



**BIRLA CABLE LIMITED**  
**CIN:L31300MP1992PLC007190**

Registered Office:  
Udyog Vihar, P.O. Chorhata, Rewa-486 006 (M.P.), India  
Telephone No. (07662) 400580 • Fax No. (07662) 400680  
Email: headoffice@birlacable.com • Website: www.birlacable.com

**POSTAL BALLOT NOTICE**

Dear Member,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and such other Rules and Regulations as may be applicable, including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force, for seeking consent/assent of the members of the Company by means of Postal Ballot or voting through electronic means ("Remote E-Voting") on the Resolutions set out in this Notice.

Voting through Postal Ballot/remote E-Voting shall commence from Tuesday, 18<sup>th</sup> February, 2020 at 9:00 A.M. (IST) and ends on Wednesday, 18<sup>th</sup> March, 2020 at 5:00 P.M. (IST). The scrutinizer's decision on the validity of votes shall be final. The members can opt only one mode for voting i.e. either physical ballot or E-Voting. If a member has opted for E-Voting, then such member should not vote by physical ballot and vice versa. However, in case member(s) cast their vote both via physical ballot and E-Voting, then voting done through E-voting shall prevail and Physical Voting of that member shall be treated as invalid notwithstanding whichever option is exercised first.

Shareholders desiring to exercise their vote by postal ballot:

- Read carefully instructions given on the back side of Postal Ballot Form.
- Send duly filled Postal Ballot Form to the Scrutinizer on or before 5:00 P.M. (IST) on 18<sup>th</sup> March, 2020.

Shareholders desiring to exercise their vote by E-Voting:

- Read carefully the Point no. 8 of the "NOTES FOR MEMBERS' ATTENTION" given on the Postal Ballot Notice.
- Voting shall be closed by CDSL on 18<sup>th</sup> March, 2020 at 5:00 P.M. (IST).

In accordance with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India including any modification, amendment or re-enactment thereof for the time being in force, the Resolutions as contained in this Postal Ballot Notice shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms or E-Voting i.e. Wednesday, the 18<sup>th</sup> March, 2020, if approved by the members of the Company with requisite majority.

**SPECIAL BUSINESS:**

1. 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 provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder and applicable provision(s) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, if any, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and in furtherance of the Ordinary Resolution No. 7 passed in the 23<sup>rd</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> July 2015 ("23<sup>rd</sup> AGM") and pursuant to the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded by way of renewal for payment of remuneration of Rs. 134.44 Lakhs to Shri R. Sridharan, Manager & Chief Executive Officer (Manager & CEO) of the Company for the financial year 2019-20, as described under Explanatory Statement attached to this Postal Ballot Notice, which may exceed 5% of the net profits of the Company for the said financial year, limits of which specified in Section 197(1) read with other relevant provisions of the Act and Rules made thereunder, and in the event of loss or inadequacy of profits in the said financial year 2019-20, the aforesaid remuneration be paid to Shri R. Sridharan, Manager & CEO of the Company.

FURTHER RESOLVED that the Board of Directors of the Company or a duly constituted Committee thereof including Nomination and Remuneration Committee be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writing as may be required or considered necessary, appropriate, expedient or desirable in regard to the said payment of remuneration to Shri R. Sridharan, Manager & CEO of the Company, as it may in its sole and absolute discretion deem fit and settle any question or difficulty in connection therewith and incidental thereto to give effect to this Resolution.”

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **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 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), Shri R. Sridharan be and is hereby re-appointed as the Manager and Chief Executive Officer (Manager & CEO) of the Company for a further period of 3 (Three) years effective from 4<sup>th</sup> May, 2020 to 3<sup>rd</sup> May, 2023, on the terms and conditions including remuneration, perquisites and benefits 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 etc. as set out in the draft Agreement (the main terms and conditions of which are described under Explanatory Statement attached to this Postal Ballot Notice), to be entered into between the Company and Shri R. Sridharan and submitted for approval of members be and is hereby specifically approved, with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board”, 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) to alter and vary the terms and conditions of the said re-appointment and/or remuneration, perquisites and benefits etc. in such manner as may be agreed to between the Board and Shri R. Sridharan.

FURTHER RESOLVED that the Board be and is hereby authorised and empowered to approve annual increments in Basic Salary with consequential increase in allowances, perquisites and benefits, etc. effective from 1<sup>st</sup> July, each financial year and Performance Linked Bonus/Special allowance for each financial year as considered appropriate from time to time subject to limits, if any, prescribed under Section 197, Schedule V or elsewhere under the Act read with rules framed thereunder and/or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, subject to requisite approval(s), if so required, or otherwise as may be permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of issuance of this notice 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, as may be agreed to between the Board and Shri R. Sridharan.

FURTHER RESOLVED that the Board or a duly constituted Committee thereof including Nomination and Remuneration Committee be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writing as may be required or considered necessary, appropriate, expedient or desirable in regard to the said re-appointment and payment of remuneration, etc. as it may in its sole and absolute discretion deem fit to give effect to this resolution.”

**Registered Office:**

UdyogVihar,  
P.O.Chorhata,  
Rewa - 486 006 (M.P.)

6<sup>th</sup> February,2020

**By Order of the Board  
For Birla Cable Ltd.**

(Somesh Laddha)  
Company Secretary

**NOTES FOR MEMBERS' ATTENTION**

1. The Board of Directors of the Company at its Meeting held on 6<sup>th</sup> February, 2020, has approved the issuance of this Postal Ballot Notice. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of item(s) of Special Business as set out in the Postal Ballot Notice is annexed hereto.
2. The Electronic Copy of the Postal Ballot Notice is being sent to all the Members whose email 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 email address(es), physical copy of the Postal Ballot Notice is being sent in the permitted mode. In this regard, the Members whose names appear in the Register of Members/List of Beneficial Owners as per the record of Depositories as on 14<sup>th</sup> February, 2020 i.e. cut-off date has been enrolled by the Company for participation in voting on resolutions placed by the Company on the voting system. Any person who is not a Member of the Company as on the cut-off date should treat this Notice for information purpose only. The voting shall be reckoned in proportion to a Member's share of voting right on the paid up equity share capital of the Company as on the said cut-off date. Members who have registered their e-mail IDs for receipt of documents in electronic mode, have been sent a weblink for Postal Ballot Notice and Postal Ballot Form alongwith their login ID and password for the purpose of e-voting on their registered e-mail IDs. Such Members who wish to vote through Postal Ballot Form can download the same from the weblink. Members have an option to cast their votes either through e-voting or through Postal Ballot Form. Members, who wish to cast their votes physically through Postal Ballot Form, may do so by filling up the details required therein.
3. Only those Members who are eligible to vote on the proposed special resolutions are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote through the e-voting facility offered by the Company.
4. The Company has appointed Shri Rajesh Kumar Mishra, Wholetime Practicing Company Secretary (Membership No. FCS 5383 and C.P. No.4433) as Scrutinizer and if he is unable to act as such for any reason whatsoever, Shri R. S. Bajaj, Wholetime Practicing Company Secretary (Membership No. ACS 3370 and C.P. No.7058) shall act as the Scrutinizer for conducting the voting process and submitting a consolidated Scrutinizer's Report thereon in accordance with the applicable law/regulation in a fair and transparent manner.
5. The Members voting through physical Postal Ballot Form are requested to carefully read the instructions printed on the accompanying Postal Ballot Form and on the Postal Ballot Notice and return the completed Form along with assent (**FOR**) or dissent (**AGAINST**), in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before **18<sup>th</sup> March, 2020 upto 5.00 p.m.**, the last date of receipt of the completed Postal Ballot Form. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. However, envelopes containing Postal Ballot, if deposited in person or sent by courier at the expense of the registered Member on or before **18<sup>th</sup> March, 2020 upto 5.00 p.m.** will also be accepted. The same must be sent to the Scrutinizer, Shri Rajesh Kumar Mishra, Practicing Company Secretary, Link Intime India Pvt. Limited (Unit :Birla Cable Limited), C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.
6. The Members who do not receive the Postal Ballot Form may apply to the Company or Company's Registrar and Share Transfer Agents, Link Intime India Pvt. Ltd. (Unit: Birla Cable Limited), C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 and obtain a duplicate thereof. The Postal Ballot Form may also be downloaded from the Company's website [www.birlacable.com](http://www.birlacable.com).
7. 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 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide an option to its Members holding equity shares in demat form and in physical form, to exercise their right to vote on the Resolutions as contained in the Postal Ballot Notice by way of electronic voting/remote e-voting to enable Members of the Company to cast their vote electronically instead of physical Postal Ballot Form. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility to Members of the Company. It may be noted that remote e-voting is optional. Please carefully read and follow up instructions on remote e-voting printed in this Postal Ballot Notice. In

case member(s) cast their vote both via physical ballot and remote E-Voting, then voting done through remote e-voting shall prevail and Physical Voting of that member shall be treated as invalid notwithstanding whichever option is exercised first. The e-voting facility is available at [www.evotingindia.com](http://www.evotingindia.com). Please refer to the instructions given for e-voting in the following paragraph of this Postal Ballot Notice for the purpose and manner in which the e-voting is to be carried out.

8. The instructions for members voting electronically are as under:

- (i) The voting period begins on Tuesday, the 18<sup>th</sup> February, 2020 at 9.00 A.M. (IST) and ends on Wednesday, the 18<sup>th</sup> March, 2020 at 5.00 P.M.(IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> February, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on SHAREHOLDERS/MEMBERS
- (iv) Now Enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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 sequence number which is printed on Postal Ballot /Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both 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 (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Birla Cable Limited on which you choose to vote.

- (xii) 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.
  - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
  - (xiv) 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.
  - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
  - (xvii) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for Non – Individual Members and Custodians
    - (a) Non-Individual Members (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.
    - (b) 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 linked in the login 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/or 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
9. Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit a Consolidated Scrutinizer's Report to the Chairman or Director or Company Secretary of the Company. The result of the Postal Ballot would be announced by the Director or Company Secretary of the Company on 20<sup>th</sup> March, 2020 at 5.00 p.m., at the Registered Office of the Company. The said result would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's equity shares are listed and shall also be displayed along with the Scrutinizer's Report on the Company's website [www.birlacable.com](http://www.birlacable.com).



## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTION(S) ACCOMPANYING THE POSTAL BALLOT NOTICE DATED 6<sup>TH</sup> FEBRUARY, 2020 PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER INCLUDING THE STATUTORY AMENDMENT(S), MODIFICATION(S) AND RE-ENACTMENT(S) THEREOF FOR THE TIME BEING IN FORCE

#### Item No. 1

As the Members are aware that, Shri R. Sridharan, Manager & Chief Executive Officer (Manager & CEO) was re-appointed as Manager & CEO of the Company for a period of five years with effect from 4<sup>th</sup> May, 2015 to 3<sup>rd</sup> May, 2020 by means of Ordinary Resolution passed by the Members at the 23<sup>rd</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> July, 2015 (23<sup>rd</sup> AGM).

The Terms of his remuneration approved by the Members at the 23<sup>rd</sup> AGM interalia comprised of followings:

#### Remuneration:

- (1) **Basic Salary:** Rs. 2,00,000/- (Rupees Two lacs 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) **Special Allowance:** Rs. 60,000/- (Rupees Sixty Thousand only) per month with such annual increase 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, subject to a ceiling of 60% of Basic Salary as defined in Para (1) above.
- (3) **Allowances and Perquisites:** In addition to the Basic Salary and Special Allowance as outlined above, the Manager & CEO 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.
  - (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/Assistance:** 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 one club in India, excluding admission and life membership fees.
  - (v) **Personal Accident Insurance Premium:** As per Rules of the Company.
  - (vi) **Contribution to Provident Fund and Superannuation or Annuity Fund:** As per the Rules framed under the Company's relevant schemes and applicable statutory provisions, if any, from time to time.
  - (vii) **Gratuity:** As per Rules of the Company and applicable statutory provisions, if any, from time to time.
  - (viii) **Leave Encashment:** Leave with full pay and allowances 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) Provision of Company's car(s) with driver for official use.
  - (b) Provision of free telephone(s) and/or other communication facilities or reimbursement of telephone/communication expenses at residence including payment of local calls and long distance official calls.
- (4) **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 Manager & CEO 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.
- (5) **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Manager & CEO, 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 R. Sridharan 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.

In terms of the aforesaid approval of members of the Company including the authorisation to the Board of Directors for annual increments based on the recommendation of the Nomination and Remuneration Committee and in accordance with the Company's practice, rules and regulations in force from time to time, the total remuneration of Shri R. Sridharan for the financial year 2019-20 is Rs. 134.44 Lakhs interalia comprised of basic salary of Rs. 51.30 Lakhs and special allowance of Rs. 24.30 Lakhs (excluding 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).

As the members are aware, the Company had been making consistent and adequate profits upto the financial year 2018-19. However, keeping in view the prevailing market conditions, like sluggish market conditions and intensely competitive pricing structure and having its negative impact on the financial performance of the Company as reflect in the financial results of the Company for the quarter/nine months ended 31<sup>st</sup> December, 2019, the aforesaid remuneration of Rs. 134.44 Lakhs of Shri R. Sridharan, Manager & CEO for the financial year 2019-20 may likely to exceed the limit of 5% of the net profits of the Company for the financial year 2019-20, the limit of which as specified under Section 197(1) of the Companies Act, 2013 ("the Act") and requires the approval of members of the Company by a Special Resolution. Further, due to the said negative impact on the financial performance of the company, the Company may not have adequate profit for the financial year 2019-20 for the payment of said managerial remuneration to Shri R. Sridharan. Pursuant to the provision of Section 197 (3) of the Act read with Schedule V thereto, if in any Financial Year, the Company has no profits or its profits are inadequate, it can pay remuneration to its Manager in accordance with the provisions of Schedule V to the Act i.e. not exceeding the limits specified under Item (A) of Section II of Part II of the said Schedule, provided that the remuneration in excess of above limits may be paid if the resolution passed by the Members is a Special Resolution.

In view of the above, it is considered desirable, to obtain approval of Members of the Company by way of Special Resolution in pursuance to the provision of Section 197 and other applicable provisions if any of the Act and rules framed thereunder and Section II of Part II of Schedule V of the Act including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, for the payment of remuneration of Rs. 134.44 Lakhs for the financial year 2019-20 to Shri R. Sridharan in the capacity of Manager & CEO of the Company.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 6<sup>th</sup> February, 2020 has interalia recommended the resolution as set forth in Item No. 1 of the accompanying Postal Ballot Notice as a Special Resolution.

**In terms of Section II of Part II of Schedule V of the Companies Act, 2013**, the relevant details as mentioned in the Item No. 2 of the Explanatory Statement annexed to this Postal Ballot Notice ("**Item No. 2**"), in Point Nos.

A, B, C and D under the heading “The following statement of Information for the Members pursuant to Section II of Part II of Schedule V of the Companies Act, 2013”, are mutatis and mutandis applicable and forming part of the Item No.1 of the Explanatory Statement annexed to this Postal Ballot Notice (“**Item No. 1**”) except the details mentioned in Point Nos. B (4): “Job Profile and his suitability”; B(5) “Remuneration Proposed”; B(6): “Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person” and B(7): “Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any” of Item No.2, which are given herein as under:

**1. Job profile and his suitability:**

Shri R. Sridharan, Manager & CEO have been devoting sufficient time and attention to the business and affairs of the Company and have been performing and discharging all such duties and responsibilities as from time to time being assigned and entrusted to him by the Board of Directors of the Company save and except those matters which are explicitly required to be dealt with by the Board of Directors of the Company or any Committees thereof and by the Company in General Meeting and the restrictions if any imposed by the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof or amendment(s) thereto) (“the Act”). He is at all times subject to the superintendence, control and direction of the Board of Directors of the Company and in all respects comply with all its lawful directions read with Section 2(53) of the Act.

The profits and overall financial performance of the Company improved during the tenure of Shri R. Sridharan as the Manager & Chief Executive Officer of the Company. The growth in the Company's operations is attributable to the dynamism and relentless efforts of Shri R. Sridharan under the guidance of the Board of Directors. Shri R. Sridharan, being an Engineering Graduate from BITS, Pilani, India have the competence, experience and level of responsibility held during his career spanning more than 28 years in industries, especially in cable and optic fibre industries and adequate exposure to the international and domestic market.

**2. Remuneration Proposed:**

The approval of members by way of a Special Resolution is sought as required under the provision of Section 197 and other applicable provisions, if any, of the Act and rules framed thereunder and Section II of Part II of Schedule V of the Act including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, for the payment of remuneration of Rs. 134.44 Lakhs for the financial year 2019-20 to Shri R. Sridharan in the capacity of Manager & CEO of the Company.

**3. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

Nomination and Remuneration Committee had taken into consideration the size and nature of business of the Company, qua rich & wide experience of Shri R. Sridharan as also his longstanding association with the Company and compared to the remuneration packages of similarly placed personnel in comparable to other companies, financial position of the Company, market trends and industry standards to such similar position etc. while determining his remuneration at the time of his re-appointment in the year 2015 and also with regard to the payment of remuneration as mentioned above in Point No. 2.

**4. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the payment of remuneration as proposed and detailed hereinabove in Point No. 1 to Shri R. Sridharan, as Manager & Chief Executive Officer of the Company, he has no other pecuniary relationship with the Company or relationship with any managerial personnel. Shri R. Sridharan does not hold any shares of the Company.

Copy of the resolution passed by the Board of Directors in its Meeting held on 6<sup>th</sup> February, 2020, copy of the Agreement setting out the terms and conditions of re-appointment of Shri R. Sridharan as Manager & Chief Executive Officer and any other documents associate thereto, are available for inspection by any member at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day excluding Saturday(s) and Sunday(s) upto and including the last date of voting/ receipt of Postal Ballot Forms.



The information/details of Shri R. Sridharan pursuant to Secretarial Standard on General Meetings (SS-2) are provided herein as also in the Annexure-'A' to the Postal Ballot Notice.

Save and except Shri R. Sridharan, none of the Directors/other Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of the accompanying Postal Ballot Notice. The relatives of Shri R. Sridharan may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Shri R. Sridharan is not related to any Director of the Company.

The Board commends the Special Resolution set out at Item No. 1 of the accompanying Postal Ballot Notice for approval of the Members of the Company.

## Item No. 2

The members of the Company, in the Annual General Meeting held on 23<sup>rd</sup> July, 2015, had re-appointed Shri R. Sridharan as Manager and Chief Executive Officer (Manager & CEO) of the Company for a period of five (5) years with effect from 4<sup>th</sup> May, 2015. The current term of office of Shri R. Sridharan as the Manager and CEO of the Company is due to expire on 3<sup>rd</sup> May, 2020. Having regard to the qualifications, experience, long association of Shri R. Sridharan including the contributions made by him to the Company during his tenure, the Board of Directors ("the Board") based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 6<sup>th</sup> February, 2020 has re-appointed Shri R. Sridharan as Manager & CEO of the Company for a further period of three (3) years with effect from 4<sup>th</sup> May, 2020 to 3<sup>rd</sup> May, 2023, subject to approval of the members of the Company by way of a Special Resolution. The Board has also approved the remuneration, perquisites and other benefits, etc. payable to Shri R. Sridharan in the capacity of Manager & CEO of the Company based on the approval accorded by the Nomination and Remuneration Committee. The broad particulars of remuneration, perquisites and other benefits, etc. 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 R. Sridharan, are as under:

I. **Tenure of Re-appointment:** Three (3) years with effect from 4<sup>th</sup> May, 2020 to 3<sup>rd</sup> May, 2023.

II. **Remuneration:**

- (1) **Basic Salary:** Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousands Only) per month with such annual increments which will be effective from 1<sup>st</sup> July each year as decided by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee.
- (2) **Special Allowance:** Rs.2,15,000/- (Rupees Two Lakhs Fifteen Thousands only) per month with such annual increase which will be effective from 1<sup>st</sup> July each year as decided by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee, subject to a ceiling of 60% of Basic Salary as defined in Para (1) above.
- (3) **Allowances and Perquisites:** In addition to the Basic Salary and Special Allowance as outlined above, the Manager & CEO 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.
  - (ii) **Medical Benefits:** Payment/reimbursement of expenses incurred for self and family (including premium paid on mediclaim/health insurance policies) or medical allowance in accordance with the rules of the Company.
  - (iii) **Leave Travel Allowance/Assistance:** 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 one club in India, excluding admission and life membership fees.
  - (v) **Personal Accident Insurance Premium:** As per Rules of the Company.
  - (vi) **Contribution to Provident Fund and Superannuation or Annuity Fund:** As per the Rules framed under the Company's relevant schemes and applicable statutory provisions, if any, from time to time.

- (vii) **Gratuity:** As per Rules of the Company and applicable statutory provisions, if any, from time to time.
- (viii) **Leave Encashment:** Leave with full pay and allowances 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) (including Performance Linked Bonus):** As per Rules of the Company as may be available to the senior executives of the Company and/or as may be decided by the Board of Directors based on approval, if any, accorded by the Nomination and Remuneration Committee.
- (x) **Car/Communication Facilities:** The following shall not be included in the computation of perquisites –
  - (a) Provision of Company's car(s) with driver for official use.
  - (b) Provision of free telephone(s) and/or other communication facilities or reimbursement of telephone/communication expenses at residence including payment of local calls and long distance official calls.

**Explanation(s):**

- (a) Family mentioned above means the spouse, dependent parents and dependent children of the Manager & CEO.
  - (b) The said perquisites and allowances shall be evaluated at actual cost or if the cost is not ascertainable the same shall be evaluated as per the applicable provisions of the Income Tax Act, 1961 and rules framed thereunder or any statutory modification(s) or re-enactment(s) thereof.
  - (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 unavailed accumulated privilege leave at the end of the tenure as per the relevant rules of the Company, shall not be included in the computation of the ceiling on remuneration which includes Basic Salary, Special Allowance, Allowances, Perquisites/benefits (including Performance Linked Bonus) etc. as mentioned above.
  - (d) For the purpose of gratuity and contribution to superannuation or annuity fund and leave encashment benefits, the services of Shri R. Sridharan 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.
  - (e) The Manager & CEO 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.
- (4) **Overall Remuneration:** The Board of Directors based on the recommendation/approval of the Nomination and Remuneration Committee and/or any other Committee constituted by the Board for the purpose is entitled to revise the remuneration payable to the Manager & CEO from time to time, as it may, in its discretion deem fit, subject to the limits, if any, prescribed in this regard under Section 197, Schedule V or elsewhere under the Companies Act, 2013 read with rules framed thereunder and/or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, in such manner as may be agreed to between the Board and Manager & CEO, subject to such approvals, if so required.

**III. Other Conditions:**

- (a) Shri R. Sridharan, in the capacity of the Manager & CEO, 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.
- (b) The terms and conditions of the Agreement for re-appointment of Shri R. Sridharan as Manager & CEO of the Company may be altered, varied, modified or amended and/or remuneration payable to him (including Salary Special Allowance, Allowances, Perquisites and benefits (including Performance Linked Bonus, if any) as set out herein may be increased/enhanced from time to time by the Board of Directors of the Company and/or the Nomination and Remuneration Committee as it may, at its discretion deem fit, irrespective of the limits stipulated under Schedule V of the Companies Act, 2013 or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Manager & CEO, subject to such further approvals, if so required.
- (c) The Agreement may be terminated by either party (the Company or the Manager & CEO) by giving three months prior notice in writing.
- (d) The said draft Agreement also contains further terms and conditions as to powers and authority of Shri R. Sridharan, non-participation in any selling agency of the Company, termination, mutual rights and obligations of the Company and Shri R. Sridharan, etc.

**The following statement of information for the Members pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 (“Act”).**

**A. General Information:**
**1. Nature of Industry:**

The Company's operations are classified into business segment of “Cables” and associated activities.

**2. Date of commencement of Commercial Production:**

The Company commenced its commercial production on 25<sup>th</sup> March, 1994.

**3. Financial Performance:**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2018-19</b>	2017-18	2016-17
Revenue from Operations	<b>50231.28</b>	32868.69	22952.31
Earning before Finance Costs, Depreciation and Tax	<b>8165.86</b>	3557.28	1669.74
Finance Costs	<b>486.99</b>	387.90	347.95
Profit before Depreciation and Tax	<b>7678.88</b>	3169.38	1321.79
Depreciation and Amortization	<b>1052.01</b>	767.59	772.77
Profit before Tax	<b>6626.87</b>	2401.79	549.02
Tax Expenses/(Credit)	<b>1923.40</b>	788.43	215.57
Net Profit	<b>4703.47</b>	1613.36	333.45
Paid-up Equity Share Capital	<b>3000.00</b>	3000.00	3000.00
Earnings Per Equity Share (Face Value Rs. 10/- each)	<b>15.68</b>	5.38	1.11

**4. Foreign Investments or Collaborations, if any:**

The Company has no foreign collaboration and has not made any foreign investments outside India.

## **B. Information about the Appointee:**

### **1. Background details:**

Shri R. Sridharan an Engineering Graduate from BITS, Pilani, India has rich and wide experience in the projects, manufacturing, business developments over a period of 28 years and has been actively associated with various telecom cables and optical fibre industries in India and has widely travelled across the globe. Shri R. Sridharan is working with the Company since 15 years and presently holds the position as Manager & Chief Executive Officer (CEO) of the Company.

### **2. Past Remuneration:**

The existing remuneration of Shri R. Sridharan as Manager & CEO of the Company interalia consists of Basic Salary of Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousands only) per month besides House Rent Allowance, Special Allowance, perquisites and other benefits etc. in accordance with the Company's practice, rules and regulations in force from time to time and in pursuance to the approval accorded by Members at the Annual General Meeting of the Company held on 23<sup>rd</sup> July, 2015.

**3. Recognition or awards:** None to mention.

### **4. Job profile and his suitability:**

Shri R. Sridharan, Manager & CEO shall devote sufficient time and attention to the business and affairs of the Company and shall perform and discharge all such duties and responsibilities as may from time to time be assigned and entrusted to him by the Board of Directors of the Company save and except those matters which are explicitly required to be dealt with by the Board of Directors of the Company or any Committees thereof and by the Company in General Meeting and the restrictions, if any, imposed by the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof or amendment(s) thereto). He shall be accorded and shall possess and exercise all such powers as may be required by and be granted to him for the proper performance, discharge and execution of his duties and responsibilities. He shall at all times be subject to the superintendence, control and direction of the Board of Directors of the Company and shall in all respects comply with all its lawful directions read with Section 2(53) of the Act. The Board of Directors may from time to time entrust to the Manager & CEO such of the powers, as they think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think proper, expedient and desirable.

The profits and overall financial performance of the Company improved during the tenure of Shri R. Sridharan as the Manager & Chief Executive Officer of the Company. The growth in the Company's operations can be attributable to the dynamism and relentless efforts of Shri R. Sridharan under the guidance of the Board of Directors. Having regard to the qualifications of Shri R. Sridharan, competence, experience and level of responsibility held during his career spanning more than 28 years in industries, especially in cable and optic fibre industries and adequate exposure to the international and domestic market, he is best suited for the position of the Manager & Chief Executive Officer of the Company.

### **5. Remuneration Proposed:**

Please refer to the details given hereinabove and forming part of the Explanatory Statement to the proposed Resolution.

### **6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:**

Taking into consideration the size and nature of business of the Company, qua rich & wide experience of Shri R. Sridharan as also his longstanding association with the Company for more than 15 years and compared to the remuneration packages of similarly placed personnel in comparable other companies and further taking into consideration the financial position of the Company, market trends and industry standards to such similar position, the Nomination and Remuneration Committee accorded its approval for the remuneration as proposed hereinabove.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Except the payment of remuneration as proposed and detailed hereinabove as Manager & Chief Executive Officer of the Company, Shri R. Sridharan has no other pecuniary relationship with the Company or relationship with any managerial personnel. Shri R. Sridharan does not hold any shares of the Company.

**C. Other Information:**

**1. Reasons for Loss or inadequate Profits:**

The Company has achieved the revenue from Operation of Rs.50231.28 Lakhs for the financial year ended 31<sup>st</sup> March, 2019 as compared to Rs. 32868.69 Lakhs for the previous year ended 31<sup>st</sup> March, 2018. The Net Profit increased to Rs. 4703.47 Lakhs for the year ended 31<sup>st</sup> March, 2019 as compared to Rs. 1613.36 Lakhs for the previous year ended 31<sup>st</sup> March, 2018. However, the financial results of the Company for the quarter/nine months ended 31<sup>st</sup> December, 2019 are not showing any better performance due to the factors including prevailing market conditions, like sluggish market conditions and intensely competitive pricing structure and due to which the profit of the Company for the financial year 2019-20 may not be adequate for the purpose of managerial remuneration as per the provisions of Section 197 read with Schedule V of the Act and relevant Rules made thereunder.

**2. Steps taken or proposed to be taken for improvement:**

To overcome the present hyper competitive and volatile business situation, the Company has taken certain steps such as re-structuring its business strategy by broadening its market base; better product mix; optimizing raw material consumption and production cost; rationalization of manpower; and borrowing at cheaper rates, etc. The Company is undertaking vigorous Working Capital management exercise to reduce the overall borrowings cost. The Company is also taking measures to de-risk its business model by way of going to different geographies, not just depending on the domestic markets which has already started yielding results.

**3. Expected increase in productivity and profits in measurable terms:**

The Company has been constantly revamping its production facilities by adding sophisticated state-of-the-art Plant and Equipment from renowned global/domestic suppliers to retain its technical leadership and enabling the Company to gear up to meet the new challenges in the highly competitive Cable industry with proper balancing of products and technology. Alongside, the Company continues to accord its focused attention on de-bottlenecking the capacities, customer orientation, addition in the portfolio of new customers, cost reduction, reduction of scrap, revenue/margin improvements in order to stay relevant in the industry. The Company largely caters to the Cable Segment comprising Optical Fibre Cable (OFC) and Copper Telecommunication Cables which is clearly poised for growth in the near future with the focus of the Government to increase India's fibre backbone network to facilitate the rollout of 5G services on a pan-India basis and consequent demand/orders of OFC not only from the Government but also from other large telecom operators in India coupled with orders from overseas customers. The Company is geared to capitalise this opportunity with its upgraded manufacturing facilities, enhanced capacity and updated technology. This will go a long way in improving the sales and operational performance in the future years to come. However, in the present volatile scenario it is difficult to predict the profit in measurable terms.

**D. Disclosures:**

The details of remuneration of all Directors/Key Managerial Personnel and other information/details, as applicable, shall be disclosed under the Report of Corporate Governance in the Annual Report.



Copy of the resolution passed by the Board of Directors in its Meeting held on 6<sup>th</sup> February, 2020, the draft of the Agreement setting out the terms and conditions of re-appointment of Shri R. Sridharan as Manager & Chief Executive Officer, are available for inspection by any member at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day excluding Saturday(s) and Sunday(s) upto and including the last date of voting/ receipt of Postal Ballot Forms.

Shri R. Sridharan has rich & varied experience in the industry. It would be in the interest of the Company to re-appoint Shri R. Sridharan as the Manager & Chief Executive Officer of the Company. Accordingly, approval of the members is sought for passing the Special Resolution for appointment of Shri R. Sridharan as the Manager & Chief Executive Officer as set out at Item No.2 of the accompanying Postal Ballot Notice.

The information/details of Shri R. Sridharan pursuant to Secretarial Standard on General Meetings (SS-2) are provided herein as also in the Annexure-'A' to the Postal Ballot Notice.

Save and except Shri R. Sridharan, none of the Directors/other Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the accompanying Postal Ballot Notice. The relatives of Shri R. Sridharan may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Shri R. Sridharan is not related to any Director of the Company.

The Board commends the Special Resolution set out at Item No. 2 of the accompanying Postal Ballot Notice for approval of the Members of the Company.

**ANNEXURE-A**

**Brief Details of Manager & Chief Executive Officer seeking re-appointment/payment of remuneration through Postal Ballot Notice dated 6<sup>th</sup> February, 2020**  
**[Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India]**

<b>Name of Manager &amp; Chief Executive Officer</b>	Shri R. Sridharan
<b>DIN</b>	07220976
<b>Date of Birth &amp; Age</b>	22.06.1972 48 years
<b>Nationality</b>	Indian
<b>Date of First Appointment on the Board of Directors of the Company</b>	Not Applicable
<b>Qualifications</b>	B. Sc (Applied Science), B.S.(Engineering Technology) from BITS, Pilani
<b>Experience (including nature of expertise in specific functional areas)/ brief resume</b>	Kindly refer Explanatory Statement to the Postal Ballot Notice
<b>Number of Shares held in the Company</b>	Nil
<b>List of Directorships held in other companies*</b>	1. Birla Visabeira Private Limited 2. Params Dealcom Private Limited
<b>Chairman/Member of the Committees of the Boards of the Companies in which he is Director</b>	Nil
<b>Relationship with other Directors, Manager and Key Managerial Personnel of the Company</b>	None
<b>Number of Meetings of the Board attended during the year (upto 06.02.2020)</b>	4 of 4 (In the capacity of Manager & Chief Executive Officer )
<b>Terms and conditions of appointment/Re-appointment alongwith details of remuneration sought to be paid and the remuneration last drawn, if applicable</b>	As per the resolutions at Item No. 1 and 2 of the Postal Ballot Notice read with Explanatory Statement thereto.

\* Number of other Directorships excludes directorships in foreign bodies corporate, companies incorporated under Section 8 of the Companies Act, 2013 and LLP's besides trustees/membership of Managing Committees of various trusts and other bodies/chambers.

**Registered Office:**

Udyog Vihar,  
P.O.Chorhata,  
Rewa - 486 006 (M.P.)

6<sup>th</sup> February, 2020

**By Order of the Board**  
For **Birla Cable Ltd.**

(Somesh Laddha)  
Company Secretary

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