



VST SHAKTI

# 46<sup>th</sup> Annual Report 2013-14

**V.S.T. TILLERS TRACTORS LTD.**



## **LORD GANESHA**



**Idol of Lord Ganesha at  
VST Tillers Tractors Limited**

**NOTICE**

“NOTICE IS HEREBY GIVEN that the **46th Annual General Meeting of V.S.T. TILLERS TRACTORS LTD** will be held at “Krishna Hall”, Woodlands Hotel Pvt. Ltd. No.5, Raja Rammohan Roy Road, Bangalore – 560 025 on **Thursday, August 14, 2014 at 3.00 P.M.** to transact the following business.

**Ordinary Business:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014, Profit and Loss account and Cash Flow Statement for the year ended on that date together with the Directors’ and Auditors’ Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. B C S Iyengar (DIN-01093220), who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Auditors from conclusion of this AGM until conclusion of the fourth consecutive AGM and fix their remuneration by passing the following resolution as Ordinary Resolution.

“RESOLVED THAT pursuant to section 139 of the Companies Act, 2013 and Rules made thereunder, M/s Brahmayya & Co, Chartered Accountants (Firm Regd. No- 000515S), be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this AGM to the conclusion of fourth consecutive AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix the remuneration.”

**Special Business.**

5. To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Rules made there under and subject to other

approvals as may be necessary, the approval of the members be and is hereby accorded to the reappointment of Mr. V.P. Mahendra (DIN-00033270) as Managing Director, Designated as Vice Chairman & Managing Director of the Company for a period of five years with effect from 20th February, 2014 to 19th February, 2019 on the terms and conditions including remuneration payable to him as Vice Chairman & Managing Director and minimum remuneration payable to him in case of absence or inadequacy of profit in any year as mentioned below:

**Salary**

- a. Basic Salary- Rs. 1,75,000/- per month.
- b. Flexi Benefits- Rs. 1,75,000/- per month.

**Perquisites**

In addition to salary, the following perquisites are allowed and classified into three categories, “A”, “B”, and “C”:-

**CATEGORY - A**

- a. Contribution to Provident Fund shall not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income-tax Act.
- b. Gratuity payable shall not exceed one half month’s salary for each completed year of service specified in the Gratuity Act.
- c. Earned/Privilege Leave shall be allowed to the Vice Chairman and Managing Director on full pay and allowances according to the rules of the Company but not more than 37 (thirty seven) days leave for every 12 (twelve) months service. However, leave accumulated but not availed of will be allowed to be encashed.

**CATEGORY - B**

Provision of Car with driver and fuel for use On Company’s business, telephone and other communication facilities at residence will not be considered as perquisites.

## CATEGORY - C

### Commission

One percent on the net profit of the Company subject to a maximum of one and half times of annual basic salary drawn.”

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to alter and vary the terms and conditions from time to time in such manner as it may deem fit in the best interest of the Company within the limits specified in Companies Act, 2013 read with Schedule V of the Companies Act, 2013 including any Statutory modification thereto, for the time being in force.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

#### 6. To Appoint of Mr. R Subramanian as an Independent Director.

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

RESOLVED THAT, pursuant to provisions of section 149 and other applicable provisions of the Companies act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. R Subramanian (DIN-00357153), be and is hereby appointed as Independent Director of the Company for a period of five years from the date of this Annual General Meeting, not liable to retire by rotation.

#### 7. To Appoint of Mr. M.K. Bannerjee as an Independent Director.

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

RESOLVED THAT, pursuant to provisions of section 149 and other applicable provisions of the Companies act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to

the Companies Act, 2013, Mr. M.K. Bannerjee (DIN-00219178), be and is hereby appointed as Independent Director of the Company for a period of five years from the date of this Annual General Meeting, not liable to retire by rotation.

#### 8. To Appoint of Mr. V.Ramachandran as an Independent Director.

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

RESOLVED THAT, pursuant to provisions of section 149 and other applicable provisions of the Companies act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. V.Ramachandran (DIN-00053007), be and is hereby appointed as Independent Director of the Company for a period of five years from the date of this Annual General Meeting, not liable to retire by rotation.

#### 9. To Appoint of Mr. K.K Rai as an Independent Director.

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

RESOLVED THAT, pursuant to provisions of section 149 and other applicable provisions of the Companies act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. K.K Rai (DIN-00629937), be and is hereby appointed as Independent Director of the Company for a period of five years from the date of this Annual General Meeting, not liable to retire by rotation.

By Order of the Board  
for **V.S.T. TILLERS TRACTORS LTD.**

Place: Bengaluru  
Date: May 29, 2014

**Chinmaya Khatua**  
*Company Secretary*

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will be closed from August 09, 2014 to August 13, 2014 (both days inclusive) in connection with payment of dividend and Annual General Meeting scheduled to be held on August 14, 2014.
3. Dividend if declared shall be payable to all those members whose names appear in the register of members or to the beneficial owners as per the records of depositories, as at the closing of business hours on August 08, 2014.
4. Members desirous of obtaining any information on the annual accounts are requested to write to the Company at an early date to facilitate compilation and dissemination of the same at the AGM
5. Unpaid/Unclaimed dividend details.

Pursuant provisions of Section 205A of the Companies Act, 1956 (or Section 124 (5) of the Companies Act, 2013, once notified), any dividend unpaid or unclaimed for seven year from the date of transfer to Unpaid Dividend Account, shall be transferred to the **Investor Education and Protection Fund** established by the Central Government. The members are requested to claim their dividend who have not claimed so far. During the year 2013-14 the Company has transferred Rs.2,22,984.00 to Investor Education and Protection Fund.

6. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

7. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
8. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report / notice for attending the meeting.
9. Members are requested to update their E-mail ID with their respective depository participants and with the Company's registrar and transfer agent (RTA) to enable despatch the communication in electronic form from time to time.
10. Members are requested to update their Bank Details with their respective depository participants and with the Company's registrar and transfer agent (RTA) to receive the dividends by bank transfers.

## 11. Voting through electronic means

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, and clause 35B of the listing Agreement, the Company is pleased to provide members facility to exercise their right to vote in respect of resolutions which are being considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). Mr. Shylendrakumar T R, practicing Company Secretary (C P No- 2453) has been appointed as scrutinizer in this regard.

Procedure / Instructions for e-voting are as under :

- (i) The voting period will begin on 08/08/2014 (from 9.00 A.M) and will end on 10/08/2014 (up to 6.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 11/07/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "V.S.T. TILLERS TRACTORS LTD.," from the drop down menu and click on "SUBMIT"



- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN of V.S.T. Tillers Tractors Ltd on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box

will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(12) The results of the e-voting along with the scrutinizer’s report shall be placed in the Company’s website [www.vstillers.com](http://www.vstillers.com) and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

(13) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote (if cast at the AGM) on their behalf at the meeting.

(14) In case of joint shareholders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote (if cast at the AGM).

## ANNEXURE TO THE NOTICE

### **Details pursuant to clause 49 of the listing agreement :**

#### **Item No-3**

Mr. B. C. S. Iyengar aged about 65 years, is a Science Graduate and qualified Chartered Accountant. He is associated with the company since 1979 and after immense contribution to the growth of the company by holding various positions, he was appointed as Executive Director of the Company on 28/08/2007 and re-designated as Director-Corporate Strategy with effect from 29/05/2014.

Apart from V.S.T. Tillers Tractors Ltd he is not holding Directorship in any other Company.

### **Statement pursuant to section 102 of Companies Act, 2013, and details pursuant to clause 49 of the listing Agreement in respect of item nos. 5 to 9 of the Notice**

#### **Item no. 5**

Mr. V. P. Mahendra, aged about 72 years, is an Electrical Engineering Graduate. He was first appointed as Managing Director in 1989 and has continued in the post of M.D ever since. Throughout his tenure the Company has achieved various milestones in the form of performance, results etc. and during the last decade in particular the Company has recorded consistent growth and has built strong fundamentals under his leadership. It is considered necessary for the Company to continue to have his continued presence and guidance for scaling greater heights.

The Board of Directors at their meeting held on 12/02/2014 re-appointed and designated Mr. V.P. Mahendra as Vice Chairman & Managing Director of the Company for five years w.e.f. 20/02/2014 subject to approval of the shareholders by Special Resolution.

### **Directorship & Chairperson / Membership of Committees (other than V.S.T. Tillers Tractors Ltd)**

#### **Directorship.**

Lakshmi Ring Travellers (Coimbatore) Ltd, Kirloskar Electric Company Ltd, Gove Investment & Finance

Company Ltd, V.S.T. Motors Ltd, Hotel Pearls Pvt Ltd, Pearls Estates Pvt Ltd, V.S.T. & Sons Pvt Ltd, V.P. Mahendra Brothers Investment Pvt Ltd, V.S.T. Auto Parts Pvt Ltd, MHI-VST Diesel Engines Pvt Ltd.

#### **Member**

Kirloskar Electric Company Ltd- Audit Committee.

Except Mr. V.P Mahendra, Mr. V.K Surendra & Mr. V.V Pravindra, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 5 of the Notice.

The Board recommends this Special Resolution for your approval.

#### **Item no. 6**

Mr. R. Subramanian , aged about 71 years. He is a FCA, AICWA, ACS and ACIS (London), MAC and having vast experience in the areas of Finance, Taxation, Corporate Laws and Accounts. Mr. R. Subramanian is on the Board since 12/10/1990 as an Independent Director and he is also Chairman of the Audit Committee of the Company. He was president of Hindustan Chamber of Commerce and presently he is a member of the National council of FICCI. He was a director of several public companies and also was Director/Trustee of LIC mutual fund and a Bank.

The Company has received notice in writing from a members along with deposit of requisite amount under section 160 of the Companies Act, 2013, proposing the candidature of Mr. R. Subramanian.

### **Directorship & Chairperson / Membership of Committees (other than V.S.T. Tillers Tractors Ltd)**

#### **Directorship.**

M/s. Lotus Eye Hospital and Institute Ltd., M/s. Sandur Manganese & Iron Ores Ltd,

#### **Chairperson-Audit Committee**

M/s. Lotus Eye Hospital and Institute Ltd., M/s. Sandur Manganese & Iron Ores Ltd,

Public Trustee- Damien Foundation India Trust.



Except Mr. R. Subramanian, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 6 of the Notice.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

The Board recommends this Resolution for your approval.

## **Item no. 7**

Mr. M. K. Bannerjee aged about 68 years and he holds MBA degree from Indian Institute of Management, Calcutta. Mr. M. K. Bannerjee, a Former Telco Executive and a Faculty member of the Indian Institute of Management, Bangalore. He is also having expertise in systems design and architecture with business interests in information technology. Mr. M. K. Bannerjee is on the Board since 12/06/1990 as an Independent Director and he is also Member of the Audit Committee of the Company.

The Company has received notice in writing from a member along with deposit of requisite amount under section 160 of the Companies Act, 2013, proposing the candidature of Mr. M.K. Bannerjee.

## **Directorship & Chairperson / Membership of Committees (other than V.S.T. Tillers Tractors Ltd)**

### ***Directorship.***

Oakdene (INDIA) Software Services Pvt.Ltd., M. K. Bannerjee Software Services Pvt Ltd, I – Data Professional Services Pvt.Ltd, Babel Systems (INDIA) Pvt Ltd & Joshika Technologies Pvt Ltd.

He is not a Chairperson / Member of committees of any other public Company other than V.S.T. Tillers Tractors Ltd.

Except Mr. M. K. Bannerjee, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 7 of the Notice.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

The Board recommends this Resolution for your approval.

## **Item no. 8**

Mr. V. Ramachandran aged about 67 years. He is an engineering graduate and having extensive experience in Industry and business. He was Vice Chairman & Managing Director of M/s. Kar Mobiles Limited. He is on the Board of the Company since 29/01/2004 as an Independent Director he is also Member of the Audit Committee of the Company.

The Company has received notice in writing from a members along with deposit of requisite amount under section 160 of the Companies Act, 2013, proposing the candidature of Mr. V. Ramachandran.

Directorship & Chairperson/Membership of Committees (other than V.S.T. Tillers Tractors Ltd)

### ***Directorship.***

Kar Mobiles Limited, El-Forge Limited, Vellore Electric Corporation Limited & Sasyaka Engineering Solutions Pvt Ltd.

### ***Member***

El-Forge Ltd- Audit Committee.

Kar Mobiles Ltd- Shareholders/Investors Grievances Committee

Except Mr. V. Ramachandran, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 8 of the Notice.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

The Board recommends this Resolution for your approval.

## **Item no. 9**

Mr. K K Rai aged about 70 years, is a retired Banking professional having over four decades of Banking experience. He was holding top level positions in Vijaya Bank at various locations and in different capacities. He retired as Executive Director of Allahabad Bank.

## NOTICE



Mr. K.K Rai is on the Board since 26/05/2009 as an Independent Director and he is also Member of the Audit Committee of the Company.

The Company has received notice in writing from a members along with deposit of requisite amount under section 160 of the Companies Act, 2013, proposing the candidature of Mr. K.K. Rai.

Directorship & Chairperson/Membership of Committees (other than V.S.T. Tillers Tractors Ltd)

***Directorship.***

M/s.Techno Electric And Engineering Company Limited and M/s. I S M T Ltd.

***Chairperson.***

M/s. ISMT Ltd- Audit Committee & Remuneration Committee.

***Member.***

M/s.Techno Electric And Engineering Company Limited- Audit Committee & Remuneration Committee.

M/s. I S M T Ltd- Shareholders Grievances Committee.

Except Mr. K K Rai, no other Director or Key Managerial Personnel or their respective relatives are in any way, concerned or interested, financial or otherwise, in the resolution set out at Item no. 9 of the Notice.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 for such an appointment.

The Board recommends this Resolution for your approval.

By Order of the Board  
for **V.S.T. TILLERS TRACTORS LTD.**

Place: Bengaluru  
Date: May 29, 2014

**Chinmaya Khatua**  
*Company Secretary*