



## THERMAX LIMITED

Regd. Office: D-13, MIDC Industrial Area, R. D. Aga Road, Chinchwad, Pune 411 019.  
Corp. Office: Thermax House, 14 Mumbai-Pune Road, Wakdewadi, Pune 411 003.

### NOTICE

NOTICE is hereby given that the Twenty-seventh Annual General Meeting of THERMAX LIMITED ('the Company') will be held on Tuesday, July 22, 2008 at 11.00 a.m. at Yashwantrao Chavan Academy of Development Administration, MDC (Auditorium) Building, Raj Bhavan Complex, Baner Road, Pune – 411 007 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on March 31, 2008, the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors, thereon.
2. To declare dividend.
3. To appoint a Director in place of Mrs. A. R. Aga who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Tapan Mitra who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

#### SPECIAL BUSINESS:

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

"RESOLVED THAT Dr Raghunath A Mashelkar who was appointed as an Additional Director at the Meeting of the Board of Directors held on January 29, 2008 and who holds office under Section 260 of the Companies Act, 1956 (the Act) upto the date of this Annual General

Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT subject to the approval of the Central Government and pursuant to the provisions of Section 309(4), 310 and other applicable provisions, if any, of the Companies Act, 1956, (the Act) the Company hereby accords its consent to the payment of remuneration to Non-executive Directors of the Company or any of them [other than the Managing Director / Whole-time Director(s)] by way of commission, as the Board may decide from time to time, for a period of five years commencing with the financial year 2008-09, not exceeding in the aggregate of 1% of the net profits of the Company calculated in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be considered necessary, desirable or expedient for giving effect to this resolution."

By Order of the Board of Directors

Place: Pune  
Dated: May 21, 2008

Sunil Lalai  
Company Secretary

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND INTENDED TO BE USED. PROXIES, IN ORDER TO BE EFFECTIVE, MUST REACH THE CORPORATE OFFICE OF THE COMPANY AT LEAST FORTY-EIGHT HOURS BEFORE THE MEETING
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
3. The Register of Members and Transfer Books of the Company will be closed from July 14, 2008 to July 22, 2008 (both days inclusive).
4. Dividend on equity shares, if declared at the Annual General Meeting, will be paid to those Members whose names appear in the Register of Members on July 22, 2008. In respect of dematerialised shares, the dividend will be paid based on the beneficial ownership as per the details furnished by the depositories for this purpose at the end of business hours on July 11, 2008.
5. The Company has provided facility to the Members for remittance of dividend through Electronic Clearing System (ECS) to avoid loss in transit/fraudulent interception & encashment/undue delay in receipt of the dividend warrant. The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most the cities and towns.
  - Members holding shares in *physical form* and wish to avail this facility are requested to send their details in ECS mandate form. The ECS mandate form may be collected from the Company's Corporate Office or its Registrar & Transfer Agent or may be downloaded from the Company's website ([www.thermaxindia.com](http://www.thermaxindia.com)). The ECS mandate form submitted earlier shall be valid for the recommended dividend.
  - Members holding shares in *dematerialised* (electronic) form are hereby informed that bank details registered against their respective depository accounts would be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any instruction / request directly from Members pertaining to their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. All changes should be advised to their Depository Participant (DP) only, which would be downloaded and updated in the Company's records for disbursement of dividend.
6. Members/Proxies should bring the Attendance Slip duly completed for attending the meeting. The

signatures on the attendance slip should match the specimen signature(s) registered with the Company. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID names for identification.

7. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 (the Act), dividend remaining unclaimed for a period of seven years from the date they became due for payment are required to be transferred to Investor Education and Protection Fund ('IEPF') established by the Central Government in accordance with the provisions of Section 205C of the Act. It may be noted that the unclaimed dividend, declared by the Company on September 5, 2001 for the financial year 2000-2001, is due for transfer to IEPF on October 10, 2008. Members who have not encashed their dividend warrants pertaining to the year 2000-2001 and/or any subsequent years that still remains outstanding should approach Karvy Computershare Pvt. Ltd., the Company's Registrar & Transfer Agent, for obtaining payments thereof.

*In terms of Section 205C of the Act, shareholders are requested to note that no claim shall lie either with IEPF or against the Company in respect of dividend amounts unclaimed for a period of seven years from the dates they first became due for payment and transferred to the IEPF. During the year, the Company has already transferred unclaimed dividend for the financial year 1999-00 to the IEPF.*

8. Members are requested to write to the Company their queries, if any, on the accounts at least 10 days before the meeting to enable the management to keep the required information available at the meeting.

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

[Pursuant to Clause 49(IV)(G) of the Listing Agreement]

**Mrs. A. R. Aga**

Mrs. A. R. Aga, 65, Director of the Company, began her industry career in Thermax in 1982. She was the Chairperson of the Board of the company from February 1996 to October 2004. She facilitated major turnaround initiatives at the company - reconstitution of the Board, shedding off non-core activities, right sizing of operations and increased focus on customers.

Mrs. Aga has been very active in various national and local associations like Confederation of Indian Industries (CII) and had served as the Chairperson of CII's Western Region.

Mrs. Aga has done her BA in Economics and holds a post graduate degree in medical and psychiatric social work from Tata Institute of Social Sciences (TISS). She was selected for the Fullbright Scholarship for social workers to study for four months in the U.S.

Mrs. Aga is now closely associated with the Thermax Social Initiative Foundation, formed to drive Thermax's Corporate Social Responsibility initiatives mainly in the area of

education for children from underprivileged sections of society. She is keenly involved in the causes of communal harmony and human rights, especially women and children.

Mrs. Aga holds directorship on the Board of following companies:

- a) Thermax Surface Coatings Ltd.
- b) ARA Trading & Investments Pvt. Ltd.
- c) KRA Holding & Trading Pvt. Ltd.
- d) RDA Holding & Trading Pvt. Ltd.
- e) Thermax Social Initiative Foundation
- f) Give India

Mrs. Aga is also a Member on the Remuneration & Compensation Committee of the Company.

Mrs. Aga holds 68,88,305 equity shares of the Company.

#### **Mr. Tapan Mitra**

Mr. Tapan Mitra, 69, a Director of the Company from January 15, 2001, is a Fellow Member of The Institute of Chartered Accountants of India and holds a Masters degree in Business Administration from the University of Geneva. Currently, he is the State Government nominated Member of State Planning Board of West Bengal and Chairman of Board of Directors of West Bengal State Handloom Weavers' Co-operative Ltd. He served as Chairman of Confederation of Indian Industries (CII), Eastern Region, as well as on a number of national committees of CII.

Mr. Mitra holds directorship and is also Chairman /Member of Committees of the Board, of the following companies:

<b>Directorships</b>	<b>Chairmanship(s) and Membership(s) of AUDIT committees</b>
Tube Investments of India Ltd.	Chairman
Essel Propack Ltd.	Chairman
West Bengal Electricity Distribution Co. Ltd.	Chairman
West Bengal Electricity Transmission Co. Ltd.	Chairman
Patton International Ltd.	Member

As an independent Director on the Company's Board he also serves on three Board appointed Committees viz. Chairman of the Audit Committee and Member of the Remuneration & Compensation and Overseas Investment Committees.

Mr. Mitra does not hold any shares of the Company.

#### **Dr. Raghunath A. Mashelkar**

Dr. Raghunath A. Mashelkar, 65, an eminent engineering scientist, was appointed as an Additional Director at the Board Meeting held on January 29, 2008. He has a Ph.D. in Chemical Engineering. Presently, he is the President of Indian National Science Academy (INSA) and President of Global Research Alliance, a network of publicly funded R&D institutes from Asia-Pacific, Europe and USA with over 60,000 scientists.

Dr. Mashelkar was the Director General of the Council of Scientific and Industrial Research (CSIR) for over eleven years. Dr. Mashelkar is only the third Indian Engineer to have been elected as Fellow of Royal Society (FRS), London in the twentieth century. He was elected Foreign Associate of National Academy of Science, USA (2005), Foreign Fellow of US National Academy of Engineering (2003), Fellow of Royal Academy of Engineering, U.K. (1996) and Fellow of World Academy of Art & Science, USA (2000). He is the first Indian to have been elected as the Foreign Fellow of Australian Technological Science and Engineering Academy (2008).

Twenty-six universities have honoured him with honorary doctorates, which include Universities of London, Salford, Pretoria, Wisconsin and Delhi.

Dr. Mashelkar has won over 50 awards and medals from several bodies for his outstanding contribution in the field of science and technology. He is the only scientist so far to have won the JRD Tata Corporate Leadership Award (1998) and the Star Asia Award (2005) at the hands of George Bush Sr., the former President of the USA.

The President of India honoured him with Padma Shri (1991) and with Padma Bhushan (2000), in recognition of his contribution to nation building.

Dr. Mashelkar holds directorship and is also Chairman / Member of Committees of the Board, of the following companies:

<b>Directorships</b>	<b>Chairmanship(s) and Membership(s) of Committee(s)</b>
Reliance Industries Ltd.	—
Tata Motors Ltd.	Member of the Audit Committee
Hindustan Uniliver Ltd.	—
Piramal Life Sciences Ltd.	—
ICICI Knowledge Park	—
GeneMedix Biological Pvt. Ltd.	—
Indigene Pharmaceuticals Pvt. Ltd.	—

Dr. Mashelkar does not hold any shares of the Company.

## EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

### Item No. 6

Dr. Raghunath A. Mashelkar was appointed as an Additional Director of the Company at the Board Meeting held on January 29, 2008. The term of his office extends upto the date of this Annual General Meeting. The Company has received Notice in writing from members under the provision of Section 257 of the Companies Act, 1956, proposing the candidature of Dr. R. A. Mashelkar for the office of Director of the Company.

A brief resume of Dr. Mashelkar is given in the Notes to the Notice of this Annual General Meeting.

No Director other than Dr. Mashelkar is concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

### Item No. 7

In terms of Section 309(4) of the Companies Act, 1956 (the Act) the shareholders at the Annual General Meeting of the Company held on July 31, 2003, had approved by a Special Resolution the payment of remuneration to non-executive directors of the Company, i.e. the Directors other than the Managing Director and Wholetime Director(s). This payment of remuneration was by way of commission upto an amount permissible under the Act, i.e. an amount in the aggregate for all the eligible Directors put together not exceeding 1% of the net profits computed in accordance with the provisions of Section 198 of the Act. Subsequently upon application, the Central Government had granted approval for payment of remuneration to non-executive directors by way of commission for a period of five years from the financial year 2003-04.

Based on the approvals, the Board of Directors has paid once, a commission of Rs. 0.62 crore to the non-executive directors in the financial year 2006-07 against the permissible

limit of Rs. 3.14 crore calculated as per the provisions of the Act.

At present the Board comprises nine Directors including the Managing Director. The wide-ranging experience of the Board members has helped the Company to grow and strengthen its dominance in the market over the recent years. Moreover, with the changed role and responsibilities of the non-executive directors guided by evolving corporate governance practices, the Board members play a larger role in driving compliance as well as monitoring critical aspects of various functions including internal audit, human resources, finance & risk management. The Board members in addition to the significant efforts and time spent also are instrumental in formulating strategies and providing guidance.

In view thereof, it is proposed to compensate the non-executive directors by way of commission for a further period of five years from the financial year 2008-09.

Under the provisions of Section 309(4) of the Act, it is necessary to seek a fresh approval of the shareholders through a Special Resolution for payment of commission. Your Directors recommend the resolution for your approval.

This remuneration would be quantified and distributed in such proportion as may be decided by the Board of the Company.

Non-executive directors of the Company may individually be deemed to be interested or concerned in the proposed Special Resolution of this Notice.

By Order of the Board of Directors

Place: Pune  
Dated: May 21, 2008

Sunil Lalai  
Company Secretary