



NOTICE

Notice is hereby given that the seventh Annual General meeting of Volkswagen India Private Limited will be held on Monday, 30th June 2014, at the registered office of the company at E-1, MIDC Industrial area, Phase III, Village Nigoje Mhalunge Kharabwadi, Taluka Khed, Chakan, Pune-410501, at 2.00 p.m. to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2014, and the Profit and Loss Account for the year ended 31st March 2014, and the Report of Directors and Auditors thereon.
2. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:.

“Resolved That pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, M/s Price Waterhouse & Co., Bangalore (FRN No. 007567S), Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s Price Waterhouse, Chartered Accountants, (FRN No.301112E), the retiring auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting for the financial year 2014-15, at a remuneration as may be decided by the Board of Directors of the Company in consultation with the said auditors.”

Special Business:

3. To appoint Mr. Burkhard Gross as an Executive Director – Finance and Chief Financial Officer, not liable to retire by rotation, for a period of 5 years w.e.f. 30th June 2014 onwards, upon the existing terms and conditions.
4. To appoint Mr. Hans -Georg Festing as an Executive Director – Corporate Purchase, not liable to retire by rotation, for a period of 5 years w.e.f. 30th June 2014 onwards, upon the existing terms and conditions.
5. To appoint Mr. Peter Hermann Ernst Raussendorf as an Executive Director – H.R & Administration, not liable to retire by rotation, for a period of 5 years w.e.f. 30th June 2014 onwards, upon the existing terms and conditions.
6. To consider and if thought fit, to pass the following resolution as a Special Resolution:-
“RESOLVED THAT consent of the members be and is hereby accorded to the following scheme for grant of loan to Mr. Mahesh Kodumudi, President & Managing Director of Volkswagen India Pvt.Ltd. with effect from 12th September 2013, onwards till the validity of the Employment contract between the company and the President & Managing Director, and until signing of a bilateral comprehensive economic agreement between India and the United States of America on Social security, whichever is earlier.

FURTHER RESOLVED THAT since the President & Managing Director is already contributing to the Social security programme in the U.S.A, the company shall continue to contribute 12% of his monthly salary as employer's contribution and shall contribute an equal amount towards employee's contribution to the Provident Fund on behalf of the President & Managing Director.

FURTHER RESOLVED THAT the following terms shall also be applicable to the above arrangement:-

- a. The above contribution shall be by way of a loan to the extent of employee's contribution to Provident Fund on a monthly basis, on which interest @ 10% p.a. will be chargeable.
- b. The company shall continue to hold a Power of attorney from President & Managing Director for dealing with Provident Fund offices in India for various matters.
- c. The company shall inform the President & Managing Director on receipt of Provident Fund maturity proceeds.
- d. The loan shall be repaid by the President & Managing Director within 4 weeks of receipt of intimation of credit of Provident Fund maturity proceeds.
- e. In the event of termination of contract of employment with the company, the President & Managing Director shall repay the loan amount from the balance in the Provident Fund account, and shall pay Indian income taxes due out of such proceeds and execute such documents as are necessary for securing the loan amount.

FURTHER RESOLVED THAT the Executive Director Finance & Chief Finance Officer and the Executive Director – H.R. & Administration of Volkswagen India Pvt.Ltd. are hereby authorized to give effect to the above resolution and sign necessary documents, if any, and to do all such acts, deeds and things as may be necessary in this regard”

By Order of the Board,

Sd/-

[Mahesh Kodumudi]

President & Managing Director

Place: Chakan, Pune

Dated: June 6, 2014

sd/-

[Burkhard Gross]

Executive Director – Finance & CFO

A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll on behalf of him and the proxy need not be a member. The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item no.2:

The company has received a notice from a member proposing the appointment of M/s. Price Waterhouse & Co., (FRN No. 007567S), Bangalore, Chartered Accountants, as statutory auditors of the company in place of M/s. Price Waterhouse, Chartered Accountants. M/s. Price Waterhouse & Co., Bangalore have given a certificate of their eligibility u/s Section 139 of Companies Act 2013 and expressed their willingness to act as the Company's Statutory Auditors for the financial year 2014-15, if appointed by the members at the Annual General Meeting. M/s. Price Waterhouse, Chartered Accountants, Mumbai (FRN No.301112E), have expressed their unwillingness to be reappointed as auditors vide their letter dated 14th May 2014.

The Board recommends the above appointment.

None of the Directors are interested in the resolution.

Item No. 3:

Mr. Burkhard Gross was appointed as Additional Director of the Company with effect from 6th August 2013, pursuant to provisions of Section 260 of the Companies Act, 1956. Under Section 160(1) of the Companies Act 2013, a notice in writing has been received from Volkswagen AG, a member, signifying its intention to propose Mr. Burkhard Gross, as a Director of the Company along with a deposit of Rs. 100,000/- as required under the aforesaid Section.

Except Mr. Burkhard Gross, none of the other Directors of the Company are in any way concerned or interested in the resolution. Your Directors recommend the resolution for your approval.

Item No. 4:

Mr. Hans-Georg Festing was appointed as Additional Director of the Company with effect from 3rd September 2013, pursuant to provisions of Section 260 of the Companies Act, 1956. Under Section 160(1) of the Companies Act 2013, a notice in writing has been received from Volkswagen AG, a member, signifying its intention to propose Mr. Hans-Georg Festing, as a Director of the Company along with a deposit of Rs. 100,000/- as required under the aforesaid Section.

Except Mr. Hans-Georg Festing, none of the other Directors of the Company are in any way concerned or interested in the resolution. Your Directors recommend the resolution for your approval.

Item No. 5:

Mr. Peter Hermann Ernst Raussendorf was appointed as Additional Director of the Company with effect from 17th October 2013, pursuant to provisions of Section 260 of the Companies Act, 1956. Under Section 160(1) of the Companies Act 2013, a notice in writing has been received from Volkswagen AG, a member, signifying its intention to propose Mr. Peter Raussendorf, as a Director of the Company along with a deposit of Rs. 100,000/- as required under the aforesaid Section.

Except Mr. Peter Raussendorf, none of the other Directors of the Company are in any way concerned or interested in the resolution. Your Directors recommend the resolution for your approval.

Item no.6:

The President & Managing Director has been contributing to the Social security programme in the United States of America, however, since the said country does not have a bilateral comprehensive economic agreement on social security with India, he is also required to contribute once again to the Provident Fund account in India @12% of his salary [Basic & Dearness Allowance] on a monthly basis, being an International Worker, pursuant to the provisions of Employees Provident Fund & Miscellaneous Act 1952. India is in discussions with the U.S.A to execute the above agreement shortly, in which case the President & Managing Director can obtain a detachment certificate from the concerned authority and stop contribution to Provident Fund account in India. Until such time in order to mitigate the double contribution the company had entered into a Global Employee Loan agreement dated 8th October 2010, with the President & Managing Director pursuant to which the company has been contributing employee's share of Provident fund on behalf of the said employee. A copy of the loan agreement dated 8th October 2010, is available for inspection by members at the registered office of the company on any working day. The Board recommends the unanimous consent from members to the above agenda item no.6 to the notice of the meeting.

Except the President & Managing Director, none of the other directors are concerned or interested in this transaction.