

## Notice to the Shareholders

NOTICE is hereby given that the Sixth Annual General Meeting of the Company will be held at "Sathguru Gnanananda Hall", Narada Gana Sabha Trust, No.314 (Old No.254) T.T.K Road, Chennai 600 018 on Thursday, the 26<sup>th</sup> August 2010 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS

- 1. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT the audited balance sheet as at 31<sup>st</sup> March 2010 and the profit and loss account of the Company for the year ended on that date, together with the directors' report and the auditors' report thereon as presented to the meeting be and the same are hereby approved and adopted.

- 2. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:**

RESOLVED THAT, pursuant to the recommendation of the board of directors of the Company, a dividend of Rs.2.50 per share on 1,89,67,584 equity shares of Rs.5/- each fully paid up absorbing a sum of Rs.474.20 lakhs be and is hereby declared for the year ended 31<sup>st</sup> March 2010 and the same be paid to the shareholders whose name appear in the register of members of the Company as at the close of 20<sup>th</sup> August 2010.

- 3. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT Mr D E Udawadia, director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

- 4. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT Mr Leon Liu, director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

- 5. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT Mr Nikhil Madhukar Varty, director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

- 6. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT M/s S R Batliboi & Associates, Chartered Accountants, 2nd floor, TPL House, No.3 Cenotaph Road, Chennai 600 018, holding Firm Registration No.101049W allotted by the Institute of Chartered Accountants of India, be and are hereby appointed as statutory auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix their remuneration and reimburse their travelling and out of pocket expenses.

### SPECIAL BUSINESS

- 7. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

RESOLVED THAT subject to Section 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereto and in partial modification of the ordinary resolution at item No.8 passed by the shareholders, in the Fifth Annual General Meeting of the Company held on 24<sup>th</sup> September, 2009, approval of the shareholders of the Company be and is hereby accorded to the increase in the remuneration payable to Mr P Kaniappan, Wholetime Director from 1<sup>st</sup> April 2010 until the expiry of his present term of office on 16<sup>th</sup> June 2014 as under :

- Salary and commission on net profits or performance linked incentive or bonus:

Subject to a ceiling of Rs 65 lakhs per annum and

- Perquisites and allowances:

Perquisites like unfurnished accommodation/house rent allowance, conveyance allowance, leave travel assistance for self and family, club fees, earned leave, medical/personal accident insurance premia and other benefits or amenities in aggregate restricted to a sum not exceeding Rs 35 lakhs per annum.

RESOLVED FURTHER THAT all other terms and conditions of the appointment and payment of remuneration to Mr P Kaniappan, Wholetime Director, as approved by the shareholders by the said ordinary resolution passed at the Fifth Annual General Meeting of the Company held on 24<sup>th</sup> September, 2009, shall remain unchanged.

RESOLVED FURTHER THAT the Supplemental Agreement dated 28<sup>th</sup> July 2010 between the Company and Mr P Kaniappan placed on the table incorporating the above increase in his remuneration, be and is hereby approved.

By order of the board

Chennai  
28<sup>th</sup> July 2010

R MADHAVAN  
General Manager (Finance) and Secretary

Registered office:  
Plot No 3 (SP), III Main Road  
Ambattur Industrial Estate  
Chennai 600 058.

**Notes:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy or proxies so appointed need not be a member or members, as the case may be, of the Company. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the meeting.**
2. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item no.6 and 7 as set out in the notice is annexed hereto.
3. The Register of Members and the share transfer register will remain closed for a period of 6 days from 21<sup>st</sup> August 2010 to 26<sup>th</sup> August 2010 (both days inclusive) for the purpose of payment of dividend to be approved by the shareholders at the ensuing annual general meeting of the Company.
4. In terms of Section 205A read with Section 205C of the Companies Act, 1956, the dividends declared by the Company, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government on the due dates. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the report on Corporate Governance forming part of the annual report.  
  
Members who have not encashed their dividend warrants in respect of the above periods are requested to make their claim by surrendering the unencashed warrants immediately to the Company.
5. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
6. Members are requested to notify to the Company immediately any change in their address. Members holding shares in depository are requested to advise change of address to their depository participants.
7. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Members are, therefore, requested to bring their copies of the annual report to the meeting.
8. Members are requested to affix their signature at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
9. In terms of clause 49 (IV)(G) of the listing agreement with the stock exchanges, a brief resume of directors, who are proposed to be re-appointed in this meeting, nature of their expertise in specific functional areas, their other directorships and committee

memberships and their shareholdings in the Company and their relationships with other directors in the Company are given below:

**Brief resume and other information in respect of directors seeking re-appointment at the annual general meeting**

**Mr D E Udvardia**

Mr Darius E Udvardia is a post graduate from University of Bombay. He is an advocate and solicitor of the Bombay High Court. He is also a Solicitor of the Supreme Court of England.

Mr Udvardia was a partner of Crawford Bayley & Co., Mumbai, one of the India's leading law firms for nearly 20 years. He is a founder partner of Udvardia & Udeshi, Advocates and Solicitors, Mumbai.

He has during his nearly 45 years of active law practice acquired valuable knowledge, experience and expertise in the areas of corporate law, mergers, acquisitions and take overs, corporate restructuring, foreign collaboration, joint ventures, project finance, international loan and finance related transactions and financial instruments, mutual funds, real estate and conveyancing.

He is a member of the audit committee of directors of the Company. He does not hold any share in the Company and he is not related to any other directors of the Company. Details of his other directorships and membership/chairmanship of committees are given below:

S. No.	Name of the company	Position held	Committee membership/ chairmanship
1	ABB Ltd.	Director	Member - Audit Committee - Chairman - Shareholders' grievance Committee
2	ADF Foods Ltd.	Director	
3	AstraZeneca Pharma India Ltd.	Chairman	Member - Audit Committee
4	The Bombay Burmah Trading Corporation. Ltd.	Director	Member - Audit Committee
5	Development Credit Bank Ltd.	Director	Member - Audit Committee
6	Eureka Forbes Ltd.	Director	
7	ITD Cementation India Ltd.	Director	Member - Audit Committee
8	JM Financial Ltd.	Director	
9	MPS Limited	Director	Member - Audit Committee
10	Mechanalysis (India) Ltd.	Director	

S. No.	Name of the company	Position held	Committee membership/ chairmanship
11	Nitesh Estates Ltd.	Director	Chairman- Audit Committee
12	Wyeth Ltd.	Director	Member - Audit Committee
13	Habasisit lakoka Pvt .Ltd.	Director	
14	JM Financial & Investment Consultancy Services Pvt. Ltd.	Director	
15	JM Financial Trustee Company Pvt. Ltd.	Director	
16	JM Financial Consultants Pvt. Ltd.	Director	
17	Quantum Advisors Pvt. Ltd.	Director	Member - Audit Committee
18	Rossi Gearmotors (India) Pvt. Ltd.	Director	
19	Conservation Corporation of India Pvt . Ltd.	Director	
20	R & P Management Communications Pvt. Ltd.	Director	

**Mr Leon Liu**

Born on 13th November 1961, Mr Leon Liu is WABCO Vehicle Control Systems' regional president for the Asia & Pacific (Asia) business unit. Leon is responsible for WABCO's business objectives in Asia and he leads the team that drives regional business, integrates local market needs and requirements and implements strategies aligned with product and aftermarket business units.

Mr Leon Liu brings more than 20 years of U.S and Asia Pacific Automotive Engineering and Tier 1 Supplier experience to WABCO. His career began with major Japanese Tier 1 suppliers, then progressed to Ford Motor Company and Visteon Corporation where he held management positions of responsibility, in product development, product launches, program management, corporate strategy and business development. Mr Leon Liu joined WABCO after serving as Visteon's director of business planning and strategy for the company's Asia operations.

A native of China, Mr Leon Liu earned a bachelor's degree in engineering from Donghua University, Shanghai, China, a master's degree in business administration in general management from Michigan State University, East Lansing, Mich., U.S. and a Ph.D in materials science and engineering from the Tokyo Institute of Technology in Japan. He is fluent in Japanese, English and Chinese.

He is not a member of any committee of board of directors of any other company or the Company. He does not hold any share in the Company and he is not related to any other directors of the Company. Details of his other directorships are given below:

S. No.	Name of the company	Position held
1	WABCO Korea Limited	Director
2	Shandong Weiming Automotive Product Co. Ltd.	Chairman / Director
3	WABCO (China) Co.Limited	Chairman / Director
4	WABCO Automotive Products Limited	President / Director
5	WABCO Asia Private Limited	Director
6	WABCO Australia Pty.Limited	Chairman / Director
7	WABCO Hong Kong Limited	Director
8	WABCO Logistic (Qingdao) Co.Limited	Chairman / Director
9	WABCO (Shanghai) Management Co.,Limited	Chairman / Director
10	WABCO Japan Inc.	Director

**Mr Nikhil Madhukar Varty**

Born on 16th August 1964, Mr Nikhil Madhukar Varty is a post graduate in commerce from University of Bombay and a Chartered Accountant. He also has an MBA degree from University of Scranton, Pennsylvania, USA. He has worked with Sony Orson and Borosil Glass works in India and for Coopers & Lybrand, Allied Signal (now Honeywell) and Great Lakes Chemicals in the USA.

He has 24 years of experience in various business leadership, finance and consulting roles. At present, he is the vice president and business unit leader for the Compression & Braking business unit of WABCO Vehicle Control Systems and works in Brussels, Belgium.

He is not a member of any committee of board of directors of any other company or the Company. He does not hold any share in the Company and he is not related to any other directors of the Company. Details of his other directorships are given below:

S. No.	Name of the company	Position held
1	WABCO Holdings Inc U S A	Executive Officer
2	WABCO Compressor Manufacturing Company, USA	Chairman
3	WABCO Automotive AB, Sweden	Director

**Explanatory statement pursuant to Section 173(2)  
of the Companies Act, 1956**

**Item No. 6**

The current statutory auditors of the Company, Messrs. Sundaram & Srinivasan, Chartered Accountants, retire at the ensuing annual general meeting. They have advised the Company that they do not wish to be re-appointed as the Company's auditors at the ensuing annual general meeting. In view thereof, your Directors have recommended that Messrs. S.R. Batliboi & Associates, Chartered Accountants, holding firm registration no.101049W allotted by the Institute of Chartered Accountants of India, be appointed as the Company's auditors at the ensuing annual general meeting.

The Company has also received a letter from M/s. S R Batliboi & Associates, Chartered Accountants, expressing their willingness and stating that their appointment, if made, will be within the prescribed limit under section 224(1B) of the Companies Act, 1956.

Accordingly, the resolution is placed before the shareholders for their approval.

The directors recommend the resolution as set out in Item No.6 of the accompanying notice to be approved as an ordinary resolution by the Shareholders.

**Item No: 7**

Mr P Kaniappan was appointed as a Wholetime Director for a period of five years with effect from 17th June 2009 by the board of directors of the company on 17th June 2009. The appointment and payment of remuneration to Mr P Kaniappan was approved by the shareholders by an ordinary resolution passed at the Fifth Annual General Meeting of the Company held on 24th September 2009.

In line with the general increase in remuneration payable to senior executives of the Company and in recognition of the valuable services provided by him, the board of directors, in their meeting held on 28th July 2010, has revised the remuneration payable to Mr P Kaniappan as per details given below with effect from 1st April 2010 until the expiry of his present term of office on 16th June 2014. The increase in remuneration of Mr P Kaniappan is well within the limits prescribed under Schedule XIII of the Companies Act, 1956.

1. Salary and commission on net profits or performance linked incentive or bonus:

Subject to a ceiling of Rs 65 lakhs per annum as against the present limit of Rs 45 lakhs per annum;

2. Perquisites and allowances:

Perquisites like unfurnished accommodation/house rent allowance, conveyance allowance, leave travel assistance for self and family, club fees, earned leave, medical/personal accident insurance premia and other benefits or amenities, in aggregate restricted to a sum not exceeding Rs 35 lakhs per annum as against the present limit of Rs 25 lakhs per annum.

All other terms and conditions of his appointment, as approved by the shareholders at the Fifth Annual General Meeting of the Company held on 24th September 2009, shall remain unchanged.

A Supplemental Agreement dated 28th July 2010 has been entered into by the Company with Mr P Kaniappan incorporating the above increase in his remuneration.

The above increase in Mr Kaniappan's remuneration as reflected in the said Supplemental Agreement may be treated as an abstract of variation under section 302 of the Companies Act, 1956.

A copy of the Supplemental Agreement dated 28th July 2010 referred to in the ordinary resolution will be open for inspection by shareholders between 11.00 a.m. and 2.00 p.m. on any working day of the Company at the Company's Registered Office.

The directors recommend the resolution at item no. 7 of the Notice for approval by the shareholders.

None of the directors, except Mr P Kaniappan is deemed to be interested or concerned in the resolution.

By order of the board

Chennai  
28<sup>th</sup> July 2010

R MADHAVAN  
General Manager (Finance) and Secretary

Registered office:  
Plot No.3 (SP), III Main Road  
Ambattur Industrial Estate  
Chennai 600 058