

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Meeting of Independent Directors
10th March, 2022

By **VINDHYA TELELINKS LIMITED**

Udyog Vihar, P.O.Chorhata,

Rewa- 486006, Madhya Pradesh

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ABOUT THE COMPANY

- ◆ **Vindhya Telelinks Limited (VTL)** is the outcome of a Public-Private joint venture between Universal Cables Limited and the Madhya Pradesh State Industrial Development Corporation Limited. At the time of its conception, Vindhya Telelink's primary mandate was to manufacture Jelly Filled Telephone Cables (JFTC). With the completion of its manufacturing plant at Rewa (M.P.) Vindhya Telelinks commenced commercial production in 1986.
- ◆ The Company's equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Business Model Of the Company

- ◆ VTL has made successful foray into Engineering, Procurement and Construction (EPC) contracts and since its inception in the year 2008, offers complete turnkey services for Engineering, Design, Procurement, Supply, Construction, Installation, Testing and Commissioning for Telecom/Power/Gas Pipeline segments and successfully completed projects in India and neighboring countries.
- ◆ VTL after its foray into EPC activity, has two divisions viz. Cable Division (manufacturing all types of Telecom Cables) and EPC Division.
- ◆ Today, Vindhya Telelinks has emerged a leading manufacturer & supplier of Jelly Filled Telecommunication Cables, as well as of Optical Fiber Telecommunication Cables. The modest initial manufacturing capacity of JFTC has increased manifold and is offered in a wide range of offerings from 5 Pair to 2400 Pair. Optical Fiber Cables employing the most current technology are also manufactured at a robust capacity annually.

Statutory Auditors of the Company

BGJC & Associates LLP
Chartered Accountants, New Delhi

Internal Auditor of the Company

Vimal & Seksaria
Chartered Accountants, Kolkata

Secretarial Auditor of the Company

R.K. Mishra & Associates, Satna (M.P)
Company Secretaries

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.,

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai, Maharashtra-400083

Phone : 022 - 49186270

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E-mail: rnt.helpdesk@linkintime.co.in; mumbai@linkintime.co.in

Website: www.linkintime.co.in



Key Managerial Personnel (KMP)

Name of Key Managerial Personnel	Designation
Shri Y.S. Lodha	Managing Director & CEO
Shri Dinesh Kapoor	Company Secretary
Shri Saurabh Chhajer	Chief Financial officer



SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015



Applicability: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are applicable on listed entities which has listed any of the following designated securities on recognised stock exchange:-

- (a) specified securities listed on main board or SME Exchange or Innovators Growth Platform;
- (b) Non-convertible debt securities;
- (c) Indian depository receipts;
- (d) securitised debt instruments;
- (da) security receipts;
- (e) Units issued by mutual funds;
- (f) Any other securities as may be specified by the Board.

Shareholding Pattern

The category-wise distribution of Shareholding as on 31st Dec, 2021 is as follows:

Category	No. of Shares held	% of Shareholding
A. Promoters holding		
• Indian Promoters	51,60,205	43.54
• Foreign Promoters	0	0.00
B. Public Shareholding (Institutions)		
• Mutual funds and UTI	10,36,100	8.74
• Alternate Investment Funds	41,729	0.35
• Foreign Portfolio Investors	108,350	0.91
• Financial Institutions/ Banks/ Foreign Bank	2418	0.02
C. Public Shareholding (Non-Institutions)		
• Individual	27,65,465	23.34
• Bodies Corporate	10,75,002	9.08
• NRIs	1,33,567	1.14
• Hindu Undivided Family	129,521	1.09
• Clearing Member/Intermediary	13,100	0.11
• Director or Director's Relatives	500	0.00
• Public- PAC	12,54,686	10.59
• IEPF	61,891	0.52
• Body Corporate-Ltd Liability Partnership	66,828	0.56
• Unclaimed or Suspense or Escrow Account	1501	0.01
Total	1,18,50,863	100.00

Share Market Price

The monthly High, Low price of Company's Share at BSE from April 2021 to December, 2021 is as under:-

Month	High Price	Low Price	Close Price	Volume
Apr, 2021	880.40	765.05	809.55	27459
May, 2021	1136.90	795.60	1084.35	151017
Jun, 2021	1420.00	1020.60	1314.45	169318
Jul, 2021	1499.00	1258.00	1335.55	111314
Aug, 2021	1426.60	964.95	1124.65	63104
Sep, 2021	1285.15	1081.50	1102.60	41019
Oct, 2021	1275.45	1094.90	1119.55	70639
Nov, 2021	1211.00	950.00	959.60	34105
Dec, 2021	1162.30	956.85	1122.10	23731



Financial Position of the Company

The summarized financial results of the Company are as under:-

In Lakhs

Financial figures for the last two years	Year ended 31.03.2021	Year ended 31.03.2020
Revenue from Operations	150205.52	188319.31
Other income	2369.80	1896.19
Earnings before Finance Costs, Depreciation and Tax	23386.83	27907.02
Finance Costs	7803.47	9701.54
Profit before Depreciation and Tax	15583.36	18205.48
Depreciation and Amortization	2336.82	2073.24
Profit before Tax	13246.54	16132.24
Tax Expenses / (Credit)	2890.92	3442.72
Net Profit for the year	10355.62	12689.52

INDEPENDENT DIRECTORS



Who are Independent Directors ?

As per Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an 'Independent Director' shall mean a non-executive director, other than a nominee director of the listed entity who-

- (i) in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- (ii) is or was not a promoter of the listed entity or its holding, subsidiary or associate Company; or member of the promoter group of the listed entity.
- (iii) is not related to promoters or directors in the listed entity, its holding, subsidiary or associate Company.
- (iv) apart from receiving director's remuneration, has or had no material pecuniary relationships with the listed entity, its holding, subsidiary or associate Company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year.
- (v) none of whose relatives -
 - (a) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

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- (b) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- (c) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
- (d) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:
- (vi) holds neither himself, nor whose relative(s)-
 - (a) Holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate Company or any company belonging to the promoter group of the listed entity in any of the three financial years immediately preceding the financial year in which is proposed to be appointed.
 - (b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - (1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate Company; or
 - (2) Any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate Company amounting to ten percent or more of the gross turnover of such firm.

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- (c) holds together with his relatives two percent or more of the total voting power of the listed entity.
- (d) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty –five percent or more of its receipts from the listed entity, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two percent or more of the total voting power of the listed entity.
- (e) is a material supplier, service provider or customer or a lessor or lessee of the listed entity.
- (vii) Who is not less than 21 years of age.
- (viii) Who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director

Tenure and obligations of Independent Directors

◆ As per Regulation 25 of Listing Regulations:

(1) No person shall be appointed or continue as an alternate director for an independent director of a listed entity.

(2) Maximum tenure of Independent Directors shall be in accordance with the Companies Act, 2013 and rules made there under, from time to time.

(2A) The appointment, re-appointment or removal of an independent director shall be subject to the approval of shareholders by way of a special resolution.

(3) The Independent Directors shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management.

(4) The independent directors shall, inter-alia, review the performance of non-independent directors & chairperson of the listed entity, assess the quality, quantity and timeliness of flow of information between the management and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties of the listed entity.

◆ As per section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of special resolution by the Company.

◆ As per section 149(11), no director shall hold more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent directors.

Code For Independent Directors

Schedule IV of the Companies Act, 2013 provides guidelines of Professional conduct for an Independent director.

An Independent director of the Company shall:

- ◆ Uphold ethical standards of integrity and probity.
- ◆ Act objectively and constructively while exercising his duties.
- ◆ Exercise his responsibilities in a bona fide manner in the interest of the Company.
- ◆ Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- ◆ Not allow any extraneous considerations that will vitiate his exercise of objective Independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
- ◆ Not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- ◆ Refrain from any action that would lead to loss of his independence.
- ◆ Where circumstances arise which make an independent Director lose his independence, the independent director must immediately inform the Board accordingly.
- ◆ Assist the Company in implementing the best corporate governance practices.



Role & Functions of Independent Directors

The Independent Directors shall:

- ◆ Help in bringing an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct.
- ◆ Bring an objective view in the evaluation of the performance of board and management.
- ◆ Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- ◆ Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
- ◆ Safeguard the interests of all stakeholders, particularly the minority shareholders.
- ◆ Balance the conflicting interest of the stakeholders.
- ◆ Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
- ◆ Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management shareholder's interest.



Duties & Responsibilities of Independent Directors

- ◆ Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- ◆ Seek appropriate clarification or amplification of information and, where necessary, if required take and follow appropriate professional advice and experts at the expense of the Company.
- ◆ Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- ◆ Participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- ◆ Strive to attend the general meetings of the Company.
- ◆ Where they have concerns about the running of the company or proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concern are recorded in the minutes of the Board meeting.
- ◆ Keep themselves well informed about the Company and the external environment in which it operates.

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- ◆ Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- ◆ Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves same are in interest of the Company.
- ◆ Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- ◆ Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- ◆ Acting within his authority, assist in protecting the legitimate interest of the Company, shareholders and its employees.
- ◆ Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Rights of Independent Directors

- ◆ Right to attend and vote in every board meeting.
- ◆ Right to be appointed in various committees.
- ◆ Right to demand information on every business matter.
- ◆ Right to seek clarifications / justifications.
- ◆ Right to dissent.

POLICIES APPLICABLE TO INDEPENDENT DIRECTORS

- ◆ *Code of Conduct for Board of Directors & the Senior Management.*
- ◆ *Code for Independent Directors as per the Companies Act, 2013- Schedule IV of the Companies Act, 2013.*
- ◆ *Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Designated Persons.*

Recent Amendments

- An individual who wants to get appointed as an Independent Director shall not have material pecuniary relationship with listed entity, its holding, subsidiary or associate company, or their promoters, or directors in last **three financial years (earlier it was two financial years)**.
- If an individual or his relative is holding/has held position as an employee or Key Managerial Personnel (KMP) in any of the company belonging to promoter group in last three financial years immediately preceding the financial years in which he/she is proposed to be appointed then an individual is ineligible for being appointed as an Independent Director.
- It is further clarified that in case a relative is an employee (other than KMP) then the restrictions above shall not apply.
- Appointment, re-appointment and removal of Independent Director has to be done by way of **Special Resolution only**.

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- **Casual vacancy** in the officer of Independent Director has to be filled up within a period of **three months**.
- If an Independent Directors has resigned from a listed entity, he shall not be appointed as an Executive / Whole-Time Director on the board of the listed entity, its holding, subsidiary or associate company or on the board of company belonging to promoter group for a period of one year.
- At the time of appointment of Independent Director, the skills and capabilities required for the role for which appointment is proposed and the manner in which the proposed appointee meets such requirements shall be disclosed to members of company.
- In case of Resignation, letter of resignation received from the Independent Director shall be submitted to the stock exchange and the names of listed entities where the resigning director holds directorships indicating the category of directorships and membership of board committees, if any shall also be disclosed.



Thank You