

**RELIANCE**

**CAPITAL**

**Annual Report  
2018- 19**



**Padma Vibhushan**  
**Shri Dhirubhai H. Ambani**  
(28th December, 1932 – 6th July, 2002)  
Reliance Group – Founder and Visionary

# Profile

Reliance Capital Limited is a constituent of the Reliance Group, one of the leading business houses in India.

Reliance Capital, incorporated in 1986, is one of India's leading private sector financial services companies.

Reliance Capital has interests in asset management and mutual funds, pension funds, life, health and general insurance, commercial and home finance, stock broking, wealth management services, distribution of financial products, asset reconstruction, proprietary investments and other activities in financial services.

## Mission: Excellence in Financial Services

- To attain global best practices and become a world-class financial services enterprise – guided by its purpose to move towards greater degree of sophistication and maturity.
- To work with vigour, dedication and innovation to achieve excellence in service, quality, reliability, safety and customer care as the ultimate goal.
- To earn the trust and confidence of all stakeholders, exceeding their expectations and make the Company a respected household name.
- To consistently achieve high growth with the highest levels of productivity.
- To be a technology driven, efficient and financially sound organisation.
- To deliver ease, speed and convenience to our customers through integrated digital platforms.
- To be a provider of end to end financial solutions that can bring financial stability, security and opportunities to create wealth for all our stakeholders.
- To contribute towards community development and nation building.
- To be a responsible corporate citizen nurturing human values and concern for society, the environment and above all the people.
- To promote a work culture that fosters individual growth, team spirit and creativity to overcome challenges and attain goals.
- To encourage ideas, talent and value systems.
- To uphold the guiding principles of trust, integrity and transparency in all aspects of interactions and dealings.

## Business mix

### Reliance Capital

#### ASSET MANAGEMENT

Mutual  
Fund

Offshore  
Fund

Exchange  
Traded  
Funds

Alternative  
Investment  
Funds

#### INSURANCE

Life  
Insurance

General  
Insurance

Health  
Insurance

#### BROKING& DISTRIBUTION

Stock  
Broking

Wealth  
Management

Third Party  
Distribution

#### COMMERCIAL FINANCE

SME  
Loans

Retail  
Loans

Microfinance  
Loans

Renewable  
Loans

#### HOME FINANCE

Affordable  
Housing  
Loans

Home  
Loans

Loan Against  
Property

Construction  
Finance

#### OTHER BUSINESSES

Proprietary  
Investments

Institutional  
Broking

Asset  
Reconstruction

## Board of Directors

Mr. Anil Dhirubhai Ambani	- Chairman
Mr. Amitabh Jhunjhunwala	- Vice Chairman
Mr. Rajendra P. Chitale	
Dr. Bidhubhusan Samal	
Mr. V. N. Kaul	
Ms. Chhaya Virani	
Mr. Rahul Sarin	
Dr. Thomas Mathew	
Mr. Anmol Ambani	- Executive Director

## Key Managerial Personnel

Mr. Amit Bapna	- Chief Financial Officer
Mr. Atul Tandon	- Company Secretary & Compliance Officer

## Auditors

M/s. Pathak H.D. & Associates

## Registered Office

Reliance Centre, Ground Floor  
19, Walchand Hirachand Marg  
Ballard Estate, Mumbai 400 001  
CIN : L65910MH1986PLC165645  
Tel. : +91 22 4303 1000  
Fax : +91 22 4303 6664  
E-mail : [rcl.investor@relianceada.com](mailto:rcl.investor@relianceada.com)  
Website: [www.reliancecapital.co.in](http://www.reliancecapital.co.in)

## Registrar and Transfer Agent

Karvy Fintech Private Limited  
Karvy Selenium Tower – B  
Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25  
Financial District, Nanakramguda  
Hyderabad 500 032  
Website: [www.karvyfintech.com](http://www.karvyfintech.com)

## Investor Helpdesk

Toll free no. (India) : 1800 4250 999  
Tel. : +91 40 6716 1500  
Fax : +91 40 6716 1791  
E-mail : [rclinvestor@karvy.com](mailto:rclinvestor@karvy.com)

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**33<sup>rd</sup> Annual General Meeting on Monday, September 30, 2019 at 10:00 A.M. at Rama & Sundri  
Watumull Auditorium, Vidyasagar, Principal K. M. Kundnani Chowk,  
124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020**

**Highlights – at a glance (Standalone)**

(₹ in crore)

Year ended March 31	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Turnover	<b>2 317</b>	3 315	2 071	4 145	3 988	3 254	3 868	3 317	1 971	2 390
Earnings Before Depreciation, Interest & Tax (EBDIT)	<b>2 147</b>	2 910	1 904	3 510	3 232	2 777	2 912	2 712	1 472	1 724
Depreciation	<b>53</b>	21	27	37	31	34	29	26	14	18
Profit after Tax	<b>157</b>	828	517	977	757	409	662	519	229	339
Equity Dividend %	-	110	105	100	90	85	80	75	65	65
Dividend Payout	-	330	290	279	257	225	212	191	161	187
Equity Share Capital	<b>253</b>	253	253	253	253	244	246	246	246	246
Reserves and Surplus	<b>8 615</b>	13 915	13 448	13 028	12 330	11 390	11 266	10 798	6 782	6 713
Net Worth	<b>8 868</b>	14 006	13 579	13 131	12 387	11 458	11 346	10 910	6 958	6 886
Total Assets	<b>29 745</b>	36 352	33 266	36 354	35 702	36 515	33 557	30 183	26 608	20 025
Market Capitalisation	<b>5 167</b>	10 697	15 539	9 306	10 726	8 496	7 681	9 625	14 280	18 537
Number of Employees (Core)	<b>132</b>	125	139	132	124	124	119	115	139	54

**Key Indicators**

Year ended March 31	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
EBDIT/Gross Turnover %	<b>93</b>	88	92	85	81	85	75	32	76	72
Net Profit Margin %	<b>7</b>	25	25	24	19	13	17	16	12	14
Earnings Per Share (₹)	<b>6</b>	33	17	39	31	17	27	21	9	14
Book Value Per Share (₹)	<b>351</b>	554	538	520	490	467	462	444	283	280
Debt : Equity Ratio	<b>2.19:1</b>	1.48:1	1.38:1	1.64:1	1.76:1	2:1	1.84:1	1.67:1	2.66:1	1.71:1

Note: Figures upto Financial Year 2018 are Audited Indian GAAP numbers.

## Notice

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of **Reliance Capital Limited** will be held on Monday, September 30, 2019 at 10:00 A.M., at Rama & Sundri Watumull Auditorium, Vidyasagar, Principal K. M. Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai 400 020, to transact the following business:

### Ordinary Business:

1. To consider and adopt:
  - a) the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and
  - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of the Auditors thereon.
2. To appoint Ms. Ryna Karani (DIN:00116930), as a Director of the Company, liable to retire by rotation under the provisions of the Companies Act, 2013.
3. To confirm M/s. Pathak H.D. & Associates, Chartered Accountants, continuing as sole Statutory Auditors of the Company and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/s. Pathak H.D. & Associates, Chartered Accountants (Firm Registration No. 107783W), who have been appointed as the Auditors to hold office till the conclusion of the 35<sup>th</sup> Annual General Meeting be and is hereby confirmed as the sole Statutory Auditors of the Company."

### Special Business:

#### 4. Appointment of Mr. Rahul Sarin as an Independent Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rahul Sarin (DIN: 02275722), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 5 (five) consecutive years commencing from August 16, 2019."

#### 5. Appointment of Dr. Thomas Mathew as an Independent Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the

"Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Thomas Mathew (DIN: 05203948), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 5 (five) consecutive years commencing from August 16, 2019."

#### 6. Re-appointment of Ms. Chhaya Virani as an Independent Director

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Chhaya Virani (DIN: 06953556), who was appointed as an Independent Director and holds office up to May 29, 2020 and who has given her consent for the appointment as an Independent Director submitted a declaration that she meets the criteria for independence under Section 149 of the Act and the Listing Regulations and is eligible for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for appointment as a Director and in accordance with the recommendation of the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from May 29, 2020."

#### 7. Private Placement of Non-Convertible Debentures and / or other Debt Securities for refinancing of existing debt

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the provisions of the Memorandum of Association and the Articles of Association of the Company, the Securities and Exchange Board of India ("SEBI") (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines, and subject to such other applicable laws, rules and regulations and guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any duly constituted committee of the Board) for making offer(s) or invitation(s) to subscribe to Secured / Unsecured / Redeemable / Non-Redeemable Non-Convertible Debentures (NCDs) including but not limited to subordinated debentures, bonds, and / or other debt securities, etc., on a private placement basis,

## Notice

in one or more series / tranches, for refinancing of existing debt within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine, negotiate, modify and finalise the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing, redemption period, utilisation of the issue proceeds and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds / documents / undertakings / agreements / papers / writings, as may be required in this regard."

### 8. **Sale / disposal of asset(s) / undertaking(s) of the Company, its subsidiaries, associates and joint ventures**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the rules made thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), any other applicable rules, regulations, guidelines and other provisions of law, enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to all necessary approvals, consents, permissions and sanctions, from the concerned authorities / bodies including lenders and other persons holding encumbrance / charge, and subject to such terms and conditions and / or modifications as may be prescribed by any of them while granting such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred under this Resolution on any person duly authorised by the Board in these behalf), consent of the Members of the Company be and is hereby accorded to the Board to sell, lease, convey, transfer, assign, deliver or otherwise dispose off, from time to time, in one or more tranches, all or any of the tangible and / or intangible assets, properties, investments, contracts, book debts, rights, licenses, permits or other assets of whatsoever nature and / or the whole or substantially the whole of the undertaking or undertakings of the Company and / or to mortgage, charge, convey and deliver or otherwise dispose off and / or cause to be sold, assigned, transferred and delivered, investment in subsidiaries, associates or joint ventures of the Company together with all their respective assets and / or liabilities / obligations of whatsoever nature and kind and wheresoever situated, in whole or in part; on a going concern basis or otherwise, in such manner and for such consideration and at such time and on such terms and conditions, as the Board may in its absolute discretion deem fit and appropriate.

**RESOLVED FURTHER THAT** the authority and liberty be and is hereby specifically conferred on the Board without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution to finalise and execute necessary documents including but not limited to agreements, memoranda, deeds of assignment / conveyance

and other ancillary documents, with effect from such date and in such manner and to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution or any matter incidental thereto, and to settle and finalise any question, difficulty or doubt that may arise in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution."

By Order of the Board of Directors

Atul Tandon

Company Secretary & Compliance Officer

Registered Office:

Reliance Centre, Ground Floor  
19, Walchand Hirachand Marg  
Ballard Estate, Mumbai 400 001  
CIN: L65910MH1986PLC165645  
Website: [www.reliancecapital.co.in](http://www.reliancecapital.co.in)

August 29, 2019

### Notes:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 (the "Act") relating to the special business to be transacted at the Annual General Meeting (the "Meeting") is annexed hereto.
2. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of herself / himself and the proxy need not be a member of the Company. The instrument appointing the proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before commencement of the Meeting.**
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. However, a member holding more than ten per cent 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 proxy for any other shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of their board resolution authorising their representative(s) together with their specimen signature(s) to attend and vote on their behalf at the Meeting.
5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
6. Members / Proxies are requested to bring their duly filled attendance slip sent herewith along with their copy of the annual report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Members who hold share(s) in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio number in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.



Notice

9. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays between 11:00 A.M. and 1:00 P.M. up to the date of the Meeting. The certificate from the Statutory Auditors of the Company confirming the compliance of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 with respect to the Company's Employees Stock Option Scheme Plans will be available for inspection at the Meeting.
10. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares held in electronic form.
11. Non-Resident Indian members are requested to inform Karvy Fintech Private Limited (Karvy), the Company's Registrar and Transfer Agent immediately on:
  - a. the change in the residential status on return to India for permanent settlement; and
  - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Subsequent to resignation of M/s. Price Waterhouse & Co Chartered Accountants LLP as one of the Statutory Auditors, M/s. Pathak H.D. & Associates, Chartered Accountants confirmed to continue as sole Statutory Auditors of the Company. Accordingly, resolution set out at item no. 3 seeking confirmation of Members is proposed as an abundant caution.
13. Appointment of Director:

At the ensuing Annual General Meeting, Ms. Ryna Karani, is proposed to be appointed as a Director of the Company, liable to retire by rotation under the provisions of the Companies Act, 2013 (the 'Act'). The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment.

Ms. Ryna Karani, 50 years, is a partner of ALMT Legal, Advocates and Solicitors since November 2006 and part of the firm's corporate and commercial team. She has been practicing as a lawyer since 1994 and enrolled as an Advocate with the Bar Council of Maharashtra and Goa. Her practice includes advising on mergers and acquisitions, joint ventures, private equity and investment funds on a full range of corporate transactions including cross border transactions. She has advised and assisted number of foreign clients in establishing a presence in India through incorporation of companies and/or establishment of liaison offices. She is a member of the Society of Women Lawyers.

She is proposed to be appointed as a Non-executive Director at the ensuing Annual General Meeting and shall be liable to retire by rotation. She shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

She is also on the board of Reliance Infrastructure Limited, Reliance Communications Limited, BSES Yamuna Power Limited, BSES Rajdhani Power Limited, Ineos Styrolution India Limited and Prime Urban Development India Limited.

She is the chairperson of Audit Committee of BSES Yamuna Power Limited and a member of Audit Committee of Reliance

Infrastructure Limited, BSES Rajdhani Power Limited, Reliance Communications Limited and Ineos Styrolution India Limited. She is a member of Nomination and Remuneration Committee of Prime Urban Development India Limited and Reliance Communications Limited. She is the chairperson of Stakeholders Relationship Committee of Ineos Styrolution India Limited and a member of Stakeholders Relationship Committee of Reliance Communications Limited. She is the chairperson of Corporate Social Responsibility Committee of Reliance Infrastructure Limited and a member of Corporate Social Responsibility Committee of Reliance Communications Limited.

She fulfils the Fit and Proper Criteria of Directors as per the requirements of Guidelines on Corporate Governance issued by the Reserve Bank of India and has given her declaration in this regard.

She does not hold any share in the Company and does not have any relationship with other Directors and Key Managerial Personnel of the Company.

The above be treated as the disclosure pursuant to the requirements of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

14. Members are advised to refer to the section titled 'Investor Information' provided in this Annual Report.
15. **SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.**
16. Members are requested to fill in and submit the Feedback Form provided in the 'Investor Relations' section on the Company's website [www.reliancecapital.co.in](http://www.reliancecapital.co.in) to aid the Company in its constant endeavour to enhance the standards of service to investors.
17. The Statement containing the salient features of the balance sheet, the statement of profit and loss and auditors' report on the Abridged Financial Statement, is sent to the Members, along with the Abridged Consolidated Financial Statement. Any Member interested in obtaining a copy of the full Annual Report, may write to the Company or the Registrar and Transfer Agent of the Company.
18. Members holding shares in physical mode:
  - a. are required to submit their Permanent Account Number (PAN) and bank account details to the Company / Karvy, if not registered with the Company as mandated by SEBI.
  - b. are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website and can be accessed at link <http://www.reliancecapital.co.in/Download-Forms.aspx>.
  - c. are requested to register / update their e-mail address with the Company / Karvy for receiving all communications from the Company electronically.
19. Members holding shares in electronic mode:
  - a. are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
  - b. are advised to contact their respective DPs for registering the nomination.
  - c. are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

## Notice

20. The Securities and Exchange Board of India vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, with a view to address the difficulties in transfer of shares, faced by non-residents and foreign nationals, has decided to grant relaxations to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives subject to the following conditions:
- a. The relaxation shall only be available for transfers executed after January 1, 2016.
  - b. The relaxation shall only be available to non-commercial transactions, i.e. transfer by way of gift among immediate relatives.
  - c. The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.
21. Members who hold shares in physical form, in multiple folios, in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Transfer Agent for consolidation into a single folio.
22. The physical copy of Annual Report 2018-19, the Notice of the AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent to those shareholders whose e-mail addresses are not registered with the Company and by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless a member has requested for a physical copy of the documents. All the above documents are also available on the website of the Company.
23. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of

the Listing Regulations, the Company is offering e-voting facility to all Members of the Company through Notice dated August 29, 2019 (remote e-voting). A person, whose name is recorded in the Register of Members or in the Register of Beneficial owner (in case of electronic shareholding) maintained by the depositories as on the cut-off date i.e. September 23, 2019 only shall be entitled to avail the facility of remote e-voting / voting. Karvy will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from 10:00 A.M. on September 26, 2019 to 5:00 P.M. on September 29, 2019. The Members shall refer to the detailed procedure on remote e-voting given in the e-voting instruction slip. The facility for voting shall also be available at the Meeting. The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting, but shall not be entitled to cast their votes again at the Meeting. The Board of Directors have appointed Mr. Anil Lohia, Partner or in his absence Mr. Rinkit Kiran Uchat, Partner, M/s. Dayal and Lohia, Chartered Accountants as the Scrutiniser to scrutinise the voting process in a fair and transparent manner.

The Scrutiniser will submit his report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the Meeting of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. The result of the voting will be submitted to the Stock Exchanges, where the shares of the Company are listed and posted on the website of the Company and also on the website of Karvy.

## Statement pursuant to Section 102 (1) of the Companies Act, 2013 to the accompanying Notice dated August 29, 2019

### Item Nos. 4 & 5 Appointment of Mr. Rahul Sarin and Dr. Thomas Mathew as Independent Directors.

Mr. Rahul Sarin and Dr. Thomas Mathew were appointed as the Independent Directors of the Company by the Board with the recommendation of the Nomination and Remuneration Committee, for a term up to 5 (five) consecutive years commencing from August 16, 2019, in accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 (the 'Act').

The Company had received declarations from the above mentioned Directors confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and under the Listing Regulations. In the opinion of the Board, each of the Directors fulfil the conditions specified in the Act and the Listing Regulations for their respective appointment as Independent Directors and that they are independent of the management.

Keeping in view the above, it is proposed to seek approval of the Members to appoint Mr. Rahul Sarin and Dr. Thomas Mathew as Independent Directors on the Board of the Company, not liable to retire by rotation.

As required under Section 160 of the Act, the Company has received notices in writing from members proposing the candidature of Mr. Rahul Sarin and Dr. Thomas Mathew for their respective offices of Director of the Company.

Mr. Rahul Sarin and Dr. Thomas Mathew are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent(s) to act as Director.

The Directors fulfil the Fit and Proper Criteria of Directors as per the requirements of Guidelines on Corporate Governance issued by the Reserve Bank of India and have given their declaration in this regard.

The details pertaining to Mr. Rahul Sarin and Dr. Thomas Mathew are furnished hereunder:

Mr. Rahul Sarin, 69 years, a civil servant with a distinguished record of public service of over thirty five years, retired as Secretary to Government of India. This experience was buttressed by five years of judicial experience after superannuation as Member, Competition Appellate Tribunal and Airport Economic Regulatory Authority Appellate Tribunal. His diverse experience of field level assignments and top management positions in State and Central Government, Public Sector, together with a foreign assignment and exposure of working with international organisations has given him an invaluable insight. From his experience he has gained a clear vision of the intricacies and challenges of public decision making and the dynamics of the policy space of socioeconomic transformation. He has also been at the forefront of the two evolving regimes of economic regulation in their very first five years of their inception in 2009. While it is imperative that economic regulation be subject to judicial review based on the overarching principles of legality, fairness, reasonability and the integrity of the judicial process, at the same time it is essential to recognize the perils of over enforcement leading to chilling effects on the economy.

Mr. Sarin has published two books: Development Perspectives in 2016 and China's Agriculture and Political Economy in 2017.