

Notice

NOTICE is hereby given that the Ninety - Third Annual General Meeting of GREAVES COTTON LIMITED will be held on Monday, July 30, 2012, at 3.30 P.M. at Hall of Culture, Ground floor, Nehru Centre, Worli, Mumbai 400 018, to transact the following:

ORDINARY BUSINESS

1. Adoption of Annual Accounts

To receive, consider and adopt the Profit and Loss Account for the financial year ended March 31, 2012 and the Balance Sheet as at that date and the Report of the Directors and Auditors thereon.

2. Payment of Final Dividend

To declare a final dividend of ₹ 0.20 per share.

3. Re-appointment of Mr. Karan Thapar as a Director

To appoint a Director in place of Mr. Karan Thapar who retires by rotation and being eligible, offers himself for re-appointment

4. Re-appointment of Mr. S. D. Nayyar as a Director

To appoint a Director in place of Mr. S.D. Nayyar who retires by rotation and being eligible, offers himself for re-appointment

5. To appointment Auditors of the Company and the Branch Auditors

a. To re-appoint Messrs. Walker, Chandiok & Co., Chartered Accountants, as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorize the Audit Committee to fix their remuneration.

b. To re-appoint Messrs. Wringley Partington, London, UK as the Branch Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorize the Audit Committee to fix their remuneration

SPECIAL BUSINESS

6. Appointment of Mr. Sunil Pahilajani as a Director

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

“RESOLVED THAT Mr. Sunil Pahilajani, be and he is hereby appointed as a Director of the Company and that he shall not be liable to retire by rotation under Article 158 of the Articles of Association of the Company, so long as he holds the position of Managing Director of the Company.”

7. Appointment of Mr. Sunil Pahilajani as Managing Director & CEO

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment and terms of remuneration of Mr. Sunil Pahilajani as Managing Director & CEO of the Company for a period of five years effective November 5, 2011 till November 4, 2016 on the terms and conditions as set out in the Explanatory Statement hereto.”

8. Appointment of Dr. Clive Hickman as a Director

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

“RESOLVED THAT Dr. Clive Hickman, be and he is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation under Article 146 of the Articles of Association of the Company.”

9. Payment of Commission to Non-Executive Directors

To consider and if thought fit, to pass, with or without modification(s), as a Special Resolution, the following:

“RESOLVED THAT pursuant to the provisions of Section 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), read with Article 135 of the Articles of Association of the Company, consent of the Company be and it is hereby accorded for payment of remuneration by way of commission to the Non-Executive Directors of the Company, a sum up to one per cent per annum, of the net profits of the Company, computed in accordance with the provisions of Sections 198, 349 and 350 of the Act or such higher amounts as may be permitted under the provisions of the Act from time to time, in such proportions and in such manner, as may be decided by the Board of Directors or the Committee thereof and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five financial years commencing from April 1, 2012”.

10. Alteration of Articles of Association

To consider, and if thought fit, to pass with or without modification, as a Special Resolution, the following:

“RESOLVED that pursuant to Section 31 of the Companies Act, 1956, the Articles of Association of the Company be and it is altered by deleting Article Nos. 134 and 191.

By Order of the Board of Directors

K.K. SARAF
Executive Vice President &
Company Secretary

Registered Office:

Industry Manor
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025.

Dated: May 11, 2012

NOTES

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF ON A POLL ONLY AND SUCH PROXY NEED TO BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- b. The Register of Members of the Company will remain closed from Monday, July 23, 2012 to Monday, July 30, 2012 (both days inclusive), for the purpose of determining the shareholders, who will be eligible to receive the Final Dividend. This Dividend, upon approval by the shareholders, will be paid on August 9, 2012.
- c. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of item Nos. 6 to 10 set out above, is annexed hereto.
- d. The details, as required under Clause 49 of the Stock Exchange Listing Agreement in respect of Directors seeking appointment/ re-appointment at the Annual General Meeting, are annexed hereto.
- e. In case Members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the Meeting so that the information can be made available at the time of the Meeting.
- f. Pursuant to Section 205C of the Companies Act, 1956, following unpaid/ unclaimed dividend will be transferred to Investor Education & Protection Fund (IEPF) on the respective due dates, if remain unclaimed.

Dividend	Due dates for transfer
Financial year 2004-05	
Final dividend	28.09.2012
Financial year 2005-06	
1 st Interim dividend	18.11.2012
2 nd Interim dividend	15.02.2013
3 rd Interim dividend	04.05.2013
Final dividend	05.11.2013
Financial year 2006-07	
1 st Interim dividend	17.11.2013

Shareholders may please note that no claims shall lie either against IEPF or the Company in respect of the unpaid/unclaimed dividends, once transferred to IEPF.

Profile of the Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

	Names of the Director			
	Mr. Karan Thapar	Mr. S.D. Nayyar	Mr. Sunil Pahilajani	Dr. Clive Hickman
Date of Birth	20.03.1957	15.04.1942	16.08.1962	19.11.1954
Date of appointment	26.09.1991	18.10.2007	05.11.2011	01.03.2012
Expertise in specific functional areas	Possesses rich experience of over 29 years in successfully managing companies both private and public having interest in diversified areas.	Started his career with Grindlays Bank and worked in different capacities for over 32 years. He was associated with ING Bank, India as CEO. Currently, associated with Development Credit Bank Limited as a Director.	Has multi-disciplinary experience of over 27 years in various companies such as Maruti Udyog Ltd, Hongo India, Mahindra Navistar Engines and Caparo India wherein he held the positions of MD, CEO and Board Member, the last being M/s. Continental Engines where he was a Group CEO and responsible for overall management of Automotive, Engine and Auto Component SBUs.	Was Managing Director of M/s. Ricardo, UK, several years ago. He is currently employed as the Managing Director of M/s. Manufacturing Technology Centre in UK, a UK Government initiative to encourage investment into engineering manufacturing in the UK. Prior to this, he was Managing Director and Chief Executive of Tata Motors European Technical Centre Plc, Head of Engineering for Tata Motors and an Executive of the Tata Group Technology Committee.
Qualifications	A.C.A.	M.Sc. Physics (Hons.)	B. E. (Mech.) (IIT-Roorkee)	B.Sc., MBA, PhD, DSc, FIMechE
Directorships held in other companies	Chairman English Indian Clays Ltd. DBH International Pvt. Ltd. Director Bharat Starch Products Ltd. Premium Transmission Ltd. DBH Consulting Ltd. Karun Carpets (P) Ltd. Premium Transmission Co-operative UA DBH Stephen Ltd.	Director Development Credit Bank Ltd.	Director Greaves Auto Ltd. Ascot International FZC Greaves Cotton Netherlands BV	Director The Manufacturing Technology Centre Ltd. Pro-2 Ltd.
Committee position held in other companies	As Member Shareholder & Investors' Grievance Committee of English Indian Clays Ltd.	As Member Shareholders' / Investors' Grievance Committee of Development Credit Bank Ltd.	Nil	Nil
Relationships, if any, between Directors inter se	No	No	No	No
Shareholding (No. of shares)	1000	500	500	500

Explanatory Statement

(Pursuant to Section 173 of the Companies Act, 1956)

ITEM NO. 6 and 7

The Board of Directors ("the Board") of the Company appointed Mr. Sunil Pahilajani as an Additional Director of the Company effective November 5, 2011. In terms of Section 260 of the Companies Act, 1956, ("the Act") Mr. Sunil Pahilajani holds office of Director till this Annual General Meeting. The Company has received a Notice in writing from a Member proposing candidature of Mr. Pahilajani for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Pahilajani, aged 49 years, is a Mechanical Engineer from the Indian Institute of Technology - Roorkee and has multi-disciplinary experience of over 27 years in various companies such as Maruti Udyog Ltd., Hongo India, Mahindra Navistar Engines and Caparo India wherein he held the positions of MD, CEO and Board Member.

Mr. Sunil Pahilajani was also designated as the Managing Director & CEO of the Company for a period of 5 years effective November 5, 2011 i.e. till November 4, 2016, on the remuneration and other terms of appointment as determined by the Remuneration Committee at its Meeting held on October 21, 2011 and as varied subsequently at the Meeting held on January 23, 2012 as follows:

- a. Salary: ₹ 6,00,000/- per month with such annual increase as the Remuneration Committee/Board may determine from time to time in the scale of ₹ 6,00,000/- to ₹ 15,00,000/-.
- b. Special allowance: ₹ 2,50,000/- per month
- c. Performance Incentive/Commission: up to a sum of ₹ 40,00,000/- per annum, the actual amount and mode of payment to be decided by the Remuneration Committee/Board from time to time, payable for each financial year or part thereof. However, for the first 12 month period, Mr. Pahilajani will be paid a minimum sum of ₹ 20,00,000/-
- d. House Rent Allowance: ₹ 3,00,000/- per month.
OR
Furnished rent free Company accommodation
- e. Membership of a Club
- f. In addition to the above, Mr. Sunil Pahilajani will be entitled to –
 - i. the hotel/Company accommodation till he makes his own arrangement or for the period up to July 2012, whichever is earlier. During this period, he will also be entitled to a Special Allowance of ₹ 75,000/- per month, in addition to the House Rent Allowance.
 - ii. the Mediclaim, Group Personal Accident Insurance and Life Term Cover as per the Rules of the Company as applicable to Senior Executives.
 - iii. Company's contribution to Provident Fund and Superannuation Fund, as per the Rules of the Company
 - iv. Gratuity and other retirement benefits as per the Rules applicable to the retiring Managing Director of the Company
 - v. Provision of chauffeur driven car for use on Company's business and telephone/fax at residence.
 - vi. Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.
 - vii. Privilege Leave on full pay and allowance, if any, at the rate of one month for every eleven months of service. He is, however, obliged to avail Privilege Leave for at least 12 days in a calendar year, as per the Rules of the Company. Mr. Pahilajani will be entitled to Sick Leave and Casual Leave and also encashment of Privilege Leave as per the Rules of the Company as applicable to Senior Executives.
- g. In the event of absence or inadequacy of profits in any financial year, the remuneration as mentioned hereinabove, shall be treated as minimum remuneration notwithstanding the fact that such remuneration is or may be in excess of the limits prescribed under the provisions of the Act. However, the same will be subject to such approval of the Central Government, as may be required.

The Remuneration Committee at the meeting held on May 11, 2012, in recognition of the performance of Mr. Pahilajani decided, subject to the approval of the shareholders of the Company, to grant an annual increase to Mr. Pahilajani by revising his remuneration effective April 1, 2012, as follows:

- a. Salary: ₹ 6,66,000/- per month
- b. Special Allowance: ₹ 3,20,000/- per month
- c. Performance Incentive/Commission: ₹ 45,00,000/- per annum, the actual amount and mode of payment to be decided by the Remuneration Committee/Board from time, payable for each financial year or part thereof.

The above remuneration is within the limits prescribed under Schedule XIII and other applicable provisions of the Companies Act, 1956. As required under the provisions of the Act, approval of the Members is now being sought to the appointment of Mr. Sunil Pahilajani, Managing Director & CEO and the remuneration payable to him as stated herein above.

The Directors recommend the Resolution.

Copies of the Agreement and the Supplementary Agreements entered into between the Company and Mr. Sunil Pahilajani, are available for inspection by the Members at the Company's Registered Office from 11.00 a.m. to 1.00 p.m. on any working day upto the date of the Annual General Meeting.

Only Mr. Pahilajani is interested in this Resolution.

ITEM NO. 8

The Board of Directors has appointed Dr. Clive Hickman as an Additional Director of the Company effective March 1, 2012. In terms of Section 260 of the Companies Act, 1956, Dr. Clive Hickman holds office of Director until this Annual General Meeting of the Company. The Company has received a Notice in writing from a Member proposing the candidature of Dr. Clive Hickman for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956.

Dr. Hickman, aged 57 years, a technology expert in the field of mechanical engineering from the UK, was the Managing Director of M/s. Ricardo, UK several years ago. He is currently employed as the Managing Director of M/s. Manufacturing Technology Centre in UK, a UK Government initiative to encourage investment into engineering manufacturing in the UK.

The Directors recommend passing of the Resolution.

None of the Directors, except Dr. Clive Hickman is interested in the Resolution.

ITEM NO.9

The Members, at the Annual General Meeting held on October 18, 2007, had approved the payment of remuneration by way of commission to the Non-Executive Directors of the Company, a sum up to one per cent per annum in aggregate, of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 for a period of five financial years. The commission was to be distributed in such proportion and in such manner amongst the Directors, as may be determined by the Board. The Members are now requested to approve the payment of the commission of a sum up to one per cent per annum in aggregate, of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 or such higher sum as may be permitted under the Act for a further period of five financial years commencing April 1, 2012.

All Directors, except Mr. Sunil Pahilajani, may be deemed to be interested in the Resolution to the extent of the amount of commission that may be received by them.

ITEM NO. 10

Articles 134 and 191 of the Articles of Association of the Company were framed years back and in the current situation considered redundant. Hence, it is proposed to delete these Articles. Pursuant to Section 31 of the Companies Act, 1956, the Articles of Association of the Company can be altered by passing Special Resolution. Hence, the Resolution at Item No. 11 is proposed to seek the consent of the Members.

A copy of the Articles of Association of the Company, highlighting the proposed alteration, is available for inspection by the Members at the Company's Registered Office from 11.00 a.m. to 1.00 p.m. on any working day upto the date of the Annual General Meeting.

None of the Directors is interested in the Resolution.

By Order of the Board of Directors

K.K. SARAF
Executive Vice President &
Company Secretary

Registered Office:

Industry Manor
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025.

Dated: May 11, 2012



GREAVES
SINCE 1859

Greaves Cotton Limited

Regd. Office: Industry Manor, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.

ATTENDANCE SLIP

ANNUAL GENERAL MEETING

Regd. Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ No. of Shares held _____

I certify that I am a registered Member/Proxy for the registered Member of the Company.

I hereby record my presence at the Ninety-Third **ANNUAL GENERAL MEETING** of the Company held on Monday, July 30, 2012 at 3.30 P.M. at Hall of Culture, Ground floor, Nehru Centre, Worli, Mumbai 400 018.

Proxy's name in Block Letters

Member's/Proxy's Signature

Notes:

Member/Proxy holders are requested to bring the Attendance Slip at the Meeting and hand over the same at the entrance after signing.



GREAVES
SINCE 1859

Greaves Cotton Limited

Regd. Office: Industry Manor, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.

PROXY FORM

Regd. Folio No. _____ DP ID No. _____ Client ID No. _____

I/We _____ of _____ being a Member of the abovenamed Company hereby appoint _____ of _____ or failing him/her _____ of _____ as my / our proxy to vote for me / us or on my / our behalf at the Ninety-Third **ANNUAL GENERAL MEETING** of the Company to be held on Monday, July 30, 2012 at 3.30 P.M. and at any adjournment thereof.

Affix
₹ 1/-
Revenue
Stamp

Signed on this _____ day of _____, 2012.

Note

This Form, in order to be effective, should be duly stamped, completed, signed and must be deposited with the Company's Registered Office, note less than 48 hours before the commencement of the Meeting.

