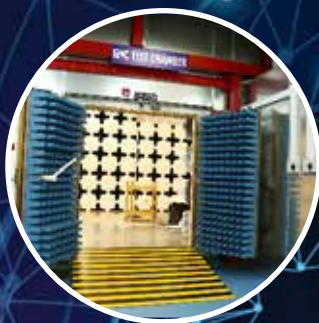




ITI LIMITED

(A Government of India Undertaking)



70TH ANNUAL REPORT 2019-20



Total Solutions For Global Communications



Chairman's Message

Dear Shareholders,

Warm welcome to the 70th Annual General Meeting of ITI Limited. The Notice related to this Meeting, Directors' Report, Audited Annual Accounts together with the Auditor's Report, Comments of the Comptroller and Auditor General of India on the accounts of the Company are already with you and with your permission; I shall take them as read. Further, I am pleased to inform you that the Company has complied with the guidelines on Corporate Governance for CPSEs. On behalf of ITI and the Board of Directors, it is indeed an honour and a privilege to share my thoughts with you through the Annual Report 2019-20.

The Financial Year 2019-20 of the Company has been yet another year of immense growth and thriving success. We have registered a profit for third consecutive year after a long period of hard work and perseverance for 16 years. Your Company's performance for the financial year 2019-20 has been phenomenal. The Company has posted a Profit After Tax of ₹150.86 Crore which is a growth of 63.02% compared to the previous year and gross turnover rose to ₹2403.45 Crore which is 27% higher compared to the previous year ended March 31, 2019.

The most important achievement of this year is that the Net Worth of our Company has become positive for the first time after a long hiatus of close to 2 decades now. I am very happy to announce that your Company is making efforts to comeback and regain market dominance and strong leadership position in the

telecommunications segment of the country. As on date our order book including POs, APOs and orders in pipeline is around Rs. 19,540 Cr and our MoU target for the year 2020 – 21 is Rs. 2600 Cr. The above facts and figures adequately demonstrate that your Company's excellent performance for the current year is not a one-time phenomenon, but a testament to the herculean efforts made by the management to guarantee a bright future ahead.

This excellence in financial performance is achieved by effective execution and persistent monitoring of the projects in hand. We have redefined our project management styles and this has reflected in the performance of the turnkey projects we have been executing under BharatNet in the states of Gujarat & Maharashtra and NFS project for the Defense. The GujaratNet project is expected to be completed by November this year despite the challenges brought in by the COVID situation. ITI has been awarded a certificate of appreciation by the Government of Gujarat for our exemplary work which is a proof of our commitment towards dedication and timely execution.

Further, the NFS project will be completed by end of this year and MahaNet project is also likely to be accomplished as per the project schedule. These mega turnkey projects have contributed to nearly 80% of the revenue this year. In addition, we have been able to supply HDPE, OFC to these projects which has made our infrastructure set up for these products to be utilised for the first time after being established. The paradigm shift in our strategy of manufacturing, marketing and management of projects has contributed to our growth and improved profits. Another feather in the cap of ITI projects has been signing of the ASCON Phase IV contract recently. An order worth Rs. 7796 Cr. is the biggest ever order received in the history of ITI and we are gearing up to execute this.

Continuing further to contribute for self-reliance in the area of Telecommunication, ITI has signed a Memorandum of Understanding (MoU) with Tech Mahindra, a leading provider of digital business services & solutions, to work together in the areas of 4G & 5G Wireless Technology, Equipment Manufacturing, Smart Cities, Health Care services. The initiative is to build local competence by synergising the offerings of ITI & Tech Mahindra to create a next generation wireless network that will help India to become self-sufficient in the area of Telecommunications. Our Company with its efficient & innovative state-of-art facilities and capabilities for manufacturing Telecom equipment, plans to manufacture eNodeB and 5G NR products in its various plants. ITI is also in talks with other Indian companies to provide end to end solutions for 4G & 5G networks across the country through an ecosystem of the local technologies.

Similarly, ITI has also signed MoU with TCS, a leading IT and TeS services organization. With these tie ups, two streams of solutions for 4G upgradeable 5G can be worked out with ITI being the common manufacturing partner.

The Company also plans to manufacture secure IP/MPLS routers which are very essential for secure data transfer in the defence network as well as for the networks of TSPs. For this, ITI has already entered into Technology Collaboration Agreement with a Bangalore based leading start-up company in this area. On the similar lines, our Company is also planning to tie up for manufacturing of E/V band Radios which are very essential with the emerging technologies of 4G & 5G. The partnerships with these Indian companies and the products with Indian IPR not only help to reduce dependency on import of Telecom equipment but also address the concerns in building a strategic network for defence communication. A PSU joining hands with two giant Indian Private sector leading companies shows the commitment of ITI towards the AatmaNirbhar Bharat initiative of Government of India.

The COVID-19 virus is unique in a way that, assumptions of common well-being, which was largely taken for granted, is no longer true. The bane of this virus is affecting all of humanity, impacting economies, business and lifestyles. This pandemic poses unprecedented health, economic and stability issues. This outbreak, along with the on-going border tensions, has dealt an exceptional blow to India as a whole. However, the pandemic has shown us the importance of local manufacturing, local market and local supply chains. As our respected Prime Minister rightly put it, "Local is not only our necessity but also our responsibility." We at ITI believe that every adversity brings its own set of opportunities. Even during the lockdown period, the business continuity of the company kept going and to strengthen the objective of Government of India's AatmaNirbhar Bharat Abhiyan, Company has recently signed a Transfer of Technology (ToT) agreement with Defence Research & Development Organization (DRDO) to manufacture portable ventilators at its manufacturing plants. The prototypes are ready for testing and once these are cleared by DEBEL, we intend to mass manufacture ventilators which will be supplied to Defence forces and other agencies in the country. The Company has been manufacturing Face Shields at its Bengaluru unit, which are designed to provide complete protection to facial area including eyes, nose and mouth from sprays and droplets. The Company has already supplied two million face shields and expects to enhance production in the coming months. During this pandemic, ITI Limited, has distributed grocery kits to around 2,500 needy families as a CSR measure.

ITI has initiated to bring up a Global Electronics Manufacturing Hub in the silicon city of Bengaluru and for this purpose, it has ear marked 200 acres of land in the first phase. With this venture ITI plans to create world class infrastructure for manufacturing, including common facilities, to attract major global electronics manufacturers, along with their supply chain, to set up units in the country. This is in line with the Electronics Manufacturing Cluster (EMC) 2.0 scheme of MeitY released during May of this year.

There is scarcity of testing labs in the country and to fill up the gap in testing infrastructure, ITI has set up EM/EMC & Safety Labs in collaboration with DOT and TEC. Further SAR and Security Labs will be commissioned shortly. This would be an extended facility for the companies in the Manufacturing Hub as well as Start-up Hub. ITI has created Six Training Centers (TCs) within its plants including a Smart Skill Development Centre at Srinagar Plant to promote the Skill India Mission.

ITI Tier 3 compliant Data Center of 350 racks capacity in Bangalore is operational for last more than 10 years and the Company plans to expand this by additional 1,000 racks capacity. More so now, it is going to be cloud enabled Data Centre and would launch cloud services that include Infrastructure as a Service (IaaS), Platform as a Service (PaaS), Software as a Service (SaaS) and Storage as a Service (STaaS). The Cloud facility is expected to achieve optimum utilization of the infrastructure and speed up the development and deployment of various ICT-IOT based applications for customers. It would also help government and non-government enterprises to procure ICT services on demand. This will greatly help the Digital India initiative of Government.

In order to increase value addition through manufacturing, we are incorporating transfer of technology in all the agreements being concluded. This will not only engage the infrastructure we have set up, but would also augment the Make in India initiative of Government. We plan to utilize the facilities set up for manufacturing of HDPE, OFC, Solar Panels, Smart Cards, Smart Energy Meter, WiFi Access Points, Micro PCs in different plants.

On the marketing front, ITI is consolidating its brand identity by getting into various new technology verticals like Bharatnet, Smart Cities, 4G/5G, AML solutions, Cybersecurity, IoT, cloud based data center solutions etc. ITI is entering into technology alliances with market leaders and is bidding aggressively in tenders of these verticals. ITI has also started undertaking projects for private customers like Airtel. Company is adopting centralized empanelment of business partners to address various opportunities pan India basis through ITI's countrywide marketing, service and project offices. The idea is to handhold upcoming Indian technology companies in order to create win-win business opportunities.

Dear Shareholders, in the last 3 years ITI has improved its performance and has also built up sizeable order book. Our renewed strategies with radical approach towards business are aiming to make ITI one of the best PSUs of the country in the coming years. With our sheer perseverance and hard work, the Company is now eligible for MiniRatna PSU status for which requisite application has already been submitted. This is just a beginning for us but the goal is to attain the Navaratna status in next 3 years. We have been meticulously working on every aspect, be it technology, project execution, manufacturing or marketing. This will enable ITI to achieve excellence in its business and keep its employees economically elated. At the same time, it is also important to give a better value to our shareholders for their significant investment in ITI. As committed, we have made significant strides towards achieving the old glory of the yesteryears.

Shedding our losses, we have transitioned into a profit making company. To achieve MiniRatna status and to move towards Navaratna, we have already started minimizing our debt burden and channelizing all our talents & ingenuity towards accomplishment of larger goal. Our commitment, to achieve this, is unshakable. Our drive to excel is resolute. With the support of DoT and Government of India, we shall move towards financial self-reliance to sustain through the market turbulence.

With a mix of new initiatives, new approaches, new business segments, I assure you that ITI shall continue to sustain the growth achieved during last 3 years to ensure sustained returns to all stakeholders.

I am grateful to the Government of India, Ministry of Home Affairs, Ministry of Rural Development, Ministry of Defence, MeitY, Ministry of Finance, Department of Telecommunications, Telecom Commission, BSNL, MTNL, BBNL, USOF, Defence, TCIL, Indian Railways, all departments of Central and State Governments and other valued customers, depositors, banks, financial institutions, overseas collaborators, Auditors, Committee on Public Undertakings [COPU], Standing Committee on Information Technology and Standing Conference of Public Enterprises [SCOPE] for their continued co-operation and support. I also take this opportunity to extend my thanks to all the employees and shareholders for their support and understanding.

Thank You

Place: Bengaluru

R.M. Agarwal
Chairman & Managing Director

NB: This does not purport to be a record of the proceedings of 70th Annual General Meeting.

ANNUAL REPORT 2019-2020

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BOARD OF DIRECTORS*

Shri Rakesh Mohan Agarwal

Chairman and Managing Director & Addl. Charge Director Marketing

Shri Shashi Prakash Gupta

Director- Human Resources

Shri D Venkateswarlu

Director- Production

Shri Rajeev Srivastava

Director-Finance

Lt Gen Rajeev Sabherwal, AVSM, VSM, Signal Officer-in-Chief

Government Nominee Director

Dr Rajesh Sharma

Deputy Director General (SU), Department of Telecommunications

Government Nominee Director

Shri Rajen Vidyarthi

Independent Director

Dr Akhilesh Dube

Independent Director

Shri Mayank Gupta

Independent Director

Dr K R Shanmugam

Independent Director

CHIEF FINANCIAL OFFICER

Shri Rajeev Srivastava

COMPANY SECRETARY

Smt S Shanmuga Priya

STATUTORY AUDITOR

M/s GRSM & Associates, Bengaluru

BRANCH AUDITORS

M/s R K Chari & Co., Lucknow (Rae Bareli)

M/s G K Arora & Associates, Allahabad (Naini)

M/s P N G & Co., Faizabad (Mankapur)

M/s A R G E E & Co., Palakkad (Palakkad)

M/s Amir Jan & Associates, Srinagar (Srinagar)

COST AUDITORS

M/s GNV Associates, Bengaluru

M/s Aman Malviya & Associates, Lucknow

SECRETARIAL AUDITOR

Shri D Venkateswarlu, Bengaluru

BANKERS

State Bank of India

Bank of Baroda

Canara Bank

Punjab National Bank

Union Bank of India

Central Bank of India

Indian Bank

MANAGEMENT*

CORPORATE OFFICE

Shri Rakesh Mohan Agarwal

Chairman and Managing Director & Addl. Charge Director Marketing

Shri Shashi Prakash Gupta

Director - Human Resources

Shri D Venkateswarlu

Director - Production

Shri Rajeev Srivastava

Director-Finance & Chief Financial Officer

Shri Shailendra Kumar Verma

Chief Vigilance Officer

Shri Sunil Kumar

General Manager-Operations

Shri Suresh Babu K T

General Manager - Internal Audit

Shri Sanjay Kumar Srivastava

General Manager- HR [ED & OD]

Shri Sasidharan K

General Manager - Project & Planning & Corporate Marketing

Shri Subhasis Som

General Manager - Vigilance

Shri Sanjay Kumar Gupta

General Manager- NFS & OL

Smt S Shanmuga Priya

Company Secretary

UNITS

Mankapur Plant

Shri Rajiv Seth

General Manager

Network Systems Unit

Shri A K Bajoria

General Manager

Bangalore Plant and Research & Development

Shri Sanjay Satyapriya

General Manager

Rae Bareli Plant

Shri V B Singh

General Manager

Naini Plant

Shri Sanjay Satyapriya

General Manager

Palakkad Plant

Smt. Jayasree E K

General Manager

Srinagar Plant

Shri I A Khan

Deputy General Manager

*As on 02.11.2020

ITI LIMITED

(A Govt of India Undertaking)

CIN: L32202KA1950G01000640

Registered Office: ITI Bhavan, Doorvani Nagar, Bengaluru – 560 016

Tel No: +91 (080) 2561 4466 Fax No: +91 (080) 2561 7525 Email: cosecy_crp@itilttd.co.in Website: www.itilttd.in

NOTICE

NOTICE is hereby given that the Seventieth (70th) Annual General Meeting (AGM) of ITI Limited will be held on Friday, 04th December 2020 at 11.30 am through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements including consolidated financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon and comments of Comptroller and Auditor General of India.
2. To appoint a Director in the place of Shri Shashi Prakash Gupta (DIN: 08254999), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modifications, the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 142 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of ITI Limited be and is hereby authorised to fix the remuneration and other terms and conditions, including reimbursement of travelling allowance and out of pocket expenses of Statutory Auditors of the Company appointed by Comptroller and Auditor General of India and of the Branch Auditors of the Company for the financial year 2020-21".

II. SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Ministry of Communications order no. E-14-1/2019-PSA dated 15th October 2020, Shri Rajeev Srivastava (DIN: 08921307), be and is hereby appointed as Director Finance of the Company w.e.f. 15th October 2020 for a period of five years till the date of his superannuation or until further orders whichever is earliest, liable to retire by rotation and on the terms and conditions as may be stipulated by the Government of India."
5. To consider and if thought fit, to pass, with or without modifications, 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 Rs. 3.16 lakhs (inclusive of applicable taxes) and out of pocket expenses and conveyance expenses at actuals fixed for the Cost Auditors appointed to conduct the audit of cost records of all Units of the Company for the year 2020-21 be and is hereby ratified".

Regd. & Corporate Office
ITI Bhavan, Doorvaninagar

By Order of the Board
For ITI Limited

Place : Bengaluru
Date : 02-11-2020

S. SHANMUGA PRIYA
COMPANY SECRETARY

NOTES:

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 permitted the holding of the

Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.

2. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 which set out the details relating to Special Business at the AGM is annexed hereto and forms part of the notice as **Annexure A**.
3. Pursuant to provisions of the Regulations 26 (4) & 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General meeting issued by Institute of Company Secretaries of India, the brief resume/profile of the Director eligible for appointment /re-appointment vide Item No. 2 & 4 is appended to this Notice as **Annexure B**.
4. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
5. In case of joint holders, the member whose name appears as the first holder in the order of names as per Register of Members of the Company will be entitled to vote at the meeting.
6. Corporate Members / Foreign Institutional Investors / Financial Institutions intending to appoint Authorised Representatives as per Section 113 of the Companies Act, 2013, to attend the AGM through VC/OAVM are requested to send to the Company, a certified copy of the Board Resolution/such other documents authorizing their representative(s) to attend and vote on their behalf at the meeting, together with their specimen signatures by e-mail to irg@integratedindia.in, cosecy_crp@itilttd.co.in and helpdesk.evoting@cdslindia.com
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 28th November 2020 to 04th December 2020 (both days inclusive) for the purpose of the Annual General Meeting (AGM).
9. In line with the MCA General Circular dated May 5, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 70th AGM along with full version of Annual Report 2019-20 has been uploaded on the website of the Company at www.itilttd.in under 'Investor Information' section and can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
10. Shri D Venkateswarlu, (CP No. 7773), Practicing Company Secretary, Bengaluru has been appointed as the Scrutinizer to scrutinise the voting during the AGM and remote e-voting in fair and transparent manner.

11. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by the Members of the Company. Members holding shares in electronic form are therefore, requested to submit their PAN, Bank account details and email ids to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form shall submit their PAN details, Bank Account Details and email id to the RTA/Company.
13. Members are requested to advise the Registrar and Share Transfer Agents, M/s. Integrated Registry Management Services Private Ltd., 30, Ramana Residency, 04th Cross, Sampige Road, Malleswaram, Bengaluru – 560 003, Tel No. 080-23460815-818, email id: irg@integratedindia.in and their respective Depository Participants immediately of any change in their address.
14. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form
15. In terms of the provisions of Listing Regulations, w.e.f. 1st April 2019, all transfer of shares shall be in dematerialized form. The Members holding shares in physical form are requested to contact the Registrar and Share Transfer Agents, M/s. Integrated Registry Management Services Private Ltd at irg@integratedindia.in and dematerialized their share for effecting any transfer.
16. Members may visit the website of the Company www.italtd.in for more information on the Company.
17. 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.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
19. As per Section 108 of the Companies Act, 2013 read with relevant rules made there under, Regulation 44 of Listing Regulations, MCA Circular and SEBI Circular, 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 through remote e-voting and e-voting during AGM and for attending the meeting through VC/OAVM. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) in this regard. The instructions for remote e-voting, e-voting during AGM and for attending the meeting through VC/OAVM are appended to this Notice as **Annexure C**.
20. The Members can join the AGM in the VC/OAVM mode 15 minutes before and within 15 minutes of the scheduled time of the commencement of the Meeting by following the instructions mentioned in the **Annexure C**. The Members will be able to view the proceedings by login into the CDSL e-Voting website at www.evotingindia.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
21. All documents referred to in the notice & statutory registers maintained under Section 170 and 189 of the Companies Act, 2013 will be available for electronic inspection during the AGM.

Regd. & Corporate Office
ITI Bhavan, Doorvaninagar

Place : Bengaluru
Date : 02-11-2020

By Order of the Board

S. SHANMUGA PRIYA
COMPANY SECRETARY

Annexure A

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Shri Rajeev Srivastava

In terms of the Articles of Association of the Company, the President of India is vested with the power to appoint the Directors of the Company from time to time and also shall determine the terms of office of such Directors.

Shri Rajeev Srivastava (DIN: 08921307), was inducted to the Board as an Additional Director (Director Finance) w.e.f. 15th October 2020 in pursuance of Ministry of Communications order No. E-14-1/2019-PSA dated 15th October 2020 till the date of his superannuation or until further orders, whichever is earliest. In terms of Section 161 of the Companies Act, 2013, Shri Rajeev Srivastava holds office upto the date of ensuing Annual General Meeting (AGM).

Notice has been received under Section 160 of the Companies Act, 2013 from a Member signifying is intention to propose the appointment of Shri Rajeev Srivastava as Director of the Company at the ensuing AGM.

The Nomination and Remuneration Committee at its meeting held on 02nd November 2020 have recommended to the Members' the appointment of Shri Rajeev Srivastava as Director Finance of the Company.

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 placed before the AGM for Members' approval.

Shri Rajeev Srivastava is deemed to be interested in the proposed resolution to the extent of his appointment as Director of the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at item no. 4 of the notice.

Shri Rajeev Srivastava do not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

Your directors recommend the ordinary resolution for appointment of Shri Rajeev Srivastava as proposed in the notice for members' approval.

A brief profile of Shri Rajeev Srivastava is given in Annexure B of this Notice.

Item No. 5

Rule 14 of the Companies (Audit and Auditors) Rules, 2014 requires ratification by the members 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 of Rs. 3.16 lakhs (inclusive applicable taxes) and out of pocket expenses and conveyance expenses at actuals for the Cost Auditor appointed for the year 2020-21 is placed before the Member for their approval.

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

Your directors recommend the ordinary resolution as proposed in the notice for Members' approval.

BRIEF RESUME OF DIRECTORS PROPOSED FOR APPOINTMENT AND RE-APPOINTMENT

Item No. 2 :

Shri Shashi Prakash Gupta:

Shri Shashi Prakash Gupta (DIN: 08254999) aged 59 years holds B. Tech (Mech.) and MBA Degree. He is also a Fellow of the Institution of Engineers (India) and a Life member of the National Institute of Personnel Management, the Indian Institute of Metals and Quality Circle Forum of India. Prior to joining on Board of the Company, has successfully headed Industrial Engineering Department and SAIL Uday Transformation and spearheaded several CSR initiatives including skill development through vocational trainings to improve employability for youths in the region

With over 3 decades of rich experience in different areas of Personnel & Administration, Business Excellence and CSR in two integrated steel plants and corporate office, he has been instrumental in formulating and implementing various HR policies to facilitate a productive work culture at SAIL (Steel Authority of India Limited).

Shri Shashi Prakash Gupta is a Director on the Board of India Satcom Limited. Other than that he is not on the Board of any other Listed Company. Shri Shashi Prakash Gupta has attended all Board Meetings during the financial year 2019-20. Shri Shashi Prakash Gupta is the Chairman of Risk Management Committee and Member of Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Shri Shashi Prakash Gupta is not related to any of the Directors or Key Managerial Persons of the Company or their relatives and does not hold any shares in the Company.

Item No. 4 :

Shri Rajeev Srivastava:

Shri Rajeev Srivastava (DIN: 08921307), General Manager Corporate Finance and Chief Financial Officer has taken over charge of Director Finance of ITI Limited on 15th October 2020 on the terms and conditions as may be stipulated by the Government of India. Shri Rajeev Srivastava is a Qualified Finance Professional having membership of the Institute of Cost & Management Accounts of India (ICMAI) and Institute of Company Secretaries of India (ICSI) with over 29 years of experience. Before joining ITI Limited, he has worked with Government of India as Director (Accounts)/ Senior Accounts Officer from December 1990 to December 2018.

He is B.Com and M.Com from Delhi University, LLB from DAV Law College and CWA from ICMAI and CS from ICSI.

Shri Rajeev Srivastava is not on the Board of any other Listed Company. Attendance of Shri Rajeev Srivastava at the Board Meeting held during the financial year 2019-20 did not arise as he was inducted into the Board Meeting during the current financial year 2020-21. Shri Rajeev Srivastava is not related to any of the Directors or Key Managerial Personnel of the Company or their relative and does not hold any shares of the Company.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- The voting period begins on 01st December 2020 at 10.00 am and ends on 03rd December 2020 at 05.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 27th November 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted through remote e-voting would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website of CDSL at www.evotingindia.com
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN need to contact RTA at irg@integratedindia.in to get the sequence number.
- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for ITI Limited on which you choose to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

19. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective app Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **RTA / Company email id**.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **RTA / Company email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cosecy_crp@itiltld.co.in
7. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cosecy_crp@itiltld.co.in These queries will be replied to by the company suitably through email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz cosecy_crp@itiltld.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
6. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.
7. All grievances connected with the facility for voting by electronic means or Members who need technical assistance before or during the AGM can contact to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurix, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.itiltld.in and on the website of CDSL at www.evotingindia.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

TEN YEAR DIGEST

₹ in Crore

OPERATING RESULTS	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Sales including services	2403	1894	1703	1611	1253	620	770	921	993	2139
Accretion / (Decretion) to Stock	40	11	(12)	18	0	(2)	(2)	(11)	3	(87)
Value of Production	2443	1905	1691	1629	1253	618	768	910	996	2052
Other Income**	184	336	381	542	598	86	40	33	34	78
Direct Materials	508	605	545	605	670	185	137	235	315	1662
Charges on Installation & Maintenance	1113	784	526	642	318	214	382	409	422	190
Employees Cost**	231	204	226	301	332	321	337	393	402	389
Depreciation	42	37	25	17	13	15	17	18	21	22
Financing Expenses	141	106	153	153	157	157	122	85	85	80
Other Expenses less Charges on Installation & Maintenance	441	412	367	187	124	110	159	163	154	148
Profit	151	93	230	266	238	(298)	(346)	(360)	(369)	(361)
Prior Period Adjustments	-	-	-	-	-	1	2	48	(1)	3
Extraordinary Items	-	-	-	-	-	-	-	130	-	-
Profit Before Tax	151	93	230	266	238	(297)	(344)	(182)	(370)	(358)
Provision for Tax / Deferred Tax/FRB	-	-	-	-	-	-	-	-	-	-
Add: Provision for tax of earlier years no longer required	-	-	-	-	-	-	-	-	-	-
Profit after Tax	151	93	230	266	238	(297)	(344)	(182)	(370)	(358)
Other Comprehensive Income	4	18	5	39	17	-	-	-	-	-
Total comprehensive Income for the period (Comprising profit/(Loss) and other comprehensive Income for the period)	155	111	235	305	255	-	-	-	-	-

₹ in Crore

FINANCIAL POSITION	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Equity	925	897	760	560	288	288	288	288	288	288
Preference Shares *	-	-	-	-	-	300	300	300	300	300
Preference Shares - Application	-	-	-	-	-	-	-	-	-	-
Money Received Pending Allotment	-	55	137	-	192	192	-	-	-	-
Reserves & Surplus	3282	2847	2824	2814	2769	2735	2718	2709	2700	2701
Revaluation Reserves	2330	2335	2339	2348	2354	2360	2374	2390	2406	2424
Miscellaneous expenditure not written off	-	-	-	-	-	-	-	-	-	-
Profit and Loss Account-(Debit)	4206	4340	4432	4663	4929	5166	4869	4527	4345	3975
Net Worth Funds with Revaluation Reserve	2331	1794	1628	1059	674	713	819	1172	1413	1807
Net Worth without considering DRE not written off and Revaluation Reserve	1	(541)	(711)	(1289)	(1680)	(1647)	(1555)	(1218)	(993)	(617)
Grant-in-aid	-	-	-	-	-	4	8	12	64	69
Bonds	-	-	-	-	-	-	-	2	2	2
Other borrowings and deferred credit	1036	959	926	879	839	921	876	606	483	341
Gross Block #	2814	2775	2663	2524	3737	3690	3696	3695	3691	3684
Depreciation #	121	80	43	18	1279	1267	1243	1210	1175	1137
Net Block	2693	2695	2620	2506	2458	2423	2453	2485	2516	2547
Capital work-in-progress	189	165	149	102	92	33	21	1	2	7
Assets, Loans and Advances (Current & Non-Current):										
Inventory	173	149	156	142	104	93	96	105	113	118
Debtors	3120	2659	3086	2196	2743	2219	2152	4067	4268	4979
Others	1509	1292	996	566	436	572	366	348	333	409
Total	4802	4100	4238	2904	3283	2884	2614	4520	4714	5506

Turnover and Value of production for the year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14, 2012-13 & 2011-12 are inclusive of Excise duty & Service tax/GST while for rest of the years, they include Excise duty only. Turnover & Value of production for FY 2018-19 and 2019-20 includes GST only.

*Some of the figures in 2012-13 have been regrouped as per revised schedule III.

** Employee cost & Other income includes for FY 2019-20, FY 2017-18 and FY 2016-17 ₹ 4.39 crores, ₹ 2.86 crores and ₹ 33.72 crores respectively on account of VRS funded from the Government of India.

Due to IND AS implementation w.e.f. 01.04.2016, Net carrying value has been taken in the books of accounts as deemed cost.

FINANCIAL POSITION	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Liabilities and Provisions (Current & Non-Current) \$	4138	3907	4153	3274	4021	3406	3393	5227	5335	5911
Working Capital	(407)	(498)	(642)	(1054)	(1478)	(1311)	(1501)	(1259)	(621)	(405)
Capital Employed (Net Fixed Assets+Working Capital)	2286	2197	1978	1452	980	1112	952	1226	1895	2142
Sources of Funds:										
Shareholders' Fund	2331	1794	1628	1059	674	713	819	1172	1413	1807
Borrowings	1216	1259	1226	1179	1139	1223	876	608	485	343
Net Non-Current Liabilities	(36)	268	199	195	98	131	155	57	-	-
Deferred Tax	-	-	-	-	-	-	-	-	-	-
Total	3511	3321	3053	2433	1911	2067	1850	1837	1898	2150
Application of Funds:										
Net Fixed Assets	2693	2695	2620	2506	2458	2423	2453	2485	2516	2547
Working Capital (Other than Cash Credit)	628	460	283	(176)	(640)	(390)	(625)	(650)	(621)	(405)
Capital Work in progress	189	165	149	102	92	33	21	1	2	7
Investments	1	1	1	1	1	1	1	1	1	1
Total	3511	3321	3053	2433	1911	2067	1850	1837	1898	2150
FINANCIAL RATIOS	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Working Capital Ratios:										
Current Ratio	0.92:1	0.89:1	0.87:1	0.73:1	0.69:1	0.66:1	0.62:1	0.75:1	0.88:1	0.93:1
Working Capital in no. of months of value of Production	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Inventory in no. of months of value of Production	0.85	0.94	1.11	1.05	1.00	1.81	1.50	1.38	1.36	0.69
Debtors(Net of Advances) in terms of months sales and services	12.26	12.85	16.31	14.13	18.28	38.76	30.22	30.18	30.89	18.12
Working capital to total Assets (%)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Cost of Direct Material to value of Production incl. Excise Duty (%)	20.79	31.76	32.23	37.14	53.47	29.94	17.84	25.82	31.63	80.99
Cost of Direct Material & Charges on Insttn to value of Production incl. Excise Duty (%)	66.35	72.91	63.34	76.55	78.85	64.56	67.58	70.77	74.00	90.25
Debt-to-Equity Ratio	2.30	2.88	3.30	-	-	-	-	-	-	-
Return on equity (ROE)/Return on net worth Ratio	54.06	(0.17)	(0.14)	-	-	-	-	-	-	-
Net Profit Margin (%)	7.33%	5.55%	6.82%	-	-	-	-	-	-	-
Debtors/Receivable Turnover Ratio	0.71	0.58	0.54	-	-	-	-	-	-	-
Inventory Turnover Ratio	11.96	11.90	9.48	-	-	-	-	-	-	-
Interest Coverage / Debt Service Coverage Ratio	1.52	1.01	1.01	-	-	-	-	-	-	-
Operating Profit Margin (%)	7.82%	1.00%	-3.25%	-	-	-	-	-	-	-
FINANCIAL RATIOS	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Growth Ratios:										
Annual growth in value of Production (%)	28.24	12.66	3.81	30.01	102.75	(19.53)	(15.60)	(8.63)	(51.46)	(55.68)
Annual growth in Gross Block excluding Revaluation Reserve (%) \$	10.00	35.80	84.09	(87.27)	3.98	(0.58)	0.10	0.39	0.68	0.29
OTHER STATISTICS	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Turnover Composition:										
To BSNL/MTNL	309	974	1188	1083	592	239	260	181	206	1963
To Others	2094	920	515	528	661	381	510	740	787	176
Total	2403	1894	1703	1611	1253	620	770	921	993	2139
Value added	463	276	324	283	177	153	164	166	164	328
No. of Employees as on 31st March	3498	3520	3576	4052	5229	6177	7311	8516	9512	10616
Value Added per Employee (₹)	1319464	777903	849502	609848	310363	226868	207241	184158	162957	293473
Value of Production per Employee (₹)	6962097	5369222	4433665	3510398	2197089	916370	970493	1009541	989666	1835995

- \$ 1. Unspent portion of government grants (as per the conditions of grant document) are classified separately from other equity and shown as Non-current liabilities
- \$ 2. As the preference shares are non convertible and overdue, the same has been removed from the share capital and classified as current financial liability. [Figures in brackets indicate negative figures]