ESCORTS

Escorts Limited

CIN: L74899HR1944PLC039088
Registered Office: SCO-232, First floor, Sector-20, Panchkula – 134 109, Haryana, India

NOTICE

Notice is hereby given that 68th Annual General Meeting of **ESCORTS LIMITED** will be held at Hotel KC Cross Road, Site No. 1, Sector - 10, Opposite Bus Stand, Panchkula – 134 113, Haryana at 12:00 Noon on Friday, September 19, 2014, to transact the following business:-

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the 18 months period ended on that date and the Reports of the Auditors' and Directors' thereon.
2. To declare Final Dividend and confirm the payment of Interim Dividend of Rs. 1.20 per share, already paid for the 18 months period ended March 31, 2014.
3. To appoint a Director in place of Mr. Hardeep Singh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. S. N. Dhawan & Co, Chartered Accountants, (Firm Registration No.000050N) as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

B. SPECIAL BUSINESS:

5. 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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof, for the time being in force}, M/s. Ramanath Iyer & Co., Cost Auditors (Firm Registration No. 000019) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid a remuneration of Rs. 8 lacs plus service tax and reimbursement of out of pocket expenses.

   Resolved Further That the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. 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 Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV of the Companies Act, 2013, Dr. S.A. Dave (holding DIN 00001480), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 3 (three) consecutive years upto the conclusion of the 71st Annual General Meeting of the Company to be convened in the calendar year 2017."

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 the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV of the Companies Act, 2013, Mr. S.C. Bhargava (holding DIN 00020021), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 3 (three) consecutive years upto the conclusion of the 71st Annual General Meeting of the Company to be convened in the calendar year 2017."

8. 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 Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV of the Companies Act, 2013, Mr. P. H. Ravikumar (holding DIN 00280010), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 3 (three) consecutive years upto the conclusion of the 71st Annual General Meeting of the Company to be convened in the calendar year 2017."

9. 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 Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV of the Companies Act, 2013, Mrs. Vibha Paul Rishi (holding DIN 05180796), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 3 (three) consecutive years upto the conclusion of the 71st Annual General Meeting of the Company to be convened in the calendar year 2017."

10. 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 198, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} and such other approvals as may be required, consent of the Company be and is hereby accorded for payment of remuneration to Mr. Rajan Nanda, Managing Director of the Company for the balance 2 years of his tenure i.e. upto March 31, 2015 with effect from April 1, 2013 on the following terms and conditions:

(A) Basic Salary

Rs. 15,00,000/- per month or such amount as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall include 'Nomination and Remuneration Committee' of the Board) in the scale of Rs. 10,00,000/- to Rs. 30,00,000/- per month with such increments as may be decided by the Board from time to time.

(B) Perquisites, Allowances, Retirals & Other Benefits, Reimbursements and Earned Leave

As per Company's policy and/ or as may be approved by the Board, not exceeding 200% of the Basic Salary.

(C) Performance Linked Incentive/ Commission

Such amount or percentage of the net profits of the Company calculated under Section 198 and 309 of the Act, as may be decided by the Board.

(D) Sitting Fees

The Managing Director, so long as he functions as such, shall not be paid any sitting fee for attending meetings of the Board of Directors and/ or any Committee(s) of the Board thereof.

(E) Termination

The appointment of Managing Director may be terminated by either party giving to the other 6 (six) calendar months' notice in writing.

In the event of termination of appointment of Managing Director by the Company, he shall be entitled to receive compensation in accordance with provisions of Section 318 of the Act.

(F) Ceiling on Remuneration

The aggregate remuneration shall not exceed the limits provided in Section 198 and 309 of the Act.

Pursuant to paragraph (C) of Section II of Part II of the

Schedule XIII and other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, wherein in any financial year during the tenure of his service, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Rajan Nanda, Managing Director, remuneration by way of salary, perquisites and other terms as specified supra, as minimum remuneration.

Resolved Further That the Board be and is hereby authorised to fix, increase, vary, reduce or amend the remuneration including minimum remuneration and other terms of his appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving any sanction or approval.

11. 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 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and rules made thereunder {including any Statutory modification(s) or re-enactments thereof for the time being in force} and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded for re-appointment of Mr. Rajan Nanda as Managing Director of the Company for a period of 5 (five) years w.e.f. April 1, 2015 to March 31, 2020 on the following terms and conditions:

(A) Basic Salary

Rs. 15,00,000/- per month or such amount as may be decided by the Board of Directors (hereinafter referred to as "the Board" which term shall include 'Nomination and Remuneration Committee' of the Board) in the scale of Rs. 10,00,000/- to Rs. 50,00,000/- per month with such increments as may be decided by the Board from time to time.

(B) Perquisites, Allowances, Retirals & Other Benefits, Reimbursements and Earned Leave

As per Company's policy and/ or as may be approved by the Board, not exceeding 200% of the Basic Salary.

(C) Performance Linked Incentive/ Commission

Such amount or percentage of the net profits of the Company calculated under Section 197 of the Act, as may be decided by the Board.

(D) Sitting Fees

The Managing Director, so long as he functions as such, shall not be paid any sitting fee for attending meetings of the Board of Directors and/ or any Committee(s) of the Board thereof.

(E) Termination

The appointment of Managing Director may be terminated by either party giving to the other 6 (six) calendar months' notice in writing.

In the event of termination of appointment of Managing Director by the Company, he shall be entitled to receive compensation in accordance with provisions of Section 202 of the Act.

(F) Ceiling on Remuneration

Pursuant to Schedule V and all other applicable provisions of the Act, if any, and subject to such approvals as may be necessary, wherein in any financial year during the tenure of his service, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Rajan Nanda, Managing Director, remuneration by way of salary, perquisites and other terms as specified supra, as minimum remuneration.

Resolved Further That the Board be and is hereby authorised to fix, increase, vary, reduce or amend the remuneration including minimum remuneration and other terms of his appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or as may be prescribed by the authorities giving any sanction or approval."

12. 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 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof} and subject to such approval(s) as may be required, the Non-Executive Directors of the Company (i.e. Directors who are neither in the whole-time employment of the Company nor a Managing Director) be paid Commission, for a period of five years commencing from financial year 2014-15, as may be decided by the Board of Directors of the Company (hereinafter referred to as the 'Board' which expression shall also include any Committee thereof or any person

authorized by the Board), from time to time provided that the total commission payable to the Non-Executive Directors, per annum, shall not exceed 1% (one percent) of the net profits of the Company as computed in the manner specified in Section 198 of the Companies Act, 2013, with authority to the Board to determine, the manner, basis and the amount of commission payable to each Non-Executive Director.

Resolved Further That the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, desirable or expedient to give effect to this resolution."

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

"Resolved That in supersession of all previous resolution(s) and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force}, consent of the Company be and is hereby accorded to the Board of Directors of the Company and/ or such Committee/ officer(s) to whom the Board may consider necessary, for borrowing from time to time, any sum or sums of money which, together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate for the time being of the Paid-up Share Capital and Free Reserves of the Company, that is to say reserves not set apart for any specific purpose, provided that the maximum amount of money borrowed shall not at any time exceed Rs. 1500 Crores (Rupees one thousand five hundred crores) over and above the aggregate of the Paid-up Share Capital and Free Reserves of the Company."

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

"Resolved That in supersession of all previous resolutions and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force}, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to create mortgages, charges, pledge and hypothecation on the assets of the Company, both movable and immovable whether in existence or to be acquired in future, to secure Debentures/ Bonds or any other instruments or Loans (including foreign currency loans) received or to be received from Financial Institutions/ Banks, Finance Companies or others, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, being the borrowing powers delegated by the members to the Board of Directors together with additional interest, liquidated damages, commitments charges, premia on prepayment or any other charges payable by the Company to such Financial Institutions/ Banks, Finance Companies, Debentures/ Bond-holders or any other instrument holders from whom the Company has/ would have received loans."

15. 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 other applicable provisions of the Companies Act, 2013 and rules made thereunder {including any statutory modification(s) or re-enactment thereof, for the time being in force}, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the exclusion of the regulations contained in the existing Articles of Association of the Company.

Resolved Further That the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, desirable or expedient to give effect to this resolution."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SENT IN THE ENCLOSED FORM AND IN ORDER TO BE EFFECTIVE MUST REACH EITHER AT THE REGISTERED OFFICE OF THE COMPANY OR AT CORPORATE SECRETARIAT DEPARTMENT, DULY COMPLETED AND SIGNED ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A copy of the Annual Report containing Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss

for the 18 months period ended on that date together with the Auditors' and Directors' Reports thereon are enclosed. Members are requested to bring their copies of Annual Report to the meeting.

4. **Green Initiative:** The Ministry of Corporate Affairs (MCA), Government of India, through its circular no. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send documents to the shareholders electronically as part of its green initiatives.

   Recognizing the spirit of the said circular, we are sending documents like the Notice of General Meeting, Financial Statements, Directors' Report, Auditors' Report and other Communication etc., to the email address registered with your depositories. We request you to update your email address with your depositories participants to ensure that the Annual Report and other documents reach you on preferred email address and the shareholders holding shares in physical mode may inform their email address to the Company.

5. The Register of Members and Share Transfer Books of the Company will remain closed from September 6, 2014 to September 19, 2014 (both days inclusive) for the purpose of payment of final dividend. Final Dividend of 60 paisa per share has been recommended by the Board of Directors for the financial period of 18 months ended March 31, 2014 and subject to the approval of Shareholders at the ensuing Annual General Meeting, is proposed to be paid within 30 days from the date of declaration i.e. on or before October 18, 2014. The Interim Dividend of Rs. 1.20 per equity share has already been paid on October 21, 2013.

6. The dividend, if declared at the Annual General Meeting, would be paid/ dispatched within 30 days from the date of declaration to those persons or their mandates:

   a) whose names appear as beneficial owners as at the end of the business hours on September 5, 2014 in the list of beneficial owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and

   b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before September 5, 2014.

7. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details of investors furnished by the Depositories for payment of dividend through National Electronic Clearing Services (NECS) to investors wherever NECS and bank details are available. In the absence of NECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion/ change in such bank account details. Further, instruction if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participant about such change, with complete details of bank account. In case the shares are held in physical form, please send NECS form available in our website **www.escortsgroup.com** so as to reach on or before the date of Annual General Meeting to **Corporate Secretariat, Escorts Limited, 15/5, Mathura Road, Faridabad-121003, Haryana** or duly scanned at **corpsect@ndb.vsnl.net.in.**

8. Under the provisions of the Income Tax Act, 1961, dividend amount is tax free in the hands of shareholders.

9. In terms of the provisions of Section 205A of the Companies Act, 1956, the unclaimed and/ or unpaid Equity dividends for the financial year(s) upto 1995-96 have already been transferred to the General Revenue Account of the Central Government.

10. Due dates of transferring unclaimed and/ or unpaid dividend declared by the Company for the financial year 2008-09 and thereafter to Investor Education and Protection Fund:

Financial Year ended	Date of declaration of Dividend	Last date for claiming unpaid/ unclaimed dividend
September 30, 2009	March 12, 2010	April 11, 2017
September 30, 2010	February 25, 2011	March 24, 2018
September 30, 2011	March 15, 2012	April 14, 2019
September 30, 2012	March 22, 2013	April 21, 2020
March 31, 2014	October 2, 2013	November 1, 2020

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim well in advance of the above due

dates. Members are requested to check the details of unclaimed dividend amount, if any, on the Company's website www.escortsgroup.com.

11. Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital & Debenture) Rules, 2014 has extended nomination facility to individual shareholders holding shares in physical form. Shareholders are requested to avail the above facility by submitting prescribed **Form SH-13** to the Corporate Secretariat. This form is also available on the Company's website **www.escortsgroup.com.**

12. Member(s) of the Company who are holding shares in physical form and have multiple accounts in identical name(s) or are holding more than one share certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such folio(s).

13. Pursuant to requirements of Listing Agreement on Corporate Governance, the information required to be given in case of appointment/ re-appointment of Director, is given in the Annexure of this Notice.

14. Electronic copy of the Notice of 68th 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 to all the members whose email IDs are registered with the Company/ Depository Participant(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 is being sent in the permitted mode.

15. Members may also note that the Notice of the 68th Annual General Meeting and the Annual Report for the financial period ended on March 31, 2014 will also be available on the Company's website **www.escortsgroup.com.** The physical copies of the aforesaid documents along with all documents referred to in the accompanying Notice and the Explanatory Statement will also be available at the Company's Registered Office in Punchkula for inspection during normal business hours on working days between 11.00 A.M. to 3 P.M. 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 Company's email id **corpsect@ndb.vsnl.net.in.**

16. **Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to its Members in respect of the businesses to be transacted at the 68th Annual General Meeting ("AGM"). The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Authorised Agency to provide e-voting facilities.

II. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a Member to vote using the e-voting facility. A Member may avail of the facility at his/ her/ its discretion, as per the instruction provided herein:

Instruction of e-voting:-

A. In case a Member receives an email from NSDL {for members whose email IDs are registered with the Company/ Depository Participant(s)}:

(i) Open email and open PDF file viz; "Escorts e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: **https://www.evoting.nsdl.com/.**

(iii) Click on Shareholder – Login.

(iv) Put user ID and password noted in step (i) above as initial password/ PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note the new password for your records. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

(vii) Select "EVEN" of Escorts Limited.

(viii) Now you are ready for e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have successfully voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. shareholders other than individuals, HUF, NRI etc.) are required to send clear 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 to pcs.jga@gmail.com or to the Company at corpsect@ndb.vsnl.net.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM {for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting for physical copy}:

(i) User ID, Initial password and EVEN will be printed on the Attendance Slip for the AGM.

(ii) Please follow all steps from Sl. No. A (ii) to Sl. No. A (xii) above to cast your vote.

III. In case of any queries, you may refer to the Frequently Asked Questions ("FAQs") for Shareholders and E-voting User Manual for Shareholders available at the Downloads section of **www.evoting.nsdl.com.**

IV. In case you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.

V. The e-voting period commences on **Saturday, September 13, 2014 (9:00 am IST)** and ends on **Monday, September 15, 2014 (6:00 pm IST).** During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. August 1, 2014, may cast their vote electronically. The name of Escorts Limited shall be disabled by NSDL for voting thereafter from their e-voting module.

VI. The voting rights of Members shall be in proportion to their share in the Paid-up Equity Capital of the Company as on the cut-off date i.e. August 1, 2014.

VII. **Members can opt for only one mode of voting i.e.** either by e-voting or physically at the AGM venue. In case you are opting for e-voting then do not vote by physical mode at AGM venue and vice versa. In case members cast their vote both via physical as well as e-voting then voting done through physical mode shall not prevail and voting done by e-voting shall be considered as valid vote.

VIII. Mr. Jayant Gupta, Practising Company Secretary has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

IX. The Scrutinizer shall, within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

X. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website **www.escortsgroup.com** and on the website of NSDL at **www.evoting.nsdl.com** within 2 (two) working days of passing of the resolution(s) at the AGM and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

17. The Securities and Exchange Board of India (SEBI) has mandated 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.

18. Please send all correspondence including requests for transfer/ transmission of shares, change of address & dividend etc. to **Escorts Limited, Corporate Secretariat, 15/5, Mathura Road, Faridabad – 121003, Haryana. Phone: (0129) 2250222, 2564254; Fax: (0129) 2250060; Email: corpsect@ndb.vsnl.net.in.**

19. All document referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11:00 A.M. to 3:00 P.M.) on all working days upto and including the date of Annual General Meeting of the Company.

By Order of the Board

For ESCORTS LIMITED

Sd/-

G. B. Mathur

Executive Vice President – Company Secretary & Strategic Advisor

Place: Faridabad

Date : July 29, 2014

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS (PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013).

ITEM NO. 5

The Board of Directors of the Company, on recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Ramanath Iyer & Co. as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the rules made thereunder, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Resolution for approval of the members.

ITEM NO. 6 & 7

Dr. S.A. Dave and Mr. S.C. Bhargava are Non-Executive Independent Directors on the Board of the Company whose period of office is liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Dr. Dave and Mr. Bhargava being eligible have offered themselves for re-appointment. It is proposed to appoint Dr. Dave and Mr. Bhargava as Independent Directors for a period of 3 (three) consecutive years upto the conclusion of the 71st Annual General Meeting of the Company to be convened in the calendar year 2017.

Notices in writing pursuant to Section 160 of the Companies Act, 2013, proposing their candidature as Independent Directors of your Company, have been received.

In the opinion of the Board, Dr. Dave and Mr. Bhargava fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company. Copy of the draft letter for appointment of Dr. Dave and Mr. Bhargava as Independent Directors would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Dave and Mr. Bhargava as Independent Directors.

Particulars of their qualifications, brief resume and area of expertise etc. are annexed to this Notice.

Except Dr. Dave and Mr. Bhargava, being appointee(s), none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 & 7.

The Board commends the resolutions for approval of the members.

ITEM NO. 8 & 9

Mr. P H Ravikumar and Mrs. Vibha Paul Rishi were co-opted as Additional Directors on the Board of the Company on July 29, 2014. As per Section 161(1) of the Companies Act, 2013, they hold office only upto the date of the ensuing Annual General Meeting.

Notices in writing pursuant to Section 160 of the Companies Act, 2013, proposing their candidature as Independent Directors of your Company, have been received.

Your Directors feel that their presence and participation in the deliberations of the Board would be beneficial for the Company's business.

Particulars of their qualifications, brief resume and area of expertise etc. are annexed to this Notice.

Except Mr. P H Ravikumar and Mrs. Vibha Paul Rishi, being appointee(s), none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8 & 9.

The Board commends the resolutions for approval of the members.

ITEM NO. 10

Mr. Rajan Nanda was appointed as Managing Director for a period of 5 years w.e.f. April 1, 2010 and his remuneration was fixed for a period of 3 years i.e. upto March 31, 2013.

The Board of Directors of the Company on the recommendation

of the Remuneration Committee had approved the remuneration of Mr. Rajan Nanda for his remaining tenure upto March 31, 2015 subject to approval of the shareholders.

Particulars of his qualifications, brief resume, area of expertise and other details are annexed to this Notice.

Mr. Rajan Nanda is directly interested in the resolution. Mr. Nikhil Nanda being relative of Mr. Rajan Nanda may also be deemed to be interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives, is interested in this resolution.

The Board commends the Resolution for the approval of the members.

ITEM NO. 11

Mr. Rajan Nanda was appointed as Managing Director for a period of 5 years w.e.f. April 1, 2010. His current tenure as Managing Director is expiring on March 31, 2015.

Mr. Rajan Nanda is responsible for business diversification, business process re-engineering, organizational development in the Company and has contributed significantly to the overall performance and growth of the Company. In recognition of his valuable contribution, the remuneration committee and the Board of Directors in their meetings held separately on May 28, 2014 have recommended the re-appointment of Mr. Rajan Nanda as Managing Director of the Company for a further period of 5 years w.e.f. April 1, 2015 at a remuneration as given in the Item No. 11.

Your Directors feel that his continued presence in the deliberations of the Board would be beneficial for the Company's growth.

Particulars of his qualifications, brief resume, area of expertise and other details are annexed to this Notice.

Mr. Rajan Nanda, being appointee, is directly interested in the resolution. Mr. Nikhil Nanda being relative of Mr. Rajan Nanda may also be deemed to be interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives, is interested in this resolution.

The Board commends the Resolution for the approval of the members.

ITEM NO. 12

The Non-Executive Directors have been spending considerable time and efforts in discharging their responsibilities and also contributing to the overall performance and progress made by the Company. In terms of Section 197 of the Companies Act, 2013, in case the Company has Managing or Whole-time Director, the Company can pay commission to the Non-Executive Directors (i.e. Directors other than Executive Chairman, Managing Director and other Whole-time Directors) for a sum not exceeding 1% (one percent) of the net profits of the Company, with the approval of shareholders by way of Special Resolution in a general meeting.

In recognition of their contribution, it is now proposed to authorise the Board of Directors to determine the amount, manner and basis for payment of commission to Non-Executive Directors for a period of 5 (five) years w.e.f. financial year 2014-15.

Save and except the Non-Executive Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12.

The Board commends the Resolution for the approval of the members.

ITEM NO. 13

In terms of the provisions of Sections 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company, except with the consent of the Company in General Meeting, cannot borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the Paid-up Capital and its Free Reserves that is to say reserves not set apart for any specific purpose.

Keeping in view the Company's business requirements and growth plans, it is considered desirable to increase the said borrowing limits.

It is, therefore, proposed to seek approval of the members by way of a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 13 of the Notice, to enable to the Board of Directors to borrow money upto Rs. 1500 Crores (Rupees one thousand five hundred crores) over and above the aggregate of the Paid-up Share Capital and Free Reserves of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

The Board commends the Resolution for the approval of the members.

ITEM NO. 14

The borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the Lender(s).

In view of the future growth plans of the Company, the Board of Directors in their meeting held on May 28, 2014 have recommended creation of charge or mortgage on the Company's properties, both movable and immovable, upto the amount as approved by the Shareholders in accordance with Section 180(1)(c) of the Companies Act, 2013.

It is, therefore, proposed to seek approval of the members by way of Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 14 of the Notice, to enable to the Board of Directors to create mortgages, charges, pledge and hypothecation on the assets of the Company, both movable and immovable whether in existence or to be acquired in future, to secure Debentures/ Bonds or any other instruments or Loans (including foreign currency loans) received or to be received from Financial Institutions/ Banks, Finance Companies or others subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, being the borrowing powers delegated by the members to the Board of Directors together with additional interest, liquidated damages, commitments charges, premia on prepayment or any other charges payable by the Company to such Financial Institutions/ Banks, Finance Companies, Debentures/ Bond-holders or any other instrument holders from whom the Company has/ would have received loans.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 14.

The Board commends the Resolution for the approval of the members.

ITEM NO. 15

The existing Articles of Association (AOA) are based on the Companies Act, 1956 wherein several regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956 and certain regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 (the "Act").

The Act is now largely in force with the Ministry of Corporate Affairs ("MCA") notifying 98 Sections for implementation on September 12, 2013. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/ confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AOA of the Company require alteration or deletions. It is accordingly considered expedient to modify the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA is based on Table 'F' of the Act which sets out the model Articles of Association for a Company Limited by Shares.

The proposed new draft AOA is being uploaded on the Company's website for perusal of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financial or otherwise, in the resolution set out at Item No. 15.

The Board commends the Resolution for approval of the members.

By Order of the Board
For **ESCORTS LIMITED**

Sd/-
G. B. Mathur
Executive Vice President – Company Secretary & Strategic Advisor

Place: Faridabad
Date : July 29, 2014

ANNEXURE TO THE NOTICE

Information provided pursuant to Clause 49 of the Listing Agreement with the Exchange(s) in respect of individuals proposed to be appointed/ re-appointed as Director(s):

Particulars	Mr. Hardeep Singh	Dr. S.A. Dave	Mr. S.C. Bhargava
Director Identification Number	00088096	00001480	00020021
Date of Birth	September 8, 1954	August 3, 1936	July 20, 1945
Date of Appointment	November 28, 2011	September 2, 2005	September 2, 2005
Qualifications	Graduate in Economics from Pune University & Alumnus of Kellogg School of Management	M.A. (Economics), Ph.D.	B.Com(Hons), FCA
Brief Resume and Area of Expertise	Provided separately in the Annual Report.	Provided separately in the Annual Report.	Provided separately in the Annual Report.
Directorships held in other companies (excluding foreign companies)	Advanta Ltd. Swaraj Automotives Ltd. Agresource Management Pvt. Ltd.	Housing Development Finance Corporation Ltd. HDFC Pension Management Company Ltd. HDFC Standard Life Insurance Company Ltd. Indo – National Ltd. Deccan Cements Ltd. SBI DFHI Ltd. Shrenuj and Company Ltd. Phoenix Township Ltd. Centre for Monitoring Indian Economy Pvt. Ltd. Ankar Capital India Pvt. Ltd. India Value Fund Trustee Company Pvt. Ltd. IVF Trustee Company Pvt. Ltd.	Aditya Birla Nuvo Ltd. OTC Exchange of India Jaiprakash Associates Ltd. OTCEI Securities Ltd. Swaraj Engines Ltd. A K Capital Services Ltd. Jaiprakash Power Ventures Ltd. Cox and Kings Ltd. Asahi Industries Ltd. Swaraj Automotives Ltd. Industrial Investment Trust Ltd. GK Industrial Park Pvt. Ltd. IIT Insurance Broking & Risk Management Pvt. Ltd.
Committee Memberships of other Companies (includes only Audit Committee and Investors Grievance Committee)	Audit Committee (i) Advanta Ltd.	Audit Committee (i) Indo-National Ltd. (ii) Shrenuj and Company Ltd. (iii) Phoenix Township Ltd. (iv) HDFC Pension Management Company Ltd. Audit Committee & Investors Grievance Committee (i) Housing Development Finance Corporation Ltd.	Audit Committee (i) Swaraj Engines Ltd. (ii) Asahi Industries Ltd. Audit Committee & Investors Grievance Committee (i) Cox & Kings Ltd.
Number of shares held in the Company	1000	10000	500

Particulars	Mr. P. H. Ravikumar	Mrs. Vibha Paul Rishi	Mr. Rajan Nanda
Director Identification Number	00280010	05180796	00043256
Date of Birth	July 20, 1951	June 19, 1960	October 15, 1942
Date of Appointment	July 29, 2014	July 29, 2014	June 28, 1968
Qualifications	B.Com and CIIB, AIB from London, Senior Diploma in French	Alumnus of FMS, Delhi	Senior Cambridge, Training in UK & Germany
Brief Resume and Area of Expertise	Provided separately in the Annual Report.	Provided separately in the Annual Report.	Provided separately in the Annual Report.
Directorships held in other companies (excluding foreign companies)	Bharat Forge Ltd. Eveready Industries India Ltd. SKS Microfinance Ltd. BOB Capital Markets Ltd. Mcnally Bharat Engg Co Ltd. I G Petrochemicals Ltd. Sicom Investments & Finance Ltd. L&T Investment Management Ltd. Vastu Housing Finance Corporation Ltd. Aditya Birla Capital Advisors Pvt. Ltd. Shasta Bio-Fuel Pvt. Ltd. Namu Eco Alternatives India Pvt. Ltd. ACE Global Depository (India) Pvt. Ltd. Mya Health Credit Pvt. Ltd.	Future Consumer Enterprise Ltd. Entertainment Network (India) Ltd. Asian Paints Ltd.	Escorts Investment Trust Ltd. Charak Ayurvedic Treatments Pvt. Ltd. Har Parshad and Company Pvt. Ltd. Raksha TPA Pvt. Ltd.
Committee Memberships of other Companies (includes only Audit Committee and Investors Grievance Committee)	Audit Committee (i) Bharat Forge Ltd. (ii) L&T Investment Management Ltd. (iii) Sicom Investments & Finance Ltd. (iv) Bob Capital Markets Ltd. (v) Aditya Birla Capital Advisors Pvt. Ltd. Audit Committee & Investors Grievance Committee: (i) SKS Microfinance Ltd.	Audit Committee (i) Future Consumer Enterprise Ltd.	–
Number of shares held in the Company	–	–	1039196