

Report on Corporate Governance

Your Company believes that the fundamental objective of corporate governance is to enhance the interests of all stakeholders. The Company's corporate governance practices emanate from its commitment towards discipline, accountability, transparency and fairness. Key elements in corporate governance are timely and adequate disclosure, establishment of internal controls and high standards of accounting fidelity, product and service quality.

Your Company also believes that good corporate governance practices help to enhance performance and valuation of the Company.

Board of Directors

The Board provides leadership, strategic guidance and objective judgement on the affairs of the Company. The Board comprises of persons of eminence with excellent professional achievements in their respective fields. The Independent Directors provide their independent judgement, external perspective and objectivity on the issues which are placed before them.

The Board of Directors of the Company consists of eight Directors, with knowledge and experience in different fields viz., engineering, manufacturing, finance and business management. Mr. M M Murugappan, Chairman (Promoter, non-executive), Mr. L Ramkumar, Managing Director (executive), Mr. Vellayan Subbiah, Managing Director (Designate) (Promoter, executive), Mr. Ramesh K B Menon (non-executive) are the non-Independent Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to in this Report as "SEBI Listing Regulations"). Mr. Hemant M Nerurkar, Ms. Madhu Dubhashi, Mr. Pradeep V Bhide and Mr. S Sandilya are the Independent Directors in terms of the SEBI Listing Regulations. All the Independent Directors of the Company are eminent professionals. None of the Directors are related to each other.

The Company had issued letters of appointment to the said Independent Directors as required under Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have also been disclosed on the Company's website www.tiindia.com [link: <http://www.tiindia.com/investors/466>].

On their appointment, the Independent Directors are familiarised about the Company's operations and businesses. As part of the familiarisation programme, a handbook is provided to all Directors including Independent Directors at the time of appointment. The handbook provides a snapshot

to the Directors of their duties and responsibilities, rights, appointment process and evaluation, compensation, Board procedure and stakeholders' expectations. The handbook also provides the Directors with an insight into the Group's practices.

To familiarise the Director with the Company's operations and businesses, plant visits are organised in respect of all divisions of the Company, as part of the induction programme, where the Director is taken around the facilities and explained in detail about the process. During such visit, besides interaction by the Business Heads and key executives with the Director, detailed presentations on the business of the Division are also made to the Director. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarise him/her about the Company/its businesses and the Group practices. In addition, it is also ensured in the Board meeting agenda that besides the review of operations, information on the industry scenario in respect of the Company's businesses, competition and strategy are presented on a quarterly basis. The details of the familiarisation programme are also disclosed on the Company's website at the following link: <http://www.tiindia.com/investors/466>.

Neither of the Whole-time Directors served or serve as Independent Director in more than three listed entities. None of the Independent Directors of the Company served or serve as Independent Director in more than seven listed entities.

None of the Directors of the Company was a member of more than ten Board-level committees or a chairman of more than five such committees across all companies, in which he/she was a Director.

The Company has a well-established practice with regard to deciding the dates of meetings. The annual calendar for the meetings of the Board is finalised early on in consultation with all the Directors. A minimum of five Board meetings are held each year. Evolving strategy, annual business plans, review of actual performance and course correction, as deemed fit, constitute the primary business of the Board. The role of the Board also includes de-risking, investment, divestment and business reorganisation. Matters such as capital expenditure, recruitment of senior level personnel, safety & environment, Human Resources related developments, compliance with statutes and foreign exchange exposures are also reviewed by the Board from time to time.

The Company's commitment to good governance practices allows the Board to effectively perform these functions.

The Company ensures that timely and relevant information is made available to all the Directors in order to facilitate their effective participation and contribution during meetings and discussions.

Post-implementation of the Scheme of Arrangement (demerger) with effect from 1st August, 2017, there were four meetings of the Board of Directors. The dates of the Board meetings, attendance and the number of Directorships/Committee memberships held by the Directors are given in **Table 1** of the annexure to this Report.

The Committees of the Board viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee, constituted with effect from 1st August, 2017 in accordance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, have specific scope and responsibilities.

Audit Committee

The role of the Audit Committee, in brief, is to review financial statements, internal controls, accounting policies, internal audit report, related party transactions, risk management systems and functioning of the Whistle Blower mechanism.

The Audit Committee of the Company has three members, all of whom are Independent Directors. Mr. S Sandilya, Independent Director is the Chairman of the Committee. All the members of the Committee have excellent financial and accounting knowledge. The Chairman, Managing Director, Managing Director (Designate) and the Heads of Strategic Business Units are invitees to the meetings of the Audit Committee.

The quarterly financial results are placed before the Audit Committee for its review, suggestions and recommendations before taking the same to the Board. The statutory audit plans and progress are shared with the Committee for its review.

The quarterly financial results are placed before the Audit Committee for its review, suggestions and recommendations, before taking the same to the Board. The statutory audit plans and progress are shared with the Committee for its review. The internal audit plans are drawn up in consultation with the Managing Director, Chief Financial Officer, Heads of Strategic Business Units and the Audit Committee. The Committee reviews the observations of the internal auditor periodically. The Committee also provides guidance on compliance with the Accounting Standards and accounting policies. The statutory and internal auditors attend the Audit Committee meetings. The Committee also tracks the implementation of its guidelines/suggestions through

review of action taken reports. The terms of reference of Audit Committee are in line with the requirements of the Companies Act, 2013 and the Corporate Governance norms under the SEBI Listing Regulations.

The Committee met four times during the year ended 31st March, 2018. The composition of the Audit Committee and the attendance of each member at these meetings are given in **Table 2** of the annexure to this Report.

Remuneration to Directors

The success of the organisation in achieving good performance and governance depends on its ability to attract quality individuals as executive and Independent Directors.

The Managing Directors' compensation comprises a fixed component and a performance incentive. The compensation is determined based on the level of responsibility and scales prevailing in the industry. No sitting fees for attending Board/Committee meetings are paid to the Managing Directors.

The compensation to the non-executive Directors takes the form of commission on profits. Though the shareholders have approved payment of commission up to one per cent of the net profits of the Company for each year calculated as per the provisions of the Companies Act, 2013, the actual commission paid to the Directors will be restricted to a fixed sum. The sum is reviewed periodically taking into consideration various factors such as performance of the Company, time devoted by the Directors in attending to the affairs and business of the Company and the extent of responsibilities cast on the Directors under various laws and other relevant factors. Considering the time and efforts put in by Mr. M M Murugappan, Chairman and Mr. Pradeep V Bhide, Director towards the affairs of the Company, they are being paid a differential remuneration. The non-executive Directors are paid sitting fees also as permitted by government regulations for all Board and Committee meetings attended by them.

Nomination & Remuneration Committee

The role of the Nomination & Remuneration Committee is in accordance with the requirement of Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations. Under the terms of reference, the Committee's role includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down,

and recommend to the Board their appointment and removal. The Committee's scope further covers recommending to the Board the appointment/re-appointment of the executive and non-executive Directors.

The Committee as constituted effective 1st August, 2017, post the Scheme of Arrangement becoming effective, consists of three members. The Chairman of the Committee is Mr. Hemant M Nerurkar, Independent Director. The other Members are Mr. S Sandilya, Independent Director and Mr. M M Murugappan, Non-Executive Director.

The Remuneration Policy of the Company provides a performance driven and market oriented framework to ensure that the Company attracts, retains and motivates high quality executives who can achieve the Company's goals, while aligning the interests of employees, shareholders and all stakeholders in accordance with the group's values and beliefs.

The Company's total compensation package includes fixed compensation, variable compensation in the form of annual incentive, perquisites and benefits including health and life insurance and retirement benefits. In addition, select category of employees is eligible for long-term incentive plan in the form of stock options (ESOPs) under the Company's Employee Stock Option Plan 2017, which has been introduced during the year ("ESOP 2017"). The ESOP 2017 is in compliance with the applicable SEBI Regulations. Details of the same are provided in the Company's website, www.tiindia.com.

Fixed compensation is determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value of the job and the skills, experience and performance of the employee. The annual incentive (variable pay) of senior executives is linked directly to the performance of the Business Unit and the Company through a balanced score card. A formal annual performance management process is applied to all employees, including senior executives. Annual increases in fixed and variable compensation of individual executives are directly linked to the performance ratings. Overall compensation is subject to periodic reviews which take into account data from compensation surveys conducted by specialist firms, as well as factors such as affordability based on the Company's performance and the economic environment.

Accordingly, the Committee will determine the periodic increments in salary and annual incentive of the Executive Directors. The increments and incentive of the Managing Directors are determined on the basis of the balanced score card with its three components viz., Company financials, Company score card and strategic business unit scores being given appropriate weightage.

In addition to the above, the Committee is also vested with the powers and authority for implementation, administration and superintendence of the Employee Stock Option Plan and also to formulate the detailed terms and conditions in respect of the same.

The Committee has further laid down the qualifications, positive attributes and independence criteria in terms of Section 178(3) of the Companies Act, 2013 to be considered for nominating candidates for Board positions/re-appointment of Directors.

The Board Diversity Policy devised by the Committee sets out the approach to diversity on the Board of the Company in order to ensure a process which is transparent with diversity of thought, experience, knowledge, perspective and gender in the Board.

The Committee met three times during the year ended 31st March, 2018. The composition of the Committee and the attendance of each member at these meetings are given in **Table 3** of the annexure to this Report.

The details of remuneration paid/payable to the Managing Directors and to the non-executive Directors, for the financial year ended 31st March, 2018, are given in **Table 4** and **Table 5** respectively of the annexure to this Report.

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee is constituted in accordance with the requirements of the Companies Act, 2013 and the Rules thereunder. The Committee consists of three members, two of them being Independent Directors. Mr. S Sandilya, Independent Director is the Chairman of the Committee. The other Members are Ms. Madhu Dubhashi, Independent Director and Mr. L Ramkumar, Executive.

Under the terms of reference, the scope of the CSR Committee is (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified under Schedule VII of the Companies Act, 2013; (b) to recommend the amount of expenditure to be incurred on the activities; and (c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee met once during the year ended 31st March, 2018. The composition of the Corporate Social Responsibility Committee and the attendance of each member at the meeting of the Committee are given in **Table 7** of the annexure to this Report.

Risk Management Committee

The role of the Risk Management Committee, in brief, is to review the Risk Management Policy developed by

the Management, Risk Management framework and its implementation thereby ensuring that an effective risk management system is in place.

The Risk Management Committee regularly monitors and evaluates the key risks of the Company and apprises the management of such risks for effective mitigation. The Committee provides support to the Board in the discharge of the Board's overall responsibility in overseeing the risk management process. The Committee consists of three members, two of them being Independent Directors. Mr. Pradeep V Bhide, an Independent Director, is the Chairman of the Risk Management Committee. The other Members are Mr. Hemant M Nerurkar, Independent Director and Mr. L Ramkumar, Executive.

The Chairman and the Heads of Strategic Business Units are invitees to the meetings of the Committee. The Committee met two times during the year ended 31st March, 2018. The composition of the Committee and attendance of its members at the meeting are given in **Table 8** of the annexure to this Report.

A statement on some of the significant risks associated with the Company's businesses and the mitigation plans thereof are furnished as part of the Board's Report.

Performance Evaluation

The annual performance evaluation was carried out pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. As part of the performance evaluation process, an evaluation questionnaire based on the criteria together with supporting documents was circulated to all the Board members, in advance. The process *inter alia* considers the individual Director's understanding of the Company's business, knowledge and experience, familiarity with Company's policies, values & beliefs and Code of Conduct, involvement and participation, effectiveness as a team player, etc. The Directors evaluated themselves, the Chairman, the Managing Director, other Board members, the Board as well as the functioning of the Board Committees viz., Audit, Nomination & Remuneration, Risk Management, Corporate Social Responsibility and Stakeholders Relationship Committees on the basis of well-defined evaluation parameters as set out in the questionnaire. The duly filled in questionnaires were received back from the Chairman and all the other Directors.

To take the evaluation exercise forward, all the Independent Directors of the Company met on 22nd March, 2018, without the attendance of the non-Independent Directors and members of the management to discuss *inter alia* the matters specified under Schedule IV of the Companies Act, 2013 and Regulation 25(4) of the SEBI Listing Regulations.

The Board reviewed the process of evaluation of the Board of Directors and its Committees including the Chairman, the Managing Director and the individual Directors.

Subsidiary Companies

The Company does not have any 'material non-listed Indian subsidiary company' in terms of the SEBI Listing Regulations as at the end of 31st March, 2018.

Financiere C10 SAS is a wholly-owned subsidiary of the Company in France. Sedis SAS, France, Sedis GmbH, Germany and Sedis Co Ltd, UK are the subsidiaries of Financiere C10 SAS.

TI Tsubamex Private Limited (TTPL) is a subsidiary of the Company. The Company holds 78.3% of the share capital of TTPL.

Great Cycles (Private) Limited (GCPL) is a subsidiary of the Company. The Company holds 80% of the share capital of GCPL.

Creative Cycles (Private) Limited (CCPL) is a subsidiary of the Company. The Company holds 80% of the share capital of CCPL.

The Board of Directors is apprised of the Business Plan and the financial performance of the unlisted subsidiary companies.

The Company has formulated a policy for determining 'material' subsidiaries and the same is available on the Company's website at the following link, <http://www.tiindia.com/article/values/475>

Related Party Transactions

During the financial year under review, all the transactions entered into with the Related Parties, as defined under the Companies Act, 2013 and the SEBI Listing Regulations were in the ordinary course of business and on arms' length pricing basis only. Accordingly, these transactions do not attract the provision of Section 188 or disclosure in Form AOC-2 in terms of Section 134(h) of the Companies Act, 2013.

Further, there were no materially significant transactions with related parties which were in conflict with the interest of the Company.

The policy for related party transactions approved by the Board had been uploaded on the Company's website at the following link, <http://www.tiindia.com/article/values/476>

Dissemination of Information

The Company is conscious of the importance of timely and proper dissemination of adequate information. A press release is given along with the publication of the quarterly/ annual results, explaining the business environment and performance. This is being provided to enable the investing

community to understand the financial results better and in a more meaningful manner. The press release includes non-financial aspects such as development of new products, change in market share, price movement of raw materials and in general, the business conditions. The quarterly and audited annual financial results are normally published in 'Business Standard' and 'The New Indian Express' (English) and in 'Dinamani' (Tamil). Press releases are given to all the important dailies. The financial results, press releases, shareholding pattern and the presentations made to Analysts and Brokers are posted on the Company's website. The Company's commitment to transparency is reflected in the information-rich Annual Report, investors' meets, periodic press releases and continuous updating of its website.

Investors' Service

The Company promptly attends to investors' queries/grievances. In order to provide timely services, the power to approve transfer of shares has been delegated by the Board to the Shares and Debentures Committee. The Board has also authorised the Chairman/Managing Director/Chief Financial Officer/Secretary to approve transfers/transmissions. Share transfer requests are processed within 15 days from the date of receipt. Karvy Computershare Private Limited, Hyderabad is the Company's share transfer agent and depository registrar.

The Stakeholders Relationship Committee specifically focuses on investor service levels. This Committee has prescribed norms for attending to the investors' services and the Committee periodically reviews the service standard achieved by the Company and its Registrar and Transfer Agent as against the prescribed norms.

The terms of reference of the Committee are in accordance with the requirement of Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and provide for the resolution of grievances of security holders of the Company including complaints, if any, relating to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends etc.

The Committee met once during the year ended 31st March, 2018. Mr. M M Murugappan, non-executive Director, is the Chairman of the Committee and Mr. L Ramkumar, Executive is the other member. The composition of the Committee and attendance of its members at the meeting are given in **Table 6** of the annexure to this Report.

No investor complaint was received during the financial year ended 31st March, 2018 and hence, no complaints were pending as at 31st March, 2018.

In order to expedite the redressal of complaints, if any, investors are requested to register their complaints and also to take follow up action, as necessary, to the exclusive e-mail

id i.e. investorservices@tii.murugappa.com Mr. S Suresh, Company Secretary is the Compliance Officer.

Statutory Compliance

The Company attaches the highest importance to compliance with statutes. Every function/department of the business is aware of the requirements of various statutes relevant to them. The Company has systems in place to remain updated with the changes in statutes and the means of compliance. An affirmation regarding compliance with the statutes by the heads of businesses and functions is placed before the Board on a quarterly basis for its review.

Internal Controls

The Company is conscious of the importance of the internal processes and controls. The Company has a robust business planning & review mechanism and has adequate internal control systems commensurate with the nature of its business, size and geographical spread. These systems are regularly reviewed and improved upon.

The Chief Financial Officer and the Managing Director have certified to the Board *inter alia* on the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under the SEBI Listing Regulations, for the year ended 31st March, 2018.

Whistle Blower Policy/Vigil Mechanism

The Company has established a vigil mechanism (Whistle Blower Policy) for the employees and the Directors as an avenue to voice concerns relating to unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism/Policy is in accordance with the requirements of Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations. The Ombudsperson appointed by the Board deals with the complaints received and ensures appropriate action. The mechanism also provides for adequate safeguards against victimisation of persons using the mechanism and provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No person was denied access to the Audit Committee.

Compliance of Corporate Governance Norms

The Company has complied with all the mandatory requirements of corporate governance norms during the financial year ended 31st March, 2018 upon the Company becoming a listed Company effective 2nd November, 2017. Quarterly financial results of the Company are published in leading newspapers, uploaded on the Company's website and any major developments are covered in the press releases issued by the Company and also posted on its website. Financial results for the half-year ended

30th September, 2017 were not separately sent by post to the shareholders.

The Company is also in compliance with the corporate governance requirements specified under Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI Listing Regulations.

In line with its stated policy of being committed to the principles and practices of good corporate governance, the Company is in compliance with most of the requirements forming part of the discretionary requirements under Schedule II, Part E of SEBI Listing Regulations. As regards the remaining discretionary requirements, the Company after careful evaluation would strive to implement the same progressively, as appropriate.

The Board of Directors has laid down a Code of Conduct for all the Board members and the senior management of the Company. The Directors and the Senior Management of the Company have furnished their affirmation of compliance with the Code during the financial year, 2017-18. The Code of Conduct has been posted on the website of the Company at the following link, <http://www.tiindia.com/article/values/33>. A declaration of affirmation in this regard certified by the Managing Director is annexed to this Report.

The key Policies framed in accordance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations are posted on the website of the Company at the following links, <http://www.tiindia.com/article/values/34>; <http://www.tiindia.com/article/values/476>; <http://www.tiindia.com/article/values/493>; <http://www.tiindia.com/article/values/527>; <http://www.tiindia.com/article/values/538>; <http://www.tiindia.com/article/values/600>; <http://www.tiindia.com/article/values/601>; <http://www.tiindia.com/article/values/667> etc.,

Other Disclosures

A Management Discussion and Analysis Report highlighting the performance of individual businesses forms part of the Board's Report.

A write up on the risks associated with the business and mitigation plans therefor also forms part of the Board's Report.

Related party transactions during the year have been disclosed as a part of the financial statements as required under the relevant Ind AS issued by the Institute of Chartered Accountants of India.

There have been no instances of non-compliance by the Company or have any penalty or strictures been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or by any statutory authority on any matter related to the capital markets since listing of the Company's equity shares on the Stock Exchanges effective 2nd November, 2017.

General Shareholder Information

A separate section has been annexed to the Annual Report furnishing various details viz., the previous Annual General Meeting, time and venue thereof, share price movement, distribution of shareholding, location of factories, means of communication etc., for shareholders' reference.

Chennai
7th May, 2018

On behalf of the Board
M M Murugappan
Chairman

Declaration on Code of Conduct

To

The Members of Tube Investments of India Limited

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code of Conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2018, as envisaged under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Chennai
7th May, 2018

On behalf of the Board
L Ramkumar
Managing Director

Annexure to the Corporate Governance Report

Note: This Annexure covers details of the Board/Board Committee Meetings of TII held after the reconstitution of the Board of Directors post coming into effect of the Scheme of Arrangement (Demerger) on 1st August, 2017.

(A) Board Meeting Dates and Attendance

Post-implementation of the Scheme of Arrangement (demerger) with effect from 1st August, 2017, the reconstituted Board of Directors of the Company met 4 times during the financial year 2017-18. The dates of the Board meetings were 9th August, 2017, 28th October, 2017, 12th February, 2018 and 23rd March, 2018.

The attendance of each Director at the meetings, the last Annual General Meeting and number of other Directorships/Committee memberships held by them, post reconstitution of the Board consequent to the demerger, as on 31st March, 2018 are as follows:

TABLE 1

Sl. No.	Name of Director	Board meetings attended (no. of meetings held)	Number of Directorships ^(a) - including the Company (out of which as Chairman)	Number of committee memberships ^(b) - including the Company (out of which as Chairman)	Attendance at last AGM	No. of shares held as on 31 st March, 2018
1	Mr. M M Murugappan, Chairman	4(4)	10(7)	8(5)	Present	18,90,385
2	Mr. L Ramkumar, Managing Director	4(4)	4(1)	2(1)	Present	1,25,650
3	Mr. Vellayan Subbiah*, Managing Director (Designate)	2(3)	4	1	Present	4,30,250
4	Mr. Pradeep V Bhide	4(4)	7	9(1)	Present	-
5	Mr. S Sandilya	2(4)	6(2)	7(4)	Present	-
6	Ms. Madhu Dubhashi	4(4)	7	6(4)	Present	-
7	Mr. Hemant M Nerurkar	4(4)	9(3)	6(3)	Present	-
8	Mr. Ramesh K B Menon [#]	2(2)	5	3	Not Applicable	-

^(a) Excludes foreign companies, private limited companies (not being subsidiary or holding company of a public company), alternate Directorship and companies registered under Section 8 of the Companies Act, 2013.

^(b) Includes only membership in Audit and Stakeholders' Relationship Committees.

* Mr. Vellayan Subbiah was appointed as Managing Director (Designate) with effect from 19th August, 2017.

[#] Mr. Ramesh K B Menon was appointed as Additional Director with effect from 16th November, 2017.

(B) Composition of Audit Committee and Attendance

The Committee met four times during the year ended 31st March, 2018. The dates of the Committee's meetings were 9th August, 2017, 28th October, 2017, 12th February, 2018 and 23rd March, 2018.

The composition of the Audit Committee and the attendance of each member at these meetings are as follows:

TABLE 2

Name of the Member	Number of meetings attended (Number of meetings held)
Mr. S Sandilya, Chairman	2(4)
Mr. Pradeep V Bhide	4(4)
Mr. Hemant M Nerurkar	4(4)

(C) Composition of Nomination & Remuneration Committee and Attendance

The Committee met three times during the year ended 31st March, 2018. The dates of the Committee's meetings were 9th August, 2017, 6th November, 2017 and 12th February, 2018. The composition of the Nomination & Remuneration Committee and the attendance of each member at these meetings are as follows:

TABLE 3

Name of the Member	Number of meetings attended (Number of meetings held)
Mr. Hemant N Nerurkar, Chairman	3(3)
Mr. M M Murugappan	3(3)
Mr. S Sandilya	2(3)

(D) Remuneration of Managing Directors

The details of remuneration paid/provision made for payment to the Managing Directors are as follows:

TABLE 4

(Amount in ₹)

Name	Salary	Incentive ^(a)	Allowance	Perquisites & Contributions ^(b)	Total
Mr. L Ramkumar, Managing Director	1,49,56,875	1,08,23,309	1,30,93,295	57,98,900	4,46,72,379
Mr. Vellayan Subbiah, Managing Director (Designate) ^(c)	82,05,621	81,81,185	71,10,331	1,22,88,908	3,57,86,045

^(a) Provisional and subject to determination by the Nomination & Remuneration Committee and the same will be paid after the adoption of accounts by the shareholders at the Annual General Meeting.

^(b) Managing Directors' remuneration excludes provision for Gratuity and compensated absences since the amount cannot be ascertained individually.

^(c) Appointed with effect from 19th August, 2017.

The details of Options granted under ESOP 2017 of the Company to Mr. L Ramkumar, Managing Director is furnished below:

Particulars	ESOP 2017 No. of Shares
Options granted	69,640
Options vested	69,640
Options cancelled	-
Options lapsed	-
Options exercised	69,640 (26 th April, 2018)
Options outstanding	-
Exercise Price	₹ 187.29/- being the market price prior to the date of grant

The Managing Director (Designate) is not eligible for grant of any stock options.

The Managing Directors are subject to all other service conditions as applicable to other employees of the Company.

They are not entitled for any severance fee or other compensation for any loss of office.

(E) Remuneration of Non-Executive Directors

The details of commission provided for/sitting fees paid to non-executive Directors for the year ended 31st March, 2018 are as follows:

TABLE 5 (Amount in ₹)

Name of the Director	Commission *	Sitting fees	Total
Mr. M M Murugappan , Chairman	1,00,00,000	1,75,000	1,01,75,000
Mr. Hemant M Nerurkar	7,50,000	2,60,000	10,10,000
Ms. Madhu Dubhashi	7,50,000	1,15,000	8,65,000
Mr. Pradeep V Bhide	25,00,000	2,30,000	27,30,000
Mr. S Sandilya	7,50,000	1,45,000	8,95,000
Mr. Ramesh K B Menon ^(a)	2,79,452	50,000	3,29,452

* Provisional and subject to determination by the Board. Commission will be paid after the adoption of accounts by the shareholders at the Annual General Meeting.

^(a) Commission calculated on *pro rata* basis - from 16th November, 2017

(F) Composition of Stakeholders Relationship Committee and Attendance

The Committee met on 20th February, 2018 during the year ended 31st March, 2018. The composition of the Stakeholders Relationship Committee and the attendance of each member at the above meeting are as follows:

TABLE 6

Name of the Member	Number of meetings attended (Number of meetings held)
Mr. M M Murugappan, Chairman	1(1)
Mr. L Ramkumar	1(1)

(G) Composition of Corporate Social Responsibility Committee and Attendance

The Committee met on 9th August, 2017 during the year ended 31st March, 2018. The composition of the Corporate Social Responsibility Committee and the attendance of each member at the above meeting are as follows:

TABLE 7

Name of the Member	Number of meetings attended (Number of meetings held)
Mr. S Sandilya, Chairman	1(1)
Ms. Madhu Dubhashi	1(1)
Mr. L Ramkumar	1(1)

(H) Composition of Risk Management Committee and Attendance

The Committee met two times during the year ended 31st March, 2018. The dates of the Committee's meetings were 6th November, 2017 and 13th February, 2018. The composition of the Risk Management Committee and the attendance of each member at this meeting are as follows:

TABLE 8

Name of the Member	Number of meetings attended (Number of meetings held)
Mr. Pradeep V Bhide, Chairman	2(2)
Mr. Hemant M Nerurkar	1(2)
Mr. L Ramkumar	2(2)

Chennai
7th May, 2018

On behalf of the Board

M M Murugappan
Chairman

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of

Tube Investments of India Limited (formerly known as TI Financial Holdings Limited),
Dare House No. 234, N.S.C Bose Road, Chennai - 600 001, Tamil Nadu.

1. The Corporate Governance Report prepared by Tube Investments of India Limited (formerly known as TI Financial Holdings Limited) (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2018 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held from April 01, 2017 to March 31, 2018:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and remuneration committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Independent directors meeting; and
 - (g) Risk management committee.

- v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit test for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31 2018, referred to in paragraph 2 above.

Other matters and Restriction on Use

- 9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Subramaman Suresh**

Partner

Membership Number : 083673

Place of Signature: Chennai

Date: May 07, 2018

General Shareholder Information

Company Registration

The Company is registered in the State of Tamil Nadu. The Corporate Identity Number (CIN) of the Company is L35100TN2008PLC069496.

Registered Office

'Dare House', 234 NSC Bose Road, Chennai 600 001

Annual General Meeting

Day : Monday
Date : 13th August, 2018
Time : 3.30 P.M.
Venue : T.T.K. Auditorium, The Music Academy,
168 (Old no.306), T.T.K. Road,
Chennai 600 014

Tentative Calendar for 2018-19

The financial year of the Company is the period ending on 31st day of March every year. The tentative calendar for Board meetings for approving the quarterly financial results is given below:

Results for the first quarter ended 30 th June, 2018	: 13 th August, 2018
Results for the second quarter/half year ending 30 th September, 2018	: 2 nd November, 2018
Results for the third quarter ending 31 st December, 2018	: January/ February, 2019
Results for the fourth quarter ending 31 st March 2019/Annual Results for the financial year 2018-19	: April/May, 2019

Book Closure for Dividend

Wednesday, 1st August, 2018 to Monday, 13th August, 2018 (both days inclusive).

Dividend

The Board of Directors has recommended the payment of a final dividend of ₹0.50 per Equity Share. The dividend on Equity Shares will be paid to those Members, whose names appear in the Register of Members as on Monday, 13th August, 2018 and the same will be paid on or after 17th August, 2018. During the financial year, in February, 2018, the Company paid an interim dividend of ₹1.25 per equity share.

In respect of shares held in electronic form, dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for the purpose.

Unclaimed Dividend

The details of dividend paid by the Company and the respective due dates of transfer of the unclaimed/ unencashed dividend to the Investor Education & Protection Fund ('IE&P Fund') of the Central Government are as below:

Financial year to which dividend relates	Date of declaration	Due date of transfer to IE&P Fund
2016-17	06.11.2017	12.12.2024
2017-18 - Interim	12.02.2018	20.03.2025

As provided under the Companies Act, 1956/2013, dividends remaining unclaimed for a period of seven years shall be transferred by the Company to the IE&P Fund. In the interest of investors, the Company proposes to send reminders to the concerned investors requesting them to claim their dividend.

Instructions to Shareholders

(a) Shareholders holding shares in physical form

Requests for change of address must be sent to the Company's Registrar & Transfer Agent viz., M/s. Karvy Computershare Private Ltd ("RTA"), not later than 1st August, 2018 to enable them to forward the dividend warrants to the latest address of Members. Members are also advised to intimate the RTA the details of their bank account to enable incorporation of the same on dividend warrants. This would help prevent any fraudulent encashment of dividend warrants.

(b) Shareholders holding shares in demat form

The Company uses National Automated Clearing House (NACH) facility for payment of dividends directly to the bank accounts of shareholders. The shareholders may use the facility by providing the bank account number to the depository participant/RTA, as may be relevant, to enable the Company to effect the dividend payment through the NACH mode. If there is any change in bank account details, Shareholders are requested to advise their Depository Participant(s)/ Company's RTA, as the case may be, immediately about the change.

Further, if in case of any change in address, Shareholders are requested to advise their Depository Participant(s) immediately about their new address.

Name and address of Stock Exchanges

Name of Stock Exchanges	Address
National Stock Exchange of India Ltd.	Exchange Plaza, 5 th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
BSE Ltd.	Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Listing fee for the year ended 31st March, 2018 has been paid to the above Stock Exchanges in time.

The equity shares of the Company were listed on 2nd November, 2017. The Monthly high and low price of the equity shares of the Company from November, 2017 to March, 2018 are as follows:

Month	National Stock Exchange of India Ltd.		BSE Ltd.	
	High ₹	Low ₹	High ₹	Low ₹
Nov. 2017	308.90	241.00	307.55	233.00
Dec. 2017	283.35	215.70	281.00	247.00
Jan. 2018	304.70	259.50	304.00	259.90
Feb. 2018	295.00	245.00	289.80	247.00
Mar. 2018	272.50	220.20	275.00	222.55

Listing on Stock Exchanges - Equity Shares

Name of Stock Exchanges	Stock Code
National Stock Exchange of India Ltd.	TIINDIA
BSE Ltd.	540762

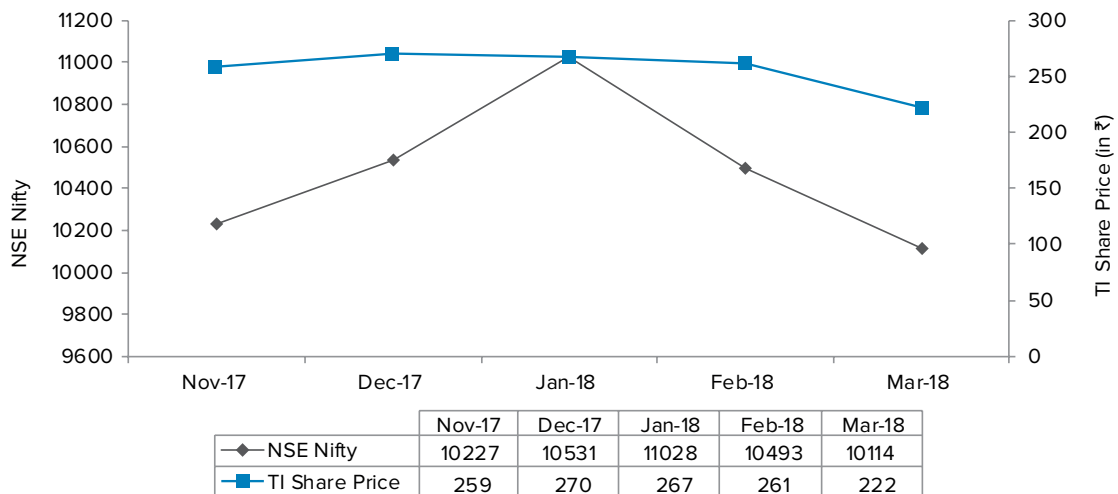
Non-Convertible Debentures

Listed on Wholesale Debt Segment (WDM) of National Stock Exchange of India Ltd.

Market Price Data and Comparison

Monthly high and low price of the equity shares of the Company from 2nd November, 2017 (date of commencement of trading) to 31st March, 2018 are as follows:

TI Share Price Movement Vs. NSE Nifty



Registrar and Share Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad - 500 032
e-mail : einward.ris@karvy.com
Tel : (040) – 67162222
Fax: (040) - 23420814
Toll Free: 1800-345-4001

Debenture Trustees

IDBI Trusteeship Services Ltd
Asian Building, Ground Floor
17 R Kamani Marg
Ballard Estate
Mumbai - 400001
e-mail : itsl@idbitrustee.com
Tel : 022 - 66311771
Fax: 022 - 66311776

Share Transfer and Investor Service System

The Board has authorised Chairman/Managing Director/Chief Financial Officer/Company Secretary to approve transfers/transmissions in addition to the Committee of the Board constituted for the purpose.

Shareholding Pattern as on 31st March, 2018

Category	No. of shares held	% of shareholding
A Promoter & Promoter Group	9,15,07,599	48.79
B Non-Promoter Holding		
1 Institutional Investors		
a) Mutual Funds and UTI	2,49,75,117	13.32
b) Banks, Financial Institutions and Insurance Companies	38,51,387	2.05
c) Foreign Institutional Investors	2,09,98,896	11.20
2 Others		
a) Private Corporate Bodies	1,17,49,693	6.27
b) Indian Public	2,83,77,094	15.13
c) NRI	11,42,272	0.61
C Non-Promoter & Non-Public		
a) Bank of New York Mellon (Depository for GDR holders)	42,30,630	2.26
b) Employees Welfare Trust	7,03,680	0.37
Grand Total	18,75,36,368	100.00

Distribution of Shareholding as on 31st March, 2018

Category	No. of holders	% to Total	No. of shares	% to Total
1 - 5000	24,072	96.57	1,04,17,137	5.55
5001 - 10000	327	1.31	24,07,494	1.28
10001 - 20000	189	0.76	26,63,142	1.42
20001 - 30000	77	0.31	18,68,831	1.00
30001 - 40000	46	0.18	16,48,444	0.88
40001 - 50000	17	0.07	7,79,471	0.42
50001 - 100000	61	0.24	42,16,020	2.25
100001 & Above	139	0.56	16,35,35,829	87.20
Total	24,928	100.00	18,75,36,368	100.00

Nomination Facility

The Shareholders holding shares in physical form may avail of the nomination facility under Section 72 of the Companies Act, 2013. The nomination form (Form SH.13), along with instructions, will be provided to the Members on request. In case the Members wish to avail of this facility, they are requested to write to the Company's RTA viz., M/s. Karvy Computershare Pvt Ltd.

Dematerialisation of Shares

The Equity shares of the Company are compulsorily traded in dematerialised form. The code number allotted by the National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) to the Company is ISIN INE974X01010.

GDR Details

As at 31st March, 2018, 42,30,630 GDRs were outstanding representing an equal number of underlying Equity Shares. The aforesaid GDRs are not listed in any Stock Exchange.

Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

The Company is guided by its foreign exchange ('forex') policy to manage its forex exposure and its attendant risks, which arise through trade transactions, namely, exports and imports, import of capital items besides short-term and long-term foreign currency borrowings. Foreign currency trade exposures are monitored Strategic Business Unit (SBU)-wise and currency-wise. The risks are managed after netting the exports and imports on monthly buckets for each currency. For capex imports, forward contracts are taken on the date of opening of the letter of credit. In respect of foreign currency borrowings, while the long-term borrowings are hedged for interest as well as for the exchange at the time of drawdown, the short-term borrowings are hedged for principal portion at the time of drawdown. Commodity Price Risk and hedging thereof are not applicable to the Company.

Means of Communication

The quarterly/annual results are being/will be published in the leading national English newspapers (“The New Indian Express” and “Business Standard”) and in one vernacular (Tamil) newspaper (“Dinamani”). The quarterly/annual results are also available on the Company’s website, www.tiindia.com. The Company’s website will also display official press releases, shareholding pattern, compliance report on corporate governance and presentations made to analysts and brokers.

Details of Special Resolutions passed during the last three Annual General Meetings

Date of AGM	Whether any Special Resolution was passed	Particulars
30.09.2015	No	Not applicable
30.09.2016	No	Not applicable
06.11.2017	Yes	Issue of Secured Redeemable Non-Convertible Debentures on private placement basis for a maximum sum of ₹400 crores.

The Shareholders approved the said Special Resolution with requisite majority.

Resolution passed by Postal Ballot

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

Details of Special Resolution proposed to be conducted through Postal Ballot

No special resolution is proposed to be conducted through postal ballot at the AGM to be held on 13th August, 2018.

General Body Meeting

The date, time and venue of the last three Annual General Meetings are given below:

Year	Date	Time	Venue
2014-15	30.09.2015	10.00 A.M.	Registered Office “Dare House” 234 N S C Bose Road, Chennai - 600 001.
2015-16	30.09.2016	10.00 A.M.	Same as above
2016-17	06.11.2017	3.30 P.M.	T.T.K. Auditorium, The Music Academy, 163 (Old No. 306) T.T.K. Road, Chennai 600 014

Unclaimed Shares

Consequent to the Scheme of Arrangement (Demerger) approved by the National Company Law Tribunal vide its Order dated 17th July, 2017, the Company had allotted during 2017-18, 1 fully paid up equity share for every 1 fully paid up equity share held in the erstwhile Demerged Company. The said allotment included 17,86,406 equity shares allotted against shares lying in the Unclaimed Suspense Account of the Demerged Company maintained in compliance with the Listing Agreement. For administrative convenience and ease of processing of claims, the Company opened a separate TII Demerger Unclaimed Share Suspense Account to hold the aforementioned 17,86,406 shares. Details of the unclaimed shares lying in the Company’s said Account are given below:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of Shareholders and the outstanding shares in the TII Demerger Unclaimed Share Suspense Account (“Account”) lying as on 01.09.2017 [Date of Allotment]	1988	17,86,406
2	Number of Shareholders who approached the Company for transfer of their shares from Account during the year [from 01.09.2017 to 31.03.2018]	32	35,595
3	Number of Shareholders to whom shares were transferred Account during the year [from 01.09.2017 to 31.03.2018]	32	35,595
4	Aggregate number of Shareholders and the outstanding shares lying in the Account as on 31.03.2018.	1956	17,50,811

The voting rights on the outstanding shares in the TII Demerger Unclaimed Share Suspense Account as on 31st March, 2018 shall remain frozen till the rightful owner of such shares, claims the shares. On receipt of the claim, the Company will, after verification, arrange to credit the Equity Shares to the demat account of the Shareholder concerned or deliver the Share Certificate to the Shareholder in physical mode after re-materialisation.