



TUBE INVESTMENTS OF INDIA LIMITED

(CIN: L35100TN2008PLC069496)

Registered Office: "Dare House", 234, N S C Bose Road, Chennai 600 001.

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Phone: 044-42177770-5 – Fax: 044-42110404

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the THIRTEENTH ANNUAL GENERAL MEETING of the Members of Tube Investments of India Limited will be held on **Friday, the 13th August 2021 at 3.30 P.M.** through Video Conferencing (VC) or through other permitted audio-visual means (OAVM) to transact the following business (hereinafter referred to as "e-AGM"):

ORDINARY BUSINESS

1. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2021, the Reports of the Board of Directors and the Auditors thereon, be and are hereby received and adopted.
2. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2021 and the Report of the Auditors thereon, be and are hereby received and adopted.
3. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that out of the profits of the Company for the financial year ended 31st March 2021, a final dividend at the rate of ₹1.50 (Rupee One and paise fifty only) per share on the equity share capital of the Company, as recommended by the Board of Directors, be and the same is hereby declared for the financial year, 2020-21 and that the said dividend be paid to those Members whose names appear on the Register of Members as on 13th August 2021 or their mandates in case the shares are held in physical form, thus making a total dividend of ₹3.50 per equity share of ₹1/- each for the financial year including the interim dividend of ₹2/- per share already paid, which is hereby confirmed.
RESOLVED FURTHER that in respect of shares held in electronic form, the dividend be paid to the beneficial holders of the dematerialised shares as on 13th August 2021 as per details furnished by the depositories for this purpose.
4. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vellayan Subbiah (holding DIN 01138759), who retires by rotation to comply with the provisions of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company.

SPECIAL BUSINESS

5. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. M A M Arunachalam (holding DIN 00202958), Additional Director, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a non-executive Director of the Company, liable to retire by rotation.
6. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that pursuant to the provisions of Sections 149 read with Schedule IV, 150, 152, 161 and other applicable provisions of the Companies Act, 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Anand Kumar (holding DIN 0818724), Additional Director, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five years from 24th March 2021 to 23rd March 2026 (both days inclusive).
7. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
RESOLVED that pursuant to the provisions of Sections 149 read with Schedule IV, 150, 152, 161 and other applicable provisions of the Companies Act, 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Ms. Sasikala Varadachari (holding DIN 07132398), Additional Director, who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of four years from 17th June 2021 to 16th June 2025 (both days inclusive).

8. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
- RESOLVED that pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and/or other applicable Rules [including any statutory modification(s) or re-enactment thereof for the time being in force], Regulation 17(6)(ca) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, consent of the Company be and is hereby accorded, on the basis of the recommendations of the Nomination & Remuneration Committee and the Board of Directors of the Company, for payment of a commission of ₹61,64,384/- to Mr. M M Murugappan (holding DIN 00170478), former Chairman (non-executive, promoter) for the financial year 2020-21.
- RESOLVED FURTHER that the Board of Directors of the Company (which includes a duly constituted Committee thereof) 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. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
- RESOLVED that in accordance with the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as "the Act") read with the Articles of Association of the Company, the Directors of the Company (including the alternate Directors), who are neither in the whole-time employment of the Company nor are the Managing Director(s)/Manager of the Company, be paid, in respect of each of the financial years of the Company, on and from the financial year which commenced from the 1st April 2021 up to the financial year ending on the 31st March 2026, a remuneration by way of commission not exceeding, in aggregate, an amount equal to one percent of the net profits of the Company as computed under Section 198 of the Act.
- RESOLVED FURTHER that the Board of Directors be and is hereby authorised to decide, from time to time, the quantum and manner of distribution of the amount of commission to one or more Directors within the limits prescribed and in terms of the Act.
- RESOLVED FURTHER that the aforesaid commission shall be exclusive of the fees payable to such Directors for attending the meetings of the Board and the Committees thereof.
- RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.
10. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
- RESOLVED that pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other the Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time) ("Act"), consent of the Members, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to further invest amount(s) not exceeding ₹2 Crores (Rupees Two Crores only) in M/s Watsun Infrabuild Private Limited, from time to time, in one or more tranches, as the Board may, in its absolute discretion, deem beneficial in the interest of the Company notwithstanding that the proposed investment, as aforesaid, when made, taken together with the investments so far made or being made in all other bodies corporate, loans and guarantees so far given or to be given may exceed the limits specified under Section 186 of the Act.
- RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary, proper or expedient without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given all necessary approval thereto expressly by the authority of this Resolution.
11. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
- RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other the rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time) ("Act"), consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to invest such amount(s), from time to time, in one or more tranches, in any start-up companies/body corporate(s) engaged in innovative research and development of new technology/ies in various fields/activities of business interest to the Company, including in the fields of power generators, alternate fuels, environmental sustainability, energy storage systems, Internet of Things (IoT), medical devices, smartphone components, compressors, electric vehicles etc., inter alia with the objective of developing new revenue streams/growth opportunities for the Company, not exceeding a sum of ₹25 Crores (Rupees Twenty Five Crores only), in the aggregate, by way of subscription of, purchase or otherwise in, the securities offered by such start-up companies or such body corporate(s), as the Board may in its absolute discretion deem fit, notwithstanding that the proposed investments, as aforesaid, when made, taken together with the investments so far made or being made in all other bodies corporate, loans and guarantees so far given or to be given, may exceed the limits specified under Section 186 of the Act.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be necessary, proper or expedient without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given all necessary approval thereto expressly by the authority of this Resolution.

12. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder [including any statutory modification(s) or re-enactment thereof, for the time being in force], the remuneration to M/s. S Mahadevan & Co., Cost Accountants (holding Registration No.000007) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2021-22, amounting to ₹3 Lakhs (Rupees Three Lakhs only) in addition to reimbursement of out-of-pocket expenses incurred in connection with the said audit but excluding taxes, as may be applicable, be and is hereby ratified and confirmed.

RESOLVED FURTHER that the Board of Directors of the Company 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.

Chennai
9th July 2021

By Order of the Board
S Suresh
Company Secretary

NOTES:

(a) Convening of Annual General Meeting through Video Conferencing / other Audio Visual Means facility:

In view of the resurgence of the COVID-19 pandemic, social distancing norm to be followed and lock-down/lock-down like restrictions imposed across the country and pursuant to General Circular Nos. 14/2020, 17/2020, 22/2020, 33/2020 and 02/2021 dated 8th April 2020, 13th April 2020, 15th June 2020 and 28th September 2020 respectively, and also, the General Circular No.02/2021 dated 13th January 2021 issued in continuation thereof by the Ministry of Corporate Affairs (hereinafter collectively referred as “**MCA Circulars**”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and also Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 in continuation thereof issued by the Securities and Exchange Board of India (“**SEBI Circular**”) and in compliance with the provisions of the Companies Act, 2013 (“**Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Annual General Meeting (“**e-AGM**” or “**AGM**” or “**Meeting**”) of the Company convened is being conducted through Video Conferencing (“**VC**”)/other Audio Visual Means (“**OAVM**”) facility, which does not require physical presence of the Members of the Company (“**Members**”) at a common venue. Hence, the Members are requested to attend and participate at the ensuing e-AGM through VC/OAVM facility being provided by the Company through National Securities Depository Limited (“**NSDL**”).

The deemed venue for the e-AGM shall be the registered office of the Company.

(b) Quorum:

The attendance of the Members attending the e-AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

The Members can join the e-AGM in the VC/OAVM mode 30 (thirty) minutes before the scheduled time of the commencement of the e-AGM. The Company may close the window for joining the VC/OAVM facility 15 (fifteen) minutes after the scheduled time to start the e-AGM. The facility of participation at the e-AGM through VC/OAVM will be made available for 1,000 (one thousand) Members on first-come-first-served basis. This will not include large shareholders (shareholders holding 2% (two per cent) or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee and Auditors of the Company, who are allowed to attend the e-AGM without restriction on account of first-come-first served basis.

(c) Proxy(ies):

Pursuant to the provisions of the Act, a Member entitled to attend and vote at an AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the proxy form and attendance slip are not annexed to this Notice.

(d) Explanatory Statement:

An explanatory statement as per Section 102 of the Act in respect of the business under Item Nos. 5 to 12 of this Notice, proposed to be transacted at the e-AGM, is annexed to this Notice.

(e) Corporate Representations:

Pursuant to the provisions of Section 113 of the Act, body corporate Members who intend their authorised representative(s) to attend the e-AGM are requested to send, to the Company, a certified copy of the resolution of its board of directors or other governing body, authorizing such representative(s) along with the respective specimen signature(s) of those representative(s) authorised to attend the e-AGM through VC/OAVM facility and participate thereat and cast their votes through e-voting. The said resolution/authorization shall be sent to the scrutinizer by e-mail through its registered email address to rsaevoting@gmail.com with a copy marked to evoting@nsdl.co.in.

(f) Queries:

Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investorservices@tii.murugappa.com. Questions/queries received by the Company till 5 p.m. (IST) on 10th August 2021 shall only be considered and responded during the e-AGM.

Members who would like to express their views or ask questions during the AGM may register themselves as a Speaker by sending an email to investorservices@tii.murugappa.com any time before 5.00 p.m. (IST) on 10th August 2021, mentioning their name, demat account number/folio number, email id and mobile number. Those Members 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 questions and number of speakers, as appropriate for smooth conduct of the AGM, depending on availability of time.

The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

(g) Dispatch of Notice through electronic means and inspection of documents:

In terms of Sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the Notice of AGM by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular, electronic copy of the Notice of the e-AGM of the Company is being sent to all the Members whose e-mail address are registered with the Company/RTA (defined below)/depository participant(s).

The Members may also note that the Notice of the e-AGM will also be available on the Company's website www.tiindia.com and on the website of Stock Exchanges (where the shares of the Company are listed i.e. BSE Limited www.bseindia.com and National Stock Exchange of India Limited www.nseindia.com and also on the website of NSDL www.evoting.nsdl.com for download. Members may note that relevant documents referred in the Notice shall be made available at the registered office of the Company during business hours (9.30 a.m. to 5.30 p.m.) on all working days up to the date of the AGM, in accordance with applicable statutory requirement based on request received by the Company for inspection at investorservices@tii.murugappa.com. The relevant document(s)/registers for inspection during the AGM will be made available electronically.

For Members who have not received the Notice due to change/non-registration of their e-mail address with the Company/RTA (defined below)/depository participants, they may request, for the Notice, by sending an email at evoting@nsdl.co.in. Post receipt of such request and verification of records of the Members, the Members would be provided soft copy of the Notice and the Annual Report. It is clarified that for registration of email address, the shareholders are however requested to follow due procedure for registering their email address with the Company/ RTA (defined below) in respect of physical holdings and with the depository participants in respect of electronic holdings. Those Members who have already registered their email addresses are requested to keep their email addresses validated with their depository participants/RTA(defined below)/Company to enable servicing of notices/documents/annual reports electronically to their email address.

The Members who have not received any communication regarding this e-AGM for any reason whatsoever, and are eligible for vote are also entitled to vote and may obtain the User ID and password or instructions for remote e-voting by contacting NSDL between 09:00 a.m. IST to 05:00 p.m. IST on all working days, except Saturday and Sunday at evoting@nsdl.co.in

Any person becoming a Member after the dispatch of Notice of the AGM and holding shares as on the cut-off date i.e. 6th August 2021 may obtain the User ID and password by referring to the e-voting instructions attached to this Notice and also available on the Company's website www.tiindia.com and the website of NSDL viz., www.evoting.nsdl.com. Alternatively, Member may send request providing the email address, DP ID / Client ID, mobile number, number of shares held and self-attested PAN copy via email to evoting@nsdl.co.in for obtaining the Notice of AGM.

(h) Scrutinizer:

The Board of Directors, at its meeting held on 17th June 2021, has appointed Mr. R Sridharan (FCS 4775) of M/s. R Sridharan & Associates, Practising Company Secretaries (C.P. No. 3239), as the "**Scrutinizer**" to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the remote e-voting and e-voting at the e-AGM. The results will be announced by the Chairman of the Company or any director of the Company as may be authorised by the Chairman of the Company within two working days from the conclusion of the AGM and will be posted on the Company's website viz. www.tiindia.com and will also be posted on the website of National Securities Depository Limited ("**NSDL**") at www.evoting.nsdl.com. The results shall also be intimated to the Stock Exchanges where the securities of the Company are listed.

(i) Electronic voting:

In compliance with provisions of Sections 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 ("**Rules**"), Regulation 44 of the Listing Regulations and Secretarial Standard – 2, the Company is providing remote e-voting facility to enable Members to cast their votes electronically on the matters included in this Notice. For this purpose, the Company has engaged the services of NSDL to provide e-voting facility to enable the Members to cast their votes electronically. The facility of casting votes by a Member using remote e-voting system as well as e-voting at the e-AGM will be provided by NSDL. Members are requested to follow the procedure as stated in the instructions of this Notice for casting of votes electronically.

The cut-off date for determining the Members eligible to vote on resolutions proposed to be considered at the meeting is Friday, 6th August 2021. The remote e-voting period will commence on Monday, 9th August 2021 at 9:00 a.m. (IST) and end on Thursday, 12th August 2021 at 5:00 p.m. (IST). The remote e-voting will not be allowed beyond the aforesaid date and time. The remote e-voting module shall be disabled thereafter.

The resolutions will be deemed to have been passed on the date of the meeting, if approved by the requisite majority.

Only those Members whose names are appearing on the 'Register of Members'/'List of Beneficial Owners' of the Company as on the cut-off date, shall be entitled to cast their vote through remote e-voting or voting through VC/OAVM at the e-AGM, as the case may be. A person who is not a Member on the cut-off date should treat this Notice for information purpose only.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate in the proceedings of the AGM through VC/OAVM but shall not be entitled to cast their votes again. The Members can opt for only one mode of voting i.e. remote e-voting or e-voting at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting at AGM will not be considered. Members must note that voting by show of hands will not be available at the Meeting in terms of the aforesaid provisions.

(j) Voting Rights:

Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on the cut-off date being Friday, 6th August 2021.

(k) Route Map:

In view of the extraordinary circumstances due to resurgence of the COVID-19 pandemic prevailing in the country, the Company will hold the AGM through VC/OAVM, without the physical presence of the Members in terms of MCA and SEBI Circulars. Hence, the route map is not annexed to this Notice.

(l) Dematerialization of Shares:

Attention is drawn to Regulation 40 of Listing Regulations which has mandated that transfer of securities would be carried out only in dematerialized form.

Members are therefore requested to dematerialize their physical holdings. For any clarification, assistance or information relating to dematerialization of Company's shares, please contact the Registrar & Share Transfer Agents ("RTA") of the Company viz., M/s. KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 at Tel No.040-6716 2222 or e-mail at einward.ris@kfintech.com.

(m) Tax Deducted at Source for dividend:

If the final dividend, as recommended by Board of Directors, is approved by the shareholders, payment of dividend will be subject to deduction of tax at source.

In terms of the Income Tax Act, 1961 ("the Act"), as amended by the Finance Act, 2020, dividend income is taxable in the hands of members effective 1st April 2020 and therefore, the Company is required to deduct tax at source (TDS) at the prescribed rates on dividend payable to members.

In the absence of details of valid Permanent Account Number (PAN) of any member, the Company will have to deduct tax at a higher rate as prescribed under the Act.

Members holding shares in electronic form are requested to submit their PAN details to their Depository Participant with whom they maintain their demat accounts and members holding physical shares are requested to submit their PAN details to our RTA mentioned in point (l) above.

Members not liable to pay income tax are also requested to submit necessary declaration viz., Form 15G, 15H etc. as may be applicable in their case, to avail the benefit of non-deduction of tax at source to investorservices@tji.murugappa.com on or before 20th August 2021.

In terms of the amendment by Finance Act, 2021, to Act, a new section 206AB has been introduced mandating higher rate of deduction in case of non-filers with respect to tax deductions. Accordingly the Company will be using the new functionality, "Compliance Check for Sections 206AB and 206CCA" provided by the Central Board of Direct Taxes through reporting portal of Income Tax Department. In case of non-filers as per the report available under the new functionality, tax will be deducted at twice the prescribed rate or 5% whichever is higher.

Detailed instructions for the reference of Members for remote e-voting and joining the Annual General Meeting of the Company through Video Conferencing are given at the end of this Notice. Members are requested to refer to the same.

ANNEXURE TO THE NOTICE

Details of the Director seeking re-appointment at the 13th Annual General Meeting vide Item no.4 of the Notice dated 9th July 2021

[Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The resume of Mr. Vellayan Subbiah, in brief and other details required to be provided pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 is provided below for the consideration of the Members:

Mr. Vellayan Subbiah

Mr. Vellayan Subbiah holds a Master's degree in Business Administration from the University of Michigan. He is a Director of the Company effective 19th August 2017.

Details of other Directorships (excluding foreign companies) and memberships in Committees held by him are as follows:

Chairman Cholamandalam Investment and Finance Company Limited CG Power and Industrial Solutions Limited	Director SRF Limited Shanthi Gears Limited Cholamandalam Financial Holdings Limited Ambadi Investments Limited Cherrytin Online Private Limited DOT IOT Technologies Private Limited
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Committee Memberships/Chairmanships

<u>Audit Committee</u> Member CG Power and Industrial Solutions Limited SRF Limited <u>Stakeholders Relationship Committee</u> Chairman CG Power and Industrial Solutions Limited <u>Nomination and Remuneration Committee</u> Member Cholamandalam Investment and Finance Company Limited CG Power and Industrial Solutions Limited	<u>Risk Management Committee</u> Chairman CG Power and Industrial Solutions Limited <u>Corporate Social Responsibility Committee</u> Chairman Cholamandalam Investment and Finance Company Limited <u>IT Strategy Committee</u> Member Cholamandalam Investment and Finance Company Limited <u>Business Committee</u> Chairman Cholamandalam Investment and Finance Company Limited
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Mr. Vellayan Subbiah does not hold any equity shares of the Company.

The other details relating to Mr. Vellayan Subbiah pursuant to the Secretarial Standard on General Meetings appear in the Annual Report under Directors' Profile, Corporate Governance Report and annexure thereto.

Mr. Vellayan Subbiah is the Managing Director of the Company and holds the said office for a five year term viz., from 2017 to 2022. As per the terms of his appointment, he is not liable to retire by rotation but, would do so, if required for the purpose of compliance with the requirement of Section 152(6) of the Companies Act, 2013. As the requirement has arisen presently, he is retiring at the ensuing Annual General Meeting. The Board, accordingly recommends his re-appointment as a Director for approval by the Members of the Company.

Except Mr. Vellayan Subbiah, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution relating to his re-appointment as Director of the Company.

Statement in respect of the Special Business under Item nos. 5 to 12 (pursuant to Section 102 of the Companies Act, 2013) of the Notice dated 9th July 2021

Item no. 5

Mr. M A M Arunachalam, holding DIN 00202958, was appointed by the Board of Directors ("Board"), on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 11th November 2020 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and holds office up to the date of the ensuing Annual General Meeting. The Company has received the requisite consent and disclosure forms from him and also necessary notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director.

Mr. M A M Arunachalam (also known as Arun Murugappan) holds a Master of Business Administration degree from the University of Chicago, USA. A senior member of the Murugappa family, he is an Industrialist and has over 25 years' experience in varied business and industrial activities. He was the Managing Director of Parry Enterprises India Limited, from January 2008 to March 2021, actively driving its business development and strategic initiatives.

Details of other Directorships (excluding foreign companies) and memberships in Committees held by him are as follows:

Chairman Parry Enterprises India Limited Cholamandalam Home Finance Limited	Director CG Power and Industrial Solutions Limited Cholamandalam Investment and Finance Company Limited Shanthi Gears Limited Coromandel Engineering Company Limited Ambadi Investments Limited New Ambadi Estates Private Limited AR Lakshmi Achi Trust (Sec 8 Company)
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Committee Memberships/Chairmanships

<u>Audit Committee</u> Member Coromandel Engineering Limited Parry Enterprise India Limited Cholamandalam Investment and Finance Company Limited <u>Stakeholders Relationship Committee</u> Chairman Coromandel Engineering Company Limited Cholamandalam Investment and Finance Company Limited Member CG Power and Industrial Solutions Limited	<u>Nomination and Remuneration Committee</u> Member CG Power and Industrial Solutions Limited Parry Enterprise India Limited <u>Risk Management Committee</u> Member Cholamandalam Investment and Finance Company Limited <u>Corporate Social Responsibility Committee</u> Member Cholamandalam Investment and Finance Company Limited <u>Business Committee</u> Member Cholamandalam Investment and Finance Company Limited
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Mr. M A M Arunachalam holds 6,18,820 shares of the Company.

The other details relating to Mr. M A M Arunachalam pursuant to the Secretarial Standard on General Meetings appear in the Annual Report under Directors' Profile, Corporate Governance Report and annexure thereto.

The Board considers that his continued association would be beneficial to the Company and on the recommendation of the Nomination and Remuneration Committee, recommends his appointment as a Director liable to retire by rotation for approval by the Members of the Company.

Mr. M A M Arunachalam is not related to any of the other Directors and Key Managerial Personnel of the Company and their relatives.

Item no. 6

Mr. Anand Kumar, holding DIN 0818724, was appointed, by the Board of Directors ("Board"), on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 24th March 2021 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and holds office up to the date of the ensuing Annual General Meeting. The Company has received the requisite consent and disclosure forms from him and also necessary notice in writing from a Member under Section 160 of the Act proposing his candidature for office of Director.

Mr. Anand Kumar is a MBA from Vanderbilt University, U.S.A. He is the co-founder of Gateway Partners, Singapore. He has over 28 years of experience in Investments, Mergers & Acquisitions, Equity Capital Markets and Leveraged Finance in Southeast Asia.

Details of other Directorships (excluding foreign companies) and memberships in Committees held by him are as follows:

Director Cholamandalam Investment and Finance Company Limited TVS Supply Chain Solutions Limited DRSR Logistics Services Private Limited	Committee Memberships <u>Audit Committee</u> Member Cholamandalam Investment and Finance Company Limited <u>Nomination and Remuneration Committee</u> Chairman Cholamandalam Investment and Finance Company Limited
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Mr. Anand Kumar does not hold any shares of the Company.

The other details relating to Mr. Anand Kumar pursuant to the Secretarial Standard on General Meetings appear in the Annual Report under Directors' Profile, Corporate Governance Report and annexure thereto.

In the opinion of the Board, Mr. Anand Kumar satisfies the criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that he is independent of the Management. Accordingly, the Board, on the recommendation of the Nomination and Remuneration Committee, recommends his appointment as an Independent Director for a term of five years, from the date of his appointment to the Board as an Additional Director (viz., from 24th March 2021). The draft letter of appointment setting out the terms and conditions of his appointment is available on the website of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the Resolution in relation to the appointment of Mr. Anand Kumar as an Independent Director, for approval of the shareholders of the Company.

Except Mr. Anand Kumar, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the Resolution relating to his appointment as Independent Director of the Company.

Item no. 7

Ms. Sasikala Varadachari, holding DIN 07132398, has been appointed by the Board of Directors ("Board"), on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 17th June 2021 pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and holds office up to the date of the ensuing Annual General Meeting. The Company has received the requisite consent and disclosure forms from her and also necessary notice in writing from a Member under Section 160 of the Act proposing her candidature for office of Director.

Ms. Sasikala Varadachari holds a Master's degree in Economics and is also a Chartered Associate of Indian Institute of Bankers (CAIIB). She was associated with the State Bank of India (SBI) group since 1977 and was holding several important portfolios in SBI including, Chief Executive Officer of SBI - Tel Aviv, Israel and General Manager – Shares & Bonds, Corporate Centre. She retired from SBI as Chief General Manager, Strategic Training Unit, Corporate Centre.

Details of other Directorships and memberships in Committees held by her are as follows:

Director	Committee Memberships
CG Power and Industrial Solutions Limited	Member
Cholamandalam Securities Limited	CG Power and Industrial Solutions Limited
Sundaram Clayton Limited	<u>Corporate Social Responsibility Committee</u>
TVS Motor Services Limited	Member
TVS Credit Services Limited	CG Power and Industrial Solutions Limited
	<u>Risk Management Committee</u>
	Chairperson
	TVS Credit Services Limited
	<u>Asset Liability Management Committee</u>
	Member
	TVS Credit Services Limited

Ms. Sasikala Varadachari does not hold any shares of the Company.

In the opinion of the Board, Ms. Sasikala Varadachari satisfies the criteria prescribed in the Act and Rules made thereunder for appointment as an Independent Director of the Company and that she is independent of the Management. Accordingly, the Board, on the recommendation of the Nomination and Remuneration Committee, has recommended her appointment as an Independent Director for a term of 4 years, from the date of her appointment to the Board as an Additional Director (viz., from 17th June 2021). The draft letter of appointment setting out the terms and conditions of her appointment is available on the website of the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, the Board recommends the Resolution in relation to the appointment of Ms. Sasikala Varadachari as an Independent Director, for approval of the shareholders of the Company.

Except Ms. Sasikala Varadachari, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the Resolution relating to her appointment as Independent Director of the Company.

Item no.8

As per Section 197 of the Companies Act, 2013 ("the Act"), the Company can pay a remuneration to its Non-Executive Directors (NEDs) in the form of Commission on profits up to 1% of the net profits calculated in accordance with Section 198 of the Act. This is in addition to payment of Sitting Fees for attending meetings of the Board/Board Committees.

Remunerating the NEDs by way of Commission not exceeding 1% of the net profits of the Company for a period of 5 years from FYs 2016-17 to 2020-21 has been approved by the Shareholders of the Company at their Extraordinary General Meeting held on 29th May 2017.

The Company's policy on remuneration provides for the Commission to be distributed based on the attendance and contribution of the NEDs at the Board and certain Committee meetings as well as the time spent on operational matters other than at the meetings.

In view of the considerable time and efforts put in by Mr. M M Murugappan, former Chairman (non-executive, promoter) on pro rata basis till the end of his period of office towards the affairs of the Company during FY 2020-21, on the recommendations of the Nomination and Remuneration Committee, the Board has proposed that a higher remuneration by way of Commission be paid to him.

The Members may note in this regard that Mr. M M Murugappan had played a very significant role as a Director and, as the Chairman, actively guiding and nurturing the Company with business interests spanning multiple product segments, most of which have emerged to be

amongst market leaders. Apart from guiding the Company on governance matters, he had spent significant time in developing and forging business relationships for the Company in India and abroad, contributing in matters concerning existing and evolving technology, identifying opportunities for business growth through expansions and acquisitions, representing the Company in various forums including interactions with the Government and actively promoting the interests of the Company.

Further, as already stated above, under the Act, the NEDs are permitted to be paid up to a maximum of ₹3.64 Cr. for the FY 2020-21, being 1% of the profits of the Company as calculated under the Act, by way of remuneration, whereas the proposed payment of Commission is limited to ₹1.09 Cr. only for all the NEDs together including Mr. M M Murugappan.

In view of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), whereby if the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, the approval of shareholders by special resolution is to be obtained. The proposal as aforesaid hence requires the approval of the Members by means of a Special Resolution.

Approval of the Members is sought for the Special Resolution under the applicable provisions of the Act and the Rules thereunder and the SEBI Listing Regulations for the proposed payment of remuneration by way of Commission as aforesaid, which is within the overall limits of the Act and the Rules thereunder. The same is also in accordance with the Remuneration Policy of the Company and is wholly justified considering the size of the Company, its creditable performance during the year, the time spent by Mr. M M Murugappan on the Company's affairs till the end of his period of office during the FY 2020-21 and his contribution to the growth of the Company. The said payment is also reasonable compared to the prevailing practices in India for payment of remuneration to non-executive Chairmen.

The Board recommends the Special Resolution for approval by the Members of the Company.

None of the Directors of the Company and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

Item no.9

As per Section 197 of the Companies Act, 2013 ("the Act"), the Company can pay a remuneration to its Non-Executive Directors ("NEDs") in the form of Commission on profits up to 1% of the net profits calculated in accordance with Section 198 of the Act. This is in addition to payment of Sitting Fees for attending meetings of the Board/Board Committees.

The role of non-whole-time Directors is significant in achieving good performance and establishment of good governance. The responsibility of the non-whole time Directors has increased considerably with the far reaching changes in several key corporate legislations.

It is therefore proposed that the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor are the Managing Director(s)/Manager of the Company, be paid, for each of the five financial years commencing from the 1st day April 2021 up to the financial year ending on the 31st March 2026, a remuneration not exceeding one per cent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 and the applicable Rules thereunder, if any. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act and its Rules. This remuneration will be in addition to the fee payable to the Directors for attending the meetings of the Board/the Committees thereof or for any other purpose whatsoever, as may be decided by the Board and the reimbursements of expenses for participating in the Board and other meetings. It may be noted in this regard that although the shareholders approval is sought for the payment of a commission up to one per cent of net profits of the Company for each year, the actual commission paid to the Directors per annum is subjected to a review by the Nomination and Remuneration Committee and the Board and is normally restricted to a fixed sum, which is well below the statutory limit. Presently, the commission paid to the Non-Executive Directors is subject to a maximum of ₹10 Lakhs per annum per Director.

Accordingly, approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Act and the Rules thereunder for the payment of remuneration, by way of Commission, to the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor are the Managing Director(s)/Manager of the Company, for a period of five financial years from the 1st April 2021 up to the financial year ending on 31st March 2026, as set out in the Resolution under Item no.9 of the Notice. The Board recommends the Resolution for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the Resolution relating to payment of Commission to the NEDs of the Company.

Item no.10

The Company currently sources wind/solar energy for its business requirements from M/s. Watsun Infrabuild Private Limited ("Watsun"), an alternate energy producer, under a captive power purchase agreement with the said producer and has been able to effect savings in its overall power cost through such sourcing. With the increased demand for its products, the Company has estimated an additional requirement of power, which it proposes to source through Watsun in view of the cost advantage. In terms of the Electricity Rules and the Group Captive Power Policy of the Government of India, captive users can consume power from a captive generating plant only in proportion to their shareholding in the producer. The Company has so far invested ₹1.06 Crores in Watsun's share capital.