

## **Auditors' Certificate on Corporate Governance**

To  
The Members of V.S.T. Tillers Tractors Limited

1. We have examined the compliance of conditions of Corporate Governance by V.S.T. Tillers Tractors Limited ("the Company"), for the year ended on March 31, 2019, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s K. S. Rao & Co**  
Firm Reg. No. : 003109S  
Chartered Accountants

Place : Bengaluru  
Date : May 10, 2019

**Hitesh Kumar P**  
Partner  
Membership No. 233734

## PHILOSOPHY ON CORPORATE GOVERNANCE

V.S.T. Tillers Tractors Limited believes that, corporate governance is the relationship between corporate managers, directors, and the providers of equity, people and institutions who save and invest their capital to earn a return. The Company also endeavor to enhance long term shareholder value and also respect minority shareholder value. It ensures that the board of directors is accountable for the pursuit of corporate objectives and that the corporation itself conforms to the law and regulations.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as applicable, with regard to corporate governance except there was delay in appointment of one Independent Director to form the Board Composition and same was compiled in December 2018.

## BOARD OF DIRECTORS:

The Board of Directors along with various Committees provides guidance to the management and directs, supervises and controls the performance of the Company. Information provided to the Board includes quarterly and yearly results of the Company, Minutes of Audit and other Committees, information on recruitment and remuneration of senior officers just below the Board, review of annual operating plans and compliance report etc.

### (a) Composition of the Board:

Listing Regulation mandates that for a Company with non-executive Chairman, who is a Promoter, at least half of the Board should be Independent Directors. The composition and category, shareholdings, the attendance at Board Meetings and last AGM, number of Directorships in other Public Companies is as follows:

Name of the Director	Share Holdings	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM	No. of other Public Limited Companies in which Director	Chairman/ Member of the committees
Mr. V. K. Surendra	1836700*	Non-Executive	5	Yes	-	1
Mr. R. Subramanian	Nil	Independent	5	Yes	1	2
Mr. M. K. Bannerjee	Nil	Independent	5	Yes	-	2
Mr. K.M. Pai	Nil	Independent	5	Yes	1	3
Ms. Siva Kameswari Vissa	Nil	Independent	4	Yes	1	6
Mr. Bijanki Jagannath	Nil	Independent	1	No	-	-
Mr. V. P. Mahendra	630530*	Vice Chairman & Managing Director	5	Yes	1	2
Mr. V. V. Pravindra	224146*	Non-Executive	3	Yes	-	-
Mr. V.T. Ravindra	26852*	Executive Director	5	Yes	-	-
Mr. V S Arun	212130*	Non-Executive	3	Yes	-	-

\* holding individually / jointly. Mr.V K Surendra, Mr.V P Mahendra, Mr.V V Pravindra, Mr.V.T. Ravindra & Mr.V S Arun are belong to promoter group.

Note : Committee Membership / Chairman of Audit Committee and Stake Holders Relationship Committee of Public Companies are considered.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

- Apart from Mr.V.K. Surendra, V.P. Mahendra, Mr. V.V. Pravindra, Mr. V.T. Ravindra and Mr.V S Arun none of the other Directors are related to each other.

List of other listed Companies in which Directors holding Directorship.

Name of the Director	Name of the other Listed Company	Category of Directorship
Mr.R.Subramanian	Lotus Eye Hospital & Institute Ltd	Independent Director
Mr. K M Pai	Oriental Bell Limited	Independent Director
Ms.Siva Kameswari Vissa	GMR Infrastructure Limited	Independent Director
Mr.V P Mahendra	Kirloskar Electric Company Limited	Independent Director

#### List of Skills/Expertise/Competencies identified by the Board:

Business:

1. Business Management & Administration
2. Experience in Automobile Marketing
3. Technical Expertise
4. IT skill

Compliance:

Finance, Taxation, Corporate Laws, SEBI Regulations and other applicable Laws.

Governance:

Developing governance practices, serving the best interests of all stakeholders, and driving corporate ethics and values.

#### (b) Details of Board Meetings:

During the year under review the Board met five times on 11-05-2018, 11-08-2018, 23-08-2018, 09-11-2018 & 08-02-2019.

#### (c) Code of Conduct:

The Company has formulated and implemented Code of Conduct for Board Members and Senior Management of the Company in compliance with SEBI (LODR) Regulation, 2015 and same is available in Company website i.e. [www.vstillers.com](http://www.vstillers.com).

The certificate by CEO of the Company on compliance with the code of conduct is given below:

To,  
The Board of Directors,  
V.S.T. TILLERS TRACTORS LTD

It is hereby confirmed that the Directors and Senior Management have duly complied with the code of conduct laid down by the Company during the financial year ended March 31, 2019.

Place: Bengaluru  
Date: May 10, 2019

**Antony Cherukara**  
Chief Executive Officer

**COMMITTEE MEETINGS :****Audit Committee****Composition**

At present the Audit Committee comprises of four independent Directors of the Company. All the members of Audit Committee are financially literate. The Company Secretary acts as the Secretary of the Committee.

**Terms of Reference:**

Audit Committee of the Board is vested with the powers and the role that are in accordance with SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013 and code of conduct for Insider Trading. The terms of reference of the Audit Committee, inter alia, include over seeing financial reporting processes, reviewing periodic financial results, reviewing with the management the financial statements and adequacy of internal control systems, reviewing the adequacy of internal control function, discussions with the Internal and Statutory Auditors about the scope of audit including the observations of Auditors and discussion with them on any significant findings.

**Details of Audit Committee Meetings:**

During the year under review the Audit Committee met six times on May 11, 2018, August 11 2018, August 23 2018, November 9 2018, February 08 2019 and March 12, 2019. Required quorum was present for all the meetings.

Sl.No.	Name of the Member	Designation	Attended
1	Mr. R. Subramanian	Chairman	6
2	Mr. M. K. Bannerjee	Member	5
3	Mr K M Pai	Member	5
4	Ms.Siva Kameswari Vissa	Member	5

**Corporate Social Responsibility (CSR) Committee**

The Committee is authorized to formulate the CSR policy and undertake CSR activity as specified in Schedule VII of the Companies Act, 2013. The CSR policy is available in your Company website i.e. <http://www.vstillers.com/investors/policies>

**Composition**

Mr. V.K. Surendra, Chairman

Mr. M.K. Bannerjee, Member

Mr. V.P. Mahendra, Member

Mr. V V Pravindra, Member

During the year under review the Committee meeting held on 10/05/2018 with presence of all the members.

**NOMINATION AND REMUNERATION COMMITTEE**

The nomination and remuneration committee of the Company is constituted in line with the provisions

of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act. The Key Objectives of the Committee includes 1. Formulate a criteria for determining qualifications, positive attributes and independence of a director. 2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. 3. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company; and 4. Undertake any other matters as the Board may decide from time to time. The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management. The Policy is available on the website of the Company at <http://www.vstillers.com/investors/policies>. The details of the remuneration paid to directors mentioned in page no-34.

**Composition**

The Nomination and Remuneration Committee comprises of three non-executive directors out of which two are independent directors.

Mr. M.K. Bannerjee, Chairman (Independent Director)

Mr. V.K. Surendra, Member

Mr. K.M. Pai, Member (Independent Director)

During the year under review the Committee met on 10/05/2018, 10/12/2018 & 06/02/2019 attended by all the members.

#### **Performance Evaluation Criteria for Independent Directors :**

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is primarily responsible for review all matters connected with redressal of shareholders complaint. The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve their grievances.

#### **Composition**

The Stakeholders Relationship Committee comprises of three Directors of the Company.

Mr. K.M. Pai, Chairman

Mr. M. K. Bannerjee, Member

Mr.V.K.Surendra, Member

During the year under review the Committee met on 08/02/2019 attended by all the members.

Name of the Compliance Officer - Mr. Chinmaya Khatua, Company Secretary

The details of the shareholder's complaints mentioned in page no- 35 of the Annual Report

#### **INDEPENDENT DIRECTORS MEETING**

The Independent Directors held their meeting on 08/02/2019 without presence of anybody from management side. All the Independent Directors had attended the Meeting.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The familiarization programme imparted to independent directors is displayed in Company website and can be accessed at <http://www.vstillers.com/investors/policies>

#### **VIGIL MECHANISM**

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It is to protect employees wishing to raise a concern about serious irregularities within the Company. The details of the policy is available in company website i.e <http://www.vstillers.com/investors/policies>

Mr. Chinmaya Khatua, Company Secretary and Compliance Officer can be contacted:

Chinmaya Khatua,  
No.1, Dyavasandra Indl. Layout,  
Whitefield Road,  
Mahadevapura Post, Bengaluru – 560 048 .  
Ph. No.080-67141111  
E-mail: chinmaya@vstillers.com

#### **INSIDER TRADING REGULATIONS:**

The Company has prescribed code of conduct and disclosure practice to prevent insider trading.

#### **POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS**

The policy on dealing with related party transactions can be accessed at <http://www.vstillers.com/investors/policies>

#### **OTHER POLICIES**

The Company has formulated other policies as required under Companies Act, 2013 and SEBI (LODR) Regulation 2015 and the same have been disclosed in Company Website: <http://www.vstillers.com/investors/policies>

#### **DIRECTORS REMUNERATION**

The non-executive Directors are not paid any remuneration other than the sitting fees which is within the limits prescribed under Companies Act, 2013.

During 2018-19, the Company did not advance any loan to any of its Directors. The remuneration paid to the Managing Director / Executive Director for the year 2018-19 is given below:

Name of the Director	Category	Basic Salary	Allowances	Commission/ Incentive	P.F.	Leave encashment	Total (in Rs.)
1. Mr. V.P Mahendra	Vice Chairman & Managing Director	21,66,017	21,00,000	32,49,107	2,64,000	2,65,41,67	1,04,33,291
2 Mr, V T Ravindra	Executive Director	1,611,612	1,611,612	24,02,419	1,98,000	Nil	58,23,643

Mr. V.P. Mahendra was reappointed as Vice Chairman & Managing Director by the shareholders of the Company through postal ballot for two years effective from 20/02/2019. Mr. V.T. Ravindra was appointed by the shareholders as executive director of the Company for five years effective from 11/05/2018. The commission is being paid as approved by the shareholders. The details of the commission criteria are mentioned in page no- 11 of the annual report.

The Sitting Fees paid to the Non-Executive Directors for the year 2018-19 is given below :

Name of the Director	Category	Sitting Fees paid (In Rs)
Mr. V. K. Surendra	Chairman	5,10,000
Mr. R. Subramanian	Independent Director	5,80,000
Mr. M. K. Bannerjee	Independent Director	8,50,000
Mr. K. M. Pai	Independent Director	14,10,000
Ms. Siva Kameswari Vissa	Independent Director	4,80,000
Mr. Bijanki Jagannath	Independent Director	1,00,000
Mr. V. V. Pravindra	Non-Executive Director	1,80,000
Mr. V. T. Ravindra	Executive Director	40,000
Mr. V. S. Arun	Non-Executive Director	1,50,000

During the year, no non-executive director had any pecuniary relationship or transactions with the Company other than the sitting fees and reimbursement of expenses incurred by them for attending meetings of the Company.

#### MEANS OF COMMUNICATION:

The outcome of the Board Meeting, quarterly and annual financial results are sent to Stock Exchanges

immediately after the Board approval. The quarterly and annual financial results are also available in Company web-site i.e., [www.vstillers.com](http://www.vstillers.com).

The quarterly and annual financial results are published in Financial Express & Business Standard (English) and SanjeVani (Kannada) newspapers. The Company's announcement and outcome of the investors meet are also published in Company website.

**DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS ON 31ST MARCH 2019**

Category	No. of Shareholders	% to total No. of shareholders	Shares Amount (Rs.)	% to total shares amount
Upto 5,000	17278	95.73	87,08,260	10.08
5,001 10,000	363	2.01	26,09,850	3.02
10,001 20,000	215	1.19	30,10,270	3.48
20,001 30,000	56	0.31	14,23,850	1.65
30,001 40,000	30	0.17	10,25,350	1.19
40,001 50,000	14	0.08	6,64,960	0.77
50,001 1,00,000	25	0.14	18,98,240	2.20
1,00,001 and above	67	0.37	6,70,54,500	77.61
<b>Total</b>	<b>18048</b>	<b>100.00</b>	<b>8,63,95,280</b>	<b>100.00</b>

**DETAILS OF REQUEST/COMPLAINTS RECEIVED DURING THE YEAR 2018-19**

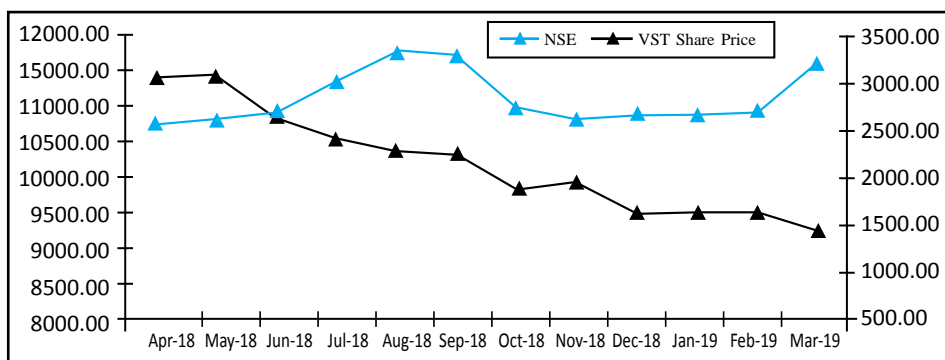
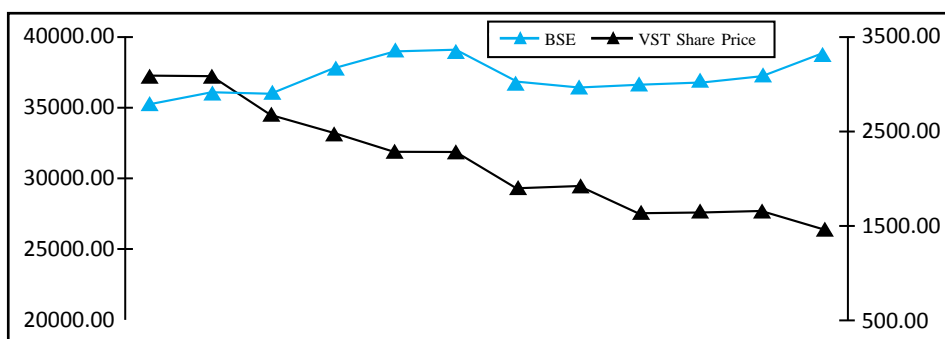
Nature of Request	OB	Received	Attended	Pending
Change of Address	-	15	15	-
Bank Mandate	-	142	142	-
Revalidation of Warrants	-	40	40	-
Duplicate Share Certificates	-	79	79	-
Transfer/Transmission	-	25 Tr / 4 Tm	25 Tr / 4 Tm	-
Dematerialisation	-	192	192	-
Rematerialisation	-	1	1	-

**SHAREHOLDING PATTERN AS ON 31ST MARCH 2019**

Category	No. of Shareholders	No. of shares held	% to total No. of shares
Promoters/Associates	40	4438960	51.38
Foreign Promoters	1	253125	2.93
Bodies Corporate	361	234460	2.71
Mutual Funds	15	899084	10.41
Alternate Investment Funds	6	321086	3.72
Banks	5	3813	0.04
Financial Institutions	1	225	0.00
Foreign Financial Institutions	13	496584	5.75
Non-Resident Indians	1015	102888	1.19
Clearing Members	116	16587	0.19
Public/Others	16475	1872716	21.68
<b>Total</b>	<b>18048</b>	<b>8639528</b>	<b>100.00</b>

## Market Price Data Information (BSE)

MONTH	HIGH	LOW	MONTH	HIGH	LOW
Apr-18	3085.00	2485.00	Oct-18	1897.00	1550.00
May-18	3082.00	2589.90	Nov-18	1911.00	1525.60
Jun-18	2670.00	2260.00	Dec-18	1628.00	1531.15
Jul-18	2470.00	2155.00	Jan-19	1638.00	1540.25
Aug-18	2285.60	2036.05	Feb-19	1648.00	1391.00
Sep-18	2265.00	1750.00	Mar-19	1455.00	1301.30



## Market Price Data Information (NSE)

MONTH	HIGH	LOW	MONTH	HIGH	LOW
Apr-18	3072.80	2514.45	Oct-18	1887.40	1541.15
May-18	3094.55	2579.65	Nov-18	1972.30	1538.80
Jun-18	2680.55	2249.75	Dec-18	1623.00	1540.00
Jul-18	2430.00	2082.10	Jan-19	1650.00	1537.00
Aug-18	2285.00	2025.00	Feb-19	1650.00	1399.95
Sep-18	2256.00	1760.05	Mar-19	1458.25	1301.10

Source: Web-sites of BSE and NSE.



### Dematerialization of Equity Shares

Trading in equity shares of the Company became mandatory in dematerialized form. To facilitate trading in demat form, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both these NSDL and CDSL. Shareholders can open their accounts with any of the Depository Participants to hold their shares in dematerialized form. About 98.28% of the Equity Shares of the Company are held in the dematerialized form.

### Restriction on Transfer of Physical Shares:

As per SEBI circular, there will be no transfer of physical shares effective from 1st April 2019 and intimation was sent to shareholders in this regard.

### Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2019, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

### Commodity price risk or foreign exchange risk and hedging activities

Please refer Note No-37 Page no.81 of the Annual report. Company is not doing hedging activities.

### DETAILS OF UNCLAIMED SHARES

Particulars	As on 31.03.2018		Claimed during the year		As on 31.03.2019	
	No of Shareholders	No of Shares	No of Shareholders	No of Shares	No of Shareholders	No of Shares
Unclaimed Shares	35	3171	3	185	32	2986

The voting rights on the above Shares shall remain frozen till the rightful owner of such Shares claims the Shares.

During the year 2018-19, Rs.5,86,998 unclaimed dividend has been transferred to Investors Education & Protection Fund (IEPF) and Rs.12,15,700/- was transferred to IEPF towards dividend for the shares transferred to the IEPF authority. There is no amount which were to be transferred to IEPF but have not been so transfer. The details of the unpaid and unclaimed dividend amounts are available in the company website i.e. www: vstillers.com and IEPF website.

### DETAILS OF SHARES TRANSFERRED TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

During the year 913 Nos of shares have been transferred to IEPF to comply with IEPF Rules. The details of the such shares is available in Company website at www.vstillers.com.

### GENERAL SHARE HOLDER INFORMATION

#### Investor Services

AGM date, time and venue : Friday, 9th August, 2019 at 3.30 P.M.  
Woodlands Hotel Pvt Ltd.  
No-5, Raja Rammohan Roy Road,  
Bengaluru- 560025.

Financial year : 1st April - 31st March  
Book Closure : from August 03, 2019 to August 09, 2019 (Both days inclusive) for AGM & Payment of Dividend.  
E-voting : August 02, 2019.  
Cut-off date  
E-Voting date : 06/08/2019 (from 9 A.M. IST) to 08/08/2019 (upto 5 P.M. IST)

### Financial Calendar (tentative)

#### Results for the quarter ending:

**June 30, 2019** - Second week of August, 2019  
**September 30, 2019** - Second week of November, 2019  
**December 31, 2019** - Second week of February, 2020  
**March 31, 2020** - Last week of May, 2020

**Dividend:** If declared at the AGM will be paid on or after August 12, 2019.

**Payment of Listing Fees :** Annual listing fee for the year 2019-20 has been paid by the Company to BSE & NSE.

**Payment of Depository Fees:** Annual Custody/Issuer fee for the year 2019-20 has been paid by the Company to NSDL & CDSL.

The Company has appointed M/s. Integrated Registry Management Services Private Limited, Registrar & Share Transfer Agents for handling all matters relating to share transfers including transfer/transmission of shares, de-materialization of share certificates, sub division / consolidation of share certificate etc.

Share Holders desiring to communicate on any matter relating to the shares of the Company may either visit in person or write to the Company’s Share Transfer Agent quoting their Folio No./ DP ID & Client ID number at the following address.

**M/s. Integrated Registry Management Services Private Limited**

# 30, Ramana Residency, Ground Floor,  
4th Cross, Sampige Road, Malleswaram,  
Bengaluru – 560 003  
Phone Nos. 080-23460815-18,  
Fax: 080-23460819  
e-mail : [irg@integratedindia.in](mailto:irg@integratedindia.in)

**Stock Exchanges Address:**

**National Stock Exchange of India Ltd,**  
Plot No. C/1, G Block, Bandra – Kurla Complex,  
Bandra( E ) MUMBAI – 400 051  
Tel No- 022-26598235

**BSE Limited**

25 Floor, P. J. Towers,  
Dalal Street, Fort, MUMBAI – 400 001  
Ph-022-22721234.

**STOCK CODE :**

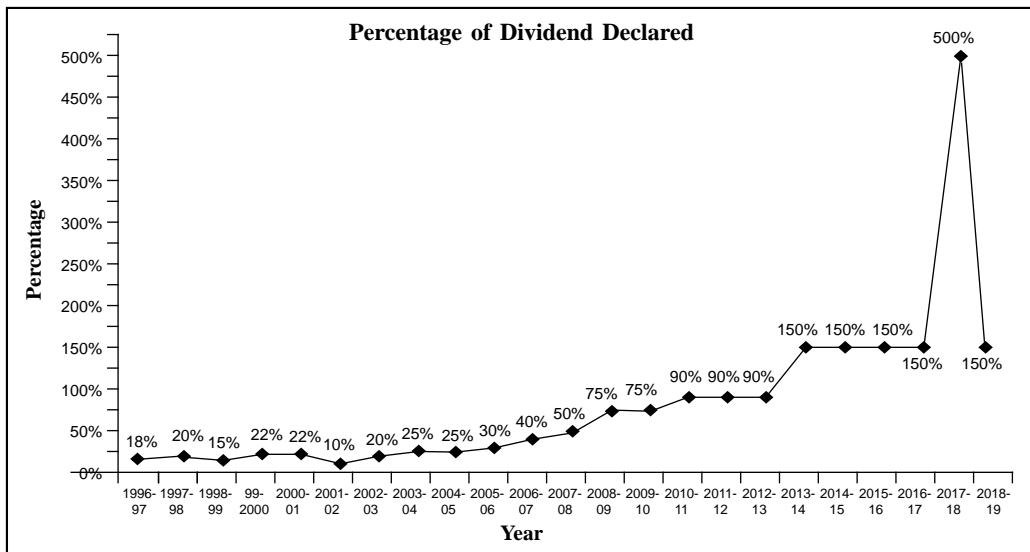
**BSE Ltd :** 531266

**National Stock Exchange of India Ltd. :** VSTILLERS  
ISIN : INE 764D01017.

**CIN- L34101KA1967PLC001706**

**ADDRESS FOR CORRESPONDENCE**

The Company Secretary  
M/s. V.S.T. Tillers Tractors Ltd,  
Plot No-1, Dyavasandra Indl Layout,  
Whitefield Road, Mahadevapura Post,  
Bengaluru- 560048.  
Ph : 080-67141111  
E-mail : [investors@vstillers.com](mailto:investors@vstillers.com)



## Particulars of last 3 Annual General Meetings

Date/Time	Location	Summary of Special Business
11.08.2018 3.00 p.m.	“Rohini Hall”, Hotel Ajantha, 22-A, Mahatma Gandhi Bengaluru - 560 001.	<b>Ordinary Resolution</b> <ul style="list-style-type: none"> <li>• Ratification of Cost Auditor’s remuneration</li> <li>• Appointment of Mr. V.T. Ravindra as Whole-time Director.</li> <li>• Appointment of Mr. Arun V. Surendra as a Director</li> </ul>
11.08.2017 3.30 p.m.	Woodlands Hotel Pvt., Ltd. No.5, Rajaram Mohan Roy Road Bengaluru - 560 025	<b>Ordinary Resolution</b> <ul style="list-style-type: none"> <li>• Ratification of Cost Auditor’s remuneration</li> <li>• Alteration of Articles of Association.</li> <li>• Ratification of Whole-time Director appointment.</li> </ul>
29.08.2016 3.00 p.m.	Woodlands Hotel Pvt., Ltd. No.5, Rajaram Mohan Roy Road Bengaluru - 560 025.	<b>Ordinary Resolution</b> <ul style="list-style-type: none"> <li>• Appointment of Mr. V.T. Ravindra as a Director</li> <li>• Appointment of Ms. Siva Kameswari Vissa as an independent director.</li> <li>• Ratification of Cost Auditor’s remuneration.</li> </ul>

**During the year following resolutions were passed through postal ballot.**

1. Continuation of directorship of Mr. V.K. Surendra (DIN: 00459069), non-executive director who has attained the age above 75 years. (Special Resolution)
2. Continuation of directorship of Mr. R. Subramanian (DIN: 00357153), non-executive independent director who has attained the age above 75 years. (Special Resolution)
3. Appointment of Mr. Bijanki Jagannath (DIN: 00396161) as Director (Ordinary Resolution)
4. Appointment of Mr. Bijanki Jagannath (DIN: 00396161) as non-executive Independent Director who has attained the age of 75 years. (Special Resolution)
5. Re-appointment of Mr.V P Mahendra (DIN: 00033270), as Vice Chairman & Managing Director for a period of Two years with effect from 20th February, 2019. (Special Resolution)

Mr. Thirupal Gorige & Associates LLP, practicing company secretaries had conducted the postal ballot process. The procedure of postal ballot as specified by the Companies Act was followed and same is available in the Company website : [www.vstillers.com](http://www.vstillers.com)

<b><u>PLANT LOCATIONS:</u></b>			
<b><u>BENGALURU</u></b> Plot No-1, Dyavasandra Indl. Layout, Whitefield Road, Mahadevapura Post, Bengaluru-560048, Karnataka	<b><u>HOSUR</u></b> Plot No:39, Sipcot – Phase I, Mookandapalli Post, Hosur – 635 126. Tamil Nadu	<b><u>MYSORE</u></b> No.20, Plot No.42/43, Metagalli Industrial Area, Mysuru -570016. Karnataka	<b><u>MALUR</u></b> Plot No-222-224 & 229-232, KIADB Industrial Area, Malur III Phase, Malur -563130, Karnataka

**DISCLOSURES**

- ❖ During the year under review, besides the transactions mentioned under note no.36 page no.79 of Annual Report, there were no materially significant related party transactions that may have potential conflict with the interest of the company at large. The policy is available at <http://www.vstillers.com/investors/policies>
- ❖ There are no instances of non-compliance on any matter relating to the capital market during the last three years and no penalty was levied except as mentioned in page no. 9.
- ❖ The Company has not adopted the non-mandatory requirements as stated in SEBI (LODR) Regulation, 2015.
- ❖ The Company has formulated whistle-blower policy and vigil mechanism and no person has been denied access to the Audit Committee with regard to whistle-blower policy.
- ❖ The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standard.
- ❖ The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:
  - i. The auditors' report on statutory financial statements of the Company are unmodified.
  - ii. The Company has appointed separate persons to the post of chairperson and managing director or chief executive officer.
  - iii. The internal auditor reports directly to the audit committee.
- ❖ The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Regulation and Disclosure Requirement) Regulations, 2015 except delay in appointment of one Independent Director.
- ❖ Credit rating  
The Company has taken credit rating from ICRA Limited. The credit rating is given below:  
Long Term: AA- Stable  
Short Term- A1+
- ❖ The Company has taken a certificate from Thirupal Gorige & Associates LLP practicing company secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- ❖ During the financial year 2018-19, the Board has accepted all the recommendations of its Committees
- ❖ Fees paid to statutory Auditors :

Type of Service	For the Financial Year (in Rs)
Audit Fees	17,50,000
Tax Audit Fees	4,00,000
GST Audit Fees	3,00,000
Reimbursement of expenses	1,47,865
<b>Total</b>	<b>25,97,865</b>

- ❖ The Company is maintaining cost accounting records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

For **V.S.T. TILLERS TRACTORS LTD**

Place: Bengaluru  
Date: June 4th, 2019

**V K Surendra**  
Chairman