RICO AUTO INDUSTRIES LIMITED
CORP. OFF.: 38 K.M. STONE, DELHI - JAIPUR HIGHWAY, GURGAON 122001, HARYANA. INDIA
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RAIL:SEC:2015

October 24, 2015

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
5th Floor, Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051

Ref : **Symbol – RICOAUTO & Series – EQ**

Sub : **Minutes of 32nd Annual General Meeting held on 29th September, 2015**

Dear Sir,

Please find enclosed herewith the Minutes of 32nd Annual General Meeting held on 29th September, 2015 for your reference and record.

Thanking you,

Yours faithfully,
for **Rico Auto Industries Limited**

B.M. Jhamb
Company Secretary
FCS : 2446

Encl : As above

MINUTES OF THE 32ND ANNUAL GENERAL MEETING OF THE COMPANY HELD ON TUESDAY, THE 29TH DAY OF SEPTEMBER, 2015 AT 12.00 NOON AT THE REGISTERED OFFICE OF THE COMPANY AT 69 KM STONE, DELHI-JAIPUR HIGHWAY, DHARUHERA, DISTT. REWARI (HARYANA) AND THE RESULT OF E-VOTING HELD FROM 26TH SEPTEMBER, 2015 TO 28TH SEPTEMBER, 2015 AND POLL CONDUCTED ON 29TH SEPTEMBER, 2015

PRESENT

1.	Shri Arvind Kapur	-	Chairman, CEO & Managing Director
2.	Shri Amarjit Chopra	-	Director & Chairman of the Audit Committee
3.	Shri Arun Kapur	-	Joint Managing Director
4.	Shri Rakesh Kapur	-	Director
5.	Smt. Upasna Kapur	-	Director
6.	Shri Sanjay Syal	-	Chief Financial Officer
7.	Shri O.P. Aggarwal	-	Chief Advisor (Fin. & A/cs.)
8.	Shri B.M. Jhamb	-	Company Secretary (in Attendance)

9. 33 Members were present (including Directors who were also Members) in person and 38 Members through their proxies as per the record of attendance of the meeting kept by the Company.

INVITEES

1.	Shri Ashish Gupta	-	Representatives of M/s. Walker Chandiok & Co LLP, Statutory Auditors
2.	Shri Arun Tandon		
3.	Shri K.K. Sachdeva	-	Representative of M/s. K.K. Sachdeva & Associates, Practicing Company Secretaries, Secretarial Auditor

Chairman of the Meeting

Shri Arvind Kapur, Chairman took the chair. After ascertaining that the requisite quorum for the meeting was present, he called the meeting to order and started the proceedings. He briefed about the absence of other Directors. The Chairman then formally extended a warm welcome to the Shareholders present.

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Introduction of persons sitting on the Dais

Shri B.M. Jhamb, Company Secretary introduced the persons seated on the Dais. He also informed that the Statutory Auditors and Secretarial Auditors were present in the meeting.

I. **Notice of Meeting and Directors' Report**

With the permission of the members, the Notice of the meeting and Directors' Report alongwith annexures, having already been circulated, were taken as read. The Chairman also informed the members that all the required Registers/Documents were available for their inspection.

II. **Auditors' Report**

The Auditors' Report for the financial year ended 31st March, 2015 was read by Shri B.M. Jhamb, Company Secretary.

III. **Chairman Address**

The Chairman gave a brief review of the Company's operations during the financial year ended 31st March, 2015 and the future outlook. The Chairman also addressed the queries raised by the members and then stated that some of the suggestions made by them would be considered by the management of the Company at appropriate time in future. Copies of the Chairman's Speech were circulated among the members present.

IV. **E-voting Facility**

The Chairman then informed the members that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company had extended the e-voting facility to the members of the Company from 26th September, 2015 (9.00 AM) till 28th September, 2015 (5.00 PM) in respect of the Ordinary and Special Business to be transacted at the Annual General Meeting. He further informed that M/s. K.K. Sachdeva & Associates, Practicing Company Secretaries (CP No.4721) were appointed as Scrutinizer in the said process.

V. **Voting through Poll**

The Chairman then suggested to the members and proxy present and who had not voted electronically, to cast their vote through poll and instructed the Company Secretary to carry out the poll process for all the 10 resolutions specified in the AGM Notice. He declared that M/s. K.K. Sachdeva & Associates, Practicing Company Secretaries will act as the Scrutinizer in the poll process. The Chairman further informed that the Scrutinizer will count the votes and sign and submit the consolidated report to the Company within 2 working days from the conclusion of the meeting.

VI. **Result of E-voting and Poll**

The Chairman then informed the meeting that the result would be declared by the Company to the Stock Exchanges within 2 working days from the conclusion of the meeting and would be displayed on the website (www.ricoauto.com) of the Company. He also mentioned that the reports of the Scrutinizer on E-voting and the Poll would be available for inspection at the Registered Office of the Company.

VII. **Conduct of Poll**

As advised by the Chairman, the Company Secretary then conducted the voting procedure by distributing ballot papers after showing empty ballot box to the members, locking and sealing the empty ballot box in the presence of the members and proxy holders.

After ensuring that all members had casted their votes, the Scrutinizer closed the voting at around 1.15 PM and took custody of the ballot box.

VIII. **Vote of thanks**

The Chairman then thanked the members and declared the meeting as concluded.

IX. **Declaration of Result of the E-Voting and the Poll on the Ordinary and Special Business.**

On the basis of the Consolidated Scrutinizer Report dated 1st October, 2015 for the E-voting and the poll held at the Annual General Meeting on 29th September, 2015, the Chairman announced the results on 1st October, 2015 that all the 10 resolutions for the Ordinary and Special Business specified in the AGM Notice have been duly approved by the members with requisite majority, are recorded hereunder as part of the proceedings of the 32nd Annual General Meeting of the Company.

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1. **Adoption of Annual Accounts, Directors' Report and Auditors' Report.**

"Resolved that the Audited Financial Statement for the year ended 31st March, 2015 including Balance Sheet and the Profit & Loss Account for the year ended on that date together with Reports of Directors' and Auditors' thereon be and are hereby received, approved and adopted."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	%age	No. of Votes	%age	No. of Votes	%age
74709167	100%	74543132	99.778%	166035	0.222%

2. **Dividend on the Equity Share Capital**

"Resolved that the payment of Interim Dividend @100 percent i.e. Re.1/- per Equity Share of Re.1/- each aggregating to Rs.13,52,85,000/- be and is hereby confirmed."

"Resolved further that as recommended by the Board of Directors a dividend @200 per cent i.e. Rs.2/- per Equity Share of Re.1/- each aggregating to Rs.27,05,70,000/- be and is hereby declared on the paid-up Equity Share Capital of Rs.13,52,85,000/- for the year ended 31st March, 2015 and the same be paid to the members, holding shares in electronic form, whose names appear in the list of Beneficiary Owners provided by the Depositories as at the end of business hours on 22nd September, 2015 and for those holding shares in physical form whose names appear on the Register of Members as on 22nd September, 2015."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	%age	No. of Votes	%age	No. of Votes	%age
74709267	100%	74709267	100%	0	0.000%

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3. **Re-appointment of Shri Rakesh Kapur as Director**

"Resolved that Shri Rakesh Kapur (DIN: 00100359), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
74709167	100%	74542286	99.777%	166881	0.223%

4. **Ratification of Appointment of Auditors.**

"Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No.N500013) be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to audit the accounts of the Company for the financial year 2015-16, on such remuneration as may be agreed upon between the Board of Directors or any Committee thereof and the Auditors."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
74709167	100%	74708317	99.999%	850	0.001%

5. **Appointment of Mrs. Upasna Kapur as Director**

"Resolved that Mrs. Upasna Kapur (DIN: 00327461), who was appointed as an Additional Director of the Company with effect from 19th June, 2015 by the Board of Directors and who holds office upto the date of the Annual General Meeting under Section 161(1) of the Companies Act, 2013 and who being eligible for appointment as a Director and in respect of whom

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the Company has received a notice in writing from a Member, under Section 160 of the Companies Act, 2013 signifying her intention to propose the candidature of Mrs. Upasna Kapur for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from the date of this meeting."

"Resolved further that the Board of Directors of the Company be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
74709167	100%	74514282	99.739%	194885	0.261%

6. **Payment of Commission to Non-Executive Directors**

"Resolved that pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] the Directors (other than Executive Directors) of the Company, be paid remuneration by way of commission not exceeding an amount equal to one percent (1%) of the net profits of the Company subject to maximum limit of Rs.70.00 lacs (Rupees Seventy lacs only) for each financial year as computed under Section 198 of the Act commencing from 1st April, 2015 upto the year ending 31st March, 2020."

"Resolved further that the Board of Directors be and is hereby authorized to decide, from time to time, the quantum and manner of distribution of the amount of commission to one or more Directors within the limits prescribed and in terms of the Act."

"Resolved further that the aforesaid commission shall be exclusive of the sitting fees payable to such Directors for attending the meetings of the Board and the Committees thereof."

"Resolved further that consent of the Company be and is hereby accorded for payment of the aforesaid commission to such Directors who may be relatives of other Directors."

"Resolved further that the Board of Directors of the Company be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	%age	No. of Votes	%age	No. of Votes	%age
74708317	100%	74704044	99.988%	4273	0.006%

7. **Re-Appointment of Shri Arun Kapur (DIN:00100270) as Joint Managing Director and Payment of Remuneration.**

"Resolved that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all 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] and subject to other statutory approvals, if any, the consent of the Company be and is hereby accorded to the re-appointment of Shri Arun Kapur (DIN:00100270) as Joint Managing Director of the Company for a further period of five years w.e.f. 2nd May, 2015."

"Resolved further that Shri Arun Kapur, Joint Managing Director be paid remuneration effective from 1st April, 2015 for a period of three years (i.e. 01/04/2015 to 31/03/2018) on the following terms and conditions:

A. Salary: (Rs./Month)– 4.00 lacs (for three years)

B. Perquisites: These are classified into the following three categories:

PART-A

i) Housing:

a) The expenditure by the Company, on hiring furnished accommodation shall be subject to the following ceilings:

Sixty per cent of the Basic Salary, over and above ten per cent payable by him.

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b) If the Company does not provide accommodation, he shall be entitled to House Rent Allowance subject to the ceiling laid down in (a) above.

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent of the Salary.

ii) Medical Expenses: Reimbursement of expenses incurred for self and family in accordance with the rules of the Company for the time being in force and as amended from time to time.

iii) Leave Travel Concession: Leave travel concession for self and family once in a year incurred in accordance with the rules of the Company.

iv) Club Fees: Fees of clubs subject to a maximum of two clubs.

v) Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs.10,000/-.

NOTE: For the purpose of perquisites stated hereinabove, 'family' means the spouse and the dependent children of the appointee.

PART-B

i) Contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

ii) Gratuity, if payable under the Company's Rules shall not exceed half a month's salary for each completed year of service.

iii) Earned Leave and its Encashment: On full pay and allowances as per the rules of the Company, but not exceeding one month's leave for every eleven months of service.



PART-C

Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

The perquisites mentioned above in Part 'A' will be included in the computation of ceiling on remuneration whereas Part 'B' and 'C' will not be included.

Ceiling on Remuneration: The aggregate remuneration shall not exceed the limits provided in Section 197 read with Schedule V of the Companies Act, 2013 except with the previous approval of the Central Government.

Pursuant to Sub-paragraph A of Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to such compliances and 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 may pay to Shri Arun Kapur, Joint Managing Director remuneration by way of salary, perquisites and other benefits as mentioned above as minimum remuneration.

C. Commission: Commission shall be paid over and above the total remuneration stated herein based on net profits of the Company in a particular financial year as may be determined by the Board of Directors and Nomination and Remuneration Committee of the Company, which put together with salary and perquisites shall be subject to the overall ceiling specified in Section 197 and Section I of Part II of Schedule V of the Companies Act, 2013.

"Resolved further that the Board of Directors and/or Committee thereof of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

The resolution has been passed by requisite majority as under:

Total votes cast		**In favour**		**Against**	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
7011839	100%	6844658	97.616%	167181	2.384%

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8. **Ratification of Remuneration of Cost Auditors**

"Resolved that pursuant to the provisions of Section 148 and all 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] the remuneration payable to M/s. J.K. Kabra & Co. (Firm Registration No. 000009), Cost Accountants, be and is hereby ratified for the financial year 2015-2016 for carrying out Cost Audit on a total remuneration of Rs.1.50 lacs (Rupees One lac fifty thousand only) plus service tax.

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

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
74708617	100%	74708413	100%	204	0.000%

9. **Approval of Related Party Transactions**

"Resolved that pursuant to the provisions of Clause 49 (VII) of the Listing Agreement entered into with the Stock Exchanges (including any amendment or modification thereof) and applicable provisions of the Companies Act, 2013 read with relevant Rules thereto [including any statutory modification(s) or re-enactment thereof, for the time being in force] and subject to such other approvals, sanctions as may be required from other authorities under any laws or regulations or guidelines and after such alterations and modifications as may be specified by such other authorities while according the approval or sanction, wherever applicable, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to continue to enter into ongoing related party contract/arrangements/ transactions with Rico Aluminium and Ferrous Auto Components Limited, a step-down subsidiary of the Company, relating to sale, purchase or supply of products, goods or materials or availing or rendering of services and leasing of property of any kind (movable or immovable) up to an amount of Rs.350 Crores (Rupees Three hundred and fifty crores only) for the financial year 2015-16 on such terms and conditions as may be decided by the Board."

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"Resolved further that the Board of Directors of the Company be and are hereby authorized to do and perform all such acts, matters, deeds and things as may be necessary, without further referring to the Members of the Company in order to give effect to this resolution."

"Resolved further that all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects."

The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
7011889	100%	7010439	99.979%	1450	0.021%

10. **Adoption of new set of Articles of Association of the Company pursuant to the Companies Act, 2013.**

"Resolved that pursuant to the provisions of Sections 5 and 14 of the Companies Act, 2013 ('the Act'), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act [including any statutory modification(s) or re-enactment thereof for the time being in force] consent of Members of the Company be and is hereby accorded to alter the existing set of Articles of Association of the Company by replacing it with the new set of Articles of Association, and the new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in exclusion and substitution of the existing Articles of Association of the Company."

"Resolved further that for the purpose of giving effect to this resolution, the Board of Directors of Company be and are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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The resolution has been passed by requisite majority as under:

Total votes cast		In favour		Against	
No. of Votes	**%age**	**No. of Votes**	**%age**	**No. of Votes**	**%age**
74709192	100%	74709192	100%	0	0.000%

The Consolidated Results of the E-voting and Poll were also uploaded on the website www.ricoauto.com and website of BSE/NSE/NSDL.

Gurgaon
24-10-2015

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CHAIRMAN