

SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

Regd. Office: 5C/1, KIADB Industrial Area, Attibele, Bangalore -562107. CIN: L32109KA1984PLC079103
Phone:(080) 33437104, (080) 4333058 Fax: (080) 27820333 Website: www.schneiderelectricpresident.com
e-mail: vighneshwar.bhat@schneider-electric.com

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Schneider Electric President Systems Limited will be held on Thursday, 29th September, 2016 at 11.00 a.m. at 5C/1, KIADB Industrial Area, Attibele, Bangalore- 562107, Karnataka, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sugata Sircar (holding DIN No: 01119161) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messrs S. R. Battiboi & Associates LLP, Chartered Accountants, (Reg. No. 101049W /E300004) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the Thirty Seventh Annual General Meeting of the Company subject to ratification by the shareholders annually, and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

4. 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 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, the remuneration payable to M/s. Rao Murthy & Associates, Cost Accountants, (ICWA Registration No. 000065), who were appointed as the Cost Auditors of the Company by the Board of Directors, for conduct of the audit of the cost records of the Company for the financial year 2016-17 at a remuneration of ₹ 1,10,000 (Rupees one lakh ten thousand only) plus applicable taxes and out-of-pocket expenses, be and is hereby ratified and confirmed.”
5. To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:
“**RESOLVED THAT** in accordance with the provisions of Section 67 and other applicable provisions of the Companies Act, 2013 and the rules, regulations, circulars, guidelines prescribed by any other authority, from time to time, to the extent applicable, approval of the Shareholders be and is hereby accorded to participate in the Worldwide Employee Share Ownership Plan (WESOP) Scheme (the Scheme) of the Ultimate Holding Company, Schneider Electric SE, France and to ratify the financial assistance provided by the Company pursuant to the Scheme to the employees of the Company during the year 2015-16.
RESOLVED FURTHER THAT the Board be and is hereby authorized to make modification(s), suspend, withdraw or revive the Scheme as suggested by Schneider Electric SE, France, from time to time, and to approve, support by means of financial assistance or any other kind of support for the benefit of such person(s) who are/will be in the employment of the Company including Managing Director, Whole-time Director(s), Executive Director(s), Key Managerial Personnel of the Company and to approve such number of shares and at such price, in such manner, during such period in one or more tranches as it may deem fit under the Scheme.
RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors of the Company or to any officer of the Company to give effect to this Resolution and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary and to settle any question, difficulty or doubt, whatsoever, as may arise with respect to the Scheme.”
6. 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 Section 188 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed thereunder including any amendment, modification, variation or re-enactment thereof, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, materials, equipment and rendering/availing/sharing service to / from Schneider Electric Logistics Asia Pte. Ltd., Singapore a related party, subject to a maximum aggregate transactions value of ₹ 50 crores (Rupees Fifty crores only) in any financial year with the said related party.
RESOLVED FURTHER THAT the Board of Directors and/ or any of the Key Managerial Personnel of the Company be and is/ are hereby authorized jointly and/or severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

**By Order of the Board
For Schneider Electric President Systems Limited**

Place : Bangalore
Date : 9th August, 2016
Registered Office : 5C/1, KIADB Industrial Area,
Attibele, Bangalore - 562107

Vighneshwar G Bhat
Company Secretary
ACS: 16651
Address: No. 14, Sapthagiri Nilaya, 6th Cross,
Kavery Layout, G. M. Palya, New Tippasandra,
Bangalore-560075, Karnataka

Notes:

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A proxy form duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting. 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.

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- b. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the business at items 4 to 6 of the Notice as set out above, is annexed hereto.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
- d. The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements in which Directors are interested, will be available for inspection by the members at the Annual General Meeting.
- e. Pursuant to the provisions of Section 124 of the Companies Act, 2013 (corresponding Section 205A of the Companies Act, 1956), unclaimed dividend for the financial year ended 31st March, 2008 was transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.
- f. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be.
- g. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. Members/ Proxies should bring the Attendance Slip to the Meeting duly filled in, for attending the Meeting.
- h. Members, who hold shares under more than one folio in name(s) in the same order, are requested to send the related Share Certificate(s) to the Company's Registrar and Transfer Agents for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.
- i. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
- j. All documents, transfers, dematerialization requests and other communications in relation thereto may be addressed to the Company's Registrar & Share Transfer Agents, at the address mentioned below:

Universal Capital Securities Private Limited
21, Shakil Nivas, Mahakali Caves Road, Andheri (E) Mumbai 400 093
Telephone: +91-22-28207203-05 Fax : +91- 22-28207207
E-mail: karlekar@unisec.in Contact Person: Mr. Rajesh Karlekar/ Mr. Ravi Utekar

- k. Details in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the Notice. The Director has furnished the requisite declarations for his re-appointment.
- l. Electronic copy of the Annual Report for the year 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2015-16 is being sent to them in the permitted mode.

Members may also note that the Notice of the Annual General Meeting and the Annual Report for the year 2015-16 will also be available on the Company's website www.schneiderelectricpresident.com and NSDL e-voting website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Bangalore for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the shareholders may also send requests to the Company Secretary at email id: vighneshwar.bhat@schneider-electric.com

- m. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). A separate document containing e-Voting details is enclosed in this Annual Report.

- n. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the business at Items 4 to 6 of the accompanying Notice.

Resolution No. 4

The Board on the recommendation of the Audit Committee, appointed M/s. Rao Murthy & Associates, Cost Accountants, (ICWA Registration No. 000065) as Cost Auditors of the Company for the financial year 2016-17.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders. It is proposed to pay a remuneration of ₹ 110,000.- + applicable taxes + out-of-pocket expenses at actual for the year 2016-17 to M/s. Rao Murthy & Associates.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this Resolution.

The Board of Directors recommend the Resolution for your approval and ratification.

Resolution No. 5

Schneider Electric, at the group level has an Employee Stock Option Scheme called Worldwide Employee Share Ownership Plan (WESOP) Scheme (the Scheme) whereby employees of the Schneider Group have the option to subscribe the shares of Schneider Electric SE, France ("SE France") as employees of the group company.

The Scheme is available in 33 countries, covering approximately 1,30,000 employees of Schneider Electric. This evolution is due to Schneider Electric Group commitment to step up and to put an even greater part of our company in the hands of its employees so as to inculcate a sense of participation in the fortunes of the Company.

SE France is Ultimate Holding Company of your Company. Accordingly, employees of your Company are also entitled to subscribe shares of SE France.

Pursuant to Section 67 of the Companies Act, 2013, no public company shall give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company unless the same is approved by the Company through a special resolution.

Under the Scheme, since the employer makes a matching contribution up to a limit, the net gains to the employees are expected to be positive, subject to unforeseen circumstances. This scheme has been found to be very effective for retention of key talent and hence will benefit the Company.

The full scheme is available for inspection by the members at the Registered Office of the Company and on its website.

None of the Directors except Mr. S. Venkatraman, Managing Director, Mr. Damodar Kalavala, Mr. Vighneshwar G Bhat, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise and do not have any conflict of interest in the Resolution.

The Board recommends the Resolution as set out in the accompanying Notice for your approval in the interest of the Company.

Resolution No. 6

The Audit Committee and the Board of Directors of the Company at the Board Meeting held on 9th August, 2016, approved the enhancement of the limit of related party transactions with Schneider Electric Logistics Asia Pte. Ltd for Sale / Purchase of Goods, Materials, Equipments/ rendering/ availing/sharing of services from / to Schneider Electric Logistics Asia Pte. Ltd, a related party, subject to a maximum aggregate transactions value of ₹ 50 crores (Rupees Fifty crores only) in a financial year. The transactions with Schneider Electric Logistics Asia Pte. Ltd. Singapore as detailed below are estimated to be upto ₹ 50 crores (Rupees Fifty Crores only) in a financial year, which exceeds the 10% of the annual turnover of the Company as per the audited financial statements as on 31st March, 2016. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arm's length principle.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

1. Name of the Related Party

Schneider Electric Logistics Asia Pte Ltd.,

2. Name of the Director or key managerial personnel who is related, if any

Nil

3. Nature of relationship

Fellow Subsidiary

4. Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature	Particulars of the contracts and the material terms	Term of the Contracts	Monetary value
Sale, Purchase of goods, materials, equipment and rendering/availing/sharing service	<p>For Sale / Purchase of Goods, Materials, Equipments etc., :</p> <p><u>On a cost plus mark-up basis:</u></p> <p>The Company shall pay to Schneider Electric Logistics Asia Pte. Ltd., Singapore all relevant direct and indirect costs (Including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark-up up to 5% determined in adherence to the arm's length principle in respect of purchase of Raw Materials. The Company shall charge all relevant direct and indirect costs (Including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark up of up to 8% in respect of sale of goods to Schneider Electric Logistics Asia Pte. Ltd. The mark-up shall be determined on a year to year basis.</p> <p>For rendering/ availing/sharing of services etc., :</p> <p><u>On a cost plus mark-up basis:</u></p> <p>In consideration of the performance of services, the Company shall pay to Schneider Electric Logistics Asia Pte. Ltd a consideration determined based on cost plus mark up principle. Cost shall mean all direct and indirect costs incurred by Schneider Electric Logistics Asia Pte. Ltd in fulfilling the provisions for each Project (including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties). The mark-up shall be up to 6% determined in adherence to the arm's length principle. The Mark up shall be up to cost plus 16% in case the Company provides service to Schneider Electric Logistics Asia Pte. Ltd.</p> <p>The mark-up shall be determined on a year to year basis.</p> <p>In case the goods are purchased for further trading, a specific method of mark-down will be followed.</p> <p>Mark-Down Method refers to the inter-company pricing model used by all Schneider Electric entities who act as routine sales and marketing entity. The goal of this pricing model is to provide the selling entity with a target profit of 3%.</p>	The contracts with the said related party shall be in effect and shall continue unless terminated by either Party with a notice period of Three (3) months	Upto ₹ 50 crores (Rupees Fifty crores only) in aggregate, in any financial year

5. Any other information relevant or important for the members to take a decision on the proposed resolution.

None

The Board recommends the above item of the notice for approval of members.

By Order of the Board
For Schneider Electric President Systems Limited

Place : Bangalore
Date : 9th August, 2016
Registered Office : 5C/1, KIADB Industrial Area,
Attibele, Bangalore - 562107

Vighneshwar G Bhat
Company Secretary
ACS: 16651
Address: No. 14, Sapthagiri Nilaya, 6th Cross,
Kavery Layout, G. M. Palya, New Tippasandra,
Bangalore-560075, Karnataka

Details of Director seeking re-appointment in the forthcoming Annual General Meeting

Name of Director	Mr. Sugata Sircar
Date of Birth	20/12/1963
Date of Appointment	13/11/2014
Qualification	FCA
Expertise in specific functional area	Expert in the Business Planning and Strategy, Business Analysis and Performance Management, Risk Management, Processes and Controls and other areas in Finance.
List of Companies in which Directorship is held	Schneider Electric Infrastructure Limited, Schneider Electric India Private Limited, Schneider Electric Systems India Private Limited, Eurotherm India Private Limited and Spreading Happiness Indiya Foundation
Chairman/Member of the Committee (s) of Board of Directors of Other Companies	Member of Audit Committee of Schneider Electric Infrastructure Limited
Committee Membership if any in Schneider Electric President Systems Limited	Member of Audit Committee, CSR Committee, Stakeholders' Relationship Committee and Risk Management Committee
No. of Shares held in the Company	Nil

Route Map to the Venue of the Annual General Meeting:

