

## Lumax Industries Limited

Registered Office: B-85-86, Mayapuri Industrial Area, Phase I, New Delhi – 110064

### NOTICE TO MEMBERS

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of Lumax Industries Limited will be held as under:

**Day :** TUESDAY  
**Date :** AUGUST 06, 2013  
**Time :** 10.30 A.M  
**Venue :** Air Force Auditorium,  
Subroto Park, New Delhi-110010

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2013 and the Auditors' and Directors' Reports, thereon.
2. To declare dividend on equity shares as recommended by the Board of Directors.
3. To appoint a Director in place of Mr. Anmol Jain, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Makio Natususaka, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rattan Kapur, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. D.D.Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
7. To re-appoint S.R.Batlboi & Co. LLP (Formerly M/s. S.R.Batlboi & Co.), Chartered Accountants (Firm registration number 301003E) as Statutory Auditors of the company to hold office of auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General meeting of the company and to authorize the Board of Directors to fix their remuneration.

#### SPECIAL BUSINESS:

8. **To re-structure the salary of Mr. Eiichi Hirooka, Senior Executive Director to comply with employment-visa norms in India.**

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

**Resolved that** in partial modification of members resolution dated August 07, 2012 and pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members, be and is hereby accorded for re-structuring of the salary and other terms of remuneration of Mr. Eiichi Hirooka, Senior Executive Director with effect from 01-06-2013, for the remaining period of his appointment, in order to comply with the employment-visa norms for Foreign National working in India, as set out in the Explanatory Statement annexed to this Notice.

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and / or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

**9. To re-structure the salary of Mr. Toshio Masuda, Executive Director to comply with employment-visa norms in India.**

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

**“Resolved that** in partial modification of members resolution dated August 07, 2012 and pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members, be and is hereby accorded for re-structuring of the salary and other terms of remuneration of Mr. Toshio Masuda , Executive Director with effect from 01-06-2013, for the remaining period of his appointment, in order to comply with the employment-visa norms for Foreign National working in India, as set out in the Explanatory Statement annexed to this Notice.

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and / or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**BY ORDER OF THE BOARD**

**Place : Gurgaon**  
**Date : May 27, 2013**

**B.S.BHADAURIYA**  
**VICE PRESIDENT (LEGAL)**  
**& COMPANY SECRETARY**

**NOTES:**

- 1. Proxies:** *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxy Form duly filled up and signed in order to be effective should reach to the Company’s Registered Office not less than 48 hours before the scheduled time of the meeting. Proxy form is enclosed.*
- 2. Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the July 27, 2013 to Tuesday, the August 06, 2013 (both days inclusive).
- 3. Dividend Entitlement:** Dividend on Equity Shares, as recommended by the Directors, if declared at the meeting will be payable to those members whose names appear on the Register of Members of the Company, in the case of beneficial owners as at the close of July 26, 2013 as per the beneficial ownership data furnished by NSDL/CDSL for the purpose and in respect of Shares held in physical form after giving effect to all valid Shares Transfers in physical form, which are lodged with the Company before July 27, 2013.

Dividend Amount to Members holding shares in Electronic Form and to those Members holding in Physical Form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM.

Dividend Warrants in respect of Members holding shares in Physical Form will be sent through post by August 26, 2013 (tentative date).

In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Number and Bank’s name so as to incorporate the same in the Dividend Warrant, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Members, they are requested to intimate the same to their respective Depository Participants for their further action.

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the amount of Dividend, unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund set up by the Government of India and no claim shall lie against the said Fund or the Company after the transfer of Unpaid or Unclaimed dividend amount to the Government.

The amount lying in the Unpaid Dividend Account for the year ended 2004-05 has been transferred to the Investor Education & Protection Fund on October 31, 2012. The Unpaid Dividend Amount for the year ended 2005-06 is due for transfer to the Investor Education & Protection Fund in the month of November, 2013. Members who have not encashed their Dividend for the year ended 2005-06 and onwards are therefore, requested to make their claims to the Company immediately.

4. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent- M/s Karvy Computershare Private Limited immediately, if there is any change in their registered address. Demat Members should inform the change of address to their respective Depository Participants.
5. **Corporate Member:** Corporate member intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. **Security:** Owing to security concerns, the auditorium authorities do not allow carrying inside brief cases, bags, eatables; therefore Members attending are requested to make their own arrangement for the safe keeping of their belongings.
7. **Queries:** Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 15 days before the ensuing Annual General Meeting.
8. **AGM-Attendance Slip:** Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting. Under no circumstance Duplicate Attendance Slip will be issued at the venue of the Annual General Meeting.
9. **Explanatory Statement:** Pursuant to Section 173(2) of the Companies Act, 1956 Explanatory Statement in respect of Special Business is furnished here under.
10. As a Green Initiative in the Corporate Governance, the Ministry of Corporate Affairs ("MCA") vide its circulars bearing nos. (i) 17/2011 dated April 21, 2011 and (ii) 18/2011 dated April 29, 2011, allowed the companies to send various notices/ documents (including Notice convening AGM, Audited Financial Statements, Auditors' Report, Directors' Report and other related documents) to shareholders through electronic mode, to the registered e-mail id of the shareholders. Pursuant to the said Green Initiative, the company has decided to send notice/documents including Annual Report etc. to the Shareholders in electronic form. Members who have still not registered their e-mail addresses are requested to register their e-mail addresses, in respect of shares held in electronic mode, with their depository participant and in respect of the shares held in physical mode, with the company/Karvy Computershare Pvt. Ltd., the Registrar and Share Transfer Agent.
11. All documents referred in the Notice and explanatory statement will be available for inspection by the members at the registered office of the company between 11 am to 1pm on all working days upto the day of the Annual General Meeting.
12. Notice of this Annual General Meeting, Audited Financial Statements for 2012-13 together with Directors' Report and Auditors' Report are available on the website of the Company [www.lumaxindustries.com](http://www.lumaxindustries.com).

## EXPLANATORY STATEMENT:

### Item No. 8 & 9

Mr. Eiichi Hirooka and Mr. Toshio Masuda, Nominee(s) of Stanley Electric Co., Ltd., Japan, the Financial and Technical Collaborator, were appointed as Senior Executive Director and Executive Director of the Company respectively in accordance with the provisions of the Companies Act, 1956 for a period of 3 (three) years with effect from July 27, 2011 on the remuneration and terms as approved by the members in the Annual General Meeting dated August 7, 2012.

As per the guidelines of the Ministry of Home Affairs, Government of India, for granting Employment-Visa to the Foreign National in India, the minimum salary of Foreign National working in India should be USD 25,000 per annum.

The present salary structure of the aforesaid Directors does not comply with the aforesaid condition. Therefore, it is proposed to re-structure the salary of Mr. Eiichi Hirooka and Mr. Toshio Masuda as follows :

S. No.	Particulars	Mr. Eiichi Hirooka	Mr. Toshio Masuda
1.	Basic Salary	Rs. 24,000 per month	Rs. 24,000 per month
2.	House Rent Allowance	Rs. 12,000 per month	Rs. 12,000 per month
3.	Special/Other Allowance	Rs. 1,86,200 per month	Rs. 1,55,500 per month
4.	Family Allowance	Rs. 12,000 per month	Rs. 12,000 per month
5.	Perquisites & Allowances for Mr. Eiichi Hirooka and Mr. Toshio Masuda		
a.	Proceeding allowance and outfitting allowance to self and his family	Mr. Eiichi Hirooka and Mr. Toshio Masuda shall be eligible for proceeding/ outfit allowance at the rate of maximum of two months' salary. Further they will be paid all travelling expenses and incidentals incurred in India. Their spouse and each of their children of above 12 years age are eligible for proceeding & returning allowances subject to maximum at the rate of 50% of 2 months' salary and at the rate of 25% in case of children below 12 years.	

b.	Medical Aid	Expenses in connection with the medical check up twice a year, Air fare from India to Japan and return and other medical expenses etc. as per the Service Agreement between the Company and Stanley.
c.	Other benefits	<p>i) The Company will provide a Chauffeur driven Car to Mr. Eiichi Hirooka and Mr. Toshio Masuda. The Company shall bear all the expenses in respect of car such as garaging charges, servicing, repairs, fuel, taxes, comprehensive insurance premium etc. including the salary for the Chauffeur.</p> <p>ii) The Company will also provide the facilities of Telephone and Gas etc.</p> <p>iii) The Company to pay to and fro travelling expenses of Mr. Eiichi Hirooka and Mr. Toshio Masuda and their family when they go on special leave/ holiday passage granted to them.</p>

All the perquisites and benefits shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules perquisites shall be evaluated at actual cost.

Under the above re-structuring, the Company shall pay the amount of Rent free fully furnished accommodation including electricity expenses to the aforesaid Directors as part of their salary, which till now the Company is paying as lease rent on behalf of them and the Directors shall directly pay to the landlord for their accommodation in India. Consequent to the above re-structuring, the condition of Ministry of Home Affairs, Government of India of minimum USD 25,000 salary of Foreign National working in India shall be complied with.

The aforesaid proposals have been approved and recommended by Remuneration Committee considering financial position of the Company, trend in the Industry, appointee(s) qualification, experience, past performance and past remuneration among others and also by the Board of Directors at their meeting, subject to the approval of members in the ensuing Annual General Meeting.

None of the Directors are interested in these resolutions, except Mr. Eiichi Hirooka, Mr. Toshio Masuda and Mr. Makio Natusaka all being Nominee Directors of Stanley Electric Co., Ltd.

The Explanatory Statement under Item No. 8 & 9 be treated as abstract of the terms of variation in contract of appointment of Mr. Eiichi Hirooka and Mr. Toshio Masuda in accordance with Section 302 of the Companies Act, 1956.

Mr. Eiichi Hirooka and Mr. Toshio Masuda do not hold Directorship or Membership of the Committee of the Board in any other Public Limited Companies and they are also not related to any Director.

**BY ORDER OF THE BOARD**

**Place : Gurgaon**  
**Date : May 27, 2013**

**B.S.BHADAURIYA**  
**VICE PRESIDENT (LEGAL)**  
**& COMPANY SECRETARY**

## Brief details of Directors seeking appointment / re-appointment as per Clause 49(IV)(G) of Listing Agreement

Particulars	Mr. Anmol Jain	Mr. Makio Natsusaka	Mr.D.D.Gupta	Mr.Rattan Kapur
Date of Birth & Age	29-04-1979, 34 Years	21-03-1949, 64 years	09-07-1950, 63 years	20-10-1957, 55 years
Date of First Appointment	23-07-2004	30-06-2009	01-09-2008	22-05-2010
Qualification	B.B.A (Hons) from Michigan State University, U.S.A	Graduation from Hachinohe Kogyo High School in Aomori, Japan	B.Com (H) from Shri Ram College of Commerce Delhi University	B.Com from Delhi University
Experience & Expertise	<p>He started his career as management Trainee in M/s GHSP, U.S.A. and thereafter joined M/s Lumax GHSP Industries Limited in India, as Vice President on 05-12-2000 one of the Group Companies. Mr. Anmol Jain joined the Company on 01-11-2003 as Vice President and was thereafter appointed as Executive Director on the Board of the Company on 23-07-2004. He holds following positions in different Associations:</p> <ol style="list-style-type: none"> <li>1. Past Chairman of Haryana State Council of Confederation of Indian Industry (CII).</li> <li>2. Regional Council Member &amp; Zonal Coordinator of Automotive Component Manufacturer Association of India (ACMA)– NR</li> <li>3. Member of Young Business Leaders Forum (YBLF) in ACMA.</li> </ol>	<p>He has Joined Stanley in April 1967 in the Automotive Lighting Engineering Division. Since then he has held various Strategic and High Level positions in Stanley - Japan and globally. Presently, he is appointed as Director-Vice President of Stanley Electric Co. Ltd. He has outstanding knowledge in the area of automotive lamps manufacturing business. He has rich and wide experience of more than 40 years in the Automotive Lighting Industry.</p>	<p>He has almost three decades of rich and wide experience in manufacturing Automobile Components, Finance and Marketing. After graduation he setup independently a paper packaging unit in Delhi and in Nigeria in 1977. In 1985 he promoted Abhishek Auto Industries Limited for manufacturing Safety Seat Belts first time in India with a technical tie-up with a Japanese Company – Ashimori Industries and started supplying to major car manufacturers like Maruti Suzuki India Ltd., Tata Motors, Mahindra &amp; Mahindra, Honda India, Volkswagen, Hindustan Motors, Swaraj Mazda etc. Now in JV with Key Safety Systems of USA the company has started supplying Global Model Seat belts and also exporting Seat Belts all around the globe.</p>	<p>He started his professional career as an Entrepreneur in the year 1977 by establishing an auto component manufacturing unit. In the year 1993, Mr. Rattan Kapur promoted Mark Exhaust Systems Limited (MESL) in Joint Venture with Maruti Suzuki India Limited. MESL is a leading manufacturer of Exhaust Systems, Catalytic Converter and Door Assemblies. Presently, he is the Managing Director of Mark Exhaust Systems Ltd. He holds following positions in different associations:</p> <ol style="list-style-type: none"> <li>1. Past President Supplier club Honda SIEL cars India (HSCI)</li> <li>2. Past Chairman of the Automotive Component Manufacturers Association (ACMA)-NR.</li> <li>3. Vice Chairman of Haryana State Council of Confederation of Indian Industry (CII).</li> </ol>

Particulars	Mr. Anmol Jain	Mr. Makio Natsusaka	Mr. D. D. Gupta	Mr. Rattan Kapur
Name of Public Companies in which Directorship held.	<ol style="list-style-type: none"> <li>1. Lumax DK Auto Industries Limited</li> <li>2. Lumax Auto Technologies Limited</li> <li>3. Lumax Tours &amp; Travels Limited</li> </ol>	<ol style="list-style-type: none"> <li>1 Stanley Electric Co. Limited</li> <li>2 Stanley Electric Holding of America, Inc.</li> <li>3 Stanley Electric U.S. Co., Inc.</li> <li>4 I I Stanley Co., Inc.</li> <li>5 Stanley Electric Holding Europe Co. Limited</li> </ol>	<ol style="list-style-type: none"> <li>1 Lumax Auto Technologies Limited</li> <li>2 Lumax DK Auto Industries Limited</li> <li>3 M and M Auto Industries Limited</li> <li>4 Delhi Race Club 1940 Limited</li> <li>5. M and M Asan Auto Limited</li> </ol>	<ol style="list-style-type: none"> <li>1 Mark Exhaust Systems Limited</li> <li>2 Omega Brake Components Limited</li> <li>3 Karmic Engineering Limited</li> <li>4 Track components Limited</li> </ol>
Chairman/Member of the Committee of the Board of Public Companies.	Nil	Nil	Nil	Nil
Relationship with Directors Interse	Related as Son to Mr. D.K.Jain & Brother of Mr. Deepak Jain.	Related as Nominee Directors of Stanley.	Not related to any Director	Not related to any Director

None of the Independent Directors hold any equity shares in the Company.