

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

The Corporate Governance philosophy is based on trusteeship, transparency, accountability and ethical corporate citizenship. As a responsible corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Robust systems and processes for internal control; and
- Ethical business conduct by the Board, Senior Management and employees.

2. BOARD OF DIRECTORS

a) Composition

The Board of TSIL has an optimum combination of Executive, Non-Executive and Independent Directors. The Chairman being a Non- Executive Independent Director, as per Listing Agreement, at least one-third of the Board should comprise of independent directors. The Board comprised of Six (6) Directors, out of which 3 (Three) were Executive and 3 (Three) were Independent Directors. There is No Institutional Nominee on the Board. Details and Brief Particulars of the Directors retiring by rotation are provided along with the Notice calling the Annual General Meeting and therefore forms a part of this Annual Report.

Name of the Director	Category
Mr. Vijay Ajgaonkar	Non -Executive Independent Director & Chairman
Mr. Brijgopal Bang	Managing Director
Mr. Raghvendra Bang	Director
Mr. Purshottam Bang	Director
Mr. Subrata Kumar Dey	Non -Executive Independent Director
Dr. Mithilesh Kumar Sinha	Non -Executive Independent Director

Pursuant to Articles of Association of the Company, Mr. Brijgopal Bang retire by rotation and being eligible, offer himself for re-appointment.

None of the Directors on the Company's Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees across all the companies in which he is a Director. All the Directors have made necessary disclosures regarding the Committee positions held by them in other Companies. Also none of the Directors on the Board hold office as a Director in more than 15 companies at a time.

The requisite information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is being made available to the Board for their discussion and consideration. The maximum time gap between two Board Meetings did not exceed 4 months.

b) Board Procedure

For every Board Meeting, the agenda papers along with explanatory notes are circulated in advance to the Board Members. The Company places before the Board, the Minutes of Committees of the Board and all other information as may be required including those specified under clause 49 of the Listing Agreement.

c) Number of Board Meetings:

During the year, 4 (Four) Board Meetings were held. These were on May 30, 2013, August 12, 2013, November 14, 2013 and February 12, 2014.

d) Director's Attendance Record and Directorships:

Attendance at Board Meeting held during 2013-14 and the last AGM, number of Directorships, Memberships / Chairmanship in Public Companies during 2013-14.

Name of Directors	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	No. of directorships of public limited companies
Mr. Brijgopal Bang (Managing Director)	Promoter/ Director	4	4	Yes	2
*Mr. Venugopal Bang	Promoter Director	4	1	No	Nil
Dr. M K Sinha	Non Executive & Independent Director	4	3	No	7
Mr. V. D. Ajaonkar	Non Executive & Independent Director	4	4	Yes	5
Mr. Subrata Kumar Dey	Non Executive & Independent Director	4	4	No	1
*Mr. Raghvendra Bang	Executive Director	4	Nil	No	2
*Mr. Purshottam Bang	Executive Director	4	Nil	No	2

*Due to resignation of Mr. Venugopal Bang on 7th March 2014, The Board of the Company has been reconstituted by appointment of Mr. Raghvendra Bang and Mr. Purshottam Bang on 30th May 2014.

e) Information Supplied to the Board

Amongst others, information supplied to the Board includes:

- Quarterly Results of the Company,
- Minutes of Meetings of Audit Committee and other Committees of the Company,
- Minutes of the Previous Board Meetings,

- Details with respect to the Operations of the Company,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any materially relevant default in financial obligations to and by the company,
- Non-payment for goods sold by the company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Sale of material nature of investments, assets, which is not in normal course of business,
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement,
- Non-compliance of any regulatory, statutory or listing requirements,
- Related Party Transactions and Register u/s 301 of the Companies Act, 1956,
- Investor Grievances and Redressal Status,
- Compliance of the SEBI (SAST) Regulations from time to time,
- Risk Assessment & Minimization Procedures,
- Internal Audit Certificate,
- Abstracts of Circular Resolutions passed,
- Performance of the Company and Business Plans /Strategies

The Board is presented with detailed Notes along with the Agenda papers giving in detailed and comprehensive information on the related subject well in advance of the Meeting.

f) Directors with Materially Pecuniary or Business Relationship with the Company

There have been no materially pecuniary transactions or relationship between the Company and its Non-Executive and/or Independent Directors during the year 2013-14.

g) Post – Meeting Governance

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions. The Company follows a Post-Meeting Governance System wherein effective post-meeting follow-up, review and reporting process on the actions taken, discussions on the tasks to be undertaken as per the meeting, Status on the pending tasks as decided and discussed in the Meeting, Application of the Recommendations/Suggestions as extended at the Board Meeting and working on the rectification of mistakes, if any, pointed out at the Meeting is undertaken.

h) GOVERNANCE CODES

• Code of Business Conduct & Ethics

The Company has adopted Code of Business Conduct & Ethics which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website – www.banggroup.com

• Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions

he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

3. AUDIT COMMITTEE

Composition of Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role, scope, etc., are in accordance with Section 292A of the Companies Act, 1956 and the provisions of Clause 49 of the Listing Agreement. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance.

a) Composition

The Audit Committee of the Company consists of Non-Executive Directors.

Sr. No.	Name of the Director	Designation
1	Dr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Chairman
2	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Member
3	Mr. Subrata Kumar Dey, Non-Executive Independent Director	Member

All the members of the Audit Committee possess strong accounting and financial management expertise.

The Company Secretary acts as a Secretary to the Committee.

b) Terms of Reference

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of Listing Agreement as well as in Section 292A of the Companies Act, 1956.

c) Meetings and Attendance during the year 2013-14 :

Audit Committee met 4(Four) Times during the year 2013-2014 on May 30,2013, August 12,2013, November 14, 2013 and February 12, 2014 and the attendance record is as per the table given below:

Name of the Director	No. of meetings	Meetings Attended
Mr. M. K. Sinha	4	3
Mr. Vijay Ajgonkar	4	4
Mr. Subrata Kumar Dey	4	4

d) Internal Auditors

The Company appointed M/s. Vishal Khade & Co., Chartered Accountants as the Internal Auditor for the financial year 2014-15 to review the Internal Control Systems of the Company and to report thereon. The Report of the Internal Auditor is reviewed by the Audit Committee.

4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee specifically looks into the transfer of shares and related matters, redressing the complaints of Shareholders and Investors such as Transfer of Shares, non-receipt of Balance Sheet, non-receipt of Annual Report, non-receipt of Declared Dividends and Dematerialization of Shares and other related matters.

a) Composition

The Committee comprises of the following members:

Sr. no.	Name	Designation
1	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Chairman
2	Mr. Brijgopal Bang, Managing Director	Member
3	*Mr. Raghvendra Bang, Executive Director	Member

*Due to resignation of Mr. Venugopal Bang on 7th March 2014, the committee has been reconstituted by appointment of Mr. Raghvendra Bang on 30th May 2014.

b) Terms of Reference

The Stakeholders Relationship Committee deals with the matters relating to transfer of Shares, issue of duplicate/ new shares, sub-divided and consolidated share certificates, Shareholders'/Investors' Grievance and its redressal.

c) Meetings of the Committee held during the year 2013-2014

The Stakeholders Relationship Committee met 5(Five) Times during the year 2013-2014 on 30th May 2013, 12th August 2013, 14th November, 2013, 13th December, 2013, 12th February, 2014 and the attendance record is as per the table given below:

Name of the Director	No. of meetings	Meetings Attended
Mr. Vijay Ajgaonkar	5	5
Mr. Brijgopal Bang	5	5
Mr. Venugopal Bang	5	1

d) Complaints

Details of Investor Complaints received during the financial year ended 31st March 2014 are as follows:

Nature of Complaint Received	Beginning of year	Received During The year	Resolved During the year	Pending at the end of year
Application lodged for IPO	0	0	0	0
Non-receipt of Electronic credit	0	0	0	0
Non-receipt of Refund Order	0	0	0	0
TOTAL	0	0	0	0

5. Nomination and Remuneration Committee

a) Composition:

The Nomination and Remuneration Committee of the Board consists of the following Directors:

Sr. No.	Name of the Director	Designation
1	Dr. Mithilesh Kumar Sinha, Non-Executive Independent Director	Chairman
2	Mr. Vijay Ajgaonkar, Non-Executive Independent Director	Member
3	Mr. Subrata Kumar Dey, Non-Executive Independent Director	Member

b) Terms of Reference

Terms of reference of the Remuneration Committee, includes considering the matters relating to the Company's Policies on remuneration payable to the Managing Directors, Executive Directors and Whole-time Directors, sitting fees payable and commission to be paid to the Directors.

c) Meeting

There were no meeting of Nomination and Remuneration Committee held during the year 2013-14.

d) Remuneration

During the financial year 2013-14, Remuneration paid to the Directors is as follows:

(Amount in Rs.)

Name of the Director	Sitting Fees	Salaries and Perquisites	Commission	Total
Mr. Venugopal Bang	-	-	-	-
Mr. Brijgopal Bang	-	7,20,000	-	7,20,000
Mr. Subrata Kumar Dey	20,000	-	-	20,000
Dr. M.K.Sinha	30,000	-	-	30,000
Mr. Vijay Ajgaonkar	20,000	-	-	20,000

e) Remuneration Policy

The Remuneration Policy approved by the Board of Directors, inter alia, provides that the Salary & Commission to Executive Directors and Sitting Fee & Commission to Non- Executive Directors, if any, should not exceed the limits as prescribed under the Companies Act, 1956.

6. GENERAL BODY MEETINGS

a) Date, time and venue for the last three Annual General Meetings (AGM)

Financial year	Date	Time	Venue
2010-11	23.08.2011	10.00 A.M.	50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (W), Mumbai 400013.
2011-12	29.09.2012	10:00 A.M	Garware Club House, Wankhede Stadium, Banquet Hall, 2nd Floor, "D" road, Chrchgate, Mumbai - 400020
2012-13	24.09.2013	10:30 A.M	Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai- 400 002

Resolution /s passed through Postal Ballot

(b) Postal Ballot

No resolutions were required to be passed through Postal Ballot last year. Presently, there are no proposals to pass any Resolution by means of Postal Ballot.

7. DISCLOSURES

(i) Disclosure regarding materially significant related party transaction: -

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Details on material significant related-party transactions are given in the appended financial statement under Notes to the Accounts annexed to the Financial Statements.

(ii) Details of Penalties or Strictures

No Penalties or Strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Market.

iii) Whistle-Blower policy

The Company has framed Whistle Blower Policy for the directors and employees of the Company.

iv) Disclosure of Accounting Treatment in the preparation of the financial statements

The Company has followed all applicable Accounting Standards issued by the Institute of the Chartered Accountants of India.

v) Disclosure by Management to the Board

All Disclosures relating to Financial and Commercial Transactions where Directors may have a potential Interest are provided to the Board, and the Interested Directors do not participate in the discussion nor do they vote on such matters.

vi) Disclosure of Risk Management

Though Identification and Evaluation of Business Risks is a continuous process but early risk identification and appropriate counter-measures have enabled the Company to reconcile creativity with industry. A Comprehensive Risk Warning System incorporates all the key aspects of Risk Management which enables the Company to identify and manage strategic and operational risks at the Individual, Management and Board levels. The detailed Risk Assessment and Minimization Process undertaken by the Company has been given in other section of this Report.

vii) Company's Insider Trading Policy

As per the Company's Insider Trading Policy and it's Code of Conduct, it observes a 'quiet period' from seven days prior to the event leading to / generating price sensitive information till 24 hours after the publication of such price sensitive information. The Company may also announce 'quiet period' during and after the occurrence of certain events as mentioned in the Insider Trading Policy and the Code of Conduct of the Company.

The Company is strictly monitoring its Insider Trading Policy.

The Company has also fulfilled a non-mandatory requirement as prescribed in Annexure I D to Clause 49 of the Listing Agreement with the Stock Exchanges, related to Remuneration Committee /Compensation Committee.

viii) Reconciliation of Share Capital Audit Report

In line with the requirements stipulated by SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

8. MEANS OF COMMUNICATION TO SHAREHOLDERS

- Quarterly results: Quarterly Results are published in accordance with the provisions of the Listing Agreement. The results are published in one English daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the company is situated.
- The Company's financial results and official press releases are displayed on the Company's Website- www.banggroup.com
- No formal presentations were made to the institutional investors and analysts during the year under review.
- Management Discussion and Analysis Report forms a part of this Annual Report.

9. ADDITIONAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : September 29, 2014
Time : 10.30 a.m.
Venue : Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai -400002.

b) Financial Year – April 1 to March 31

c) Financial Calendar (Tentative)

Particulars	Date
First Quarter Results	On or before August 14,2014
Second Quarter Results	On or before November 14,2014
Third Quarter Results	On or before Febraury 14,2014
Fourth Quarter Results	On or before May 30,2015

d) Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from September 22, 2014 to September 29, 2014.

e) Dividend payment date: Not Applicable

f) Listing

1. BSE Ltd., P. J. Towers, Dalal Sreet, Fort, Mumbai - 400 001.
2. National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

Listing Fees as applicable have been paid.

Stock Code/Symbol:

(a) Stock Exchange Stock Code :

1. BSE Ltd. - 533941
2. National Stock Exchange of India Ltd.- TSIL

(b) Demat ISIN No. for NSDL and CDSL – INE480M01011

g) Stock Data

The Table below gives the Monthly High and Low Prices and Volumes of the Company's Equity Shares at BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE), Mumbai for the year 2013-14:

THOMAS SCOTT (INDIA) LIMITED					BSE SENSEX		
Date	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares traded	High (Rs.)	Low (Rs.)	Close (Rs.)
Apr 13	7.50	7.16	7.16	822	19,622.68	18,144.22	19,504.18
May 13	7.49	6.71	7.00	1661	20,443.62	19,451.26	19,760.30
June 13	6.99	6.34	6.99	240	19,860.19	18,467.16	19,395.81
July 13	7.24	7.00	7.24	385	20,351.06	19,126.82	19,345.70
Aug 13	7.20	6.67	6.67	1343	19,569.20	17,448.71	18,619.72
Sept 13	6.75	4.93	5.00	2652	20,739.69	18,166.17	19,379.77
Oct 13	5.25	4.45	4.56	3634	21,205.44	19,264.72	21,164.52
Nov 13	4.70	4.14	4.55	12262	21,321.53	20,137.67	20,791.93
Dec 13	4.97	4.11	4.75	7478	21,483.74	20,568.70	21,170.68
Jan 14	9.28	4.50	7.86	5182	21,409.66	20,343.78	20,513.85
Feb 14	7.90	6.75	7.40	2534	21,140.51	19,963.12	21,120.12
Mar 14	8.10	4.20	4.20	5381	22,467.21	20,920.98	22,386.27

THOMAS SCOTT (INDIA) LIMITED					NSE S&P CNX Nifty		
Date	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares traded	High (Rs.)	Low (Rs.)	Close (Rs.)
Apr 13	7.5	7.5	7.5	45	5962.30	5867.80	5930.20
*May 13	Nil	Nil	Nil	Nil	6106.25	5975.55	5985.95
*June 13	Nil	Nil	Nil	Nil	5852.95	5749.50	5842.20
*July 13	Nil	Nil	Nil	Nil	5752.10	5675.75	5742.00
*Aug 13	Nil	Nil	Nil	Nil	5493.30	5360.20	5471.80
*Sept 13	Nil	Nil	Nil	Nil	5810.20	5718.50	5735.30
*Oct 13	Nil	Nil	Nil	Nil	6309.05	6235.90	6299.15
*Nov 13	Nil	Nil	Nil	Nil	6182.50	6103.80	6176.10
*Dec 13	Nil	Nil	Nil	Nil	6317.30	6287.30	6304.00
*Jan 14	Nil	Nil	Nil	Nil	6097.85	6067.35	6089.50
*Feb 14	Nil	Nil	Nil	Nil	6282.70	6228.10	6276.95
*Mar 14	Nil	Nil	Nil	Nil	6730.05	6662.40	6704.20

*Company's shares had not been traded during the month

h) Shareholding Pattern

The Table below gives the pattern of Shareholding by ownership and share class respectively:

a. Shareholding Pattern by ownership as on 31st March, 2014:

No.	Category	No. of shares held	Shareholding %
1	CLEARING MEMBERS	550	0.02
2	FRACTIONAL SHARES	1458	0.04
3	H U F	34599	1.02
4	BODIES CORPORATES	420190	12.39
5	NON RESIDENT INDIANS	5478	0.16
6	PROMOTER & PROMOTER GROUP	2307185	68.06
7	RESIDENT INDIVIDUALS	620540	18.31
	Total:	3390000	100.00

b. Pattern of shareholding by share class as on 31st March, 2014:

Sr. No.	DISTRIBUTION SCHEDULE AS ON 31/03/2014				
	Category	No. of Shareholders	% of total	Share Capital (Amount in Rs.)	% total
1	upto 1 - 5000	5406	95.58	3224010.00	9.51
2	5001 - 10000	103	1.82	770130.00	2.27
3	10001 - 20000	71	1.26	1037290.00	3.06
4	20001 - 30000	19	0.34	493390.00	1.46
5	30001 - 40000	3	0.05	111000.00	0.33
6	40001 - 50000	6	0.11	273620.00	0.81
7	50001 - 100000	15	0.27	1289930.00	3.81
8	100001 & ABOVE	33	0.58	26700630.00	78.76
	Total:	5656	100.00	33900000.00	100.00

i) Dematerialisation

The Company's Equity Shares are under compulsory Demat trading. The ISIN of the Scrip is INE480M01011.

As on 31st March, 2014, Dematerialized shares accounted for 83.79 % of the Total Equity.

Karvy Computershare Private Limited, the Registrars & Transfer Agents handles the Physical Share Transfer related work and Electronic connectivity as well.

j) Registrar and Share Transfer Agents

M/s. Karvy Computershare Private Limited has been appointed as one-point agency, for dealing with shareholders, to handle the Physical Share Transfer related work and for Electronic Connectivity as per the directives of SEBI. The Company's Equity Shares are traded at the Stock Exchanges compulsorily in Demat mode. For transfer of shares in physical form, the Company has introduced transfer cum demat facility to avoid unnecessary mailing of certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form. There are no legal proceedings against the Company on any share transfer matter.

Shareholders correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned below:

Karvy Computershare Private Limited

Plot no. 17-24 VittalRao Nagar,
Madhapur, Hyderabad – 500081
Tel: 040- 4465 5000
Fax: 040- 2343 1551
E-mail : varghese@karvy.com
Website: www.karvycomputershare.com
Contact person: Mr. P.A. Varghese

k) Investor Correspondence Address

Shareholders can contact the Company Secretary for shares/secretarial related matters of the Company at the below mentioned address:

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. RASHI BANG
THOMAS SCOTT (INDIA) LIMITED
50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W),
Mumbai -400 013, India
Tel.: 022- 6660 7965
Fax: 022-6660 7970
E-mail: rashi@banggroup.com