

### Notice to the Shareholders

NOTICE is hereby given that the twentieth annual general meeting of the shareholders of the Company will be held at Kasturi Srinivasan Hall (Mini Hall), The Music Academy, No.168, (Old No. 306) T. T. K Road, Chennai 600 014 on Monday, the 8<sup>th</sup> August 2016 at 2.30 p.m. to transact the following business:

#### ORDINARY BUSINESS

1. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT the audited balance sheet as at 31<sup>st</sup> March, 2016, the statement of profit and loss, notes forming part thereof, the cash flow statement for the year ended on that date and the consolidated financial statements, together with the directors' report and the auditors' report thereon as circulated to the Members and presented to the meeting be and the same are hereby approved and adopted."

2. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT Mr Martin Grammer (holding DIN 00061786), director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company".

3. To consider passing the following resolution as an ordinary resolution:

"RESOLVED THAT the re-appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai, having Firm Registration No. 004207S, allotted by The Institute of Chartered Accountants of India, as statutory auditors of the Company to hold office, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting for the last year in the transitional period of three consecutive years as recommended by the audit committee and approved by the board of directors of the Company, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 on such remuneration, as may be mutually agreed upon between the Board and the Statutory Auditors in addition to reimbursement

of all applicable taxes, travelling and out-of-pocket expenses, be and is hereby ratified."

#### SPECIAL BUSINESS

4. To consider, passing the following resolution as a special resolution:

"RESOLVED THAT, subject to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act 2013) (including any statutory modification(s) or re-enactment thereof for the time being in force), as recommended by the Nomination and Remuneration Committee and the board of directors of the Company, all non-executive directors of the Company, in addition to sitting fees for attending the meetings of the board or of a committee thereof and travelling and stay expenses in connection with the board / committee meetings, such sum as commission be paid at such intervals, for each such director of the Company, as may be determined by the board of directors of the Company, from time to time, for each financial year, for a period of five years commencing from 1<sup>st</sup> April 2015, within the overall limit and calculated in accordance with the provisions of Sections 197 and 198 of the Act, 2013."

By order of the Board

Chennai  
20<sup>th</sup> May 2016

N Iswarya Lakshmi  
Company Secretary

Registered Office:  
"Jayalakshmi Estates"  
No.29 (Old No.8), Haddows Road  
Chennai - 600 006

#### Notes:

The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, (the Act, 2013) in respect of the special business to be transacted, as set out in the Notice is annexed hereto.

#### Proxy:

- 1) **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 and the Proxy or Proxies so appointed need not be a Member or Members, as the case**

may be, of the Company. The instrument appointing the Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority shall be deposited at the registered office of the Company, not later than 48 hours before the time fixed for holding the meeting. A person shall not act as a Proxy for more than 50 Members and holding in aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a Proxy for a Member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

- 2) During the period beginning 24 hours before the time fixed for the commencement of Annual General Meeting (AGM) and ending with the conclusion of the AGM, a Member is entitled to inspect the proxies lodged, at any time during the business hours of the Company.

### Unclaimed Dividend

- 3) In terms of Section 205A read with Section 205C of the Companies Act, 1956, the dividend declared by the Company, for earlier years, which remain unclaimed for a period of seven years will be transferred on due dates to the Investor Education and Protection Fund (IEPF), established by the Central Government. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the Report on Corporate Governance, forming part of the Annual Report.
- 4) Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim(s) by surrendering the un-encashed warrants immediately to the Company. Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules 2012, the Company is providing / hosting the required details of unclaimed amount referred to under Section 205C (2) of the Companies Act, 1956 on its website and also on the website

of the Ministry of Corporate Affairs (MCA) viz., [www.iepf.gov.in](http://www.iepf.gov.in).

### General

- 5) With a view to serving the Members better and for administrative convenience, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
- 6) A Corporate Member intending to send its authorised representative to attend the Meeting in terms of Section 113 of the Act, 2013 is requested to send to the Company a certified copy of the Board Resolution / power of attorney authorizing such representative to attend and vote on its behalf at the Meeting.
- 7) Members may also note that the Notice of the AGM and the Annual Report will also be available on the Company's website viz., [www.haritaseating.com](http://www.haritaseating.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during 10.00 a.m. to 12.00 Noon on all working days, from 8<sup>th</sup> July 2016 till the date of AGM.
- 8) As a measure of economy, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.

### Members holding shares in electronic form

- 9) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their demat accounts.
- 10) Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP).

- 11) The Company will not entertain any direct request from such Members for deletion or change of such bank details. Instructions, if any, already given by Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form.
  - 12) Electronic copy of the Annual Report and the Notice of the AGM *inter-alia* indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form are being sent to all the Members whose email IDs are registered with the Company / DPs for communication purposes, unless any Member has requested for a hard copy of the same.
  - 13) Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form. Members / Proxies / Authorised Representatives are requested to bring the Attendance Slips duly filled in for attending the Meeting. Members are requested to write their Client ID and DP ID numbers in the Attendance Slip for attending the Meeting and handover the Slip at the entrance of the meeting hall.
  - 14) 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 Members may also send their requests to [investorscomplaintssta@scl.co.in](mailto:investorscomplaintssta@scl.co.in).
- Members holding shares in physical form**
- 15) Members can submit their PAN details to the Company / Share Transfer Agent (STA).
  - 16) Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nomination as per Section 72 of the Act, 2013 by filling Form SH-13, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., with the Company / STA. Blank forms (SH-13) will be supplied on request.
- 17) Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.  
  
Members who have not registered their email address, physical copies of Annual Report and the Notice of the AGM *inter-alia* indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
  - 18) Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form. Members / Proxies / Authorised Representatives are requested to bring the Attendance Slips duly filled in for attending the Meeting. Members are requested to write their Folio Number in the Attendance Slip for attending the Meeting and handover the Slip at the entrance of the meeting hall.
- Voting**
- 19) The businesses set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-Voting').
  - 20) The facility for voting through Ballot papers shall be made available at the venue of AGM and the Members attending the AGM who have not cast their vote by remote e-Voting shall be able to vote at the AGM.
  - 21) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
  - 22) In terms of Section 108 of the Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended ('the Rules') and Regulation 44 of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations 2015 [SEBI (LODR) Regulations], the Company has provided facility to exercise votes through electronic voting system, to Members holding shares as on 1<sup>st</sup> August 2016 being the "Cut-off Date" ("Cut-Off" for the purpose of Rule 20(4)(vii) of the Rules) fixed for determining voting rights of Members entitled to participate in the e-Voting process through the e-Voting platform provided by NSDL by typing the URL <https://www.evoting.nsdl.com>.

The voting rights of the Members / beneficial owners will be reckoned on the Equity Shares held by them as on 1<sup>st</sup> August 2016, i.e "Cut-off Date". Members as on the cut-off date i.e, 1<sup>st</sup> August 2016 only shall be entitled to avail the facility of remote e-Voting or Ballot paper.

The instructions for remote e-Voting are as under:

- (A) For members - who receive notice of AGM through e-mail:
- i. Launch internet browser by typing the following URL:<https://www.evoting.nsdl.com>;
  - ii. Enter the login credentials, i.e., User ID and Password mentioned in your email. Your Folio No. / DP ID will be your User ID. However, if you are already registered with NSDL for e-Voting, you can use your existing User ID and Password for casting your votes;
  - iii. Initial Password is provided in the body of the e-mail;
  - iv. After entering the details appropriately, click on LOGIN;
  - v. You will reach the 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). It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential;
  - vi. You need to login again with the new credentials;
  - vii. On successful login, the system will prompt you to select the EVEN, i.e., Harita Seating Systems Limited;
  - viii. On the voting page, the number of shares (which represents the number of votes) as held by the Member as on the Cut-Off-date will appear. If you desire to cast all the votes assenting / dissenting to the resolutions, then enter all the number of shares and click "FOR" / "AGAINST", as the case may be, or partially in "FOR" partially in "AGAINST" but the total number in "FOR" / "AGAINST", taken together should not exceed your total shareholding as on the 'Cut-Off date'. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head;
  - ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account;
  - x. Cast your votes by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click 'OK' to confirm or 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolutions;
  - xi. Corporate / Institutional Members (i.e other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG Format) of the relevant board resolution / authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail [sriram.krishnamurthy@rediffmail.com](mailto:sriram.krishnamurthy@rediffmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in);
  - xii. Members can cast their vote online from 5<sup>th</sup> August 2016 (Friday) (9 a.m.) till 7<sup>th</sup> August 2016 (Sunday) (5 p.m.) through

remote e-Voting and the remote e-Voting will not be allowed beyond the aforesaid date and time. The remote e-Voting module will be disabled by NSDL for voting thereafter.

Only Members as on the Cut-Off date, attending the AGM who have not cast their vote by remote e-Voting will be able to exercise their voting right at the AGM through ballot paper.

The Members who have cast their vote by remote e-Voting prior to the AGM may also attend the AGM but will not be entitled to cast their vote again;

A person who is not a Member as on the Cut Off date should treat this Notice for information purposes only; and

- xiii. In case of any query, the Member may refer the Frequently Asked Questions (FAQs) for Members and remote e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- (B) For Members who receive the Notice of AGM in physical form:
- (i) Initial Password is provided as below / at the bottom of the Attendance Slip for the AGM.

EVEN (remote e-Voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow steps from Sl. No. (ii) to (xiii) under heading (A) above to vote through e-Voting platform.
- (C) General Instructions:
- (i) Members holding shares as on the "Cut-off Date" i.e., 1<sup>st</sup> August 2016 will be entitled to vote through remote e-Voting or at the venue of the AGM through ballot paper;
- (ii) The Notice of the AGM is being sent (by email where email ID is available and in physical form in other cases) to the Members holding shares of the Company as on 8<sup>th</sup> July 2016;

Where Notice is sent by email, User ID and Password are sent in the email itself. Where notice is sent in physical form, User ID and Password are printed at the bottom of the Attendance Slip for the AGM sent along with the Notice;

Shareholders who become Members of the Company, after despatch of notice and hold shares as on 1<sup>st</sup> August 2016 may obtain the User ID and Password for e-Voting by sending an email, intimating DP ID and Client ID / Folio No. to [raman@scl.co.in](mailto:raman@scl.co.in) or Member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or can vote through ballot paper distributed at the AGM;

- (iii) Mr K Sriram, Practising Company Secretary (C.P No. 2215), Chennai has been appointed by the board as scrutinizer for conducting the remote e-Voting process and voting through ballot papers at the AGM, in a fair and transparent manner;
- (iv) The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, first count the votes cast at the meeting, thereafter unlock the votes through remote e-Voting in the presence of at least two witnesses, not in employment of the Company and make, within 48 hours from 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 any other director, who shall countersign the same; and
- (v) The Scrutinizer will submit his report to the Chairman, or any other director, who will declare the result of the voting. The results declared along with the Scrutinizer's report will be placed on the Company's website [www.haritaseating.com](http://www.haritaseating.com) & on the website of NSDL <https://www.evoting.nsdl.com> and shall also be communicated to the Stock Exchanges. All the resolutions, subject to receipt of requisite number of votes, shall be deemed to be passed at the AGM scheduled to be held on 8<sup>th</sup> August 2016.

- 23) Route-map to the venue of the Meeting is provided in the Attendance Slip.
- 24) Any query relating to financial statements must be sent to the Company's Registered Office at least seven days before the date of AGM.
- 25) In accordance with the provisions of Article 132 of the Articles of Association of the Company, Mr Martin Grammer will retire by rotation at the AGM and, being eligible, offer himself for re-election.
- 26) In terms of Regulation 36(3) of SEBI (LODR) Regulations, 2015, read with Secretarial Standards on General Meetings, a brief profile of director, who is proposed to be re-appointed in this AGM, nature of his expertise in specific functional areas, other directorships and committee Memberships, shareholdings and relationship with other directors of the Company are given below:

**I. Mr Martin Grammer**

Born on 5<sup>th</sup> June, 1960 in Amberg, Germany, Mr Martin Grammer holds a degree in Business Economics from University Nuremberg, Germany. He was co-opted as a director on 21<sup>st</sup> January 2004.

He has vast experience in international marketing and consultancy areas. He has served in internationally renowned companies which include Magna International Inc., Toronto, Canada, a leading supplier to the global automotive industry and Roland Berger & Partner, a leading international management consultant in Germany and Europe.

He held the position as managing director and member of Executive Committee Board of Grammer AG, Germany for ten years, a leading supplier to the global automotive industry. During 2003 - 2008, he served as a member of the board of directors of GHE S.P.A, Milano, Italy, a leading supplier of European bus and train interiors industry with manufacturing locations in Italy, Germany, Spain, UK, Czech Republic and Mexico.

He does not hold any position as a director in any other Indian Company or a member of any committee of directors of any other Company and he is not related to any director of the Company.

He holds 10,87,600 equity shares of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (the Act)**

The following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying notice dated 20<sup>th</sup> May 2016 and shall be taken as forming part of the notice.

**Item No. 4**

As per second proviso to Section 197(1) of the Act, remuneration payable to directors is permissible upto 3% of the net profits of the Company for every year where the Company does not have a managing or whole time director or manager, subject to approval of the shareholders of the Company in a general meeting.

The non-executive directors devote considerable time in deliberating the operational and other issues of the Company and provide valuable advice to the management of the Company, from time to time and the Company also derives substantial benefit through their expertise and advice. Hence, it is suggested that they be compensated by way of payment of commission.

The board, therefore, considered it expedient to recommend the payment of commission to the non-executive directors from 1<sup>st</sup> April 2015, in view of the increased involvement and participation in the meetings of committees and board.

It is therefore proposed to seek the authorization of the shareholders, by way of a resolution, in terms of Section 197 of the Act for payment of commission to non-executive directors from 1<sup>st</sup> April 2015.

The directors, therefore, recommend that the special resolution as set out in item no.4 be approved by the shareholders.

Except Mr Martin Grammer, all the other directors of the Company, are deemed to be concerned / interested in the above said resolution.

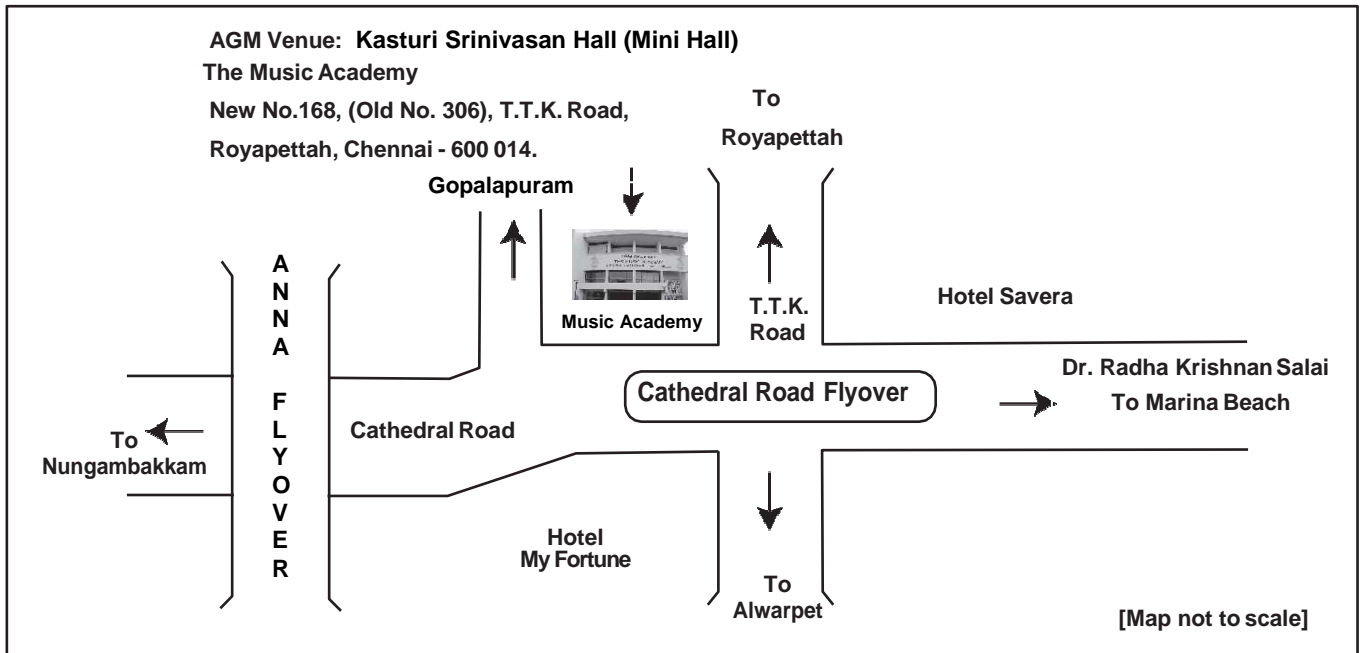
Chennai  
20<sup>th</sup> May 2016  
Registered Office:  
"Jayalakshmi Estates",  
No.29 (Old No. 8), Haddows Road,  
Chennai - 600 006.

By order of the board  
N Iswarya Lakshmi  
Company Secretary





Route map for the venue of AGM of Harita Seating Systems Limited to be held on Monday, 8<sup>th</sup> August 2016 at 2.30 p.m.



\*\* I/We wish my/our above Proxy to vote in the manner as indicated in the box below:

Ordinary Business		For	Against
1.	Adoption of audited financial statements including the consolidated financial statements for the year ended 31 <sup>st</sup> March 2016 and the reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr.Martin Grammer as director, who retires by rotation.		
3.	Re-appointment of M/s.Sundaram & Srinivasan, Chartered Accountants, Chennai as Statutory Auditors and fixing their remuneration.		
Special Business			
4.	Approving the payment of commission to non-executive directors of the Company effective 1 <sup>st</sup> April 2015.		

Signed this ..... day of ..... 2016

Signature of Shareholder

Signature of Proxy holder

Affix  
Revenue  
Stamp

Notes:

- This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company or at the Office of the Share Transfer Agent at "Jayalakshmi Estates", No.29, Haddows Road, Chennai 600 006, not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.
- A person can act as a Proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total paid up share capital of the Company carrying voting rights. A member holding more than 10% of the total paid up 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 other shareholder.
- It is optional to put a ✓ in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a Proxy does not prevent a member from attending the meeting in person, if he / she so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.