

**TALBROS AUTOMOTIVE COMPONENTS LIMITED****CIN: L29199HR1956PLC033107**Registered Office: 14/1, Delhi-Mathura Road Faridabad-121003, Haryana  
Tel No.: 0129-2251482, Website: www.talbro.com, Email: shares@talbro.com**NOTICE**

**NOTICE** is hereby given that the 61<sup>st</sup> Annual General Meeting of the members of Talbros Automotive Components Limited will be held at **10.30 a.m.** on **Tuesday the 25<sup>th</sup> day of the September, 2018** at **Hotel Atrium, Shooting Range Road, Suraj Kund, Faridabad -121001, Haryana** to transact the following business:

**ORDINARY BUSINESS:**

- To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2018 including audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- To declare Dividend @ 15% on paid-up Equity Share Capital for the financial year ended 31<sup>st</sup> March, 2018.
- To re-appoint Mr. Vidur Talwar (DIN: 00114643) as Director, who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS**

- 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, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (LODR) Regulations, Ms. Priyanka Gulati (DIN: 07087707), who was appointed as an Additional Director of the Company with effect from 25<sup>th</sup> May, 2018 under Section 161(1) of the Companies Act, 2013 by the Board of Directors and whose term of office as an Additional Director expires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.

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

**RESOLVED THAT** in partial modification of the resolution passed by the members in 60<sup>th</sup> Annual General Meeting and in accordance with provisions of section 196, 197, 203 read with Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder (including any statutory modification or enactment thereof for the time being in force) and subject to such other approvals as may be necessary, approval and consent of the Company be and is hereby accorded for an increase in remuneration of Mr. Umesh Talwar, Vice-Chairman & Managing Director as recommended by the Nomination and Remuneration Committee effective from 1<sup>st</sup> April, 2018 as per details of revised remuneration given hereunder:

**I. Salary**

Particulars	Monthly Remuneration (₹)
Basic Salary	7,55,000
House Rent Allowance	5,28,500
Other Allowances	75,900
<b>Total Salary</b>	<b>13,59,400</b>

**II. PERQUISITES & ALLOWANCES:**

- Company's contribution towards Provident Fund and Superannuation Fund as per rules of the Company.
- Gratuity - As per rules of the Company.
- Earned/Privilege Leaves - As per rules of the company. Leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.
- Car-provision of a chauffeur driven car for the business purposes of the Company & personal use.
- Telephone - Telephone facility at residence, personal long distance calls to be paid by Mr. Umesh Talwar.
- Such other benefits/amenities and other privileges as may from time to time be available to other executives of the Company and the monetary value shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same be evaluated at actual cost.

**III. Other Benefits:**

- 1) Reimbursement of entertainment expenses actually and properly incurred in course of the business of the company.
- 2) The expenses in connection with the spouse accompanying the Vice-Chairman & Managing Director while on business tours in India and abroad to be borne by the Company.

**RESOLVED FURTHER THAT** the increased salary paid to Mr. Umesh Talwar from 1<sup>st</sup> April, 2018 to the date of this Annual General Meeting be and is hereby approved and ratified.

**RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, the remuneration as set above be paid to Mr. Umesh Talwar as minimum remuneration, subject to necessary approval(s) as may be required.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, agreements, instruments and writings as may be required to give effect to the aforesaid resolution.

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

**RESOLVED THAT** in partial modification of the resolution passed by the members in 60<sup>th</sup> Annual General Meeting and in accordance with provisions of section 196, 197, 203 read with Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder (including any statutory modification or enactment thereof for the time being in force) and subject to such other approvals as may be necessary, approval and consent of the Company be and is hereby accorded for an increase in remuneration of Mr. Anuj Talwar, Joint Managing Director as recommended by the Nomination and Remuneration Committee effective from 1<sup>st</sup> April, 2018 as per details of revised remuneration given hereunder:

**I. Salary**

Particulars	Monthly Remuneration (₹)
Basic Salary	6,46,000
House Rent Allowance	4,52,200
Other Allowances	65,945
<b>Total Salary</b>	<b>11,64,145</b>

**II. Perquisites & Allowances**

- a) Company's contribution towards Provident Fund and Superannuation Fund as per rules of the Company.
- b) Gratuity – As per rules of the Company.
- c) Earned/Privilege Leaves - As per rules of the company. Leaves accumulated but not availed of during the tenure may be allowed to be encashed at the end of the tenure.
- d) Car-provision of a chauffeur driven car for the business purposes of the Company & personal use.
- e) Telephone - Telephone facility at residence, personal long distance calls to be paid by Mr. Anuj Talwar.
- f) Such other benefits/amenities and other privileges as may from time to time be available to other executives of the Company and the monetary value shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same be evaluated at actual cost.

**III. Other Benefits:**

- 1) Reimbursement of entertainment expenses actually and properly incurred in course of the business of the company.
- 2) The expenses in connection with the spouse accompanying the Joint Managing Director while on business tours in India and abroad to be borne by the Company.

**RESOLVED FURTHER THAT** the increased salary paid to Mr. Anuj Talwar from 1<sup>st</sup> April, 2018 to the date of this Annual General Meeting be and is hereby approved and ratified.

**RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, the remuneration as set above be paid to Mr. Anuj Talwar as minimum remuneration, subject to necessary approval(s) as may be required.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, agreements, instruments and writings as may be required to give effect to the aforesaid resolution.

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

**RESOLVED THAT** pursuant to section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into an Agreement with Talbros Marugo Rubber Private Limited for purchase/sale of Rubber, Rubber Compound, other chemicals and to do job work for each other w.e.f 01.01.2018 to 31.12.2020 upto maximum amount of ₹ 1.50 crore, ₹ 2.00 crore and ₹ 2.50 crore in 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year respectively on such terms and conditions as mentioned in the agreement.

**RESOLVED FURTHER THAT** any acts/ transactions done under this Agreement upto the date of passing of this resolution be and are hereby approved and ratified.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds or things as may be necessary to give effect to the above resolution.

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

**RESOLVED THAT** pursuant to applicable provisions of Companies Act, 2013 and the rules framed thereunder, consent of the members of the Company be and is hereby accorded to give corporate guarantee in connection with financial facilities given by IDFC Bank Limited to Magneti Marelli Talbros Chassis Systems Private Limited, a Joint Venture Company for an aggregate sum of ₹ 13.00 Crores being 50% of the total facilities sanctioned to MMT.

**RESOLVED FURTHER THAT** the Board of Directors (Board) be and is hereby authorised to do all such acts, deeds or things as may be necessary to give effect to the above resolution and all act, deeds or things already done by the Board in this connection be and are hereby ratified.

9. 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 14 and all other applicable provisions of the Companies Act 2013, and the rules

made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), a new set of Article of Association (primarily based on the Form of Table F under the Act) of Talbros Automotive Components Limited be and is hereby adopted and substituted in place of existing Article of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors of the Company and/or Mrs. Seema Narang, Company Secretary be and are hereby jointly and severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies.

**RESOLVED FURTHER THAT** all acts, deeds or things already done by the Board of Directors in accordance with the provisions of Companies Act, 2013 and rules made thereunder be and are hereby ratified.

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

**RESOLVED THAT** pursuant to section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s Vijender Sharma & Co., Cost accountants (Firm Registration No. 00180) appointed as Cost Auditor by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2019 be paid a remuneration of ₹ 1.75 Lacs plus out of pocket expenses and applicable taxes.

**By Order of the Board  
For Talbros Automotive Components Limited**

Place : Gurugram  
Date : 25<sup>th</sup> May, 2018

**Sd/-  
Seema Narang  
Company Secretary**

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business mentioned under items no. 4 to 10 of the accompanying Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY/ PROXIES MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE COMMENCEMENT OF THE MEETING.**
3. Proxies submitted on behalf of the companies, societies etc, must be supported by an appropriate resolution/ authority as may be applicable.
4. Members are requested to note that pursuant to provision of Section 105 of the Companies Act, 2013 read with the applicable rules thereon, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights.
5. In terms of the requirements of the Secretarial Standards- 2 on "General Meeting" issued by the Institute of Companies Secretaries of India and approved and notified by the Central Government, a route map showing directions to reach the venue of the AGM and attendance slip along with proxy form is annexed to this Notice.
6. Register of Members and Share Transfer Books will remain closed from 18<sup>th</sup> September, 2018 to 25<sup>th</sup> September, 2018 (Both days inclusive) for the purpose of Annual General Meeting and to determine entitlement of dividend on equity shares.
7. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account and Members holding shares in physical mode are requested to submit the said bank details to the Company's Registrar & Transfer Agents.
8. The Securities and Exchange Board of India (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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Members are once again informed that in terms of Sections 124 & 125 of the Companies Act, 2013, dividends which remain unclaimed/ unencashed for periods of 7 years are to be transferred by the Company to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. No claim lies against the Company for unclaimed/ unencashed dividend amount, if any, upon transfer.
10. Accordingly, all dividends declared upto 31<sup>st</sup> March, 2010 which remained unclaimed/ unencashed, have already been transferred to the IEPF. Members who have not encashed the dividend warrant(s) so far for the financial year ended 31<sup>st</sup> March, 2011 or any subsequent dividend payment(s) are requested to make their claim to the Company. Members who have so far not claimed the unpaid dividend for the year 2010-11 have been notified in this connection.
11. Dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2018, if declared at the Annual General Meeting, shall be paid to those Members whose names (in case of shares held in electronic form) appear as Beneficial Owners as at close of business hours on 17<sup>th</sup> September, 2018 and for shares held in physical form, whose names appear in the Register of Members on the date of the Annual General Meeting.
12. Queries, if any, regarding accounts and operations of the Company may please be sent to the Company Secretary at the Registered Office at least 10 days before the date of the Annual General Meeting so as to enable the Company to keep the information ready at the meeting.

13. Members holding shares in electronic form should get their email IDs updated with their respective Depository Participant so that they can get the copies of correspondence etc. sent by the Company via email.
14. Details in respect of the Directors seeking appointment/ re- appointment at the Annual General Meeting, pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard- 2 issued by the Institute of Companies Secretaries of India at item no. 3 and item no. 4 of the Ordinary and Special Business are provided in Explanatory Statement.
15. Electronic copy of the Annual Report and the Notice of the 61<sup>st</sup> Annual General Meeting of the Company along with Attendance Slip, Proxy Form and the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 61<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
16. Members may also note that the Notice of the 61<sup>st</sup> Annual General Meeting and the Annual Report will also be available on the Company's website [www.talbro.com](http://www.talbro.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. 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 requests to the email id: [seema\\_narang@talbro.com](mailto:seema_narang@talbro.com).
17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189, Register of Member and any other documents

as required to be made available, will be made available for inspection by Members of the Company at the venue of the meeting.

18. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the facility of voting through electronic means to its members. Members of the Company can transact all the items of the businesses with the facility of voting through electronic means through e-Voting Services provided by Karvy Computershare Private Limited (Karvy).

The detailed instructions for voting through electronic means are being sent separately with this Notice along with User- id and password.

The facility for voting through ballot or polling paper shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

19. Shareholders are requested to address all correspondence relating to their shareholding to the Company's Registrars and Share Transfer Agents, M/s Karvy Computershare Private Ltd., at the following address:-

M/s Karvy Computershare Private Ltd.,  
Unit: Talbro Automotive Components Ltd.,  
Karvy Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Gachibowli, Nanakramguda,  
Serilingampally Hyderabad 500 008, India  
Email: [rajeev.kr@karvy.com](mailto:rajeev.kr@karvy.com)/  
[www.karvycomputershare.com](http://www.karvycomputershare.com)

**By Order of the Board**  
For **Talbro Automotive Components Limited**

Place : Gurugram  
Date : 25<sup>th</sup> May, 2018

**Sd/-**  
**Seema Narang**  
Company Secretary



## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO 4

Ms. Priyanka Gulati, aged 40 years, is a Chartered Accountant. She is founder and Director of Manthan Advisors and is running fourth year into her strategy consulting venture, engaged in the business of assisting clients with business process re-engineering, data analytics through KPI designing and dashboards, new market assessment and process improvement through Centers of Excellence. She was earlier associated with tier-1 consulting firms Accenture Management Consulting and Deloitte with a rich experience of 18 years.

Ms. Priyanka Gulati doesn't hold by herself or for any other person on a beneficial basis, any shares/convertible instruments of the Company.

On recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Ms. Priyanka Gulati as an Additional Director of the Company effective from 25<sup>th</sup> May, 2018, pursuant to the provisions of Section 161(1) of the Companies Act, 2013. She holds office up to the date of the ensuing Annual General Meeting.

In terms of Section 149, 160 and other applicable provisions of the Companies Act, 2013, Ms. Priyanka Gulati, being eligible, is proposed to be appointed as an Independent Director for a period of five years.

In the opinion of the Board, Ms. Priyanka Gulati fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. A copy of the draft letter for appointment of Ms. Priyanka Gulati as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

The Board recommends the resolution in relation to appointment of Ms. Priyanka Gulati as an Independent Director, for the approval by the shareholders of the Company.

This explanatory statement may also be regarded as a disclosure under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Ms. Priyanka Gulati, being an appointee, none of the Directors of the Company and their relatives is concerned or interested in the resolution set out at Item No. 4.

### ITEM NO. 5 & 6

In the 60<sup>th</sup> Annual General Meeting of the Company held on September 26, 2017, Mr. Umesh Talwar and Mr. Anuj Talwar were appointed as Vice-Chairman & Managing Director and Joint Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> April, 2018 and 14<sup>th</sup> August, 2018 respectively.

The Board, in view of their contributions to the Company's business and the qualification and experience they hold and on recommendation of Nomination and Remuneration committee, recommends the increase in remuneration of Mr. Umesh Talwar and Mr. Anuj Talwar as set out in Item no. 5 & 6 of the notice w.e.f 1<sup>st</sup> April, 2018.

Accordingly, the shareholders of the Company are requested to approve and ratify increase in remuneration of Mr. Umesh Talwar and Mr. Anuj Talwar on the remuneration as described in item no. 5 & 6 of the notice respectively effective from 1<sup>st</sup> April, 2018 to be paid as minimum remuneration in case of loss or inadequacy of profits in any financial year during the remaining term of appointment.

In order to ensure continuity in payment of remuneration to whole time Directors irrespective of unforeseen volatility in operations/ profitability and as per the requirements of Section - II of Part - II of Schedule V of the Companies Act, 2013 a Special Resolution is also required to be passed for payment of managerial remuneration, therefore consent of members by way of a Special Resolution is sought for payment of remuneration to Mr. Umesh Talwar as Vice-Chairman & Managing Director and Mr. Anuj Talwar as Joint Managing Director of the Company w.e.f. 1<sup>st</sup> April, 2018.

This may also be treated as memorandum pursuant to Section 190 of the Companies Act, 2013.

Mr. Umesh Talwar and Mr. Anuj Talwar hold 431906 and 62851 equity shares of the Company respectively.



Past remuneration (₹ Per annum)	2015-16 108.24 lacs 2016-17 108.42 Lacs 2017-18 108.42 Lacs	2015-16 38.89 lacs 2016-17 76.31 lacs 2017-18 77.89 lacs
Job profile and his suitability	Mr. Umesh Talwar is responsible for day to day management and administration of the Company's operations subject to the superintendence, direction and control of the Board	Mr. Anuj Talwar is responsible for coordinating with Joint Venture Companies, particularly Magneti Marelli Talbros Chassis Systems Private Limited and Talbros Marugo Rubber Private Limited as well as new business developments.
Remuneration proposed	As set out in the explanatory statement for resolution at item no. 5 and 6 of this Notice. The remuneration to VCMD and JMD has been approved by the Remuneration Committee & Board of Directors in the meetings held on 28 <sup>th</sup> March, 2018.	
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	In view of the size of the Company, the qualification and experience of Mr. Umesh Talwar and Mr. Anuj Talwar and the profile being handled by them, the remuneration as mentioned above is on the lower side as compared to the remuneration being paid to managerial positions in other Companies in the industry.	
Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any	Besides, the remuneration proposed, Mr. Umesh Talwar does not have any other pecuniary relationship with the Company. However Mr. Umesh Talwar is related to Mr. Naresh Talwar being his brother and to Mr. Anuj Talwar being his father.	Besides the remuneration proposed, Mr. Anuj Talwar does not have any other pecuniary relationship with the Company. However Mr. Anuj Talwar is related to Mr. Umesh Talwar being his son.
Other information:	N.A.	

## DISCLOSURES

The shareholders of the company shall be informed of the remuneration package of the managerial person.	Disclosure of the remuneration package is part of this notice being sent to Shareholders.
The following disclosures shall be mentioned in the Board of Directors report under the heading "Corporate Governance", if any, attached to the annual report:- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors; (ii) Details of fixed component and performance linked incentives along with the performance criteria (iii) Service contracts, notice period, severance fees; (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	All the disclosures as required are mentioned in the Director's Report/ Corporate Governance Report section of the 61 <sup>st</sup> Annual Report to be published for this Annual General Meeting of the Company.

## ITEM NO 7

Talbros Marugo Rubber Private Limited (TMR ) is a 50:50 Joint Venture Company between Talbros Automotive Components Limited (TACL) and Marugo Rubber of Japan and is a related party as per Section 184.

Both TMR and TACL are engaged in the business of manufacturing Gaskets and Rubber products and both the companies require same raw material for manufacturing their products. In order to economize on capital expenditure and to avoid unnecessary duplication of facilities, as well as to meet eventuality of break down at any of the Companies, both the companies are desirous of entering into an Agreement for a period effective from 1.1.2018 to 31.12.2020 for sale/purchase of Rubber, Rubber Compound, other chemicals, and to do job work for each other upto maximum amount of ₹ 1.50 crore, ₹ 2.00 crore and ₹ 2.50 crore in 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> year respectively on such terms and conditions as mentioned in the agreement.



Your Directors recommend the Resolution at Item No.7 of the accompanying Notice for the approval of the Members.

Mr. Varun Talwar, Mr. Vidur Talwar and Mr. Anuj Talwar being common Directors of both the companies may be deemed interested in the proposed resolution.

No other Directors/ Key Managerial Personnel and their relatives are in any way concerned or interested in the above referred resolution.

#### **ITEM NO 8**

Magneti Marelli Talbros Chassis Systems Private Limited (MMT) is a 50:50 Joint Venture Company between Talbros Automotive Components Limited (TACL) and Sistemi Sospensioni S.p.A and is a related party as per Section 184.

MMT requires additional financial assistance to meet its enhanced budgetary requirements in line with approval from its Board and approached IDFC Bank Limited (Bank) for the same.

As per the terms offered by the Bank, this facility is to be secured by Corporate Guarantee(s) from both JV Partners Sistemi Sospensioni S.p.A through Magneti Marelli, Italy and Talbros Automotive Components Limited to the extent of 50% of the sanctioned limits.

MMT has requested the Company to provide Corporate Guarantee in respect of 50% of the facilities to be availed from the Bank.

Except Mr. Vidur Talwar, Mr. Varun Talwar & Mr. Anuj Talwar being common Directors, no other Director/ KMP of the Company is concerned or interested, financially or otherwise in the resolution set out at item no. 8 of the Notice.

The Directors recommends the resolution set forth in item no. 8 of the Notice for approval of the members as Special Resolution.

#### **ITEM NO. 9**

The existing Articles of Association ("AoA") of the Company, based on the Companies Act, 1956 are not in complete conformity with the 2013 Act and several regulations of AoA require alteration/deletion. Given this position, it is considered expedient to adopt a new set of Articles of Association (primarily based on Table F set out under Schedule I to the Companies Act, 2013) in place of existing AoA, instead of amending it

by alteration/ incorporation of provisions of 2013 Act. In terms of Section 14 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Articles of Association. The entire set of proposed new Articles of Association is available in the website of the Company. The Members of the Company can also obtain a copy of the same from the Company's Registered Office.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said Resolution. The Directors recommend the aforesaid Resolution for the approval by the Members as Special Resolution.

#### **ITEM NO. 10**

Board of Directors of the company, on the recommendation of Audit committee, in its meeting held on 25<sup>th</sup> May, 2018 approved re-appointment of M/s. Vijender Sharma & Co., Cost Accountants (Firm Registration No. 00180) as Cost Auditor of the Company to audit the cost records maintained by the Company for the financial year ending 31<sup>st</sup> March, 2019 on a remuneration of ₹ 1.75 Lacs plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required 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.10 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2019.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, whether financial or otherwise, in the resolution set out at item no. 10. The Board recommends this resolution for the approval of shareholders as ordinary resolution.

**By Order of the Board**  
**For Talbros Automotive Components Limited**

Place : Gurugram  
Date : 25<sup>th</sup> May, 2018

Sd/-  
**Seema Narang**  
Company Secretary

**ANNEXURE TO EXPLANATORY STATEMENT**

Details of Directors seeking Appointment/ Re-appointment at the forthcoming Annual General Meeting (pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

<b>Name of the Director</b>	<b>Ms. Priyanka Gulati</b>	<b>Mr. Vidur Talwar</b>
<b>Date of Birth</b>	17.12.1977	30.06.1971
<b>Date of Appointment</b>	25.05.2018	12.02.2015
<b>Qualifications</b>	Chartered Accountant	B.S. in Business Administration and MBA in Finance from Drexel University, Philadelphia, PA.
<b>Nature of expertise in specific functional areas</b>	18 years of rich experience in management consulting and entrepreneurship.	23 years of rich and varied experience in Automotive Components Industry
<b>Directorship and Trusteeship in other Companies</b>	1. Manthan Management Solutions Private Limited	1. T & T Motors Pvt. Ltd. 2. Nippon Leakless Talbros Pvt Ltd. 3. Talbros International Pvt. Ltd. 4. Magneti Marelli Talbros Chassis Systems Pvt. Ltd. 5. Talbros Marugo Rubber Pvt Ltd. 6. QH Talbros Pvt. Ltd.
<b>Members of Committees of other Companies</b>	-	-
<b>No. of shares held</b>	-	16,176