



## PRICOL LIMITED

(CIN: L33129TZ1972PLC000641)

CPM Towers, 109, Race Course, Coimbatore – 641 018, India.

Phone : + 91 422 4336000, Fax : +91 422 4336299, Website : www.pricol.com, E-mail : cs@pricol.co.in

### NOTICE OF 44th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty fourth Annual General Meeting of the Shareholders of the Company will be held on Wednesday, 17th August 2016 at 4.30 p.m. at Chamber Hall, Chamber Towers, 8 / 732, Avinashi Road, Coimbatore - 641 018 to transact the following business:

#### ORDINARY BUSINESS

- To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**  
"RESOLVED that the Financial Statements of the Company for the year ended 31st March 2016 including Audited Balance Sheet as at 31st March 2016, Statement of Profit and Loss, Cash Flow Statement and Consolidated Financial Statements for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon as presented to the meeting, be and are hereby, approved and adopted."
- To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**  
"RESOLVED that Dividend for the year 2015-16 of ₹ 1/- per share of ₹ 1/- each, be declared and paid out of the current profits of the Company for the financial year ended 31st March, 2016 on 94,796,721 equity shares of ₹ 1/- each absorbing ₹ 94,796,721/- to the shareholders whose name appear on the Register of Members of the Company as on 17th August, 2016 for those holding shares in physical form and as per the details furnished by the Depositories for this purpose as at the end of business hours on 12th August, 2016 in respect of the shares held in demat form."
- To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**  
"RESOLVED that Mr. Vijay Mohan (DIN: 00001843), director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company."
- To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**  
"RESOLVED that Mrs. Vanitha Mohan (DIN: 00002168), director, who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company."
- To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**  
RESOLVED that, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the resolution passed by the members at the Annual General Meeting held on 12th August 2015, the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, Coimbatore, (ICAI Firm Registration No. 103523W) as Statutory Auditors of the Company to hold office for a period of 5 years until the conclusion of the 48th Annual General Meeting to be held in the calendar year 2020, be and is hereby ratified."  
"RESOLVED FURTHER that a remuneration of ₹ 3,500,000 (Rupees Three Million and Five Hundred Thousand Only) plus applicable taxes and levies and actual expenses incurred by them in connection with the Statutory Audit for the financial

year 2016-17 which is excluding the fees payable for other permitted services as may be approved by the Board, is hereby approved and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Statutory Auditors and the Board of Directors.”

“RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

### **SPECIAL BUSINESS**

6. To consider and if thought fit, to pass with or without modification, the following resolution as a “**Special Resolution**”:

“RESOLVED that pursuant to the provisions of Sections 196,197, 198 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof, for the time being in force, the consent of the Company be and is hereby accorded to the reappointment of Mrs.Vanitha Mohan (DIN: 00002168), as Vice Chairman of the Company, for a period of two years commencing from 1st April 2016 to 31st March 2018 on the following terms and conditions as recommended by the Nomination and Remuneration Committee:

#### **REMUNERATION:**

- I. Salary** : ₹ 240,000 per month in the scale of ₹ 240,000 – ₹ 24,000 – ₹ 264,000 (Annual increment will be effective 1st April of each year)
- II. Commission** : 1.50 % of the Net Profit computed in accordance with Sections 197 and 198 of the Companies Act, 2013.

### **III. Perquisites**

#### **Category 'A'**

- 1. Housing** : Unfurnished accommodation will be provided by the Company. In its absence, 60% of the salary will be paid as House Rent Allowance.

#### **2. Other perquisites:**

The following perquisites shall be allowed subject to a maximum of 50% of salary:

- a) Leave (as per rules of the Company).
- b) Leave Travel Concession for self and her family.
- c) Reimbursement of medical expenses incurred for self and her family.
- d) Reimbursement of expenditure incurred on gas, electricity, water, furnishings and appliances.
- e) Reimbursement of club expenses for self and her family.
- f) Health and personal accident insurance cover for self and her family.

In any year, if the perquisites specified in Part III, Sub-Clause (2) above, are not availed in full, the unutilised portion of the limit shall be either carried over till the end of the term or encashed at the end of every year.

#### **Category 'B'**

Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income-Tax Act. Gratuity payable shall not exceed 15 days salary for each completed year of service.

#### **Category 'C'**

##### **i. Conveyance facilities**

The Company shall provide a suitable vehicle for both business and personal use. Fuel costs, repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company.

**ii. Telephone, internet connectivity and other communication facilities**

The Company shall provide a mobile phone and shall also provide telephone, internet connectivity and other communication facilities at her residence. All the expenses incurred therefore shall be paid or reimbursed by the Company, as per the rules of the Company.

The aggregate of salary, allowances, perquisites etc., in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

“RESOLVED FURTHER that in the event of no profit or inadequacy of profit, the remuneration payable to Mrs.Vanitha Mohan, Vice Chairman, shall not exceed the limit specified in Section II of Part II Schedule V of the Companies Act, 2013, as modified from time to time or such other limits as may be notified by the Government from time to time as minimum remuneration.”

“RESOLVED FURTHER that any one of the Directors or Key Managerial Personnel of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

7. To consider and if thought fit, to pass with or without modification, the following resolution as a “**Special Resolution**”:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof, for the time being in force, the consent of the Company be and is hereby accorded to the re-appointment of Mr.Vikram Mohan (DIN: 00089968), as Managing Director of the Company, for a period of three years

commencing from 1st April 2016 to 31st March 2019 on the following terms and conditions as recommended by the Nomination and Remuneration Committee:

**REMUNERATION:**

**I. Salary** : ₹ 600,000 per month in the scale of ₹ 600,000 – ₹ 60,000 – ₹ 720,000 (Annual increment will be effective 1<sup>st</sup> April of each year)

**II. Commission** : 2 % of the Net Profit computed in accordance with Sections 197 and 198 of the Companies Act, 2013.

**III. Perquisites :**

**Category 'A'**

**1. Housing** : Unfurnished accommodation will be provided by the Company. In its absence, 60% of the salary will be paid as House Rent Allowance.

**2. Other perquisites:**

The following perquisites shall be allowed subject to a maximum of 50% of salary:

- a) Leave (as per rules of the Company).
- b) Leave Travel Concession for self and his family.
- c) Reimbursement of medical expenses incurred for self and his family.
- d) Reimbursement of expenditure incurred on gas, electricity, water, furnishings and appliances.
- e) Reimbursement of club expenses for self and his family.
- f) Health and personal accident insurance cover for self and his family.

In any year, if the perquisites specified in Part III , Sub-Clause (2) above, are not availed in full, the unutilised portion of the limit shall be either carried over till the end of the term or encashed at the end of every year.

**Category 'B'**

Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included

in the computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income-Tax Act. Gratuity payable shall not exceed 15 days salary for each completed year of service.

#### **Category 'C'**

##### **i. Conveyance facilities**

The Company shall provide a suitable vehicle for both business and personal use. Fuel costs, repairs, maintenance and running expenses including driver's salary shall be borne/reimbursed by the Company.

##### **ii. Telephone, internet connectivity and other communication facilities**

The Company shall provide a mobile phone and shall also provide telephone, internet connectivity and other communication facilities at his residence. All the expenses incurred therefor shall be paid or reimbursed by the Company, as per the rules of the Company.

The aggregate of salary, allowances, perquisites etc., in any one financial year shall not exceed the limits prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

"RESOLVED FURTHER that in the event of no profit or inadequacy of profit, the remuneration payable to Mr. Vikram Mohan, Managing Director, shall not exceed the limit specified in Section II of Part II of Schedule V of the Companies Act, 2013, as modified from time to time or such other limits as may be notified by the Government from time to time as minimum remuneration.

"RESOLVED FURTHER that any one of the Directors or Key Managerial Personnel of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Sriya Chari (DIN: 07383240), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 27th May 2016 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an "Independent Director" of the Company to hold office for a term of 5 (five) consecutive years commencing from 27th May 2016 to 26th May 2021."

9. To consider and if thought fit, to pass with or without modification, the following resolution as an **"Ordinary Resolution"**:

"RESOLVED THAT the remuneration of ₹ 0.500 million, in addition to reimbursement of travel and out-of-pocket expenses, payable to M/s. STR & Associates, Cost Accountants (Firm Registration No: 00029), who were appointed as Cost Auditor of the Company to conduct an Audit of the Cost Accounts for the year 2016-17 as recommended by the Audit Committee and approved by the Board of Directors of the Company, in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, be and is hereby ratified."

Coimbatore  
27th May 2016

By order of the Board  
**T.G.Thamizhanban**  
Company Secretary  
(FCS No. : 7897)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON HIS / HER BEHALF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

The Instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. A statement of material facts pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business if any, set out in the notice and the relevant details pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed hereto.
3. Brief resume of the directors seeking appointment / reappointment and other details as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards are annexed hereto.
4. The Register of Members and Transfer Books of the Company will be closed from 13th August 2016 to 17th August 2016 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2015 - 16.

5. Members who are holding shares in physical form are requested to intimate immediately their change of address / change of bank account, if any, to Registrar & Share Transfer Agent (RTA) quoting reference of the Registered Folio Number. Members who are holding shares in dematerialized form are requested to intimate immediately their change of address / change of bank account, if any, to their respective Depository Participant.
6. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund established by the Central Government as per provisions of the Companies Act, 2013.
7. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN Card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares held in Physical form. Shareholders are requested to furnish copy of PAN card for all above mentioned transactions.
8. Electronic copy of the Annual Report for 2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016 is sent in the permitted mode.

**The members who have not yet registered their email address are requested to register / update their email address in respect of equity shares held by them in demat form with their respective DP's and in the case of physical form with the RTA.**

9. Members may also note that the Notice of the 44th Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.pricol.com](http://www.pricol.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (9.00 a.m. to 5.00 p.m.) on all working days except Saturdays upto and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor E-mail ID: [investor@pricol.co.in](mailto:investor@pricol.co.in) or [cs@pricol.co.in](mailto:cs@pricol.co.in).
10. Shareholders, intending to require information about the Financial Statements to be approved at the Meeting, are requested to inform the Company Secretary at least a week in advance of their intention to do so, so that the information relating thereto may be made available, if the Chairman permits such information to be furnished.
11. Electronic copy of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is sent to all the members whose email IDs are registered with the Company/Depository Participants(s). For members who have not registered their email address, physical copies of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is sent in the permitted mode.
12. The members who hold shares on the cut-off date of 12th August, 2016 are eligible to exercise their right to vote through remote e-voting or voting through ballot at the Annual General Meeting. A person who is not a member (not holding shares of the Company) as on the aforesaid cut-off date should treat this note this for information purposes only.
13. All documents referred to in the accompanying Notice and the Statement of material facts shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company. The aforesaid documents are also available at the AGM venue on the date of AGM.
14. **VOTING THROUGH ELECTRONIC MEANS**
- a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members with the facility to exercise their right to vote on the AGM subjects, by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Limited (NSDL).
- b) The facility for voting, either through electronic voting system or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- c) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. If a member voted in both mode, the voting by remote e-voting is only valid.
- d) The facility for remote e-voting commences on 13th August 2016 (9.00 a.m.) and ends on 16th August 2016 (5.00 p.m.) the date preceding the date of the AGM. During this period members of the Company, holding shares either in physical form or in dematerialised



form, as on the cut-off date (record date) of 12th August 2016, may opt for remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

- e) Any person, who acquires shares of the Company and becomes a member of the Company after despatch of the notice and holding shares on the cut-off date i.e 12th August, 2016 may obtain the login ID and password by sending a request to "e-voting@nsdl.co.in".
- f) Mr. P.Eswaramoorthy, of M/s. P.Eswaramoorthy & Co, Company Secretaries, has been appointed as the Scrutiniser to scrutinise the voting by electronic means or ballot or polling paper, in a fair and transparent manner.
- g) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him who shall countersign the same.
- h) The Chairman or a person authorised by him shall declare the result of the voting forthwith. The results declared along with the Scrutiniser's report shall be placed on the Company's website [www.pricol.com](http://www.pricol.com) after the result is declared by the Chairman or person authorised by him, shall be simultaneously communicated to the Stock Exchanges and Depositories.

i) **Members are requested to read the instructions given below:**

**1. For members who receive notice of Annual General Meeting through E-mail:**

- i. Open email and open PDF file viz; "pricol e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
- ii. Launch internet browser by typing the following URL:  
<https://www.evoting.nSDL.com>
- iii. Click on "Shareholder - Login"
- iv. Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- vii. Select "EVEN" of Pricol Limited.
- viii. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.

- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail to "eswaracs@gmail.com" with a copy marked to "evoting@nsdl.co.in" and "investor@pricol.co.in".

**2. For members who receive the notice of Annual General Meeting in Physical form:**

- i. Initial password is provided at the bottom of the Attendance Slip for the AGM: EVEN (E Voting Event Number), USER ID, PASSWORD / PIN.
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) OR contact NSDL at the following Telephone No:022 24994600.
- j) If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
- k) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT.**

**Re-appointment of Mr.Vijay Mohan (Item no: 3)**

In terms of Section 152(6) of the Companies Act, 2013, Mr. Vijay Mohan shall retire by rotation at the forth coming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.

**Mr. Vijay Mohan**, 68 years of age, the Non - Executive Chairman of the Company, holds Bachelor Degree in Mechanical Engineering from PSG College of Technology and Masters in Management Science from USA. He is having an experience of 43 years in general management of affairs of the Company. He was appointed on the Board of Directors of the Company on 18th February 1974. During the year 2015-16, he attended all the 5 Board meetings of the Company. The remuneration in the form of sitting fee and commission for the year 2015 - 16 is ₹ 0.500 Million. His appointment is liable to retire by rotation. Sitting fee and commission will be paid broadly on the basis of attendance to the Board and Committee meetings.

He is also a Director in Precot Meridian Limited, Pricol Holdings Limited, PPL Enterprises Limited, Pricol Properties Limited, Pricol Technologies Limited and Pricol Pune Limited. He is a member of Stakeholders Relationship Committee and Investment and Borrowing Committee of Pricol Limited. He is also a member of Audit Committee & Nomination and Remuneration Committee of Pricol Technologies Limited and member of Nomination and Remuneration Committee of Pricol Pune Limited. He holds 9,801,178 shares of the Company.

Mr.D.Sarath Chandran, Mr.Vijay Mohan, Mrs.Vanitha Mohan and Mr.Vikram Mohan are related to each other. Mr.D.Sarath Chandran is Mr.Vijay Mohan's brother, Mrs.Vanitha Mohan is Mr.Vijay Mohan's wife and Mr.Vikram Mohan is the elder son of Mr.Vijay Mohan.

The Board recommends the resolution as set out at item no. 3 of the Notice for your approval.



**Re-appointment of Mrs. Vanitha Mohan (Item no: 4)**

For the details of Mrs. Vanitha Mohan please refer to the statement in respect of the Special Business set out at Item No. 6 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

The Board recommends the resolution set out at item no.4 of the Notice for your approval.

**STATEMENT OF MATERIAL FACTS CONCERNING ITEMS OF SPECIAL BUSINESS**

(Annexed to notice pursuant to Section 102 of the Companies Act, 2013)

**Item No.6**

**Mrs. Vanitha Mohan**, 63 years of age, the Vice Chairman of the Company, is a Commerce Graduate with a Post Graduate Diploma in Business Management from the University of Strathclyde, Glasgow, UK. She is having 30 years of experience and heads the Internal Audit functions and Corporate Social Responsibilities of the Company. She was appointed on the Board of Directors of the Company on 28th May, 1999. During the year 2015 - 16, she attended 4 Board meetings of the Company. The remuneration in the form of salary, perquisites and commission for the year 2015 - 16 is ₹ 16.331 Million. Her appointment is liable to retire by rotation. Salary, perquisites and commission will be paid in accordance with the Shareholders approval.

She is also a Director in Pricol Travel Limited, Pricol Properties Limited, Tamilnadu Corporation for Development of Women Limited, Sagittarius Investments Private Limited, Shrimay Enterprises Private Limited and Bhavani Infin Services India Private Limited. She is a member of the Audit Committee, CSR Committee, Investment and Borrowing Committee and Stakeholders Relationship Committee of the Company. She holds 3,726,488 shares in the Company.

She is the Managing Trustee of SIRUTHULI, an NGO formed to address the environmental issues of Coimbatore with focus on water management and enhancement of green cover of the city. She is also a Trustee of ND Foundation. She is the Vice President of

RAAC (Residents' Awareness Association of Coimbatore) which focuses on the infrastructure and hygiene management of Coimbatore. She is a member of CTAG (City Technical Advisory Group) of the Coimbatore Corporation. She is the Vice President of the Coimbatore Chapter of the Indian Chamber of Commerce and Industry and is in charge of civic and public affairs.

Subject to the approval of the shareholders, the Board of Directors, at their meeting held on 12th February 2016, in line with the retirement policy of Whole Time Directors at the age of 65, have re-appointed her as Vice Chairman for a period of two years with effect from 1st April 2016 to 31st March 2018 and fixed the remuneration payable to her as set out in the text of the resolution. The proposed appointment, remuneration and perquisites conform to the requirement of Schedule V to the Companies Act, 2013, requires the appointment and remuneration to be approved by a resolution of the shareholders in general meeting.

Mr.D.Sarath Chandran, Mr.Vijay Mohan, Mrs.Vanitha Mohan and Mr.Vikram Mohan are related to each other. Mr.D.Sarath Chandran is Mr.Vijay Mohan's brother, Mrs.Vanitha Mohan is Mr.Vijay Mohan's wife and Mr.Vikram Mohan is the elder son of Mr.Vijay Mohan.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr.D.Sarath Chandran, Mr.Vijay Mohan, Mrs.Vanitha Mohan, Mr.Vikram Mohan and their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the resolution set out at item no.6 of the Notice for your approval.

**Item No.7**

**Mr.Vikram Mohan**, 41 years of age, the Managing Director of the Company, holds a Bachelors Degree in Production Engineering with Honours from PSG College

of Technology, Coimbatore. Mr.Vikram Mohan is having 20 years of experience and shall be responsible for Strategy, Finance, Customer Relationship Management and Human Resources of the Company. He was appointed on the Board of Directors of the Company on 29th May, 2009. During the year 2015-16, he attended all the 5 Board meetings of the Company. The remuneration in the form of salary, perquisites and commission for the year 2015-16 is ₹ 28.600 Million. His appointment is liable to retire by rotation. Salary, perquisites and commission will be paid in accordance with the Shareholders approval.

He is also a Director in Pricol Properties Limited, Pricol Technologies Limited, Pricol Travel Limited, Pricol Holdings Limited, PPL Enterprises Limited, M and M Enterprises (India) Limited, Pricol Pune Limited, Pricol Technologies Inc., Michigan, USA, Pricol Technologies (Europe) Limited, UK, Pricol Espana Sociedad Limitada, Spain, Pricol Asia PTE Limited, Singapore and PT Pricol Surya Indonesia. He is also the Managing Director of Pricol Pune Limited. He is a member of the CSR Committee and Investment and Borrowing Committee of the Company. He is also a member of the Audit Committee of Pricol Pune Limited. He holds 3,521,175 shares in the Company.

Subject to the approval of the shareholders, the Board of Directors, at their meeting held on 12th February 2016 have re-appointed him as Managing Director for a period of three years with effect from 1st April 2016 to 31st March 2019 and fixed the remuneration payable to him as set out in the text of the resolution. The proposed appointment, remuneration and perquisites conform to the requirement of Schedule V to the Companies Act, 2013, requires the appointment and remuneration to be approved by a resolution of the shareholders in general meeting.

Mr.D.Sarath Chandran, Mr.Vijay Mohan, Mrs.Vanitha Mohan and Mr.Vikram Mohan are related to each other. Mr.D.Sarath Chandran is Mr.Vijay Mohan's brother, Mrs.Vanitha Mohan is Mr.Vijay Mohan's wife and Mr.Vikram Mohan is the elder son of Mr.Vijay Mohan.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr.D.Sarath

Chandran, Mr.Vijay Mohan, Mrs.Vanitha Mohan, Mr.Vikram Mohan and their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the resolution set out at item no.7 of the Notice for your approval.

#### **Item No.8**

**Mrs.Sriya Chari** was appointed as an Additional (Independent) Director of the Company with effect from 27th May 2016 by the Board of Directors on the recommendation of Nomination and Remuneration Committee. In terms of Section 161(1) of the Companies Act, 2013, Mrs. Sriya Chari holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director. The Company has received a Notice from a Member in writing along with requisite deposit under Section 160 of the Act, proposing her candidature for the office of Director.

Mrs.Sriya Chari, 42 years of age, is B.Com (Hons.) graduate from Sriram College of Commerce, Delhi and MBA from Cardiff Business School, University of Wales. She is having an experience of 23 years and presently Director in Rajsriya Automotive Industries Private Limited and Managing Director of Auto Pluss Electrical Components (Chennai) Private Limited. She does not hold any shares of the Company. Her appointment is not liable to retire by rotation. Sitting fee and commission will be paid broadly on the basis of attendance to the Board and Committee meetings.

The Company has received from Mrs.Sriya Chari (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to

the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mrs.Sriya Chari fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for her appointment as an Independent Director of the Company and is independent of the Management.

A copy of the draft letter for the appointment of Mrs.Sriya Chari, as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of this AGM.

The Board considers that her educational qualification, experience & exposure in Automotive Industry would be of immense benefit to the Company and it is desirable to avail services of Mrs.Sriya Chari as an Independent Director.

Except Mrs.Sriya Chari, being an appointee and her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution. She is not related to any Director of the Company. This Explanatory Statement may also be read and treated as a disclosure under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board recommends the resolution set out at item no: 8 of the Notice for your approval.

#### Item No.9

The Board of Directors at their meeting held on 27th May 2016, appointed M/s. STR & Associates, Cost Accountants (Firm Registration No:000029), as Cost Auditor of the Company, in terms of Section 148 of the Companies Act, 2013 and fixed a sum of ₹ 0.500 million as remuneration payable to them, for the Financial Year 2016-17.

The remuneration, as recommended by the Audit Committee and approved by the Board, is therefore required to be ratified by the shareholders of the Company, as per the requirements of the Companies (Audit and Auditors) Rules 2014, read with Section 148(3) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the resolution set out at item no: 9 of the Notice for your approval.

By order of the Board  
**T.G.Thamizhanban**  
 Company Secretary  
 FCS No.: 7897

Coimbatore  
 27th May 2016

## AGM HALL - ROUTE MAP





