Assistant Manager in Steel Authority of India Limited during 1989-1993, as a Research Scholar at Indian Institute of Management Ahmedabad during 1993-1997 and as the founding Faculty and Chairman of the MBA programme at the Indian Institute of Management, Indore during 1998-2000. He also worked with Infosys Technologies Limited from 2008-2010 as General Manager & Head-Innovation Lab. Since early 2000 he has been associated with the Indian Institute of Management, Calcutta and currently he is a Professor of Strategic Management. Earlier he has served as the Dean of the Indian Institute of Management Calcutta.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Dr Sougata Ray has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Dr Sougata Ray as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director from the date of this AGM up to a period of five consecutive years, i.e. up to 4th September, 2019.

In the opinion of the Board, Dr Sougata Ray fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr Sougata Ray as Independent Director is now being placed before the Members at the Annual General Meeting for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Dr Sougata Ray is interested and concerned in the Resolution mentioned at Item No.10 of the Notice. Other than Dr Sougata Ray, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.10 of the Notice.

### **Item No. 11 and 12**

At the Annual General Meeting of the Company held on 11th July, 2006 the Board of Directors (the Board ), pursuant to the resolutions passed under Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 were empowered to borrow and to create charges / mortgages/ hypothecations for an amount not exceeding ₹ 1200/- crores.

Consequent upon the Companies Act 2013 (the Act) coming into force with effect from 1st April 2014, a fresh consent of the Members at the Annual General Meeting is required to borrow money where the amount to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceeds the aggregate of the paid-up share capital of the Company and its free reserves.

In view of the above change in legislation it is considered desirable to authorize the Board, in accordance to Section 180(1)(c) of the Act, to borrow money on behalf of the Company upto the existing authorized limit of ₹ 1200/- crores.

The proposed borrowings by the Company may, if necessary be secured by way of charge / mortgage / hypothecation on the Company's assets in favour of the security holders / trustees for the holder of the said securities. As the documents to be executed between the security holders / trustees for the holders of the said securities and the Company may contain the power to take over the management of the Company in certain events, it is necessary to pass a resolution under Section 180(1)(a) of the Act, for creation of charges / mortgage / hypothecations for an amount not exceeding the existing authorized limit of ₹ 1200/- crores.

The above Resolutions are in the interest of the Company and your Directors commend the Resolutions in Item nos. 11 and 12 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested in the Resolutions.

### **Item Nos. 13**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s Shome & Banerjee, Cost Auditors, to conduct Cost Audit for the financial year ending 31st March, 2015 at a fee of ₹1.5 Lakhs per annum plus reimbursement of service tax, out-of-pocket, travelling and living expenses.

M/s. Shome & Banerjee have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s. Shome & Banerjee have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the Companies Act, 1956.

The Board has approved the remuneration of ₹ 1.5 Lakhs per annum plus out-of-pocket expenses to M/s. Shome & Banerjee as the Cost Auditors and the ratification of the shareholders is sought for the same by an Ordinary Resolution at Item No. 13.

The Resolution at Item No. 13 is commended for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 13 of the Notice.

**Details of the Directors seeking reappointment/appointment at the Annual General Meeting**

Name of Director	Mr Dipak Kumar Banerjee	Mr S P Nagarkatte	Mr Ashok Kumar Basu	Dr Sougata Ray	Mr Anand Sen	Mr Tarun Kumar Daga
Date of Birth	19th February 1946	16th April, 1943	24th March 1942	10th September 1968	17th September 1959	9th January 1966
Date of Appointment	28th July 2003	21st January, 2004	23rd October 2008	4th May 2011	25th July 2002	9th March 2009
Qualification	B.Com (Hons), FCA	B Tech (IIT Bombay) M.S. (Materials Engineering) University of Illinois, Chicago, USA	B. A. (Hons), IAS (Retd.)	B.Tech (Mechanical), Ph.D in Management	B.Tech.(Met), PGDBM	BE (Electrical & Electronics), PGDM - IIM Lucknow, General Management Programme, CEDEP - INSEAD, France
Expertise in specific functional areas	Expertise in the field of finance and strategic planning	Experienced in Project Management and Project Finance planning	Expertise in Infrastructure, Power and General Administration	Expertise in business strategy, international business, organizational transformation, innovation and corporate sustainability strategy.	Expertise in the field of Marketing, presently President (TQM & Steel Business) of Tata Steel Ltd.	Experienced in Marketing & Sales, presently Managing Director of The Tinplate Co. of India Ltd.
Directorship held in other Companies*	Tata Metaliks Ltd. DIC India Ltd. TM International Logistics Ltd. Tata Sponge Iron Ltd. Tayo Rolls Ltd. Mjunction Services Ltd. Shristi Infrastructure Development Corporation Ltd. Tata Metaliks DI Pipes Ltd. International Shipping and Ligistics FZE Rupa & Company Ltd.	NIL	JSW (Bengal) Steel Ltd. Tata Power Co. Ltd. Tata Metaliks Ltd. Tata Power Delhi Distribution Ltd. Maithon Power Ltd. Tata Metaliks DI Pipes Ltd. Visa Power Ltd.	NIL	Tata Steel Processing & Distribution Ltd. Tata BlueScope Limited Tayo Rolls Limited	NIL

### Details of the Directors seeking reappointment/appointment at the Annual General Meeting

Name of Director	Mr Dipak Kumar Banerjee	Mr S P Nagarkatte	Mr Ashok Kumar Basu	Mr Sougata Ray	Mr Anand Sen	Mr Tarun Kumar Daga
Membership/ Chairmanship of Committees** across public Companies	Tata Metaliks Ltd. (RC/AC) DIC India Ltd. (RC/AC) TM International Logistics Ltd.(AC) Tata Sponge Iron Ltd.(AC) Mjunction Services Ltd.(AC) Shristi Infrastructure Development Corporation Ltd.(AC/SGC) Tayo Rolls Ltd. (AC) Tata Metaliks DI Pipes Ltd. (AC)	Nil	JSW (Bengal) Steel Ltd. (AC) Visa Resources India Ltd. (RC/AC) Visa Power Ltd. (RC/AC) Tata Metaliks Ltd.(SGC/AC) Tata Metaliks DI Pipes Ltd.(AC) Tata Power Delhi Distribution Ltd.(AC/CSRC) Maithon Power Ltd.(AC)	NIL	Tata Steel Processing & Distribution Ltd. Tata BlueScope Limited Tayo Rolls Limited  Tata Steel Processing & Distribution Ltd.(EC/RC) Tata BlueScope Limited (AC/RC) Tayo Rolls Limited (RC/SGC) The Tinplate Company of India Ltd. (SGC)	NIL
No. of shares held in the Company	NIL	NIL	NIL	NIL	NIL	NIL

\* Private Limited Companies, foreign Companies and Companies under Section 25 of the Companies Act are not considered.

\*\* Includes Audit Committee (AC) Shareholders Grievance Committee (SGC) and Corporate Social Responsibility Committee (CSRC).

## Directors' Report

### TO THE MEMBERS,

The Board of Directors hereby present the ninety-fifth Annual Report on the business and operations of your Company along with the audited financial statements for the year ended 31st March 2014.

### FINANCIAL RESULTS

	FY 2013-14 ₹ Lacs	FY 2012-13 ₹ Lacs
Net Sales/Income .....	1,05,907	87,716
Total Expenditure .....	<u>91,140</u>	<u>76,572</u>
Operating Profit .....	14,767	11,144
Add : Dividend and Other Income .....	<u>2,536</u>	<u>2,139</u>
Profit before Interest, Depreciation and Taxes .....	17,303	13,283
Less : Interest .....	<u>2,115</u>	<u>2,528</u>
Profit before Depreciation and Taxes .....	15,188	10,755
Less : Depreciation .....	<u>6,119</u>	<u>5,802</u>
Profit before Taxes .....	9,069	4,953
Less : Provision for Taxation		
Provision for Current Taxation .....	1,901	994
Less : MAT Credit .....	—	(994)
Deferred Taxation .....	<u>888</u>	<u>2,130</u>
Profit after Taxes .....	6,280	2,823
Add : Balance brought forward from previous year .....	<u>7,354</u>	<u>7,864</u>
Balance .....	13,634	10,687
Which the Directors have appropriated as under to :		
(i) Proposed Dividend on Preference Share .....	815	899
(ii) Proposed Dividend on Equity Share .....	1,675	1,047
(iii) Tax on Dividend .....	423	330
(iv) General Reserve .....	471	71
(v) Capital Redemption Reserve .....	<u>4,962</u>	<u>986</u>
<b>TOTAL</b> .....	<u>8,346</u>	<u>3,333</u>
Leaving a balance to be carried forward .....	<u>5,288</u>	<u>7,354</u>

## **DIVIDEND**

- i) 8.5% Non-Cumulative Optionally Convertible Preference Shares (OCPS) : The Board has recommended a dividend of ₹ 8.50 per share on the OCPS for the year ended 31st March, 2014.
- ii) Equity Shares : The Board has recommended a dividend of Rs 1.60 per Equity Share (2012-13 : ₹ 1.00 per Equity Share) of ₹ 10 each for year ended 31st March, 2014.

The Dividend on OCPS and Equity Shares is subject to the approval of the shareholders at the Annual General Meeting.

## **ECONOMIC ENVIRONMENT**

The world economy expanded at a very subdued pace, on account of weaker domestic demand and slower growth in several key emerging market economies and rather gradual recovery of Europe from a more protracted recession. While imminent risks in advanced economies have diminished, new risks of a longer term growth slowdown in emerging market economies have now surfaced, due to prolonged effects of domestic capacity issues, slow down in credit growth and weak external conditions.

Economic growth in India also remained subdued in Financial Year 2013-14 against the backdrop of the global slowdown, with high interest rates impacting consumption and slowing down of fixed asset investments. Whilst there was a revival in agriculture, the Government's monetary policy imperative was to contain inflation while supporting growth. Industrial output growth rate, however, saw a deceleration due to a combination of global and domestic factors and a decline in mining sector, capital goods, and consumer goods. Despite the slowdown, the belief in the long-term potential of the economy remains strong. Decisive policy actions on issues such as curbing wasteful subsidies, attracting foreign direct investment to reduce the current account deficit and an increase in infrastructure spending may restore confidence and lead to stronger growth. However, the continual lack of action on the policy front prior to the elections has impacted the economy.

The apparent consumption of tinplate in India saw a marginal drop in the year under review - whilst this may be due to the foreign exchange situation during the year and various other factors, the overall position may need to be seen over a longer time horizon.

With a stable political domestic environment and hope of revival of domestic demand, packaging demand is expected to improve going forward.

## **PERFORMANCE**

During the year under review, the Company's operating scale increased by around 5% as compared to the previous year i.e. increased in volumes from approximately 310,000 tons in FY12-13 to 324,000 tons in FY13-14. Based on increased volumes and better realisations over input raw

materials in FY14, the Company's EBIDTA (Earnings before Interest, Taxes, Depreciation and Amortisation) during the year increased to ₹ 173 Crores from ₹ 133 Crores in FY 2012-13. The profit after tax also increased during the year under review to ₹ 63 Crores from the profit after tax of ₹ 28 Crores in FY 2012-13.

Your Company is working towards further ramping up the scale of operations through higher capacity utilization. In order to further improve the operating and financial performance, the Company is striving to reduce operating costs, improving raw material utilization efficiencies and at the same time improving product quality for achieving greater customer satisfaction.

### **SAFETY AND ENVIRONMENT**

Safety and occupational health responsibilities are integral to your Company's business process and these are laid down in the Company's Safety and Health Policy, standards and working procedures. In terms of the aforesaid policy your Company is committed to ensuring zero harm to its employees, any person in the company premises and the communities in which it operates. Safety is a key performance indicator and one of the prime drivers of the Company's operating efficiency. The Company is continuously focusing on improved training, new initiatives and communications for improving safety in the work place.

Monitoring the health of the employees commensurate with the work environment is a continuous process and there have been no significant observations relating to deficiencies in workplace health and hygiene conditions.

During the year under review, there were no fatal incidents. The Lost Time Injury Frequency rate was 1.63 as against 1.49 in 2012-13.

Your Company is committed to conserving the environment and places great emphasis on minimizing the environmental impact of its operations through adoption of sustainable practices and continuous improvement in environmental performance. The major focus areas are - Waste and Energy Management, Water Conservation, Afforestation and Reduction in Emissions. Actions have been initiated to reduce carbon footprint through reduction in energy, fuel and water consumption. Various initiatives such as use of variable frequency in several drives, natural air ventilation systems, use of translucent sheets to provide natural illumination during day time, use of energy efficient lights, and use of solar heating systems have been undertaken to reduce energy consumption. For ensuring a cleaner and sustainable environment, the Company is focusing on tree plantation, use of cleaner fuel like propane in place of high speed diesel as well as recycling of waste water.

### **DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Anand Sen retires by rotation and is eligible for re-appointment.



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

Details of conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956 (the Act) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, are given in Annexure 'I' to this Report.

## **PARTICULARS OF EMPLOYEES**

The information required under Section 217(2A) of the Act, and the rules there under, in respect of the employees of the Company, is provided in the Annexure forming part of this Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting, and if, any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, where upon a copy would be sent.

## **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A note on the Company's corporate social responsibility is also included.

## **AUDITORS**

### **Statutory Auditors**

The Members are requested to appoint the Auditors and fix their remuneration. Messrs Deloitte Haskins & Sells, Chartered Accountants, the retiring auditors have furnished a certificate of their eligibility for re-appointment as required under the Act.

### **Cost Auditors**

Your Company has re-appointed Messrs Shome & Banerjee, Cost Accountants, as the Cost Auditor of the Company for audit of the cost records maintained by the Company for the year ended 31st March, 2015.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Act, the Directors based on the representations received from the Operating Management, confirm that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- ii) they have, in the selection of the Accounting Policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

### **ACKNOWLEDGEMENTS**

The Directors would like to place on record their appreciation to all the employees of the Company for their efforts and their contribution to the Company's performance. The recognized Unions at Jamshedpur and Kolkata have cooperated in an exemplary manner towards achieving the objectives of your Company.

The Directors would also like to thank the shareholders, customers, suppliers, bankers, financial institutions, Central and State government agencies and all other stakeholders for their trust and continuous support to the Company.

On behalf of the Board of Directors

Koushik Chatterjee  
Chairman

Kolkata, 22nd April, 2014

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

Tinplate, a value added flat steel product, is a versatile packaging substrate used in edible oils, paints, pesticides, processed foods, beverages and other industries. Its high suitability for packaging of processed edibles has enabled it to withstand the vagaries of the economic environment resulting in a steady growth in demand. However, cost pressures will continue on account of inflation rates, energy and transportation costs.

Growth of packaging industry is strongly co-related to the economic growth of a region. During the past year, global economy posted a marginal growth, amidst slow growth in the European, US and Chinese economies. Global packaging demand accordingly grew at a slower pace. However, aided by a favourable exchange rate, your Company was able to enhance its export business by nearly 60%.

On the domestic front, while the end use industry saw a steady growth, the apparent consumption of tinplate in India remained largely flat / marginally lower. Your Company was able to cross yet another milestone of 250,000 tons of sales in domestic market and a new high of 70,000 tons in export business. Going forward, higher levels of customer engagement and cost efficiencies will drive higher volumes and improve profitability.

The threat of intensifying competition from newer domestic mills and imports, especially from Japan and Korea (on account of Free Trade Agreement), continue to pose challenges for growth in the domestic tinplate industry. The Company has taken a number of measures to address these challenges.

Your Company continues to focus on enhancing customer engagement and value creation through several customer engagement and relationship building programs, which are being continuously strengthened. It continues to drive promotional activities to reach out across the industry value chain and to important stakeholders. The Company is also working with leading brand owners for fresh applications for tinplate packaging.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

Your Company has pioneered tinplate manufacturing in India since 1920s, and presently has a leading market share of approx 45-50% in India.

The company has installed capacity of 379,000 tons per annum at its manufacturing facility located at Jamshedpur in the state of Jharkhand. The total domestic apparent consumption is above half a million tons per annum of which close to 50% is met through imports and the rest through domestic supplies. In the past year, apart from the existing competitors, a new player has established itself and some more are expected.

Today the per capita consumption of tinplate in India is around 0.43 kg which is still very low compared to many developed nations and developing economies like China. Growth in packaging industry has always been closely linked with the GDP growth of the country. In India, with high growth in modern retail, FDI in multi-brand retail and with Government's thrust on the food processing industry, packaging industry is bound to grow. As a result, tinplate demand is likely to increase provided indigenous manufacturers undertake robust developmental efforts. However, significant import of non-prime tinplates and their use in food packaging dampens the demand for prime tinplate. Though the customs duty for all steel products was increased to 7.5% recently, it continues to be relatively low and is not a significant deterrent to the dumping of non-prime tin mill products into India mainly from USA, Europe and Latin America. Further, the Free Trade Agreement with Japan has led to influx of good quality tinplate into India at very low (3%) customs duty.

Also, with strong competition from substitutes, the industry needs to continuously endeavor to make tinplate packaging more competitive at a global level by focusing on light-weighting.

### **OPPORTUNITIES AND THREATS**

#### **Opportunities :**

- The changing demographic profile (young, affluent and environment conscious consumers, nuclear families) coupled with rapid growth in modern retail are driving the growth in the Indian packaging industry. Besides, global concerns over climate change are drawing focus on the need for sustainable and eco-friendly packaging. Tinplate, being naturally environment friendly, enjoys superiority over other conventional packaging media like : PET, plastic, HDPE etc.
- The packaging industry is primarily dependent on growth in the food and beverage industry. The Ministry of Food Processing, Government of India has been continuously encouraging the growth of the processed foods industry through policy interventions, food safety and standards enactment and increasing levels of promotional efforts across India. The implementation of the Food Safety and Standards Act would further help in promoting the use of prime quality tinplate in packaging.

- Globally, tinplate has remained competitive mainly through progressive light-weighting. With the recent enhancement in capacity, your Company is better equipped to meet the growing demand for thinner tin mill products.

**Threats :**

- Changes in input raw material (hot rolled coils and tin) prices not commensurate with tinplate prices would put serious pressure on margins. Volatility in foreign exchange rates creates uncertainties in managing exports.
- Post Free Trade Agreement with Japan, import of good quality prime tinplate has become cheaper with duty being just 3%, while dumping of non-prime tinplate from international mills continues to pose a problem as these tinplates find their way into food packaging industry.
- Domestic competition is intensifying with existing players getting more aggressive and new players entering the market. This will lead to reduction in margins in years to come unless growth takes place.
- Alternate packaging medium continues to pose a threat to the metal packaging industry.

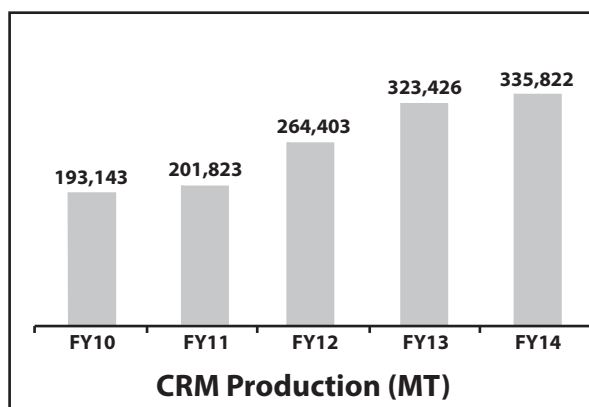
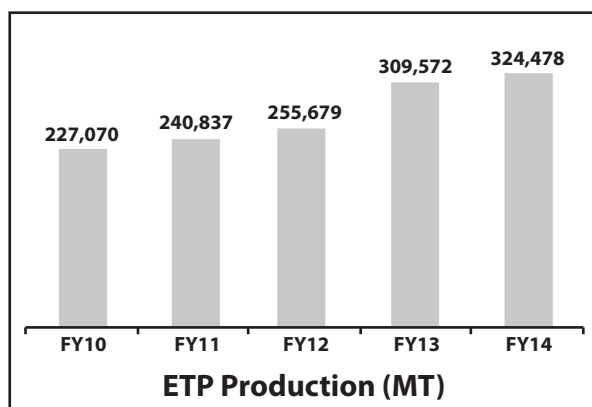
**OPERATIONAL PERFORMANCE**

During the financial year 2013-14, the Company has achieved a 5% increase in production over the previous year and an overall capacity utilization of approx 85%.

The Company's product mix has continued to serve end-uses like edible oils, paints, pesticides, battery jackets, aerosol cans, processed foods and crown corks. The products continue to be supplied in sheet form and in coil form.

The Company is undertaking several improvement initiatives related to safety practices, environment management, quality, efficient utilization of raw materials and reduction in power, fuel and water consumption. The Company improved its quality yields and customer complaints have reduced as compared to the previous year.

The relevant operations of the Company are certified to IMS Systems, namely, ISO 9001, ISO 14001, OHSAS 18001 and ISO 22000.



### **FINANCIAL PERFORMANCE**

The gross revenue from operations of the Company for FY 2013-14 at ₹ 1059 crores were higher by 20% compared to FY 2012-13 at ₹ 877 crores on the strength of enhanced scale of operations and better realisations. The profit after tax has correspondingly increased to ₹ 63 crores in FY 2013-14 from ₹ 28 crores in FY 2012-13.

### **INTERNAL CONTROLS AND SYSTEM**

The company maintains adequate internal control systems through established processes and procedures set up by the management. The company has a comprehensive Internal Control Manual which provides for documented procedures covering Operations, Sales, Project Management, Procurement, Human Resources, Information Technology and Financial Reporting. These are periodically reviewed by Internal Audit Department.

The main objectives of Internal Audit Department are to review the reliability and integrity of information, check compliance with policies and applicable laws and regulations. It also reviews the effectiveness of risk management processes relating to internal control and governance for safeguarding of assets.

The Audit Committee of the Board reviews, inter alia, the adequacy and effectiveness of the Internal Control environment and monitors internal audit recommendations including those relating to strengthening the Company's risk management policies and systems. It is also engaged in overseeing the financial disclosures.

The Audit Committee engages with the Company's Statutory Auditors to ascertain their views on compliance to accounting policies and the adequacy as well as effectiveness of the internal control

systems followed by the Company. The Audit Committee's observations and suggestions are acted upon by the Management.

## **RISKS AND CONCERNS**

The Risk Management framework of the Company ensures compliance with the requirements of Clause 49 of the Listing Agreement. The framework provides for risk identification, risk evaluation, prioritization followed by development of risk mitigation plans. Risks are identified through a structured process and classified as high, medium and low depending on likelihood and impact intensity. All inherent risks are reviewed at appropriate forums and are being integrated progressively with Company's action plans including the capital expenditure programs for effective mitigation. The committee of management of the Company, formed for risk mitigation, meets periodically and reviews the residual risks.

Internal Audit Department maintains the Risk Register containing the details of inherent risks, grading of risks, mitigation plans and residual risks. The risk register is updated periodically.

Risk reports containing details of risks along with mitigation plans are regularly reported to the Audit Committee as well as to the Board of Directors.

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has been committed to serve the community and has put in well defined processes in the areas of education, employability and health care focused towards upliftment of the under-privileged section of the society by scaling-up its activities to make a positive impact on their lives.

In the field of education, your Company continues to support ten schools and the Tinplate Union Mahila Mahavidyalay in terms of infrastructure and sporting activities. Remedial classes are being provided for school dropouts for SC/ST students in designated Harijan Basti and villages. The Company is sponsoring scholarships to meritorious students and free education to school dropouts and financially weak students. The Company facilitates Pre-Nursery and Nursery (Balwadi) classes with study materials and coaching fees to the teachers to provide quality education. I-tin program is being provided for basic computer education and communication skill for providing a holistic development to the beneficiaries. Your Company also sponsors higher education to SC/ST students through Foundation of Academic Excellence and Access (FAEA).

Under employability program, the Company has imparted technical training in partnership with Jusco Utility and Industrial Training Institute (JUITI) to semi-skilled / illiterate youths in the

community. This training enables entry level employment in the industries in various trades like Welder, Fitter, Electrical Fitter, Masson, Carpentry etc. Your Company continues to impart one year training program to the tribal girls at the Tinsplate Hospital for Mid Wife (Dai) training or commonly known as Community Health provider which has created opportunities for employment in Nursing Homes and various Hospitals in and around the township. In line with the growing demand for beauticians, tailoring and advance computer courses, the Company continues to impart Vocational training programs at the three Community Development Centres in the Company Township.

In the area of Health Care, the Company has started Dental Clinic for children up to 5 years and an Anemia Detection Camp for community girls.

### **HUMAN RESOURCE DEVELOPMENT**

The Company recognizes that its employees are its biggest source of strength and that highly engaged workforce delivers high performance and improved productivity. This has been continuously supported by the evolving human resource management systems and processes of the Company. The Company is providing an impetus for enhancing the capabilities of the employees at all levels. In addition, the company is strongly focused towards manpower optimization.

The constructive and cordial relationship between the Management and Union has resulted in smooth Industrial Relations during the year.

Your Company's employees have brought laurels in many external competitions as detailed below.

### **REWARDS AND RECOGNITIONS**

1. CII Eastern Region Productivity Awards 2013-2014 - Certificate of Appreciation for Significant Improvement in Productivity.
2. INSSAN - Received Merit Prize for Best Evaluator (Mobile Equipment), 1st Prize for Poster and Merit Prize for Poster & Slogan.
3. Two QC Teams "Akarshan" & "Pragati" got Certificate of Appreciation in 26th QC Circle Convention (Jharkhand State Level) conducted by CII.

### **STATUTORY COMPLIANCE**

The Managing Director makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes after obtaining confirmation from all the departments of the



Company. The Company Secretary ensures compliance with the SEBI regulations and the provisions of the Listing Agreement. The Chief Financial Officer ensures compliance with the guidelines on insider trading for prevention of insider trading.

### **CAUTIONARY STATEMENT**

Statements in Management Discussions & Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and/or price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and other incidental factors.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TINPLATE COMPANY OF INDIA LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **THE TINPLATE COMPANY OF INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

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

## Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
  - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay  
Partner  
(Membership No. 054785)

Kolkata, 22nd April, 2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business/activities/results during the year, clauses (vi), (x), (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets :
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories :
  - (a) As explained to us, the inventories were 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 were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) According to the information and explanations given to us, there are no contracts or arrangements which are required to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us, in respect of statutory dues :
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears, as at 31st March, 2014 for a period of more than six months from the date they became payable.
  - c. Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on 31st March, 2014 on account of disputes are given below :

**THE TINPLATE COMPANY OF INDIA LIMITED**

Ninety-fifth annual report 2013-2014

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Involved (Rs. In Lakhs)</b>
Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	2006-07, 2007-08, 2008-09, 2009-10	309.34
		Appeal yet to be filed	2007-08, 2010-11	1,734.59
	Fringe Benefit Tax	Commissioner of Income Tax (Appeals)	2007-08	1.43
Central Sales Tax Act 1956/Bihar Sales Tax Act/Jharkhand Sales Tax Act	Sales Tax	Appeal yet to be filed	2010-11	16.25
		Joint Commissioner, Commercial Taxes (Appeals)	1979-80, 1998-99, 2009-10	40.52
		Commissioner, Commercial Taxes, Ranchi	1994-95, 1996-97, 1999-00, 2002-03, 2003-04	1,919.51
		High Court, Ranchi	1996-97	77.77
		Commercial Taxes, Tribunal	2001-02, 2002-03, 2009-10	8.05
		Tamilnadu, Special Tribunal	1993-94	3.12
		Superintendent of Taxes, Guwahati	1996-97, 1998-99	3.25
Central Excise Act 1944	Excise Duty	Central Excise and Service Tax Appellate Tribunal	1994-95, 2000-01, 2003-04	334.00
		Commissioner, Appeals	1996-97	3.42
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	2001-02 to 2011-12	2,699.05
		Commissioner, Appeals	2009-10 to 2012-13	106.45
Customs Act, 1962	Custom Duty	Kolkata High Court	1984	215.92

- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company did not have any outstanding debentures or dues to the financial institutions during the year.

- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short term basis have, *prima facie*, not been used during the year for long term investment.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay  
Partner  
(Membership No. 054785)

Kolkata, 22nd April, 2014

# THE TINPLATE COMPANY OF INDIA LIMITED

Ninety-fifth annual report 2013-2014

## BALANCE SHEET AS AT 31ST MARCH, 2014

		₹ in Lacs	
	Notes	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>(I) EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a)	3	<b>15,110.30</b>	20,726.80
(b)	4	<b>42,858.87</b>	39,492.33
		<b>57,969.17</b>	60,219.13
<b>(2) Non-current liabilities</b>			
(a)	5	<b>3,698.00</b>	7,570.57
(b)	6	<b>9,488.80</b>	8,600.04
(c)	7	<b>4,368.53</b>	3,683.18
		<b>17,555.33</b>	19,853.79
<b>(3) Current liabilities</b>			
(a)	5	<b>1,554.18</b>	3,880.06
(b)	8	<b>6,752.27</b>	5,378.27
(c)	9	<b>6,526.40</b>	7,381.36
(d)	7	<b>3,781.23</b>	3,062.10
		<b>18,614.08</b>	19,701.79
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>94,138.58</b>	99,774.71
<b>(II) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a)			
(i)	10	<b>72,291.83</b>	76,194.70
(ii)	11	<b>46.45</b>	49.94
(iii)		<b>2,611.35</b>	1,163.22
		<b>74,949.63</b>	77,407.86
(b)	12	<b>22.83</b>	22.83
(c)	13	<b>4,791.36</b>	4,797.35
		<b>79,763.82</b>	82,228.04
<b>(2) Current assets</b>			
(a)	14	<b>6,591.70</b>	6,185.32
(b)	15	<b>5,903.03</b>	8,376.76
(c)	16	<b>80.87</b>	157.39
(d)	13	<b>1,799.16</b>	2,820.20
(e)	17	<b>—</b>	7.00
		<b>14,374.76</b>	17,546.67
<b>TOTAL ASSETS</b>		<b>94,138.58</b>	99,774.71

The notes referred to the above form an integral part of Balance sheet.

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

**Abhijit Bandyopadhyay**

Partner

For and on behalf of the Board of Directors

**Koushik Chatterjee**

Chairman

**Tarun Kumar Daga**

Managing Director

**S Kar**

Company Secretary

Kolkata, 22 April, 2014

Kolkata, 22 April, 2014



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

₹ in Lacs

	Notes	For the year ended 31.03.2014	For the year ended 31.03.2013	
<b>I</b>	Revenue from operations (gross)	18	105,907.18	87,754.74
	Less : Excise duty		0.41	38.73
	Revenue from operations (net)		105,906.77	87,716.01
<b>II</b>	Other Income	19	2,535.69	2,111.95
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>108,442.46</b>	89,827.96
<b>IV</b>	<b>EXPENSES</b>			
	(a) Cost of materials consumed	20	-	186.75
	(b) Purchase of Traded Goods	21	43,277.58	32,782.79
	(c) Changes in stock of finished goods, stock in trade, work-in-progress and scrap	22	15.03	81.20
	(d) Employee benefit expense	23	11,825.83	10,581.50
	(e) Finance costs	24	2,115.45	2,527.62
	(f) Depreciation and amortisation expense	10 & 11	6,118.89	5,802.04
	(g) Other expenses	25	36,140.51	32,913.08
	(h) Less :Expenditure (other than interest) Transferred to Capital and other accounts		(120.32)	-
	<b>Total Expenses (IV)</b>		<b>99,372.97</b>	84,874.98
<b>V</b>	<b>Profit before tax (III - IV)</b>		<b>9,069.49</b>	4,952.98
<b>VI</b>	Tax Expense			
	(a) Current tax		1,901.01	993.63
	(b) MAT credit		-	(993.63)
	(c) Deferred tax		888.76	2,129.91
	<b>Total tax expense (VI)</b>		<b>2,789.77</b>	2,129.91
<b>VII</b>	<b>Profit for the Year (V - VI)</b>		<b>6,279.72</b>	2,823.07
<b>VIII</b>	<b>Earnings per share (of Rs 10 each) :</b>	33		
	(1) Basic		5.09	1.69
	(2) Diluted		5.09	1.69

The notes referred to the above form an integral part of Statement of Profit and Loss Account.

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants  
**Abhijit Bandyopadhyay**  
Partner

For and on behalf of the Board of Directors

**Koushik Chatterjee**  
Chairman  
**Tarun Kumar Daga**  
Managing Director

**S Kar**  
Company Secretary  
Kolkata, 22 April, 2014

Kolkata, 22 April, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

	<b>For the year ended 31.03.2014</b>	<b>₹ in Lakhs For the year ended 31.03.2013</b>
<b>A. Cash Flow from Operating activities :</b>		
<b>Profit before taxes</b>	<b>9,069.49</b>	4,952.98
Adjustments for :		
Depreciation and amortisation expense	6,118.89	5,802.04
Loss/(Gain) on sale of tangible assets (net)	(38.37)	26.59
Interest income	(402.54)	(497.83)
Dividend income	(47.90)	(10.84)
Provision for Wealth tax	2.90	9.70
Finance Costs	2,115.45	2,527.62
Provision for Doubtful Debts, Advances and Other Current Assets	115.05	24.09
Liability/Provision no longer required Written Back	(302.40)	(28.17)
Unrealised exchange loss/(gains)	79.25	16.11
<b>Operating profit before working capital changes</b>	<b>16,709.82</b>	12,822.29
Adjustments for (increase)/decrease in operating assets		
Inventories	(406.38)	(930.49)
Trade receivables	2,441.73	(4,300.61)
Short-term loans and advances	915.64	171.72
Long-term loans and advances	(17.20)	15.73
Other current Assets	7.00	(7.00)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	1,623.60	149.26
Other current liabilities	(275.37)	202.75
Short-term provisions	(25.16)	112.75
Long-term provisions	685.35	1,160.93
<b>Cash generated from operations</b>	<b>21,659.03</b>	9,397.33
Direct taxes (paid)	(1,796.49)	(1,002.00)
<b>Net cash from operating activities</b>	<b>19,862.54</b>	8,395.33
<b>B. Cash Flow from Investing activities :</b>		
Purchase of fixed assets	(3,991.33)	(5,394.67)
Proceeds from sale of fixed assets	77.94	5.91
Purchase of Current Investments	(28,542.90)	(12,500.36)
Proceeds from sale of Current Investments	28,542.90	12,504.79
Dividend received	47.90	10.84
Finance Lease Rent Payment (Principal Portion)	(68.97)	(101.76)
Interest income received	402.54	497.83
<b>Net cash (used in) investing activities</b>	<b>(3,531.92)</b>	(4,977.42)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014** (Contd.)

	<b>For the year ended 31.03.2014</b>	<b>₹ in Lakhs</b> For the year ended 31.03.2013
<b>C. Cash Flow from Financing activities :</b>		
Proceeds from long term borrowings	-	3,000.00
Proceeds/ (Repayment) from short term borrowings	<b>(2,340.79)</b>	2,919.05
Repayment of long term borrowings	<b>(4,059.50)</b>	(3,663.32)
Interest and other borrowing costs paid	<b>(2,106.56)</b>	(2,518.05)
Finance Lease Rent Payment (Interest Portion)	<b>(7.90)</b>	(14.08)
Partial redemption of Optionally Convertible Preference Shares	<b>(5,616.50)</b>	(986.00)
Payment of Dividend distribution tax	<b>(330.69)</b>	(299.22)
Dividend Paid	<b>(1,945.81)</b>	(1,844.49)
<b>Net cash used in financing activities</b>	<b>(16,407.75)</b>	(3,406.11)
<b>Net increase in cash or cash equivalents</b>	<b>(77.13)</b>	11.80
<b>Cash and cash equivalents as at 1st April</b>	<b>106.75</b>	94.95
<b>Cash and cash equivalents as at 31st March</b>	<b>29.62</b>	106.75

**Notes :**

1. Includes cash on hand and balance in current accounts with banks
2. Figures in brackets represent outflows

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

**Abhijit Bandyopadhyay**

Partner

Kolkata, 22 April, 2014

For and on behalf of the Board of Directors

**Koushik Chatterjee**

Chairman

**Tarun Kumar Daga**

Managing Director

**S Kar**

Company Secretary

Kolkata, 22 April, 2014

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General Corporate Information

The Tinsplate Company of India Ltd. (TCIL) is the largest producer of tin coated and tin free steel sheets in India. Having its headquarter in Kolkata, the company's works is located at Jamshedpur, Jharkhand. The strategic goal of the company is to create and enhance value for the stakeholders through growth and competitiveness and also to reach status of supplier of choice for tin mill products in Asia.

### 2. Summary of Significant Accounting Policies

#### 2.01 Basis of preparation of Financial Statements

The financial statements are prepared under the historical cost convention on going concern, on accrual basis and are in compliance with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 2013 of the Ministry of Corporate Affairs).

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The accounts presentation in accordance with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of expenses during the year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

#### 2.02 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.03 Revenue Recognition

(i) **Sale of goods**

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract. Revenue includes consideration received or receivable, excise duty but excludes sales related taxes and are net of discounts.

(ii) **Rendering of services**

Conversion income and income from hospital services are recognised on rendering of the related services.

(iii) **Dividend and Interest income**

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### 2.04 Fixed Assets

All fixed assets (comprising both tangible and intangible items) are stated at cost less depreciation/amortization. Pre-operative expenses including trial run expenses (net of revenue) are capitalised. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

## NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

### 2.05 Depreciation and Amortisation

- (i) Freehold land is not depreciated. Premium paid on leasehold land and land development expenses are amortised over the primary lease period.
- (ii) In respect of other assets, depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956, other than computer software (Intangible asset) which is amortised under straight line method over a period of five years.

### 2.06 Employee Benefits

- (i) **Short-term Employee Benefits**  
Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

- (ii) **Post Employment Benefit Plans**

#### **Defined Contribution Plans**

Defined contribution plans are those plans where the Company pays fixed contributions to a fund managed by independent trust. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits. The Company provides Provident Fund facility to all employees and Superannuation benefits to selected employees.

#### **Defined Benefit Plans**

The present value of these defined benefit obligations are ascertained by an independent actuarial valuation using Projected Unit Credit Method as per the requirement of Accounting Standard 15 - Employee Benefits. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognised past service costs. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. All actuarial gains and losses are recognised in the Statement of Profit and Loss in full in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

- (iii) **Other Long-term Employment Benefits (unfunded)**

The present value of obligation against long-term employee benefits is ascertained by an independent actuarial valuation using Projected Unit Credit Method as per the requirement of Accounting Standards 15 - Employee Benefits. All actuarial gains and losses and past service cost are recognised in the Statement of Profit and Loss in full in the year in which they occur.

### 2.07 Foreign Currency Transactions

Transactions in foreign currencies are initially recognised in reporting currency i.e. Indian Rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the rates of exchange prevailing at the balance sheet date.

The exchange differences arising on the settlement of transactions and remeasurement are recognised in the Statement of Profit and Loss. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of transaction is charged to the Statement of Profit and Loss over the period of the contract. Profit/(loss) on cancellation of forward exchange contracts are recognised as income or as expense in the statement of Profit and Loss.

### 2.08 Borrowing Costs

Borrowing Costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such assets till such time as the asset is ready for its intended use. A

## NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.09 Impairment

Whenever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, the Company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal of such assets. If the assets are impaired, the Company recognises an impairment loss as the difference between the carrying value and recoverable amount i.e. net selling price or value in use, whichever is higher.

### 2.10 Investments

Long term (i.e Non-current) investments are carried at cost less provision for diminution other than temporary (if any), in the value of such investments. Current investments are carried at lower of cost and fair value.

### 2.11 Inventories

Inventories are carried at lower of cost and net realisable value other than scrap which is carried at net realisable value.

Cost of inventories is generally ascertained on weighted average basis. Work-in-progress and finished and semi finished products are valued on absorption cost basis.

### 2.12 Taxes on Income

#### (i) Current Tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961.

#### (ii) Deferred tax

Deferred tax assets and liabilities are recognised by computing the tax effect on timing differences which arise during the year and reverse in the subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(iii) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.

### 2.13 Provisions, Contingent Liabilities and Contingent Assets

#### (i) Provision

A provision is recognised in the financial statements where there exists a present obligation as a result of a past event, in respect of which a reliable estimate can be made, and it is probable that an outflow of resources would be necessitated in order to settle the obligation.

#### (ii) Contingent Liabilities and Assets

Contingent liability is a possible obligation that arises from past events and 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 enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are neither recognised nor disclosed.

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 2.14 Leases

For assets acquired under Operating Lease i.e. the lease under which significant portion of risk and rewards of ownership are retained by the lessor, rentals payable are charged to the Statement of Profit and Loss. Assets acquired under Finance Lease i.e. the lease which are not operating lease, are capitalised at lower of the Fair Value and Present Value of Minimum Lease Payments.

### 2.15 Cash and Cash Equivalents

Cash and cash equivalents comprises of cash on hand and balances in current accounts and deposit accounts with banks having original maturity of less than three months.

### 2.16 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity together with any dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

### 2.17 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns, internal organisation, management structure and the internal performance reporting systems. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company.

3. Share Capital	₹ in Lacs	
	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>Authorised :</b>		
<b>300,000,000 Equity Shares of ₹ 10 each</b> (31.03.2013 : 300,000,000 Equity Shares of ₹ 10 each)	<b>30,000.00</b>	30,000.00
<b>12,650,000 Preference Shares of ₹ 100 each</b> (31.03.2013 : 12,650,000 Preference Shares of ₹ 100 each)	<b>12,650.00</b>	12,650.00
	<b><u>42,650.00</u></b>	<b><u>42,650.00</u></b>
<b>Issued :</b>		
<b>104,916,992 Equity Shares of ₹ 10 each</b> (31.03.2013 : 104,916,992 Equity Shares of ₹ 10 each)	<b>10,491.70</b>	10,491.70
<b>11,233,000 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each</b> (31.03.2013 : 11,233,000 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each)	<b>11,233.00</b>	11,233.00
	<b><u>21,724.70</u></b>	<b><u>21,724.70</u></b>
<b>Subscribed and fully paid up :</b>		
<b>104,667,638 Equity Shares of ₹ 10 each</b> (31.03.2013 : 104,667,638 Equity Shares of ₹ 10 each)	<b>10,466.76</b>	10,466.76
Add : Equity shares forfeited (Amount originally paid up)	<b>13.04</b>	13.04
<b>92,61,000 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each (Partly Redeemed)</b> (31.03.2013 : 11,233,000 8.5% Non Cumulative Optionally Convertible Preference Shares of ₹ 100 each)	<b>4,630.50</b>	10,247.00
	<b><u>15,110.30</u></b>	<b><u>20,726.80</u></b>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**3. Share Capital** (Contd.)

	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	%	No. of Shares	%
<b>Details of shares held by holding company or its subsidiaries</b>				
<b>Equity shares :</b>				
Tata Steel Limited - Holding Company	76,872,692	73.44%	76,872,692	73.44%
Kalimati Investments Company Limited - Fellow Subsidiary	1,584,948	1.51%	1,584,948	1.51%
<b>Preference shares :</b>				
Tata Steel Limited - Holding Company	9,261,000	100.00%	10,990,000	97.84%
<b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
<b>Equity Shares :</b>				
Tata Steel Limited	76,872,692	73.44%	76,872,692	73.44%
<b>Preference Shares :</b>				
Tata Steel Limited	9,261,000	100.00%	10,990,000	97.84%

**Reconciliation of Number of shares**

	For the year ended 31.03.2014		For the year ended 31.03.2013	
	No. of Shares	Amount	No. of Shares	Amount
<b>₹ in Lacs</b>				
<b>Equity Shares</b>				
<b>Issued :</b>				
At the beginning of the year	104,916,992	10,491.70	104,916,992	10,491.70
Issued during the year	—	—	—	—
At the end of the year	104,916,992	10,491.70	104,916,992	10,491.70
<b>Subscribed and fully paid up :</b>				
At the beginning of the year	104,667,638	10,466.76	104,667,638	10,466.76
Issued during the year	—	—	—	—
At the end of the year	104,667,638	10,466.76	104,667,638	10,466.76
<b>Preference Shares</b>				
<b>Issued :</b>				
At the beginning of the year	11,233,000	11,233.00	11,233,000	11,233.00
Issued during the year	—	—	—	—
At the end of the year	11,233,000	11,233.00	11,233,000	11,233.00
<b>Subscribed and fully paid up :</b>				
At the beginning of the year	11,233,000	10,247.00	11,233,000	11,233.00
Issued during the year	—	—	—	—
Less : Redemption	(1,972,000)	(5,616.50)	—	(986.00)
At the end of the year	9,261,000	4,630.50	11,233,000	10,247.00



## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 3. Share Capital (Contd.)

#### Notes :

As per the terms of the Subscription Agreement 13,10,000 8.5% Non Cumulative Optionally Convertible Preference Shares (OCPS) and 6,62,000 OCPS were partly redeemed on 1st April, 2013 and 31st March, 2014 respectively. With the said part redemptions made on 1st April, 2013 and 31st March, 2014 13,10,000 OCPS and 6,62,000 OCPS aggregating to 19,72,000 OCPS stands fully redeemed. In adherence to the Subscription Agreement the balance 92,61,000 were also partly redeemed on 31st March, 2014.

#### Rights, preferences and restrictions attached to shares

##### Equity shares

The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

##### Preference shares

8.5% Non Cumulative Optionally Convertible Preference Shares (OCPS) : The holder of OCPS is entitled to dividend @ ₹ 8.50 per OCPS and entitled to vote on issues relating to OCPS. Based upon a legal opinion obtained by the Company, the option to convert the OCPS into Equity Shares of the Company is not available as per the existing SEBI guidelines.

Preference Shares amounting to ₹ 4,630.50 lacs are due for redemption on 31.03.2015.

4. Reserves and surplus	₹ in Lacs	
	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>Capital reserve</b>		
Balance at the beginning and end of the year	5.03	5.03
<b>Capital redemption reserve</b>		
Balance at the beginning of the year	1,641.00	655.00
Add : Transfer from the surplus in statement of profit and loss	4,961.50	986.00
	<u>6,602.50</u>	<u>1,641.00</u>
<b>Securities premium account</b>		
Balance at the beginning and end of the year	29,483.94	29,483.94
<b>General reserve</b>		
Balance at the beginning the year	1,008.56	937.56
Add : Transfer from the surplus in statement of profit and loss	471.00	71.00
	<u>1,479.56</u>	<u>1,008.56</u>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lacs	
4. Surplus in Statement of Profit and Loss	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
Balance at the beginning of the year	7,353.80	7,864.23
Profit for the year	6,279.72	2,823.07
Less: Appropriations		
Proposed Dividend on Equity Shares	(1,674.68)	(1,046.68)
Proposed Dividend on Preference Shares	(815.32)	(899.13)
Dividend Distribution Tax on Proposed Dividend	(423.18)	(330.69)
Transferred to General Reserve	(471.00)	(71.00)
Transfer to Capital Redemption Reserve	(4,961.50)	(986.00)
Balance at the end of the year	<u>5,287.84</u>	<u>7,353.80</u>
	<u>42,858.87</u>	<u>39,492.33</u>

- (a) Out of the outstanding 8.5% Non Cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 100/- each, 13,10,000 OCPS were redeemed in two equal installments of ₹ 6,55,00,000/- each on 1st April 2012 and 1st April 2013, and 6,62,000 OCPS were partly redeemed on 1st April 2013 and 31st March 2014. In order to comply with the requirement of the Companies Act 1956, a total amount of ₹ 6,602.50 lakhs has been transferred to Capital Redemption Reserve Account upto 31 March 2014.
- (b) General Reserve is a free reserve and is not meant for meeting any specific liability, contingency or commitment.

	₹ in Lacs			
5. Borrowings	<u>As at 31.03.2014</u>		<u>As at 31.03.2013</u>	
A. Secured	<u>Long-term</u>	<u>Short-term</u>	<u>Long-term</u>	<u>Short-term</u>
(a) Term loans				
From banks	3,629.01	—	7,465.19	—
(b) Repayable on Demand				
i) Cash credit/Working capital demand loans from banks	—	1,554.18	—	3,434.91
ii) Packing credits against exports	—	—	—	445.15
<b>Total Secured Borrowings</b>	<u>3,629.01</u>	<u>1,554.18</u>	<u>7,465.19</u>	<u>3,880.06</u>
<b>B Unsecured</b>				
Finance lease obligations	68.99	—	105.38	—
<b>Total Unsecured Borrowings</b>	<u>68.99</u>	<u>—</u>	<u>105.38</u>	<u>—</u>
<b>Total Borrowings</b>	<u>3,698.00</u>	<u>1,554.18</u>	<u>7,570.57</u>	<u>3,880.06</u>

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 5. Borrowings (Contd.)

₹ in Lacs

#### (a) Nature of Security :

Borrowings :	As at 31.03.2014	As at 31.03.2013	Nature of Security
<b>Term loans from Banks :</b>			
IDBI Bank Limited	<b>214.49</b>	500.17	The Rupee Term Loan is secured by Joint Equitable Mortgage on the Company's immovable properties both present and future at Jamshedpur in the State of Jharkhand and additionally secured by way of hypothecation of the whole of the movable properties of the Company including movable plant and machinery, spares, tools and accessories and other movables both present and future except book debts.
Union Bank of India	—	152.08	The Rupee Term Loan is secured against certain Plant and Machinery of the Company.
Allahabad Bank	<b>4,209.74</b>	6,309.12	The Rupee Term Loans are secured by Joint Equitable Mortgage on the Company's immovable properties both present and future at Jamshedpur in the State of Jharkhand and additionally secured by way of hypothecation of the whole of the movable properties of the Company including movable plant and machinery, spares, tools and accessories and by way of second charge on all the current assets of the Company including book debts / receivables (save and except receivables from conversion arrangement subsisting with Tata Steel Ltd).by way of pari passu charge with the Rupee Term Loan from IDBI Bank Ltd, as mentioned in item (i) above.
State Bank of Hyderabad	<b>2,164.26</b>	3,246.49	
State Bank of Patiala	<b>880.27</b>	1,320.40	
Repayable on demand Packing Credit	—	445.15	Cash Credit/ Working Capital Term Loans from Banks are secured by hypothecation of Raw Materials, Finished Products, Work-in-Process, General Stores and Book Debts by way of first charge in favour of Union Bank of India, State Bank of India, The Hong Kong and Shanghai Banking Corporation Ltd and HDFC Bank Ltd ranking pari-passu.
Cash credit/Working capital demand loans from banks	<b>1,554.18</b>	3,434.91	
<b>Total #</b>	<b>9,022.94</b>	15,408.32	

# Includes current maturity of ₹ **3,839.75 Lacs** (31.03.2013 : ₹ 4,063.07 Lacs ) disclosed as Part of Other current Liabilities in note 9(a).

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**5. Borrowings**

**(b) Terms of Repayments :**

		Number of outstanding Installments	Instalment Amount ₹ in lacs	Repayment Terms	Interest Rates as at 31 March 2014
a)	IDBI Bank Limited	3	71.42	Quarterly	12.75
b)	Allahabad Bank	8	525.76	Quarterly	12.70
c)	State Bank of Hyderabad	8	270.56	Quarterly	13.00
d)	State Bank of Patiala	8	110.00	Quarterly	13.25

**(c) Terms of Repayments :**

**Finance Lease Obligation :**

	Number of outstanding Installments	Installment Amount	Repayment Terms
Coil Packing Line	33	3.79	Monthly

**6. Deferred tax liabilities**

**Deferred tax liabilities**

- (a) Differences in depreciation and amortisation  
for accounting and income tax purposes

	<b>As at 31.03.2014</b>	<b>Charge/ (Credit) to the Statement of Profit and Loss</b>	<b>₹ in Lacs As at 31.03.2013</b>
	<b>10,075.74</b>	<b>298.43</b>	9,777.31
	<b>10,075.74</b>	<b>298.43</b>	9,777.31
<b>Deferred tax assets</b>			
(a) Accumulated unabsorbed depreciation	—	<b>387.13</b>	(387.13)
(b) Early separation scheme	<b>(159.13)</b>	<b>29.16</b>	(188.29)
(c) Written down value of certain items as per Income tax Act which are expensed in the books	<b>(196.24)</b>	<b>(35.97)</b>	(160.27)
(d) Provision for doubtful debts and advances	<b>(221.88)</b>	<b>219.70</b>	(441.58)
(e) Other disallowance	<b>(9.69)</b>	<b>(9.69)</b>	—
	<b>(586.94)</b>	<b>590.33</b>	(1,177.27)
<b>Deferred Tax Liability (Net)</b>	<b>9,488.80</b>	<b>888.76</b>	8,600.04

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

₹ in Lacs

7. Provisions	As at 31.03.2014		As at 31.03.2013	
	Long-term	Short-term	Long-term	Short-term
(a) Provision for employee benefits				
(1) Post-employment Defined Benefits				
i) Gratuity	447.74	—	228.15	—
ii) Post retirement medical	1,276.52	169.76	1,326.11	157.84
iii) Other post retirement benefits	242.50	24.38	251.55	31.79
(2) Other employee benefits				
i) Provision for compensated absence	2,041.01	144.95	1,442.31	170.47
ii) Provision for employees separation scheme	325.50	109.70	400.76	111.81
iii) Other long term employee benefits	35.26	1.55	34.30	3.59
(b) Provision for tax (Net of advance) ₹ 3,163.78 lacs (31.03.2013 ₹ 3,271.26 lacs)	—	385.75	—	278.27
(c) Provision for fringe benefit tax (Net of advance) ₹ 79.77 lacs (31.03.2013 ₹ 79.77 lacs)	—	20.23	—	20.23
(d) Provision for wealth tax (Net of advance) ₹ 19.04 lacs (31.03.2013 ₹ 25.06 lacs)	—	11.73	—	11.60
(e) Proposed dividend on equity shares	—	1,674.68	—	1,046.68
(f) Provision for Proposed dividend on preference shares	—	815.32	—	899.13
(g) Provision for dividend distribution tax	—	423.18	—	330.69
<b>Total Provisions</b>	<b>4,368.53</b>	<b>3,781.23</b>	<b>3,683.18</b>	<b>3,062.10</b>

₹ in Lacs

8. Trade Payables	As at 31.03.2014	As at 31.03.2013
(a) Creditors for supplies and services	4,693.60	4,410.65
(b) Creditors for accrued wages and salaries	2,058.67	967.62
	<b>6,752.27</b>	<b>5,378.27</b>

### Dues to Micro and Small Enterprises :

i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the year.		
Principal	43.46	46.23
Interest	1.42	3.51
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.		
Principal	68.01	52.49
Interest	—	—
iii) The amount of interest accrued and remaining unpaid at the end of accounting year	2.73	1.31
iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due on above are actually paid to the small Enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	0.74	0.32

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>₹ in Lacs</b>		
<b>9. Other Current Liabilities</b>		
(a) Current maturities of long-term debt	<b>3,839.75</b>	4,063.07
(b) Current maturities of finance lease obligations	<b>49.29</b>	81.87
(c) Interest accrued but not due on long term borrowings	<b>6.88</b>	5.89
(d) Unpaid dividends	<b>51.07</b>	50.46
(e) Unpaid interest on debentures	<b>0.18</b>	0.18
(f) Advances received from customers	<b>151.56</b>	214.22
(g) Creditors for other liabilities		
i) Creditors for capital goods	<b>1,246.47</b>	1,560.94
ii) Employee recoveries and employer contributions	<b>205.79</b>	187.21
iii) Statutory dues (Excise duty, service tax, sales tax, TDS etc.)	<b>86.02</b>	107.94
iv) Security deposits	<b>172.28</b>	161.73
v) Deposits against employee benefit scheme	<b>184.60</b>	230.61
vi) Other credit balances	<b>532.51</b>	717.24
	<b>6,526.40</b>	7,381.36

Note : There are no amounts due for payment to the Investor Education and Protection Fund, under Section 205C of the Companies Act, 1956 as at the Balance Sheet date.

**10. Tangible assets**

**₹ in Lacs**

As at 31.03.2014	Land Note (b)	Buildings Note (a)	Owned Plant and Machinery	Finance Leased Plant and Machinery	Railway Track and Rolling Stock	Furniture and Fixtures	Office Equipments	Vehicles	Total Tangible Assets
Cost at beginning of the Year	3.86	17,746.16	100,138.43	621.52	36.46	111.74	154.37	199.76	119,012.30
Additions	—	704.55	1,531.81	—	—	3.20	3.18	—	2,242.74
Disposals	—	—	1,359.27	—	—	—	1.14	13.77	1,374.18
Other Adjustment (note d)	—	—	316.64	(316.64)	—	—	—	—	—
Cost at end of the Year	3.86	18,450.71	100,627.61	304.88	36.46	114.94	156.41	185.99	119,880.86
Depreciation at beginning of the Year	—	4,747.30	37,596.09	147.64	36.46	76.22	83.41	130.48	42,817.60
Charge for the Year	—	575.55	5,466.46	32.82	—	5.42	9.55	16.24	6,106.04
Disposals	—	—	1,322.91	—	—	—	0.95	10.75	1,334.61
Other Adjustment (note d)	—	—	91.93	(91.93)	—	—	—	—	—
Depreciation at end of the Year	—	5,322.85	41,831.57	88.53	36.46	81.64	92.01	135.97	47,589.03
Net book value at beginning of the year	3.86	12,998.86	62,542.34	473.88	—	35.52	70.96	69.28	76,194.70
Net book value at end of the Year	3.86	13,127.86	58,796.04	216.35	—	33.30	64.40	50.02	72,291.83

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

₹ in Lacs

### 10. Tangible assets (Contd.)

As at 31.03.2013	Land Note (b)	Buildings Note (a)	Owned Plant and Machinery	Finance Leased Plant and Machinery	Railway Track and Rolling Stock	Furniture and Fixtures	Office Equipments	Vehicles	Total Tangible Assets
Cost at beginning of the year	89.74	16,342.64	94,847.90	621.52	36.46	154.39	233.30	199.76	112,525.71
Additions	—	1,297.63	5,351.39	—	—	1.32	23.20	—	6,673.54
Other Adjustment	(85.88)	105.89	88.87	—	—	—	—	—	108.88
Disposals	—	—	149.73	—	—	43.97	102.13	—	295.83
Cost at end of the year	3.86	17,746.16	100,138.43	621.52	36.46	111.74	154.37	199.76	119,012.30
Depreciation at beginning of the year	—	4,136.06	32,598.82	114.82	36.46	110.49	172.83	115.91	37,285.39
Charge for the year	—	611.24	5,126.42	32.82	—	3.97	6.52	14.57	5,795.54
Disposals	—	—	129.15	—	—	38.24	95.94	—	263.33
Depreciation at end of the year	—	4,747.30	37,596.09	147.64	36.46	76.22	83.41	130.48	42,817.60
Net book value at beginning of the year	89.74	12,206.58	62,249.08	506.70	—	43.90	60.47	83.85	75,240.32
Net book value at end of the year	3.86	12,998.86	62,542.34	473.88	—	35.52	70.96	69.28	76,194.70

#### Note :

- (a) Site, Water and Drainage System and Building (except at Kolkata) are on leasehold land.
- (b) Land includes free hold land ₹ 3.86 lacs( 31.03.2013 Rs.3.86 lacs)
- (c) Plant and Machinery having a carrying value of ₹ 137.97 lacs as on 31 March 2013 has been retired from active use during the year. Consequently depreciation for the year includes the additional depreciation of ₹ 137.97 lacs provided on these assets.
- (d) Company has discharged the lease liability for one of its lease hold plant & machinery consequent to that ownership has been transferred in the name of the Company.
- (e) Obligations under Finance Lease :

The Company has acquired Plant and Machinery under financial lease arrangements. Minimum Lease Payments outstanding as at 31st March 2014 and other particulars in respect of leased assets are as under :

Due	₹ in Lacs		
	Total Minimum Lease Payments Outstanding	Interest	Present Value of Minimum Lease Payments
Within One year	<b>56.79</b> (92.29)	<b>7.50</b> (10.42)	<b>49.29</b> (81.87)
Later than one year and Not later than five years	<b>72.13</b> (113.75)	<b>3.14</b> (8.36)	<b>68.99</b> (105.38)
Later than five years	— —	— —	— —
<b>Total</b>	<b>128.92</b> (206.04)	<b>10.64 **</b> (18.78)	<b>118.28*</b> (187.25)

\* Out of ₹118.28 lacs, ₹ **68.99 lacs** included into Long term borrowings and ₹ 49.29 lacs included into Other current liabilities.

\*\* Including interest due up to 31 March, 2014 of ₹ **2.27 lacs** (31.03.2013 ₹ 2.73 lacs) included in Other Current liabilities.

Note : Figures in bracket represent previous year figures.

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

₹ in Lacs

**11. Intangible assets  
(Acquired)**

**As at 31.03.2014**

	<b>Computer Software</b>	<b>Total Intangible Assets</b>
Cost at beginning of the Year	169.88	169.88
Additions	9.37	9.37
Disposals	—	—
<b>Cost at end of the year</b>	<b>179.25</b>	<b>179.25</b>
Amortisation at beginning of the year	119.94	119.94
Charge for the year	12.86	12.86
Disposals	—	—
<b>Amortisation at end of the year</b>	<b>132.80</b>	<b>132.80</b>
<b>Net book value at beginning of the year</b>	<b>49.94</b>	<b>49.94</b>
<b>Net book value at end of the year</b>	<b>46.45</b>	<b>46.45</b>

**As at 31.03.2013**

Cost at beginning of the year	139.51	139.51
Additions	30.37	30.37
Disposals	—	—
<b>Cost at end of the year</b>	<b>169.88</b>	<b>169.88</b>
Amortisation at beginning of the year	113.44	113.44
Charge for the year	6.50	6.50
<b>Amortisation at end of the year</b>	<b>119.94</b>	<b>119.94</b>
<b>Net book value at beginning of the year</b>	<b>26.07</b>	<b>26.07</b>
<b>Net book value at end of the year</b>	<b>49.94</b>	<b>49.94</b>

**12. Non-Current Investments**

**Investments (At Cost)**

**A. Other than trade**

**Unquoted**

**Investments in equity instruments**

**250** (31.03.2013 : 250) ordinary shares of ₹100 each in Bihar State Financial Corporation fully paid up 0.25 0.25

**137,500** (31.03.2013 : 137,500) ordinary shares of ₹ 10 each in Rujvalika Investments Limited fully paid up 22.50 22.50

**20,000** (31.03.2013 : 20,000) ordinary shares of ₹ 10 each in Nicco Jubilee Park Limited fully paid up [Net of write down for other than temporary diminution amounting to ₹ 1] — —

**800** (31.03.2013 : Nil) ordinary shares of Rs. 10 each in Woodlands Multispecialty Hospital Limited fully paid up 0.08 —

**Investments in Debentures**

5% Non-Redeemable Debenture Stocks, 1957 in Woodlands Multispecialty Hospital Limited fully paid up — 0.08

**22.83** 22.83

Aggregate amount written down for diminution, other than temporary, in carrying amount of investments 2.00 2.00

**As at 31.03.2014**

**As at 31.03.2013**



## NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

₹ in Lacs

### 13. Loans and Advances

	As at 31.03.2014		As at 31.03.2013	
	Long-term	Short-term	Long-term	Short-term
(a) Capital advances	98.35	—	51.95	—
(b) Advance to related party	18.12	—	87.90	0.43
(c) Security deposits	295.28	10.39	276.55	39.19
(d) Advance with public bodies				
i) Considered good	—	675.10	—	862.45
ii) Considered doubtful	—	402.91	—	300.00
Less : Provision for doubtful advances	—	(402.91)	—	(300.00)
(e) Advance to suppliers				
i) Considered good	—	181.67	—	774.77
ii) Considered doubtful	—	—	—	24.09
Less : Provision for doubtful advances	—	—	—	(24.09)
(f) Other loans and advances				
i) Retirement benefit assets				
Retirement gratuity fund	—	12.60	—	25.21
ii) Prepayments and others				
a) Considered good	25.10	919.40	26.63	1,118.15
b) Considered doubtful	—	32.66	—	175.85
Less : Provision for doubtful advances	—	(32.66)	—	(175.85)
iii) Advance Tax [Net of provisions of ₹ 1,618.63 lacs, (31.03.2013 ₹ 1,618.63 lacs)]	912.69	—	912.50	—
iv) MAT credit entitlement	3,441.82	—	3,441.82	—
<b>Total Loans and Advances</b>	<b>4,791.36</b>	<b>1,799.16</b>	<b>4,797.35</b>	<b>2,820.20</b>
<b>Classification of loans and advances</b>				
Secured, considered good	—	—	—	—
Unsecured, considered good	4,791.36	1,799.16	4,797.35	2,820.20
Doubtful	—	435.57	—	499.94
<b>Gross loans and advances</b>	<b>4,791.36</b>	<b>2,234.73</b>	<b>4,797.35</b>	<b>3,320.14</b>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lacs	
14. Inventories	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
(a) Raw materials (At lower of cost and net realisable value)	107.20	107.20
(b) Work in progress (At lower of cost and net realisable value)	1,043.37	1,017.04
(c) Finished goods (At lower of cost and net realisable value)	0.20	0.74
(d) Stock in trade (At lower of cost and net realisable value)	168.37	209.13
(e) Stores and spares (At or lower than cost)	5,272.32	4,850.91
(f) Scrap (At estimated realisable value)	0.24	0.30
<b>Total Inventories</b>	<u>6,591.70</u>	<u>6,185.32</u>
<b>Included above, goods-in-transit :</b>		
(a) Stores and spares	39.33	62.15
<b>Details of Inventories :</b>		
<b>(i) Details of work-in-progress :</b>		
Electrolytic Tinplates	559.11	530.05
Cold Rolled Products	468.20	479.30
Lacquered and Printed Sheets	16.06	7.69
<b>Total</b>	<u>1,043.37</u>	<u>1,017.04</u>
<b>(ii) Finished goods :</b>		
Electrolytic Tinplates	0.20	0.74
<b>Total</b>	<u>0.20</u>	<u>0.74</u>
<b>(iii) Details of Traded goods :</b>		
Electrolytic Tinplates	148.48	192.73
Lacquered and Printed Sheets	19.89	16.40
<b>Total</b>	<u>168.37</u>	<u>209.13</u>

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	₹ in Lacs	
	As at 31.03.2014	As at 31.03.2013
<b>15. Trade Receivables</b>		
i) More than six months (from the date they were due for payment)		
– Considered good	—	10.96
– Considered doubtful	217.22	950.69
Less : Provision for bad and doubtful debts	(217.22)	(950.69)
	—	—
ii) Others - considered good	5,903.03	8,365.80
<b>Net Trade Receivables</b>	<b>5,903.03</b>	<b>8,376.76</b>
<b>Classification of trade receivables</b>		
Secured, considered good	—	—
Unsecured, considered good	5,903.03	8,376.76
Doubtful	217.22	950.69
<b>Gross trade receivables</b>	<b>6,120.25</b>	<b>9,327.45</b>
<b>16. Cash and Bank Balances</b>		
<b>(A) Cash and Cash equivalents</b>		
(a) Cash on hand	4.39	7.63
(b) Current Accounts with banks	25.23	99.12
	29.62	106.75
<b>(B) Earmarked balances for unpaid dividend and interest</b>	<b>51.25</b>	<b>50.64</b>
<b>Total Cash and Bank Balances</b>	<b>80.87</b>	<b>157.39</b>
<b>17. Other Current Assets</b>		
Forward Contract receivables	—	7.00
<b>Total Other Current Assets</b>	<b>—</b>	<b>7.00</b>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lacs	
	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>18. Revenue from Operations</b>		
(a) Sale of Goods		
i) Sale of manufactured goods	2.35	286.52
ii) Sale of Traded goods	43,936.33	33,722.59
(b) Sale of Services		
Conversion income	60,960.82	53,033.60
(c) Other operating income	1,007.68	712.03
<b>Gross Revenue from Operations</b>	<b>105,907.18</b>	<b>87,754.74</b>
<b>Details of Sales of Products (Gross)</b>		
Finished goods		
Electrolytic Tinplates	2.35	233.55
Lacquered and Printed Sheets	—	52.97
<b>Total</b>	<b>2.35</b>	<b>286.52</b>
Traded goods		
Electrolytic Tinplates	41,987.37	31,759.53
Cold Rolled Products	—	5.99
Lacquered and Printed Sheets	1,948.96	1,957.07
<b>Total</b>	<b>43,936.33</b>	<b>33,722.59</b>
<b>19. Other Income</b>		
(a) Interest received on sundry advances, deposits, customers' balances etc.	402.54	497.83
(b) Dividend from current investments	47.90	10.84
(c) Income from Hospital Services	432.65	458.86
(d) Sale of non-industrial scrap	1,239.34	1,096.47
(e) Profit on sale of fixed assets	38.37	(26.59)
(f) Liability/Provision no longer required	302.40	28.17
(g) Miscellaneous income	72.49	46.37
<b>Total Other Income</b>	<b>2,535.69</b>	<b>2,111.95</b>

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	₹ in Lacs	
	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>20. Cost of Materials Consumed</b>		
<b>Raw Material Consumed</b>		
i) Opening Stock	107.20	279.29
ii) Add : Purchases	—	14.66
	<u>107.20</u>	<u>293.95</u>
iii) Less : Closing Stock	107.20	107.20
	<u>—</u>	<u>186.75</u>
<b>Raw Material Consumed comprises :</b>		
(a) Tin Mill Black Plate	—	159.15
(b) TIN	—	13.80
(c) Nickel Plated	—	13.80
(d) Other	—	—
	<u>—</u>	<u>186.75</u>
<b>21. Purchase of Traded Goods</b>		
(a) Electrolytic Tinplates	41,348.60	30,834.58
(b) Cold Rolled Products	—	5.78
(c) Lacquered and Printed Sheets	1,928.98	1,942.43
<b>Total</b>	<u>43,277.58</u>	<u>32,782.79</u>
<b>22. Changes in stock of finished goods, stock in trade, work-in-progress and scrap</b>		
<b>Stock at the beginning of the year</b>		
(a) Finished goods	0.74	51.10
(b) Work-in-progress	1,017.04	592.72
(c) Stock in trade	209.13	662.93
(d) Scrap	0.30	1.66
	<u>1,227.21</u>	<u>1,308.41</u>
<b>Stock at the end of the year</b>		
(a) Finished goods	0.20	0.74
(b) Work-in-progress	1,043.37	1,017.04
(c) Stock in trade	168.37	209.13
(d) Scrap	0.24	0.30
	<u>1,212.18</u>	<u>1,227.21</u>
<b>Changes in stock</b>	<u>15.03</u>	<u>81.20</u>

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

	₹ in Lacs	
	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>23. Employee Benefits Expenses :</b>		
Salaries and wages, including bonus	9,103.94	8,087.70
Contribution to provident and other funds	1,781.11	1,338.64
Staff welfare expenses	940.78	1,155.16
<b>Total Employee Benefit Expenses</b>	<b>11,825.83</b>	<b>10,581.50</b>

**23.01 The Company operates following post employment / other long term defined benefits plans :**

- a. Funded
  - i. Gratuity
- b. Nonfunded
  - i. Post Retirement Medical Benefit (PRMB)
  - ii. Compensated absence
  - iii. Long Service Award (LSA)
  - iv. Other Retirement Benefit (ORB)

**Details of the Gratuity Benefit are as follows :**

	₹ in Lacs	
Description	2013-14	2012-13
	Gratuity	
<b>A. Reconciliation of Opening and Closing Balances of Present Value of Obligation</b>		
a. Present Value of Obligation at beginning of the year	3,274.52	2,611.03
b. Aquisition Adjustment	53.07	—
c. Current Service Cost	174.71	136.15
d. Interest Cost	253.73	213.64
e. Past Service Cost	—	—
f. Acturial loss	732.83	564.99
g. Benefits paid	(321.98)	(251.29)
h. Present Value of Obligation at end of the year	4,166.88	3,274.52
<b>B. Change in Plan Assets (Reconciliation of Opening and Closing Balances)</b>		
a. Fair Value of plan assets at beginning of the year	3,071.58	2,574.51
b. Aquisition Adjustment	53.07	—
c. Expected return on plan assets	264.88	213.20
d. Acturial gain / (loss)	(83.45)	102.85
e. Contribution by the employer	760.25	438.00
f. Benefits Paid	(334.59)	(256.98)
g. Fair Value of plan assets at end of the year	3,731.74	3,071.58

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Details of the Gratuity Benefit are as follows :

₹ in Lacs

Description	2013-14	2012-13
	Gratuity	
<b>C. Reconciliation of fair value of plan assets and present value of defined benefit obligation</b>		
a. Fair Value of plan assets at end of the year	<b>3,731.74</b>	3,071.58
b. Present Value of Obligation at end of the year	<b>4,166.68</b>	3,274.52
c. Amount recognised in the balance sheet	<b>435.14</b>	202.94
Amount included in Long term Provisions	<b>447.74</b>	228.15
Amount included in Short term loans and advances	<b>(12.60)</b>	(25.21)
<b>D. Expense recognised during the year</b>		
a. Current Service cost	<b>174.71</b>	136.15
b. Interest cost	<b>253.73</b>	213.64
c. Past Service cost	—	—
d. Expected return on plan assets- (gain)	<b>(264.88)</b>	(213.20)
e. Actuarial loss	<b>816.28</b>	462.14
f. Expense recognised during the year (a+b+c+d+e)	<b>979.84</b>	598.73

### 23.02 Investment Details of Plan assets (Gratuity)

Particulars	%age invested	%age invested
	31.03.2014	31.03.2013
a. GOI and State Government Securities	<b>39.00</b>	38.92
b. Public Sector and Private sector Unit Bonds	<b>46.00</b>	45.58
c. Cash including Special Deposit Schemes	<b>2.00</b>	—
d. Insurance	—	12.74
e. Others (including bank balances)	<b>13.00</b>	2.76
<b>Total</b>	<b>100.00</b>	100.00

### 23.03

Assumptions	31.03.2014	31.03.2013
Discount rate (per annum) (%)	<b>9.00</b>	8.10
Estimated rate of return on plan assets (per annum) (%)	<b>8.00</b>	8.00
Inflation Rate (%)	<b>5.00</b>	5.00
Remaining average working Life (in Years)	<b>14.00</b>	14.00
Method Used	<b>Projected unit credit method</b>	Projected unit credit method

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**23.04 Actual return on Plan assets – 8 % (2012-13 : 9.10%)**

Details of the unfunded benefits are as follows :

₹ in Lacs

Description	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	PRMB		Leave		LSA		ORB	
<b>A. Reconciliation of Opening and Closing Balances of Present Value of Obligation</b>								
a. Present Value of Obligation at beginning of the year	<b>1,483.96</b>	1,197.59	<b>1,612.78</b>	847.58	<b>37.89</b>	74.88	<b>283.34</b>	112.42
b. Current Service Cost	<b>18.12</b>	16.80	<b>75.92</b>	87.44	<b>0.79</b>	0.76	-	-
c. Interest Cost	<b>113.89</b>	94.81	<b>125.16</b>	68.32	<b>2.86</b>	6.07	<b>20.31</b>	6.94
d. Acquisition Cost	-	-	<b>32.68</b>	-	-	-	-	-
e. Acturial (gain)/ loss	<b>(13.97)</b>	338.85	<b>474.71</b>	697.00	<b>0.46</b>	(36.77)	<b>(4.83)</b>	225.45
f. Benefits paid	<b>(155.71)</b>	(164.10)	<b>(135.29)</b>	(87.57)	<b>(5.19)</b>	(7.05)	<b>(31.94)</b>	(61.47)
g. Present Value of Obligation at end of the year	<b>1,446.29</b>	1,483.95	<b>2,185.96</b>	1,612.78	<b>36.81</b>	37.89	<b>266.88</b>	283.34
<b>B. Expense recognised during the year</b>								
a. Current Service cost	<b>18.12</b>	16.80	<b>75.92</b>	87.44	<b>0.79</b>	0.76	-	-
b. Interest cost	<b>113.89</b>	94.81	<b>125.16</b>	68.32	<b>2.86</b>	6.07	<b>20.31</b>	6.94
c. Acturial (gain)/loss	<b>(13.97)</b>	338.85	<b>474.71</b>	697.00	<b>0.46</b>	(36.77)	<b>(4.83)</b>	225.45
d. Expense recognised during the year (a+b+c)	<b>118.04</b>	450.46	<b>675.79</b>	852.76	<b>4.11</b>	(29.94)	<b>15.48</b>	232.29

**23.05 The expenses for the abovementioned benefits have been disclosed under the following line items :**

- i) Leave and ORB – under Salaries and wages, including bonus.
- ii) Gratuity – under Contribution to providend and other funds.
- iii) Long Service Award and PRMB – under Staff Welfare Expense.

Effect of increase/ (decrease) of 1% in assumed medical cost trend rates in respect of PRMB on :

₹ in Lacs

	31.03.2014		31.03.2013	
	1% increase	1% (decrease)	1% increase	1% (decrease)
a. Current Service Cost and Interest Cost	<b>14.51</b>	<b>(16.06)</b>	11.16	(11.16)
b. Accumulated Obligation for PRMB	<b>112.98</b>	<b>(133.16)</b>	152.26	(129.76)



## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 23.06 Experience Adjustments

₹ in Lacs

	2013-2014					2012-2013				
	Gratuity	Leave	PRMB	LSA	ORB	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	4,166.88	2,185.96	1,446.29	36.81	266.88	3,274.52	1,612.78	1,483.95	37.89	283.34
b) Fair value of Plan Assets as at end of the year	3,731.74	—	—	—	—	3,071.58	—	—	—	—
c) (Surplus)/Deficit at the end of the year	435.14	2,185.96	1,446.29	36.81	266.88	202.94	1,612.78	1,483.95	37.89	283.34
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	528.81	153.22	104.83	2.48	11.08	338.97	421.67	(181.96)	(37.70)	150.35
e) Experience Adjustments on Plan Assets [Gain/(Loss)]	(83.45)	—	—	—	—	102.86	—	—	—	—

	2011-2012					2010-2011				
	Gratuity	Leave	PRMB	LSA	ORB	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	2,611.03	847.58	1,197.59	74.88	112.42	2,372.80	699.77	1,141.70	54.40	127.49
b) Fair value of Plan Assets as at end of the year	2,574.51	—	—	—	—	2,244.77	—	—	—	—
c) (Surplus)/Deficit at the end of the year	36.52	847.58	1,197.59	74.88	112.42	128.03	699.77	1,141.70	54.40	127.49
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	418.98	85.78	107.48	4.25	(6.29)	266.34	50.56	72.78	2.01	(5.62)
e) Experience Adjustment on Plan Assets [Gain/(Loss)]	54.96	—	—	—	—	3.35	—	—	—	—

	2009-2010				
	Gratuity	Leave	PRMB	LSA	ORB
a) Present value of obligation at end of the year	1,963.56	497.18	1,104.25	50.30	142.49
b) Fair value of Plan Assets as at end of the year	1,800.12	—	—	—	—
c) (Surplus)/Deficit at the end of the year	163.44	497.18	1,104.25	50.30	142.49
d) Experience Adjustment on Plan Obligation [(Gain)/Loss]	59.57	25.07	35.58	(0.53)	174.14
e) Experience Adjustments on Plan Assets [Gain/(Loss)]	2.28	—	—	—	—

**23.07** Best estimate of Contribution expected to be paid in 2014-15 ₹ 400 Lacs (2013-14 : ₹ 350 Lacs) in respect of gratuity.

**23.08** The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows :

The major portions of the assets are invested in PSU bonds and Government Securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**23.09** The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.

	<b>For the year ended</b>	<b>₹ in Lacs</b>
	<b>31st March 2014</b>	<b>For the year ended</b>
		<b>31st March 2013</b>
<b>24. Finance Costs</b>		
(a) Interest expense	<b>1,900.99</b>	2,330.90
(b) Other borrowing costs	<b>214.46</b>	196.72
<b>Total Finance Cost</b>	<b>2,115.45</b>	<b>2,527.62</b>
<b>25. Other Expenses</b>		
(a) Consumption of stores and spares	<b>6,035.96</b>	5,214.38
(b) Consumption of packing materials	<b>4,878.55</b>	3,761.86
(c) Repairs to buildings	<b>997.05</b>	1,036.04
(d) Repairs to machinery	<b>5,762.56</b>	4,937.79
(e) Fuel	<b>5,868.97</b>	6,018.94
(f) Purchase of power	<b>5,597.53</b>	5,366.70
(g) Freight and handling charges	<b>3,878.39</b>	3,306.75
(h) Rent	<b>197.86</b>	169.33
(i) Rates and taxes	<b>150.46</b>	113.69
(j) Insurance charges	<b>122.92</b>	119.11
(k) Commission, discounts and rebates	<b>323.25</b>	323.58
(l) Excise duties	<b>170.29</b>	158.64
(m) Provision for doubtful debts and advances	<b>115.05</b>	24.09
(n) Provision for wealth tax	<b>2.90</b>	9.70
(o) Other expenses		
i) Loss on foreign currency transactions	<b>40.10</b>	42.08
ii) Auditors remuneration and out-of-pocket expenses		
As Auditors	<b>25.00</b>	26.70
For Taxation matters	<b>3.00</b>	3.00
iii) Legal and other professional costs	<b>245.04</b>	567.07
iv) Advertisement, Promotion and Selling Expenses	<b>30.78</b>	37.26
v) Travelling Expenses	<b>278.04</b>	268.31
vi) Other General Expenses	<b>1,416.81</b>	1,408.06
<b>Total Other Expenses</b>	<b>36,140.51</b>	<b>32,913.08</b>

## NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

		₹ in Lacs			
		<b>For the year ended</b>		For the year ended	
		<b>31st March 2014</b>		31st March 2013	
<b>26. Value of imports (CIF)</b>					
	Raw Materials		—		16.96
	Components and Spare Parts		<b>2,618.28</b>		2,255.80
	Capital Goods		<b>527.33</b>		847.92
<b>27. Expenditure In Foreign Currency</b>					
	Foreign Travel		<b>20.52</b>		26.79
	Consultancy		—		347.22
	Commission		<b>487.74</b>		106.53
	Others		—		3.36
		<b>For the year ended</b>		For the year ended	
		<b>31st March 2014</b>		31st March 2013	
		<u>%</u>	<u>₹ in lacs</u>	<u>%</u>	<u>₹ in lacs</u>
<b>28. Details Of Consumption and Purchases of imported and indigenous material</b>					
	<b>Raw Materials :</b>				
	Indigenous	—	—	—	—
	Imported	—	—	100.00	186.75
	<b>Total</b>	—	—	100.00	186.75
	<b>Stores and Spare Parts :</b>				
	Indigenous	<b>84.54</b>	<b>13,203.80</b>	88.00	11,964.22
	Imported	<b>15.46</b>	<b>2,414.71</b>	12.00	1,641.79
	<b>Total</b>	<b>100.00</b>	<b>15,618.52</b>	100.00	13,606.01
		<b>For the year ended</b>		For the year ended	
		<b>31st March 2014</b>		31st March 2013	
<b>29. Earnings In Foreign Currency</b>					
	Revenue from Exports on F.O.B Basis		<b>42,461.33</b>		31,573.66

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

		₹ in Lacs	
		<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>30.</b>	<b>Contingent Liabilities and commitments</b>		
	<b>(a) Contingent Liabilities</b>		
	A. Claims not acknowledged by the Company		
	Excise \$	<b>341.64</b>	341.64
	Customs	<b>265.92</b>	265.92
	Sales Tax / CST * \$	<b>2,104.64</b>	2,605.05
	Service Tax	<b>2,805.49</b>	2,799.47
	Income Tax	<b>2,045.36</b>	310.56
	ESI (Labour related) #	<b>8.78</b>	-
	Others	<b>149.00</b>	149.00
	B. Bills Discounted	<b>8,410.18</b>	7,134.52
	*Other than demands amounting to ₹ <b>9.75 Lacs</b> (31st March 2013 : ₹ 9.75 Lacs)		
	\$ Other than items remanded back for fresh assessment.		
	# Company has been getting exemption till 31.12.2004. The Companies application for exemption was pending for the period 01.01.2005 to 31.12.2010 before the ESI authorities, which was denied on alleged technical ground. Company has filed an appeal before The Hon'ble Jharkhand High Court, on which a stay has been granted. In the mean time company received recovery notice for ₹ 8.78 lakhs for the period 01.01.2005 to 31.07.2005. No other demand has been raised by The ESI Corporation in absence of which contingent liability for the period in which exemption was denied is not ascertainable.		
	<b>(b) Capital Commitments</b>		
	Estimated value of contracts in capital account remaining to be executed [net of advances ₹ <b>116.47</b> lacs (31.03.2013 : ₹ 139.85 lacs) refer note no. 13]	<b>1,868.44</b>	2,387.63
<b>31.</b>	The Company had claimed a refund amounting to Rs 823.89 lacs pertaining to sales tax on purchase of raw materials based on Bihar Industrial Policy, 1995. This claim was up-held during 2002-03 by the erstwhile Ranchi Bench of Patna High Court and was passed on to the Joint Commissioner of Commercial Taxes (JCCT) for implementation. Despite admittance of the refund claim in its entirety by JCCT, the Commissioner of Commercial Taxes (CCT) reduced the claim to ₹ 519.26 lacs and refunded the same over 2002-03 and 2003-04. The Company's Review petition before the Hon'ble High Court of Jharkhand against the order of CCT had been rejected. Later on, the Company had filed a Special Leave Petition (SLP) before Hon'ble Supreme Court. This SLP has been disposed off with the direction to file an application before the High Court and directed the High Court to decide the case on merit. The application has already been filed before High Court Ranchi. The balance claim amount outstanding at the year end is ₹ 304.63 lacs. (31st March, 2013: ₹ 304 .63 lacs).		
<b>32.</b>	<b>Proposed Dividend</b>	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
	The final dividend proposed for the year is as follows :		
	<b>On Equity Shares of ₹ 10 each :</b>		
	Amount of dividend proposed	<b>1,674.68</b>	1,046.68
	Dividend per Equity Share	<b>₹ 1.60 Per share</b>	₹ 1.00 Per share
	<b>On Preference Shares of ₹ 100 each :</b>		
	Amount of dividend proposed	<b>815.32</b>	899.13
	Dividend per Preference Share	<b>₹ 8.50 Per share</b>	₹ 8.50 Per share

There are no arrears of dividends relating to preference shares.

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	₹ in Lacs	
	For the year ended 31st March 2014	For the year ended 31st March 2013
<b>33. Earnings Per Share</b>		
a) Profit after tax	<b>6,279.72</b>	2,823.07
b) Less : Preference dividend	<b>815.32</b>	899.13
c) Less : Tax on Preference dividend	<b>138.56</b>	152.81
d) Profit after tax attributable to Equity Shareholders	<b>5,325.84</b>	1,771.13
e) Number of Equity Shares (Nos) :		
i. At beginning of the period	<b>104,667,638</b>	104,667,638
ii. Issued during the period	—	—
iii. Weighted average number of equity shares outstanding	<b>104,667,638</b>	104,667,638
f) Dilutive Potential Equity shares	<b>Nil</b>	Nil
g) Nominal value per equity share (₹)	<b>10.00</b>	10.00
h) Earnings per ordinary share for the period (₹) - Basic	<b>5.09</b>	1.69
i) Earnings per ordinary share for the period (₹) - Diluted	<b>5.09</b>	1.69

\* Preference Dividend not considered (as the same has not been provided for in respective period's Accounts) in terms of "Accounting Standard (AS) 20 - Earning Per Share".

(j) Based upon a legal opinion obtained by the Company, the option to convert the Optionally Convertible Preference Shares (OCPS) into Equity Shares of the Company is not available as per the existing SEBI guidelines. Accordingly such shares have not been considered as potential equity shares for the purpose of computation of Diluted Earning per share.

### 34. Segment Reporting

The Company's operations are predominantly manufacture of Electrolytic Tin Mill Product. The Company is managed organisationally as a unified entity and according to the management this is a single segment Company as envisaged in "Accounting Standard (AS 17) - Segment Reporting" issued pursuant to Companies (Accounting Standards) Rules 2006.

### 35. Derivative Instruments and unhedged foreign currency exposure :

#### a. Derivatives outstanding as at the reporting date :

Particulars	Purpose	As at 31.03.2014	As at 31.03.2013
		Forward Contracts to Sell USD	Receivables
		<b>NIL</b>	₹ 1,085.60 Lacs
Trade Receivables net of advance from customers (in USD)		<b>US\$ 26.63 Lacs</b>	US\$ 61.95 Lacs
		<b>₹ 1,595.47 Lacs</b>	₹ 3,362.80 Lacs

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**36. Related Party Transactions**

**Related party relationship :**

**Name of the related party**

**Nature of Relationship**

Tata Steel Limited	:	Promoter Company/Parent
Tayo Rolls Limited	]	Fellow Subsidiaries
The Tata Pigments Limited		
The Indian Steel and Wire Products Limited		
TKM Global Logistics Limited		
Tata Steel Processing and Distribution Limited		
Kalimati Investments Company Limited		
Tata Steel International (Singapore) Pte. Limited		
Jamshedpur Utility and Services Company Limited		
Tata Sponge Iron Limited		
Tata Steel UK Limited		
Tata Steel International (UK) Ltd.	:	

**Key Management Personnel**

Mr. Tarun Kumar Daga	:	Managing Director
----------------------	---	-------------------

## NOTES TO THE FINANCIAL STATEMENTS (Contd.)

### 36. Related Party Transactions

₹ in Lacs

Nature of transaction	Name of the related party	For the year ended 31st March 2014	For the year ended 31st March 2013
Purchase of materials	Tata Steel Limited	<b>43,987.90</b>	33,544.97
	Tayo Rolls Limited	<b>364.00</b>	761.38
	The Tata Pigments Limited	—	1.60
Sale of Finished Goods	Tata Steel International (Singapore) Pte. Limited	<b>422.41</b>	548.47
	Tata Steel UK Limited	<b>118.72</b>	—
	Tayo Rolls Limited	—	11.07
	The Tata Pigments Limited	<b>45.33</b>	15.45
Rendering of Service	Tata Steel Limited	<b>60,824.06</b>	53,014.38
	The Indian Steel and Wire Products Limited	<b>0.40</b>	0.43
	Tata Steel Processing and Distribution Limited	<b>37.77</b>	41.96
	Tata Sponge Iron Limited	<b>0.52</b>	0.14
Reimbursement of excise duty, freight and other expenses	Tata Steel Limited	<b>8,340.90</b>	6,705.88
Purchase of Fixed Assets	Tata Steel Limited	—	35.90
	Jamshedpur Utility and Services Company Limited	<b>563.80</b>	260.69
Receiving of Service	Tata Steel Limited	<b>6,231.39</b>	6,028.35
	Tata Steel International (UK) Ltd.	<b>165.98</b>	114.09
	Jamshedpur Utility and Services Company Limited	<b>10.01</b>	—
	TKM Global Logistics Limited	<b>686.32</b>	512.27
Dividends paid	Tata Steel Limited	<b>1,647.20</b>	1,587.57
	Kalimati Investments Company Limited	<b>15.85</b>	13.47
Remuneration paid	Mr. Tarun Kumar Daga	<b>99.52</b>	74.38

**NOTES TO THE FINANCIAL STATEMENTS** (Contd.)

**36. Related Party Transactions**

₹ in Lacs

Nature of Outstanding	Name of the related party	As at 31.03.2014	As at 31.03.2013
Outstanding Payables	Tata Steel Limited	<b>122.65</b>	281.53
	Tayo Rolls Limited	<b>40.60</b>	123.09
	The Tata Pigments Limited	<b>0.62</b>	0.99
	Tata Steel Inaternation (UK) Ltd.	<b>38.51</b>	156.79
	TKM Global Logistics Limited	<b>49.97</b>	53.10
	Jamshedpur Utility and Services Company Limited	<b>177.41</b>	24.59
Outstanding receivables	Tata Steel Limited	<b>5,318.86</b>	4,877.14
	Tayo Rolls Limited	<b>0.53</b>	—
	The Indian Steel and Wire Products Limited	<b>0.25</b>	1.00
	Jamshedpur Utility and Services Company Limited	<b>18.12</b>	87.90
	Tata Sponge Iron Limited	<b>0.01</b>	0.01
	Tata Steel International (Singapore) Pte. Limited	—	193.95
	Tata Steel UK Limited	—	—
	Tata Steel Processing and Distribution Limited	<b>3.82</b>	11.11

**37.** The Company has an on-going conversion arrangement with Tata Steel Limited which includes consignment agency and marketing arrangements, and the Company is responsible for collection of debts on behalf of Tata Steel Limited. Such debts (considered good) outstanding at 31.03.2014 amounts to ₹ **8,265.87 lacs** (net of bills discounted of ₹ **2,602.48 lacs**) [31.03.2013 : ₹ 11,915.96 lacs (net of bills discounted of ₹2,309.09 lacs)], of which ₹ **9.57 lacs** (31.03.2013- ₹ 5.22 lacs) are overdue for more than six months.

**38.** Previous year's figures have been regrouped where necessary to confirm with figures for the current year.

For and on behalf of the Board of Directors

**Koushik Chatterjee**

Chairman

**Tarun Kumar Daga**

Managing Director

**S Kar**

Company Secretary

Kolkata, 22nd April, 2014



## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-14

### 1. Company's philosophy on Corporate Governance

Your Company has been practicing good Corporate Governance over the years upholding the Tata traditions and values. The Company has not only put in place the system for compliance of regulatory requirements but also the system for customers satisfaction and meeting the expectations of its stakeholders, employees and the society. It is the philosophy of the Company to continue to have accountability, transparency and integrity in all its business transactions and practices.

### 2. Board of Directors

2.1 The Board of the Company consists of nine members comprising a Non-executive Chairman, seven other Non-executive Directors (out of them - five are Independent Directors) and one Executive Director, being the Managing Director. None of the Directors on the Board is a member in more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of the Listing Agreement), across all companies in which he is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

### 2.2 Composition, Category and Number of other Board and Committee Positions held as on 31st March 2014

Name (Promoter = P Non-Promoter = NP)	Executive/Non-Executive/ Non-Executive and Independent	Number of other Directorships held in Public Limited Companies Incorporated in India	Number of other Committee Positions* held	
			As Chairman	As Member
Mr Koushik Chatterjee (P)	Chairman - Non-Executive	3	None	1
Mr Anand Sen (P)	Non-Executive	3	1	1
Mr Dipak Kumar Banerjee (NP)	Non-Executive and Independent	9	5	4
Mr S P Nagarkatte (NP)	Non-Executive and Independent	None	None	None
Mr B N Samal (NP)	Non-Executive and Independent	None	None	None
Mr Ashok Kumar Basu (NP)	Non-Executive and Independent	8	3	5
Mr B L Raina (P)	Non-Executive	None	None	None
Dr Sougata Ray (NP)	Non-Executive and Independent	None	None	None
Mr Tarun Kumar Daga	Managing Director	None	None	None

\* Committee positions held in other Indian public limited Companies are considered. For this purpose only two Committees viz. the Audit Committee, and the Shareholders/Investors' Grievance Committee are considered.

- 2.3 All Independent Directors have confirmed their independence to the Company.
- 2.4 The Non-Executive Directors have no pecuniary relationship or transactions with the Company in their personal capacity.
- 2.5 The information as mentioned in Annexure - IA of Clause 49 of the Listing Agreement with the Stock Exchange is made available to the Board members. The Board periodically reviews compliance reports of all laws applicable to the Company and the steps taken to rectify instances of non-compliance.
- 2.6 The Company has adopted the Tata Code of Conduct for the Managing Director, Senior Management Personnel and other employees of the Company. It has also adopted a separate Code of Conduct for the Non-Executive Directors of the Company. Both the Codes of Conduct are posted on the website of the Company. The Company has received confirmations from the Non-Executive Directors, Managing Director and Senior Management Personnel regarding compliance with the Code of Conduct for the year ended 31.03.14. A declaration to this effect signed by the Managing Director is attached to this report.

**2.7 Attendance Record of the Directors**

During the year five meetings of Board of Directors were held on 18.04.13, 29.07.13, 28.10.13, 28.01.14 and 13.02.14. The Ministry of Corporate Affairs' vide General Circular No. 28/2011, dated 20.05.2011, has permitted the participation of Directors in Board Meetings through electronic mode. As permitted by the aforesaid circular, in all the aforesaid five Board Meetings, some of the Directors participated through electronic mode.

Sl. No.	Name of Directors	No. of Board Meetings		Attendance at last AGM held on 26th June, 2013
		Held during the year	Attended during the year	
1.	Mr Koushik Chatterjee	5	5	Yes
2.	Mr Anand Sen	5	5	Yes
3.	Mr Dipak Kumar Banerjee	5	5	Yes
4.	Mr S P Nagarkatte	5	4	No
5.	Mr B N Samal	5	5	Yes
6.	Mr Ashok Kumar Basu	5	5	No
7.	Mr B L Raina	5	4	Yes
8.	Mr T V Narendran *	5	1	No
9.	Dr. Sougata Ray	5	5	Yes
10.	Mr Tarun Kumar Daga	5	5	Yes

\* Mr T V Narendran ceased to be a Director of the Company w.e.f 24.10.2013

### 3. Audit Committee

#### 3.1 Brief Description of terms of reference

- a) The Audit Committee of the Company was constituted on 20.04.87.
- b) The broad terms of reference of the Audit Committee were to review reports of the Internal Auditors and discuss the same at regular periodic intervals, to discuss with the Statutory Auditors their findings and suggestions on matters pertaining to financial reporting and to oversee the Company's entire financial reporting process.
- c) The scope of activities of the Audit Committee includes the areas laid out in Clause 49 II (D) of the Listing Agreement. The powers of the Audit Committee are in accordance with Clause 49 II(C) of the Listing Agreement. The Audit Committee reviews the information stipulated under Clause 49II(E) of the Listing Agreement.

3.2 During the year four meetings of the Audit Committee were held on 17.04.13, 20.07.13, 23.10.13 and 17.01.14.

3.3 The Audit Committee met on 17.04.13 and reviewed the Annual Accounts as well as the Audited Financial Results of the Company for the year ended 31st March 2013 before recommending the same to the Board of Directors. The Audit Committee had also periodically reviewed the Audited Financial Results during the year before recommending the same to the Board of Directors for adoption and publication.

3.4 The Audit Committee was reconstituted on 07.05.10 and presently the Committee comprises of Mr. S P Nagarkatte (Chairman), Mr. Dipak Kumar Banerjee, Mr. Ashok Kumar Basu and Mr. B L Raina as Members.

3.5 The composition of the Committee during the financial year and the number of meetings attended by each of the Directors are given below :

Sl. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. S P Nagarkatte	Chairman	4	3
2.	Mr. Dipak Kumar Banerjee	Member	4	4
3.	Mr. Ashok Kumar Basu	Member	4	4
4.	Mr. B L Raina	Member	4	4

3.6 All the members of the Committee are Independent Directors, except Mr. B L Raina who is a Non-Executive Director and all the members have accounting or related financial management expertise.

3.7 The Chairman of the Audit Committee could not attend the last Annual General Meeting held on 26.06.13 due to personal reasons and the same was informed to the shareholders present at the said meeting. The Chief Financial Officer, Chief Internal Auditor and the Statutory Auditors were present at all the above four meetings of the Audit Committee as invitees.

3.8 The Company Secretary, Mr. S Kar is the Secretary to the Audit Committee and was present at all the above four meetings.

**4. Remuneration Committee**

4.1 The Remuneration Committee was constituted on 19.03.01 to decide upon the compensation package of the Wholetime Director(s) within the broad frame-work of the Group Policy, merit and Company's performance.

4.2 The Remuneration Committee at present comprises Mr. Dipak Kumar Banerjee as Chairman (Non-Executive and Independent Director), Mr. Koushik Chatterjee (Non-Executive Director) and Mr. Ashok Kumar Basu (a Non-Executive and Independent Director) as members.

4.3 During the year a meeting of the Remuneration Committee was held on 18.04.13.

**Details of remuneration for year ended 31.03.14**

**(i) Non-Wholetime Directors**

Sl. No.	Name of Directors	Commission (₹)	Sitting Fees Paid (₹)
1.	Mr. Anand Sen	3,16,901	80,000
2.	Mr. Dipak Kumar Banerjee	4,22,536	1,00,000
3.	Mr. S P Nagarkatte	3,52,113	70,000
4.	Mr. B N Samal @	3,16,901	80,000
5.	Mr. Ashok Kumar Basu	6,33,803	1,30,000
6.	Mr. B L Raina	2,81,690	80,000
7.	Mr. T V Narendran	-	10,000
8.	Dr. Sougata Ray	1,76,056	50,000

@ The amount of commission is paid / payable to Life Insurance Corporation of India

The sitting fees of the Non-Executive Directors is Rs. 10,000/- per meeting in respect of Board, Audit and Remuneration Committee meetings and Rs. 7,500/- per meeting in respect of Shareholders Grievance Committee meetings.

None of the Non-Executive Directors, except Mr. Koushik Chatterjee and Mr. B L Raina, are holding any shares of the Company. The details of equity shareholding of Mr. Koushik Chatterjee and Mr. B L Raina as on 31.03.14 are given below :

Sl. No.	Name of Directors	No. of Shares
1.	Mr. Koushik Chatterjee	1,000
2.	Mr. B L Raina	32,750

(ii) **Wholetime Directors**

Name	Salary (₹ lakhs)	Allowance and Perquisites (₹ lakhs)	Contribution to Provident and other funds (₹ lakhs)	Performance linked bonus (₹ lakhs)	Stock Options
Mr. Tarun Kumar Daga	27.72	11.65	9.33	50.82	Nil

Period of contract of MD : Mr. Tarun Kumar Daga was appointed as the Managing Director at the Meeting of the Board of Directors held on 08.06.09 based upon the recommendation of the Remuneration Committee for a period of 5 years w.e.f 17.06.09 to 16.06.14. The Shareholders at the Annual General Meeting held on 31.08.09 approved the appointment and the terms of remuneration.

The appointment can be terminated by either party giving the other party 3 months' notice or the Company paying 3 months' salary in lieu thereof.

Severance fees - Nil.

The Company at present has no stock option scheme.

**5. Shareholders' Grievance Committee**

5.1 The Shareholders Grievance Committee was constituted on 19.03.01 to specifically look into the redressal of shareholders' grievances relating to transfer of shares, non receipt of balance sheet and any other matters.

5.2 The Committee was reconstituted on 07.05.10 and the Committee presently comprises of Mr. Ashok Kumar Basu as Chairman, Mr. Anand Sen and Mr. B N Samal as Members. Mr. S Kar, Company Secretary is the Compliance Officer of the Company.

5.3 During the year four meetings of the Shareholders Grievance Committee were held on 18.04.13, 29.07.13, 28.10.13 and 28.01.14 :

- Number of pending complaints as on 31.03.13 - Nil
- Number of shareholders' complaints received during the year ended 31.03.14 - 5
- Number of complaints attended to / resolved during the year ended 31.03.14 - 5
- Number of pending complaints as on 31.03.14 - Nil
- Number of pending share transfers - No transfers are pending as on 31.03.14

5.4 TSR Darashaw Private Limited is the Registrar and Transfer Agent of the Company. The delegated authority is taking measures so that share transfer formalities are attended to at least once in a fortnight. The Company Secretary is also authorised by the Board to do all acts, deeds and matters and sign all documents that may be required in the matter relating to shares from time to time.

**6. General Body Meetings**

6.1 Location and time, where last three Annual General Meetings were held :

Year	AGM/ EGM	Location	Date	Time	No. of Special Resolutions
2010-11	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	30.08.2011	02.00 PM	NIL
2011-12	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	24.09.2012	11.00 AM	NIL
2012-13	AGM	Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700001	26.06.2013	11.30 AM	1

6.2 No special resolution was passed through Postal Ballot during the year ended 31.03.14 nor any special resolution is proposed to be passed through Postal Ballot as on the date of this report.

6.3 Particulars of the Directors appointed and reappointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting as required under Clause 49(IV)(G)(i) of the Listing Agreement with the Stock Exchange.

**7. Disclosures**

7.1 Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their

subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large :

- The Company has an on-going conversion arrangement with Tata Steel Limited (Tata Steel) which includes consignment agency and marketing arrangements and the Company is responsible for collection of debts on behalf of Tata Steel. Tata Steel also provides certain infrastructure facilities to the Company at Jamshedpur on terms considered reasonable and beneficial to the Company. The Company purchases tinplate from Tata Steel for exports on its own account to various countries. None of the transactions with any of the related parties were in conflict with the interest of the Company.
- For the details of related party relationships and transactions as required by the Accounting Standard 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India please refer Note No 36 of notes to the Financial Statement of the Audited Accounts for the year ended 31.03.14.

7.2 The Company has laid down procedures for informing the Board members about the risk assessment and minimization procedures in accordance with clause 49(IV)(C) of the Listing Agreement with the Stock Exchange. The Board periodically at its meetings reviewed the risk assessment and minimization procedure followed by the Company.

7.3 The Company has formulated a Whistle Blower Policy and affirms that no personnel has been denied access to the Audit Committee

7.4 The management has informed the Board in accordance with Clause 49(IV)(F)(ii) of the Listing Agreement that they are not having any personal interest in material, commercial and financial transactions of the Company that may have potential conflict with the interest of the Company at large.

7.5 Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - Nil.

7.6 The CEO i.e. the Managing Director and CFO i.e. Chief Financial Officer have given the necessary certificates as required under Clause 49(V) of the Listing Agreement.

7.7 All the mandatory requirements have been appropriately complied with and the non mandatory requirements relating to Remuneration Committee and Whistle Blower Policy have also been complied with.

## **8. Means of Communication**

8.1 In compliance with the requirements of the Listing Agreement, the Company, on quarterly basis, intimates audited financial results to the Stock Exchanges immediately after they are

taken on record by the Board. Further, coverage is given for the benefit of the Shareholders and Investors by publication of the financial results in the Business Standard, Aajkal and/or Ekdin.

8.2 The financial results of the Company are also put on the web site of the Company after these are submitted to the Stock Exchanges. Official information like press releases are also available on the web site. The Company's web site address is [www.tatatinplate.com](http://www.tatatinplate.com). The shareholders are free to communicate their grievances and queries to the Company through email id. [company.secretariat@tatatinplate.com](mailto:company.secretariat@tatatinplate.com).

## **9. General Investors Information**

### **Annual General Meeting**

Date & Time	:	5th September, 2014 at 11:00 AM
Venue	:	Williamson Magor Hall The Bengal Chamber of Commerce & Industry 6, Netaji Subhas Road, Kolkata - 700 001

### **Financial Year**

Financial Reporting for quarter ending 30.06.2014	-	July 2014
Financial Reporting for half year ending 30.09.2014	-	October 2014
Financial Reporting for quarter ending 31.12.2014	-	January 2015
Financial Reporting for the year ending 31.03.2015	-	April 2015
Annual General Meeting for the year 2015	-	July 2015

**Date of Book closure** : 21st August, 2014 to 5th September, 2014

**Dividend Payment Date** : Dividend payment date is 10th September, 2014

### **Listing on Stock Exchanges**

BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400001

### **Stock Code /Symbol**

504966

National Stock Exchange of India Ltd.  
"Exchange Plaza", Bandra - Kurla Complex,  
Bandra (E), Mumbai - 400051

TINPLATE EQ

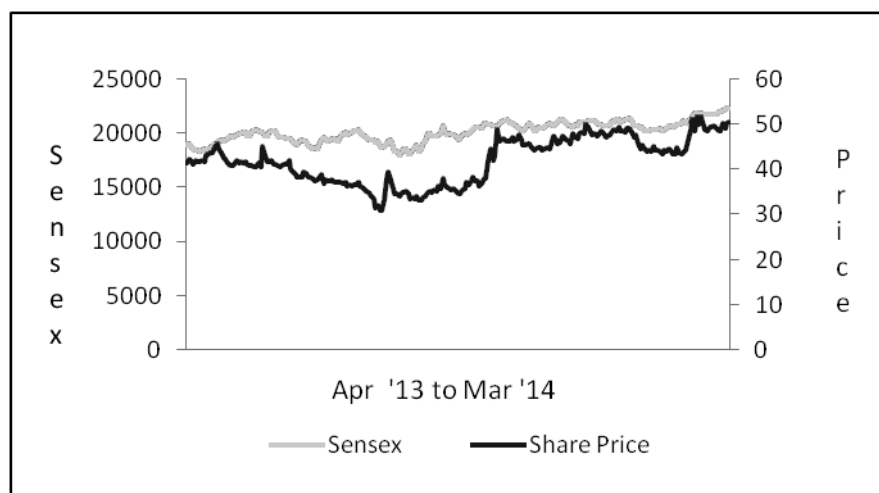
Listing fees in respect of both the Stock Exchanges have been paid within the due dates for the Financial Year 2014-15.



**The closing high and low market prices, average volume, average number of trades and average value of shares during each month at BSE Ltd. during April 2013 to March 2014 were as follows :**

MONTH	HIGH (Closing) ₹	LOW (Closing) ₹	Average per day		
			Avg. Volume per day	Avg. No. of Trades / day	Avg. Value / day (₹)
April '13	45.70	41.10	21308	281	9,39,333
May '13	45.10	40.65	33041	363	14,34,397
June '13	42.15	37.45	15210	235	5,99,063
July '13	37.60	34.05	15014	265	5,52,548
August '13	39.35	30.90	39959	671	14,86,131
September '13	37.95	33.25	13126	246	4,71,235
October '13	48.85	34.70	85594	1068	38,49,267
November '13	47.65	44.15	42941	652	20,00,688
December '13	49.85	44.65	24345	233	11,47,587
January '14	49.55	44.60	18648	162	8,86,421
February '14	45.10	43.35	7144	78	3,15,248
March '14	51.70	44.30	62490	685	31,07,037

### Performance of TCIL Share Price in comparison to BSE Sensex



**Registrar & Share Transfer Agents**

TSR Darashaw Private Ltd. was appointed as the Registrars and Share Transfer Agent of the Company with effect from 1.04.02 for the Equity Shares held in both physical and dematerialised form. Their address for communication:

Head Office	Branch Office
TSR Darashaw Private Limited 6-10 Haji Moosa Patrawala Ind Estate 20, Dr. E Moses Road, Mahalaxmi Mumbai - 400011 Tel No. : (022) 6656 8484 Fax No. : (022) 6656 8494 E-mail : csg-unit@tsrdarashaw.com	TSR Darashaw Private Limited Tata Centre, 1st Floor 43, J. L. Nehru Road Kolkata - 700071 Tel No. : (033) 2288 3087 Fax No. : (033) 2288 3062 E-mail : tsrdlcal@tsrdarashaw.com

**ISIN in respect of Equity Share is INE 422C01014.**

**Share Transfer System**

Share transfer in physical form can be lodged with TSR Darashaw Private Ltd. at the above mentioned addresses or at their branch offices, addresses of which are available on their website or at the Registered Office of the Company.

The transfers in physical form are normally processed within 15 days if technically found to be in order and complete in all respects. As per directive issued by SEBI dated 27.12.2000 it is compulsory to trade in the Company's Equity Shares in dematerialised form.

**Distribution of Shareholding**

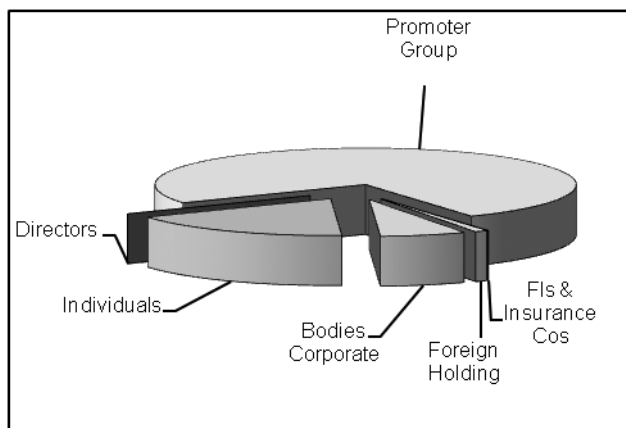
The distribution of Shareholding as on 31.03.14 and 31.03.13 are as follows :

In the Range of	31.03.14 No. of Shareholders	Percent %	31.03.13 No. of Shareholders	Percent %
1 to 500	40,727	86.63	43,404	86.93
501 to 1000	3,401	7.23	3,595	7.20
1001 to 2000	1,563	3.33	1,624	3.25
2001 to 3000	499	1.06	530	1.06
3001 to 4000	212	0.45	200	0.40
4001 to 5000	175	0.37	163	0.32
5001 to 10000	248	0.53	248	0.50
10001 and above	186	0.40	168	0.34
<b>Total</b>	<b>47,011</b>	<b>100.00</b>	<b>49,932</b>	<b>100.00</b>

**Shareholding pattern as on 31.03.14 is as follows :**

Category	Shares held	% of Shareholding
<b>PROMOTERS' HOLDING</b>		
Tata Steel Ltd.	7,68,72,692	73.45
Kalimati Investments Co. Ltd	15,84,948	1.51
	<u>7,84,57,640</u>	<u>74.96</u>
<b>PUBLIC FINANCIAL INSTITUTIONS AND BANKS</b>		
UTI	1,867	0.00
LIC	500	0.00
GIC and its subsidiaries	5,442	0.01
IDBI Bank Ltd.	1,100	0.00
Nationalised Banks	2,500	0.00
Other Banks	300	0.03
Foreign Banks	350	0.00
Mutual Funds	7,960	0.01
	<u>20,019</u>	<u>0.02</u>
<b>FOREIGN HOLDINGS</b>		
NRIs	10,02,567	0.96
	<u>10,02,567</u>	<u>0.96</u>
<b>OTHER BODIES CORPORATE</b>		
Bodies Corporate	68,61,082	6.55
Trusts	1,279	0.00
	<u>68,62,361</u>	<u>6.55</u>
<b>DIRECTORS AND THEIR RELATIVES</b>		
	33,750	0.03
<b>INDIVIDUALS</b>		
	1,82,91,301	17.48
	<u>10,46,67,638</u>	<u>100.00</u>

**Equity Shareholding Group as on 31.03.14**



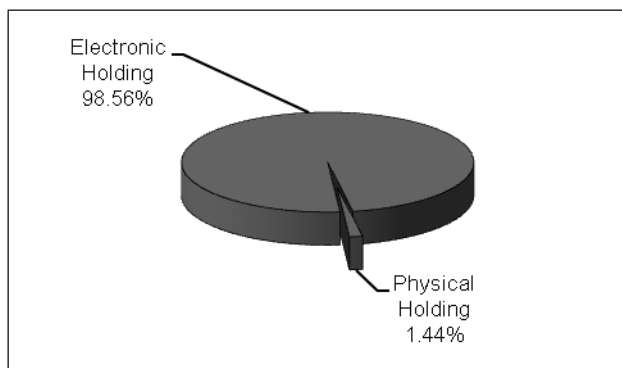
**Dematerialisation of Shares and Liquidity**

As on 31.03.14, the status of dematerialised securities of the Company are as follows :

Type of Securities	Dematerialised Holding	Percentage
Equity Shares	10,31,65,229	98.56

For the purpose of dematerialization, agreements have been signed by the Company with National Securities Depository Limited and Central Depository Services (India) Limited, whereby the security holders have an option to dematerialise their shares with either of the depositories.

**Break up of Equity Shares held in Electronic and Physical Form**



**Outstanding GDRs/ADRs, Warrants or any convertible instruments, conversion date and likely impact on equity –**

1,12,33,000 - 8.5% (12.50% up to 15.01.09) Non-cumulative Optionally Convertible Preference Shares (OCPS) of Rs.100/- each were issued in the financial year 1999-2000, 2000-2001 with an option for conversion into equity shares at par. Based upon legal advice, the option to convert the OCPS into equity shares of the Company is not currently available as per the existing SEBI Guidelines. The OCPS are being redeemed in accordance with the terms of the issue thereof, the provisions of the Companies Act, 1956 and other applicable laws.

OCPS due for redemption during the FY 2013-14 were redeemed.

**Plant Location :**

TCIL WORKS :

The Tinplate Company of India Limited  
Golmuri, Singhbhum (East)  
Jamshedpur 831003  
Tel No. (0657) 2342208  
Fax No. (0657) 2340517  
E-mail : works.office@tatatinplate.com

**Address for correspondence :**

REGISTERED OFFICE :

The Tinplate Company of India Limited  
4 Bankshall Street  
Kolkata 700001  
Tel. No. (033) 2243-5401/5407/5410  
Fax No. (033) 2230 4170  
E-mail : company.secretariat@tatatinplate.com

## **Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code Of Conduct**

This is to confirm that the Company has adopted Tata Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted the Code of Conduct for Non-Executive Directors. Both these Codes are posted on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on March 31, 2014.

April 22, 2014

Tarun Kumar Daga  
*Managing Director*

---

## **Auditors' Certificate regarding compliance of conditions of Corporate Governance**

### **TO THE MEMBERS**

### **THE TINPLATE COMPANY OF INDIA LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **The Tinsplate Company of India Limited** ("the Company"), for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay  
Partner  
(Membership No. 054785)

Kolkata, 16 June, 2014

## ANNEXURE I TO DIRECTORS' REPORT

### PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

#### A. Conservation of Energy

##### a) Energy conservation measures taken

##### (i) On Conservation of fuels :

1. Conversion of annealing furnaces to propane gas fired system from HSD liquid fired system to improve fuel efficiency.
2. Overhauling of steam traps and lagging of pipes based on continuous monitoring of audit feedback to minimize steam and heat loss.
3. Installation of coal crushing plant to use ROM coal for better fuel efficiency in Boilers.
4. Balancing of Pickling operations to optimize steam usage to reduce fuel consumption.
5. At the lacquering and printing units to reduce fuel consumption - improve preventive maintenance practices with respect to frequency of cleaning oven chimney and burner chamber to improve heat transfer; improve speeds; energy shedding (burner switch off) of the ovens during line set up times.

##### (ii) On Conservation of power

1. Replacement and standardization of warehouse overhead lights to Metal Halide from earlier Sodium Vapour.
2. Installation of Pyrometer at tinning line to control temperature of strip to optimize power consumption in reflow melting process.
3. Progressively convert package ACs from air cooled to water cooled to save energy and ensure a better cooling.
4. Cool-lite has been provided at the Works warehouse, by replacing conventional chokes.
5. Replacement of old capacitor bank by an upgraded version.

6. Continuous monitoring and use of capacitor banks for optimization through centralized indication system.
  7. Reduction of power usage for hot air drier of tinning line through modification of system to automatically switch off power during line interruptions.
  8. Provision of LED lights in place of 1000 W halogen in cold rolling mill.
- b) Total Energy Consumption and Energy Consumption per Unit of Production: Form "A" Enclosed.

**B. Technology Absorption**

Efforts made in technology absorption as per Form B : Form "B" enclosed.

**C. Foreign Exchange Earnings and Outgo**

	<b>₹ in lacs</b>
i) CIF value of imports	3,145.61
ii) Expenditure in foreign currency	508.26
iii) Foreign exchange earned	42,461.33



**FORM - A**

**Form for disclosure of particulars with respect to Conservation of Energy: 2013- 2014**

**A. POWER & FUEL CONSUMPTION**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
<b>1. Electricity</b>		
a. Purchased		
Units (Million Kwh)	<b>151.616</b>	149.309
Total Amount (₹ Lakhs)	<b>5,597.33</b>	5,367
Rate / Unit (₹)	<b>3.68</b>	3.59
b. Own Generation		
Through Diesel Generator		
Units (Million Kwh)	<b>0.0095</b>	0.0435
Units /Ltr of Diesel Oil (Kwh)	<b>3.51</b>	3.50
Cost / Unit (₹ / Kwh)	<b>14.25*</b>	10.74
<b>2. Coal</b>	<b>Non-Coking Coal, Grade- D &amp; E used in boilers</b>	Non-Coking Coal, Grade- D & E used in boilers
Quantity (MT)	<b>42,421</b>	48,567
Total Cost (₹ Lakhs)	<b>2,174</b>	2,573
Average Price (₹ /MT)	<b>5,126</b>	5,297
<b>3. Furnace Oil</b>		
Quantity (KL)	<b>N.A.</b>	24.88
Total Cost (₹ Lakhs)	<b>N.A.</b>	9.42
Average Price (₹ /KL)	<b>N.A.</b>	37,842
<b>4. HSD Oil</b>		
Quantity (KL)	<b>129.88 **</b>	1,043
Total Cost (₹ Lacs)	<b>64.95</b>	390
Average Price (₹ /KL)	<b>50,006</b>	37,398
<b>5. Propane</b>		
Quantity (MT)	<b>4,719.41 **</b>	4,061
Total Cost (₹ Lakhs)	<b>3,265.01</b>	2,690
Average Price (₹ /MT)	<b>69,183</b>	66,258
<b>6. Other Internal Generation</b>	<b>N.A.</b>	N.A.

\* Note : Power generation cost(₹/Kwh) for DG set has increased by 26% due to 34% hike in diesel price.

\*\*Note : Conversion of fuel at BAF-1 units from HSD to propane has resulted in higher consumption of propane and corresponding reduction in HSD consumption.

**B. CONSUMPTION PER UNIT OF PRODUCTION (WORKS ONLY)**

Particulars	2013-2014			2012-2013		
	ETP PLANT ETP/TFS (ETL-1)	ETP PLANT ETP/TFS (ETL-2)	CRM PLANT TMBP/ FHCR	ETP PLANT ETP/TFS (ETL-1)	ETP PLANT ETP/TFS (ETL-2)	CRM PLANT TMBP/ FHCR
Production (t)	<b>142816</b>	<b>181662</b>	<b>335833</b>	136413	173159	323426
Electric Power (KWH/MT)	<b>156.04</b>	<b>133.84</b>	<b>264.18</b>	158.44	147.68	270.99
Furnace Oil (Lt/MT)	-	-	-	0.04	0.03	0.04
HSD Oil (Lt/MT)	<b>0.032</b>	<b>0.26</b>	<b>0.01</b>	0.48	0.46	2.78
Coal (Kg/MT)	<b>68</b>	<b>49</b>	<b>68</b>	79.99	63.00	82.70
Propane (Kg/MT)	-	-	<b>14</b>	-	-	12.55

**FORM-B**

**Form for disclosure of particulars with respect to Technology Absorption : 2013-14**

**A. RESEARCH AND DEVELOPMENT**

**Specific areas in which development activities are carried out by the Company :**

- i. Work on alternate passivation film to substitute presently used chromate film is continuing in coordination with other tinplate producers worldwide.
- ii. Consequent to successful in house and field trials with finished product packets with top jackets fabricated with automated box making facilities the process has been deployed. The change has improved packet aesthetics and functionality.
- iii. Pilot scale trials are on for use of cost effective packaging materials without compromising functional requirements.
- iv. Due diligence on conversion from PSA to MSA technology at the tinning lines initiated to assess impact on environmental practices.
- v. Studies initiated to improve surface finish of finished product with chromium coated work rolls in Temper Mill. This is also expected to reduce specific roll consumption.

## **B. ENVIRONMENTAL REPORT**

### **Environment measures taken during the year 2013-14**

#### **i. Air Pollution Control**

- Measures like water fogging system at critical points, dust screens around coal yard are being taken to reduce dust.
- Wheel washing system has been installed at some locations to prevent entry of dust through truck wheels.
- Upgradation of double chambered incinerator at hospital for better waste management.
- Ambient monitoring points inside and outside the plant are being increased.
- 100% compliance with statutory air pollution norms.

#### **ii. Water Pollution Control**

- Road map is under development for zero water discharge from the plant through the concept of reduce - reuse and recycle of water.

#### **iii. Solid waste**

- Solid waste generation reduction through control of moisture content in sludge.
- Waste oil and emulsion sludge disposal through recyclers authorized by PCB.
- Expansion of secured land fill to facilitate higher level of production.
- Use of better quality coal (low ash content) to reduce fly ash generation.

#### **iv. Statutory Compliance**

All statutory requirements under Pollution Control were complied.

- As per directive from Jharkhand State Pollution Control Board, rehabilitation of Sewage system, comprising Packaged Sewage Treatment Plant (PSTP) and Sewage Pumping Station (SPS) for plant and township was completed in December, 2013.
- Environmental statements, returns and statutory conditions are being complied as per law.
- Authorization for handling and management of hazardous-waste has been received from State Pollution Control Board for five years - valid up to 2016.
- Consent to Operate has been obtained for the calendar year 2014 from Jharkhand State Pollution Control Board.
- All the boilers' certificates as per The Boiler Act 1923 and Indian Boiler Regulation are up to date.

## Production Statistics

Year	E. T. PLANT			COLD ROLLING MILL
	Electrolytic Tinplate	Tinfree Steel	Total	C. R. Products
	Tonnes	Tonnes	Tonnes	Tonnes
2000-01	102,549	2,095	104,644	132,065
2001-02	100,701	3,854	104,555	126,107
2002-03	109,835	3,772	113,607	139,428
2003-04	125,599	2,385	127,984	154,211
2004-05	139,061	1,604	140,665	167,217
2005-06	149,767	1,754	151,521	177,446
2006-07	155,224	2,207	157,431	178,841
2007-08	165,076	3,057	168,133	185,246
2008-09	180,052	5,520	185,572	181,523
2009-10	219,917	7,153	227,070	193,143
2010-11	223,090	17,747	240,837	201,823
2011-12	241,182	14,497	255,679	264,403
2012-13	293,128	16,444	309,572	323,426
2013-14	309,812	14,691	324,503	335,833

Capital Accounts							Revenue Accounts							Year
Year	Capital	Reserve and Surplus	Borrowing	Gross Block	Net Block	Investment	Income	Expenses	Depreciation	Profit/(Loss) Before Tax	Taxation	Profit/(Loss) After Tax	Dividends (including Dividend Tax)	Year
1989-90	1,014.43	1,216.32	4,058.61	5,367.76	3,072.86	7.87	16,991.79	16,436.80	257.97	297.02	40.00	257.02	151.80	1989-90
1990-91	1,014.43	1,277.34	2,708.53	5,718.58	3,074.95	7.87	19,202.97	18,528.14	350.01	324.82	112.00	212.82	151.80	1990-91
1991-92	1,014.43	1,498.28	2,671.28	6,407.37	3,465.46	7.87	18,315.46	17,413.32	299.04	603.10	200.00	403.10	182.16	1991-92
1992-93	1,014.43	1,537.82	14,604.96	9,955.36	6,668.97	7.83	29,956.55	29,390.21	344.64	221.70	-	221.70	182.16	1992-93
1993-94	2,541.53	7,831.55	11,809.61	17,829.16	14,179.95	7.83	29,657.25	28,818.24	363.61	475.40	5.00	470.40	285.05	1993-94
1994-95	2,885.10	9,134.81	18,761.60	27,540.69	23,478.93	22.83	24,438.39	23,677.33	423.84	337.22	5.00	332.22	403.25	1994-95
1995-96	2,889.15	9,208.79	20,747.92	34,589.17	30,067.21	22.83	29,763.61	28,864.56	461.32	437.73	5.00	432.73	359.69	1995-96
1996-97	2,890.91	7,903.14	24,428.20	38,033.33	32,363.47	22.83	34,444.45	35,997.84	1,149.00	(2,702.39)	-	(2,702.39)	-	1996-97
1997-98	2,890.91	7,903.14	25,885.84	38,267.94	30,757.39	22.83	31,129.23	35,403.56	1,843.26	(6,117.59)	-	(6,117.59)	-	1997-98
1998-99*	11,097.91	7,802.64	23,154.77	38,447.18	28,996.16	22.83	22,917.10	25,074.60	2,179.76	(4,337.26)	-	(4,337.26)	-	1998-99*
1999-00**	13,859.91	7,802.64	21,579.96	37,687.42	27,522.27	22.83	11,538.13	11,355.47	1,254.10	(1,071.44)	-	(1,071.44)	-	1999-00**
2000-01	14,123.91	7,638.64	20,581.07	35,961.94	25,763.07	22.83	17,239.01	17,411.94	1,609.45	(1,782.38)	49.80	(1,832.18)	-	2000-01
2001-02	14,123.91	7,488.64	20,651.91	36,843.58	25,006.91	24.83	18,739.20	17,012.21	1,645.73	81.26	(20.52)	101.78	-	2001-02
2002-03	14,123.91	7,488.64	20,282.76	37,876.02	24,360.23	124.83	26,373.98	24,485.01	1,687.27	201.70	-	201.70	-	2002-03
2003-04	14,123.91	317.53	18,943.47	39,271.81	23,953.24	224.83	33,850.59	29,908.50	1,807.86	2,134.23	-	2,134.23	-	2003-04
2004-05	14,123.91	531.25	14,622.74	40,702.93	23,916.88	224.83	26,903.25	21,801.61	1,888.69	3,212.95	165.00	3,047.95	-	2004-05
2005-06	14,123.91	1,516.12	13,449.94	45,806.89	27,070.34	22.83	44,048.66	38,126.87	1,971.69	3,950.10	(945.53)	4,895.63	2,013.10	2005-06
2006-07	14,123.91	2,676.99	12,965.86	49,083.76	28,087.42	22.83	48,165.62	42,835.43	2,261.60	3,068.59	1,180.50	1,888.09	-	2006-07
2007-08	14,125.43	3,079.72	21,172.22	63,952.84	40,698.52	22.83	41,386.60	38,319.10	2,259.92	807.58	413.09	394.49	-	2007-08
2008-09	14,125.43	4,604.07	27,198.39	72,175.38	46,117.87	22.83	67,505.10	58,432.12	2,805.76	6,267.22	2,787.04	3,480.18	1,955.83	2008-09
2009-10	18,442.38	23,705.89	20,716.22	94,745.44	65,572.21	1,750.30	81,323.77	67,806.82	3,364.11	10,152.84	3,437.70	6,715.14	2,372.12	2009-10
2010-11	18,442.38	24,717.37	32,138.69	79,184.72	46,409.30	22.83	81,201.20	72,451.24	3,634.84	5,115.12	1,534.17	3,580.95	2,569.47	2010-11
2011-12	21,712.80	38,945.76	13,455.98	112,665.22	75,266.39	27.25	64,600.11	56,990.64	4,819.36	2,790.11	1,134.91	1,655.20	2,143.71	2011-12
2012-13	20,726.80	39,492.33	15,595.57	119,182.18	76,244.64	22.83	89,854.55	79,099.53	5,802.04	4,952.98	2,129.91	2,823.07	2,276.50	2012-13
2013-14	15,110.30	42,858.87	9,141.22	120,060.11	72,338.28	22.83	108,442.46	93,254.08	6,118.89	9,069.49	2,789.77	6,279.72	2,913.18	2013-14

\* 15 months

\*\* 9 months

# Conversion agreement with TISCO for ETP/CRM commenced from 1st April, 1998.

**TSR DARASHAW PRIVATE LIMITED**

(Registrar and Share Transfer Agent)

NAME		Contact Nos.
<p><b>REGISTERED OFFICE</b></p> <p><b>TSR DARASHAW PRIVATE LIMITED</b>                      6-10 Haji Moosa Patrawala Ind. Estate,                      20 Dr. E. Moses Road,                      Mahalaxmi,                      Mumbai - 400 011                      E-mail : csg-unit@tsrdarashaw.com                      Web : www.tsrdarashaw.com</p> <p><b>BRANCH OFFICES</b></p> <p>1. <b>Bangalore</b>  <b>TSR DARASHAW PRIVATE LIMITED</b>                      503, Barton Centre (5th Floor),                      84, Mahatma Gandhi Road,                      Bangalore - 560 001                      E-mail : tsrdlbg@tsrdarashaw.com</p> <p>2. <b>Jamshedpur</b>  <b>TSR DARASHAW PRIVATE LIMITED</b>                      "E" Road, Northern Town, Bistupur,                      Jamshedpur - 831 001                      E-mail : tsrdljsr@tsrdarashaw.com</p> <p>3. <b>Kolkata</b>  <b>TSR DARASHAW PRIVATE LIMITED</b>                      Tata Centre, 1st Floor,                      43, J.L. Nehru Road,                      Kolkata - 700 071                      E-mail : tsrdlcal@tsrdarashaw.com</p> <p>4. <b>New Delhi</b>  <b>TSR DARASHAW PRIVATE LIMITED</b>                      2/42, Ansari Road, 1st Floor                      Daryaganj, Sant Vihar,                      New Delhi - 110 002                      E-mail : tsrdldel@tsrdarashaw.com</p> <p><b>AGENTS</b></p> <p><b>Shah Consultancy Services Limited</b>                      3, Sumatinath Complex, 2nd Dhal,                      Pritam Nagar, Ellisbridge,                      Ahmedabad - 380 006                      E-mail : shahconsultancy8154@gmail.com</p>	<p>Tel. Fax</p> <p>Tel. Fax</p> <p>Tel. Fax</p> <p>Tel. Fax</p> <p>Tel. Fax</p> <p>Telefax</p>	<p>022-66568484 022-66568494</p> <p>080-25320321 080-25580019</p> <p>0657-2426616 0657-2426937</p> <p>033-22883087 033-22883062</p> <p>011-23271805 011-23271802</p> <p>079-26576038</p>



# THE TINPLATE COMPANY OF INDIA LIMITED

Corporate Identity No. (CIN) - L28112WB1920PLC003606

Registered Office : 4, Bankshall Street, Kolkata 700001

Phone : 91 33 22435401; Fax :91 33 22304170 E-mail : company.secretariat@tatatinplate.com

Website : www.tatatinplate.com

## ATTENDANCE SLIP

(To be presented at the entrance)

**95TH ANNUAL GENERAL MEETING ON FRIDAY, THE 5th SEPTEMBER, 2014 AT 11.00 AM**

at The Williamson Magor Hall, The Bengal Chamber of Commerce & Industry

6, Netaji Subhas Road, Kolkata - 700 001

Name of the Shareholder/Proxyholder .....

DP ID No. ....

Client ID No. ....

Shareholder's Folio No. ....

No. of Shares held .....

I hereby record my presence at the Ninety-fifth Annual General Meeting of the Company to be held on Friday, 5th September, 2014 at 11.00 A.M.

.....  
Member's/Proxy's Signature

- Note : 1. Only Shareholder/Proxyholder can attend the Meeting.  
2. Shareholder/Proxyholder desiring to attend the Meeting should bring his/her copy of the Annual Report for reference at the Meeting.



# THE TINPLATE COMPANY OF INDIA LIMITED

Corporate Identity No. (CIN) - L28112WB1920PLC003606

Registered Office : 4, Bankshall Street, Kolkata 700001

Phone : 91 33 22435401; Fax :91 33 22304170 E-mail : company.secretariat@tatatinplate.com

Website : www.tatatinplate.com

## 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 Shareholder(s) : .....

Registered Address : .....

E-mail Id : .....

Folio No. / Client ID No. : ..... DP ID No. ....

I / We, being the member(s) of ..... Shares of The Tinplate Company of India Limited, hereby appoint

1. Name: ..... E-mail Id: .....

Address : .....

Signature: .....

or failing him

2. Name: ..... E-mail Id: .....

Address : .....

Signature: .....

or failing him

3. Name: ..... E-mail Id: .....

Address : .....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the NINETY-FIFTH ANNUAL GENERAL MEETING of the Company to be held at the Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata - 700 001 on Friday, 5th September, 2014 at 11.00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below :

- Adoption of Audited Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2014.
- Declaration of dividend on the Non-cumulative Optionally Convertible Preference Shares of the Company.
- Declaration of dividend on the Equity Shares of the Company.
- Re-appointment of Mr. Anand Sen as a Director.
- Appointment of Auditors for a term of three years.
- Re-appointment of Mr Tarun Kumar Daga as the Managing Director.
- Appointment of Mr. Dipak Kumar Banerjee as an Independent Director.
- Appointment of Mr. S P Nagarkatte as an Independent Director.
- Appointment of Mr. Ashok Kumar Basu as an Independent Director.
- Appointment of Dr. Sougata Ray as an Independent Director.
- Authority to Directors to borrow in excess of the paid-up capital and free reserves.
- Authority for Creation of Charges.
- Ratification of Cost Auditors' remuneration.

Signed this ..... day of ..... 2014.

Signature of Shareholder ..... Signature of Proxy holder(s) .....

Affix  
Revenue  
Stamp

NOTES : This Form in Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 4, Bankshall Street, Kolkata - 700001, not less than 48 hours before the commencement of the Meeting.



# CORPORATE SOCIAL RESPONSIBILITY



# THE TINPLATE COMPANY OF INDIA LIMITED

Registered Office 4 Bankshall Street Kolkata 700 001

A **TATA** Enterprise

