



NOTICE TO SHAREHOLDERS

Notice is hereby given that the **Thirty-Ninth Annual General Meeting ('AGM')** of the Members of Dynamatic Technologies Limited (the 'Company') will be held on **Thursday, the 14th (fourteenth) day of August 2014 (two thousand and fourteen) at 10:00 (ten) AM IST** at the Registered Office of the Company at Dynamatic Park, Peenya, Bangalore – 560 058, to transact, with or without modifications, as may be permissible, the following businesses:

ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Balance Sheet of the Company, as at March 31, 2014, Profit and Loss Account for the year ended on that date, together with the reports of the Auditors and the Directors thereon.
2. To appoint Messrs. B S R & Co., LLP, Chartered Accountants, Bangalore (LLP registration number AAB-8181) as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of this AGM and to fix their remuneration by passing the following resolutions with or without modifications as an

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139 of the Companies Act, 2013 and the rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Board of Directors, B S R & Co., LLP, Chartered Accountants (LLP registration number AAB-8181), be and are hereby appointed as the auditors of the Company, to hold office for a period of five years from the conclusion of this AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) in place of the retiring auditors, Messrs. B S R & Associates, LLP, who have opted not to be re-appointed as the statutory auditors of the Company by tendering their resignation to the Company suitably".

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with Messrs. B S R & Co., LLP."

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Mr. Vijai Kapur, in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to

appoint Mr. Vijai Kapur as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years from the conclusion of this AGM and shall not be liable to retire by rotation."

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Air Chief Marshal S. Krishnaswamy (Retd.), in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to appoint Air Chief Marshal S. Krishnaswamy (Retd.), as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company for a period of 3 (three) years from the conclusion of this AGM and shall not be liable to retire by rotation."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Mr. Govind Mirchandani, in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to appoint Mr. Govind Mirchandani, as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company for a period of 4 (four) years from the conclusion of this AGM and shall not be liable to retire by rotation."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Ms. Malavika Jayaram, in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to appoint Ms. Malavika Jayaram, as an Independent Director of the Company be and is hereby appointed as an Independent Director of the Company for a period of 4 (four) years from the conclusion of this AGM and shall not be liable to retire by rotation."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Mr. Nalini Ranjan Mohanty, who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 27, 2013 and who holds office until the date of this AGM in terms of section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to appoint Mr. Nalini Ranjan Mohanty as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years from the conclusion of this AGM and shall not be liable to retire by rotation."

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to sections 149(10) / (11), 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, read with schedule IV to the Companies Act, 2013, Mr. Ramesh Venkataraman, who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 08, 2013 and who holds office until the date of this AGM in terms of section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Companies Act, 2013 signifying her intention to appoint Mr. Ramesh Venkataraman as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years from the conclusion of this AGM and shall not be liable to retire by rotation."

9. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **SPECIAL RESOLUTION** under section 180(1)(a) of the Companies Act, 2013:

"RESOLVED THAT in supercession of all earlier resolutions passed in this connection, the approval and consent of the Shareholders be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, for:

- All and any mortgages and charges created or to be created on all the immovable and movable properties of the Company wherever situated (whether present or future); or on the whole of the undertaking/s of the Company and / or
- taking over the management of the business and undertaking/s of the Company in certain events (whether such power is contained in the documents

creating the mortgage/charge or otherwise) to or in favour of any Bank or Financial Institutions to secure repayment of any Term Loans, Subscription to Debenture or other monies lent or advanced by them from time to time together with interest at the agreed rates, compound interest, additional interest, commitment charges, premium on pre-payment or on redemption, costs, charges expenses and all other monies including any increase as a result of devaluation/revaluation/fluctuation in the rate exchange of foreign currencies involved payable by the company in terms of the respective loan agreements/heads of agreements/letters of sanction/memorandum of terms and conditions entered into/ to be entered into by the Company, within the overall limits of **INR ₹500 Crores (Indian Rupees Five Hundred Crores only).**"

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, usual or expedient for giving effect to the above resolution and also to make any alterations or amendments thereto from time to time as may be required by the respective bank or financial institution."

10. To consider and, if thought fit, to pass, with or without modifications, the following resolutions as a **SPECIAL RESOLUTION** under section 180(1)(c) of the Companies Act, 2013:

"RESOLVED THAT in accordance with the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and also subject to other approvals as may be required, the Board of Directors of the Company be and are hereby authorized to borrow monies for the purpose of the business of the Company, notwithstanding that the monies to be so borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose for the time being, provided that the total amount including the money/s already borrowed by the Company shall not exceed **INR ₹500 Crores (Indian Rupees Five Hundred Crores only)** at any one time."

11. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Articles of Association of the Company and Section 197 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013, and subject to such other consents, approvals and permissions, if any, as may be required, the consent of the Shareholders be and is hereby accorded for the reappointment of Mr. Udayant Malhoutra as the CEO & Managing Director of the Company for a period of 3 (three) years with effect from October 1, 2014 on the terms and conditions hereinafter mentioned."

SALARY

Salary per month ₹7,00,000 in the scale of ₹6,00,000 to ₹25,00,000.

PERQUISITES

Category A

Housing: The Company will provide unfurnished accommodation, subject to the condition that expenditure by the Company on hiring such accommodation will not exceed one month's Basic salary.

Medical reimbursement: Medical expenses will be paid by the Company for Mr. Udayant Malhoutra and his family, viz. wife, dependent children and dependent parents, subject to a ceiling of one month's Basic Salary in a year.

Leave Travel Concession: Mr. Udayant Malhoutra will be paid the expenses incurred on actual basis, subject to a ceiling of one month's Basic Salary in a year, in accordance with the rules of the Company, for himself, his wife, dependent children and dependent parents.

Club Fees: Club Fees will be paid subject to a maximum of two clubs, which will not include admission and life membership fees.

Category B

Provident Fund: He shall be entitled to Company's contributions to PF as per prevailing rules.

Gratuity: He shall be paid as per provisions of "The Payment of Gratuity Act".

Category C

Telephone: He will be provided with a telephone at his residence for the purpose of Company's business.

"RESOLVED FURTHER THAT in accordance with the Articles of Association of the Company, Mr. Udayant Malhoutra, CEO & Managing Director, shall not be liable to retire by rotation during his tenure as CEO & Managing Director of the Company."

"RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2014, during the tenure of Mr. Udayant Malhoutra as the CEO & Managing Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Udayant Malhoutra the above remuneration by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under section II of part II of schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and

conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under section 197, read with schedule V of the Companies Act, 2013."

"RESOLVED FURTHER THAT any of the Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals - whether statutory or otherwise, in relation to the above and to settle all or any matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required to be executed on behalf of the Company and generally to do all or any acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to these resolutions."

12. To take on record, cessation of Ms. Claire Louise Tucker from the Directorship of the Company, who retires by rotation and has opted not to be re-appointed as a Director of the Company and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT the vacancy caused by retirement of Ms. Claire Louise Tucker by rotation in accordance with section 152 of the Companies Act, 2013 and who does not seek re-appointment, be not filled-up".

13. To ratify the remuneration agreed to be paid to M/s. Rao, Murthy and Associates, Cost Auditors of the Company, for the financial year 2014-15 and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of INR ₹4,50,000 (four lakhs and fifty thousand only) agreed to be paid to M/s. Rao Murthy and Associates, Cost Auditors appointed by the Board of Directors of the Company for the financial year 2014-15, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE AGM INSTEAD OF HIMSELF OR HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE THE PROXIES SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE AGM.

2. Members / Proxies should bring the enclosed duly filled-in attendance slips to attend the AGM.
3. An Explanatory Statement in respect of item numbers 3 to 13 of the aforesaid Notice is annexed hereto in pursuance of Section 102 of the Companies Act, 2013. Further, as required under clause 49[IV(G)(i)] of the Listing Agreements with the Stock Exchanges, brief particulars of all the Directors form part of the Corporate Governance Report.
4. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of AGM.
5. Pursuant to the provisions of Section 91 of the Companies Act, 1956 and Clause 16 of the Listing Agreements with Stock Exchanges, the Register of Members and Share Transfer Books of the Company will be closed from **Thursday, August 7, 2014 to Thursday, August 14, 2014 (both days inclusive)**.
6. Members are requested to quote their Folio Number / Client ID, in all correspondence and intimate any change in their address to the Share Transfer Agent / Depository Participant promptly.
7. The Register of Directors and Key Managerial Personnel and their shareholding, will be available for inspection by the Members at the AGM.
8. The Register of Contracts or Arrangements in which Directors are interested, will be available for inspection by the Members at the AGM.
9. We request the Shareholders to update their email addresses with your Depository Participant to enable us to send you the annual reports and other communications by email.
10. Copies of Annual Report 2014 are being sent by electronic mode only to all the Members whose email addresses are registered with the Company / Registrar & Transfer Agents / 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 addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.

11. E-voting

Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening the AGM. To encourage participation of the Shareholders who are unable to use the e-voting facility, the Company has enclosed a ballot form to the Notice calling the AGM, which may be used by the Shareholders to cast their vote and have the same posted to the Company's address using the enclosed business reply

envelope, so as to reach the Company **on or before Wednesday, August 6, 2014**. Shareholders who have not cast their votes through e-voting or ballot method, may cast their vote at the AGM at the polling booths stationed for this purpose, at the AGM venue.

Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently. A Member can opt for only one mode of voting i.e. either through e-voting or by ballot or voting at the AGM. A Shareholder who has exercised his / her vote by e-voting or through ballot method shall not be allowed to vote at the AGM. If a Shareholder casts votes by both e-voting and ballot method, then voting done through e-voting shall prevail and voting through ballot shall be treated as invalid.

The e-voting facility would commence on **Wednesday, August 4, 2014 (9.00 am IST) and end on August 6, 2014 (5 pm IST)**. The e-voting module shall be disabled by Karvy Computershare Private Limited, who would be managing the e-voting facility, after August 6, 2014, 5 p.m.

Shareholders holding shares of the Company as **on Thursday, July 10, 2014 (the 'Cut-Off Date')** will be permitted to cast their vote electronically or by using the ballot form, at their convenience.

Mr. R. Vijayakumar, Practising Company Secretary (membership number FCS 6418), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Shareholders may please note that, no voting by show of hands or poll would be undertaken, pursuant to application of Section 108 read with Section 107 and other applicable provisions of Companies Act, 2013 and rules thereunder. Shareholders would however, be eligible to vote by ballot at the polling booths that would be stationed at the AGM venue.

Any Shareholder having any grievance on the e-voting can contact the Company / Registrar & Transfer Agent at the coordinates mentioned under the 'Investor Guide' of the instructions for e-voting. The Notice calling the 39th AGM, instructions for e-voting, attendance slip and proxy form along with ballot form is enclosed to the Notice of the AGM and is being sent by electronic mode to all Members whose email addresses are registered with the Company / Registrar & Transfer Agents / the Depository Participant(s) unless a Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.

12. Members who have not registered their email addresses, may please update their current residential addresses with the Company / Registrar & Transfer Agents / their respective Depository Participant(s).
13. Members may also note that, the Notice of AGM and the Annual Report 2014, will be available on the investor

portal of the Company's website at **www.dynamics.com**. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Dynamic Park, Peenya, Bangalore – 560 058 for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at **investors@dynamics.net**

14. Additional information pursuant to clause 49 of the Listing Agreements with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM are furnished and forms a part of the Corporate Governance Report. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
15. Members desiring to dematerialize their physical shareholding in the Company may contact the investor relations team at **investors@dynamics.net**
16. The details of unclaimed dividend have been made part of the Corporate Governance Report of the Annual Report. Such shareholders who have not claimed their dividends for the financial years 2006-07, 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 are advised to claim the same, before transferring any amount to IEPF. The Company has been giving individual intimation to the Shareholders in respect of whose unclaimed dividend, the amount is being transferred, at least six months before the due date for such transfer.

By Order of the Board



Naveen Chandra P

DGM - Compliance, Legal and Company Secretary

Place : Bangalore

Date : May 28, 2014

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item number 3

The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Mr. Vijai Kapur for the office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Mr. Vijai Kapur:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules,

2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013, and

- c. A declaration to the effect that, he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 3 of the notice calling the AGM, seeks the approval of Members for the appointment of Mr. Vijai Kapur as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Mr. Vijai Kapur has accorded his consent for acting as an Independent Director of the Company and with this appointment (if approved), Mr. Vijai Kapur would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of his tenure or resignation, whichever earlier. The appointment of Mr. Vijai Kapur has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Mr. Vijai Kapur who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Mr. Vijai Kapur is independent of the management. Mr. Vijai Kapur does not hold any shares in the Company. Except Mr. Vijai Kapur no other Director, Key Managerial Personnel or their relatives, are concerned or interested in the proposal. The Board accordingly, recommends the resolution as set out in item number 3 of the Notice for approval of the Members.

The terms and conditions of appointment of Mr. Vijai Kapur as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Mr. Vijai Kapur has served as an Independent Director on the Board of the Company since, 1992. Apart from being a Director on the Board of the Company, Mr. Vijai Kapur is also the Chairman of Audit Committee of the Board and a Member of Nomination & Remuneration Committee of the Board. Mr. Vijai Kapur, had an illustrious career, heading GKW Limited as Deputy Managing Director, and was also past President – AIEI (now called CII).

Item number 4

The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Air Chief Marshal S. Krishnaswamy (Retd.), for the

office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Air Chief Marshal S. Krishnaswamy (Retd.):

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013, and
- c. A declaration to the effect that, he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 4 of the notice calling the AGM, seeks the approval of Members for the appointment of Air Chief Marshal S. Krishnaswamy (Retd.), as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Air Chief Marshal S. Krishnaswamy (Retd.), has accorded his consent for acting as an Independent Director of the Company and with this appointment (if approved), Air Chief Marshal S. Krishnaswamy (Retd.), would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of his tenure or resignation, whichever earlier. The appointment of Air Chief Marshal S. Krishnaswamy (Retd.), has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Air Chief Marshal S. Krishnaswamy (Retd.), who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Air Chief Marshal S. Krishnaswamy (Retd.), is independent of the management. Air Chief Marshal S. Krishnaswamy (Retd.), holds 69 equity shares in the Company. Except Air Chief Marshal S. Krishnaswamy (Retd.), no other Director, Key Managerial Personnel or their relatives, are concerned or interested in the proposal. The Board accordingly recommends the resolution as set out in item number 4 of the Notice for approval of the Members.

The terms and conditions of appointment of Air Chief Marshal S. Krishnaswamy (Retd.), as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Air Chief Marshal S. Krishnaswamy (Retd.), has served as an Independent Director on the Board of the Company

since, 2005. Apart from being a Director on the Board of the Company, Air Chief Marshal S. Krishnaswamy (Retd.), is also the Chairman of Shareholders Committee and Nomination & Remuneration Committee and is also a Member of Technology Development Committee and Audit Committee of the Board. Air Chief Marshal S. Krishnaswamy (Retd.), is credited with bringing focus towards indigenous capabilities as additional strategic dimensions of National Security Policy. He retired as the Commander of India's Defence forces in the Capacity of Chairman, Chief of Staff Committee 2004, in addition to serving as Chief of Air Staff, Indian Air Force 2002-04.

Item number 5

The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Mr. Govind Mirchandani for the office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Mr. Govind Mirchandani:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013, and
- c. A declaration to the effect that, he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 5 of the notice calling the AGM, seeks the approval of Members for the appointment of Mr. Govind Mirchandani as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Mr. Govind Mirchandani has accorded his consent for acting as an Independent Director of the Company and with this appointment (if approved), Mr. Govind Mirchandani would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of his tenure or resignation, whichever earlier. The appointment of Mr. Govind Mirchandani has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Mr. Govind Mirchandani who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Mr. Govind Mirchandani is independent of the management. Mr. Govind Mirchandani does not hold any shares in the Company. Except Mr. Govind Mirchandani no other Director, Key Managerial Personnel or their relatives, are concerned or interested in the proposal.

The Board accordingly recommends the resolution as set out in item number 5 of the Notice for approval of the Members.

The terms and conditions of appointment of Mr. Govind Mirchandani as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Mr. Govind Mirchandani has served as an Independent Director on the Board of the Company since, 2008. Apart from being a Director on the Board of the Company, Mr. Govind Mirchandani is also the Chairman of Corporate Social Responsibility Committee of the Board and Member of Nomination & Remuneration Committee, Shareholders' Committee and Audit Committee of the Board. Mr. Govind Mirchandani, has vast experience in developing and building leading brand in India. He has had a distinguished career which includes the positions of Executive Director & CEO of Reid and Taylor; Director of Brandhouse Retails Limited; CEO & Director of Arvind Mills Limited; President of Denim Division and President & CEO of Personality Limited.

Item number 6

The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Ms. Malavika Jayaram, for the office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Ms. Malavika Jayaram:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and 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
- c. A declaration to the effect that, she meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 6 of the notice calling the AGM, seeks the approval of Members for the appointment of Ms. Malavika Jayaram, as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Ms. Malavika Jayaram, has accorded her consent for acting as an Independent Director of the Company and with this appointment (if approved), Ms. Malavika Jayaram, would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of her tenure or resignation, whichever earlier. The appointment

of Ms. Malavika Jayaram, has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Ms. Malavika Jayaram, who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Ms. Malavika Jayaram, is independent of the management. Ms. Malavika Jayaram, does not hold any shares in the Company. Except Ms. Malavika Jayaram no other Director, Key Managerial Personnel or their relatives, are concerned or interested in the proposal. The Board accordingly recommends the resolution as set out in item number 6 of the Notice for approval of the Members.

The terms and conditions of appointment of Ms. Malavika Jayaram as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Ms. Malavika Jayaram, has served as an Independent Director on the Board of the Company since, 2008. Apart from being a Director on the Board of the Company, Ms. Malavika Jayaram, is also a Member of Corporate Social Responsibility Committee, Technology Development Committee and Finance Committee of the Board. Ms. Malavika Jayaram, partner of Jayaram & Jayaram Associates is an expert on Intellectual Property Rights, International Business Transactions and EU Law. She has spent almost a decade practising law in Europe with Allen & Overy, London and Citigroup, London where she was Vice President & Technology Law Counsel, before returning to India.

Item number 7

Mr. Nalini Ranjan Mohanty was appointed as an Additional Director by the Board of Directors of the Company ('Board') under section 161 of the Companies Act, 2013, with effect from September 27, 2013. Pursuant to section 161 of the Companies Act, 2013, Mr. Nalini Ranjan Mohanty will hold office up to the date of the ensuing AGM. The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Mr. Nalini Ranjan Mohanty for the office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Mr. Nalini Ranjan Mohanty:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under

sub-section (2) of section 164 of the Companies Act, 2013, and

- c. A declaration to the effect that, he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 7 of the notice calling the AGM, seeks the approval of members for the appointment of Mr. Nalini Ranjan Mohanty as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Mr. Nalini Ranjan Mohanty has accorded his consent for acting as an Independent Director of the Company and with this appointment (if approved), Mr. Nalini Ranjan Mohanty would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of his tenure or resignation, whichever earlier. The appointment of Mr. Nalini Ranjan Mohanty has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Mr. Nalini Ranjan Mohanty who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Mr. Nalini Ranjan Mohanty is independent of the management. Mr. Nalini Ranjan Mohanty does not hold any shares in the Company. Except Mr. Nalini Ranjan Mohanty no other Director, Key Managerial Personnel or their relatives, are concerned or interested in the proposal. The Board accordingly recommends the resolution as set out in item number 7 of the Notice for approval of the Members.

The terms and conditions of appointment of Mr. Nalini Ranjan Mohanty as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Padmashree Nalini Ranjan Mohanty, is a topper in Mechanical Engineering from NIT, Rourkela. After serving in Ordnance Factories for about 6 years, he joined Hindustan Aeronautics Ltd in 1971. After working in various capacities, he steadily grew to become the Chairman of HAL in 2001. During his tenure, HAL could establish itself as one of the internationally recognized large Aviation industries.

Mr. Mohanty is a Fellow of Institute of Engineers (India) and also a Fellow of Aeronautical Society of India. He was the President of Aeronautical Society.

In recognition of his contribution in the field of Aviation, he was conferred with many national and international awards. In the year 2003, he was selected as the Best Chief Executive of PSUs and received Prime

Minister's Trophy. In 2004, he received the prestigious "Padmashree Award" from the President of India.

Item number 8

Mr. Ramesh Venkataraman was appointed as an Additional Director by the Board of Directors of the Company ('Board') under section 161 of the Companies Act, 2013, with effect from November 08, 2013. Pursuant to section 161 of the Companies Act, 2013, Mr. Ramesh Venkataraman will hold office up to the date of the ensuing AGM. The Company has received a notice from a Member under section 160 of the Companies Act, 2013, along with requisite amount of deposit, proposing the candidature of Mr. Ramesh Venkataraman for the office of Independent Director under section 149 of the Companies Act, 2013.

The Company has received from Mr. Ramesh Venkataraman:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;
- b. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013, and
- c. A declaration to the effect that, he meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

The proposal at item number 8 of the notice calling the AGM, seeks the approval of Members for the appointment of Mr. Ramesh Venkataraman as an Independent Director of the Company under section 149 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, and rules made there under.

Mr. Ramesh Venkataraman has accorded his consent for acting as an Independent Director of the Company and with this appointment (if approved), Mr. Ramesh Venkataraman would not be liable to retire by rotation in accordance with the section 149 read with section 152 of the Companies Act, 2013 until conclusion of his tenure or resignation, whichever earlier. The appointment of Mr. Ramesh Venkataraman has been reviewed by both Nomination & Remuneration Committee of the Board and also the Board of Directors. In accordance with part IV of schedule IV of the Companies Act, 2013, the Board opines that, Mr. Ramesh Venkataraman who is proposed to be appointed as an Independent Director, fulfils the conditions specified in the Act / rules made thereunder and that, Mr. Ramesh Venkataraman is independent of the management. Mr. Ramesh Venkataraman does not hold any shares in the Company. Except Mr. Ramesh Venkataraman, no other Director, Key Managerial Personnel or their relatives, are concerned or interested

in the proposal. The Board accordingly recommends the proposal as set out in item number 8 of the Notice for approval of the Members.

The terms and conditions of appointment of Mr. Ramesh Venkataraman as Independent Director of the Company is available for inspection by the Members at the Company's Registered Office during normal business hours on all working days.

Brief profile of the appointee:

Mr. Ramesh Venkataraman, has a B.Tech in electronics and communications engineering from the Indian Institute of Technology - Kharagpur (National Talent Scholar), an M.Phil. in International Relations from Oxford University (Inlaks Scholar), and an M.P.A. with distinction in Economics and Public Policy from Princeton University's Woodrow Wilson School of Public and International Affairs (Woodrow Wilson Fellow).

Mr. Ramesh Venkataraman is the author of several articles on strategy and various aspects of software services, telecommunications, and e-commerce. He is also a regular speaker at business and technology forums and has been frequently quoted in the press including by the *Financial Times*, *Wall Street Journal* and *Businessweek*. In 2005, Mr. Venkataraman was chosen for the prestigious Young Achiever award by the Indo-American society. Mr. Ramesh Venkataraman, is presently a Senior Partner & Executive Director of Samena Capital and Co-Head of Special Situations and Direct Investments. Previously, he was co-founder and Managing Partner of Avest, an Asian direct investments platform.

Item number 9

Under section 293(1)(a) of the erstwhile Companies Act, 1956, it was necessary to seek approval of Shareholders by Ordinary Resolution for mortgaging / creating charges on properties of company to secure the loans availed by companies. Accordingly, the Shareholders at their meeting, held on March 28, 1995, had approved mortgaging properties of the Company up to a limit of INR ₹500 (five hundred) crores by passing an Ordinary Resolution.

Section 180(1)(a) of the Companies Act, 2013, requires consent of the Shareholders to be obtained by passing Special Resolution for the purpose of mortgaging / creating charges on properties of company to secure the loans availed by companies. By the aforesaid proposal, the approval of the Shareholders is requested for mortgaging / creating charges on properties of company to secure the loans availed by the Company by Special Resolution up to a limit of INR ₹500 (five hundred) crores. The contents of the approval sought from the Shareholders during March 28, 1995 and the proposal mentioned in the Notice calling the meeting does not differ in any manner.

None of the Directors of the Company being interested in the resolution, the Board recommends the proposal for approval of the Shareholders by Special Resolution.

Item number 10

Under section 293(1)(d) of the Companies Act, 1956, it was necessary to seek approval of Shareholders by Ordinary Resolution for borrowing monies, where the monies borrowed together with the monies already borrowed, exceeds the aggregate of its paid-up capital and free reserves. Accordingly, the Shareholders, at their meeting held on August 13, 2011, had approved availing secured loans to the extent of INR ₹500 (five hundred) crores by passing an Ordinary Resolution.

Under section 180(1)(c) of the Companies Act, 2013, it is necessary to seek the approval of Shareholders by Special Resolution for borrowing monies, where the monies borrowed together with the monies already borrowed, exceeds the aggregate of its paid-up capital and free reserves. By the aforesaid proposal, the approval of the Shareholders is requested for availing secured loans to the extent of INR ₹500 (five hundred) crores by Special Resolution. The contents of the approval given by the Shareholders during August 13, 2011 and the proposal mentioned in the Notice calling the meeting does not differ in any manner.

None of the Directors of the Company being interested in the resolution, the Board recommends the proposal for approval of the Shareholders by Special Resolution.

Item number 11

Pursuant to provisions of section 198, 309 read with schedule XIII and other applicable provisions of the Companies Act, 1956, Mr. Udayant Malhoutra, was re-appointed as the CEO & Managing Director of the Company for a period of five years with effect from October 1, 2009, as approved by the Members at their Annual General Meeting held on August 25, 2009. The revisions to the terms of remuneration of Mr. Udayant Malhoutra was considered and approved by the Members at the Annual General Meeting held on August 13, 2011.

Mr. Udayant Malhoutra has been the CEO & Managing Director of the Company since 2006 and the Non-Executive Chairman of the Company's subsidiaries in India and overseas. Over the years, the Company has grown organically and inorganically across multiple geographies and has diversified into multiple businesses with the long term visions of securing market leadership, technological competence and enhancing its brand equity as a global leader.

The multiple businesses of the Company include the Hydraulics business in India and UK, the Aerospace business in India and UK and the Automotive business in India and Germany. This growth has enabled the Company to adopt the best technologies and skill sets

at its state-of-art facilities to deliver the best products and services to its customers. Mr. Udayant Malhoutra has played a pivotal role in the transformation of the Company into a Multi-National Company and has been spearheading the development of the business of Dynamatic group in India and outside in developing a strong leadership team to manage the businesses in a sustainable manner.

Considering the involvement of Mr. Udayant Malhoutra in the Company's global business development, the Board strongly recommends the re-appointment of Mr. Udayant Malhoutra as the CEO & Managing Director of the Company and remuneration payable to him. The details of terms of re-appointment and remuneration proposed to be paid to Mr. Udayant Malhoutra have already been detailed at item number 11 of the resolution.

Appended below, is the information as required to be furnished under sub-clause (iv) of clause B of part II of schedule V to the Companies Act, 2013:

I. General Information:

1. Nature of industry

The Company is involved in the business of inter-alia manufacturing, designing, selling all types of hydraulic equipments, machineries, components, automobile compressor housings, components, castings and as also manufacturing, assembling, dealing with all types of aircrafts, airships, sea planes, their components, parts, accessories etc. The Company possesses defence licenses and this enables it to engage itself in the business of "Defence and Strategic Industries" along with its existing businesses. The Company is also involved in manufacture of components for automotive industry. Your Company's operation are located at Chennai, Bangalore, Nasik, United Kingdom and Germany.

2. Date or expected date of commencement of commercial production

The Company has commenced commercial production in 1975.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus Not applicable.

4. Financial performance based on given indicators

The Net Sales, Profits before and after tax and EBITDA figures for the last three financial years are appended here below:

(₹ in lakhs)

Financial Year	Net Sales	Profits before tax	Net Profits after tax	EBITDA
2011-12	44,369	233	165	5,943
2012-13	40,622	143	30	6,835
2013-14	40,559	31	31	7,481

5. Foreign investments or collaborations, if any.

The Company has subsidiaries in UK (Dynamatic Limited, UK and Yew Tree Investments Private Limited) and also in Germany (Eisenwerk Erla GmbH and JKM Erla Holdings GmbH) which have operating units in their respective destinations. The Company also has a subsidiary in Singapore by name, JKM Global Pte. Limited.

II. Information about the appointee:

1. Background details

Mr. Udayant Malhoutra is an Industrialist and the Promoter of the Company. He started working in the Company in 1986 and joined the Board of Directors in 1989 as an Executive Director. He is currently designated as CEO & Managing Director of the Company.

He was formerly a Member, Board of Governors, IIT Kanpur (1997-2001), Co-Chairman, Task Force on DRDO - Industry Partnership along with Dr. K. Santhanam, Ministry of Defence, Government of India (1998-99), Member, Working Group for formulation of 10th five year plan (2001) and Chairman, Sub-Group on Minerals, Metals, Materials & Manufacturing sector for formulation of 10th five year plan, Council of Scientific Industrial Research (CSIR) / Department of Scientific Industrial Research (DSIR), Government of India, (2001), Member, CII National Council (2001-2003) and Chairman, CII National Committee on Technology (2002-2003). He was President, Fluid Power Society of India, (2004-06), (2006-08). He was on the International Board of the World Presidents' Organization and the Young Presidents' Organization (2005-2008).

He is presently the Chairman of CII National Committee on Design (2010-2012) and Member, CII National Council (2010-2012).

Mr. Udayant Malhoutra, as CEO & Managing Director, is responsible for overall Corporate Strategy, Brand Equity, Maintenance of Key Relationships, Technology Management and achieving the Annual Business Plan of the Company and its Subsidiaries. He is also responsible for leading the Leadership Team in transforming the Company into a World Class Design and Manufacturing Organization.

2. Past remuneration

The details of past remuneration as approved by the Shareholders at the meeting held on August 13, 2011 have been appended here below:

Salary per month ₹7,00,000 in the scale of ₹6,00,000 to ₹25,00,000

PERQUISITES

Category A

Housing: The Company will provide unfurnished accommodation, subject to the condition that expenditure by the Company on hiring such accommodation will not exceed one month's Basic salary.

Medical reimbursement: Medical expenses will be paid by the Company for Mr. Udayant Malhoutra and his family, viz. wife, dependent children and dependent parents, subject to a ceiling of one month's Basic Salary in a year.

Leave Travel Concession: Mr. Udayant Malhoutra will be paid the expenses incurred on actual basis, subject to a ceiling of one month's Basic Salary in a year, in accordance with the rules of the Company, for himself, his wife, dependent children and dependent parents.

Club Fees: Club Fees will be paid subject to a maximum of two clubs, which will not include admission and life membership fees.

Category B

Provident Fund: He shall be entitled to Company's contributions to PF as per prevailing rules.

Gratuity: He shall be paid as per provisions of The Payment of Gratuity Act.

Category C

Telephone: He will be provided with a telephone at his residence for the purpose of Company's business.

3. Recognition or awards

Mr. Udayant Malhoutra acclaims wide claim for business aptitude and is well known for his ability to metamorphose businesses.

4. Job profile and his suitability

Mr. Udayant Malhoutra was inducted to the Company at a very young age of 20 to carry on the Company's business. The Company's business at that time was making a revenue INR ₹1.6 crore and there was a lot of debt on the Balance Sheet. The challenges at that point in time were manifold. The Company was not only losing money, but also talents. Under the enterprising leadership of Mr. Udayant Malhoutra, Company achieved a revenue of about INR ₹4 (four) crores in 1991, which was a turning point in the history of the Company.

Almost 23 years after that, Mr. Malhoutra has metamorphosed the company into a INR ₹1,500 crore revenue generating business with focus on diverse sectors including automotive, aerospace, metallurgy as the CEO & Managing Director of the Company. Under the leadership of Mr. Udayant Malhoutra, the Company has expanded its manufacturing capabilities overseas in UK and is catering to well-known

names in the sectors like John Deere, Boeing, Tata Motors and Hyundai among others. The Company's business has increased manifold ever since, Mr. Udayant Malhoutra has taken over the business of the Company. The Company has also expanded its operations in Germany through its subsidiary Eisenwerk Erla, GmbH. The Company also has a subsidiary in Singapore.

Under the able leadership and guidance of Mr. Udayant Malhoutra, the Company started aeronautics business which is expected to shortly bring big revenues for the Company. Mr. Malhoutra's has introduced great customers like, Spirit AeroSystems, the world's largest manufacturer of aerostructures, Airbus (supply of flap track beams), Boeing, Bell helicopter etc. to the aeronautics realm. Under Mr. Udayant Malhoutra's guidance, the Company is confident of making big strides and emerge as a global Indian player in hydraulics, automotive, aeronautics realm.

5. Remuneration proposed

Mr. Udayant Malhoutra will continue his association with the Company as CEO & Managing Director under the same terms of remuneration that were approved by the Shareholders at their meeting held on August 13, 2011 and the same have been mentioned here above. There will be no change in the proposed remuneration sought to be paid to Mr. Udayant Malhoutra.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration sought to be paid to Mr. Udayant Malhoutra when compared with the peers in the same industry is much lesser.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Apart from the remuneration which he may receive in his capacity as CEO & Managing Director of the Company and his shareholding in the Company as a Promoter, Mr. Udayant Malhoutra has no other pecuniary relationship either directly or indirectly with the Company. He does not have any relationship with any of the Key Managerial Personnel of the Company.

III. Other information:

1. Reasons of loss or inadequate profits

The financial performance of the company has been adversely affected by overall downtrend in Indian

economic environment especially in Automotive sector. The Company's top line declined by INR ₹33 crores (18%) in Automotive due to slow down in overall automotive industry in India. However revenue in Aerospace segment grew by 38% (INR ₹25 crores) and Hydraulics posted moderate growth by INR ₹10 crores helped us to maintain revenues at similar level that of previous year. Increase in interest cost by INR ₹16 crores due to increase in overall rate of interest also had a marked impact on the profits of the Company.

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

Due to economic downturn, the Company has undertaken several cost saving initiatives including right sizing the capacity, optimizing the manpower, product rationalisation and price increase with customers which helped the Company to maintain its operating margin despite lower top line. Rationalization of banking facilities by replacing high cost debt, pre-payment of debt by sale of non-core assets and judicial spend on capex.

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

With expected stable Government and growth in Agriculture sector this year hydraulic segment is looking good with robust order book. Aerospace segment is full of orders with new orders from Airbus, Bell and Boeing. Automotive segment will be benefitted by initiatives taken during the year (like cost cutting, price increase etc.) and new orders from Getrag Ford and Daimler during the year to improve its margin and further improvement in automotive segment will be overall beneficial.

IV. Disclosures:

The following disclosures have been made under the heading 'Corporate Governance' of the Directors Report, attached to the financial statement:

- (i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
- (ii) details of fixed component and performance linked incentives along with the performance criteria;
- (iii) service contracts, notice period, severance fees;
- (iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Item number 12

Ms. Claire Louise Tucker is a Non-Executive Director of the Company. She joined the Board of Directors of the Company in 2011. Ms. Claire Louise Tucker retires

by rotation under section 152 of the Companies Act, 2013, at the ensuing AGM and does not seek re-appointment owing to personal commitments. The Board has decided not to fill the vacancy caused due to retirement of Ms. Claire Louise Tucker. No Director or Key Managerial Personnel of the Company or their relatives, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item number 12 for approval of the Members.

Item number 13

The Board, on the recommendation of the Audit Committee, had approved appointment of M/s. Rao, Murthy and Associates as the Cost Auditors of the Company for the financial year 2014-15 at a remuneration of INR ₹4,50,000 (four lakhs and fifty thousand).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item number 13 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2014-2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item number 13 of the Notice.

The Board recommends the Ordinary Resolution set out at item number 13 of the Notice for approval by the Shareholders.

By Order of the Board



Naveen Chandra P

DGM - Compliance, Legal and Company Secretary

Place : Bangalore

Date : May 28, 2014