

SWARAJ ENGINES LIMITED

CIN : L50210PB1985PLC006473

Registered Office : Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab-160 055

Tel. : 0172-2271620-27, Fax : 0172-2272731, Email : selinvestor@swarajenterprise.com, Website : www.swarajenterprise.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of Swaraj Engines Limited will be held on **Monday, the 24th day of July, 2017 at 3.00 P.M.** at the Works of the Company at Plot No. 2, Industrial Phase IX, S.A.S.Nagar (Mohali), Punjab - 160 062 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 including the audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares.
3. To appoint a Director in place of Shri S. Durgashankar (DIN 00044713) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Pawan Goenka (DIN 00254502) who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee, M/s B.K. Khare & Co., Chartered Accountants (ICAI Firm Registration Number 105102W), be appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM"), until the conclusion of the fifth consecutive AGM of the Company to be held in year 2022 (subject to ratification of the appointment by the Members at every AGM held after this AGM), at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit."

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Rajesh Jejurikar (DIN 00046823), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 25th April, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Subhash Mago (DIN 07797207), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 25th April, 2017 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Shareholders of the Company be accorded to the appointment of Shri Subhash Mago (DIN: 07797207) as Whole Time Director of the Company designated as Whole Time Director & Chief Executive Officer (hereinafter referred to as "the appointee") with effect from 25th April, 2017 to 31st March, 2020 on the following terms of appointment:

Tenure : From 25th April, 2017 to 31st March, 2020

Basic Salary : Rs 1,94,482/- per month in the scale of 1,74,000/- per month to Rs. 2,83,000/- per month

Perquisites/Allowances:

In addition to the salary, the appointee shall also be entitled to such perquisites/allowances which shall include Company's leased accommodation or house rent allowance in lieu thereof, medical reimbursement, leave travel assistance, if any, performance pay to be paid annually, based on certain performance criteria to be laid down from time to time, encashment of leave, contributions to provident fund, superannuation fund or allowance in lieu thereof, gratuity, provision for Company car, fuel and maintenance thereof, medical and personal accident insurance, telephone and other communication facilities at residence, and such other allowances, perquisites, benefits, amenities and facilities in accordance with the Company's rules/policy. Further, he shall be entitled to stock options as per the Company's Employees Stock Option Scheme.

The value of perquisites/allowances would be evaluated as per Income-tax Rules, 1962, as amended from time to time, wherever applicable and at cost in the absence of any such rule.

Contribution to Provident Fund, Superannuation and Gratuity would not be included in the computation of overall ceiling on remuneration to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

Encashment of earned leave at the end of the tenure as per the Company's rules/policy shall not be included in the computation of ceiling on remuneration.

Provision of car for use on the Company's business, telephone and other communication facilities at residence would not be considered as perquisites :

Provided that the remuneration payable to the appointee (including the salary, perquisites/allowances, benefits and amenities) does not exceed the limits laid down in Section 197 of the Act including any statutory modification(s) or re-enactment thereof.

Annual increment/revision in the remuneration payable to the appointee within the overall scale of remuneration mentioned above, would be approved by the Nomination and Remuneration Committee.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay him, the above remuneration as the minimum remuneration for a period not exceeding 3 years by way of salary, perquisites/allowances and benefits as specified above subject to the compliance of the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this resolution) be and are hereby authorised severally to do all such acts, deeds, matters and things as it may deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

9. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s V. Kumar & Associates, Cost Accountants having Firm Registration No. 100137, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2018, amounting to Rs. 1,00,000/- (Rupees One lakh only) (excluding all taxes and reimbursement of out of pocket expenses) be ratified and confirmed.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

NOTES

1. Explanatory statement as required under Section 102(1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument 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.
4. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) are M/s MCS Share Transfer Agent Limited having their office at F-65, First Floor, Okhla Industrial Area, Phase I, New Delhi - 110 020.
5. The Register of Members and Share Transfer Books of the Company will be closed from 8th July, 2017 to 14th July, 2017 (both days inclusive).
6. The dividend, if declared at the Annual General Meeting, would be paid / despatched on or after 25th July, 2017 to those shareholders or their mandates:
 - a) whose names appear as Beneficial Owners as at the end of the business hours on 7th July, 2017 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and
 - b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / its Registrar and Share Transfer Agent on or before 7th July, 2017.
7. Members/Proxies are requested to bring their attendance slips and copy of Annual Report to the Meeting.
8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Secretary of the Company at least 10 days before the date of the Meeting so that information required may be compiled and made available at the Meeting.
9. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the Company has transferred unclaimed dividends for and upto the financial year ended 31st March, 2009 to the Investor Education and Protection Fund (IEPF). The Company has uploaded the information of unclaimed / unpaid dividend lying with the Company as on 26th July, 2016 (date of last Annual General Meeting) on the website of the Company (www.swarajenterprise.com). Members who have not encashed the dividend warrant(s) so far for any subsequent financial years are requested to make their claims to the Company. It may be noted that once the amounts in the unpaid dividend accounts are transferred to the IEPF, no claim shall lie against the IEPF or the Company in respect thereof.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
11. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH13 duly filled in to Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited at their above mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
12. Payment of Dividend through ECS:
 - a) The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for the payment of dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank details, if available, on the payment instrument for distribution of dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such bank account details are therefore requested to advise their Depository Participants about such change, with complete details of bank account.
 - b) Members holding shares in physical form and wishing to avail the facility of electronic credit of dividend directly to their respective bank accounts through the Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) are requested to intimate the particulars of their bank account, viz., name and address of the branch of the bank with 9 digit MICR code of the branch & 11 digit IFSC, type of account and account number latest by 14th July, 2017, to Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited. Members located in places where ECS/NECS facility is not available may submit their bank details to enable the Company to incorporate this information on the dividend warrants and thus prevent fraudulent encashment.

13. For receiving all shareholder communications faster, including annual reports, the shareholders are requested to kindly register/update their e-mail address with their respective Depository Participant, where shares are held in electronic mode. If, however, shares are held in physical form, shareholders are advised to register their e-mail address with Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited.

14. Members are requested to:

- Intimate to the Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited at their above mentioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form.
- Intimate directly to the respective Depository Participant, changes, if any, in their registered addresses, nomination, power of attorney etc. at an early date, in case of shares held in dematerialised form. The Company will not take cognizance of any such requests directly from shareholders.
- Quote their folio numbers/Client ID/ DP ID in all correspondence.
- Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

15. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The shareholders may cast their vote using an electronic voting system from a place other than the venue of the meeting ("Remote e-voting").

The instructions for remote e-voting are as under:

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

- (i) Open email and open attached PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Open the internet browser by typing the URL: <https://www.evoting.nsd.com>
- (iii) Click on Shareholder - Login
- (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- (vi) Password change menu will appear on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Once the e-voting home page opens, click on e-Voting> Active Voting Cycles.
- (viii) Select "EVEN" (E-Voting Event Number) of Swaraj Engines Limited. Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ajaykcs@gmail.com with a copy marked to evoting@nsdl.co.in

B. For the members whose email IDs are not registered with the Company/Depository Participant(s):

- (i) Initial password alongwith physical copy of the Notice of AGM is being sent separately in the permitted mode.
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads Section of www.evoting.nsd.com or call on toll free number 1800-222-990.

III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IV. The remote e-voting period commences on 20th July, 2017 (9:00 a.m.) and ends on 23rd July, 2017 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, the 17th July, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again. The shareholders who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

V. The facility for voting through ballot will also be made available at the AGM and shareholders attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM.

VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, the 17th July, 2017.

VII. Any person, who acquires shares of the Company and become shareholder of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e 17th July, 2017, may obtain the Login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Share Transfer Agent of the Company.

If the shareholder is already registered with NSDL for remote e-voting then he can use his existing User ID and password for casting the vote through remote e-voting.

- VIII. Mr. Ajay K Arora, Practicing Company Secretary (Membership No.2191), Proprietor - M/s. A. Arora & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- IX. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- X. As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of e-voting are to be communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, within 48 hours of the conclusion of the Annual General Meeting. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.swarajenterprise.com and on the website of NSDL.
- XI. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 24th July, 2017.
16. Re-appointment of Directors
Shri S. Durgashankar and Dr. Pawan Goenka shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.
Shri S. Durgashankar and Dr. Pawan Goenka do not hold any Equity Shares in the Company.
None of the Directors of the Company are interse related to each other.
In respect of the information to be provided under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the Directors being re-appointed, Members are requested to kindly refer the Chapter on Corporate Governance in the Annual Report.
17. The route map of the venue of the Meeting is attached to the Notice.

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CIN: L50210PB1985PLC006473
25th April, 2017

BY ORDER OF THE BOARD

(M.S. GREWAL)
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the items of the Special Business

Item No. 6

Shri Rajesh Jejurikar was appointed by the Board as an Additional Director with effect from 25th April, 2017. He holds office upto the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 ("the Act"). The Company has received a notice in writing from a member under Section 160 of the Act proposing the appointment of Shri Jejurikar as a Director of the Company.

Having joined in Automotive Sector of Mahindra & Mahindra Limited (M&M) in 2000 as Vice-President - Marketing, Shri Rajesh Jejurikar is currently the President - Farm Equipment Sector (FES) and a Member of the Group Executive Board of Mahindra & Mahindra Limited. He also oversees the Mahindra Two Wheelers business and serves on the boards of several group companies of M&M. He is also current President of the Tractor Manufacturers Association (TMA).

A 1986 batch MBA from S.P. Jain Institute of Management, Shri Jejurikar has attended the Advanced Management Program at The Wharton School, University of Pennsylvania and was awarded the British Chevening Scholarship to study at the Manchester Business School, UK.

The Board is of the view that Shri Jejurikar's wide and varied experience will be of immense value to the Company and, therefore, recommends his appointment to the members in terms of Resolution set out in Item No. 6 of the Notice.

Shri Jejurikar does not hold any shares in the Company.

Except Shri Rajesh Jejurikar, none of the Directors, key managerial personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice.

Item No. 7 and Item No. 8

Shri Subhash Mago was appointed by the Board as an Additional Director with effect from 25th April, 2017. He holds office upto the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 ("the Act"). The Company has received a notice in writing from a member under Section 160 of the Act proposing the appointment of Shri Mago as a Director of the Company.

Further, in order to facilitate seamless succession upon completion of Shri M.N. Kaushal tenure as Whole Time Director of the Company on 31st March, 2017, the Board of Directors in its meeting held on 25th April, 2017 has, subject to the approval of members, also appointed Shri Subhash Mago as Whole Time Director of the Company designated as Whole Time Director & Chief Executive Officer with effect from 25th April, 2017 to 31st March, 2020 at the remuneration recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

Shri Subhash Mago, currently Chief Executive Officer of the Company, is a Bachelor of Engineering from IIT, Roorkee and has more than 35 years experience in Purchasing, Manufacturing, Quality Systems, Component Development, Supply Chain Management, Value Engineering and New Product Development. After working for 17 years in Maruti Udyog Ltd., he joined Mahindra & Mahindra Ltd. (M&M) in 2000 and since then has worked on many strategic assignments. His last assignment in M&M was as Senior Vice-President of Farm Division - Component Development & Material Management (CDMM).

The Board is of the view that Shri Mago's varied experience will be of immense value to the Company and, therefore, recommends his appointment to the members in terms of Ordinary Resolution set out in Item No. 7 and Special Resolution set out in Item No. 8 of the Notice.

Terms of remuneration of Shri Subhash Mago are set out in the Special Resolution under Item No. 8 of the Notice.

Shri Mago does not hold any shares in the Company.

Except Shri Subhash Mago, none of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 7 and 8 of the Notice.

The following additional information as required by Schedule V to the Act is given below:

I. General Information

(1) Nature of Industry

The Company is in the business of manufacture of Diesel Engines and its components.

(2) Date or expected date of commencement of commercial production

The Company was incorporated on 24th September, 1985 and started commercial production of diesel engines in the year 1989.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable

(4) Financial performance based on given indicators - as per audited financial results for the year ended 31st March, 2017

| Particulars | (Rs. in Crores) |
|--|-----------------|
| Net Turnover & Other Income | 683.32 |
| Net profit as per Statement of Profit & Loss (After Tax) (Including other comprehensive income) | 69.03 |
| Profit as computed under Section 198 of the Act | 69.03 |
| Net Worth | 283.37 |

(5) Foreign investments or collaborations, if any

Nil

II. Information about the appointee

(1) Background details

Shri Subhash Mago

Shri Subhash Mago joined the Company as Chief Executive Officer with effect from 1st October, 2016.

Shri Mago is a Bachelor of Engineering from IIT, Roorkee and has more than 35 years experience in Purchasing, Manufacturing, Quality Systems, Component Development, Supply Chain Management, Value Engineering and New Product Development. After working for 17 years in Maruti Udyog Ltd., he joined Mahindra & Mahindra Ltd. (M&M) in 2000 and since then has worked on many strategic assignments. His last assignment in M&M was as Senior Vice-President of Farm Division - Component Development & Material Management (CDMM).

(2) Past remuneration during the financial year ended 31st March, 2017

Not applicable, fresh appointment with effect from 25th April, 2017.

(3) Recognition or awards

Career profile already covered in the section "Background details".

(4) Job Profile and his suitability

Shri Subhash Mago, Whole Time Director, will be responsible for looking after operations and affairs of the Company. Taking into consideration his qualifications and expertise in relevant fields, he is best suited for the responsibilities currently assigned to him by the Board of Directors.

(5) Remuneration proposed

As set out in Item No. 8 of the Notice.

(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)

Taking into consideration the size of the Company, the profile of Shri Subhash Mago, the responsibilities assigned, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed to be paid to him, Shri Subhash Mago does not have any other pecuniary relationship with the Company or relationship with any of its managerial personnel.

III. Other Information

(1) Reasons of loss or inadequate profits

Not applicable, as the Company has posted a net profit after tax (including other comprehensive income) of Rs. 69.03 crores for the year ended 31st March, 2017.

- (2) Steps taken or proposed to be taken for improvement and
- (3) Expected increase in productivity and profits in the measurable terms

Not applicable as the Company has adequate profits. The Company posted an operating profit of Rs. 104.68 crores for the year ended 31st March, 2017.

IV. Disclosures

The information and disclosures for remuneration criteria of the managerial personnel have been mentioned in the Annual Report for the year ended 31st March, 2017 in the Corporate Governance Report Section under the Heading "Remuneration to Directors".

Item No. 9

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s V. Kumar & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 and the Board, subject to the ratification by the Members, approved the remuneration of Rs. 1,00,000/- (Rupees one lakh only) plus applicable taxes and reimbursement of such other out of pocket expenses as may be incurred by the said Cost Auditors during the course of the audit. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

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BY ORDER OF THE BOARD

(M.S. GREWAL)
Company Secretary

ATTENDANCE SLIP

SWARAJ ENGINES LIMITED

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Email : selinvestor@swarajenterprise.com;

Website : www.swarajenterprise.com

31st Annual General Meeting - 24th July, 2017

Folio No.

DP ID*

Client ID*

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

NAME OF THE SHAREHOLDER/PROXY
ADDRESS

No. of Shares held :

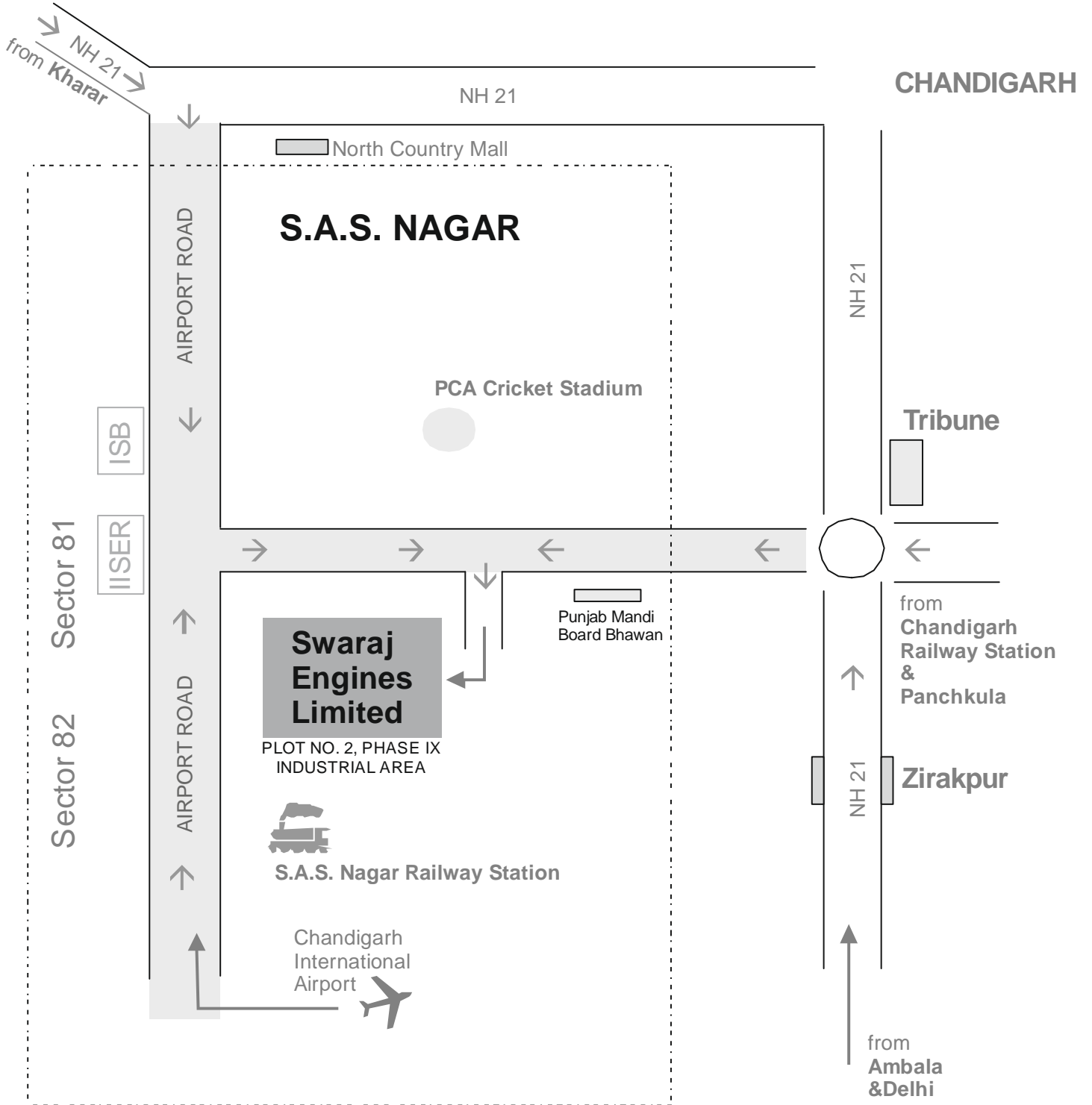
I hereby record my presence at the 31st ANNUAL GENERAL MEETING of the Company at its Works at Plot No.2, Industrial Phase IX, S.A.S. Nagar (Mohali), Punjab -160 062 on Monday, the 24th July, 2017 at 3:00 p.m.

*To be used for shares held in
electronic form

SIGNATURE OF THE SHAREHOLDER/PROXY



ROUTE MAP FOR AGM VENUE



PROXY FORM

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

SWARAJ ENGINES LIMITED

(CIN: L50210PB1985PLC006473)

Regd. Office: Phase IV, industrial Area, S.A.S.Nagar (Mohali), Punjab-160055, Tel. 0172-2271620-27, Fax : 0172-2272731

Email:selinvestor@swarajenterprise.com, Website: www.swarajenterprise.com

| |
|-----------------------------|
| Name of the Member (s): |
| Registered Address: |
| Email id: |
| Folio / DP ID-Client ID No: |

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

- (1) Name _____ Address _____
E-mail id _____ Signature _____ or falling him;
- (2) Name _____ Address _____
E-mail id _____ Signature _____ or falling 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 31st Annual General Meeting of the Company, to be held on Monday, 24th July, 2017 at 3.00 p.m. at the Works of the Company at Plot No. 2, Industrial Phase IX, S.A.S.Nagar (Mohali), Punjab - 160062 and at any adjournment thereof in respect of such resolutions as are indicated below:

| | Resolutions | Optional* | |
|---|---|-----------|---------|
| | | For | Against |
| | Ordinary Business | | |
| 1 | To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon. | | |
| 2 | Declaration of Dividend on Equity Shares. | | |
| 3 | Re-appointment of Shri S. Durgashankar (DIN 00044713) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment. | | |
| 4 | Re-appointment of Dr. Pawan Goenka (DIN 00254502) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment. | | |
| 5 | Appointment of Auditors and fix their remuneration | | |
| | Special Business | | |
| 6 | Appointment of Shri Rajesh Jejurikar (DIN 00046823) as Director of the Company. | | |
| 7 | Appointment of Shri Subhash Mago (DIN 07797207) as Director of the Company. | | |
| 8 | Appointment of Shri Subhash Mago (DIN 07797207) as Whole Time Director of the Company and approval of the remuneration payable to him. | | |
| 9 | Ratification of the remuneration payable to the Cost Auditors of the Company. | | |

Signed this _____ day of _____ 2017

Signature of Shareholder _____

Signature of Proxyholder(s) _____



- Notes:**
- 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.
 - For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 31st Annual General Meeting.
 - *It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 - Please complete all details including details of member(s) in the above box before submission.