

## Rane (Madras) Limited

CIN: L65993TN2004PLC052856

Registered Office: "Maithri", No. 132, Cathedral Road, Chennai - 600 086

Phone: 044-28112472/73

E-mail: investorservices@ranegroup.com, website: www.ranegroup.com

# NOTICE TO MEMBERS

NOTICE is hereby given that the Sixteenth (16<sup>th</sup>) Annual General Meeting of Rane (Madras) Limited will be held on, August 07, 2020 at 15:00 hrs IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2020, together with reports of the Board of Directors and the Auditor thereon

To consider passing the following resolution(s) as an ordinary resolution:

- (i) "Resolved that the Standalone Audited Financial Statement of the Company for the year ended March 31, 2020 together with the reports of the Board of Directors and the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."
- (ii) "Resolved that the Consolidated Audited Financial Statement of the Company for the year ended March 31, 2020 together with the reports of the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

2. To appoint a Director in the place of Mr. Lakshman Lakshminarayan (DIN: 00012554), who retires by rotation and being eligible, offers himself for re-appointment

To consider passing the following resolution as an ordinary resolution:

"Resolved that Mr. Lakshman Lakshminarayan (DIN: 00012554), who retires by rotation under article 117 and 119 of the Articles of Association of the Company and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. To approve appointment of Statutory Auditors

To consider passing the following resolution as an ordinary resolution:

"Resolved that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. BSR & Co., LLP, Chartered Accountants (Firm Registration Number: 101248W/W100022) be and are hereby appointed as statutory auditors of the Company in the place of M/s. Deloitte Haskins and Sells, Chartered Accountants (Firm

Registration Number 008072S), effective from the conclusion of this 16<sup>th</sup> Annual General Meeting (2020) of the Company.

Resolved further that M/s. BSR & Co., LLP, Chartered Accountants (Firm Registration Number: 101248W/W100022), be and are hereby appointed as statutory auditors of the Company for a first 5 (five) consecutive years from the conclusion of 16<sup>th</sup> Annual General Meeting (2020) till the conclusion of the 21<sup>st</sup> Annual General Meeting (2025) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit."

### SPECIAL BUSINESS:

4. To approve appointment and remuneration of Ms. Gowri Kailasam, as Manager

To consider passing the following resolution as a special resolution:

"Resolved that in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 (the "Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (SEBI LODR) (including any statutory modification(s) or re-enactment thereof for the time being in force) approval be and is hereby accorded for the appointment of Ms. Gowri Kailasam, President - Steering and Linkages Division, as 'Manager' within the meaning of Section 2(53) of the Act for a period of five years with effect from January 21, 2020 to January 20, 2025 on the following terms :

- (i) **Salary**  
₹ 3,58,700/- per month. Annual increase will be effective 1st April every year. The quantum of increase will be as decided by the Board of Directors, from time to time.
- (ii) **Perquisites**  
Perquisites like superannuation allowance, fee to clubs, personal accident insurance, use of chauffeur driven car/s, telephone at residence, medical

insurance for self and family, medical allowance, leave & leave encashment, leave travel concession, education allowance, special allowance etc., will be provided in accordance with the policy of the Company as applicable to Key Managerial Personnel and Senior Management Personnel of the Company. The perquisites will be evaluated as per Income tax Rules, wherever applicable and at actual cost to the Company in other cases. The above perquisites are however, subject to a maximum of 150% of the salary per annum.

(iii) **Contribution to Funds**

Company's contribution to Provident Fund and Superannuation Fund / NPS will be as per the scheme of the Company. Company's contribution to Provident Fund and Superannuation Fund / NPS as above will not be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income tax Act. Gratuity payable shall be as per the rules of the Company.

(iv) **Incentive remuneration**

Incentive remuneration of such sum be paid based on the merits to be determined by the Board, provided that the total remuneration of the Manager shall not exceed the limits prescribed under the Companies Act, 2013.

Resolved further that in the event of there being inadequacy or absence of profits in any financial year, during the currency of tenure of the Manager, she will be paid remuneration in terms of Part II of Schedule V to the Act, including any re-enactments thereof or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

Resolved further that the remuneration specified hereinabove, may be enhanced, altered or varied by the Board, in accordance with the relevant provisions of the Companies Act, 2013 / Income Tax Act, 1961 and/or the rules and regulations made thereunder including any re-enactments thereof or such other limit as may be prescribed by the Government from time to time as minimum remuneration."

**5. To approve under Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the remuneration payable to Mr. Ganesh Lakshminarayan (DIN: 00012583), Chairman (Non-Executive Director) exceeding fifty per cent of the total annual remuneration payable to all Non-Executive Directors**

To consider passing the following resolution as a special resolution:

"Resolved that in addition to the approval already accorded by the members vide resolution passed at the fourteenth Annual General Meeting of the Company held on July 25, 2018, specific annual approval in terms of the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (SEBI LODR) (including any statutory modifications or re-enactment thereof) be and is hereby accorded for payment of remuneration to Mr. Ganesh Lakshminarayan, (DIN: 00012583), Chairman, for the financial year ended March 31, 2020 exceeding 50% (fifty percent) of the total annual remuneration paid to all the Non-Executive Directors of the Company for the said financial year.

Resolved further that Board of Directors of the Company be and is hereby authorized to determine matters, from time to time, in connection with the payment and distribution of commission to Mr. L Ganesh, in such proportion and in such manner as may be necessary, proper and expedient to give effect to approval(s) accorded by the members."

(By order of the Board)  
For Rane (Madras) Limited

Chennai  
June 18, 2020

S Subha Shree  
Secretary

**Registered Office:**  
**Rane (Madras) Limited**  
"Maithri", No. 132, Cathedral Road,  
Chennai - 600 086  
CIN: L65993TN2004PLC052856  
[www.ranegroup.com](http://www.ranegroup.com)

**NOTES:**

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means i.e., remote e-voting and voting at the AGM.
2. In terms of Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning special business to be transacted at the AGM is annexed and forms part of this Notice.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. **However, since**

this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Corporate members intending to represent through their authorised representatives in the AGM through VC/ OAVM and to vote through remote e-voting or voting at the AGM are requested to send to the Company a certified copy of the board resolution authorising their representative to the designated email address of the Company i.e., [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) and to CDSL i.e. [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
5. The cut-off date for the purpose of determining eligibility of members for voting in connection with the Sixteenth AGM has been fixed as **Friday, July 31, 2020**.
6. Pursuant to the relevant provisions of the Companies Act, 2013, dividend, which remained unclaimed/unpaid for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such dividend are also liable to be transferred to the demat account of the IEPF Authority.
7. Members may also note that the notice of the Sixteenth AGM and the annual report 2020 will be available in the Investors Section on the Company's website [www.ranegroup.com](http://www.ranegroup.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) for making payments like dividend to the shareholders, in terms of Schedule I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). Accordingly, shareholders holding securities in demat mode are requested to update their bank details with their depository participants. Shareholders holding securities in physical form are requested to update bank account details by furnishing requisite documents with the RTA of the Company.
9. Members holding shares in dematerialized form are requested to notify any change in their addresses, bank details or e-mail address with their respective DP and those holding shares in physical form are requested to notify the RTA at the following address:
 

**M/s. Integrated Registry Management Services  
Private Limited**  
SEBI Registration No. INR000000544  
2nd Floor, "Kences Towers", No.1, Ramakrishna Street,  
North Usman Road, T Nagar, Chennai - 600 017  
e-mail ID: [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in)  
Phone: 044 2814 0801-803;
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective DP. Further, in terms of SEBI circular dated April 20, 2018, the Company has sent reminder letters to individual shareholders for updating the details of PAN and Bank account details of persons holding shares in physical form with the Company's RTA.
11. Effective April 1, 2019, SEBI has disallowed listed companies from accepting requests for transfer of securities held in physical form, by amending the SEBI LODR. Members will need to convert shares held in physical form to demat for effecting any transfer. Only requests for transmission and transposition will be accepted by the Company/RTA.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, for consolidation into a single folio. The share certificate(s) will be returned to the members after necessary endorsements.
13. Members holding shares in single name and physical form are advised to make nomination or change nomination in respect of their shareholding in the Company in the prescribed form to the RTA. The nomination form(s) can also be downloaded from the Company's website [www.ranegroup.com](http://www.ranegroup.com)
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020 will also be available on the Company's website [www.ranegroup.com](http://www.ranegroup.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL <https://www.evotingindia.com>
15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. Information pursuant to regulations 26(4), 36(3) and 36(5) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect to the Directors/ Auditor seeking appointment / re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write well in advance to the Company on [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com).
18. Since the AGM will be held through VC/OAVM, the route map is not annexed in this notice.
19. In compliance with provisions of Section 108 of the

Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 (including amendments thereto) and SEBI LODR, the Company is pleased to provide members/shareholders facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.

- i. The facility of casting the votes by the members/ shareholders using an electronic voting system from a place other than venue of the AGM ('remote e-voting') and for poll during the meeting will be provided by Central Depository Services (India) Limited (CDSL e-Voting System).
- ii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' or voting at the AGM through poll.
- iii. The 'remote e-voting' period commences on (Tuesday) August 04, 2020 (9:00 hrs IST) and ends on (Thursday) August 06, 2020 (17:00 hrs IST). During this period, members/shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 31, 2020 (Friday), may cast their vote by 'remote e-voting'. The 'remote e-voting' module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- iv. The voting rights of members/shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, i.e., Friday, July 31, 2020.  
Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, July 31, 2020, may cast their vote electronically.
- v. Mr. C Ramasubramaniam, Practicing Company Secretary (ICSI Membership no. FCS 6125), Partner, M/s. CR & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the 'remote e-voting' process and voting at the AGM, in a fair and transparent manner.
- vi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.ranegroup.com](http://www.ranegroup.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.

#### E-VOTING ARE AS UNDER:-

##### A. To Log-in to CDSL e-Voting website

1. Visit the e-Voting website of CDSL. Open a web browser by typing the following URL: <https://www.evotingindia.com/> either on a Personal Computer or on a mobile.
2. Click on 'Shareholders' module.
3. 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) Shareholders holding shares in physical form: Folio Number registered with the Company.

(OR)

Alternatively, if you are registered for CDSL's EASI/ EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login -Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

4. Next, enter the Image Verification as displayed and click on 'Login'.
5. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - a. If you are using CDSL e-Voting system for the first time, then follow below steps:
    - (i) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  
Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number- the first two letters of their name and the last 8 digits of the Client ID /Folio number in the PAN field. In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.
    - (ii) 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.  
If Dividend Bank Details or Date of Birth are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in point 3 of clause A.
6. After entering these details appropriately, click on 'SUBMIT' tab.

7. Shareholders holding shares in physical form will then directly reach the Company selection screen.
  8. Create Password:  
Shareholder 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 companies on which they are eligible to vote, provided that such Companies 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.
  9. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  10. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- B. To Cast your vote electronically on CDSL e-Voting system.**
1. After successful login, you will reach Company selection screen.
  2. Click on 'EVS' for RANE (MADRAS) LIMITED.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. 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 the option NO implies that you dissent to the Resolution.
  5. Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
  6. After selecting the resolution that 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.
  7. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
  8. You can also take a printout of the votes cast by clicking on 'CLICK HERE TO PRINT' option on the Voting page.
  9. Shareholders can also cast their vote using CDSL's mobile app 'm-Voting'. 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.
10. Note for Non - Individual Shareholders and Custodians:
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the 'Corporates' module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts 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.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) (designated email address by Company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**
1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company's e-mail ID [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) or to RTA's e-mail ID [srirams@integratedindia.in](mailto:srirams@integratedindia.in).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company's e-mail ID [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) or to RTA's e-mail ID [srirams@integratedindia.in](mailto:srirams@integratedindia.in).

3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at the weblink: <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and after the scheduled time of the commencement of the Meeting and will be available for Shareholders on a first come first served basis.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further, shareholders will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com) from July 30, 2020 (09:00 hrs IST) to August 03, 2020 (17:00 hrs IST). The shareholders who do not wish to speak during the AGM but have queries may send their queries in within the above mentioned time period prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investorservices@ranegroup.com](mailto:investorservices@ranegroup.com).
7. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those shareholders, who will be present in the AGM through VC/OAVM facility and have not casted

their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholder have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholder shall be considered invalid, as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Other Instructions**

1. In case of any queries or issues, 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 e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

(By order of the Board)  
For Rane (Madras) Limited

Chennai  
June 18, 2020

S Subha Shree  
Secretary

**Registered Office:**

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"Maithri", No.132, Cathedral Road,  
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**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013**

**Item No.3**

M/s Deloitte Haskins and Sells (DHS), Chartered Accountants, (Firm registration Number. 008072S) (DHS) hold the office of statutory auditors in second term of five consecutive years from the conclusion of the 13<sup>th</sup> Annual General Meeting (2017) until the conclusion of the 18<sup>th</sup> Annual General Meeting (2022).

DHS are also the Statutory Auditors of the holding company, viz., Rane Holdings Limited (RHL), and are completing the statutorily prescribed period of ten years in two consecutive terms at the conclusion of 84<sup>th</sup> AGM 2020 of RHL.

In order to enable the statutory auditors of the holding company to effectively perform the audit procedures envisaged under the SEBI LODR regulations with respect to audit of the component entities viz., subsidiaries and

associates, it is considered desirable to have common statutory auditors both for RHL and the Company, being subsidiary of RHL. This is also aimed to rationalise the cost and efforts.

Accordingly, DHS have expressed their intention to resign as Statutory Auditors of the Company effective from the conclusion of this 16<sup>th</sup> Annual General Meeting of the Company. The Audit Committee and Board of Directors of the Company, at their respective meetings held on June 18, 2020 have taken note of this intention of DHS.

As per the provisions of Section 139 of the Companies Act, 2013, an appointment of statutory auditors needs approval of the members at a general meeting.

After a detailed review of the profile, experience and expertise of few audit firms / entities, the Audit Committee and Board of Directors of the Company have recommended the appointment of M/s BSR & Co., LLP, as Statutory Auditors of the Company, for approval of the members at the 16<sup>th</sup> Annual General Meeting of the Company.

M/s BSR & Co, LLP, having firm registration no. FRN / Mem No.101248W / W100022 is a member entity of BSR & Associates, a network registered with The Institute of Chartered Accountants of India. They have audit experience across S&P BSE 30, S&P BSE 100 and S&P BSE 200 indices and in particular, the automotive sector globally.

M/s BSR & Co., LLP have accorded their consent and confirmed that they full-fill all the eligibility criteria envisaged under Companies Act, 2013 and SEBI LODR Regulations 2015, to hold the office and perform the role of statutory auditor of the Company effectively. They hold a valid peer review certificate which is valid up to July 1, 2022.

Considering the professional experience, expertise and technical competencies by M/s BSR & Co., LLP, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s BSR & Co., LLP as Statutory Auditors. Accordingly, the Board of Directors recommend to the shareholders the appointment of M/s BSR & Co., LLP, Chartered Accountants, as Statutory Auditors for five (5) years from the conclusion of this 16<sup>th</sup> Annual General Meeting (2020) till the conclusion of the 21<sup>st</sup> Annual General Meeting (2025) on a remuneration of ₹ 25 Lakhs per annum towards statutory audit and quarterly limited reviews, excluding reimbursement of any out of pocket expenses at actuals and applicable taxes and subject to annual revisions as may be determined by the Board from time to time.

There is no material change in the fee payable from that paid to the outgoing auditor, except that the remuneration is presently fixed considering the prevailing economic scenario.

None of the Directors and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financial or otherwise, in the above resolutions except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out in the item no.3 of this notice as an **ordinary resolution**.

#### Item No.4

In terms of Section 203 of the Companies Act, 2013, the Company is required to appoint a whole time Key Managerial Personnel (KMP) in the designation of MD/CEO/Manager/ Whole Time Director. The Company has identified Ms. Gowri Kailasam, President - Steering and Linkages Division, for the appointment as KMP in the position of 'Manager' within the meaning of Section 2(53) of the Companies Act, 2013 (the Act).

Ms. Gowri Kailasam, holds B. Tech and Master's degree in Chemical Engineering besides Masters of Business Administration. She has over 25 years of work experience. She has worked for Ford India and Ford Motors (UK). She joined the Company as General Manager - TQM and has played significant roles in quality, materials and business planning. She is currently heading the Steering and Linkages Division as President, to steer the accelerated profitable growth and enhance the financial performance of the Company.

The Board of Directors after considering her qualification, experience, expertise and taking into consideration and the recommendations of Nomination and Remuneration Committee, has appointed Ms. Gowri Kailasam also as Manager of the Company for a period of five years, effective from January 21, 2020 to January 20, 2025. Her appointment as Manager is subject to approval of the members in accordance with Section 196 of the Companies Act, 2013.

Details as required under the Schedule V to the Companies Act, 2013 and under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

#### (i) General information:

The Company is the leading auto component group based out of Chennai. RML has two manufacturing namely Steering and Linkages Division (SLD) and Light Metal Castings (LMC). SLD manufactures mechanical steering gears, hydrostatic steering systems and steering and suspension linkage products. LMC manufactures low porosity, high-quality aluminium die-castings such as steering housings and engine case covers. Through its overseas subsidiary, Rane Light Metal Castings Inc., America (LMCA) (Formerly Rane Precision Die Casting Inc. (RPDC), RML manufactures high pressure aluminum die casting components from its facility in Kentucky, USA. The Company has diverse presence in both domestic and international market. The financial performance of the Company for the year ended March 31, 2020 is given below:

Particulars for 2019-20	₹ In Lakhs
Sales & Operating Revenue	1,10,052
Profit Before Tax	(2,345)
Provision for Tax (net tax expense)	98
Profit After Tax	(2,443)

(ii) Information about the appointee:

Name of the Manager	Ms. Gowri Kailasam
DIN	-
Father's Name	Mr. Kailasam Pazhayanur Subramania Iyer
Date of Birth	June 27, 1967
Educational Qualifications	B. Tech and Master's degree in Chemical Engineering and Masters of Business Administration.
Experience	Ms. Gowri Kailasam has over 25 years of industrial experience and has held various positions in the areas of quality, materials, business planning and other corporate functions.
Past Remuneration (2019-20)	₹ 1,26,50,841
Recognition / Awards	-
Job Profile and suitability	She heads the operations and is responsible for achieving operating and strategic business plans of the Company and reports to Vice- Chairman. Given her qualification and experience, Ms. Gowri Kailasam is considered well suited for the position.
Remuneration Proposed	As detailed in the resolution. The proposed remuneration is commensurate with the responsibilities of the appointee and is in line with the remuneration practices in the auto component industry.
Comparative remuneration profile with respect to the industry	The proposed remuneration package of the appointee is in line with the prevailing standards in the industry, size of the Company, profile of the position, etc.
Pecuniary Relationship and relationship with the managerial personnel	Apart from receiving remuneration she has no other pecuniary relationship with the Company. Ms. Gowri Kailasam is not related to any other managerial personnel of the Company.
Other Directorships	Nil
Committee Memberships	Nil

(iii) Other Information:

**Other information such as reasons for loss or inadequacy of profits-** High finance cost coupled with lower demand in the auto sector and degrowth in domestic sales and export sales coupled with an impairment of Investments in subsidiaries.

**Steps taken or proposed to be taken for improvement-** The Company has taken steps to optimize the resources, productivity improvement, sustaining efficiency levels and significant cost saving projects were executed.

**Expected increase in productivity and profit in measurable terms -** Pursuit of initiatives and improvement in R&D facilities is expected to increase product performance requirements and support new product development. New export businesses is expected to drive growth especially in the domestic light metal casting business

(iv) Other Disclosures:

The Company has not made any default in repayment of its debt or interest payable thereon during the preceding

financial year 2019-20. Ms. Gowri Kailasam satisfies all the conditions laid down in Schedule V to the Companies Act, 2013. She holds no equity shares of the Company.

Ms. Gowri Kailasam is interested in the resolution as it relates to her own appointment. None of the directors and other Key Managerial Personnel (KMP) of the Company and their relatives are concerned or interested, financial or otherwise in this resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no. 4 of this notice as a **special resolution**.

**Item No. 5**

The members of the Company at the Fourteenth Annual General Meeting of the Company held on July 25, 2018, had approved payment of commission to Mr. L Ganesh, Chairman, a sum not exceeding 2% of the annual net profits of the Company, for a period of 3 years with effect from April 1, 2018 to March 31, 2021. The ordinary resolution was



approved by members with 99.99% of votes cast in favour of the resolution.

In terms of Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) approval of shareholders by way of special resolution is required when annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration paid/payable to all Non-Executive Directors.

For the financial year ended March 31, 2020, Mr. L Ganesh is entitled to receive a commission of ₹ 29,70,538/-, being 2% (approx.) of the net profits calculated in accordance with Section 198 of the Companies Act, 2013. The said commission, together with sitting fees exceeds 50% (fifty percent) of the total annual remuneration paid to all the Non-Executive Directors of the Company for the said financial year.

In order to comply with requirements under Regulation 17(6)(ca) of SEBI LODR, approval of the members is being sought by way of a special resolution, as set out in item no.4 of this notice.

Mr. L Ganesh is concerned or interested in the resolution. Mr. L Lakshman being his relative is deemed to be interested in the resolution. None of the other Directors

and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financial or otherwise, in the above resolutions except to the extent of their shareholding, if any, in the Company.

The Board recommends passing the resolution as set out at item no. 5 of this notice as a **special resolution**.

(By order of the Board)  
For Rane (Madras) Limited

Chennai  
June 18, 2020

S Subha Shree  
Secretary

**Registered Office:**  
Rane (Madras) Limited  
"Maithri", No.132, Cathedral Road,  
Chennai - 600 086  
CIN: L65993TN2004PLC052856  
[www.ranegroup.com](http://www.ranegroup.com)

### Annexure to the Notice dated June 18, 2020

Information about Directors seeking re-appointment at the Annual General Meeting in compliance with Regulation 26(4), 36(3) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) as on June 18, 2020

Name of the Director	Mr. Lakshman Lakshminarayan
Father's Name	Mr. L L Narayan
Director Identification Number (DIN)	00012554
Age (in years)	73
Date of Birth	July 17, 1946
Educational Qualifications	B.E (Mech.), Executive MBA from London Business School
Experience	Mr. L Lakshman had been spearheading the business of Rane Group of Companies and has more than 49 years of industrial experience.
Date of first appointment on the Board	March 31, 2004
Terms and Conditions of appointment	Re-appointment as a Non-Executive Director, liable to retire by rotation
Last drawn remuneration	Sitting fee for FY 2019-20 - ₹ 4,02,500
Remuneration sought to be paid	No approval is being sought for payment of remuneration.  Eligible for sitting fee for attending meetings of the Board and Committees of which he is a member.
Relationship with other Directors / Manager / KMP	Brother of Mr. L Ganesh and father of Mr. Harish Lakshman.
Other Directorships	<b>Chairman - Emeritus</b> 1. Rane Holdings Limited  <b>Director</b> 1. Rane Brake Lining Limited 2. Rane Engine Valve Limited 3. Rane Holdings Limited 4. Rane TRW Steering Systems Private Limited 5. Rane NSK Steering Systems Private Limited 6. SRF Limited
Committee Memberships in other Boards	<b>Member - Audit</b> 1. Rane Engine Valve Limited 2. Rane NSK Steering Systems Private Limited 3. Rane TRW Steering Systems Private Limited 4. SRF Limited  <b>Member - Nomination and Remuneration</b> 1. Rane Engine Valve Limited 2. Rane Holdings Limited  <b>Chairman - Corporate Social Responsibility</b> 1. Rane Holdings Limited 2. Rane Brake Lining Limited 3. Rane Engine Valve Limited 4. Rane NSK Steering Systems Private Limited 5. Rane TRW Steering Systems Private Limited  <b>Chairman - Stakeholders' Relationship Committee</b> 1. Rane Holdings Limited  <b>Member - Corporate Social Responsibility</b> 1. SRF Limited
Number of meetings of the Board attended during the year	Five (5)
Number of equity shares held (Including Joint holding, if any)	Nil