

# Escorts Limited

CIN: L74899HR1944PLC039088

Registered Office: 15/5, Mathura Road, Faridabad – 121 003, Haryana, India

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E-mail: [corpsl@escorts.co.in](mailto:corpsl@escorts.co.in)

Website: [www.escortsgroup.com](http://www.escortsgroup.com)

## NOTICE

Notice is hereby given that 73rd Annual General Meeting (AGM) of the members of ESCORTS LIMITED will be held at Radisson Blu Hotel, Sector – 20B, Mathura Road, Faridabad - 121 001, Haryana at 10:00 a.m. on Saturday, July 27, 2019, to transact the following business:-

### A. ORDINARY BUSINESS:

- To consider and adopt:
  - the audited standalone financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and
  - the audited consolidated financial statement of the Company for the financial year ended March 31, 2019.
- To declare a dividend on equity shares.
- To appoint a Director in place of Ms. Nitasha Nanda (DIN 00032660), who retires by rotation and being eligible, offers herself for re-appointment.
- To appoint a Director in place of Mr. G.B. Mathur (DIN 00043352), who retires by rotation and being eligible, offers himself for re-appointment.

### B. SPECIAL BUSINESS:

- 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(s), the following resolution as an **Ordinary Resolution**:

**“Resolved That** pursuant to the provisions of Section 148 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(s) thereof, for the time being in force}, M/s. Ramanath Iyer & Co., Cost Auditors (Firm Registration No. 000019) 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 not exceeding ₹ 8.50 lacs plus applicable tax and reimbursement of out of pocket expenses.

**Resolved Further That** the Board of Directors of the Company be and is hereby authorised to do all acts and take

all such steps as may be necessary, proper or expedient to give effect to this resolution.”

- To appoint Mr. Sunil Kant Munjal (DIN 00003902) as an Independent Director and in this regard, 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 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, Mr. Sunil Kant Munjal, who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting, who qualifies for being appointed as a Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 5 (five) consecutive years upto the conclusion of the 78th Annual General Meeting of the Company to be convened in the calendar year 2024.”

- To approve payment of commission to non-executive directors for a period of 5 years and in this regard, 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 Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof} and subject to such approval(s) as may be required, the Non-Executive Directors of the Company (i.e. Directors who are neither in the whole-time employment of the Company nor a Managing Director) be paid Commission, for a period of five years commencing from financial year 2019-20, as may be decided by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which expression shall also include any Committee thereof or any person authorized

by the Board), from time to time provided that the total commission payable to the Non-Executive Directors, per annum, shall not exceed 1% (one percent) of the net profits of the Company as computed in the manner specified in Section 198 of the Companies Act, 2013, with authority to the Board to determine, the manner, basis and the amount of commission payable to each Non-Executive Director.

**Resolved Further That** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, desirable or expedient to give effect to this resolution."

8. To re-appoint Mr. D.J. Kakalia (DIN 00029159) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved That** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], subject to the approval of shareholders, Mr. D.J. Kakalia, who was appointed as an Independent Director pursuant to the provisions of Section 149 of the Act and Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting, who qualifies for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 5 (five) consecutive years upto the conclusion of the 78th Annual General Meeting of the Company to be convened in the calendar year 2024.

9. To re-appoint Ms. Nitasha Nanda (DIN 00032660) as a Whole-time Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved That** pursuant to the provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Ms. Nitasha Nanda (DIN 00032660) as Whole-time Director of the Company for a period of 5 (five) years w.e.f. January 16, 2020 to January 15, 2025 on the following terms and conditions:

**(A) Basic Salary**

₹ 6.33 Lakhs per month or such amount as may be decided by the Board of Directors (hereinafter referred

to as "the Board" which term shall include 'Nomination and Remuneration Committee' of the Board) in the scale of ₹ 6,00,000/- per month to ₹ 12,00,000/- per month with such increments as may be decided by the Board from time to time.

**(B) Perquisites, allowances, retivals & other benefits, reimbursements and earned leave**

As per Company's policy and/ or as may be approved by the Board, not exceeding 200% of the Basic Salary.

**(C) Performance Linked Incentive/ Commission**

Such amount or percentage of the net profits of the Company calculated under Section 197 of the Act, as may be decided by the Board.

**(D) Sitting fees**

The Whole-time Director, so long as she functions as such, shall be paid applicable sitting fee for attending meetings of the Board of Directors and/ or any Committee(s) of the Board thereof.

**(E) Termination**

The appointment of Whole-time Director may be terminated by either party giving to the other six calendar months' notice in writing.

In the event of termination of appointment of Whole-time Director by the Company, she shall be entitled to receive compensation in accordance with provisions of Section 202 of the Act.

**(F) Ceiling on Remuneration**

The aggregate remuneration shall not exceed the limits provided in Section 197 of the Act.

Pursuant to Schedule V and other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, wherein in any financial year during the tenure of her service, the Company has no profits or its profits are inadequate, the Company shall pay to Ms. Nitasha Nanda, Whole-time Director, remuneration by way of salary, perquisites and other terms as specified supra, as minimum remuneration.

**Resolved Further That** the Board of Directors of the Company be and is hereby authorised to fix, increase, vary, reduce or amend the remuneration including minimum remuneration and other terms of her appointment from time to time, as it may deem expedient or necessary during the tenure of her appointment or as may be prescribed by the authorities giving such sanction or approval."

10. To appoint Mr. Shailendra Agrawal (DIN 03108241) as an Executive Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved That** pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, Mr. Shailendra Agrawal (DIN 03108241), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office upto the date of ensuing Annual General Meeting, who qualifies for being appointed as a Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**Resolved Further That** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Act and rules made thereunder {including any statutory modification(s) or re-enactment(s) thereof for the time being in force} and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Mr. Shailendra Agrawal as an Executive Director of the Company for a period of 5 (five) years w.e.f. March 22, 2019 to March 21, 2024 on the following terms and conditions:

**(A) Basic Salary**

₹ 1.28 crores per annum or such amount as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term include 'Nomination and Remuneration Committee' of the Board) in the scale of ₹ 1.28 crores to ₹ 2.00 crores per annum with such increments as may be decided by the Board from time to time.

**(B) Perquisites, allowances, retivals & other benefits, reimbursements and earned leave**

₹ 1.37 crores per annum or such other amount including increments as may be decided by the Board of Directors time to time.

**(C) Performance Linked Incentive/ Commission**

₹ 0.57 crores per annum or such other amount as per Company's policy or such other amount including increments as may be decided by the Board of Directors from time to time.

**(D) Sitting fees**

The Executive Director, so long as he functions as such, shall not be paid any sitting fee for attending meetings of the Board of Directors and/ or any Committee(s) of the Board thereof.

**(E) Termination**

The appointment of Executive Director may be terminated by either party giving to the other three calendar months' notice in writing.

In the event of termination of appointment of Executive Director by the Company, he shall be entitled to receive compensation in accordance with provisions of Section 202 of the Act.

**(F) Ceiling on Remuneration**

The aggregate remuneration shall not exceed the limits provided in Section 197 of the Act.

Pursuant to Schedule V and other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, wherein in any financial year during the tenure of his service, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Shailendra Agrawal, Executive Director, remuneration by way of salary, perquisites and other terms as specified supra, as minimum remuneration.

**Resolved Further That** the Board of Directors of the Company be and is hereby authorised to fix, increase, vary, reduce or amend the remuneration including minimum remuneration and other terms of his appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving such sanction or approval."

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SENT IN THE ENCLOSED FORM AND IN ORDER TO BE EFFECTIVE MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING (AGM).**

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any shareholder.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, ("Act") which sets out details relating to Special Business at the Meeting, is annexed hereto.
3. A copy of the Annual Report containing Audited Financial Statements for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors' thereon are enclosed. Members are requested to bring their copies of Annual Report to the Meeting.
4. The Corporate members intending to attend the AGM through authorised representatives are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Green Initiative: The Ministry of Corporate Affairs (MCA), Government of India has allowed companies to send

documents to the shareholders electronically as part of its green initiatives. Accordingly, the Company is sending documents like the Notice of General Meeting, Financial Statements, Directors' Report, Auditors' Report and other Communication etc., at their registered mail address recorded with the Company/ your depositories. We request you to update your e-mail address with your Depository Participant(s) to ensure that the Annual Report and other documents reach you on preferred e-mail address and the shareholders holding shares in physical mode may inform their e-mail address to the Company or to Karvy Fintech Private Limited, Registrar and Share Transfer Agent of the Company ("KARVY" or "RTA").

7. The Register of Members and Share Transfer Books of the Company will remain closed from July 14, 2019 to July 27, 2019 (both days inclusive) for the purpose of payment of dividend. A dividend of ₹ 2.50/- per share has been recommended by the Board of Directors for the financial year ended March 31, 2019 (except on shares held by Escorts Benefit and Welfare Trust) and subject to the approval of Shareholders at the ensuing AGM. The dividend proposed shall be paid within 30 days from the date of declaration.
8. The dividend, if declared at the AGM, would be paid/ dispatched to those persons or their mandates:
  - a) whose names appear as beneficial owners as at the end of the business hours on July 13, 2019 in the list of beneficial owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic mode; and
  - b) whose names appear as Members in the Register of Members of the Company/ RTA after giving effect to valid share transmission/ transposition in physical form lodged with the Company on or before July 13, 2019.
9. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details of investors furnished by the Depositories/ available with the RTA for payment of dividend through National Electronic Clearing Services (NECS) to the investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion/ change in such bank account details. Further, instruction if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participant about such change, with complete details of bank account. In case the shares are held in physical form, please send NECS form available on our website [www.escortsgroup.com](http://www.escortsgroup.com) so as to reach on or before the date of Book Closure fixed for payment of dividend to Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31- 32, Gachibowli, Financial

District, Nanakramguda, Hyderabad – 500 032, Telengana; Phone: 040-67162222; Fax 040-23420814; Email – [einward.ris@karvy.com](mailto:einward.ris@karvy.com).

10. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
11. Under the provisions of the Income Tax Act, 1961, dividend amount is tax free in the hands of shareholders except otherwise provided under the Income Tax Act, 1961.
12. In terms of the provisions of Section 205A of the Companies Act, 1956, the unclaimed and/ or unpaid Equity dividends for the financial year(s) upto 1995-96 have already been transferred to the General Revenue Account of the Central Government.
13. (a) Due dates of transferring unclaimed and/or unpaid dividend declared by the Company for the financial year 2011-12 and thereafter to Investor Education and Protection Fund:

Financial Year ended	Type of Dividend	Date of declaration of Dividend	Last date for claiming unpaid/ unclaimed dividend
September 30, 2012	Final	March 22, 2013	April 21, 2020
March 31, 2014	Interim	October 2, 2013	November 1, 2020
March 31, 2014	Final	September 19, 2014	October 18, 2021
March 31, 2015	Final	September 18, 2015	October 17, 2022
March 31, 2016	Final	September 20, 2016	October 19, 2023
March 31, 2017	Final	September 21, 2017	October 20, 2024
March 31, 2018	Final	September 12, 2018	October 11, 2025

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim well in advance of the above due dates. Members are requested to check the details of unclaimed dividend amount, if any, on the Company's website [www.escortsgroup.com](http://www.escortsgroup.com) under Investor Information.

IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) are applicable to the Company. The objectives of the IEPF Rules is to help the shareholders ascertain the status of their unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information since the financial year 2009-10 on the website of IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in) as well as on the Company's website [www.escortsgroup.com](http://www.escortsgroup.com) under Investor Information Section.

- (b) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the IEPF established by the Central Government.

- (c) Pursuant to IEPF Rules, the Company has, during the financial year 2018-19, transferred to the IEPF Authority all dividend which had remained unpaid or unclaimed for seven consecutive years or more on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in) as well as on the Company's website [www.escortsgroup.com](http://www.escortsgroup.com) under Investor Information Section.
- (d) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back. Concerned members/ investors are advised to visit the website of [www.iepf.gov.in](http://www.iepf.gov.in) or contact Karvy for lodging claim for refund of shares and/ or dividend from the IEPF Authority.
14. Section 72 of the Act and Rule 19 of the Companies (Share Capital & Debenture) Rules, 2014 has extended nomination facility to individual shareholders holding shares in physical form. Shareholders are requested to avail the above facility by submitting prescribed Nomination Form SH-13 to the Company/ RTA. This form is also available on the Company's website [www.escortsgroup.com](http://www.escortsgroup.com).
15. Member(s) of the Company who are holding shares in physical form and have multiple accounts in identical name(s) or are holding more than one share certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such folio(s).
16. Pursuant to requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance and Secretarial Standards, the information required to be given in case of appointment/ re-appointment of Director, is given in the Annexure to this Notice.
17. Members of the Company had approved the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants, as the Statutory Auditors at the Seventy First AGM of the Company which is valid till Seventy Sixth AGM of the Company. In accordance with the Companies (Amendment) Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
18. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned Depository Participant, as the case may be, immediately of:-
- The change in the residential status on return to India for permanent settlement.
  - The particulars of the NRE Account with a Bank in India, if not furnished earlier.
19. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
20. Electronic copy of the Notice of 73rd AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail IDs are registered with the RTA/ 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 e-mail address, physical copies of the Notice is being sent in the permitted mode along with Attendance Slip and Proxy Form.
21. Members may also note that the Notice of the 73rd AGM and the Annual Report for the financial year ended on March 31, 2019 will also be available on the Company's website [www.escortsgroup.com](http://www.escortsgroup.com). The physical copies of the aforesaid documents along with all documents referred to in the accompanying Notice and the Explanatory Statement will also be available at the Company's Registered Office in Faridabad for inspection during normal business hours on working days between 11.00 A.M. to 3.00 P.M. on all working days till July 27, 2019. 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 their requests to the Company's e-mail id [corpsect@ndb.vsnl.net.in](mailto:corpsect@ndb.vsnl.net.in).
- 22. Voting through electronic means**
- Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 73rd AGM by electronic means and the business may be transacted through e-voting Services ("Remote e-Voting"). The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the Authorised Agency to provide Remote e-Voting facilities for casting the votes by the members using an electronic voting system from a place other than the AGM venue.
  - The facility for voting through Ballot Paper shall be made available at the AGM and the members attending the Meeting who have not cast their vote by Remote e-Voting, shall be able to exercise their right at the meeting through Ballot Paper.
  - The Members who have cast their votes by Remote e-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. It is hereby clarified that it is not mandatory for a Member to vote using the Remote e-Voting facility.
  - The process and manner for Remote e-Voting are as under:
- Instruction for Voting:**
- In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/ Depository Participant(s)]:

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the login credentials (i.e. User ID and password as mentioned in email). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT of ESCORTS".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. July 20, 2019 under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/ demat accounts shall follow the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period i.e. July 24, 2019 to July 26, 2019, Members can login any number of times till they have voted on the resolution(s).
- xii. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send

scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [pcs.jga@gmail.com](mailto:pcs.jga@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above-mentioned documents should be in the naming format "Escorts Limited Event No."

- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/ Depository Participant(s)]:
  - i. E-Voting Event Number, User ID and Password as provided on the Attendance Slip.
  - ii. Please follow all steps from Sl. No. 22. IV. (A) (i) to (xii) above to cast your vote by electronic means.
- V. In case of any query and/ or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. Ramesh Desai, (Unit: Escorts Limited) of Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 67162222 or call Karvy's toll free No. 1800-3454-001 for any further clarifications.
- VI. 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).
- VII. The Remote e-Voting period commences on Wednesday, July 24, 2019 (9:00 am IST) and ends on Friday, July 26, 2019 (5:00 pm IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. July 20, 2019, may cast their vote by Remote e-Voting. The Remote e-Voting Module shall be disabled by Karvy for voting thereafter from their e-Voting module.
- VIII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of Remote e-Voting as well as voting at the AGM through Ballot Paper.
- IX. The voting rights of Members shall be in proportion to their shareholding in the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. July 20, 2019.
- X. In case any person becomes member of the Company after dispatch of Notice of AGM and holds shares as on the cut-off date for e-voting i.e. July 20, 2019, he/ she may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the member is registered against shares held in demat form, the member

may send SMS: MYEPWD<space> DP ID Client ID to 9212993399

Example for NSDL:  
MYEPWD <SPACE> IN12345612345678

Example for CDSL:  
MYEPWD <SPACE> 1402345612345678

- ii. If the mobile number of the member is registered against shares held in physical form the member may send SMS: MYEPWD<space> Event no. & Folio no. to 9212993399.

Example for Physical:  
MYEPWD <SPACE> XXXX1234567890

- iii. If e-mail address or mobile number of the member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- iv. Member may call Karvy's toll free number 1800-3454-001.

- v. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available. Members can opt for only one mode of voting i.e. either by Remote e-Voting or physically at the AGM venue. In case you are opting for Remote e-Voting then do not vote by physical mode at AGM venue and vice versa. In case members cast their vote both via physical as well as Remote e-Voting then voting done through physical mode shall not prevail and voting done by Remote e-Voting shall be considered as valid vote.

XI. Mr. Jayant Gupta, Practising Company Secretary has been appointed as Scrutinizer to scrutinize the voting and Remote e-Voting process in a fair and transparent manner.

XII. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer by the use of Ballot Paper for all those Members who are present at the AGM but have not cast their votes by availing the Remote e-Voting facility.

XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the Meeting and thereafter unblock the votes cast through Remote e-Voting in the presence of atleast 2 (two) witnesses not in the employment of the Company and shall make, not later than 3 days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XIV. The Results declared alongwith the Scrutinizer's Report shall be placed on Company's website [www.escortsgroup.com](http://www.escortsgroup.com), notice board at the registered office of the Company and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

23. SEBI has decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

24. The Company is providing following online facility to the Shareholders by login the website of Karvy:

(a) Web check-in facility:

To facilitate hassle free and quick registration/ entry at the venue of the AGM, the Company has also provided "Web Check-in" facility through Karvy's website during remote e-voting period i.e. from July 24, 2019 (9:00 a.m. IST) to July 26, 2019 (5:00 p.m. IST).

Please log in to <https://karisma.karvy.com>. Click on tab "Web Check-in for General Meetings" and follow the procedure mentioned therein.

(b) Webcast:

Your Company has also provided the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the e-voting website of Karvy at <https://evoting.karvy.com> using their secure login credentials.

Members are encouraged to use this facility of webcast.

During the live webcast of AGM, Members may post their queries in the message box provided on the screen.

25. Please send all correspondence including requests for transfer/ transmission of shares, change of address & dividend etc. to Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; Phone: 040-67162222; Fax 040-23420814; E-mail – [einward.ris@karvy.com](mailto:einward.ris@karvy.com).

By Order of the Board  
For **Escorts Limited**

**Ajay Sharma**

Group General Counsel  
& Company Secretary

Place : Faridabad  
Date : May 7, 2019

## **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS {PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013}**

### **ITEM NO. 5**

The Board of Directors of the Company, on recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Ramanath Iyer & Co., as Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020.

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 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 at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 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 at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval of the members.

### **ITEM NO. 6**

In accordance with the provisions of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013 ("the Act"), appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended appointment of Mr. Sunil Kant Munjal as an Independent Director on the Board of the Company. The appointment of Mr. Sunil Kant Munjal shall be effective upon approval by the members of the Company.

Mr. Sunil Kant Munjal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Sunil Kant Munjal that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations ("the Listing Regulations"). In the opinion of the Board, Mr. Sunil Kant Munjal fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Sunil Kant Munjal is independent of the management and possesses appropriate skills, experience and knowledge.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Sunil Kant Munjal for the office of director of the Company.

Your Directors feel that his presence and participation in the deliberations of the Board would be beneficial for the Company's business.

Mr. Sunil Kant Munjal is not debarred from holding the office of Director pursuant to any SEBI order.

Particulars of his qualification, brief resume and area of expertise etc. are annexed to this Notice.

Except Mr. Sunil Kant Munjal, being appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

The Board commends the Ordinary Resolution as set out at Item No. 6 of the Notice for approval of the members.

### **ITEM NO. 7**

The Non-Executive Directors have been spending considerable time and efforts in discharging their responsibilities and also contributing to the overall performance and progress made by the Company. In terms of Section 197 of the Companies Act, 2013, in case the Company has Managing or Whole-time Director, the Company can pay commission to the Non-Executive Directors (i.e. Directors other than Executive Chairman, Managing Director and other Whole-time Directors) for a sum not exceeding 1% (one percent) of the net profits of the Company, with the approval of shareholders by way of an Ordinary Resolution in a general meeting.

In recognition of their contribution, it is now proposed to authorise the Board of Directors to determine the amount, manner and basis for payment of commission to Non-Executive Directors for a period of 5 (five) years w.e.f. financial year 2019-20.

Save and except the Non-Executive Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The Board commends the Ordinary Resolution as set out at Item No. 7 of the Notice for approval of the members.

### **ITEM NO. 8**

Mr. D.J. Kakalia was appointed as an Independent Director on the Board of the Company for a period of 3 consecutive years upto the conclusion of 73rd AGM.

The Board on recommendation of Nomination and Remuneration Committee, in their meeting held on May 7, 2019, on the basis of the report of performance evaluation of Independent Directors, have recommended the re-appointment of Mr. D.J. Kakalia as an Independent Director of the Company, not liable to retire by rotation, for a further period of 5 consecutive years upto the conclusion of 78th AGM to be convened in the year 2024.

Mr. Kakalia is aged about 70 years. Your Directors feel that his presence and participation in the deliberations of the Board would be beneficial for the Company's business even though he will cross the age of 75 years during his tenure after re-appointment. The above is the justification as per the requirements of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. D.J. Kakalia for the office of director of the Company.

Mr. D.J. Kakalia is not debarred from holding the office of Director pursuant to any SEBI order.

Particulars of his qualification, brief resume and area of expertise etc. are annexed to this Notice.

Except Mr. D.J. Kakalia, being appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

The Board commends the Special Resolution as set out at Item No. 8 of the Notice for approval of the members.

#### ITEM NO. 9

The members at the Annual General Meeting (AGM) held on September 18, 2015, had appointed Ms. Nitasha Nanda as Whole-time Director of the Company for a period of 5 years w.e.f. January 16, 2015. The present tenure of Ms. Nitasha Nanda as Whole-time Director expires on January 15, 2020.

Ms. Nitasha Nanda has contributed to the overall performance and growth of the Company.

In recognition of her valuable contribution, the Nomination and Remuneration Committee and the Board of Directors in their meetings held separately on May 7, 2019 have recommended the re-appointment of Ms. Nitasha Nanda as Whole-time Director of the Company for a further period of 5 years w.e.f. January 16, 2020 to January 15, 2025 at a remuneration as given in Item No. 9.

The approval of the shareholders is also sought for payment of remuneration to Ms. Nitasha Nanda for the proposed term as specified under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors feel that her continued presence on the Board would be beneficial for the Company's growth.

Ms. Nitasha Nanda is not debarred from holding the office of Director pursuant to any SEBI order.

Particulars of her qualifications, brief resume, area of expertise and other details are annexed to this Notice.

Ms. Nitasha Nanda, being appointee, is directly interested in the resolution. Mr. Nikhil Nanda being relative of Ms. Nitasha Nanda may also be deemed to be interested in the resolution.

None of the other Directors, Key Managerial Personnel or their relatives, is interested in this resolution.

The Board commends the Special Resolution as set out at Item No. 9 of the Notice for approval of the members.

#### ITEM NO. 10

In accordance with the provisions of Sections 149 and 152 of the Companies Act, 2013 (the Act), appointment of a Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the

Board of Directors have proposed appointment of Mr. Shailendra Agrawal as a Director of the Company. The appointment of Mr. Shailendra Agrawal shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Shailendra Agrawal for the office of Director of the Company.

Mr. Shailendra Agrawal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Mr. Shailendra Agrawal fulfills the conditions for his appointment as a Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Mr. Shailendra Agrawal has been appointed as an Executive Director for a period of 5 years w.e.f. March 22, 2019.

Mr. Shailendra Agrawal has been associated with the Company since 2008 and designated as Group Chief Operating Officer (Group COO) of the Company prior to his appointment as an Executive Director of the Company.

In recognition of his valuable contribution, the Nomination and Remuneration Committee and the Board of Directors in their meetings held on March 22, 2019 have recommended the appointment of Mr. Shailendra Agrawal as an Executive Director of the Company for a period of 5 years w.e.f. March 22, 2019 at a remuneration as given in Item No. 10.

Your Directors feel that his presence on the Board would be beneficial for the Company's growth.

Mr. Shailendra Agrawal is not debarred from holding the office of Director pursuant to any SEBI order.

Particulars of his qualification, brief resume and area of expertise etc. are annexed to this Notice.

During the year, 67,000 options were granted to Mr. Shailendra Agrawal prior to his appointment as director on the Board. In terms of Escorts Limited Employee Stock Option Scheme, 2006, the said options having convertible right into one equity share each against one option which would be vested in four tranches of 16,750 options in each year over a period of 4 years.

Except Mr. Shailendra Agrawal, being appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10.

The Board commends the Special Resolution as set out at Item No. 10 of the Notice for approval of the members.

By Order of the Board  
For **Escorts Limited**

**Ajay Sharma**  
Group General Counsel  
& Company Secretary

Place : Faridabad  
Date : May 7, 2019

**No gift(s), gift coupon(s) or cash in lieu of gift(s) shall be distributed to members at or in connection with the Meeting.**

## Annexure to the Notice

Information provided pursuant to requirements given under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard in respect of individuals proposed to be appointed/ re-appointed as Director(s):

Particulars	Ms. Nitasha Nanda	Mr. G.B. Mathur	Mr. D.J. Kakalia	Mr. Sunil Kant Munjal	Mr. Shailendra Agrawal
Director Identification Number	00032660	00043352	00029159	00003902	03108241
Date of Birth	November 9, 1969	July 20, 1950	December 19, 1948	December 14, 1957	September 10, 1961
Date of Appointment	January 16, 2015	January 16, 2015	May 25, 2016	May 7, 2019	March 22, 2019
Qualifications	B.Com	B.Sc, ACS, LLB	Commerce Graduate from Siddharth College of Commerce and Economics, Mumbai and a Law Graduate from Government Law College, Mumbai. Solicitor from Mumbai in 1976 and Solicitor of Supreme Court of England in 1982	Graduate, Punjab University	BE Mech.
Brief Resume and Area of Expertise	Provided separately in the Annual Report.	Provided separately in the Annual Report.	Provided separately in the Annual Report.	Provided separately in the Annual Report.	Provided separately in the Annual Report.
Directorships held in other companies (excluding Private Limited Companies, Section 8 Companies, Foreign Companies & LLP's)	Escorts Securities Ltd. Niky Tasha Ltd.	Escorts Securities Ltd.	Reliance Power Ltd. Rosa Power Supply Company Ltd. Reliance Broadcast Network Ltd. Aditya Birla Finance Ltd. Reliance Business Broadcast Newsholdings Ltd.	DCM Shriram Ltd. Shivam Autotech Ltd. Rockman Industries Ltd. Hero Steels Ltd.	-
Committee Memberships of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	<b>Audit Committee</b>	<b>Audit Committee</b>	<b>Audit Committee</b>	<b>Audit Committee</b>	<b>Audit Committee</b>
	(i) Escorts Securities Ltd.	(i) Escorts Securities Ltd.	(i) Reliance Power Ltd.	(i) Shivam Autotech Ltd.	-
			(ii) Rosa Power Supply Company Ltd.	(ii) Hero Steels Ltd.	
			(iii) Reliance Broadcast Network Ltd.	(iii) DCM Shriram Ltd.	
			(iv) Aditya Birla Finance Ltd.		
	<b>Stakeholders' Relationship Committee</b>				
			(i) Reliance Power Ltd.		
			(ii) Reliance Broadcast Network Ltd.		
Number of shares held in the Company	27165	179	-	-	10000
Relationship between directors inter-se	Mr. Nikhil Nanda being relative of Ms. Nitasha Nanda may also be deemed to be interested in the resolution.	There is no inter-se relationship between Mr. G.B. Mathur and other directors.	There is no inter-se relationship between Mr. D.J. Kakalia and other directors.	There is no inter-se relationship between Mr. Sunil Kant Munjal and other directors.	There is no inter-se relationship between Mr. Shailendra Agrawal and other directors.
Terms and conditions of appointment/ re-appointment alongwith details of remuneration, if any	The Directors have been appointed in terms of the provisions of Companies Act, 2013 and are responsible to undertake the roles and responsibilities prescribed under the provisions of the Companies Act, 2013 and other laws for the time being in force. In addition, the Directors are also responsible to undertake the roles and responsibilities assigned by the Board from time to time.				