

## ANNUAL REPORT 2015-2016

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## BOARD OF DIRECTORS\*

### **Shri P. K. Gupta**

Director-Marketing /  
Additional charge Chairman and  
Managing Director

### **Shri S. Gopu**

Director-Human Resources

### **Dr Janaki Ananthakrishnan**

Director-Finance

### **Shri K. Alagesan**

Director-Production

### **Shri R. M. Agarwal**

Deputy Director General (SU)  
Dept. of Telecommunications

### **Lt. Gen. Nitin Kohli, VSM**

Signal Officer-in-Chief

### **Shri Saday Krishna Kanoria**

Independent Director

\*As on 11.08.2016

## COMPANY SECRETARY

**Mrs. S. Shanmuga Priya**

## LEGAL ADVISERS

**M/s. Holla & Holla, Advocates**

Bangalore & others

## STATUTORY AUDITOR

**M/s. Sundar Srini & Sridhar, Bangalore**

## BRANCH AUDITORS

**M/s. Neeraj Prakash & Associates, Allahabad UP**

**M/s. Sri Prakash & Co., Gorakhpur UP**

**M/s. Mahadevan & Sivarajan, Palakkad**

**M/s. Rajesh Srivastava & Associates, Rae Bareilly**

**M/s. S D M & Co, Srinagar**

**COST AUDITORS****M/s GNV Associates**, Bangalore**M/s Aman Malviya & Associates**, Lucknow**SECRETARIAL AUDITOR****Shri D Venkateswarlu**, Bangalore**BANKERS**

State Bank of India

State Bank of Patiala

State Bank of Bikaner &amp; Jaipur

State Bank of Mysore

State Bank of Hyderabad

State Bank of Travancore

Bank of Baroda

Central Bank of India

Punjab National Bank

Development Credit Bank Limited

Indus Ind Bank Limited

Axis Bank Limited

Vijaya Bank

Indian Bank

Canara Bank

**MANAGEMENT:****CORPORATE OFFICE****Shri P.K. Gupta**

Director-Marketing / Additional charge Chairman  
and Managing Director (from 01.11.2015)

**Shri S.Gopu**

Director-Human Resources

**Dr. Janaki Ananthakrishnan**

Director-Finance

**Shri K. Alagesan**

Director-Production

**Shri A. Gnanasekaran**

Chief Vigilance Officer

**Shri V.K. Sharma**

Chief Manager-IA

**Mrs S. Shanmuga Priya**

Company Secretary

**PLANTS / UNITS / PROJECTS**

Bangalore Plant

**Shri J. Premchand,**

Additional General Manager

Srinagar Plant

**Shri A.K. Agarwal**

Additional General Manager

Naini Plant

**Shri Pradeep Pande**

General Manager

Rae Bareli Plant

**Shri R. Krishna Prasad**

Additional General Manager

Palakkad Plant

**Shri T.N.S. Raghavan**

Additional General Manager

Mankapur Plant

**Shri A.K.Bajoria**

Deputy General Manager

Network Systems Unit

**Shri S.S.Chakrabarti**

General Manager

Research & Development

**Shri L. Chinna Reddeppa Chetty**

Additional General Manager

Corporate Marketing

**Dr. Joyti Kaul**

Additional General Manager

Business Co-ordination Office,  
New Delhi

**Shri S.C.Yadava,**

Deputy General Manager

## NOTICE

NOTICE is hereby given that the Sixty Sixth (66th) Annual General Meeting of ITI Limited will be held on Wednesday, 21st September, 2016 at 11.30 a.m. at Bangalore Tamil Sangam, No.59, Annaswamy Mudaliar Road, Bangalore -560 042 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and approve the Audited Financial Statements for the year ended 31.03.2016 and the Reports of the Board of Directors and Auditors thereon
2. To appoint a Director in place of Shri S.Gopu (DIN: 06896926), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr Janaki Ananthakrishnan (DIN: 07247256), who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

“RESOLVED to authorize the Board of Directors of ITI Limited to fix the remuneration, including reimbursement of travelling allowance and out of pocket expenses of Statutory and Branch Auditors of the Company as appointed by Comptroller and Auditor General of India for the financial year 2016-2017”.

### SPECIAL BUSINESS:

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

“RESOLVED THAT Shri Saday Krishna Kanoria (DIN: 00623266), be and is hereby appointed as Independent Director of the Company with effect from 24.11.2015 on the terms and conditions as stipulated by the Government of India.”

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

“RESOLVED THAT Shri K Alagesan (DIN: 07439659), be and is hereby appointed as Director – Production of the Company with effect from 29.01.2016 on the terms and conditions as stipulated by the Government of India.”

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

“RESOLVED THAT Shri R M Agarwal (DIN: 07333145), be and is hereby appointed as Government Nominee Director of the Company with effect from 08.06.2016 on the terms and conditions as stipulated by the Government of India.”

8. 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 148 of the Companies Act 2013 and the Rules made there under the remuneration of ₹ 3.10 lakhs (plus applicable taxes) fixed for the Cost Auditors appointed to conduct the audit of cost records of all Units of the Company for the year 2016-17 be and is hereby ratified”.

Regd. & Corporate Office  
ITI Bhavan, Doorvaninagar  
Bangalore-560 016

By Order of the Board  
For **ITI LIMITED**

Place: Bangalore  
Date : 11th August 2016

**(S. SHANMUGA PRIYA)**  
COMPANY SECRETARY

**NOTES:**

1. The Register of Members and Share Transfer Books of the Company shall remain closed from 13th September, 2016 to 21st September, 2016, both days inclusive for the purpose of the AGM.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of not exceeding fifty (50) Members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

The instrument appointing a proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form for the AGM is enclosed.

3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting, together with their specimen signatures.
4. Members are requested to bring their attendance slips duly mentioning details of their DP ID and Client ID/ Folio No and signed.
5. In case of joint holders attending the Meeting, only such joint holder who is first / earlier in the order of names will be entitled to vote at the Meeting.
6. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the

Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
8. Members are requested to advise the Share Transfer Agents, M/s. Integrated Enterprise (India) Ltd., 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore-560 003 and their respective Depository Participants immediately of any change in their address.
9. Members may visit the website of the Company [www.itilttd-india.com](http://www.itilttd-india.com) for more information on the Company.
10. Members requiring information on the Accounts are requested to write to the Company at least fifteen days before the date of the Meeting so that the required information could be kept ready.
11. Pursuant to provisions of the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the brief resume/profile of the Directors eligible for appointment /re-appointment vide Item Nos.2, 3, 5, 6, 7 are attached hereto as Annexure-A.
12. The relevant statement pursuant to Section 102 of the Companies Act, 2013 which set out the details relating to Special Business at the meeting is annexed hereto and forms part of the notice.
13. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations

- and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The instructions for e-voting are appended to this Notice as Annexure-B.
14. The Ministry of Corporate Affairs vide Circular No. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 has taken a "Green Initiative in Corporate Governance and allowed companies to send documents to shareholders through electronic mode. Therefore, Members are requested to support this initiative by registering /updating their email addresses by sending a written request duly signed by the shareholder to the Share Transfer Agent at the earliest.
15. Members/their Proxies/Representatives are requested to note:-
- To bring their copies of Annual report to AGM
  - That no briefcase or bag will be allowed to be taken inside the auditorium for security reasons.
  - That no gifts will be distributed at the venue of the AGM
- Regd. & Corporate Office      By Order of the Board  
ITI Bhavan, Doorvaninagar      For **ITI LIMITED**  
Bangalore-560 016
- Place: Bangalore      **(S. SHANMUGA PRIYA)**  
Date: 11th August 2016      COMPANY SECRETARY

### **Explanatory statement as required under Section 102 of the Companies Act, 2013**

#### **Item No.5 to 7**

In terms of the Articles of Association of the Company, the President of India is vested with the power to appoint the Part-time Non Official Independent Directors, Whole time Directors and Government Nominee Directors of the Company from time to time and also shall determine the terms of office of such Directors. Accordingly, the following appointments on the Board of your Company were effected during the year as per the directives of the President of India:

#### ► **Shri Saday Krishna Kanoria**

The Ministry of Communications & IT vide order No. F.No.14-1/2013-PSA dated 24.11.2015 has conveyed the approval for the appointment of Shri Saday Krishna Kanoria (Din : 00623266) as Non Official Independent Director for a period of three years w.e.f date of appointment or until further orders whichever is earlier.

Shri Saday Krishna Kanoria was inducted into the Board as an Additional Director w.e.f 24.11.2015 and in terms of Section 161 of the Companies Act 2013, Shri Saday Krishna Kanoria holds office upto the date of the ensuing Annual General Meeting. Shri Saday Krishna Kanoria, in the opinion of the Board, fulfils the conditions specified in the Companies Act for appointment as an Independent Director.

#### ► **Shri K Alagesan**

Shri K Alagesan (DIN: 07439659), was appointed as Director - Production vide Ministry of Communications & IT order no F.No.14-5/2014-PSA dated 28.01.2016. Shri K Alagesan took charge on 29.01.2016.

#### ► **Shri R M Agarwal**

Shri R M Agarwal (DIN: 07333145), DDG(SU), Department of Telecommunications, was appointed as Government Director vide Ministry of Communications & IT order no F.No.5-1/2016-PSA dated 08.06.2016, in the place of Shri Srikanta Panda, DDG( LF-I), Department of Telecommunications as per the directives of President of India.

In terms of Section 152 of the Companies Act, 2013, every Director shall be appointed by the Company in general meeting. Accordingly necessary resolutions have been proposed in item 5, 6, 7 of the notice of Annual General Meeting.

Notice has been received under section 160 of the Companies Act, 2013 from members signifying their intention to propose the appointment of Shri Saday Krishna Kanoria, Shri K Alagesan and Shri R M Agarwal as Directors of the Company at the ensuing Annual General Meeting.

A brief profile of Shri Saday Krishna Kanoria, Shri K Alagesan and Shri R M Agarwal are provided in Annexure A of this Notice.

Shri Saday Krishna Kanoria, Shri K Alagesan and Shri R M Agarwal are deemed to be interested in the proposed resolution to the extent of their appointment as Directors.

None of the other Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at notice.

Your directors commend the resolutions as proposed in the notice for approval.

#### Item No.8

Rule 14 of the Companies (Audit and Auditors) Rules, 2014 requires ratification of the shareholders for the remuneration fixed for the Cost Auditor of the Company appointed under Section 148(3) of the Companies Act, 2013.

Accordingly, necessary resolution seeking ratification for fixation of remuneration to the Cost Auditor appointed for the year 2016-17 is placed before the member for their approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is interested in the resolution.

Your directors commend the resolution as proposed in the notice for approval.

Regd. & Corporate Office  
ITI Bhavan, Doorvaninagar  
Bangalore-560 016

By Order of the Board  
For **ITI LIMITED**

Place: Bangalore

**(S. Shanmuga Priya)**

Date: 11th August 2016

COMPANY SECRETARY

#### Annexure A to item no. 2, 3, 5, 6, 7 of the notice

##### Brief resume of directors proposed for Re-appointment (Item No. 2, 3 of the notice):

Shri S.Gopu (DIN: 06896926) aged 58 years, is a Graduate in Chemical Engineering with Post Graduate diploma in Operations Research. Shri S.Gopu joined the Company in 1982 and has executed several projects for UNIDO (United Nations Industrial Development Organisation) and UNDP and also NPR, SECC, etc. He assumed charge as Director-HR on 16.04.2014 and prior to becoming Director –HR, he was Unit head of Bangalore plant in ITI. Shri S.Gopu is a member of Board of India Satcom Limited. Shri S Gopu is the Chairman of Corporate Social Responsibility Committee of ITI. Shri S Gopu is not related to any of the Directors of the Company and does not hold any shares in the Company.

Dr Janaki Ananthakrishnan (Din: 07247256) aged 56 years, holds graduation in M.B.B.S, P.G Diploma in Public Policy & Management and belongs to the 1991 batch of the Indian Posts and Telecom Accounts and Finance Service. Dr Janaki Ananthakrishnan took charge as Director Finance on 13.07.2015. Prior to becoming Director –Finance, she has served as Finance Advisor in the Departments of Telecom and Posts at Tamil Nadu, Karnataka and Delhi. Dr Janaki Ananthakrishnan is a member of Board of India Satcom Limited. Dr Janaki Ananthakrishnan is member of Corporate Social Responsibility Committee, Audit Committee and Stakeholders Relationship Committee of ITI. Dr Janaki Ananthakrishnan is not related to any of the Directors of the Company and does not hold any shares in the Company.



**Brief resume of directors proposed for appointment (Item No. 5, 6, 7 of the notice):**

Shri Saday Krishna Kanoria (DIN: 00623266), aged 46 years, holds degree in B.Com. (Hons.) and Diploma in Computer operation. He is Director of Utkarsh Sfatik Limited (an associate of Ambuja Neotia Ltd), Manav Constructions Private Limited, Manav Developers Private Limited & Patna Golf Club. He is Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and also member of Corporate Social Responsibility Committee of ITI. Shri Saday Krishna Kanoria is not related to any of the Directors of the Company and does not hold any shares in the Company.

Shri K. Alagesan (DIN: 07439659), aged 56 years holds graduation in Production Engineering from REC Trichy and holds diploma in Management, Advanced Management and Human Resource Management from IGNOU. He has undergone three months residential training programme at IIM, Bangalore on General Management. Shri K Alagesan assumed charge as Director Production on 29.01.2016 and prior to becoming Director –Production, he was Unit head of Rae Bareli plant in ITI. Shri K Alagesan was closely associated in Defence Projects i.e. ASCON Phase I, II, III, and DCN (Defence Communication Network) Project, Manufacturing and Supply of Secrecy Equipment ranging from 16 Kbps to STM IV level. Shri K Alagesan is not related to any of the Directors of the Company and does not hold any shares in the Company.

Shri R.M. Agarwal (DIN: 07333145), aged 52 years. Shri R.M. Agarwal, DDG(SU) is an Indian Telecommunication Services officer of the 1986 batch. He has a rich experience of more than 28 years in policy formulation, standardization planning, operation & maintenance of telecom services. He is presently responsible for coordinating, facilitating

and monitoring the performance of PSUs under DoT viz. ITI, TCIL, HPIL, and residual works of Tata Communications Limited (formerly VSNL) and HTL. He also conceptualized and formulated the 'National Telecom M2M Roadmap' He also brought out the 'National IPv6 Deployment Roadmap v2' in March, 2013 for time bound IPv6 implementation by all stakeholders in the country. In addition he also brought out a 'Compendium on IPv6 Based Solutions/ Architecture/ Case Studies for Different Industry Verticals' which may serve as a reference document for value addition in different sectors of the economy. He has been designated as the Central Coordinating Officer from the Department of Telecommunications, Government of India, to coordinate with Government and Industry for IPv6 transition in the country. Shri R M Agarwal is a member of Board of Millennium Telecom Limited and member of Audit Committee, Nomination and Remuneration Committee and Stakeholders relationship Committee of ITI. Shri R M Agarwal is not related to any of the Directors of the Company and does not hold any shares in the Company.

## ANNEXURE B – INSTRUCTIONS FOR E-VOTING

The instructions for e-voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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 voting of any company, then your existing password is to be used.

**(vii) If you are a first time user follow the steps given below:**

	<b>For Members holding shares in Demat Form and Physical Form</b>
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 and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number 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 with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the 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 by you as on the cut off date in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly 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 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.