

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Good Corporate Governance is an integral part of the Company's Management and business philosophy. The Company subscribes fully to the principles and spirit of good Corporate Governance and embeds the principles of independence, integrity, accountability and transparency into the value system driving the Company.

The Board of Directors exercise their fiduciary responsibilities towards all stakeholders by ensuring transparency and independence in the decision making process. The Company has adopted the Tata Business Excellence Model as a means of driving excellence and for tracking progress on long term strategic goals. The Company has also adopted the Tata Code of Conduct which serves as a guide to each employee including the Managing Director and Deputy Managing Director, on the standards of values, ethics and business principles. The Whistle Blower Policy of the Company provides a mechanism for the employees to approach the Chairman of Board Audit Committee/Ethics Counsellor and disclose information that may evidence unethical or improper activity concerning the Company.

2. BOARD OF DIRECTORS

(a) Composition

The present Board comprises 10 members: 8 Non-Executive Directors (NEDs), Managing Director & CEO and a Deputy Managing Director & CFO. Of the 8 NEDs, 5 are Independent Directors, including a Woman Director. The Company has a Non-Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Except Independent Directors, all other Directors are liable to retire by rotation. None of the Directors on the Board holds directorship in more than ten public companies. None of the Directors on the Board has attained the age of 75 years.

(b) Independent Directors

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Companies Act, 2013 (the Act) and SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 (Listing Regulations) including any statutory modification/enactments thereof. They have also confirmed their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Board of Directors of the Company confirm that in its opinion, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management of the Company. None of the Independent Directors of the Company is a Wholtime Director of any listed Company and does not serve as an Independent Director in more than 7 listed companies. The Independent Directors are appointed for a term of five years or upto the age of retirement, as per the Retirement Age Policy adopted by the Company, whichever is earlier. The Company has issued letter of appointment to the Independent Directors in the manner as provided in the Act. The terms and conditions of their appointment have been disclosed on the website of the Company.

The Board has adopted the Governance Guidelines on Board Effectiveness, formulated by Group HR. Accordingly, the Company followed the process for evaluation of the Directors, Board as a whole and evaluation of the respective Committees, based on certain criteria and questionnaires filled in by the Directors. The Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Individual Directors (including Independent Directors) which also includes the attendance of Directors, commitment/contribution at Board/Committee Meetings and guidance/support to Management outside Board/Committee Meetings. The Directors freely interact with the Management on information that may be required by them.

During 2019-20, a separate Meeting of Independent Directors of the Company was held on 9 March, 2020 to discuss the performance evaluation based on the self assessment of Directors and the Board and also to assess the quality, content and timeliness of flow of information between the Management and the Board, including the quality of Board Agenda papers and Minutes. The Independent Directors have expressed their satisfaction and complimented the good process followed by the Company, including conduct of Board Meetings and quality of Minutes.

The Directors of the Company are familiarised with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The familiarisation programme for Directors has been disclosed on the website of the Company www.voltas.com and the weblink is <http://www.voltas.com/fpid.pdf>.

(c) Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the performance evaluation of the Directors, Board as a whole and Committees.

(d) Non-Executive Directors' compensation and disclosures

Sitting fees paid to Non-Executive Directors, including Independent Directors for attending Board/Committee Meetings are within the limits prescribed under the Act. Same amount of Sitting fees is paid to Independent and other NEDs. The shareholders have at the 61st Annual General Meeting (AGM) held on 3 August, 2015 passed an Ordinary Resolution and approved payment of commission to NEDs not exceeding 1% per annum of the net profits of the Company, to be calculated in accordance with the provisions of the Act. The aforesaid Resolution was for a period of five financial years commencing from 1 April, 2015. The Notice of the ensuing AGM includes the Resolution for similar payment of commission to NEDs for financial years commencing from 1 April, 2020.

(e) Other provisions as to Board and Committees

During 2019-20, nine Board Meetings were held on the following dates and the gap between two consecutive Board Meetings did not exceed 120 days.

9 May, 2019; 11 June, 2019; 7 August, 2019; 12 August, 2019; 27 September, 2019; 6 November, 2019; 10 January, 2020; 7 February, 2020 and 12 March, 2020.

Video/tele-conferencing facilities are also made available to facilitate the Directors participate in the Meetings in case they are not able to attend the Meetings physically.

The annual calendar of Board/Committee Meetings is agreed upon at the beginning of the year and Notice for Board Meetings and detailed agenda papers are circulated to all the Directors 7 days in advance for Meetings (other than if held by shorter notice) to enable them to attend and take informed decisions at the Meetings.

The information as required under Regulation 17(7) of the Listing Regulations is made available to the Board. In addition, all proposals of investments, divestments and decisions in respect of properties of the Company (beyond certain threshold limits) are placed before the Board for its consideration and appropriate decision in the matter. The annual budgets - Revenue, Capital as well as the Divisional Budgets/Annual Operating Plans, including Strategic Business Plan (SBP) are presented in detail to the Directors and their valuable inputs/suggestions are taken and implemented. Similarly, actions in respect of suggestions made/decisions taken at Board/Committee Meetings are reported and reviewed regularly at subsequent Meetings by the Directors/Committee Members. Considerable time is spent by the Directors on discussions and deliberations at the Board/Committee Meetings and their active participation is reflected by the number of meetings held during the year and attended by the Directors.

No Director is a Member of more than 10 Committees and Chairman of more than 5 Committees, across all the companies of which he/she is a Director. Necessary disclosures regarding Committee positions have been made by all the Directors.

The Board periodically reviews compliance of all laws applicable to the Company, based on a certificate given by the Managing Director & CEO, including the steps taken, to rectify instances of non-compliances, if any.

(f) Code of Conduct

The Board has adopted the Codes for all Directors and senior management of the Company and the same have been posted on the website of the Company. All the Board members and senior management of the Company have affirmed compliance with their respective Codes as on 31 March, 2020. A declaration

to this effect, signed by the Managing Director & CEO of the Company is annexed hereto. Senior management comprises the Division/Department/Functional Heads, General Managers and Head-Finance of the respective business clusters. The Independent Directors have also confirmed compliance with the Code as prescribed in Schedule IV to the Act.

(g) Category and attendance

The names and categories of the Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies (as on 31 March, 2020) are given below:

Name of Directors	Category	Board Meetings Attended during 2019-20	Attendance at the last AGM held on 9 August, 2019	Number of Directorships in other public limited companies (excluding directorship in associations, private/ Section 8/foreign companies)	Number of Committee positions held in other public companies#	
					Chairman	Member
Mr. Noel N. Tata (Chairman) DIN: 00024713	Non Independent Non-Executive	9	Yes	5	--	2
Mr. Pradeep Kumar Bakshi (Managing Director & CEO) DIN: 02940277	Non Independent Executive	9	Yes	1	--	--
Mr. Anil George (Deputy Managing Director & CFO) DIN: 00590939	Non Independent Executive	9	Yes	2	2	--
Mr. Nani Javeri* DIN: 02731854	Independent Non-Executive	3	Yes	NA	NA	NA
Mr. Vinayak Deshpande DIN: 00036827	Non Independent Non-Executive	7	No	6	1	3
Mr. Debendranath Sarangi** DIN: 01408349	Independent Non-Executive	9	Yes	5	--	2
Mr. Bahram N. Vakil** DIN: 00283980	Independent Non-Executive	8	Yes	4	--	2
Ms. Anjali Bansal** DIN: 00207746	Independent Non-Executive	8	Yes	7	--	5

Name of Directors	Category	Board Meetings Attended during 2019-20	Attendance at the last AGM held on 9 August, 2019	Number of Directorships in other public limited companies (excluding directorship in associations, private/ Section 8/foreign companies)	Number of Committee positions held in other public companies#	
					Chairman	Member
Mr. Hemant Bhargava DIN: 01922717	Non Independent Non-Executive	7	Yes	3	--	2
Mr. Arun Kumar Adhikari DIN: 00591057	Independent Non-Executive	9	Yes	4	--	2
Mr. Zubin Dubash** DIN: 00026206	Independent Non-Executive	6	NA	2	--	2

Comprise Chairmanship/Membership in Board Audit Committee and Shareholders Relationship Committee.

*Mr. Nani Javeri ceased to be an Independent Director of the Company, upon completion of his term on 31 August, 2019.

** Mr. Zubin Dubash was appointed an Independent Director of the Company with effect from 9 August, 2019. Similarly, Mr. Debendranath Sarangi, Mr. Bahram N. Vakil and Ms. Anjali Bansal have been reappointed as Independent Directors for second term of five years at the last Annual General Meeting held on 9 August, 2019.

(h) Directorship held in other listed entities (including debt listed entities) as on 31 March, 2020

(1) Mr. Noel N. Tata

Name of the listed entity	Capacity
(i) Titan Company Limited	Director (Vice Chairman)
(ii) Tata Investment Corporation Limited	Director (Chairman)
(iii) Trent Limited	Director (Chairman)
(iv) Tata International Limited	Managing Director
(v) Kansai Nerolac Paints Limited	Independent Director

(2) Mr. Vinayak Deshpande

Name of the listed entity	Capacity
(i) Kennametal India Limited	Independent Director
(ii) Artson Engineering Limited	Director (Chairman)
(iii) TRF Limited	Director

(3) Mr. Debendranath Sarangi

Name of the listed entity	Capacity
(i) Shriram City Union Finance Limited	Independent Director (Chairman)
(ii) Southern Petrochemical Industries Corporation Limited	Independent Director
(iii) Tamilnadu Petroproducts Limited	Independent Director

(4) Mr. Bahram N. Vakil is an Independent Director of Trent Limited.

(5) Ms. Anjali Bansal

Name of the listed entity	Capacity
(i) Bata India Limited	Independent Director
(ii) The Tata Power Company Limited	Independent Director
(iii) Apollo Tyres Limited	Independent Director
(iv) Siemens Limited	Independent Director
(v) Tata Power Renewable Energy Limited	Independent Director

(6) Mr. Hemant Bhargava

Name of the listed entity	Capacity
(i) ITC Limited	Director
(ii) The Tata Power Company Limited	Director
(iii) Larsen and Tubro Limited	Director

(7) Mr. Arun Kumar Adhikari

Name of the listed entity	Capacity
(i) Ultratech Cement Limited	Independent Director
(ii) Aditya Birla Capital Limited	Independent Director
(iii) Vodafone Idea Limited	Independent Director

(8) Mr. Zubin Dubash was an Independent Director in Trent Limited upto 25 April, 2020.

Mr. Pradeep Bakshi and Mr. Anil George, Executive Directors of the Company do not hold directorship in any other listed entity.

(i) Matrix setting out the skills/expertise/ competence of Board of Directors:

The Company has diverse businesses and is one of the largest air-conditioning company in India and a reputed engineering solution provider specialising in project management (domestic and international). The Company has a competent Board with adequate background and knowledge of the Company's businesses - consumer durables, retail and marketing, projects, engineering solutions and also finance, accounts, general administration and management. The Board comprise Directors with diverse experience, qualifications, skill sets and gender and are aligned with the Company's overall businesses, long term strategy, including corporate ethics, values and culture. The brief profile and skill sets of the Board Members are highlighted as under:

(1) Mr. Noel N. Tata, Non-Executive Chairman of the Company is a graduate from Sussex University (UK) and has done the International Executive Programme (EP) from INSEAD, France. He has vast experience in the field of Marketing and Retail Business. Mr. Noel N. Tata is currently the Managing Director of Tata International Limited, which is a global trading and distribution company. He is also the Chairman of Trent Limited and Tata Investment

Corporation Limited and Vice Chairman of Titan Company Limited. His knowledge of Retail business is humongous and has aspired the Company grow in Consumer Products significantly.

(2) Mr. Pradeep Bakshi, Managing Director & CEO of the Company is a Science graduate with Post Graduate Diploma in Marketing Management. He has around 37 years of experience in Consumer Appliances business and his vast expertise and experience in the Appliances domain makes him a distinct professional. Under his able leadership, Voltas has consistently grown in revenue and profitability, ahead of the AC Industry. Voltas achieved leadership position in market share of Room Air conditioners and has scored the highest in terms of Brand Equity under his stewardship. He was awarded the Appliances Man of the Year 2013 and has also received the President's award for Energy Conservation, amongst many other awards and accolades during the last decade.

(3) Mr. Anil George, Deputy Managing Director & CFO of the Company is a Chartered Accountant and has vast experience of 35 years in Finance, Treasury, Strategic Planning, Risk Management, Logistics and Human Resources and has worked with reputed organisations, including Hindustan Lever for over 20 years. Mr Anil George has experience of working across multiple geographies, including at the Unilever Corporate Office in Europe for 5 years.

(4) Mr. Vinayak Deshpande, Non-Executive Director of the Company is a graduate in Chemical Engineering (1980) from IIT, Kharagpur. He has over 36 years of work experience in different roles in diverse companies, including Thermax and Tata Honeywell. Mr. Vinayak Deshpande is currently the Managing Director of Tata Projects Limited which has achieved all-round excellence in Industrial Infrastructure business. He was earlier the Managing Director of Tata Honeywell Limited for 5 years for its India business till 2004-05. Mr. Deshpande was conferred as the 'Infrastructure Person of the Year for 2016-17' by 'Construction World' and 'Construction Times' awarded him as the 'Best Infra CEO' of the year 2017. His vast knowledge and experience is useful for the Company's Projects business and the Company has

constituted a separate Project Committee of the Board, of which Mr. Deshpande is the Chairman.

(5) Mr. Debendranath Sarangi, Independent Director of the Company is a retired IAS officer (1977 batch) from the Tamil Nadu Cadre. Mr. Sarangi holds M.A. in Political Science from University of Delhi and M.Sc. in Economics from University of Swansea, UK. While in service, Mr. Sarangi has held high-level responsibilities in several departments including that of Chief Secretary. His knowledge and experience in general administration and management in Government Sector helps the Company, especially in the Electrical business relating to Rural Electrification.

(6) Mr. Bahram N. Vakil, Independent Director of the Company, is a Master of Law (LL.M.) from the Columbia University. He is amongst India's foremost restructuring, infrastructure and project finance attorneys and has been acknowledged as a leading project finance lawyer by most international publications for decades. He has been on several governments constituted committees including the Viswanathan Committee on Bankruptcy law reform and played a key role in drafting the Insolvency and Bankruptcy Code. His knowledge of law and litigation experience helps the Board of Directors take appropriate decisions.

(7) Ms. Anjali Bansal, Independent Director of the Company, is a Bachelor in Computer Engineering and a Master in International Finance and Business from Columbia University. She is a founder of Aavaana Capital, a fund platform that invests in the scaling up of growth stage startups. She was previously the global partner and Managing Director with TPG Private Equity and a strategy consultant with Mckinsey & Company in New York and India. She has chaired the India board of Women's World Banking, a leading global livelihood-promoting institution. She was listed as one of the 'Most Powerful Women in Indian Business' by India's leading publication, Business Today and as one of the 'Most Powerful Women in Business' by Fortune India. Her experience and knowledge is helpful for taking appropriate decisions for the Products businesses as well as HR related matters.

(8) Mr. Hemant Bhargava, Non-Executive Director of the Company representing LIC has done Masters in Economics and studied at Jammalal Bajaj Institute of Management. He has done courses from IIM, Lucknow and ISB, Hyderabad. During his rich tenure of 35 years in LIC, he has worked across various departments in diverse roles, both in India and abroad, especially in Marketing, International Operations, Joint Ventures, Subsidiaries, etc. He has served as the Managing Director of LIC and provides valuable inputs to the Company.

(9) Mr. Arun Kumar Adhikari, Independent Director of the Company is a B.Tech (Chemical Engineering) from the Indian Institute of Technology, Kanpur and has done his MBA from the Indian Institute of Management, Kolkata. Mr. Adhikari has also attended the Advanced Management Program in 1997 at The Wharton School, University of Pennsylvania, USA. He joined Hindustan Unilever Limited (HUL) in 1977 and was with Unilever Group, working in India and overseas in series of senior roles across Sales, Marketing and Consumer Research till he retired in 2014. Post retirement from HUL in 2014, he works as a Senior Advisor with Mckinsey, supporting them on Marketing and Sales strategy related areas.

(10) Mr. Zubin Dubash holds a Bachelor's Degree in Commerce from Mumbai University and has done Masters in Business Administration from The Wharton School, Philadelphia. He is a Chartered Accountant from the Institute of Chartered Accountants, England and Wales and has over 40 years of international experience in finance and business development. Mr. Zubin Dubash was Executive President of ATC Tires Private Limited. He was the Managing Director and Head India, DSP Merrill Lynch Limited, Global Private Equity and the Group CFO and a key member of the leadership team of WNS Holdings Limited (NYSE listed company). Mr. Zubin Dubash was associated with the Tata Group, including as Director, Tata Financial Services, a division of Tata Sons and also as an Executive Director of Indian Hotels. Mr. Zubin is the Chairman of Board Audit Committee as well as Risk Management Committee in Voltas.

3. AUDIT COMMITTEE

(a) Composition, name of Members and Chairman

The Board Audit Committee (BAC) comprise 3 Non-Executive Independent Directors – Mr. Zubin Dubash (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari. Mr. Zubin Dubash was appointed as Member of BAC effective 12 August, 2019 and as the Chairman with effect from 1 September, 2019. Mr. Nani Javeri ceased to be Member of BAC upon completion of his term as Independent Director with effect from 1 September, 2019. All members of BAC are financially literate and have relevant finance and/or audit exposure. The Managing Director & CEO, Deputy Managing Director & CFO, the Chief Internal Auditor and the Statutory Auditors attend the Meetings as Invitees. The Business Heads also attend the Meetings, when required. The Cost Auditor attends the meetings at which Cost Audit related matters are discussed. The Company Secretary acts as the Secretary and the Minutes are circulated and discussed at the Board Meetings.

(b) Meetings and attendance during the financial year

Seven Meetings of BAC were held during the financial year 2019-20 on the following dates:

8 May, 2019; 11 June, 2019; 6 August, 2019; 26 September, 2019; 5 November, 2019; 9 January, 2020 and 6 February, 2020.

The attendance of each member of the Committee is given below:

Name of Members	No. of Meetings attended
Mr. Nani Javeri	2
Mr. Debendranath Sarangi	7
Mr. Arun Kumar Adhikari	7
Mr. Zubin Dubash	4

The quorum of BAC Meetings is two Members or one third of the Members, whichever is greater. Mr. Nani Javeri attended the last Annual General Meeting of the Company as Chairman of Audit Committee. The Board of Directors has accepted all the recommendations made by BAC from time to time.

(c) Terms of reference and role of Audit Committee

The terms of reference, powers and role of Audit Committee are in accordance with Regulation 18(3) and Schedule II of the Listing Regulations read with Section 177(4) of the Act. The broad terms of reference/functions of BAC are as under:

- Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible;
- Review with the Management and auditors the annual/half yearly/quarterly financial statements and auditor's report before submission to the Board, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement in the Board's report;
 - Disclosure under Management Discussion and Analysis of financial position and results of operations;
 - Review of accounting policies, practices & standards and reasons for change, if any;
 - Major accounting entries involving estimates based on exercise of judgement by Management;
 - Qualifications/modified opinion in the draft audit report;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of related party transactions;
- Scrutinise inter-corporate loans and investments;
- Review the statement of uses/applications of funds by major category and the statement of funds utilised for purposes other than as mentioned in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation

- of proceeds of a public or rights or private placement issue, and make appropriate recommendations to the Board;
- Approve appointment of the CFO;
- Review of the disclosures from the CEO and CFO made in connection with the certifications as regards the Company's quarterly and annual reports filed with the Stock Exchanges;
- Review analysis of the effects of alternative accounting methods on the financial statements;
- Review utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower;
- Provide recommendations to the Board related to the appointment, re-appointment, remuneration and terms of appointment of the auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of the audit process;
- Hold timely discussions with external/ statutory auditors regarding:
 - The nature, scope and staffing of Audit as well as post-Audit discussion/review for dealing with any area of concern prior to commencement of audit.
 - All critical accounting policies and practices.
 - Significant financial reporting issues and judgements made in connection with preparation of the Company's financial statements;
- Provide approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review with the external auditors, certain information relating to the auditor's judgements about the quality of the Company's accounting principles as applied to its financial reporting;
- Review and suitably reply to the report(s) forwarded by the auditors on the matters where the auditors have sufficient reasons to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company;

- Review the adequacy of the internal audit function, including the structure of the internal audit department (including appointment of outsourced Internal Audit Firm), staffing and seniority of the official heading the department, the reporting structure coverage and budget, scope, coverage and frequency of internal audit;
- Discuss with internal auditors (including outsourced internal audit firm) major audit observations and follow-up thereon;
- Review the appointment, removal, performance and terms of remuneration of the Chief Internal Auditor and outsourced internal audit firm;
- Review the appointment, re-appointment, removal and terms of remuneration of the cost auditor and recommend the cost audit report to the Board;
- Review with the Management, external and internal auditors and the outsourced internal audit firm, the quality, adequacy and effectiveness of the Company's internal control system and any significant deficiencies or material weakness in the internal controls;
- Review management letters/letters of internal control weaknesses issued by statutory auditors;
- Maintain an oversight of the adequacy of the whistle blowing /vigil mechanism;
- Oversee compliance with legal, SEBI and other regulatory requirements and also the Tata Code of Conduct (TCOC) for the Company and its subsidiaries;
- Review the statement of significant related party transactions submitted by the Management, including the significant criteria/thresholds decided by the Management;
- Approve related party transactions, including any subsequent modifications thereto;
- Grant omnibus approval in respect of related party transactions which are of repetitive nature and in ordinary course of business upto certain threshold limits as prescribed under the Act, the Rules made thereunder and Listing Regulations;



- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies;
- Perform such other activities as may be requested by the Board of Directors from time to time;
- Review progress on execution of major overseas projects and the risk ratings, outstandings and inventory levels including action plan for its realisation.

4. SUBSIDIARY COMPANIES

The Company has nine unlisted subsidiary companies, of which three are Indian subsidiaries. One Indian subsidiary which was dormant, with no business activities or employees, assets and liabilities has during 2019-20, made an application to the Registrar of Companies (ROC), Maharashtra, Pune for strike off of its name from the Register of Companies in ROC records. Their approval is awaited.

The Board of Directors have adopted the Policy for determining 'material' subsidiaries as specified in Listing Regulations. This Policy is uploaded on the Company's website www.voltas.com and the weblink is https://www.voltas.com/assets/img/sustainability/corp_gov/pdf/38085.pdf

As defined in Regulation 16(1)(c) of Listing Regulations, during 2019-20, none of the Indian subsidiaries, except Universal Comfort Products Limited (UCPL), falls under the category of 'material subsidiary'. The financial statements of all subsidiary companies, including investments made, if any, are periodically reviewed by the BAC. The financial performance, Minutes of Board Meetings of these subsidiary companies and all significant transactions or arrangements entered into by the subsidiary companies are reviewed by the Board. An Independent Director of the Company is on the Board of the two Indian wholly-owned subsidiaries of the Company.

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprise Mr. Zubin Dubash (Chairman), Mr. Debendranath Sarangi and Mr. Arun Kumar Adhikari. Mr. Zubin Dubash was appointed as Member of the Committee with effect from 12 August, 2019 and as Chairman with effect from 1 September, 2019. Mr. Nani Javeri ceased to be Member of the Committee upon completion of his term as Independent Director effective from 1 September, 2019. During 2019-20, two Meetings were held on 26 September, 2019 and 9 January,

2020. The Company has formulated a Risk Management Policy and Risk Management Committee charter to establish an effective and integrated framework for the risk management process. After discussions/deliberations and workshops at Corporate as well as Divisional level, the Company has identified top ten major risks along with its mitigation measures which are closely reviewed by the respective Businesses/Corporate and changes if any, along with mitigation measures are reported to the Risk Management Committee. The SBP of the respective Divisions factor the risks associated with the businesses and discussed at Board Meetings. The Board of Directors have accepted all the recommendations made by Risk Management Committee from time to time.

6. RELATED PARTY TRANSACTIONS

The Company has in line with the requirements of the Listing Regulations formulated a Policy on materiality of Related Party transactions (RPTs) and also on dealing with RPTs, which has been uploaded on the website of the Company at www.voltas.com and the weblink is https://www.voltas.com/assets/img/sustainability/corp_gov/pdf/17477.pdf

The Audit Committee had granted omnibus approval upto certain threshold limits for RPTs during 2019-20 and the actual value of transactions were reviewed on quarterly basis vis-à-vis the limits. The Company had no materially significant RPTs that could have any potential conflict with the interest of the Company. During the year under review, besides the transactions reported in the Notes to Accounts (Refer Note Nos. 43 and 45 of standalone and consolidated financial statements, respectively), there were no other RPTs with promoters, directors, management, joint ventures/subsidiaries, etc. that had any potential conflict with the interest of the Company at large. All transactions with Related Parties were on arms length basis, in the normal course of business during 2019-20. The interest of Directors, if any, in transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions.

7. MANAGERIAL REMUNERATION

(a) Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprise Mr. Bahram N. Vakil (Chairman), Ms. Anjali Bansal (Independent Directors) and

Mr. Noel N. Tata (Non-Executive Director). Mr. Nani Javeri ceased to be Member of NRC upon completion of his term as Independent Director with effect from 1 September, 2019. During 2019-20, six meetings were held on 12 April, 2019; 9 May, 2019; 11 June, 2019; 11 December, 2019; 7 February, 2020 and 9 March, 2020. The attendance of each member of the Committee is given below:

Name of Members	No. of Meetings attended
Mr. Bahram N. Vakil	6
Mr. Nani Javeri	1
Mr. Noel N. Tata	6
Ms. Anjali Bansal	6

The Minutes of NRC Meetings are circulated and noted by the Directors at Board Meetings. Mr. Bahram N. Vakil, Chairman of NRC was present at the last Annual General Meeting of the Company. The quorum of NRC meeting is two members with at least one Independent Director. The Board of Directors has accepted all the recommendations made by NRC from time to time.

The broad terms of reference and responsibilities of NRC are as under:

- (i) Recommend to the Board the setup and composition of the Board and its Committees, including the formulation of the criteria for determining qualifications, positive attributes and independence of Director;
- (ii) Support the Board in matters related to the setup, review and refresh of the Committees;
- (iii) Devise a policy on Board Diversity;
- (iv) Identify persons who are qualified to become Directors and who may be appointed as KMPs and Senior Management in accordance with the criteria, and recommend to the Board their appointment/re-appointment or removal;
- (v) Specify the manner and criteria for effective evaluation of performance of the Board, its Committees and individual Directors, including Independent Directors and support the Board and Independent Directors, as may be required, in the evaluation process;

- (vi) Oversee the performance review process for the KMPs and Senior Management with the view that there is an appropriate cascading of goals and targets across the Company;
- (vii) Recommend to the Board as to whether to extend or continue the term of appointment of the Independent Directors, based on the performance evaluation of the Independent Directors;
- (viii) Recommend the remuneration policy for Directors, KMPs, Senior Management and other employees;
- (ix) On annual basis, recommend to the Board, all remuneration, in whatever form, payable to the Directors, KMPs, and Senior Management of the Company, including review and recommendation of actual payment of annual and long term incentives (if any) for MD/EDs, KMPs and Senior Management;
- (x) Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMPs and Senior Management, if so applicable to the Company;
- (xi) Provide guidelines for remuneration of Directors on material subsidiaries;
- (xii) Review HR and People strategy and its alignment with the business strategy periodically or when a change is made;
- (xiii) Review the efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning;
- (xiv) Perform other activities as requested by the Board from time to time.

The NRC of the Company has formulated the respective criteria as stated in (i) and (v) above and also devised the Policy on Board Diversity. Based on the recommendations of NRC, the Board has adopted the Policy relating to remuneration of the Directors, KMPs and other employees.

(b) Remuneration Policy

The Board has adopted the Remuneration Policy for Directors, KMPs and other employees as disclosed in the Directors' Report and uploaded on website of the Company at https://www.voltas.com/assets/img/sustainability/corp_gov/pdf/98899.pdf

The key principles governing the Remuneration Policy are as under:

- (a) Sitting fees/commission to Directors may be paid within regulatory limits.
- (b) Overall remuneration should be reasonable and significant to attract, retain and motivate Directors aligned to the requirements of the Company.
- (c) Overall remuneration should be reflective of the size of the Company, complexity of the sector/industry/Company's operation and the Company's capacity to pay the remuneration.
- (d) Overall remuneration practices should be consistent with the recognised best practices.
- (e) The NRC will recommend to the Board, the quantum of commission for each Director based on the outcome of the evaluation process which also includes attendance and time spent by the Directors for Board and Committee Meetings, individual contributions made by Directors at the Meetings and other than in Meetings.

The remuneration of the Managing Director & CEO and Deputy Managing Director & CFO is reviewed by the NRC based on certain criteria such as industry benchmarks, Company's performance and the responsibilities shouldered by them. The remuneration of the Managing Director & CEO and Deputy Managing Director & CFO comprises salary, perquisites, allowances and benefits and commission or incentive remuneration. Annual salary increment and commission or incentive remuneration is decided by the NRC within the overall ceilings prescribed under the Act and in line with the terms and conditions approved by the shareholders. The recommendation of the NRC is placed before the Board for its approval. Revision in pension amounts payable to the retired Managing Directors/Executive Directors from time to time, are also reviewed by NRC and recommended to the Board for approval.

The remuneration of NEDs, by way of sitting fees and commission is decided and approved by the Board of Directors based on recommendations of the NRC. The shareholders have, at the 61st AGM of the Company held on 3 August, 2015, approved

payment of commission to the NEDs, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of five financial years commencing from 1 April, 2015. Commission for financial year 2019-20 will be distributed amongst the NEDs in accordance with the directives given by the Board. In addition to commission, the NEDs of the Company are paid sitting fees for attending Board/Committee Meetings, as under:

Meeting	Fees per meeting
• Board Meeting	₹ 30,000
• Board Audit Committee Meeting	₹ 30,000
• Nomination and Remuneration Committee Meeting	₹ 30,000
• Investment Committee Meeting	₹ 15,000
• Project Committee Meeting	₹ 15,000
• Safety-Health-Environment Committee Meeting	₹ 15,000
• Corporate Social Responsibility Committee Meeting	₹ 15,000
• Risk Management Committee Meeting	₹ 15,000
• Shareholders Relationship Committee Meeting	₹ 15,000
• Annual Independent Directors Meeting	₹ 30,000

Remuneration to Directors

The Directors' remuneration paid/payable and sitting fees paid in 2019-20 and their shareholding in the Company as on date are given below:

- Non-Executive Directors

(₹ in Lakhs)		
Name of Directors	Sitting Fees paid in 2019-20	No. of Shares held
Mr. Noel N. Tata	5.10	--
Mr. Nani Javeri#	1.95	--
Mr. Vinayak Deshpande	2.70	--
Mr. Debendranath Sarangi	5.40	--
Mr. Bahram N. Vakil	4.95	--
Ms. Anjali Bansal	5.25	--
Mr. Hemant Bhargava*	2.10	--
Mr. Arun Kumar Adhikari	5.40	--
Mr. Zubin Dubash	3.60	1,600**

* Sitting fees upto 31 July, 2019 was paid to LIC and thereafter, to Mr. Hemant Bhargava. Commission is payable to LIC.

**Mr. Zubin Dubash is holding 1,600 shares of the Company in his capacity as an Executor.

Mr. Nani Javeri ceased to be an Independent Director of the Company, upon completion of his term with effect from 1 September, 2019.

Notes:

(1) Provision of ₹ 225 lakhs made in the books of accounts towards Commission to Non-Executive Directors. Commission to respective Directors would be approved by the Board, based on the recommendation of NRC and paid in the financial year 2020-21.

(2) In accordance with internal Group guidelines, no commission is payable to Mr. Noel N. Tata and Mr. Vinayak Deshpande as they are in full time employment with another Tata company. The Company did not have any pecuniary relationship or transactions with the NEDs during 2019-20, except as stated above.

• Remuneration of Executive Directors

(₹ in Lakhs)			
Name of Directors	Salary	Perquisites and allowances including retiral benefits	No. of Shares held
Mr. Pradeep Bakshi	84.00	189.20	--
Mr. Anil George	80.40	137.88	1000

Notes:

(1) Provision of ₹ 510 lakhs made in the books of accounts. Commission to Mr. Pradeep Bakshi and Mr. Anil George would be approved by the Board, based on the recommendation of NRC and paid in the financial year 2020-21.

(2) As per the terms of appointment, Mr. Pradeep Bakshi and Mr. Anil George are entitled to terminate their agreement with the Company by giving not less than six months notice in writing to the other party or the Company paying six months remuneration in lieu of such notice. No severance fee is payable.

(3) The Company has not introduced any stock options for its Directors/employees.

(c) Retirement Policy for Directors

The Governance Guidelines on Board Effectiveness adopted by the Company provides for the retirement age of Directors. As per the Guidelines, the Managing and Executive Directors retire at the age of 65 years and Non-Independent Directors retire at the age of 70 years. The retirement age for Independent Directors is 75 years.

8. SHAREHOLDERS RELATIONSHIP COMMITTEE

The Shareholders Relationship Committee (SRC), apart from reviewing the shares related activities, also looks into the redressal of shareholder and investor complaints, compliances in respect of dividend payments and transfer of unclaimed amount to the Investor Education and Protection Fund pursuant to the provisions of Section 125 of the Act. Mr. Noel N. Tata is the Chairman and Mr. Bahram N. Vakil, Independent Director and Mr. Anil George, Deputy Managing Director & CFO are Members of SRC. During 2019-20, two meetings of SRC were held on 27 September, 2019 and 7 February, 2020 which were also attended by the Company Secretary. The Minutes of the SRC Meetings are circulated and noted by the Directors at Board Meetings. Mr. Noel N. Tata attended the last Annual General Meeting of the Company as Chairman of SRC. In line with Listing Regulations, a charter defining the role of SRC has been formulated as under:

- (i) Resolving the grievances of the security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- (ii) Review of measures taken for effective exercise of voting rights by shareholders.
- (iii) Review of adherence to the Service Standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices to the shareholders of the Company.
- (v) To appoint/change the Nodal Officer and/or Deputy Nodal Officer in terms of the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

During 2019-20, only 11 complaints were received from SEBI/Stock Exchanges which were suitably dealt with and attended. As on 31 March, 2020, 1 complaint was pending, which would be attended and closed post lifting of the lockdown which has been announced due to COVID-19.

Mr. V. P. Malhotra, Vice President – Taxation, Legal & Company Secretary liaise with SEBI and other Regulatory authorities in the matter of investors complaints.

The Board has nominated Mr. V. P. Malhotra as the Compliance Officer of the Company for monitoring the share transfer process and other related matters. He is also the Nodal Officer for IEPF matters. His e-mail id is vpmalhotra@voltas.com and his contact details are 022-66656251 and 022-66656258.

9. OTHER COMMITTEES

In addition to the above Committees, the Board has constituted certain other Committees, i.e. Corporate Social Responsibility Committee, Board Committee, Investment Committee, Committee of Board, Project Committee and Safety-Health-Environment Committee.

(a) Corporate Social Responsibility (CSR) Committee comprise Mr. Noel N. Tata (Chairman), Mr. Bahram N. Vakili, Mr. Pradeep Bakshi and Ms. Anjali Bansal. Ms. Anjali Bansal was appointed as Member of CSR Committee effective 12 August, 2019. Mr. Nani Javeri ceased to be Member of the CSR Committee on completion of his term as Independent Director with effect from 1 September, 2019. A CSR Policy has been formulated by the Committee, which has been approved by the Board, to undertake CSR projects/activities. During 2019-20, two Meetings were held on 11 June, 2019 and 12 March, 2020.

The Board of Directors has accepted all the recommendations made by CSR Committee from time to time.

(b) The Board Committee comprising any two Directors is authorised to approve routine matters such as opening/closing and changes in the operation of bank accounts of the Company, to grant limited power of attorney to the officers of the Company, etc. During 2019-20, seven Meetings were held on 17 May, 2019; 27 August, 2019; 10 September, 2019; 11 November, 2019; 27 November, 2019; 3 January, 2020 and 20 February, 2020.

(c) The Investment Committee considers and takes appropriate decisions for deployment of surplus funds of the Company/investments in Mutual Funds. The Company has formulated an Investment Policy in consultation with the Investment Committee, which has been approved by the Board. Mr. Pradeep Bakshi, Managing Director & CEO, Mr. Anil George, Deputy Managing Director & CFO and Ms. Anjali Bansal,

Independent Director of the Company are Members of the Investment Committee. Ms. Anjali Bansal was appointed as Member of the Investment Committee effective 27 September, 2019. Mr. Nani Javeri ceased to be Member of Investment Committee upon completion of his term as Independent Director with effect from 1 September, 2019. During 2019-20, two Meetings were held on 22 October, 2019 and 12 March, 2020. Status of investments made and returns/dividends earned on Mutual Funds are reported to the Investment Committee on a monthly basis and to the Board, on quarterly basis.

(d) The Committee of Board (COB) comprising Mr. Noel N. Tata, Mr. Pradeep Bakshi and Mr. Anil George periodically meet to discuss and guide the Management on various strategic issues.

(e) Project Committee comprising Mr. Vinayak Deshpande and Mr. Pradeep Bakshi review and monitor the progress and execution of projects and other related matters. During 2019-20, two Meetings were held on 4 June, 2019 and 8 January, 2020.

(f) The Safety-Health-Environment (SHE) Committee comprising Mr. Vinayak Deshpande, Mr. Pradeep Bakshi and Ms. Anjali Bansal review and monitor the Safety standards and practices followed by the Company. During 2019-20, two Meetings of SHE Committee were held on 4 June, 2019 and 8 January, 2020. The Company also conducts Safety audits by cross-functional teams at project sites.

10. GENERAL BODY MEETINGS

The last three Annual General Meetings (AGMs) were held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020. The date and time of the AGMs held during preceding three years are as given below.

Date of AGM	Time
63rd AGM- 28 August, 2017	3.00 p.m.
64th AGM- 27 August, 2018	3.00 p.m.
65th AGM- 9 August, 2019	3.00 p.m.

The following Special Resolutions for re-appointment of Independent Directors for second term of five years were passed at the Sixty-Fifth AGM:

(i) Mr. Debendranath Sarangi with effect from 1 September, 2019 upto 31 August, 2024.

(ii) Mr. Bahram N. Vakili with effect from 1 September, 2019 upto 31 August, 2024.

(iii) Ms. Anjali Bansal with effect from 9 March, 2020 upto 8 March, 2025.

During 2019-20, no Special Resolution was passed through postal ballot and no Extraordinary General Meeting was held.

11. DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF LISTING REGULATIONS

As required under Regulation 36(3) of Listing Regulations, particulars of Director/s seeking re-appointment are given in the Explanatory Statement annexed to the Notice of the Sixty-Fifth AGM to be held on 21 August, 2020

12. DISCLOSURES

- A certificate from M/s. N L Bhatia & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs or any such statutory authority is annexed as part of this Report
- None of the Directors are related to each other.
- During the last three years, there were no strictures or penalties imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.
- The Company has adopted a Whistle Blower Policy which enables the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and provides direct access to the Chairman of the Board Audit Committee on concerns relating to financial accounting matters. For all other concerns, if they pertain to employees below the Vice President level, the same gets referred to the Ethics Counsellor and for Vice Presidents and above, the same is referred to the Chairman of the Board Audit Committee. The Whistle Blower Policy has been communicated to the employees of the Company and its functioning is reviewed by the Board Audit Committee, periodically. During the year under

review, an anonymous letter was received by some Directors, including Members of NRC and the same was looked into by NRC. Concerns received under the Tata Code of Conduct are also reported and discussed at the Audit Committee Meetings. The Whistle Blower Policy of the Company has been disclosed on the website of the Company.

- Senior Management has made the disclosure to the Board and confirmed that they had no material financial and commercial transactions that could have a potential conflict with the interest of the Company at large.
- In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed by the Central Government.
- The Company did not raise funds through public/rights/preferential issues/qualified institutions placement (QIP) during the financial year 2019-20. Hence, disclosure of utilisation of funds is not required.
- In line with the requirements of SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a firm of Practicing Company Secretaries to confirm that the aggregate number of equity shares of the Company held in NSDL and CDSL and in physical form, tally with the total number of issued/paid-up, listed and admitted capital of the Company.
- The Managing Director & CEO and Chief Financial Officer have in accordance with Regulation 17(8) of Listing Regulations certified to the Board on matters pertaining to CEO/CFO certification.
- Credit Rating**
The Company has obtained Annual Credit Rating from ICRA Limited (ICRA) for ₹ 4000 crores Line of Credit (LOC), pursuant to an Agreement between ICRA and Voltas. ICRA has rated the Company as 'AAA- for long-term' and 'A1+' for short-term' (fund base and non-fund base bank facilities).
- Consolidated payment to Statutory Auditors**
During 2019-20, ₹ 3.82 crores was paid on consolidated basis to Statutory Auditors of the Company and all entities in the network firm/network entity of which Statutory Auditors is part towards services rendered by them, as under:

(₹ in crores)

SR. No	Particulars	By Company	By Subsidiaries	Total
(1)	Statutory Audit fees including tax audit fees	2.19	0.45	2.64
(2)	Other services	1.03	0.01	1.04
(3)	Reimbursement of expenses	0.12	0.02	0.14
	Total	3.34	0.48	3.82

The Company has complied with the mandatory requirements of Listing Regulations and has unqualified financial statements. The Directors freely interact with the Management on information that may be required by them. The Management also shares with the Board, changes/proposed changes in relevant laws and regulations and their implication on the Company. The Company has not adopted the discretionary requirements in regard to maintenance of Non-Executive Chairman's office and sending half-yearly financial results to the shareholders at their residence.

Dividend Distribution Policy

The Company has formulated Dividend Distribution Policy which is available on the website of the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodity and hence the disclosure pursuant to SEBI Circular dated 15 November, 2018 is not required. Foreign exchange risk and hedging activities are covered separately in the Annual Report.

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made in Directors' Report.

13. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results are published in widely circulated newspapers: Business Standard in English; Sakaal in Marathi and also displayed on the website of the Company www.voltas.com soon after its submission to the Stock Exchanges.

Shareholding Pattern, Corporate Governance Report and financial results are uploaded in the prescribed format on NEAPS and Listing Centre maintained by NSE and BSE, respectively.

The financial results, official news releases and presentations, conference calls with the institutional investors or with the analysts are displayed on the Company's website www.voltas.com. Copies of Press Release are filed with the Stock Exchanges.

The Company's website contains information on Voltas' management, vision, mission, policies and corporate sustainability. The section on 'investors' provides financial results, annual reports, shareholding pattern and announcements submitted to the Stock Exchanges. The section on 'News Room' includes all major press releases.

14. GENERAL SHAREHOLDERS INFORMATION

AGM: Date, time and venue: Friday, 21 August, 2020 at 3.00 p.m. by Video Conferencing or Other Audio Visual Means.

Financial Calendar: (a) 1 April to 31 March (b) First Quarter Results - By 14 August, 2020 (c) Second Quarter Results - By 14 November, 2020 (d) Third Quarter Results - By 14 February, 2021 (e) Results for the year ending 31 March, 2021 - By 30 May, 2021

Date of Book closure: Friday, 7 August, 2020 to Friday, 21 August, 2020 (both days inclusive).

Dividend Payment date: Dividend, if declared would be paid on or after 26 August, 2020.

Listing on Stock Exchange: - BSE Limited P.J. Towers, Dalal Street, Mumbai 400 001 - National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai 400 051

The Company has paid the listing fees to BSE and NSE for the year 2020-21.

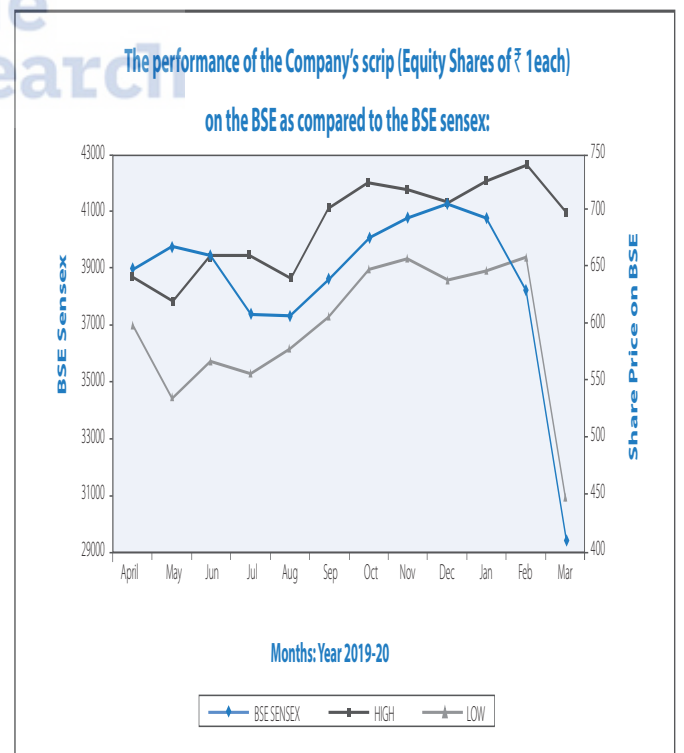
Stock Code

-BSE	500575
-NSE	VOLTAS
-ISIN for NSDL/CDSL	INE226A01021

Market Information

Market price data-monthly high/low and trading volumes during the last financial year on the BSE/NSE depicting liquidity of the Company's Equity Shares of ₹ 1 each on the said exchanges is given hereunder:

Month	BSE Sensex	BSE Ltd. (BSE)				National Stock Exchange of India Ltd. (NSE)			
		High ₹	Low ₹	No. of Shares Traded	Turnover ₹ in crores	High ₹	Low ₹	No. of Shares Traded	Turnover ₹ in crores
2019									
April	39,032	641.55	599.00	8,77,236	54.22	641.70	598.55	2,30,12,699	1,421.03
May	39,714	620.85	537.00	25,09,789	143.75	621.40	537.70	4,70,47,926	2,712.87
June	39,395	658.60	574.95	14,01,642	87.27	658.85	578.00	2,82,75,060	1,754.48
July	37,481	662.15	557.20	17,21,953	102.22	662.50	557.40	2,69,68,745	1,622.55
August	37,333	643.70	579.10	14,44,455	87.85	643.95	579.10	3,01,65,390	1,834.58
September	38,667	704.25	606.80	16,03,087	103.52	705.00	606.65	2,20,17,465	1,392.67
October	40,129	725.45	650.00	9,76,936	67.62	725.40	649.20	2,15,30,024	1,489.95
November	40,794	719.40	658.35	8,80,902	61.36	719.55	657.15	2,57,94,312	1,792.84
December	41,254	706.90	638.95	14,62,480	97.09	707.00	639.00	2,51,87,843	1,619.93
2020									
January	40,723	731.05	646.85	7,80,368	54.16	730.95	646.30	2,37,09,744	1,633.16
February	38,297	740.50	656.60	9,95,212	69.46	741.00	655.75	3,25,88,139	2,273.63
March	29,468	697.95	449.20	9,85,923	58.54	697.00	448.75	3,36,78,934	1,967.39



• Distribution of shareholding as on 31 March, 2020

No. of equity shares held	No. of shareholders	No. of Shares held	% of Issued Share Capital
Upto 5000	1,23,746	3,79,18,851	11.46
5001 to 10000	892	63,17,229	1.91
10001 to 20000	384	53,85,590	1.63
20001 to 30000	112	27,96,354	0.84
30001 to 40000	64	22,84,936	0.69
40001 to 50000	29	13,20,246	0.40
50001 to 100000	81	58,19,415	1.76
100001 and above	219	26,90,42,119	81.31
Total	1,25,527	33,08,84,740	100.00
Physical Mode	9,366	64,14,508	1.94
Electronic Mode:	1,16,161	32,44,70,232	98.06
- NSDL	63,820	30,08,98,984	90.94
- CDSL	52,341	2,35,71,248	7.12

• Shareholding Pattern as on 31 March, 2020

Category	No. of Shares held	% of Issued Share Capital
Tata Group of companies	10,02,53,480	30.30
Mutual Funds and UTI	9,14,52,626	27.64
Foreign Portfolio Investors	3,26,62,310	9.87
Insurance companies	3,56,13,238	10.76
Bodies Corporate	1,11,15,665	3.36
Alternate Investment Funds	34,11,618	1.03
Non Resident Indians	29,68,772	0.90
Investor Education and Protection Fund Authority	20,44,387	0.62
Central Government Corporations and Banks	19,95,820	0.60
Foreign companies and Foreign national	90,733	0.03
Public/Individuals	4,92,76,091	14.89
Total	33,08,84,740	100.00

• Shareholders holding more than 1% Equity Shares of the Company as on 31 March, 2020

Name of Shareholder	No. of Shares held	% of Issued Share Capital
Tata Sons Private Limited	8,81,31,780	26.64
Life Insurance Corporation of India	1,50,82,016	4.56
Mirae Asset Mutual Fund	1,17,74,525	3.56
HDFC Mutual Fund	1,13,09,000	3.42
Tata Investment Corporation Limited	99,62,330	3.01
Franklin Templeton Mutual Fund	97,16,657	2.94
HDFC Standard Life Insurance Company Limited	89,91,527	2.72
ICICI Prudential Mutual Fund	71,14,146	2.15
DSP Blackrock Mutual Fund	65,34,029	1.97
Tata Mutual Fund	60,30,050	1.82
Aditya Birla Sun Life Trustee Company Private Limited	58,30,814	1.76
IDFC Mutual Fund	53,55,911	1.62
Axis Mutual Fund	43,74,959	1.32
Prazim Trading and Investment Company Private Limited	35,16,023	1.06
Canara Robeco Mutual Fund	33,25,662	1.01

Registrar & Transfer Agent	TSR Darashaw Consultants Private Limited (formerly known as TSR Darashaw Limited) Unit - Voltas Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai 400 011. Tel: 022-66568484 Fax: 022-66568494 e-mail: csg-unit@tsrdarashaw.com
Share Transfer System	The transmission cases and demat requests are processed and approved by the Share Transfer Board Committee on a fortnightly basis, which are reported at the subsequent Board Meetings.
Dematerialisation of shares and liquidity	98.06% of the share capital has been dematerialised as on 31 March, 2020.
Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs/ADRs/Warrants or any Convertible instruments.
Plant locations	The Company's manufacturing activities are located at: (i) Plot No.1-5, Sector 8, I.I.E. Pantnagar Industrial Area, Dist. Udham Singh Nagar, Rudrapur, Uttarakhand 263 145. (ii) Plot No. 1A, Siddhi Industrial Infrastructure Park, Village Waghodia, Tal. Waghodia, Dist. Vadodara 390 001
Addresses for correspondence	All correspondence relating to shares should be addressed to TSR Darashaw Consultants Private Limited, the Company's Registrar & Transfer Agent at the address mentioned aforesaid. Shareholders holding shares in electronic mode should address their correspondence to the respective Depository Participants.

• Unclaimed Dividends

Pursuant to Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders are advised to claim the un-cashed dividends lying in the unpaid dividend accounts of the Company before the due date. Given below are the dates of declaration of dividend and due dates for claiming dividend.

Date of declaration of dividend	Dividend for the year	Due for transfer to the IEPF	Amount lying in Unpaid Dividend Accounts as on 31 March, 2020 ₹ in crores
19 August, 2013	2012-13	19 September, 2020	0.65
1 September, 2014	2013-14	1 October, 2021	0.75
3 August, 2015	2014-15	3 September, 2022	0.92
29 August, 2016	2015-16	29 September, 2023	1.16
28 August, 2017	2016-17	28 September, 2024	1.53
27 August, 2018	2017-18	27 September, 2025	1.23
9 August, 2019	2018-19	9 September, 2026	1.16

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Equity Shares of the Company in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred by the Company to IEPF Authority. Accordingly, the Company had during 2019-20, transferred 2,48,356 shares (physical) and 15,231 shares (held in demat) and ₹ 0.53 crore to IEPF Authority in respect of dividend declared by the Company for 2011-12 and which had remained unclaimed for seven consecutive years from the date of transfer to unpaid dividend account. The Company has uploaded the details of such shareholders on its website www.voltas.com and website of IEPF Authority www.iepf.gov.in. The concerned shareholders may note that the shares so transferred to IEPF Account, including all benefits accruing on such shares, if any, can be claimed by them only from IEPF Authority by following the prescribed procedure. As earlier stated, Mr. V. P. Malhotra, Company Secretary has been appointed as 'Nodal Officer' under the provisions of IEPF.

• **Remittance of Dividend through NACH / DCF**

Members holding shares in physical form, desirous of receiving dividend by direct electronic deposit through National Automated Clearing House (NACH)/Direct Credit Facility arrangements with the Banker, to their bank accounts may authorise the Company by giving details of their NACH mandate. For more details, kindly write to the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited.

• **Bank details for Electronic Shareholding**

While opening Accounts with Depository Participants (DPs), you may have given your Bank Account details, which were used by the Company for ECS/printing on dividend warrants for remittance of dividend. However, remittance of dividend through ECS/NECS has been replaced by NACH. In order to facilitate the Company to remit the dividend amount through NACH, please furnish your new bank account number allotted to you by your bank to your DPs, along with photocopy of cheque pertaining to your bank account.

• **Bank details for Physical Shareholding**

In order to provide protection against fraudulent encashment of dividend warrants, the Members are requested to provide, if not provided earlier, their Bank Account numbers, names and addresses of the Bank along

with original cancelled cheque leaf of the saving/current account in which the credit of dividend is desired, quoting Folio numbers to the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited to incorporate the same on the dividend warrants.

• **Physical Transfer of Shares**

As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1 April 2019, except in case of request received for transmission or transposition of securities. Accordingly, in order to eliminate the risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company by sending an email at shareservices@voltas.com or to the Company's Registrar and Transfer Agent, TSR Darashaw Consultants Private Limited at csg-unit@tsrdarashaw.com for assistance in this regard.

Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. This would also result in savings at the time of dematerialisation as demat charges are payable per certificate.

• **Dematerialisation of Shares**

Shares held in demat form helps the investors/shareholders to get immediate transfer of shares and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries, loss of certificates in transit, get eliminated. Shareholders presently holding shares in physical form are therefore requested to convert their physical holding into demat holding.

• **Nomination facility**

Shareholders should register their nominations in Form SH-13 in case of physical shares with the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited. In case of dematerialised shares, nomination should be registered by the shareholders with their DP. Nomination would help the nominees to get the shares transmitted in their favour in a smooth manner without much documentation/legal requirements.

• **Receipt of Balance Sheet/other documents through Electronic mode**

As servicing of documents to shareholders, including Notice of Annual General Meeting, Balance Sheet, Statement of Profit and Loss, etc. is permitted through electronic mail, the Company will send the Annual Report and other documents in electronic form to those shareholders whose e-mail address are registered with the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited or made available by the Depositories.

In compliance with Ministry of Corporate Affairs Circular dated 5 May, 2020 read with Circulars dated 8 April, 2020 and 13 April, 2020 and SEBI Circular dated 12 May, 2020, Notice of Sixty-Fifth AGM along with the Annual Report 2019-20 is 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 2019-20 are also available on the Company's website www.voltas.com and websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

• **Exchange of new Share Certificates on sub-division of shares**

The Company had in September 2006, sub-divided its Equity Shares of ₹ 10 each into Equity Shares of ₹ 1 each. Upon sub-division, shares of ₹ 10 each stand cancelled and are not tradable in the market. Shareholders who have still not surrendered the share certificates of ₹ 10 each for exchange of new share certificates of ₹ 1 each should approach the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited for the same.

• **Updation of PAN, Bank details and signatures**

Pursuant to SEBI circular dated 20 April, 2018, the Company had sent letters/reminder letters to the shareholders requesting them to update their PAN, Bank details and signatures with the Company and/or the Company's Registrar & Transfer Agent - TSR Darashaw Consultants Private Limited. The shareholders who have not yet updated the same are requested to send the self-attested copies of PAN, bank details (with original cancelled cheque leaf) and also update their signatures.



DECLARATION BY THE MANAGING DIRECTOR & CEO ON COMPLIANCE WITH THE CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management personnel have as on 31 March, 2020 affirmed compliance of their respective Codes of Conduct adopted by the Company and confirmation to that effect has been given by each of them.

Pradeep Bakshi
Managing Director & CEO

Date: 29 May, 2020

Place: Delhi