



OMAX AUTOS LIMITED

Registered Office: 69 KM Stone, Delhi Jaipur Highway,
Dharuhera, Distt. Rewari - 122106, Haryana (India)

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

Dear Member(s),

Notice is hereby given that pursuant to Section 192A of the Companies Act, 1956 (the Act) read with the Companies (passing of the Resolution by postal Ballot) Rules, 2011 (the Rules), the Company is seeking consent of its members in respect of special Businesses, which proposes to be passed through Postal Ballot process.

In order to facilitate wider participation of Members in approval process, the company is seeking your approval through postal ballot process and is enclosing herewith the proposed resolutions and explanatory statements thereto along with a Postal Ballot form for your consideration and approval.

Dr. S. Chandrasekaran, Senior Partner or failing him Mr. Rupesh Agarwal, Partner of M/s. Chandrasekaran Associates, Company Secretaries has been appointed as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed in the attached self-addressed pre-paid Business Reply Envelope so as to reach the Scrutinizer on or before the close of working hours on 15th day of January, 2014.

The result of Postal Ballot will be announced by the Managing Director, Mr. Jatender Kumar Mehta or any other person duly authorised by him at 2:00 p.m. on Friday, the 24th day of January, 2014 at the Corporate Office of the Company at Plot No.B-26, Institutional Area, Sector-32, Gurgaon-122001, Haryana.

Place: Gurgaon

Date: 11th Nov, 2013

By order of the Board
For **Omax Autos Limited**

Sd/-
Sanjeev Kumar
(Company Secretary)

Enclosures:

1. Resolutions along with Explanatory Statement.
2. Postal Ballot Form and self-addressed Business Reply Envelope.

SPECIAL BUSINESSES:

ITEM NO. 1

APPROVAL OF THE REMUNERATION OF MR. JATENDER KUMAR MEHTA, MANAGING DIRECTOR.

To consider and, if thought fit, to give assent or dissent to the following Resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), and subject to the approval of the Central Government, consent of the members be and is hereby accorded to the payment of the following remuneration to Mr. Jatender Kumar Mehta, Managing Director of the Company with effect from 1st January, 2014 for his remaining tenure i.e. up to 31st December, 2015:

Sr. no	Particulars	Description
1.	Basic Salary Scale (Monthly)	Rs. 12,50,000- 1,25,000-17,50,000.
2.	Retirement Benefit	Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the Computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.
3.	Earned Leave:	On Salary and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of tenure will not be treated as perquisites.
4.	House Rent allowance.	40% of monthly Salary, but subject to overall payment during the year (comprising 12 months) will not exceed from 40% of Annual salary.
5.	Conveyance and other Facilities	Provision of a Car with Driver for use on Company's business and telephone at the residence and mobile phone 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. Further one Club membership fees will be paid by the company.

FURTHER RESOLVED THAT above remuneration can be paid by way of monthly, quarterly or annually subject to overall remuneration paid during any year, comprising 12 months should not exceed Rs. 210 Lac for the calendar year 2014 and Rs. 231 Lac for the calendar year 2015 plus Retirement Benefit, Earned Leave and conveyance and other facilities as mentioned above.

FURTHER RESOLVED THAT for the calculation of overall limit of the salary including perquisites, the Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the necessary steps in this regard."

ITEM NO. 02

APPROVAL OF THE REMUNERATION OF MR. JAGDISH CHANDRA JHURANEY, WHOLE-TIME DIRECTOR.

To consider and, if thought fit, to give assent or dissent to the following Resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time, the consent of the Members be and is hereby accorded to the payment of following remuneration to Mr. Jagdish Chandra Jhuraney, Whole-time Director of the Company for a period of three years with effect from 1st May, 2013 to 30th April, 2016:

Sr. no	Particulars	Description
1.	Basic Salary Scale (Monthly)	Rs. 3,51,100-35,110-4,21,320.
2.	House Rent allowance	40% of monthly Salary, but subject to overall payment during any Financial year will not exceed 40% of Salary.
3.	Retirement Benefit	Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the Computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.
4.	Earned Leave:	On Salary and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.
5.	Conveyance and other Facilities	Provision of a Car with Driver for use on Company's business and telephone at the residence and mobile phone 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.

MINIMUM REMUNERATION

RESOLVED FURTHER THAT notwithstanding anything contained in the above Resolution where during the term of employment of the Whole-time Director, in the event of loss or inadequacy of profit in any financial year, the remuneration including perquisites and other benefits as mentioned in the above resolution will be paid as minimum remuneration with necessary approvals and in compliance of the provisions of Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the necessary steps in this regard."

ITEM NO. 03

APPROVAL OF THE REMUNERATION OF MRS. SAKSHI KAURA, WHOLE-TIME DIRECTOR .

To consider and, if thought fit, to give assent or dissent to the following Resolution as a **Special Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time, consent of the members be and is hereby accorded to the payment of following Remuneration to Mrs. Sakshi Kaura, Whole-time Director of the Company for the remaining period of service, i.e. with effect from 1st April, 2013, to 24th January, 2016 :

Sr. no	Particulars	Description
1.	Basic Salary Scale (Monthly)	Rs. 280000-28000-336000.
2.	House Rent allowance	40% of monthly Salary, but subject to overall payment during any Financial year will not exceed 40% of Salary.
3.	Retirement Benefit	Contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the Computation of the ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.
4.	Earned Leave:	On Salary and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.
5.	Conveyance and other Facilities	Provision of a Car with Driver for use on Company's business and telephone at the residence and mobile phone 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.

MINIMUM REMUNERATION

RESOLVED FURTHER THAT notwithstanding anything contained in the above Resolution where during the term of employment of the Whole-time Director, in the event of loss or inadequacy of profit in any financial year, the remuneration including perquisites and other benefits as mentioned in the above resolution will be paid as minimum remuneration with necessary approvals and in compliance of the provisions of Section II of Part II of Schedule XIII to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all the necessary steps in this regard."

Place: Gurgaon
Date: 11th Nov, 2013

By order of the Board
For **Omax Autos Limited**

Sd/-
Sanjeev Kumar
(Company Secretary)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ON THE ABOVE SAID RESOLUTIONS:

Item No. 1

Mr. Jatender Kumar Mehta, a technocrat, is the main promoter of the Company. He devotes his full time for the overall performance of the Company and is instrumental in expansion, diversification of business including exports. Other Details of Mr. Jatender Kumar Mehta are as under:-

Name of employee	Mr. Jatender Kumar Mehta
Designation	Managing Director
Director Identification	00028207
Qualification	B.E.
Date of Birth	11/04/1949
Experience	40 years
Date of Appointment as Director	28/10/1983
Previous held position before joining the present Company of employment	Partner- Omax Engineers
No. Of Equity Shares held	1767931
% of equity share capital held	8.27%
Relationship with other Director	A) Mr. Ravinder Mehta, Managing Director (Brother) B) Mrs. Sakshi Kaura, Whole-time Director (Daughter)

The members of the Company had consented to the re-appointment and remuneration of Mr. Jatender Kumar Mehta, Managing Director at the Annual General Meeting of the Company held on 30th September 2010 for a period of five years. The Company secured the approval of the Central Government vide letter No. B03342409/5/2011-CI.VII dated 18th April, 2011 for a total Remuneration of Rs 126 lac per annum for a period of three years w.e.f 01/01/2011 to 31/12/2013.

Further, in view of the performance of the Company under guidance of our Worthy Managing Director, Shareholders of the Company have accorded their approval through postal ballot on 28th March, 2012, to increase remuneration of Mr. Jatender Kumar Mehta, Managing Director to Rs. 12.5 Lac per month and 40% thereof in the form of any kind of Perquisite. However, in current financial year due to overall slowdown in the Industry, the company does not have adequate profits and consequently the Company is not paying the Remuneration to Managing Director as approved by the Shareholders.

The Board of directors accordingly recommends the resolution set out at the item No. 1 of the accompanying Notice for the approval of the Members. Your approval is sought by voting through Postal Ballot process as a Special Resolution.

This may also be treated as an abstract of terms and conditions and Memorandum of interest under Section 302 of the companies Act, 1956.

None of the Directors, Chief Financial Officer, Company Secretary, Whole Time Director, except Mr. Jatender Kumar Mehta, Mr. Ravinder Mehta and Mrs. Sakshi Kaura is concerned or interested in this resolution.

Item No. 2

Mr. Jagdish Chandra Jhuraney aged 64 years, who was already in whole-time employment as Chief Executive-HR and Organization Development, was appointed as an additional Director on the Board of the Company and accordingly he became Whole-time Director of the Company. Further, his appointment as a Whole-time Director was approved by the Shareholders in Annual General Meeting held on 7th Sept, 2013 for a period of three years with effect from 1st May, 2013 to 30th April, 2016 on the monthly salary of Rs. 3,51,100-35,110-4,21,320.

Other details of Mr. Jagdish Chandra Jhuraney are as under:

Name of employee	Mr. Jagdish Chandra Jhuraney
Designation	Whole-time Director
Director Identification	06567356
Qualification	A.) M.A in Economics from Delhi University B.) Post-Graduate Diploma in Personnel Management
Date of Birth	29/10/1949
Experience	40 years
Date of Appointment as Director	01/05/2013
Previous employment held before joining the Company	Samtel Group
No. Of Equity Shares held	Nil
% of equity share capital held	Nil
Relationship with other Director	N.A.

Mr. Jhuraney started his career with Shri Ram Centre for Industrial Relations and Human Resources as a faculty member and conducted research, consultancy and training in the areas of Human Resource Management. He also taught the subject of HR in their Diploma Program in Human Resource Management. Subsequently, he headed the HRD function of ABB and Human Resources function of JCT Electronics Limited as Vice President – Personnel & HRD.

Out of his 40 years long career, he has been over 20 years in the top management in the Corporate Sector. Mr. Jhuraney was appointed as Chief Executive-Human Resources of OMAX Autos Ltd in 2010. In this role, Mr. Jhuraney works with the Senior HR management across the Group, providing leadership and direction, ensuring that our people practices and Leadership Development are fully aligned and supportive of our business strategy. Prior to joining Omax Autos Ltd, Mr. Jhuraney was engaged with the Samtel Group for more than 12 years and provided the leadership in the Human Resource function as Sr. Vice President – Human Resources.

Mr. Jagdish Chandra Jhuraney is not having any share of the Company.

The Board of directors accordingly recommends the resolution set out at the item No. 2 of the accompanying Notice for the approval of the Members. Your approval is sought by voting through Postal Ballot process as a Special Resolution.

This may also be treated as an abstract of terms and conditions and Memorandum of interest under Section 302 of the companies Act, 1956.

None of the Directors, Chief Financial Officer, Company Secretary, Whole Time Director, except Mr. Jagdish Chandra Jhuraney is concerned or interested in this resolution.

Item No. 3

Mrs. Sakshi Kaura was appointed as CEO of Home Furnishing Division, in the Board Meeting held on 30th January, 2012 and later on Shareholders of the Company have approved her appointment through Postal Ballot Process on 28th March, 2012.

Further, she was appointed as an Additional Director with effect from 25th January, 2013 in the Board Meeting held on 25th

January, 2013, pursuant to Section 260 of the Companies Act and Article 91 of the Articles of Association of the Company and her appointment was approved by the shareholders through Postal Ballot on 27th March, 2013.

Other details of Mrs. Sakshi Kaura are as under:

Name of employee	Mrs. Sakshi Kaura
Designation	Whole-time Director
Director Identification	02094522
Qualification	BBMS from Institute of Integrated Learning and Management, New Delhi
Date of Birth	11/04/1980
Experience	8 years
Date of Appointment as Director	25/01/2013
Previous employment held before joining the Company	CEO of home furnishing division of the company
No. Of Equity Shares held	Nil
% of equity share capital held	Nil
Relationship with other Director	A) Mr. Jatender Kumar Mehta, Managing Director (Father) B) Mr. Ravinder Kumar Mehta, Managing Director (Father's Brother)

Mrs. Sakshi Kaura, who is an interior designer by profession and acquainted with the business of Home Furnishing products, had done BBMS from Institute of Integrated Learning and Management, New Delhi. She is also having the Industrial Family background.

Mrs. Sakshi Kaura has more than 8 years of work experience in the consumer durable business and she is presently a Director in Sakshi Kaura Designs Private Limited.

She is daughter of Mr. Jatender Kumar Mehta, Managing Director of the Company.

The Board of Directors accordingly recommends the resolution set out at the item No. 3 of the accompanying Notice for the approval of the Members. Your approval is sought by voting through Postal Ballot process as a Special Resolution.

This may also be treated as an abstract of terms and conditions and Memorandum of interest under Section 302 of the companies Act, 1956.

None of the Directors, Chief Financial Officer, Company Secretary, Whole Time Director, except Mr. Jatender Kumar Mehta, Mr. Ravinder Mehta and Mrs. Sakshi Kaura is concerned or interested in this resolution.

Registered Office:

69 KM Stone, Delhi-Jaipur Highway
Dharuhera, Rewari-122106
Haryana, (India)

**By order of the Board
For Omax Autos Limited**

**Sd/-
Sanjeev Kumar
(Company Secretary)**

Place: Gurgaon

Date: 11th Nov, 2013

Statement as required under Section II, Part II of the Schedule XIII of the Companies Act, 1956 with reference to the Special Resolutions:

IN RESPECT OF ITEM NO. 1

I. GENERAL INFORMATION:

- 1) Nature of Industry:** Manufacturing of Auto Components for OEM and some Railway equipments alongwith Homeware appliances.
- 2) Date or expected date of commencement of commercial Production:** Existing Company, already commenced the production in 1985.

3) **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Existing Company, not applicable.

4) **Financial performance based on given Indicators:**

Rs. in Lac

Particulars	Audited Figure for 12 months period ended on March, 2013	Audited Figure for 12 months period ended on March, 2012	Audited Figure for 12 months period ended on March, 2011
Net Sales and other income	110684.77	129775.22	117221.75
PBIDT	7945.45	9813.45	8943.19
Less: Interest	2634.97	3152.90	3405.41
PBDT	5310.48	6660.55	5537.78
Less: Depreciation and Amortization	3106.18	2968.16	2916.50
Profit before Tax and Exceptional Income	2204.30	3692.39	2621.28
Add: Exceptional Income	0.00	728.00	531.68
Profit before Tax	2204.30	4420.39	3152.96
Less: Provision for Tax (Including Deferred Tax)	744.29	1602.49	1010.02
Net Profit after Tax (PAT)	1460.01	2817.90	2142.94
Prior period Income + / (-)	90.85	(5.38)	(14.03)
Amount available for Appropriation	1550.86	2812.52	2128.91

5) **Export performance and Net Foreign Exchange collaborations:** Earning (FOB Value of Exports) Rs. 1145.62 Crore.

6) **Foreign investments or collaborators, if any:** NIL.

II. INFORMATION ABOUT THE APPOINTEE: MR. JATENDER KUMAR MEHTA, MANAGING DIRECTOR.

1. BACKGROUND DETAILS:

Mr. Jatender Kumar Mehta, a technocrat, is the main promoter of the Company. He has wide industrial, operational and administrative experience with a western outlook to industrialization and a flair for identifying new products and ideas with potential. He has widely travelled and got substantial exposure in all functional areas of the auto component industry. He has been exponential in the growth and development of the company.

2. PAST REMUNERATION

During the financial year 2012-13, Mr. Jatender Kumar Mehta has drawn the following Remuneration from the Company:

S. No.	Particulars	Amount in Rs. (Lac)
01.	Salary	120/-
02.	Perks (any type of Perquisite)	4.85/-
03.	Provident Fund	12/-
	Total	136.85

Further, he is also entitled for following benefits which is not countable in remuneration as per the approval of Shareholders and Central Government:

- A) Leave Travel allowance- One month's basic salary.
- B) Medical Reimbursement: Actual incurred.
- C) Superannuation: Company's Contribution as per company's Policy
- D) Gratuity.
- E) Leave Encashment: Leave with full pay of encashment thereof as per Rules of the Company. Encashment of the leave of un-availed leave is allowed at the end of tenure.

3. RECOGNITION OR AWARDS: NIL

4. JOB PROFILE AND SUITABILITY:

Mr. Jatender Kumar Mehta is main promoter. He is on the Board of the company since incorporation of the company and under his dynamic leadership, the Company became one of the manufacturing leader in the auto component manufacturing industry. Being a technocrat he has better understanding of automotive parts and devotes his full time for the overall performance of the Company and is instrumental in expansion, diversification of business.

5. REMUNERATION PROPOSED:

As stated in resolution at Item No.1 the approval of Shareholders by **Special Resolution** is sought for payment of remuneration.

6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON (IN CASE OF EXPATRIATES THE RELEVANT DETAILS WOULD BE WITH RESPECT TO THE COUNTRY OF HIS ORIGIN):

The proposed remuneration of Mr. Jatender Kumar Mehta who is main promoter and person behind the rise of the Company and also a professional, possessing invaluable rich knowledge, experience and insights complemented with the vast business experience, is comparable with another Managing Director of other Automotive Companies and is in parity with the Industry Standards for such a responsible position.

7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY:

Mr. Jatender Kumar Mehta is a Promoter Director of the Company, holding directly and indirectly through promoters group, 1,18,90,413 Equity Shares of Rs. 10 each which constitute 55.59 % of the paid up capital of the Company. Mr. Ravinder Mehta, Managing Director of the Company is brother and Mrs. Sakshi Kaura is Daughter of Mr. Jatender Kumar Mehta. No other managerial personnel has any relationship with Mr. Jatender Kumar Mehta.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

- A.) OMAX is involved in manufacturing of automobile components and having specialization in body, frames & chassis and mainly supplying to Hero MotoCorp, Tata Motors, TVS etc. However, overall Slow down in Auto Sector has affected the performance of OMAX.
- B.) In Two-wheeler Segment, M/s Hero MotoCorp is major customer of OMAX and at present Hero MotoCorp has three manufacturing facilities based at Dharuhera, Gurgaon in Haryana and Haridwar in Uttarakhand and OMAX Autos Ltd is not having any plant at Haridwar and not getting order for supply to this Plant, which has significantly affected the sale of OMAX.
- C.) In Omax main customers under Medium & Heavy Commercial Vehicles segment are Tata Motors and Ashok Leyland and the sharp decline of the Medium & Heavy Commercial Vehicles segment is accounted for sustained slowdown in the industrial sector. As Tata Motors and Ashok Leyland are most affected Company, consequently sale of OMAX has been adversely affected.
- D.) Another disruptive factor is that Auto Component segment has low operating margin business and less bargaining power due to tough competition in the market. Omax is facing the same margin pressure in this segment.
- E.) Omax, being an auto ancillary company has high dependency on auto business and to de-risk its business and to reduce its dependency on auto industry the Company had entered into non-auto segment such as Railways and Home Furnishing, but, these business are not so successful as expected earlier.

2. Steps taken or proposed to be taken for improvement:

- 1.) The Company has been continuously evaluating various business models to raise long-term financial resources by capitalizing upon the expertise of the OMAX. Consequently, the Company has undergone an internal corporate restructuring, whereby the businesses of certain identified Units of the OMAX Group to be merged, relocated.
- 2.) The Company has taken certain initiatives as mentioned below, towards operational efficiencies which will increase percentage of profit and add new customer base:
 - A) Build R&D capabilities and collaborate with other specialized manufacture/foreign partners to jointly develop the products.
 - B) Diversify and build capabilities to serve adjacent markets (e.g., construction, mining).
 - C) Productivity improvements.
 - D) To tap Emerging Market Growth.
 - E) Technological improvements.
 - F) To outsource low value added products.
 - G) Consolidation of space capacity available in the shop.
 - H) Cost rationalization measures through benchmarking and operation excellence projects.

3. **Expected increase in productivity and profits in measurable terms:**

We expect overall Indian Market will improve in the years to come. Accordingly, Auto Sector will also do better. We are also expecting - the Company will grow in terms of overall economic growth. We expect that increase in the productivity and profits will be around 15-20%.

IV. DISCLOSURES

1. The shareholders of the company shall be informed of the remuneration package of the managerial person:

We have informed the remuneration package of the managerial person in the Annual Report 2012-13 in the Corporate Governance Report as per Listing Agreement.

2. The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the annual report:-

i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors:

We have disclosed all the components of Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. There is no Stock Options Scheme in the company.

ii) Details of fixed component and performance linked incentives along with the performance criteria:

We have disclosed all the components of the Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. However no commission has been paid to any Managerial Person of the Company during the year 2012-2013.

iii) Service contracts, notice period, severance fees :

The said detail has been provided in the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges.

iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

There is no Stock Options Scheme in the Company.

IN RESPECT OF ITEM NO. 2

I. GENERAL INFORMATION:

- 1) Nature of Industry:** Manufacturing of Auto Components for OEM and some Railway equipments alongwith Home ware appliances.
- 2) Date or expected date of commencement of commercial Production:** Existing Company, already commenced the production in 1985.
- 3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Existing Company, not applicable.
- 4) Financial performance based on given Indicators:**

Rs. in Lac

Particulars	Audited Figure for 12 months period ended on March, 2013	Audited Figure for 12 months period ended on March, 2012	Audited Figure for 12 months period ended on March, 2011
Net Sales and other income	110684.77	129775.22	117221.75
PBIDT	7945.45	9813.45	8943.19
Less: Interest	2634.97	3152.90	3405.41
PBDT	5310.48	6660.55	5537.78
Less: Depreciation and Amortization	3106.18	2968.16	2916.50
Profit before Tax and Exceptional Income	2204.30	3692.39	2621.28
Add: Exceptional Income	0.00	728.00	531.68
Profit before Tax	2204.30	4420.39	3152.96
Less: Provision for Tax (Including Deferred Tax)	744.29	1602.49	1010.02
Net Profit after Tax (PAT)	1460.01	2817.90	2142.94
Prior period Income + / (-)	90.85	(5.38)	(14.03)
Amount available for Appropriation	1550.86	2812.52	2128.91

5. Export performance and Net Foreign Exchange collaborations: Earning (FOB Value of Exports) Rs. 1145.62 Crore.

6. Foreign investments or collaborators, if any: NIL.

II. INFORMATION ABOUT THE APPOINTEE: MR. JAGDISH CHANDRA JHURANEY, WHOLE-TIME DIRECTOR.

1. BACKGROUND DETAILS:

Mr. Jhuraney has done B.A (Hons) in Economics and M.A in Economics from Delhi University and subsequently did Post-Graduate Diploma in Personnel Management. Mr. Jhuraney started his career with Shri Ram Centre for Industrial Relations and Human Resources as a faculty member and conducted research, consultancy and training in the areas of Human Resource Management. He also headed the HRD function of ABB and Human Resources function of JCT Electronics Limited as Vice President – Personnel & HRD. Out of his 40 years long career, he has been over 20 years in the top management in the Corporate Sector. Mr. Jhuraney was appointed Chief Executive Human Resources of OMAX Autos Ltd in 2010 and appointed as Whole-time Director w.e.f 1st May, 2013.

2. PAST REMUNERATION

During the financial year 2012-13, Mr. Jagdish Chandra Jhuraney has drawn Rs.58.22 Lac as consolidated Remuneration from the Company.

3. RECOGNITION AND AWARD:

Mr Jhuraney was honoured with the distinction of HR Excellence Award by Graduate Management Business School and Top Rankers in year 2004-05.

4. JOB PROFILE SUITABILITY.

Mr. Jhuraney was appointed Chief Executive Human Resources of OMAX Autos Ltd in 2010. In this role, Mr. Jhuraney works with the Senior HR management across the Group, providing leadership and direction, ensuring that our people practices and Leadership Development are fully aligned and supportive of our business strategy. After appointment on Board of the OMAX Autos Ltd. w.e.f 1st May, 2013 his responsibility has been increased and besides the current Profile he is also acting as an Occupier for OMAX Autos Ltd and guiding to the Management for optimum utilization of human resources and creating a healthy working environment within the Organization.

5. REMUNERATION PROPOSED.

As stated in resolution at Item No.2 the approval of shareholders by a **Special Resolution** is sought for payment of remuneration.

6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON (IN CASE OF EXPATRIATES THE RELEVANT DETAILS WOULD BE WITH RESPECT TO THE COUNTRY OF HIS ORIGIN):

The proposed remuneration of Mr. Jagdish Chandra Jhuraney, who is professional, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.

7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY:

Mr. Jagdish Chandra Jhuraney is not holding any type of share capital (Equity or Preference) directly or indirectly of the Company.

Further he is also not related to any director or Key Managerial Persons and except proposed remuneration as stated above, Mr. Jagdish Chandra Jhuraney does not have any other pecuniary relationship with the Company and its managerial personnel.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

- A.) OMAX is involved in manufacturing of automobile components and having specialization in body, frames & chassis and mainly supplying to Hero MotoCorp, Tata Motors, TVS etc. However, overall Slow down in Auto Sector has affected the performance of OMAX.
- B.) In Two-wheeler Segment, M/s Hero MotoCorp is major customer of OMAX and at present Hero MotoCorp has three manufacturing facilities based at Dharuhera, Gurgaon in Haryana and Haridwar in Uttarakhand and OMAX Autos Ltd is not having any plant at Haridwar and not getting order for supply to this Plant, which has significantly affected the sale of OMAX.
- C.) In Omax main customers under Medium & Heavy Commercial Vehicles segment are Tata Motors and Ashok Leyland and the sharp decline of the Medium & Heavy Commercial Vehicles segment is accounted for sustained slowdown in the industrial sector. As Tata Motors and Ashok Leyland are most affected Company, consequently sale of OMAX has been adversely affected.
- D.) Another disruptive factor is that Auto Component segment has low operating margin business and less bargaining power due to tough competition in the market. Omax is facing the same margin pressure in this segment.
- E.) Omax, being an auto ancillary company has high dependency on auto business and to de-risk its business and

to reduce its dependency on auto industry the Company had entered into non-auto segment such as Railways and Home Furnishing, but, these business are not so successful as expected earlier.

2. Steps taken or proposed to be taken for improvement:

- 1.) The Company has been continuously evaluating various business models to raise long-term financial resources by capitalizing upon the expertise of the OMAX. Consequently, the Company has undergone an internal corporate restructuring, whereby the businesses of certain identified Units of the OMAX Group to be merged, relocated.
- 2.) The Company has taken certain initiatives as mentioned below, towards operational efficiencies which will increase percentage of profit and add new customer base:
 - A) Build R&D capabilities and collaborate with other specialized manufacture/foreign partners to jointly develop the products.
 - B) Diversify and build capabilities to serve adjacent markets (e.g., construction, mining).
 - C) Productivity improvements.
 - D) To tap Emerging Market Growth.
 - E) Technological improvements.
 - F) To outsource low value added products
 - G) Consolidation of space capacity available in the shop.
 - H) Cost rationalization measures through benchmarking and operation excellence projects.

3. Expected increase in productivity and profits in measurable terms:

We expect overall Indian Market will improve in the years to come. Accordingly, Auto Sector will also do better. We are also expecting - the Company will grow in terms of overall economic growth. We expect that increase in the productivity and profits will be around 15-20%.

IV. DISCLOSURES

1. The shareholders of the company shall be informed of the remuneration package of the managerial person:

We have informed the remuneration package of the managerial person in the Annual Report 2012-13 in the Corporate Governance Report as per Listing Agreement.

2. The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the annual report:-

i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors:

We have disclosed all the components of Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. There is no Stock Options Scheme in the company.

ii) Details of fixed component and performance linked incentives along with the performance criteria:

We have disclosed all the components of the Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. However no commission has been paid to any Managerial Person of the Company during the year 2012-2013.

iii) Service contracts, notice period, severance fees :

The said detail has been provided in the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges.

iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

There is no Stock Options Scheme in the Company.

Note: *Mr. Jagdish Chandra Jhuraney was appointed as Whole-time Director w.e.f. 1st May, 2013, so his remuneration component was not mentioned in the Annual Report 2012-13, but the consolidated amount drawn by him during the last financial year has been mentioned at page no. 9 under Sub claus-2 of Clause-II of this Notice.*

IN RESPECT OF ITEM NO. 3

I. GENERAL INFORMATION:

- 1) **Nature of Industry:** Manufacturing of Auto Components for OEM and some railway equipments alongwith Home ware appliances.
- 2) **Date or expected date of commencement of commercial Production:** Existing Company, already commenced the production in 1985.
- 3) **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Existing Company, not applicable.

4) Financial performance based on given Indicators:

Rs. in Lac

Particulars	Audited Figure for 12 months period ended on March, 2013	Audited Figure for 12 months period ended on March, 2012	Audited Figure for 12 months period ended on March, 2011
Net Sales and other income	110684.77	129775.22	117221.75
PBIDT	7945.45	9813.45	8943.19
Less: Interest	2634.97	3152.90	3405.41
PBDT	5310.48	6660.55	5537.78
Less: Depreciation and Amortization	3106.18	2968.16	2916.50
Profit before Tax and Exceptional Income	2204.30	3692.39	2621.28
Add: Exceptional Income	0.00	728.00	531.68
Profit before Tax	2204.30	4420.39	3152.96
Less: Provision for Tax (Including Deferred Tax)	744.29	1602.49	1010.02
Net Profit after Tax (PAT)	1460.01	2817.90	2142.94
Prior period Income + / (-)	90.85	(5.38)	(14.03)
Amount available for Appropriation	1550.86	2812.52	2128.91

5) Export performance and Net Foreign Exchange collaborations: Earning (FOB Value of Exports) Rs. 1145.62 Crore.

6) Foreign investments or collaborators, if any: NIL.

II. INFORMATION ABOUT THE APPOINTEE: MRS. SAKSHI KAURA, WHOLE-TIME DIRECTOR.

1. BACKGROUND DETAILS:

Mrs. Sakshi Kaura, who is an interior designer by profession acquainted with the business of Home Furnishing products, had done BBMS from Institute of Integrated Learning and Management, New Delhi and being a Daughter of Mr. Jatender Kumar Mehta having the Industrial Family background. Mrs. Sakshi Kaura has more than 8 years of work experience in the consumer durable business and she is also Director in Sakshi Kaura Designs Private Limited. She was appointed as CEO of Home Furnishing Division, in Board meeting held on 30th January 2012 and w.e.f 25th January, 2013 as Whole-time Director.

2. PAST REMUNERATION:

During the financial year 2012-13, Mrs. Sakshi Kaura has drawn consolidated Remuneration of Rs. 30 Lac.

3. RECOGNITION AND AWARD: NIL

4. JOB PROFILE AND SUITABILITY.

Mrs. Sakshi Kaura is daughter of Mr. Jatender Kumar Mehta and having industrial background and after appointment as Whole –time Director, she is taking care and supervising overall operation of the Company. She is young, dynamic & energetic and able to monitor and guide to the Company to achieve a new height.

5. REMUNERATION PROPOSED.

As stated in resolution at Item No.3 the approval of shareholders by a **Special Resolution** is sought for payment of remuneration.

6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON (IN CASE OF EXPATRIATES THE RELEVANT DETAILS WOULD BE WITH RESPECT TO THE COUNTRY OF HIS ORIGIN):

The proposed remuneration of Mrs. Sakshi Kaura, who is a thorough Professional, possessing invaluable and rich knowledge, experience and insights complemented with sharp business sense, is comparable with Executive Directors of other Companies having same experience and background and is in parity with the Industry Standards for such a responsible position.

7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY:

Mrs. Sakshi Kaura is a Promoter Director of the Company, not holding directly any share but indirectly through promoters and promoters group holding, 1,18,90,413 Equity Shares of Rs. 10 each which constitute 55.59 % of the paid up capital of the Company. Mr. Jatender Kumar Mehta, Father and Mr. Ravinder Mehta (Father's brother), no other managerial personnel has any relationship with Mrs. Sakshi Kaura.

III. OTHER INFORMATION:

1. **Reasons of loss or inadequate profits:**

- A.) OMAX is involved in manufacturing of automobile components and having specialization in body, frames & chassis and mainly supplying to Hero MotoCorp, Tata Motors, TVS etc. However, overall Slow down in Auto Sector has affected the performance of OMAX.
- B.) In Two-wheeler Segment, M/s Hero MotoCorp is major customer of OMAX and at present Hero MotoCorp has three manufacturing facilities based at Dharuhera, Gurgaon in Haryana and Haridwar in Uttarakhand and OMAX Autos Ltd is not having any plant at Haridwar and not getting order for supply to this Plant, which has significantly affected the sale of OMAX.
- C.) In Omax main customers under Medium & Heavy Commercial Vehicles segment are Tata Motors and Ashok Leyland and the sharp decline of the Medium & Heavy Commercial Vehicles segment is accounted for sustained slowdown in the industrial sector. As Tata Motors and Ashok Leyland are most affected Company, consequently sale of OMAX has been adversely affected.
- D.) Another disruptive factor is that Auto Component segment has low operating margin business and less bargaining power due to tough competition in the market. Omax is facing the same margin pressure in this segment.
- E.) Omax, being an auto ancillary company has high dependency on auto business and to de-risk its business and to reduce its dependency on auto industry the Company had entered into non-auto segment such as Railways and Home Furnishing but, these business are not so successful as expected earlier.

2. **Steps taken or proposed to be taken for improvement:**

- 1.) The Company has been continuously evaluating various business models to raise long-term financial resources by capitalizing upon the expertise of the OMAX. Consequently, the Company has undergone an internal corporate restructuring, whereby the businesses of certain identified Units of the OMAX Group to be merged, relocated.
- 2.) The Company has taken certain initiatives as mentioned below, towards operational efficiencies which will increase percentage of profit and add new customer base:
 - A) Build R&D capabilities and collaborate with other specialized manufacture/foreign partners to jointly develop the products.
 - B) Diversify and build capabilities to serve adjacent markets (e.g., construction, mining).
 - C) Productivity improvements.
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 - E) Technological improvements.
 - F) To outsource low value added products.
 - G) Consolidation of space capacity available in the shop.
 - H) Cost rationalization measures through benchmarking and operation excellence projects.

3. **Expected increase in productivity and profits in measurable terms:**

We expect overall Indian Market will improve in the years to come. Accordingly, Auto Sector will also do better. We are also expecting - the Company will grow in terms of overall economic growth. We expect that increase in the productivity and profits will be around 15-20%

IV. DISCLOSURES

1. **The shareholders of the company shall be informed of the remuneration package of the managerial person:**

We have informed the remuneration package of the managerial person in the Annual Report 2012-13 in the Corporate Governance Report as per Listing Agreement.

2. **The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance", if any, attached to the annual report:-**

- i) **All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors:**
We have disclosed the all components of Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. There is no Stock Options Scheme in the company.
- ii) **Details of fixed component and performance linked incentives along with the performance criteria:**
We have disclosed all the components of the Remuneration in the Annual Report 2012-13 of the Company under the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges. However no commission has been paid to any Managerial Person of the Company during the year 2012-2013.
- iii) **Service contracts, notice period, severance fees :**
The said detail has been provided in the Corporate Governance Report as required under Listing Agreement entered with Stock Exchanges.
- iv) **Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.**
There is no Stock Options Scheme in the Company.



Passionate about Performance

OMAX AUTOS LIMITED

Registered Office: 69 KM Stone, Delhi Jaipur Highway,
Dharuhera, Distt. Rewari - 122106, Haryana (India)

POSTAL BALLOT FORM

(To be returned to the Company)

Sl. No

1. Name(s) of Shareholder(s)
(including joint holders, if any)
2. Registered address of the sole/
first named shareholder
3. Registered Folio No. /
DP ID No. and Client ID No.* :
(* Applicable to investors holding
shares in demat form)
4. Number of Shares held :
5. I/We hereby exercise my / our vote in respect of the Resolutions set out in the Notice dated 11th day of November, 2013, as set out below to be passed by means of Postal Ballot by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate boxes below (tick in both boxes will render the ballot invalid).

Item No.	Description	No. of Shares	I/We assent to the Resolution	I/We dissent to the Resolution
1	Approval of the Remuneration of Mr. Jatender Kumar Mehta, Managing Director (SPECIAL RESOLUTION)			
2	Approval of the Remuneration of Mr. Jagdish Chandra Jhuraney, Whole-Time Director (SPECIAL RESOLUTION)			
3	Approval of the Remuneration of Mrs. Sakshi Kaura, Whole-Time Director (SPECIAL RESOLUTION)			

Place:

Date:

(Signature of the Shareholder)

Please send your postal ballot form in the envelope enclosed herewith.

Note: Please read the instructions printed overleaf before exercising your vote.

Instructions:-

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Company in the attached self-addressed pre-paid Business Reply Envelope. However, Envelope containing Postal Ballot, if sent by courier at the expense of the registered shareholder will also be accepted.
2. The self-addressed pre-paid Business Reply Envelope bears the address of the scrutinizer appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
4. In case of shares held by companies, trusts, societies, etc. duly completed Postal Ballot Form should be accompanied by a certified true copy of the Resolution of Board or the governing body, as the case may be, giving requisite authority to the person voting on the Postal Ballot Form.
5. There will be only one Postal Ballot Form for every folio irrespective of the number of joint shareholders.
6. Incomplete, unsigned or incorrectly filled Postal Ballot Forms will subject to rejection by the Scrutinizer.
7. The exercise of vote by Postal Ballot is not permitted through proxy.
8. A member may request for duplicate form, if so required. However the duly filled in and signed duplicate form should reach the Scrutinizer not later than the date mentioned in Instruction No. 9. In case the Company receives both Original as well as Duplicate Form, then the Duplicate Form shall be considered for the purpose of voting.
9. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours of 15th day of January, 2014. Postal Ballot Form received after this date will be strictly treated as if the reply from the member has not been received.
10. Votes of the Members from whom Postal Ballot Form is received after the aforesaid stipulated date will not be counted for the purpose of passing of the Resolutions referred above.
11. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the shareholders as on 22.11.2013.
12. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.
13. Members are requested not to send any other matter along with the Postal Ballot form in the enclosed self-addressed business reply envelope. If, any extraneous paper is found, the same will be destroyed by the Scrutinizer.
14. The result of the voting on the resolution will be declared at the Corporate Office of the Company at 2:00 p.m. on Friday, the 24th day of January, 2014. The Result will thereafter be also informed to the Stock exchanges, hosted on the Company's website www.omaxauto.com and published in newspapers.
15. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to Mr. Sanjeev Kumar, Company Secretary & Chief of Compliance, M/s OMAX Autos Ltd, Plot No. B-26, Institutional Area, Sector-32, Gurgaon-122001, Haryana.