



# ITI LIMITED

(A Government of India Undertaking)



## 71<sup>st</sup> ANNUAL REPORT 2020-21



TOTAL SOLUTIONS FOR GLOBAL COMMUNICATIONS

## CHAIRMAN'S MESSAGE



Dear Shareholders,

Warm Welcome to the 71<sup>st</sup> Annual General Meeting of ITI Ltd. The Notice related to this Meeting, Director's 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 2020-21.

The Financial Year 2020-21 of the Company has been a year of phenomenal success despite challenges due to the pandemic. Your Company has registered profit for the fourth consecutive year and the Company's performance for the financial year 2020-21 has been remarkable as the Company has clocked a turnover of Rs. 2578 Crore, which is the highest in last 11 years, with a Profit After Tax of Rs. 11 Crore. Despite the severe problems posed by the Pandemic which affected material supply, manpower scarcity and transportation hazards, the Company could still make a growth of more than 7%. Most important achievement is the Networth of the Company stands now at Rs. 2420 Crore. I am happy to announce that your Company is making continuous efforts to be competitive, win the tenders and re-claim market dominance to be a strong player in the Telecommunications sector of the country. As on date our orderbook is around Rs. 9820 Crore. The above parameters truly indicate the positive Networth & development of the Company. Sustaining the growth in the last 4 years is a rare milestone scaled by the Company. This should be a game changer for the Company, and is expected to lead the Company towards total turnaround.

Dear Shareholders, despite problems in this financial year, Company has been successful in winning couple of prestigious orders. ITI signed contract with Ministry of Defence to execute ASCON Phase IV project which is worth Rs. 7796 Crore. This is a great feat of the Company as this is the biggest ever order won in the history of the Company. As you all are aware, the first 3 phases of this project have been successfully executed by the Company. The Proof of Concept of the project is being monitored closely for early completion. We have also signed a contract with Indian Air Force for upgradation of their IT facilities which is worth Rs. 414 Crore including AMC. We intend to complete this project in 10 months. We have another Bharat Net project from BBNL worth Rs. 37 Crore to provide optical broadband network in the Andaman & Nicobar Islands. We have also bagged advance purchase order for a package in TANFINET project worth around Rs. 498.52 Crore and PO is expected shortly. For the first time in the history of the Company, we have received an order from a private operator for FTTH rollout worth around Rs. 55 Crore. We are aggressively participating in the tenders from defence forces for the 5G technology network implementation and have also addressed RFP for setting up a 5G test bed.

The trio mega projects of ITI are reaching their completion stage. Gujnet project execution has been almost completed. NFS project is planned to be completed by the year end. We are making all out efforts to see that Maha Net project is also closed at the earliest. It is very important that we aggressively participate in the forthcoming tenders to further strengthen our orderbook which now stands at Rs. 9820 Crore.

The infrastructure that has been upgraded from the CAPEX funds have been planned for capacity utilization. We are very proud that the products for which the infrastructure was established recently are being used for the projects executed by ITI - exemplifying *AatmaNirbharta*. We have already supplied 10433 KMs of HDPE duct manufactured in our plant for the BharatNet project being executed by the Company. We have also manufactured nearly 9,000 KMs of HDPE for the ASCON Phase IV project which is under inspection by the customer. Further, we have also manufactured 20,000 solar panels for the MahaIT project. OFC supplies for ASCON Phase IV project is also being planned from in-house manufacturing. We are planning to see that the manufacturing facilities of HDPE, OFC, Solar Panels, Wi-Fi Access Points are made operational 24 X 7 basis by exploring more business leads for these products. We are also focusing on initiatives for marketing ITI products like Micro PC, Smart Banking Cards, SPDS (Smart Parcel Delivery Systems), UVDS (Ultra Violet Disinfection Systems), Digital Mobile Radio (DMR), Anti Drone Systems, IRNSS Receivers, E/V Band Radios, EVM etc. The synergy between ITI and the other organizations under Ministry of Communications like C-DoT, Department of Posts is also being explored and new flavor of products are planned.





In order to position Company in the new technology trends, Company has been exploring in the areas of 4G/5G, Cyber Security, AI, Smart Devices, Cloud Services etc. Company has tied up with TCS for addressing the 4G Tender of BSNL. We have already participated in the EoI for PoC and the same is being carried out at Ambala, Haryana. We are taking up manufacturing of 4G Radios and the infrastructure for the same is being positioned. We have plan afoot in setting up a Security Operations Centre (SoC) out of our Data Centre. Partners for the same are under finalization. We also have plans to offer Cloud Services from the ITI Data Centre which is augmented with additional capacity. We have tied up with a startup which has AI based solution for testing infectious diseases including COVID and also Blockchain based solution for Electronic Medical Record System. We plan to launch this solution to augment the National Health Mission initiative of the Government of India. Through partnerships with Indian companies, the Company is trying to reduce dependency on import of Telecom equipment and also build a native strategic platform for networks including defense communication. A PSU joining hands with leading private sector companies shows the commitment of ITI towards the AatmaNirbhar Bharat initiative of Government of India.

Company has established 120-seater Start-up hub at ITI Bangalore plant and plans to expand it to 1000-seater capacity. Many start-ups working in the areas of IoT devices, Medical Electronics, Home Automation, Aeronautics are operational from this hub. EMI/EMC & Safety Labs set up in collaboration with TEC are operational. Further, establishment of Security Lab is also planned. ITI has created Six Training Centers (TCs) at all the plants of ITI including a Smart Skill Development Centre at Srinagar Plant to promote the Skill India Mission. The expanded Data Centre of ITI is ready to launch the Cloud based services and would help many companies to store data in a secure manner. Your Company has taken number of initiatives on improving business prospects by transformed strategy for manufacturing, marketing and management of projects.

Dear Shareholders you would appreciate that human resource is the foundation for the success of any Company. In order to motivate we have introduced several employee welfare measures. On the personnel development & motivation, there has been paradigm shift in PRC which has been revamped with 3 stage process for the first time in the history of the Company. The entire procedure will be firmed up to accommodate more eligible candidates in the promotion process. We expect that all these incentivization will encourage each employee to add more value and contribute more towards the growth of the Company.

Even during the lockdown period, the business continuity of the Company kept going. During this turmoil, the Company has manufactured more than 2 million Face Shields and supplied to many organisations. Through collaboration with DRDO, Company has also developed and manufactured Ultra Violet Disinfection System (UVDS) useful in disinfecting the hospitals and office spaces. During the lockdown, Company has also distributed grocery kits to more than 2000 needy families.

Though we have made profit in the last four years, our financial problems are still not completely addressed. Unless we enhance our bottom line in all the projects & products, sustenance in the coming days may turn out to be tough. We have to aggressively change our attitude, choose appropriate strategy, and march ahead to stay in the game

Dear Shareholders, the current scenario as well as the future plans of ITI look very bright, as we have strong orderbook as on date. We have orders in pipeline also. Thus our orderbook position for next two to three years is encouraging and Company should never look back. We have built up and strengthened the Company in the last 4 years. We are emerging as a new leader in the telecom sector. Our optimism and resolute efforts will definitely lead us towards enshrined goal of complete revival of your Company. With that, I assure you that, your Company shall continue to make best efforts in sustaining the growth and thereby ensure sustained returns to its stakeholders. With the support of DoT and Government of India, we shall launch the Company towards market leadership & financial sustenance.

I am grateful to the Government of India, Ministry of Home Affairs, Ministry for Rural Development, Ministry of Defense, Department of Telecommunications, Telecom Commission, BSNL MTNL, BBNL, Defense, 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 71<sup>st</sup> Annual General Meeting.

## VISION, MISSION and VALUES

### VISION

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“To lead India’s transformation towards self-reliance in the domain of Telecommunications, Electronics, and ICT products, services and solutions that change lives for better”

### MISSION

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“To provide in-house developed convergence solutions, products and services to our clients in the area of Telecommunications, Electronics, Defence system, Space Technologies and smart connected technology”

### VALUES

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We aspire to achieve our goal by focusing on Innovation, continuous improvement and collaborating with strategic market players (partner /alliance) in transparent and responsible manner.

- **Innovation:**

There is a constant want for Innovation through facilitation, resource provisions, encouragement & recognitions that drive our growth.

- **Continuous Improvement:**

We focus on continuous improvements which leads to more sophisticated and overall more economically competitive offerings.

- **Collaboration with Strategic Partner:**

We just don’t do business but help our customers and other stakeholders to transform the lives we touch.

- **Transparency:**

We will be fair, honest and ethical in our conduct; everything we do must stand the test of scrutiny.

- **Responsible Manner:**

We will integrate environmental and social principles in our businesses, ensuring that what we generate goes back to the stakeholders.

# ANNUAL REPORT 2020-2021

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## BOARD OF DIRECTORS\*

**Shri Rakesh Mohan Agarwal**  
Chairman and Managing Director

**Shri D Venkateswarlu**  
Director Production

**Shri Rajeev Srivastava**  
Director Finance & Chief Financial Officer

**Shri Rakesh Chandra Tiwari**  
Director Marketing

**Lt Gen Milind N Bhurke,**  
AVSM, VSM, Signal Officer-in-Chief  
Government Director

**Dr Rajesh Sharma**  
Deputy Director General (SU),  
Department of Telecommunications  
Government Director

**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 AmirJan & 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

**Shri D Venkateswarlu**  
Director Production

**Shri Rajeev Srivastava**  
Director Finance & Chief Financial Officer

**Shri Rakesh Chandra Tiwari**  
Director Marketing

**Shri B Kasiviswanathan**  
Chief Vigilance Officer

**Smt Ila Bahadur**  
Executive Director - Projects  
& Technology and Operations

**Shri Akhil Kumar**  
General Manager - Corporate Finance

**Shri Vimal Kishore Sharma**  
General Manager - Vigilance

**Shri Murli Dhar Dwivedy**  
General Manager - HR & PR

**Shri Pradeep Kumar Agrawal**  
General Manager- Internal Audit

**Smt S Shanmuga Priya**  
Company Secretary

**UNITS**  
**Network Systems Unit**  
Shri Prakash Chandra Jain  
Executive Director

**Mankapur Plant**  
Shri Dilip Kumar Sharma  
General Manager

**Bangalore Plant and Research & Development**  
Brig. Bhup Chand Sharma (Retd)  
General Manager

**Rae Bareli Plant**  
Shri Sanjay Kumar Gupta  
General Manager

**Palakkad Plant**  
Shri Rajiv Saxena  
General Manager

**Naini Plant**  
Shri Nitish Kumar Bokade  
Additional General Manager

**Srinagar Plant**  
Shri Idris Aslam Khan  
Deputy General Manager

**Corporate Marketing**  
Shri Rajiv Dubey  
General Manager

\*As on 07.10.2021





# ITI LIMITED

(A Govt of India Undertaking)

CIN: L32202KA1950GOI000640

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.co.in

## NOTICE

NOTICE is hereby given that the Seventy First (71<sup>st</sup>) Annual General Meeting (AGM) of ITI Limited will be held on Wednesday, 10<sup>th</sup> November 2021 at 11.30 am through Video Conferencing ("VC") or Other Audio Visual Means ('OAVM') to transact the following business. The proceeding of the AGM shall be deemed to be conducted at the Registered Office : ITI Bhavan, Doorvani Nagar, Bengaluru-560016.

### I. ORDINARY BUSINESS:

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

**"RESOLVED THAT** the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon and comments of Comptroller and Auditor General of India, be and are hereby received, considered and adopted."

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

**"RESOLVED THAT** Shri Duvvuri Venkateswarlu (DIN: 08605954), who retires by rotation and being eligible, be and is hereby re-appointed as a Director of the Company."

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 2021-22".

### 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 Sections 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-14-6/2019-PSA dated 02<sup>nd</sup> November 2020, Shri Rakesh Chandra Tiwari (DIN: 08953397), be and is hereby appointed as Director Marketing of the Company from the date of assumption of charge i.e. 07<sup>th</sup> January 2021 till 30<sup>th</sup> November 2023 i.e. the date of his superannuation, or until further orders, whichever is

earlier, 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 Sections 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-5-1/2016-PSA dated 18<sup>th</sup> January 2021, Lt Gen Milind N Bhurke, AVSM, VSM, Signal Officer-in-Chief (DIN: 09168118), be and is hereby appointed as Government Director of the Company, for a period of three years or till the date of his superannuation or until further orders, whichever is earliest, not liable to retire by rotation, 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** pursuant to Sections 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 letter no. E-5-2/2021-PSA dated 06<sup>th</sup> July 2021, Dr Rajesh Sharma (DIN: 08200125), be and is hereby re-appointed as Government Director of the Company for a period of three years w.e.f. 01<sup>st</sup> August 2021 or till the date of superannuation or until further orders, whichever is earliest, not liable to retire by rotation, 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** 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 2021-22 be and is hereby ratified".

Registered & Corporate Office  
ITI Bhavan, Doorvaninagar

Place : Bengaluru  
Date : 07.10.2021

By Order of the Board  
For ITI Limited

**S. SHANMUGA PRIYA**  
COMPANY SECRETARY

## NOTES:

1. In view of the massive outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated January 13, 2021 read with General Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 and SEBI vide its Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (hereinafter collectively referred to as "the Circulars") 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 the 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 Regulation 36 (3) of Listing Regulations, 2015 and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, the brief resume/profile of the Director eligible for appointment/re-appointment vide Item No. 2, 4, 5 & 6 is appended to this Notice as **Annexure B**.
4. Since this AGM is being held pursuant to the 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, Attendance Slip and route map of the venue 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. Pursuant to Section 139 read with Section 142 of the Act, the Auditors of the Company are appointed by the Comptroller and Auditor General of India. However, the remuneration of auditors shall be fixed by the Company at the Annual General Meeting. Members may authorise the Board to determine and fix suitable remuneration payable to Auditors for the year 2021-22 after taking into consideration change(s), if any, in scope of assignments due to statutory requirements/ volume of work/ inflation index, etc.
7. 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.
8. Corporate Members / FIs / 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 [dvenkatacs@gmail.com](mailto:dvenkatacs@gmail.com) and [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
9. 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.
10. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 4<sup>th</sup> November 2021 to Wednesday, 10<sup>th</sup> November 2021 (both days inclusive) for the purpose of the Annual General Meeting (AGM).
11. In line with the MCA Circular, the Notice of the AGM alongwith the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 71<sup>st</sup> AGM along with full version of Annual Report 2020-21 has been uploaded on the website of the Company at [www.itiltd.in](http://www.itiltd.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](http://www.bseindia.com) and [www.nseindia.com](http://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](http://www.evotingindia.com).
12. 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.
13. 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.
14. Members are requested to advise the Registrar and Share Transfer Agents, M/s. Integrated Registry Management Services Private Ltd., 30, Ramana Residency, 04<sup>th</sup> Cross, Sampige Road, Malleswaram, Bengaluru – 560003, Tel No. 080-23460815-818, email id : [irg@integratedindia.in](mailto:irg@integratedindia.in) and their respective Depository Participants immediately of any change/updation in their address, e-mail ids, bank account details, nomination, etc.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants 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.
16. In terms of the provisions of Listing Regulations, w.e.f. 1<sup>st</sup> 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](mailto:irg@integratedindia.in) for assistance in this regard.

17. 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**.
18. 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](http://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 serve basis.

19. 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. Members seeking to inspect such documents can send an e-mail to [coscecry\\_crp@itilttd.co.in](mailto:coscecry_crp@itilttd.co.in).
20. 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.
21. Members may visit the website of the Company for more information on the Company.

Registered & Corporate Office  
ITI Bhavan, Doorvaninagar

By Order of the Board  
For ITI Limited

Place : Bengaluru  
Date : 07.10.2021

**S. SHANMUGA PRIYA**  
COMPANY SECRETARY

## Annexure A

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

### Item No. 4 to 6:

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. 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 Rakesh Chandra Tiwari

Shri Rakesh Chandra Tiwari (DIN: 08953397), was inducted into the Board as an Additional Director (Director Marketing) in pursuance of Ministry of Communications order no. E-14-6/2019-PSA dated 02<sup>nd</sup> November 2020 from the date of assumption of charge i.e. 07<sup>th</sup> January 2021 till 30<sup>th</sup> November 2023 i.e. the date of his superannuation, or until further orders, whichever is earlier. In terms of Section 161 of the Companies Act, 2013, Shri Rakesh Chandra Tiwari holds office upto the date of ensuing Annual General Meeting (AGM).

#### Lt Gen Milind N Bhurke, AVSM, VSM, Signal Officer-in-Chief, Ministry of Defence

The Ministry of Communications vide order No. E-5-1/2016-PSA dated 18<sup>th</sup> January 2021 has appointed Lt Gen Milind N Bhurke, AVSM, VSM, Signal Officer-in Chief, Ministry of Defence (DIN: 09168118) as Government

Director with effect from the date of order for a period of three years or till the date of his superannuation or until further orders whichever is earliest. However, appointment of Lt Gen Milind N Bhurke, AVSM, VSM, Signal Officer-in Chief has taken effect from 07<sup>th</sup> May 2021 i.e. the date of obtaining Director Identification Number.

#### Dr Rajesh Sharma, DDG-SU

Dr Rajesh Sharma, DDG-SU was inducted into the Board as Government Director w.e.f. 13<sup>th</sup> August 2018 for a period of three years or till the date of superannuation or until further orders whichever is earliest. The Ministry of Communications vide letter no. E-5-2/2021-PSA dated 06<sup>th</sup> July 2021 has re-appointed Dr Rajesh Sharma, DDG- SU (DIN: 08200125) as Government Director with effect from 01<sup>st</sup> August 2021 for a period of three years or till the date of his superannuation or until further orders whichever is earliest.

The Nomination and Remuneration Committee at its meeting held on 10<sup>th</sup> August, 2021 have recommended to the Members' for appointment of Shri Rakesh Chandra Tiwari, Lt Gen Milind N Bhurke and re-appointment of Dr Rajesh Sharma as Directors 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 Annual General Meeting for Members' approval.

Shri Rakesh Chandra Tiwari, Lt Gen Milind N Bhurke and Dr Rajesh Sharma 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 or their relatives is concerned or interested, in the resolution set out at item no. 4 to 6 of the notice.

Shri Rakesh Chandra Tiwari, Lt Gen Milind N Bhurke and Dr Rajesh Sharma do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Your directors recommend the ordinary resolutions for appointment of Shri Rakesh Chandra Tiwari, Lt Gen Milind N Bhurke and re-appointment of Dr. Rajesh Sharma as Directors of the Company as proposed in the notice for approval.

A brief profile of Shri Rakesh Chandra Tiwari, Lt Gen Milind N Bhurke and Dr Rajesh Sharma are provided in **Annexure B** of this Notice.

## Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment of following Cost Auditors to conduct the audit of the cost records of the various units of the Company for the financial year ending March 31, 2022:

Sl. No.	Name of the Cost Auditor	Audit Fees including GST (in Rs)
1.	GNV & Associates, Bangalore	2,36,000
2.	Aman Malviya & Associates, Lucknow	80,000
	Total	3,16,000

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 2021-22 is placed before the Member for their approval.

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

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

Registered & Corporate Office  
ITI Bhavan, Doorvaninagar

By Order of the Board  
For ITI Limited

Place : Bengaluru  
Date : 07.10.2021

**S. SHANMUGA PRIYA**  
COMPANY SECRETARY

## Annexure B

### Brief resume of Directors proposed for appointment /re-appointment

#### Item No. 2

##### Shri Duvvuri Venkateswarlu, Director - Production:

Shri Duvvuri Venkateswarlu has taken over charge of Director - Production of ITI Limited on 07<sup>th</sup> November 2019. He has joined the Company in 1985 as Assistant Executive Engineer and thereafter held various positions. He has rich experience of more than 3 decades in handling production of entire range of telecom equipment covering Switching, Transmission, Access products & Defence products. During his tenure in the company, he has spearheaded Production Unit of Bangalore plant for 5 years and thereafter he was promoted as General Manager and Unit Head of Palakkad plant.

Shri Venkateswarlu has been Instrumental in successfully upgrading the facilities like PCB Plant, SMT, Machine Shop, Injection Molding, 3D Printing areas under revival plan that helped ITI to bag orders from prestigious organizations like Defence, EESL, BHEL, BEL, ISRO, C-DAC etc.

He is B.Tech (Chemical) and M.Tech (Petroleum Refinery) from Andhra University.

- Number of Board Meetings attended during 2020-21 : 8
- Details of Directorships in other Listed Companies as on 31<sup>st</sup> March 2021 : Nil
- Membership / Chairmanship in the Committees of other Companies as on 31<sup>st</sup> March 2021 : Nil
- Number of shares held in the Company as on date : Nil
- Disclosure of inter-se relationships between Directors & Key Managerial Personnel : Nil

#### Item No. 4

##### Shri Rakesh Chandra Tiwari, Director Marketing:

Shri Rakesh Chandra Tiwari (DIN: 08953397), has been appointed as Director (Marketing), ITI Limited w.e.f. 7<sup>th</sup> January 2021. An Indian Telecommunication Service officer of 1985 batch, Shri Tiwari possesses more than 3 decades of rich and diversified experience in Telecom