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## NOTICE TO MEMBERS

**NOTICE** is hereby given that the Twenty-Seventh Annual General Meeting of the Members of Thejo Engineering Limited will be held at 10.00 A.M. on Friday, the 30<sup>th</sup> August, 2013 at the The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No. 168, T.T.K. Road, Royapettah, Chennai – 600 014, Tamil Nadu, India, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and of the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2013.
3. To appoint a Director in place of Mr. Thomas John who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Manoj Joseph who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. N. Ganga Ram who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Joseph & Rajaram , Chartered Accountants (Firm Registration No. 001375S), be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this AGM to the conclusion of the next AGM on such remuneration as may be determined by the Board of Directors.”

### SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modifications(s) the following resolution as an **Ordinary Resolution**:  
“RESOLVED THAT Mr. V.A. George, who was appointed as an Additional Director by the Board of Directors on 15<sup>th</sup> July, 2013 and who holds office until the date of this AGM pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT subject to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification or re-enactment thereof, or any other law for the time being in force and subject to such other consent(s), approval(s) and permission(s) as may be required in this regard, approval of the Members be and is hereby accorded for the appointment of Mr. V.A. George as Managing Director of the Company for a period of 5 years with effect from 15<sup>th</sup> July, 2013 on the remuneration and terms and conditions as set out hereunder:

#### Remuneration:

- a) **Salary:** ₹ 5,00,000/- (Rupees Five Lakhs Only) per month in the scale of 5,00,000 – 50,000<sup>5</sup> – 7,50,000 with annual increment to take effect from 1<sup>st</sup> April of the succeeding year, subject to the limits prescribed under Sections 198 and 309 of the Companies Act, 1956.

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**NOTICE TO MEMBERS****b) Commission:**

As may be determined by the Board of Directors based on the recommendation of the Remuneration Committee, subject to a ceiling of 2% of the annual profits of the Company, payable every year after the finalization of the Annual Accounts of the Company.

**c) Perquisites:**

1. Medical reimbursement: Expenses incurred for self and family including premium payable for medical insurance in accordance with the Rules of the Company.

Explanation: "Family" means spouse, dependent children and dependent parents of the appointee.

2. Personal Accident Insurance as per the Rules of the Company.

3. Leave Travel Assistance for self and family once a year in accordance with the Rules of the Company.

4. Reimbursement of fees and expense for membership of one club other than life membership fees.

5. Reimbursement of entertainment expenses actually and properly incurred by the appointee in the course of the legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, exclusively for the business of the Company, as per the Rules and Regulations of the Company or as approved by the Board of Directors.

6. Provision of chauffeur-driven Company car for official use.

7. Provision of Cell phone, laptop and landline phone at residence for official use, with expenses to be borne by the Company.

For the purpose of calculating the ceiling, the perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and, in the absence of any such Rule, at actual cost.

**d) Other Terms and Conditions:**

As long as Mr. V.A. George functions as Managing Director of the Company, no sitting fees will be paid to him for attending meetings of the Board of Directors and/or any Committee thereof.

**e) Minimum Remuneration:**

In case of loss or inadequacy of profits in any financial year during the tenure of appointment, payment of salary and perquisites stated herein shall be paid as minimum remuneration for that year, subject, however, to the extent allowed under the relevant provisions of the Companies Act, 1956.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary, alter and modify the terms and conditions of appointment including as to designation and remuneration / remuneration structure of Mr. V.A. George within the limits prescribed under the provisions of the Companies Act, 1956 and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above Resolution.

"RESOLVED FURTHER THAT any one of the Directors of the Company and / or Company Secretary be and are hereby severally authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above Resolution."

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

"RESOLVED THAT subject to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Non-Executive Directors of the Company (i.e. Directors other than

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**NOTICE TO MEMBERS**

the Managing Director and the Whole-time Directors) be paid, by way of an annual payment, in addition to the sitting fees for attending the meetings of the Board of Directors or Committees thereof, a commission, not exceeding 1% of the profits of the Company, in such manner as may be determined by the Board from time to time, for a period of 5 (five) years from the Financial Year 2013-14, subject to the prescribed limits.

“RESOLVED FURTHER THAT any one of the Directors of the Company and / or Company Secretary be and are hereby severally authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above Resolution.”

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

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956 and the provisions contained in the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other necessary approvals, permissions and sanctions, as may be required, and subject to such terms and conditions and modifications as may be specified while according such approvals, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall also include any Committee thereof) for capitalizing a sum not exceeding ₹ 1,71,67,760 (Rupees one crore seventy one lakhs sixty seven thousand seven hundred sixty only) out of the Company’s Securities Premium Account / General Reserve Account or such other accounts as are permissible to be utilized for the purpose, as per the audited accounts for the Financial Year ended 31<sup>st</sup> March, 2013, that is to say, the said amount be transferred to the Share Capital Account and be applied for issue and allotment of 17,16,776 Equity Shares of ₹ 10/- (Rupees ten) each as Bonus Shares credited as fully paid up, to the holders of the Equity Shares of the Company whose names appear on its Register of Members on such date (“Record Date”) as the Board may determine, in proportion of ONE such Bonus Share for every existing ONE Equity Share held by them as on the Record Date and that the new Bonus Shares so issued and allotted shall, for all purposes, be treated as an increase in the paid up Capital of the Company held by each such Member, and not as income.

“RESOLVED FURTHER THAT the Bonus Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and guidelines for Bonus Shares issued by SEBI.

“RESOLVED FURTHER THAT the Bonus Shares so allotted pursuant to this Resolution shall rank in all respects *pari passu* with the existing fully paid up equity shares of the Company save and except that they shall not be entitled to participate in any dividend declared prior to the allotment of the Bonus Shares, but shall be entitled to the dividend(s) declared after the allotment of the Bonus Shares.

“RESOLVED FURTHER THAT no letter of allotment shall be issued but the share certificates for Bonus Shares be delivered to the Members, who hold the existing equity shares in physical form and the respective beneficiary accounts be credited with the Bonus Shares for such Members who hold the existing equity shares or opt to receive the bonus shares in dematerialized form within the prescribed period.

“RESOLVED FURTHER THAT the allotment and issue of the Bonus Shares to any Non-Resident Member, Foreign Institutional Investors and other foreign investors shall be subject to the approval, if any, required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Bonus Shares so allotted on the National Stock Exchange of India Ltd. (NSE) where the securities of the Company are listed as per the provisions of the Listing Agreement with the Exchange, the Regulations and other applicable laws and regulations.

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**NOTICE TO MEMBERS**

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things, give such directions as may be necessary or expedient, settle any question, difficulty or doubt that may arise in this regard as the Board may in its absolute discretion, deem necessary, expedient, usual or proper in this regard at any stage including at the time of listing of the Bonus Shares without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this Resolution.”

By Order of the Board  
For THEJO ENGINEERING LIMITED

Place : Chennai  
Date : 15<sup>th</sup> July, 2013

M.D. RAVIKANTH  
Finance Controller & Secretary

**NOTES:**

1. An explanatory statement in respect of the special business is annexed to this notice in pursuance of Section 173(2) of the Companies Act, 1956.
2. 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 the proxy need not be a Member.
3. The form of proxy duly completed in all respects shall be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting (“Meeting”).
4. Members / proxies should bring the duly filled Attendance Slip along with their copy of annual report to the Meeting.
5. The Register of Directors’ Shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the Members at the registered office of the Company during business hours on any working day till 29<sup>th</sup> August, 2013 and at the Meeting.
6. The Register of Members and Share Transfer Books will remain closed from 3<sup>rd</sup> August to 5<sup>th</sup> August, 2013 (both days inclusive).
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution, authorizing their representatives to attend and vote on their behalf at the Meeting and/or at any adjournment thereof.
8. The Record Date for the issue of Bonus Shares shall be fixed and published in newspapers in due course and will also be intimated to the Stock Exchange.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Cameo Corporate Services Limited.
10. Members having any query or desiring any information pertaining to annual accounts are requested to write to the Company at an early date to enable the Company to answer the queries at the Meeting.

By Order of the Board  
For THEJO ENGINEERING LIMITED

Place : Chennai  
Date : 15<sup>th</sup> July, 2013

M.D. RAVIKANTH  
Finance Controller & Secretary

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**NOTICE TO MEMBERS****Explanatory Statement annexed to the Notice dated 15<sup>th</sup> July, 2013 convening the Annual General Meeting of the Company, pursuant to Section 173(2) of the Companies Act, 1956****Item Nos. 7 & 8:**

Mr. V.A. George, who was appointed as an Additional Director by the Board of Directors, pursuant to the provisions of Section 260 of the Companies Act, 1956, with effect from 15<sup>th</sup> July, 2013, holds office upto the date of ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, 1956, a notice along with requisite deposit has been received from a Member, signifying his intention to propose Mr. George as a candidate for the office of Director.

The Board of Directors at their meeting held on 15<sup>th</sup> July, 2013 appointed Mr. George as Managing Director of the Company for a period of 5 years under the provisions of Section 269 of the Companies Act, 1956 with immediate effect, subject to the approval of the Members in General Meeting.

In the light of the recommendation of the Remuneration Committee, the Board also approved remuneration and other terms and conditions as set out in the Ordinary Resolution under Item No.8, subject to the approval of the Members in General Meeting.

Mr. George joined the Company on 15<sup>th</sup> December, 2007. He holds a Degree in Mechanical Engineering and a Post Graduate Diploma in Management, in addition to being a Certified Associate of the Indian Institute of Banking and Finance. Mr. George has experience of more than three and half decades in corporate and banking sectors (both public and private), out of which, more than two decades were in senior management positions. Considering his long experience and credentials, Mr. George has been inducted into the Board and appointed as Managing Director.

Mr. George is not disqualified from being appointed as Director in terms of Section 274 (1) (g) of the Act. The Company has received the requisite Form DD-A from Mr. George, in terms of the Companies (Disqualification of Directors under Section 274 (1) (g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

The terms of appointment of Mr. George as mentioned in Item No. 8 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

Your Directors recommend the Resolution for the approval of the Members.

**Interest of Directors:**

None of the Directors of the Company except Mr. V.A. George, the appointee, are directly or indirectly concerned or interested in the resolution.

**Item No. 9**

The Non-Executive Directors devote considerable time for the Company and their responsibilities have increased over the years. They need to be compensated commensurate with their responsibilities and role. Accordingly, it is proposed to pay to all the Non-Executive Directors together, commission at 1% of the annual profits of the Company for a period of 5 years commencing from the year ending 31<sup>st</sup> March, 2014. Payment of such commission in addition to the sitting fees for attending the meetings of the Board and the Committees constituted by it is permissible in terms of the Companies Act, 1956.

Your Directors recommend the resolution for the approval of the Members.

**Interest of Directors:**

Except the Non-Executive Directors of the Company, none of the other Directors are directly or indirectly concerned or interested in the resolution.

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**NOTICE TO MEMBERS**
**Item No. 10**

The present Paid-up Share Capital of the Company is ₹ 1,71,67,760 and its Reserves & Surplus aggregate ₹ 51,59,45,489 as per the Audited Balance Sheet as at 31<sup>st</sup> March, 2013. Considering the substantial Reserves and Surplus of the Company, your Directors at their meeting held on 15<sup>th</sup> July, 2013 have recommended the issue of Bonus Shares in the proportion of one equity share of Rs. 10 each fully paid up for every one existing equity share of ₹ 10 each of the Company held by the Members as on the Record Date, to be fixed by the Board/Committee of the Board, by capitalizing, i.e. transferring to the Share Capital Account, a sum not exceeding ₹ 1,71,67,760 (Rupees One crore seventy one lakhs sixty seven thousand seven hundred sixty only) from the Company's Securities Premium Account / General Reserve Account or such other accounts as are permissible. The said amount will be applied for issue and allotment of 17,16,776 Equity Shares of ₹ 10/- (Rupees ten) each as Bonus Shares.

The proposed issue of Bonus Shares will be made in line with the guidelines issued by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such approvals as may be required from the Statutory Authorities.

The Fully Paid-up Bonus Shares as above will be allotted to the Members of the Company, whose names appear on its Register of Members or in the respective beneficiary account with their respective Depository Participants, on the Record Date to be determined by the Board of Directors of the Company, (which term shall be deemed to include any Committee thereof).

The Bonus Shares so allotted shall rank *pari passu* in all respects including dividend with the existing equity shares of the Company on and from the date of allotment.

The Board of Directors recommends the resolution for the approval of the Members.

**Interest of Directors:**

None of the Directors of the Company except to the extent of their respective shareholding and the shareholding of their relatives in the Company are directly or indirectly concerned or interested in the resolution.

By Order of the Board  
For THEJO ENGINEERING LIMITED

Place : Chennai  
Date : 15<sup>th</sup> July, 2013

M.D. RAVIKANTH  
Finance Controller & Secretary

**Additional information on Directors recommended for new appointment / re-appointment under Clause 52(IV)(G)(i) of SME Listing Agreement:****Information about Mr. Thomas John :**

**Mr. Thomas John**, Co-Promoter of Thejo Engineering Limited is currently Non – Executive Vice Chairman of the Company. After completing his PUC, he was associated with Pioneer Equipment Company, Phoenix Metals and Alloys Private Limited and FAME Private Limited in various capacities, before starting Thejo Engineering Services. He has experience of more than 3 decades in manufacturing / services areas.

Companies (other than Thejo Engineering Limited and its subsidiaries) in which Mr. Thomas John holds directorship and committee memberships

Directorships	:	None
Chairman of Board Committees	:	None
Member of Board Committees	:	None
Shareholding in the Company	:	2,37,830 equity shares as on 31 <sup>st</sup> March, 2013.

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**NOTICE TO MEMBERS**
**Information about Mr. Manoj Joseph :**

**Mr. Manoj Joseph** is currently Director, Marketing of the Company. He is a Graduate in Electrical and Electronics Engineering with a Post Graduate Diploma in Business Administration. He joined Thejo Engineering Limited in 1991 and he has worked in various departments such as materials, planning, manufacturing and sales. He was Head of Manufacturing till 2007, when he assumed charge as Head of Marketing.

Companies (other than Thejo Engineering Limited and its subsidiaries) in which Mr. Manoj Joseph holds directorship and committee memberships

Directorships : None  
 Chairman of Board Committees : None  
 Member of Board Committees : None  
 Shareholding in the Company : 82,930 equity shares as on 31<sup>st</sup> March, 2013.

**Information about Mr. N. Ganga Ram :**

**Mr. N. Ganga Ram** holds a Master's Degree in Economics. Besides, he is a Certified Associate of the Indian Institute of Banking & Finance and a Fellow of Economic Development Institute of the World Bank, Washington. After a stint with a commercial bank, Mr. Ganga Ram joined RBI/IDBI where he worked for more than 25 years to retire as Executive Director of IDBI. He was a Consultant to the World Bank, Washington and the Asian Development Bank, Manila and was also an Adviser to UTI and ICRA. He joined the Company on 16<sup>th</sup> January, 2012.

Companies (other than Thejo Engineering Limited and its subsidiaries) in which Mr. N. Ganga Ram holds directorship and committee memberships

Directorships : Positive Packaging Industries Limited  
 Sundaram BNP Paribas Home Finance Limited  
 Chemfab Alkalies Limited  
 Juniper Hotels Private Limited (Grand Hyatt)

Chairman of Board Committees : Positive Packaging Industries Limited  
 Chemfab Alkalies Limited

Member of Board Committees : Sundaram BNP Paribas Home Finance Limited  
 Chemfab Alkalies Limited  
 Juniper Hotels Private Limited (Grand Hyatt)

Shareholding in the Company : Nil as on 31<sup>st</sup> March, 2013.

**Information about Mr. V.A. George :**

**Mr. V. A. George** joined the Company on 15<sup>th</sup> December, 2007. He holds a Degree in Mechanical Engineering and a Post Graduate Diploma in Management, in addition to being a Certified Associate of the Indian Institute of Banking and Finance. He has experience of more than three and half decades in corporate and banking sectors (both public and private) out of which, more than two decades in senior management positions. He is an Adjunct Faculty at Loyola Institute of Business Administration, Chennai and Rajagiri Business School, Kochi. He is also the Chairman of an educational initiative, Knowledge Xchange. Prior to joining the Company, he was President, India Cements Capital Limited.

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**NOTICE TO MEMBERS**

Companies (other than Thejo Engineering Limited and its subsidiaries) in which Mr. V.A. George holds directorship and committee memberships

Directorships : None

Chairman of Board Committees : None

Member of Board Committees : None

Shareholding in the Company : 25,000 equity shares as on 31<sup>st</sup> March, 2013.

**Disclosure in terms of Clause 52 (IV) (G) (ii) of the Listing Agreement – Inter-se Relationship between Directors**

None of our Directors have any family relationships, save and except Mr. K.J. Joseph and Mr. Manoj Joseph as father and son and Mr. Thomas John and Mr. Rajesh John also as father and son.