

NOTICE

Notice is hereby given that the Forty Sixth (46th) Annual General Meeting of the Company will be held on Saturday, the 30th December, 2017 at 11.30 a.m. in the Auditorium attached to the office of Okhla Industrial Estate Association, Exhibition Complex, Okhla Industrial Estate, New Delhi - 110 020 to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and approve the Standalone and Consolidated Audited Balance Sheet as on 31st March, 2017 and Standalone and Consolidated Statement of profit and loss for the year ended on that date and the reports of the Directors and Auditors thereon by considering and, if thought fit, passing with or without modification the following resolution:
"RESOLVED THAT the Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31st March, 2017 and the Directors Report and the Auditors Report thereon along with consolidated financial statements of the same year be and are hereby approved and adopted."
- To declare dividend @ ` 1 ((One) per Equity Share (10%) in respect of the Paid-up Equity Share Capital of ` 442,680,620. Equity Shares in respect of financial year 2016-17.
- To appoint a Director in place of Mr. Rishi Nath Khanna who retires by rotation at the 46th Annual General Meeting and being eligible offers himself for reappointment by considering and if thought fit passing with or without modification the following resolution:
"RESOLVED THAT Mr. Rishi Nath Khanna who retires by rotation at the 46th Annual General Meeting and being eligible offers himself for re-appointment be and is hereby re-appointed as Director of the Company."
- To appoint a Director in place of Mr. Aditya Khanna who retires by rotation at the 46th Annual General Meeting and being eligible offers himself for reappointment by considering and if thought fit passing with or without modification the following resolution:
"RESOLVED THAT Mr. Aditya Khanna who retires by rotation at the 46th Annual General Meeting and being eligible offers himself for re-appointment be and is hereby re-appointed as Director of the Company."
- To ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (FRN No. 015125N) as Statutory Auditors who were appointed to hold the office from the conclusion of Forty Fourth (44th) Annual General Meeting until the conclusion of the Forty Seventh (47th) Annual General Meeting in the 44th Annual General Meeting of the Company. In this behalf, to consider and if thought fit, to pass with or without modification the following resolution:
"RESOLVED THAT the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, (FRN No. 015125N) Statutory Auditors who were appointed in the 44th Annual General Meeting of the Company to hold the office from the conclusion of Forty Fourth (44th) Annual General Meeting until the conclusion of the Forty Seventh (47th) Annual General Meeting with reference to Financial Year ending 31.03.2018, at a remuneration as may be decided by the Board of Directors of the Company keeping in view the volume of work be and is hereby ratified and confirmed."

Special Business

- To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:
"RESOLVED that further to the Special Resolution passed at 45th Annual General Meeting of the Company held on 30th September, 2016, the remuneration payable to Mr Anuj Khanna, Managing Director, a relative of Mr R N Khanna, Mr Ashok Khanna, Mrs Radhika Kapoor, Mr Rishi Nath Khanna and Mr Aditya Khanna, Directors be and is revised with effect from 01.08.2017 until the expiry of the current term of his appointment, i.e. 31st March, 2019 as below: (Rupees)

	Existing (Monthly)	Revised w.e.f 01.08.2017 (Annual)
Basic	243,800	3,510,720
HRA	121,900	1,755,360
Special Allowance	319,727	4,604,016
PF	29,256	421,284
LTA	20,317	-
Medical reimbursement	1,250	-
Electricity & Water	16,667	-
Reimbursement of expenses including, medical, electricity, water, club fees, Gas etc.	-	258,004
Total	732,596	10,549,384

In addition,

- Provision for use of company's car with driver for official and personal use
 - Leave encashment subject to a maximum of 20 earned leaves per annum, payable yearly
 - Gratuity, as per rules of the company not exceeding half months salary for each completed year of service payable at the end of tenure.
 - Commission at the rate to be determined and approved by the Board of Directors based on the financial performance of the Company.
- To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:
"RESOLVED that further to the Special Resolution passed at 45th Annual General Meeting of the Company held on 30th September, 2016, the remuneration payable to Mr Rishi Nath Khanna, Managing Director, a relative of Mr R N Khanna, Mr Ashok Khanna, Mrs Radhika Kapoor, Mr Anuj Khanna and Mr Aditya Khanna, Directors be and is revised with effect from 01.08.2017 until the expiry of the residual term of his appointment, i.e. 31st March, 2019 as below: (Rupees)

	Existing (Monthly)	Revised w.e.f 01.08.2017 (Annual)
Basic	243,800	3,510,720
HRA	121,900	1,755,360
Special Allowance	319,727	4,604,016
PF	29,256	421,284
LTA	20,317	-
Medical reimbursement	1,250	-
Electricity & Water	16,667	-
Reimbursement of expenses including, medical, electricity, water, club fees, Gas etc.	-	258,004
Total	732,596	10,549,384

In addition,

- a) Provision for use of company's car with driver for official and personal use
- b) Leave encashment subject to a maximum of 20 earned leaves per annum, payable yearly
- c) Gratuity, payable as per rules of the company not exceeding half months salary for each completed year of service payable at the end of tenure.
- d) Commission at the rate to be determined and approved by the Board of Directors based on the financial performance of the Company.

8. To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:

"RESOLVED that further to the Special Resolution passed at 45th Annual General Meeting of the Company held on 30th September, 2016, the remuneration payable to Mr Aditya Khanna, Managing Director, a relative of Mr R N Khanna, Mr Ashok Khanna, Mrs Radhika Kapoor, Mr Rishi Nath Khanna and Mr Anuj Khanna, Directors be and is revised with effect from 01.08.2017 until the expiry of the residual term of his appointment, i.e. 31st March, 2019 as below:

	Existing (Monthly)	Revised w.e.f 01.08.2017 (Annual)
Basic	243,800	3,510,720
HRA	121,900	1,755,360
Special Allowance	319,727	4,604,016
PF	29,256	421,284
LTA	20,317	-
Medical reimbursement	1,250	-
Electricity & Water	16,667	-
Reimbursement of expenses including, medical, electricity, water, club fees, Gas etc.	-	258,004
Total	732,596	10,549,384

In addition,

- a) Provision for use of company's car with driver for official and personal use
 - b) Leave encashment subject to a maximum of 20 earned leaves per annum, payable yearly
 - c) Gratuity, as per rules of the company not exceeding half months salary for each completed year of service payable at the end of tenure.
 - d) Commission at the rate to be determined and approved by the Board of Directors based on the financial performance of the Company.
9. To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:
- "RESOLVED that further to the Special Resolution passed at 45th Annual General Meeting of the Company held on 30th September, 2016 the monthly remuneration payable to Mrs Radhika Kapoor, a relative of Mr R N Khanna, Mr Ashok Khanna, Mr Anuj Khanna, Mr Rishi Nath Khanna and Mr Aditya Khanna, Directors be and is hereby revised with effect from 1st August, 2017 until the expiry of current term of her appointment, i.e., 31st March, 2019 as below:

	Existing (Monthly)	Revised w.e.f 01.08.2017 (Annual)
Basic	160,000	2,184,000
HRA	80,000	1,092,000
Special Allowance	-	1,012,032
PF	19,200	262,080
Superannuation	24,000	327,600
LTA	6,100	-
Medical reimbursement	10,000	-
Bonus	700	-
Reimbursement of expenses including, medical, electricity, water, club fees, Gas etc.	-	122,288
Total	300,000	5,000,000

In addition

- a) Provision of Company's Car with driver for official and personal use.
 - b) Gratuity: As per Rules of the Company but not exceeding half a month's salary for each completed year of service payable at the end of tenure.
 - c) Leave Encashment subject to a maximum of 20 earned leaves per annum payable yearly.
10. To consider and if thought fit to pass with or without modification the following resolution as Special Resolution:
- "RESOLVED pursuant to Sections 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 and subject to approval of the Central Government that, Mr Aditya Khanna, a Non Resident Indian, a relative of Mr R N Khanna, Mr Ashok Khanna, Mr Anuj Khanna, Mr Rishi Nath Khanna and Mrs Radhika Kapoor, Directors be appointed as Managing Director with effect from 1st October, 2017 for a period of 5-years on the following remuneration:

	Existing (Monthly)	Revised w.e.f 01.08.2017 (Annual)
Basic	292,560	3,510,720
HRA	146,280	1,755,360
Special Allowance	383,668	4,604,016
PF	35,107	421,284
Reimbursement of expenses including, medical, electricity, water, club fees, Gas etc.	21,500	258,004
Total	879,115	10,549,384

In addition,

- a. Provision for use of company's car with driver for official and personal use
- b. Leave encashment subject to a maximum of 20 earned leaves per annum, payable yearly
- c. Gratuity, as per rules of the company not exceeding half months salary for each completed year of service payable at the end of tenure.
- d. Commission at the rate to be determined and approved by the Board of Directors based on the financial performance of the Company.

By order of the Board of C&S Electric Ltd.

Sd/-

Lalit Krishan Khanna

Company Secretary

Membership No. FCS 3184

PLACE: NEW DELHI

DATED: 8th November, 2017

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE 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 IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
2. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF ITEM Nos. 6 TO 10 IS ENCLOSED HERETO.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act)

ITEM NOS. 6 TO 8

Mr Anuj Khanna, Mr Rishi Nath Khanna and Mr Aditya Khanna were appointed as Managing Directors for a term of 5-years with effect from 1st April, 2014 at a remuneration approved by the shareholders in the 43rd Annual General Meeting held on 29th December, 2014 and 45th Annual General Meeting held on 30th September, 2016. The 5-year term of their respective appointment will come to an end on 31st March, 2019. Considering their performance and the prevailing remuneration standard in the industry, the proposal for increase in their remuneration is being placed before the members for their approval and your Directors commend the resolution.

Besides the aforesaid Directors themselves, Mr R N Khanna, Mr Ashok Khanna, and Mrs Radhika Kapoor – Directors being related to them may be deemed to be interested in the resolution.

ITEM NO. 9

Mrs Radhika Kapoor was appointed as Whole-time Director for a term beginning from 1st July, 2016 until 31st March, 2019 at a remuneration approved by the shareholders in the 45th Annual General Meeting of the company held on 30th September, 2016. Considering her performance and the prevailing remuneration standard in the industry the proposal for increase in her remuneration is being placed before the members for their approval and your Directors commend the resolution.

Besides the aforesaid Director herself, Mr R N Khanna, Mr Ashok Khanna, Mr Rishi Nath Khanna, Mr Anuj Khanna and Mr Aditya Khanna – Directors being related to her may be deemed to be interested in the resolution.

ITEM NO. 10

Mr Aditya Khanna was appointed Managing Director with effect from 1st April, 2014. His appointment and remuneration payable to him was approved at the 43rd Annual General Meeting held on 30th September, 2016 and the remuneration payable to him is being revised at the 46th Annual General Meeting.

Mr Aditya Khanna has since migrated to UK. His status is likely to be changed to "Non Resident Indian" for Financial Year 2017-18. Accordingly, in compliance of the provisions of the Companies Act, 2013 and Foreign Exchange Management Act, 1999, Mr Aditya Khanna has relinquished his office as Managing Director w.e.f. 30th September, 2017.

Mr Aditya Khanna is proposed to be reappointed as Managing Director at the same remuneration which he was drawing hither to before as detailed in the proposed resolution subject to the approval of Central Government.

Accordingly, the proposal for his appointment and payment of remuneration is being placed before the members for their approval and your Directors commend the resolution.

Besides the aforesaid Director himself, Mr R N Khanna, Mr Ashok Khanna, Mr Anuj Khanna, Mr Rishi Nath Khanna and Mrs Radhika Kapoor – Directors being related to him may be deemed to be interested in the resolution.

By order of the Board of C&S Electric Ltd.

Sd/-

Lalit Krishan Khanna

Company Secretary

Membership No. FCS 3184

PLACE: NEW DELHI

Dated : 8th November, 2017