



TECHNOLOGY FOR A BETTER LIFE

**INDO NATIONAL LIMITED**

# 46<sup>th</sup> ANNUAL REPORT

## 2018 -19



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## INDO NATIONAL LIMITED

(CIN L31909TN1972PLC006196)

**Registered Office:** 'Lakshmi Bhavan' IVth Floor, No.609, Mount Road, Chennai - 600 006.

**Corporate / Head Office:** 'Surya Varsh', 1st & 2nd Floor, Door No.17/9, Wallace Garden 2nd Street,  
Nungambakkam, Chennai - 600 006.

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## INDO NATIONAL LIMITED

### BOARD OF DIRECTORS

**N. Ramesh Rajan**

Chairman

**P. Dwaraknath Reddy**

Managing Director

**R.P. Khaitan**

Joint Managing Director

**P. Aditya Reddy**

Joint Managing Director

**S. Obul Reddy**

**Mrs. Lakshmmi Subramanian**

**M. Subramanyam**

(Upto 31st March, 2019)

**C.R. Sivaramakrishnan**

(From 01st April, 2019)

**J. Srinivasan**

**G Balu Associates LLP**

'Jammi Building',  
No.123, Royapettah High Road,  
Mylapore,  
Chennai - 600 004.

### CHIEF FINANCIAL OFFICER

### SECRETARY

### AUDITORS

### BANKERS

**Canara Bank**

**RBL Bank Ltd.**

**DBS Bank Ltd.**

**HDFC Bank Ltd.**

### REGISTERED OFFICE

No.609, Mount Road

Lakshmi Bhavan

IVth Floor

Chennai – 600 006

### CORPORATE / HEAD OFFICE

'Surya Varsh', 1st & 2nd Floor,  
Door No.17/9, Wallace Garden 2nd Street  
Nungambakkam,  
Chennai - 600 006.

### FACTORY

Tada Village

Nellore District - 524 401.

(Andhra Pradesh)



## NOTICE

NOTICE is hereby given that the FORTY SIXTH ANNUAL GENERAL MEETING of INDO- NATIONAL LTD will be held at Sri P. Obul Reddy Hall, Vani Mahal, No.103, G.N.Chetty Road, T.Nagar, Chennai-600 017 on Monday the 23<sup>rd</sup> day of September, 2019 at 3.00 P.M. to transact the following business:

### ORDINARY BUSINESS:

1. (a) To receive, consider and adopt the Directors Report, Audited Standalone Balance Sheet of the Company as at March 31, 2019 and the statement of Profit and Loss for the year ended that date together with the reports of the Auditors thereon.
- (b) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2019 together with the report of the Auditors thereon.
2. To declare a Dividend on equity shares of Rs.20/- per share (200%) for the year 2018-19.
3. To appoint a Director in the place of Mr.P. Dwaraknath Reddy (DIN:00277929), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.
4. To appoint a Director in the place Mr.R.P. Khaitan (DIN:00015801), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.
5. To appoint a Director in the place of Mr.P.Aditya Reddy (DIN:00482051), who retires by rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.
6. To appoint a Director in the place of Mr.S. Obul Reddy (DIN:00027829), who retires by

rotation under Article 147 of the Articles of Association of the Company and as per applicable provisions of the Companies Act 2013, and who, being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

7. To re-appoint Mr.P. Dwaraknath Reddy (DIN:00277929) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**.

Resolved that in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), as per Regulation 17(6)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, being a member of the promoter group, on the basis of recommendation of Nomination and Remuneration Committee and approval of the board, the consent of the Company be and is hereby accorded to the re-appointment of Mr.P. Dwaraknath Reddy (DIN:00277929) as Managing Director of the Company, for a period of one year with effect from 1<sup>st</sup> October 2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr.P. Dwaraknath Reddy (DIN:00277929), subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Resolved further that pursuant to provisions of section 197 (1) of the Companies Act, 2013



remuneration and other perquisites as stated in the Serial No.1 of the Explanatory Statement attached herewith, payable to Mr.P. Dwaraknath Reddy (DIN:00277929) Managing Director of the Company be and is hereby accorded for a period of one year with effect from 01<sup>st</sup> October 2019 to 30<sup>th</sup> September, 2020.

Resolved further that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr.P. Dwaraknath Reddy (DIN:00277929) Managing Director of the Company be paid minimum remuneration and perquisites in case of absence or inadequacy of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

8. To re-appoint Mr. R.P. Khaitan (DIN:00015801) as Joint Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**.

Resolved that in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(6)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, being a member of the promoter group, on the basis of recommendation of Nomination and Remuneration Committee and approval of the board the consent of the Company be and is hereby accorded to the appointment of Mr. R.P. Khaitan (DIN:00015801) as Joint Managing Director of the Company, for a period of one year with effect from 1<sup>st</sup> October

2019, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. R.P. Khaitan, (DIN:00015801) subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

Resolved further that pursuant to the provisions of Section 197(1) of the Companies Act, 2013 remuneration and other perquisites as stated in the Serial No.2 of the Explanatory statement attached herewith, payable to Mr. R.P. Khaitan, (DIN:00015801) Joint Managing Director of the Company be and is hereby accorded for a period of one year with effect from 01<sup>st</sup> October 2019 to 30<sup>th</sup> September, 2020.

Resolved further that pursuant to sub-section (3) of Section 197 of the Companies Act, 2013, Mr. R.P. Khaitan (DIN:00015801), Joint Managing Director of the Company be paid minimum remuneration and perquisites in case of absence or inadequacy of profits in any financial year of the Company during his term of office but does not exceeding the limit specified under Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

9. Consent for the continuation of payment of remuneration to Mr. P. Aditya Reddy (DIN:00482051) Joint Managing Director of the company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**.



Resolved that in addition to the earlier resolutions passed by the members at the Annual General Meeting dated 23.09.2016, pursuant to provisions of Sections 197 and 198 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, read with schedule V of the said Act, and on the recommendation of the Nomination and Remuneration Committee and approval by the Board of Directors and in accordance with the amendment made in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Consent of the Company be and is hereby accorded for the payment of remuneration, as stated in the Serial No.3 of the explanatory statement attached herewith, to Mr. P. Aditya Reddy, Joint Managing Director of the Company (DIN: 00482051), being a member of the Promoter Group, until the expiry of his tenure of services, subject to the maximum overall ceiling limit as prescribed under the Companies Act, 2013.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

10. To consider and thought fit to pass with or without modification, the following as an Ordinary Resolution:

Resolved that pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and FAQ on SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 released by SEBI dated January 08,2016, section 188 and other applicable provisions if any, of the Companies Act, 2013, and rules made thereunder, including any amendment, modification, variation are re-enactment thereof for the time being in force and on the basis of approval of the Audit Committee the consent of the company be and is hereby accorded for, related party transactions to be entered by the company as per chart appended below.

S.No.	Name of Related Party	Transactions	Value of transaction	Period
1.	M/s.Associated Electrical Agencies	Sale/ Supply of Nippo Brand Products and interest on over dues and other Services.	Rs.125 Crs per year (Rupees One hundred and Twenty five Crores only)	1 <sup>st</sup> October 2019 to 30 <sup>th</sup> September, 2022

Resolved further that to give effect to the resolution the Board of Directors /Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto.

11. To consider and thought fit to pass with or without modification, the following as an Ordinary Resolution:

Resolved that pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and FAQ on SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 released by SEBI dated January 08,2016 , section 188 and other applicable provisions if any, of the Companies Act, 2013, and rules made thereunder, including any amendment, modification, variation are re-enactment thereof for the time being in force and on the basis of approval of audit committee the consent of the company be and is hereby accorded for, related party transactions to be entered by the company as per chart appended below.

S.No.	Name of Related Party	Transactions	Value of transaction	Period
1.	M/s.Apex Agencies	Sale/ Supply of Nippo Brand Products and interest on over dues and other Services.	Rs.125 Crs per year (Rupees One hundred and Twenty five Crores only)	1 <sup>st</sup> October 2019 to 30 <sup>th</sup> September, 2022

Resolved further that to give effect to the resolution the Board of Directors /Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto.

12. To approve the remuneration of the Cost Auditor for the financial year ending March 31, 2020 and in this regard to consider and if thought fit to pass the following resolution as ordinary resolution.

Resolved that pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modifications or re-enactments thereof, for the time being in force) Mr. P. Raju Iyer, Cost accountant appointed by the Board of Directors of the Company on the recommendations of the audit committee be paid the remuneration of Rs.75,000/- plus out of pocket expense to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020.

Resolved further that the Board of directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary proper or expedient to give effect to this resolution.

For and on behalf of the Board of Directors  
For Indo National Ltd

Place: Chennai  
Date : 13<sup>th</sup> August, 2019

N. Ramesh Rajan  
Chairman  
(DIN:01628318)

#### NOTES:

1. The Explanatory Statement as per the provisions of section 102 of the Companies Act, 2013 in respect of the items of the Special Business as set out above is annexed.
2. **A member entitled to attend and vote at this annual general meeting may appoint a proxy to attend and vote on his behalf. Such a proxy need not be a member of the company. Proxies, in order to be effective, must be received at the Registered/ Corporate Office of the company not less than Forty-Eight hours before the commencement of the meeting.**
3. The requirement relating to ratification of appointment of Statutory Auditors by members at every Annual General Meeting is done away with Notification issued by MCA, New Delhi. Accordingly no resolution is proposed for ratification of appointment of Auditors, who was appointed in the Annual General Meeting, held on 25<sup>th</sup> September 2017.
4. Pursuant to Section 105 of the Companies Act, 2013 a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 17<sup>th</sup> September, 2019 to 23<sup>rd</sup> September, 2019 (Both days inclusive).
6. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. M. Damodaran of M.Damodaran & Associates, Practicing Company Secretaries, Chennai as Scrutinizer. The procedure and instructions for e-voting are as under:
  - i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - ii) Now click on "Shareholders" to cast your votes.
  - iii) Now, select the "Company Name" from the drop down menu and click on "SUBMIT".
  - iv) Now, fill up the following details in the appropriate boxes: