

WHEELS INDIA LIMITED



60th ANNUAL REPORT 2018-2019



WHEELS INDIA LIMITED

Registered Office : 21, Patullos Road, Chennai - 600 002.

Website Address : www.wheelsindia.com

CIN : L35921TN1960PLC004175

60TH ANNUAL REPORT

FACTORIES

- PADI, CHENNAI - 600 050
TAMIL NADU
- 22KM RAMPUR, TANDA ROAD
RAMPUR - 244 925, UTTAR PRADESH
- PLOT NO. C-1, RANJANGAON GROWTH CENTRE
KAREGAON VILLAGE, SHIRUR TALUK
PUNE DISTRICT 412 220, MAHARASHTRA
- SRIPERUMBUDUR 602 105
KANCHEEPURAM DISTRICT, TAMIL NADU
- PLOT NO. 56, SECTOR 11
INTEGRATED INDUSTRIAL ESTATE,
PANTNAGAR 263 153, UDHAM SINGH NAGAR
UTTARAKHAND
- PLOT NO. D 3, DEOLI GROWTH CENTRE
DEOLI MIDC, TALUKA DEOLI 442 101,
WARDHA DISTRICT, MAHARASHTRA
- DP NO. 70 (P), SURVEY NO. 214 (P), SIDCO INDUSTRIAL
ESTATE, THIRUMUDIVAKKAM, SRIPERUMBUDUR TALUK,
KANCHEEPURAM, CHENNAI 600044, TAMIL NADU
- F8 & F9 SIPCOT INDUSTRIAL PARK,
IRUNGATTUKOTTAI, SRIPERUMBUDUR KANCHEEPURAM
DIST, TAMIL NADU 602105,
- SURVEY NO. 152/3, SRIPERUMBUDUR
THIRUVALLUR ROAD, THODUKADU VILLAGE & POST
THIRUVALLUR TALUK & DISTRICT - 602 105
- SURVEY NO. 281, PLOT NO. K-18/2, SIPCOT INDUSTRIAL
PARK, PHASE - 2, MAMBAKKAM VILLAGE,
SRIPERUMBUDUR 602105
- SURVEY NO. 91 (P), SIDCO INDUSTRIAL ESTATE,
THIRUMUDIVAKKAM, CHENNAI - 600 132

BANKERS

- UNITED BANK OF INDIA
- STATE BANK OF INDIA
- STANDARD CHARTERED BANK
- HDFC BANK LIMITED

AUDITORS

- M/S. BRAHMAYYA & Co.
CHARTERED ACCOUNTANTS
CHENNAI

STOCK EXCHANGE LISTING

- NATIONAL STOCK EXCHANGE OF INDIA LIMITED
MUMBAI

BOARD OF DIRECTORS

S RAM	Chairman
S VIJI	
SRIVATS RAM	Managing Director
S PRASAD	
AROON RAMAN	
B SANTHANAM	
PAUL G REITZ	
C M B AKERS	
R RAGHUTTAMA RAO	
SUMITHRA GOMATAM	

AUDIT COMMITTEE

S PRASAD	Chairman
S VIJI	
AROON RAMAN	
R RAGHUTTAMA RAO	

STAKEHOLDERS RELATIONSHIP COMMITTEE

S VIJI	Chairman
S RAM	
S PRASAD	

NOMINATION & REMUNERATION COMMITTEE

S PRASAD	Chairman
AROON RAMAN	
R RAGHUTTAMA RAO	

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

SRIVATS RAM	Chairman
S VIJI	
S PRASAD	
AROON RAMAN	

CHIEF FINANCIAL OFFICER

R RAGHUNATHAN

COMPANY SECRETARY

K V LAKSHMI

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Financial Summary - Last Ten Years

Rs. in Crores

	31.03.19**	31.03.18**	31.03.17**	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Operating Results										
Total Revenue (Net off Excise duty)	3,188.84	2,469.51	2,176.06	1,989.10	1,982.54	1,825.16	1,927.34	2,079.83	1,703.36	1,253.00
Earnings before Interest Depreciation and Tax	240.63	200.55	188.91	174.36	152.75	149.55	153.64	165.98	132.28	91.16
Depreciation	70.21	67.05	63.92	60.45	54.14	55.34	53.59	50.47	46.08	33.16
Earnings before Finance costs and Tax	170.42	133.50	124.99	113.91	98.61	94.21	100.05	115.51	86.20	58.00
Finance costs*	62.00	44.54	48.16	57.58	59.07	55.35	55.50	61.35	53.62	37.77
Profit before tax before exceptional item	108.42	88.96	76.83	56.33	39.54	38.86	44.55	54.16	32.58	20.23
Exceptional Item	-	12.49	-	-	-	-	-	-	-	-
Profit before tax	108.42	101.45	76.83	56.33	39.54	38.86	44.55	54.16	32.58	20.23
Financial Position										
Equity Share capital	24.06	12.03	12.03	12.03	12.03	12.03	9.87	9.87	9.87	9.87
Reserves and Surplus	544.55	503.32	449.69	396.13	369.03	351.55	248.98	230.56	207.68	190.50
Shareholders' equity	568.61	515.35	461.72	408.16	381.06	363.58	258.85	240.43	217.55	200.37
Borrowings	452.88	358.57	369.07	386.13	389.23	331.66	419.57	387.68	329.75	374.02
Gross block (Includes Capital Work-in-Progress)	1320.35	1144.67	1186.12	1123.22	1054.67	989.07	922.93	816.68	759.47	710.64
Net block (Includes Capital Work-in-Progress)	642.12	527.11	548.27	535.15	522.04	512.89	493.30	440.01	429.51	426.23
Dividend - Amount	19.25	18.05	15.64	10.83	9.03	9.01	7.99	9.87	6.41	4.44
Per equity Share (Rs.)										
Dividend Per Share***	8.00	15.00	13.00	9.00	7.50	8.20	8.10	10.00	6.50	4.50
Book Value Per Share***	236.29	428.31	383.73	339.22	316.70	302.17	262.27	243.61	220.43	203.02
Earnings Per Share***	31.45	29.82	48.51	33.24	24.72	27.06	30.61	34.80	24.96	13.12

* As per revised Schedule VI of Companies Act 1956 from 31.3.11 and Schedules III of Companies Act 2013 from 31.03.15

** As per new Accounting Standards (Ind AS) applicable from the year ended 31.03.2017

*** Company issued 1:1 Bonus shares on 13.08.2018

Notice to the Shareholders

NOTICE is hereby given that the Sixtieth Annual General Meeting of the Shareholders of the Company will be held on Tuesday, August 13, 2019, at 10.30 A.M. at "The Music Academy", 168 (Old No. 306), T T K Road, Chennai 600014, to transact the following business:

ORDINARY BUSINESS:

1. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements, including the Consolidated Financial Statements, of the Company for the financial year ended 31st March, 2019 and the Board's and Auditor's reports thereon, be and are hereby approved and adopted."

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT an Interim Dividend of Rs. 3.25/- (32.5%) per equity share of Rs.10/- each, already paid on the paid-up capital of the Company amounting to Rs. 7,82,09,813.50 be and is hereby confirmed and recorded.

RESOLVED FURTHER THAT, as recommended by the Board, a Final dividend of Rs. 4.75/- per share (47.5%) on the paid-up capital consisting of 2,40,64,558 equity shares, absorbing Rs. 11,43,06,650.50, be approved and the same is hereby declared payable for the year ended 31st March, 2019 as Final Dividend."

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr S Viji (DIN 00139043), a Director retiring by rotation, being eligible for re-election, be and is hereby re-elected as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any

statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.7,00,000/- (Rupees Seven lakhs only) per annum (excluding taxes, as applicable and travel and reimbursement of out-of-pocket expenses), payable to the Cost Auditors, M/s. Geeyes and Co, Cost and Management Accountants, firm Registration Number 00044 appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2020, be and is hereby ratified.

RESOLVED FURTHER THAT each of the Directors and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid Resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. S Prasad (DIN 00063667), Independent Director, whose first term of office as Independent Director of the Company is coming to a close on 7th September 2019, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation for a further term of five (5) consecutive years from the date of expiry of present term of office."

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the

applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Aroon Raman (DIN 00201205), Independent Director, whose first term of office as Independent Director of the Company is coming to a close on 7th September 2019, be and is hereby re-appointed as an Independent Director of the Company, for a further term of five (5) consecutive years from the date of expiry of present term of office, not liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. R Raghuttama Rao (DIN 00146230), who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective November 13, 2018 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. R Raghuttama Rao (DIN 00146230), as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five (5) consecutive years with effect from November 13, 2018, not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director, Mr. R Raghunathan, Chief Financial Officer, and Ms. K V Lakshmi, Company Secretary, be and are hereby severally authorized to file forms, returns, and memorandum of information

in respect of the above with the Registrar of Companies and other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Sumithra Gomatam (DIN 07262602), who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective April 24, 2019 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. Sumithra Gomatam, (DIN 07262702), as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five (5) years with effect from April 24, 2019 and the term shall not be subject to retirement by rotation;

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director Mr. R Raghunathan, Chief Financial Officer, and Ms. K V Lakshmi, Company Secretary, be and are severally authorized to file forms, returns, and memorandum of information in respect of the above with the Registrar of Companies and other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the Regulation 17(6)(ca) and other Applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable provisions, if any, of the Companies Act, 2013, approval of the Members of the Company be and is hereby accorded for payment of Commission to Mr. S Ram (DIN 00018309), Chairman (Non-Executive) during the financial year ending March 31, 2020 exceeding fifty percent of the total remuneration that may be payable to all Non executive Directors of the Company during the financial year 2020.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director Mr. R Raghunathan, Chief Financial Officer, and Ms. K V Lakshmi, Company Secretary, be and are severally authorized to file forms, returns, and memorandum of information in respect of the above with the Registrar of Companies and other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

Regd. Office:
21, Patullos Road
Chennai - 600 002
Date: 29.5.2019

By Order of the Board

K.V. Lakshmi
Company Secretary

NOTES:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item no. 4 to 9 is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the Proxy need not be a member of the Company. For appointment of a proxy to be effective, the proxy form (enclosed) shall be duly filled, stamped, executed and lodged with the Registered Office of the Company at least 48 hours before the time fixed for the commencement of the Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. Corporate Members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified copy of the board resolution (together with the respective specimen signature), pursuant to Section 113 of the Companies Act, 2013, authorising their

- representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 07.08.2019 to 13.08.2019 (both days inclusive) for payment of final dividend on equity shares.
6. Final Dividend, as recommended by the Board of Directors, if declared at the meeting shall be paid to those members whose name(s) appear in the Register of Members of the Company as on 06.08.2019 In respect of shares held in Electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
7. Members holding shares in demat form are hereby informed that bank particulars registered against their accounts will be used by the Company for payment of Dividend. Changes in bank details are only to be advised to the Depository Participants by the Members. Members who are holding shares in physical form and desirous of registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Company or Registrar & Transfer Agents, M/s. Cameo Corporate Services Limited “Subramanian Building”, 1 Club House Road, Chennai - 600002.
8. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, as amended, dividends declared for the financial year ended 2011-12 from the date of declaration of dividend and thereafter,

- which remain unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Members who have not encashed the dividend warrant(s) so far for the above financial year or any subsequent financial year are requested to make their claim to the Share Department of the Company at Padi, Chennai - 600 050. All shareholders are requested to claim the dividend.
9. Pursuant to the applicable provisions of the Companies Act, 2013 and IEPF Rules, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years are required to be transferred to the demat account of the IEPF authority.
 10. Members who have not encashed their dividend warrant(s) for any one or more of the financial year ended on 31st March, 2012 are requested to immediately make their claims to the Company or its RTA for the same. The due dates for transfer of the aforesaid unpaid/unclaimed dividend to IEPF is September 18, 2019.
 11. Pursuant to the aforesaid provisions, during the year under review, the Company has transferred 444 shares pertaining to the Financial Year 2010-11 to the Demat Account of the IEPF Authority maintained with NSDL, in respect of which dividend had remained unpaid/unclaimed for a consecutive period of seven years.
 12. In compliance with the aforesaid provisions of the IEPF Rules, the Company had submitted the corporate action information form of NSDL to its Registrar and Transfer Agents for transfer/ transmission of the aforesaid shares of the Company to the Demat Account of the IEPF Authority, which were subsequently transferred to the Demat Account of the IEPF Authority on execution of the corporate action by the RTA.
 13. Members are informed that once the unpaid/unclaimed dividend or the shares are transferred to IEPF, the same may be claimed by the Members from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Registered Office of the Company for verification of the claim.
 14. The IEPF Rules and the application form (Form IEPF-5), as prescribed by the MCA for claiming back of the shares/ dividend, are available on the website of the Company www.wheelsindia.com as well as website of IEPF at www.iepf.gov.in.
 15. In accordance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, remote e-voting facility have been provided to the members. The facility for voting either through electronic voting system or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. Members intending to vote at the venue are requested to bring their photo identity card. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday the 6th August 2019 being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
 16. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The details indicating the process and manner for voting by electronic means, the time, schedule including the time period during which the votes may be cast by remote e-voting, the details of the login ID, the process and manner for generating or receiving the password and for casting of vote in a secure manner are provided to the shareholders.
 17. The Board of Directors has appointed M/s S Dhanapal & Associates, Practising Company Secretaries, Chennai, as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner. The Company has engaged the services of "Central Depository Services (India) Limited" (CDSL) to provide e-voting facilities enabling the members to cast their vote in a secure manner. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link www.evotingindia.com during the following voting

period: The e-voting period would commence on 10.08.2019 (Saturday) 9.00 A.M (IST) and ends on 12.08.2019 (Monday) 5.00 P.M (IST).

18. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter, unblock the votes cast through remote e-voting in presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the Meeting. Thereafter, the Results of remote e-voting and voting at the Meeting venue shall be declared by the Chairman or a person authorized by him in writing. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website (www.wheelsindia.com) and also be displayed on the website of CDSL (www.evotingindia.com) immediately after the results are declared and simultaneously communicated to the Stock Exchanges.
19. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 6, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.
20. 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, under help section or write an email to helpdesk.evoting@cdslindia.com
21. The route map for the venue of the AGM, procedure and instructions for e-voting is furnished in this notice as a separate annexure. The scrutinizer will submit his report to the Company after completion of the scrutiny and the result of the e-voting will be announced by the Company on its website: www.wheelsindia.com within 48 hours from the conclusion of the Annual General meeting.
22. 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 their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN and Bank mandate to the Company/RTA.
23. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act read with Rules made thereunder will be available for inspection by the Members at the Meeting.
24. With the aim of curbing fraud and manipulation risk in physical transfer of securities, we urge the shareholders holding shares in physical form to opt for dematerialization.

Annexure to the Notice

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

SPECIAL BUSINESS

Item No 4

The Board, on the recommendations of the Audit Committee, has approved the appointment of the Cost Auditors, M/s. Geeyes & Co, Cost and Management Accountants, at a remuneration of Rs.7,00,000/- (Rupees Seven lakhs only) per annum plus travel and reimbursement of out of pocket expenses, at actuals, to conduct the audit of the cost records of the Company for

the financial year ending 31st March, 2020.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing the resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

The Board recommends the resolution set forth in the Notice for the approval of the Members.

The ordinary resolution as set out under Item No. 4 of the Notice is accordingly submitted to the members for consideration.

None of the Directors / Key Managerial Personnel/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No 5 & 6

Mr. S. Prasad (DIN 00063667) and Mr. Aroon Raman (DIN 00201205) were appointed as Independent Directors of the Company w.e.f. 8th September 2014 approved by the shareholders at the Annual General Meeting held on 8th September 2014 for a period of five years from 8th September 2014 till 7th September 2019, in accordance with the provisions of Section 149 (10) of the Companies Act, 2013, (the Act).

Mr. S Prasad (DIN 00063667) and Mr. Aroon Raman (DIN 00201205) fulfil the eligibility criteria laid down for Independent Directors under the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, after consideration of the evaluation of their performance by the Nomination and Remuneration Committee and the Board of Directors, the Board has thought it fit to re-appoint them as Independent Directors for a further term of five (5) consecutive years from the date of expiry of their present term of office, subject to approval of the shareholders, in accordance with the provisions of Section 149 (10) of the Act.

Copies of the draft letters of reappointment of the Independent Directors, setting out the terms and conditions, would be available for inspection, without any fee, by the members at the Registered Office of the Company during normal business hours (9.00 A.M. to 5.30 P.M.) on any working day.

The Board considers that their reappointment would be of immense benefit to the Company and it is desirable to avail their services as Independent Directors for a further period of five (5) years.

Accordingly, the Board recommends the resolutions in relation to appointment of Independent Directors, for approval by the shareholders of the Company.

The special resolution as set out under Item No. 5 & 6 of the Notice is accordingly submitted to the members for consideration.

Except Mr. S Prasad and Mr. Aroon Raman, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the respective resolutions

Item No. 7

The members are informed that Mr. Raghuttama Rao (DIN 00146230) has been appointed as Additional Director in the capacity of Non-executive and Independent Director on the Board of Company on 13th November 2018 and he holds office upto the ensuing Annual General Meeting of the Company. He is a member of the Nomination and Remuneration Committee and also a member of Audit Committee of the Board of Directors of the Company. The Nomination & Remuneration Committee at their meeting held on 30th October 2018 & Board of Directors at its meeting held on 13th November 2018 has recommended his appointment for approval of the shareholders.

The Company has received a notice under Section 160 of the Companies Act, 2013 ("the Act") from a member proposing his candidature for the office of Independent Director of the Company. Mr. Raghuttama Rao (DIN 00146230) is not disqualified from being appointed as a Director in terms of Section 164 of the Act. He has given his consent to act as a Director and a declaration to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Raghuttama Rao is appointed as an Independent Director and the Board recommends the resolution for approval of the members.

Copy of the draft letter for appointment of Mr. Raghuttama Rao as an Independent Director setting out the terms and