

**MAHINDRA SONA LIMITED**

(Corporate Identification Number : U30007MH1994PLC081637)  
Registered Office: 31, Maker Chamber VI, Nariman Point, Mumbai 400 021  
Website: [www.mahindrasona.com](http://www.mahindrasona.com) email: [secretary@mahindrasona.com](mailto:secretary@mahindrasona.com)  
Phone: 022-67432888 Fax:022-67432880

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF MAHINDRA SONA LIMITED WILL BE HELD ON WEDNESDAY, 15<sup>TH</sup> DAY OF MARCH 2017, AT 11.00 A.M. AT 31, MAKER CHAMBER VI, NARIMAN POINT, MUMBAI 400 021 TO TRANSACT THE FOLLOWING BUSINESS:**

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**Special Business:**

**1. CHANGE IN NAME OF THE COMPANY:**

To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**

**"RESOLVED THAT** pursuant to Section 13(2) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014, subject to approval of the Registrar of Companies and any other Regulatory Authorities as may be necessary, consent of the Members be and is hereby accorded to change the name of the Company from **"MAHINDRA SONA LIMITED"** to **"MSL DRIVELINE SYSTEMS LIMITED"**

**"RESOLVED FURTHER THAT** the name **MAHINDRA SONA LIMITED** wherever appearing in the Memorandum and Articles of Association, documents etc. be substituted by the new name **MSL DRIVELINE SYSTEMS LIMITED** upon approval of the same by the Registrar of Companies."

**"RESOLVED FURTHER THAT** Mr. Gaurav Motwane, Chairman, Managing Director & CEO and/or Mr. Mahendra Salunke, Company Secretary of the Company, be and are hereby jointly and/or severally authorized to make the necessary application to the Registrar of Companies for the approval of the aforesaid name and to take all such steps that may be required to give effect to this resolution."

**2. ALTERATION OF MEMORANDUM OF ASSOCIATION AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), (including any statutory modification or re-enactment thereof, for the time being in force) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force) and in accordance with the Table A of the Schedule I of the Act, consent of the members be and is hereby accorded for alteration in the Memorandum of Association of the Company by merging the Objects of the Company mentioned under Clause III (C) – "Other Objects" with Clause III (B) – "Objects Incidental or Ancillary to the attainment of the Main Objects" and consequently changing the object numbering as may be appropriate;

**"RESOLVED FURTHER THAT** in accordance with the Table A of the Schedule I of the Act, the Clause III (A) and III (B) of the Memorandum of Association of the Company, be renamed as under: "

**“Clause III (A) – The objects to be pursued by the Company on its incorporation are:**

**Clause III (B) – Matters which are necessary for furtherance of the objects specified in Clause III (A) are:”**

**“RESOLVED FURTHER THAT** Mr. Gaurav Motwane, Chairman, Managing Director & CEO and/or Mr. Mahendra Salunke, Company Secretary of the Company, be and are hereby jointly/severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

**3. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY PURSUANT TO THE PROVISIONS OF SECTION 5 OF THE COMPANIES ACT, 2013:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 5 and 14 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with the rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), the new set of Articles of Association be and is hereby approved and adopted as Articles of Association in place of the existing Articles of Association of the Company.

**“RESOLVED FURTHER THAT** Mr. Gaurav Motwane, Chairman, Managing Director & CEO and/or Mr. Mahendra Salunke, Company Secretary of the Company, be and are hereby jointly/severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

**4. RE-APPOINTMENT OF MR. GAURAV MOTWANE (DIN: 00746165) AS THE MANAGING DIRECTOR OF THE COMPANY:**

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

**“RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to the provisions of Section 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014 and Schedule V of the Act (including any statutory modification, variation thereto or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Gaurav Motwane (DIN: 00746165), as the Managing Director of the Company for the period of five years, with effect from April 1, 2017 to March 31, 2022, as well as the payment of salary, commission and perquisites (hereinafter referred to as ‘remuneration’), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with the authority to the Board of Directors to alter and vary the terms and conditions of the re-appointment and/or agreement in such manner as may be agreed to between the Board and Mr. Gaurav Motwane.

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. Gaurav Motwane shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**By the Order of the Board**

**Sd/-  
Mahendra Salunke  
Company Secretary**

Date: 13 February 2017

Place: Mumbai

**NOTES FOR MEMBERS' ATTENTION:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER.**

**THE INSTRUMENT (PROXY FORM ATTACHED HERewith) APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**

2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Item no. 1 & 4 of the Notice set out above, is annexed hereto.
3. A Member or his/her Proxy is requested to bring the copy of the notice to the meeting and produce at the entrance of the meeting venue an attendance slip duly completed and signed.
4. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Computershare Private Limited having their office at Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The members whose names appear in the Register of Members / Beneficial Position on the date of this notice are entitled to receive this notice and vote at the meeting.
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. All the documents referred in the Notice and in the Explanatory Statement and Register of Directors' Shareholding are open for inspection, during the business hours, at the Registered Office of the Company upto and including the date of this Extra Ordinary General Meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

### **Item No. 1**

Pursuant to joint venture (JVC) between Mahindra & Mahindra Ltd (M&M) and Sona Group, the Company was permitted to use the word or mark 'Mahindra' as part of its corporate name and to carry on and to continue to carry on its business under a trade or business name including the mark 'Mahindra'. Upon the transfer of Shares from M&M to MSONA Automotive Components Private Ltd, JVC stands terminated and therefore Company has to discontinue the use of the name 'Mahindra'.

The Registrar of Companies, Ministry of Corporate Affairs has informed that there is no objection in the availability of the changed name 'Mahindra Driveline Systems Limited' from the existing name 'Mahindra Sona Limited'. In terms of Section 4 of the Companies Act, 2013, approval of the shareholders is required for Change of Name of the Company. The Change in Name of the Company as aforesaid does not in any way affect the legal status or constitution of the Company, nor does it affect any rights or obligations of the Company.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item no. 1 of the Notice for change of name of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.1.

### **Item No. 2**

The Memorandum of Association of the Company was originally adopted when the Company was incorporated under the Companies Act, 1956. The Companies Act, 2013 (the Act), has prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging the Objects under Clause III (C) – "Other Objects" with Clause III (B) – "Objects Incidental or Ancillary to the attainment of the Main Objects" and also to rename Clause III (A) and III (B) of the Object Clause. Except stated hereinbefore, no other alterations are proposed in the existing Memorandum of Association of the Company. In terms of Section 13 of the Act, approval of the members is required by way of special resolution for alteration of Memorandum of Association of the Company.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item no. 2 of the Notice for alteration of Memorandum of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.2.

### **Item No. 3**

The Articles of Association of the Company as currently in force were originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. With the coming into force of the Companies Act, 2013 several articles of the existing Articles of Association of the Company require alteration / deletions. Given the position, it is considered expedient to wholly replace the existing Articles of Association with a new set of Articles. It is thus prudent to adopt new set of Articles of Association (primarily based on Table F as set out under Schedule I the Companies Act, 2013), in place of existing Articles of Association of the Company instead of amending the Articles of Association by

alteration/incorporation of provisions of the Companies Act, 2013.

In terms of the provisions contained in Sections 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item no. 3 of the Notice for alteration of Articles of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

#### **Item No. 4**

Mr. Gaurav Motwane, who joined the Company in May 2004 and was subsequently appointed as an Executive Director and President for a period of 5 years w.e.f. 1st April 2012. Mr. Motwane joined Mahindra Sona Limited as President – Business Development and during his more than a decade long association with the Company, Mr. Motwane was re-designated and appointed as the Chairman, Managing Director and CEO of the Company.

The present term of Mr. Motwane will expire by efflux of time on March 31, 2017. As per provisions of Section 196 of the Companies Act, 2013 (the 'Act') no re-appointment of Managing Director shall be made earlier than one year before the expiry of his term.

Mr. Motwane has rich and varied experience in the industry and has been involved in the operations of the Company over more than 12 years. Over the past decade, Mr. Motwane has worked closely with world class automotive component companies to develop and roll out cutting edge product and process technologies for driveline systems in India. He has spearheaded establishing a state the art world class R&D and testing facility in Mahindra Sona recognized by the Department of Scientific Research (Govt. of India) which is at the forefront of technological and process innovation of propeller shaft and driveline products. Mr. Gaurav Motwane holds a Bachelor's Degree in Business Administration, Marketing and Entrepreneurial Management from Wharton School, University of Pennsylvania, USA.

The re-appointment of Mr. Motwane is appropriate and in the best interest of the Company. Therefore, it is proposed to re-appoint Mr. Motwane as the Managing Director & CEO of the Company for further period of 5 years w.e.f. 1st April 2017. Mr. Gaurav Motwane has submitted declaration with the Company that he fulfills the criteria stated in Part I of Schedule V to the Act. The Nomination & Remuneration Committee has recommended and Board has also approved appointment of and remuneration payable to Mr. Gaurav Motwane as Managing Director for the period of five years as stated above.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Gaurav Motwane and the terms and conditions of the re-appointment are given below:

- A.** Remuneration comprising of salary and commission on profits/performance linked bonus:
- (a) Basic Salary Rs. 11,25,000/- (Rupees Eleven Lakh Twenty Five Thousand Only) per month which is eligible for revision on a date to be determined by the Compensation Committee.
  - (b) In addition to the above salary, such remuneration by way of commission at the rate of 5% of the Net Profits (computed in the manner given under Section 198 of the Companies Act, 2013) of

the Company in each financial year subject to overall ceilings stipulated in section 197 of the Companies Act, 2013 read with Schedule V to the said Act, as amended / modified / re-enacted from time to time.

**B. Perquisites/Benefits**

In addition to above remuneration Mr. Gaurav G. Motwane, Executive Director and President shall also be entitled to perquisites as under:

- (i) Housing;  
Furnished residential accommodation or House rent allowance of 60% of salary in lieu of residential accommodation.
- (ii) Reimbursement of gas, electricity and water, repairs and maintenance of residential accommodation, club fees and leave travel allowance for self and family. The annual value of these perquisites calculated in accordance with the rules prescribed under the Income Tax Act, shall be restricted to 25% of the annual salary mentioned in B (a) above.

The Managing Director shall also be entitled to the following benefits, payments and reimbursements, subject to the provisions of the Companies Act, 2013, which shall not be considered in computing overall ceiling of remuneration:

- (a) Medical Reimbursement: Expenses incurred for the Director and his family including dependent parents on actual basis as per Company rules.
- (b) Provision for use of chauffeur driven Company car, use of telephone at residence (including payment for local calls and long distance official calls), mobile phone, internet and other communication facilities.
- (c) Contribution to the Provident Fund and Superannuation Fund or Annuity Fund as per rules applicable to senior executives of the Company.
- (d) Contribution towards Gratuity Fund as per the rules of the Company.
- (e) Such other benefits, amenities and facilities such as Medical Insurance, Personal Accident Insurance, Travel Allowance, Leave Encashment and other reimbursements as per Company's rules.

**C. Other Terms and Conditions**

(a) Valuation of Perquisites:

Unless otherwise stipulated, for the purpose of this resolution, the perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.

(b) Minimum Remuneration:

Where in any financial year comprised by the period of appointment, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid or given to the Managing Director in accordance with the applicable provisions of Schedule V to the Companies Act, 2013 and subject to the approval of the Central Government, wherever required.

(c) The aggregate of the salary, allowances and perquisites in any financial year shall be subject to the limits prescribed from time to time under Section 197 and other applicable provisions of the

Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force, or otherwise as may be permissible by law.

(d) The Managing Director shall not be liable to retire by rotation.

(e) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.

(f) No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.

Mr. Gaurav G. Motwane is interested in the resolution set out at Item No. 4 of the accompanying notice, since it relates to his appointment. Mr. Gaurav Motwane is member of the Company and relative of Mrs. Superna Motwane, director and member of the Company. A statement containing details required under Secretarial Standard (SS-2) is given as per Annexure 1.

Accordingly, the Board recommends the passing of the Special Resolution as set out in the Item no. 4 of the Notice for alteration of Memorandum of Association of the Company.

Except Mr. Gaurav Motwane and Mrs. Superna Motwane or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

**By the Order of the Board**

**Sd/-  
Mahendra Salunke  
Company Secretary**

Date: 13 February 2017  
Place: Mumbai

**Annexure '1'**

Name of Director : Mr. Gaurav Motwane  
DIN : 00746165  
Date of Birth : April 18, 1972  
Qualification : Bachelor's Degree in Business Administration, Marketing and Entrepreneurial Management from Wharton School, University of Pennsylvania, USA  
Experience : 12 Years  
Date of first appointment on Board : April 1, 2006  
Terms & Conditions of appointment : As stated in the Explanatory Statement u/s 102 of the Companies Act, 2013 of the Notice of the Extra Ordinary General Meeting of the Company  
Remuneration : Sitting Fees as per policy of the Company  
Shareholding in the Company : 7,500  
Relationship with other directors, Manager or KMP : Mrs. Superna Motwane - Wife  
No. of Meetings of the Board attended during the year : 5 out of 5 (till the date of this notice)  
No. of directorship of other companies : Public: 1  
Private: 6  
\*Membership/Chairmanship of other Committees of Board (only Audit Committee, Nomination & Remuneration Committee and Stakeholders grievances committee are considered) : Audit Committee: Membership : 1  
Chairmanship: 0

\*(Details are provided including membership of committees of board of Mahindra Sona Limited)



**MAHINDRA SONA LIMITED**

(Corporate Identification Number : U30007MH1994PLC081637)  
Registered Office: 31, Maker Chamber VI, Nariman Point, Mumbai 400021  
Website: www.mahindrasona.com email: mslfort@vsnl.com  
Phone: 022-67432888 Fax: 022-67432880

**ATTENDANCE SLIP**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name & Registered : \_\_\_\_\_  
Address of the Shareholder : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Folio No. :

DP ID. :

Client ID :

No. of Shares :

I hereby record my presence at the EXTRA ORDINARY GENERAL MEETING of the Company being held at 31, Maker Chamber VI, Nariman Point, Mumbai 400021 on Wednesday, 15th March 2017 at 11.00 a.m.

|   |  |
|---|--|
| Name(s) of the Shareholder(s)/<br>Representative/Proxy<br>(IN BLOCK CAPITALS) |  |
| Signature(s) of the Shareholder(s)/<br>Representative/Proxy                   |  |

NOTE: You are requested to bring your copy of the Annual Report to the Meeting.

**Form No. MGT-11  
Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rule, 2014]

CIN: U30007MH1994PLC081637

Name of the Company: MAHINDRA SONA LIMITED

Registered Office: 31, Maker Chamber VI, Nariman Point, Mumbai 400021

|                         |
|-------------------------|
| Name of the members(s): |
| Registered address:     |
| e-mail ID:              |
| Folio No. / Client ID:  |
| DP ID:                  |

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint:

|   |            |
|---|------------|
| 1 | Name:      |
|   | Address:   |
|   | e-mail ID: |
|   | Signature: |

, or failing him

|   |            |
|---|------------|
| 2 | Name:      |
|   | Address:   |
|   | e-mail ID: |
|   | Signature: |

, or failing him

|   |            |
|---|------------|
| 3 | Name:      |
|   | Address:   |
|   | e-mail ID: |
|   | Signature: |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Company, to be held on Wednesday, the 15th day of March, 2017 at 11.00 a.m. at 31, Maker Chamber VI, Nariman Point, Mumbai 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

|    |  |  |
|----|--|--|
| 1. | To change the name of the Company from "MAHINDRA SONA LIMITED" to "MSL DRIVELINE SYSTEMS LIMITED"                                |  |
| 2. | Alteration of Memorandum of Association as per the provisions of the Companies Act, 2013   |  |
| 3. | Adoption of new set of Articles Of Association of the Company Pursuant To The Provisions Of Section 5 Of The Companies Act, 2013 |  |
| 4. | Re-appointment of Mr. Gaurav Motwane (DIN: 00746165) as the Managing Director of the Company                                     |  |

Signed this ..... day of ..... 2017

Signature of shareholder:

Signature of Proxy holder(s):

|                           |
|---------------------------|
| Affix<br>Revenue<br>Stamp |
|---------------------------|

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**ROUTE MAP TO THE VENUE OF EOGM**

