



## ANNUAL REPORT & ACCOUNTS 2014-15

Linking the World...



VTL



**Syt. Madhav Prasadji Birla**  
(1918-1990)



**Smt. Priyamvadaji Birla**  
(1928-2004)



**Syt. Rajendra Singhji Lodha**  
(1942-2008)

*Our source of Inspiration*

# VINDHYA TELELINKS LIMITED

## ANNUAL REPORT 2014-15

### BOARD OF DIRECTORS

SHRI HARSH V.LODHA

*Chairman*

SHRI J.VEERARAGHAVAN

SHRI S.K.MISRA

SHRI R.C.TAPURIAH

SHRI D.R. BANSAL

SHRI PRACHETA MAJUMDAR

SHRI SHIV DAYAL KAPOOR (w.e.f. 19.05.2014)

SMT KIRAN AGGARWAL (w.e.f. 10.11.2014)

SHRI Y.S.LODHA

*Managing Director*

### AUDIT COMMITTEE

SHRI R.C.TAPURIAH

*Chairman*

SHRI J.VEERARAGHAVAN

SHRI S.K.MISRA

SHRI PRACHETA MAJUMDAR

### AUDITORS

V.SANKAR AIYAR & CO.

CHARTERED ACCOUNTANTS

NEW DELHI

### SOLICITORS

NMS & COMPANY

NEW DELHI

### BANKERS

STATE BANK OF INDIA

STATE BANK OF PATIALA

IDBI BANK LTD.

HDFC BANK LTD.

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### REGISTERED OFFICE & WORKS

UDYOG VIHAR

P.O.CHORHATA

REWA - 486 006 (M.P.)







# NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Vindhya Telelinks Limited will be held at the Registered Office of the Company at Udyog Vihar, P.O.Chorhata, Rewa (M.P.) on Thursday, the July 23, 2015 at 10.30 A.M. to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the audited Financial Statements of the Company for the financial year ended 31st March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon; (b) the audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2015.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri D.R.Bansal (DIN: 00050612), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To re-appoint Messrs V. Sankar Aiyar & Co., Chartered Accountants, (Registration No. 109208W), the retiring auditors, as Auditors of the Company pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder for further period of upto five financial years starting from April 1, 2015 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next five Annual General Meeting(s) of the Company, subject to ratification of the appointment by members at every Annual General Meeting held after this Annual General Meeting, on such remuneration as shall be decided by the Board of Directors of the Company from time to time.

## SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:  
“RESOLVED that Smt. Kiran Aggarwal (DIN: 06991807) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10<sup>th</sup> November, 2014 under Section 161(1) of the Companies Act, 2013 (“the Act”) and The Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Smt. Kiran Aggarwal for the office of Director, be and is hereby appointed as a Director of the Company.

FURTHER RESOLVED that pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with stock exchanges, Smt. Kiran Aggarwal, (DIN: 06991807) who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act, and qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from 10<sup>th</sup> November, 2014, not liable to retire by rotation.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“RESOLVED that pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and such other permissions as may be necessary, the payment of remuneration of Rs.55,000/- (Rupees Fifty Five Thousand) with applicable Service Tax plus reimbursement of out of pocket expenses at actual to Messrs D. Sabyasachi & Co., Cost Accountants who were appointed by the Board of Directors of the Company as “Cost Auditors” to conduct the audit of the cost records maintained by the Company in accordance with the Companies (Cost Records and Audit) Rules, 2014, as amended, for the financial year ending 31<sup>st</sup> March, 2016, be and is hereby ratified and approved.

FURTHER RESOLVED 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.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:  
“RESOLVED that in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and/or any other guidelines issued by the Central Government from time to time, Shri Y.S.Lodha (DIN : 00052861) be and is hereby re-appointed as the Managing Director of the Company, not liable to retire by rotation, for a further period of 5 (Five) years effective from 4<sup>th</sup> November, 2015 to 3<sup>rd</sup> November, 2020, upon the terms and conditions including remuneration, perquisites and benefits, etc. as set out in the draft Agreement, the main terms and conditions of which are described under Explanatory Statement attached to this Notice (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his re-appointment), to be entered into between the Company and Shri Y.S.Lodha and submitted for approval to this meeting, which Agreement is hereby specifically approved.

FURTHER RESOLVED that the Board of Directors of the Company (which term shall be deemed to include the Nomination and Remuneration Committee or any other Committee of the Board constituted to exercise its powers including powers conferred by this resolution) be and is hereby authorised and empowered to approve annual increments in Basic Salary with consequential increase in all other perquisites and benefits, etc. of Shri Y.S.Lodha effective from 1<sup>st</sup> April, each year notwithstanding the fact that the overall remuneration may exceed the limits prescribed for managerial remuneration under the applicable provisions of the Companies Act, 2013 and rules made thereunder, as amended or in such manner as may be permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this Meeting and in force from time to time and to make such improvements, alterations, amendments or variations in the terms and conditions of the said Agreement and/or remuneration, perquisites and benefits payable as may be agreed to between the Board and Shri Y.S.Lodha, subject to such approvals to the extent and in manner as may be required.

FURTHER RESOLVED that the Board of Directors or a duly constituted Committee thereof be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

Registered Office:  
Udyog Vihar,  
P.O.Chorhata,  
Rewa - 486 006 (M.P.)  
May 16, 2015

By order of the Board

Ashok Mishra  
Company Secretary

**NOTES FOR MEMBERS' ATTENTION**

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING, I.E. BY 10.30 A.M. ON JULY 21, 2015. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.**  
**A person shall not act as Proxy on behalf of members for more than Fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy form is annexed herewith.**
3. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the July 17, 2015 to Thursday, the July 23, 2015 (both days inclusive) for the purpose of determining the names of members eligible for final dividend on equity shares (if declared) and the Meeting.
4. The dividend on Equity Shares, if declared at the Meeting, will be credited / despatched between July 23, 2015 and August 21, 2015 to those members whose names shall appear on the Company's Register of Members on July 16, 2015. In respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
5. Messrs Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 continue to act in the capacity of Registrar and Share Transfer Agents for physical shares of the Company. Messrs Link Intime India Pvt. Ltd. is also the depository interface of the Company with both NSDL and CDSL. Members are requested to address all correspondences, including dividend matters, to the said Registrar and Share Transfer Agents.
6. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company/Registrar and Share Transfer Agents.
7. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of:
  - (i) the change in the residential status on return to India for permanent Settlement.
  - (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
8. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from the NSDL and CDSL and equity shares of the Company may be held in the electronic form with any Depository Participant (DP) with whom the members/investors are having their depository account. The ISIN No. for the Equity Shares of the Company is INE707A01012. In case of any query/difficulty in any matter relating thereto may be addressed to the Registrar and Share Transfer Agents.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agents.
10. The Company was not required to transfer the unclaimed dividends during the financial year 2014-15 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company.
11. This Notice of the Meeting (AGM) along with the Attendance Slip, Proxy Form and the Annual Report 2015 are being sent by electronic mode to all the members whose e-mail addresses (IDs) are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
12. All relevant documents referred to in the accompanying Notice and the Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays, upto and including the date of the Meeting. The Register of Directors and key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Meeting (AGM).
13. Additional information pursuant to Clause 49 of the Listing Agreement with stock exchanges in respect of the Directors/Managing Director seeking appointment/re-appointment at the Meeting are furnished and forms a part of the Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.
14. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. 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. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorisations, authorising them to attend and vote on their behalf at the Meeting. Members who hold shares in de-materialized form are requested to bring their DP I.D. and client I.D. No.(s) for easier identification of attendance at the Meeting.
15. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.



16. Members who have so far not encashed their dividend warrants for the year ended 31st March, 2015 onwards, are therefore requested immediately to write to the Company or Company's Registrar and Share Transfer Agents, viz. Messrs Link Intime India Pvt. Ltd. for issuance of demand draft in lieu of unencashed/unclaimed Dividend Warrant, if any.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility of voting through electronic means, as an alternate, to enable them to cast their votes electronically and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The e-voting rights of the shareholders/beneficial owners shall be reckoned on the equity share held by them as on July 16, 2015 (Record Date).
18. The instructions for members for voting electronically are as under:
- The voting period for remote e-voting begins on July 19, 2015 at 9.00 A.M. and ends on July 22, 2015 at 5.00 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 July 16, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on Shareholders.
  - 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.
  - Next enter the Image Verification as displayed and Click on Login.
  - 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.
  - 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated 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 member id / folio number in the Dividend Bank details field as mentioned in instruction.</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 for Vindhya Telelinks Limited 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.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- 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.
- Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) 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).





- (c) After receiving the login details 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.
  - (d) 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.
  - (e) 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.
- (xix) 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
19. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the Record Date.
20. The Company has appointed Shri Rajesh Kumar Mishra, Practicing Company Secretary or failing him Shri R.S. Bajaj, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
21. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
22. The results shall be declared on or after the Meeting (AGM) of the Company. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.vtlrewa.com](http://www.vtlrewa.com) and on the website of CDSL within two (2) working days of passing of the resolutions at the Meeting (AGM) of the Company and communicated to the Stock Exchanges where the equity shares of the Company are listed viz. BSE Ltd. and National Stock Exchange of India Ltd.

## **ANNEXURE TO NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

#### **Item No. 5**

The Board of Directors of the Company at its meeting held on 10th November, 2014 on the recommendation of Nomination and Remuneration Committee, appointed Smt. Kiran Aggarwal as an Additional Director (Non-executive Independent) under Section 161(1) of the Companies Act, 2013 and Article 94 of the Articles of Association of the Company and she holds office as such up to the date of this Annual General Meeting. The Company has received notices in writing along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company.

In terms of provisions of Section 149 and 152 of the Companies Act, 2013 which became effective from 1st April, 2014 an Independent Director of a company can be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, it is proposed to appoint Smt. Kiran Aggarwal as an Independent Director of the Company to hold office as such for a period of 5 years i.e. up to 31st March, 2020, not liable to retire by rotation.

Smt. Kiran Aggarwal has given a declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. She does not hold by herself or for any other person on a beneficial basis, any share in the Company. In the opinion of the Board, Smt. Kiran Aggarwal fulfills the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement for her appointment as an Independent Director of the Company and is independent of the management. The draft letter for appointment of Smt. Kiran Aggarwal as an Independent Director is available for inspection by any member at the Registered Office of the Company during 11:00am and 1:00pm on all working days of the Company upto and including the date of this Annual General Meeting and will also be available for inspection at the venue of the said Meeting.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Smt. Kiran Aggarwal as an Independent Director. Smt. Kiran Aggarwal would bring with her immense experience to the Board, interalia in the areas of management, administration and corporate governance. Accordingly, the Board recommends the resolution in relation to appointment of Smt. Kiran Aggarwal as an independent Director for five consecutive years for a term upto 31st March, 2020 for the approval by the members of the Company.

Except Smt. Kiran Aggarwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no.5. This explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the stock exchanges.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, additional information required to be furnished in respect of Smt. Kiran Aggarwal is set out in the Annexure to the Notice.

#### **Item No. 6**

Messrs D. Sabyasachi & Co., Cost Accountants, were appointed as Cost Auditors for the year ending 31<sup>st</sup> March, 2016 by the Board of Directors on the recommendation of the Audit Committee at a remuneration of Rs.55,000/- plus Service Tax as applicable thereon and reimbursement of travelling and other incidental expenses that may be incurred for the purpose to audit the cost records maintained by the Company in accordance with the Companies (Cost Records and Audit) Rules, as amended.

As per Rule 14 of The Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors as approved by the Board is required to be ratified subsequently by the Members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as setout in Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016.

None of the Directors/Key Managerial Personnel of the Company /their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item no. 6 of the Notice for approval by the members.



**Item No. 7**

The members of the Company, in the Extra-Ordinary General Meeting held on 10<sup>th</sup> December, 2012, had appointed Shri Y.S.Lodha as Managing Director of the Company for a period of 3 (Three) years with effect from 4<sup>th</sup> November, 2012. The current term of office of Shri Y.S.Lodha as the Managing Director of the Company is due to expire on 3<sup>rd</sup> November, 2015. Having regard to the qualifications, experience and association of Shri Y.S.Lodha with the Company and considering the overall performance of the Company and its growth during his tenure, the Board of Directors at its meeting held on 16<sup>th</sup> May, 2015 has re-appointed Shri Y.S.Lodha as the Managing Director of the Company, not liable to retire by rotation, for a further period of 5 (Five) years effective from 4<sup>th</sup> November, 2015 till 3<sup>rd</sup> November, 2020, subject to approval of the members at the Annual General Meeting. The Board has also approved the remuneration, perquisites and other benefits payable to Shri Y.S.Lodha as the Managing Director based on the approval accorded by a resolution passed by the Nomination and Remuneration Committee. The broad particulars of remuneration and perquisites payable to and other principal terms and conditions of his re-appointment as contained in the draft Agreement to be entered into between the Company and Shri Y.S.Lodha, are as under:

- I. **Tenure of Re-appointment:** 5 (Five) years with effect from 4<sup>th</sup> November, 2015 to 3<sup>rd</sup> November, 2020.
- II. **Remuneration:**
  - (1) **Basic Salary:** Rs.4,50,000/- (Rupees Four Lacs Fifty Thousand Only) per month with such annual increments which will be effective from 1<sup>st</sup> April each year, as decided by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee.
  - (2) **Allowances and Perquisites:** In addition to the Basic Salary as outlined above, the Managing Director shall be entitled to allowances and perquisites/benefits as under:
    - (i) **House Rent Allowance (HRA):** HRA at the rate of 40% of the Basic Salary.

In addition, the expenditure incurred on furnishings, repairs/upkeep and maintenance, society charges and utilities (e.g. gas, fuel, electricity, water charges, etc.) of residential accommodation shall be reimbursed on actual basis.
    - (ii) **Medical Benefits:** Payment/reimbursement of expenses incurred for self and family (including mediclaim/medical insurance premium) or medical allowance in accordance with the Rules of the Company.
    - (iii) **Leave Travel Allowance/Concession:** For self and family, once in a year, in accordance with the Rules of the Company.
    - (iv) **Club Fees :** Payment/reimbursement of club fees for not more than two clubs in India, excluding admission and life membership fees.
    - (v) **Personal Accident Insurance Premium:** As per Rules of the Company.
    - (vi) **Contribution to Provident Fund, Pension and Superannuation or Annuity Funds:** Company's contribution to Provident Fund, Pension and Superannuation/Annuity Fund (including contribution relating to past services with the Company in the capacity as Wholtime Director/Managing Director) as per rules of the Company and applicable statutory provisions from time to time.
    - (vii) **Gratuity:** As per Rules of the Company and applicable statutory provisions from time to time.
    - (viii) **Leave Encashment:** Leave with full pay and allowances with all benefits and amenities as per Rules of the Company. Accumulation/ encashment of unavailed earned privilege leave will be permissible in accordance with the Rules of the Company.
    - (ix) **Other Perquisites, benefits & Allowance(s):** As may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.
    - (x) **Car/Communication Facilities:** The following shall not be included in the computation of perquisites –
      - (a) The Company shall provide suitable vehicle to the Managing Director for official use. All the repairs, maintenance and running expenses including driver's salary shall be borne/reimbursed by the Company.
      - (b) The Company shall provide a mobile phone to the Managing Director and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred therefor shall be paid or reimbursed by the Company, as per rules of the Company.

**Explanation(s):**

- (a) Family mentioned above means the spouse and dependent children of the Managing Director.
- (b) The said perquisites and allowances shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per the Income Tax Act, 1961 or any rules thereunder as are in force from time to time.
- (c) The Company's contribution to or provision for provident fund, pension, superannuation or annuity funds, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at rate not exceeding half a month's salary for each completed year of service and encashment of accumulated leave at the end of terms of office in accordance with the rules of the Company, shall not be included in the computation of limits for the remuneration which includes Basic Salary, Allowances and Perquisites/benefits aforesaid.
- (d) For the purpose of gratuity, contribution to superannuation or annuity fund and leave encashment benefits, the services of Shri Y.S.Lodha will be considered continuous service with the Company from the date he joined the services of sister concern(s) or this Company in any capacity from time to time and termination of the Agreement followed by immediate renewal(s) thereof or execution of a fresh Agreement, will not be considered as any break in service.
- (e) The Managing Director shall be entitled to be paid/reimbursed by the Company all travelling, entertainment and other out-of-pocket business promotion expenses, costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company or as may be approved by the Nomination and Remuneration Committee and/or the Board. Expenses relating to spouse accompanying on any official domestic and overseas trip or other facilities, if any, shall be dealt with in accordance with the practices and rules of the Company as applicable from time to time.



- (3) **Overall Remuneration:** The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and/or any other Committee constituted by the Board is entitled to revise the remuneration payable to the Managing Director at any time, and if the aggregate of Basic Salary (inclusive of annual increments, if any), Allowances and Perquisites in any financial year exceed the overall limits prescribed under Sections 197 read with Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modification(s), re-enactment thereof or any amendment made thereto, the same shall be subject to requisite approvals being obtained in that behalf, if and to the extent necessary.
- (4) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Basic Salary, Allowances and Perquisites as specified above, subject to requisite approvals being obtained in that behalf, if and to the extent necessary or in the alternative pay remuneration to Shri Y.S.Lodha by way of Basic Salary, Allowances and Perquisites/benefits, within the limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 or any amendments thereto as notified from time to time.

**III. Other Conditions:**

- (a) As long as Shri Y.S.Lodha functions as the Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committees thereof.
- (b) The Managing Director shall be considered as a Key Managerial Personnel pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- (c) In addition to his present appointment as Managing Director of the Company, Shri Y.S.Lodha has also been appointed as "Manager & Chief Executive Officer" of a promoter Company viz. Universal Cables Limited in accordance with the provisions of Section 203 and all other applicable provisions of the Companies Act, 2013. He would receive remuneration from the said promoter Company as well on holding the managerial position of "Manager & Chief Executive Officer", provided that subject to the provisions of Sections I to IV of Part II of Schedule V to the Companies Act, 2013, the total remuneration drawn by him from both the companies shall not exceed generally the higher of maximum limit admissible from any one of the companies of which he is a managerial person as prescribed under Section V of Part II of Schedule V to the Companies Act, 2013 and in case the total remuneration from both the companies exceeds the limit as above, the same shall be subject to requisite approvals being obtained in that behalf, if and to the extent necessary.
- (d) The Managing Director shall, devote his such time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to superintendence, control and direction of the Board in connection with and in the best interest of the business of the Company and the business of any one or more of its subsidiaries. However, he may with the prior approval of the Board hold Directorships in other companies and provide services to other group companies, bodies or institutions or any other executive body or any committee of such companies/bodies or institutions, if permissible under applicable laws.
- (e) The terms and conditions for re-appointment of Shri Y.S.Lodha as Managing Director and contained in the draft Agreement may be altered, varied, modified or amended and remuneration, perquisites and benefits payable to him as set out herein may be increased, enhanced or widened from time to time by the Board of Directors of the Company or a Committee thereof including Nomination and Remuneration Committee as it may, at its discretion deem fit irrespective of the limits stipulated under Schedule V to the Companies Act, 2013 read with The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 or any amendments made hereafter in this regard or in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required. In the event that during the tenure of proposed Agreement, the statutory restrictions contained in the Companies Act/Corporate Laws are removed or amended by the Government, the Board of Directors of the Company shall be at liberty to decide such increase in terms or remuneration, perquisites/allowances and other benefits as deemed appropriate.
- (f) The Company shall indemnify Shri Y.S.Lodha and keep him indemnified against all costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work including legal costs and expenses incurred by him in defending any dispute or proceedings in any Court of Law, Arbitration, etc.
- (g) The Agreement may be terminated by either party (the Company or the Managing Director) by giving to other party six calendar month's prior notice in writing of such termination or the Company paying six month's remuneration (including allowances and perquisites/benefits) in lieu of the notice to Shri Y.S.Lodha.
- (h) If at any time Shri Y.S.Lodha ceases to be the Managing Director of the Company for any reason whatsoever, he shall also cease to be a Director of the Company and vice versa.
- (i) The term of office of Shri Y.S.Lodha as Managing Director of the Company shall not be subject to retirement by rotation.
- (j) The said draft Agreement also contains further terms and conditions as to powers and authority of Shri Y.S.Lodha, non-participation in any selling agency of the Company, termination, mutual rights and obligations of the Company and Shri Y.S.Lodha, etc.

Copy of the resolution passed by the Board of Directors in its meeting held on 16<sup>th</sup> May, 2015, the draft of the Agreement referred hereinabove and Articles of Association of the Company are available for inspection by any member of the Company at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days of the Company upto and including the date of this ensuing Annual General Meeting and will also be available for inspection at the venue of the said Meeting.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, additional information required to be furnished in respect of Shri Y.S.Lodha is set out in the Annexure to the Notice.

Keeping in view the professional qualifications, rich & varied experience and managerial skills of Shri Y.S.Lodha, the Nomination and Remuneration Committee and Board of Directors accorded their approvals to the above and in the interest of the Company have recommended the aforesaid Resolution as set out in this Notice for approval of members.