

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of the Company will be held on **Thursday, the 26th day of September 2019 at 10.30 a.m.** at the Registered Office of the Company at **R.K.G.Industrial Estate, Ganapathy, Coimbatore – 641 006** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon and in this regard to pass the following resolutions as Ordinary Resolution:
 - a) “RESOLVED THAT the Audited Standalone financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - b) “RESOLVED THAT the Audited Consolidated financial statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Sri Preben Laustsen (DIN 06554783), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Dr.S.Chandrasekar (DIN 01773256), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Sri S.T.Velu (DIN 00054195), who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and approve the re-appointment of M/s. Subramaniam Vasudev & Co., Chartered Accountants (Firm no. 004110S) as Statutory Auditors of the Company for a period of 5 years and to pass the following resolution as an Ordinary Resolution.

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read along with Companies (Audit and Auditors) Rules, 2014, as recommended by the Audit Committee and approved by the Board of Directors, the Company be and hereby consents to the re-appointment of M/s. Subramaniam Vasudev & Co., Chartered Accountants (Firm no. 004110S) as Statutory Auditors of the Company for a period of 5 years from the conclusion of the 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors from time to time.

FURTHER RESOLVED that in respect of services rendered or to be rendered in other capacities, the Statutory Auditors be paid such other remuneration as may be decided.

FURTHER RESOLVED that the Board of Directors / Company Secretary of the Company be and are hereby authorised to file the requisite forms, returns, etc., with the appropriate authorities and to take such other actions as may be required in this regard.”

SPECIAL BUSINESS:

7. To consider and if deemed fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED that Sri V.M.Rajashekar (DIN 0008208467) Additional Director be and is hereby appointed as a Director of the Company”.

8. To consider and if deemed fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED that Sri Frank Ulbricht (DIN 0008258166) Additional Director be and is hereby appointed as a Director of the Company”.

9. To approve the increase in the remuneration payable to Sri R.Varun Karthikeyan (DIN 00585158), Managing Director of the Company and in this regard 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, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the Company be and hereby accords its approval for the increase in the remuneration payable to Sri R.Varun Karthikeyan (00585158), Managing Director of the Company with effect from 1st January 2019 until the expiry of his present tenure on the following terms and conditions:

- I. Salary : Rs.1,45,171/- per month.
- II. Perquisites : In addition to Salary, perquisites restricted to an amount equal to annual salary, shall be allowed as detailed below :
 - a. Housing:

The expenditure on hiring unfurnished accommodation shall not exceed 40% of the salary over and above 10% payable by the Managing Director. Where he resides in his own house or where the Company does not provide accommodation to the Managing Director, House rent allowance may be paid subject to the ceiling mentioned above. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings will be valued as per the Income-tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary.
 - b. Other perquisites:
 - i) Medical Expenses for self and family subject to a ceiling of one month's salary.
 - ii) Leave Travel Concession for self and family once in a year to any place in India subject to a ceiling of one month's salary.
 - iii) Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
 - iv) Personal Accident Insurance premium not exceeding 10% of the salary.

c. He shall also be eligible to the following benefits, which shall not be included in the computation of the ceiling on the remuneration.

- i) PF / SAF : Contribution to Provident Fund and / or Super Annuation Fund and / or Annuity Fund to the extent of 27% of the Salary.
- ii) Gratuity : Payable at a rate not exceeding half a month's salary for each completed year of service or at the rate as may be modified from time to time as per the Payment of Gratuity Act, 1972.

d. He shall be entitled for reimbursement of all actual expenses including on entertainment, conveyance, travelling etc., incurred during the course of the Company's business.

The Company shall provide a car and telephone facility at his residence, which will not be considered as perquisites.

e. He shall be paid a commission of 0.30% on the profit before tax and 0.75% on the incremental profit before tax every year computed under Section 197 of the Companies Act, 2013.

The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

The appointment is terminable by three months' notice on either side.

RESOLVED FURTHER that in the event of no profits or inadequacy of profits, the remuneration payable to Sri R.Varun Karthikeyan (00585158), Managing Director shall not exceed the limits specified in Schedule V of the Companies Act, 2013 or such other limits as may be notified by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT Sri G.Balasubramaniam, Company Secretary (FCS 9699) of the Company be and is hereby authorized to file necessary returns with Registrar of Companies in connection with the above."

10. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any 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 Cost Auditors M/s. Ramakrishnan & Co.(Firm No. 100285), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid a remuneration of Rs.1,00,000/- per annum plus applicable GST and other out of pocket expenses.

RESOLVED FURTHER that Sri G.Balasubramaniam, Company Secretary (FCS 9699) of the Company be and is hereby authorised to do such acts, deeds and things and to file the necessary forms / returns with appropriate authorities as may be necessary in this regard."

Coimbatore
Date: 08.07.2019

By order of the Board
(Sd.) G.Balasubramaniam
Company Secretary
(FCS 9699)

NOTES:

1. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself. Such proxy need not be a member of the Company. Proxy forms duly stamped and executed should be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer books will remain closed from 20.09.2019 to 26.09.2019 (Both days inclusive).
3. Members are requested to immediately notify changes in their address, if any, to the Registered office of the Company. Members are requested to provide their bank account details viz., Bank branch, account type, account number and address of the bank with Pincode Number to the Registered office of the Company.
4. Members are requested to bring a copy of the Annual Report to the Annual General Meeting.
5. As per the recent notification by Government the securities of the companies can be transferred only in dematerialised form. Hence Members are requested to dematerialise their equity shares from physical form to demat form. The International Security Identification Number [ISIN] allotted to the Equity Shares of the Company is INE01LF01013.
6. Company's Registrar and Share Transfer Agents:
M/s. S.K.D.C. Consultants Limited,
Registrar and Share Transfer Agents,
Post Box No.2016, Kanapathy Towers,
3rd Floor, 1391/A1, Sathy Road,
Ganapathy Post, Coimbatore – 641 006.
Telephone: +91 0422-4958995, 2539835
Email: info@skdc-consultants.com
Web: www.skdc-consultants.com
7. Members are requested to note that dividends not claimed within Seven Years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF).
8. Members who wish to claim dividends, which remain unclaimed, are requested to communicate with the Company Secretary, Registered Office of the Company and the Company's Registrar and Share Transfer Agents, M/s. S.K.D.C. Consultants Limited.
9. The members who have a claim on the dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form (Form No. IEPF-5) available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with required documents as prescribed in the Form.
10. The Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

For item no.7

The Board of Directors in their 117th Meeting held on 29th September 2018 appointed Sri V.M.Rajashekar (DIN 08208467) as an Additional Director of the Company. The Additional Director holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the appointment of Sri V.M.Rajashekar as a Director of the Company.

Accordingly the resolution set out in item no.7 is proposed for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Sri V.M.Rajashekar is interested or concerned in the proposed resolution.

For item no.8

The Board of Directors in their 118th Meeting held on 19th December 2018 appointed Sri Frank Ulbricht (DIN 08258166) as an Additional Director of the Company. The Additional Director holds office upto the date of this Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the appointment of Sri Frank Ulbricht as a Director of the Company.

Accordingly the resolution set out in item no.8 is proposed for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Sri Frank Ulbricht is interested or concerned in the proposed resolution.

For item no.9

Sri R.Varun Karthikeyan (DIN 00585158), was re-appointed as Managing Director of the Company, for a period of five years with effect from 23rd January 2017 and the same was approved by the Shareholders in the 25th Annual General Meeting of the Company held on 27th September 2017. The Nomination and Remuneration Committee in its meeting held on 19th December 2018 recommended to the Board for increase in the remuneration payable to Sri R.Varun Karthikeyan.

Accordingly, the Board accepted the recommendation of the Nomination and Remuneration Committee in its 118th meeting held on 19th December 2018 and recommends the special resolution set forth in item no.9 for the approval of the members.

Except Sri R.Varun Karthikeyan, Sri K.Ramasamy (DIN 00034360) and Smt R.K.Umaadhevi (DIN 01067950), none of the Directors, Key Managerial Personnel or their relatives are concerned or interested financially or otherwise, in the proposed special resolution as set out in item no.9 of this notice.

For item no.10

The Board of Directors in their 119th Meeting held on 25th March 2019 accepted the recommendation of the Audit Committee and has approved the appointment and remuneration of the Cost Auditors to conduct audit of Cost Accounting Records maintained in accordance with Companies (Cost Records and Audit) Rules 2014 at a remuneration of Rs.1,00,000/- per annum plus applicable GST and other out of pocket expenses for the financial year ending March 31, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out in item no.10 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2020.

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 in item no.10 of the notice. The Board recommends the ordinary resolution set out in item no.10 of the notice for approval of the members.

Coimbatore
Date: 08.07.2019

By order of the Board
(Sd.) G.Balasubramaniam
Company Secretary
(FCS 9699)