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# DE NORA INDIA LIMITED

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ANNUAL REPORT 2017-18



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**DE NORA INDIA LIMITED**

CIN: L31200GA1993PLC001335

Registered Office: Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa – 403115

Tel. No.: 0832 3981100; Fax No.: 0832 3981101

Email: [denoraindia@denora.com](mailto:denoraindia@denora.com); Website: [www.denoraindia.com](http://www.denoraindia.com)

**NOTICE**

Notice is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of the Members of DE NORA INDIA LIMITED ('the Company') will be held on Wednesday, 26<sup>th</sup> September, 2018 at 11.00 a.m. at the Registered Office of the Company at Plot Nos. 184, 185 & 189, Kundaim Industrial Estate, Kundaim, Goa 403 115, to transact the following business:

**ORDINARY BUSINESS**

**1. Adoption of financial statements, Auditor's Report etc. for the financial year 01.04.2017 - 31.03.2018**

To receive, consider and adopt the Balance Sheet of the Company as on 31st March, 2018, the Statement of Profit and Loss of the Company and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors ('the Board') and Auditors thereon.

**2. Declaration of dividend on equity shares**

To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March 2018.

**3. Re-appointment of Mr. Robert Scannell (DIN: 06818489) as Director liable to retire by rotation**

To appoint a Director in place of Mr. Robert Scannell (DIN: 06818489), who retires by rotation and being eligible, offers himself for re-appointment.

**4. Appointment of Statutory Auditors**

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 139, 142 and other applicable provisions, of the Companies Act, 2013 ('the Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee, the Company hereby appoints M/s. MSKA & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration No. 105047W) as the Statutory Auditors of the Company, for a period of 5 years to hold office from the conclusion of this AGM till the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2023, in place of M/s. B S R & Associates LLP, Chartered Accountants, Mumbai, the retiring auditors at such remuneration as may be determined by the Audit Committee and approved by the Board, in consultation with the auditors from time to time."

**SPECIAL BUSINESS**

**5. Appointment of Ms. Supriya Banerji (DIN:05209284) as an Independent Director**

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 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, Ms. Supriya Banerji (DIN: 05209284) who was appointed as a Non-Executive Director of the Company with effect from October 27, 2016 pursuant to the casual vacancy caused by the resignation of Mr. Krishan Khanna and who, in terms of Section 161 of the Companies Act, 2013 holds office up to the date of this Annual General Meeting and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company, for a term of 5 years from the date of this General Meeting up to 25th September 2023 .

**"RESOLVED FURTHER THAT** Mr. Vinay Chopra, Managing Director, be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

**6. Approval of appointment of Mr. Francesco L'Abbate (DIN: 08063332) as the Director of the Company in casual vacancy**

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 161(4) of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, the appointment of Mr. Francesco L'Abbate (DIN: 08063332) as a Non-Executive Director of the Company with effect from January 29, 2018, pursuant to the casual vacancy caused by the resignation of Mr. Angelo Ferrari, be and is hereby approved by the Members of the Company.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors or the Company Secretary be and is hereby authorized to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in respect of the matter aforesaid."



## 7. Approval for Material Related Party Transactions

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 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings and the Company's policy on Related Party Transactions, the approval of the Company be and is hereby accorded in respect of material related party transaction(s) with De Nora Water Technologies, LLC, Singapore, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of raw materials such as electrolyzers, and their parts and accessories, drawings, technical specifications etc. and avails services on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 500 Lakhs for the financial year 2018-19 and that the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegate such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

By Order of the Board of Directors  
**For De Nora India Limited**

Place: Kundaim, Goa  
Date: August 6, 2018

**Jyoti Bandodkar**  
**Company Secretary**

## NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND TO VOTE ON HIS/HER BEHALF ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member. The instrument appointing the proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the AGM. A proxy form is attached herewith. Proxies submitted on behalf of Limited Companies, Societies, Partnership Firms etc. must be supported by appropriate resolution or authority as applicable, issued by the member organization.
- b) The route map to reach to the meeting venue showing the prominent landmark is given at the end of this Notice.
- c) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- d) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the Special Business to be transacted at the meeting is annexed herewith.
- e) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 20, 2018 to Wednesday, September 26, 2018 (both days inclusive) for payment of dividend, if declared/approved, at the AGM.
- f) Dividend on equity shares as recommended by the Board of Directors for the financial year ended March 31, 2018 if approved at the meeting will be payable within a period of 30 days from the date of declaration, to those Members who hold shares:
  - i. In dematerialized mode, based on the beneficial ownership details to be received from the depositories as at the close of the business hours on Wednesday, September 19, 2018.
  - ii. In physical mode, if their names appear in the Company's Register of Members after giving effect to all valid transfers in physical form lodged with the Company and/or its Registrar and Transfer Agents on or before Wednesday, September 19, 2018.
- g) Members desiring any information about the accounts are requested to write to the Company at an early date to enable the Management to keep the information ready.



h) Members/Proxies/Authorised Representatives should bring the enclosed attendance slip duly filled-in for attending the meeting. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.

i) The Register of Directors and Key Managerial Personnel ('KMP') and their shareholding, the Register of Contracts or Arrangements in which the Directors are interested will be available for inspection by the Members at the AGM.

j) Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'), as per the provisions of Section 124 of the Companies Act, 2013 and Rules made thereunder. The dividend for the financial year ended 31<sup>st</sup> December 2010 which remained unclaimed till May 19, 2018 has been transferred by the Company to the IEPF on June 15, 2018.

Unclaimed and unpaid dividend for the Financial Years 2004, 2005, 2006, 2007 and 2008 have already been transferred to "Investor Education and Protection Fund" on April 20, 2012, May 15, 2013, July 01, 2014, May 21, 2015 and June 18, 2016 respectively. Any Member, who has not claimed dividend in respect of financial year ended 31<sup>st</sup> December, 2011 onwards is requested to approach the Company/Registrar and Transfer Agent for claiming the same as early as possible.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 27, 2017 (date of last AGM) on the website of the Company: [www.denoraindia.com](http://www.denoraindia.com).

k) Pursuant to Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make nomination in respect of shares held by them in physical form. **Members desirous of making nominations are requested to send their requests in Form SH-13 duly filled, to the Company's Registrar & Transfer Agent i.e. M/s. Bigshare Services Private Limited.** In respect of shares held in electronic/demat form, Members may please contact their respective depository participant (DP) for availing this facility.

l) Members are requested to notify immediately any change in their address/contact details to the Registrar & Transfer Agents of the Company along with address proof, i.e. Electric/Telephone Bill, Driving

License or a copy of passport and Bank particulars. In case the shares are held in dematerialized form, this information should be communicated directly to their respective DP and not to the Company/RTA.

m) As per SEBI (Listing Obligations and Disclosure Requirement) (Fourth Amendment) Regulations, 2018 which comes into effect from December 05, 2018, except in case of transmission and transposition of securities, no request for effecting transfer shall be processed unless the securities are held in demat form with the depository.

Members holding shares in physical form are therefore requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar & Share Transfer Agent for assistance in this regard.

n) Members must quote their Folio No./Client ID and DP ID and contact details such as e-mail address, contact no., etc. in all their correspondence with the Company / Registrar & Share Transfer Agent.

o) SEBI & the Ministry of Corporate Affairs, Government of India encourages paperless communication as a contribution to greener environment.

Members holding shares in physical mode are requested to register their e-mail ID/change in email ID with M/s. Bigshare Services Private Ltd., the Registrar & Share Transfer Agent of the Company and Members holding shares in demat mode are requested to register their email ID/change in email ID with their respective DPs.

Electronic copy of the Annual Report including financial statements, Board's Report, Notice of the AGM etc. is being sent to all the Members, whose email ID's 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 above documents are being sent in the permitted mode. The Notice of this AGM & the Annual Report will also be available on the Company's website, [www.denoraindia.com](http://www.denoraindia.com). In case you wish to get a physical copy of the Annual Report, you may send your request to [denoraindia@denora.com](mailto:denoraindia@denora.com) mentioning your Folio/DP ID & Client ID.

p) Every member entitled to vote at the AGM of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty-four hours before the time fixed for the commencement of the AGM and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.





- q) Brief profile and other required information about the Directors proposed to be appointed/reappointed, is annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard 2 on General Meetings. The Directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules framed thereunder.
- r) Pursuant to Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax Permanent Account Number (PAN) Card. Additionally, for securities market transactions and/or for off market/private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s).
- s) The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. Therefore, the Members are requested to submit their PAN and Bank Account details to the Company at the Registered Office or to M/s. Bigshare Services Pvt. Limited, the Registrar and Share Transfer Agent (RTA) of the Company. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders). Members are also requested to submit original cancelled cheque bearing the name of the sole / first holder. In case of inability to provide the original cancelled cheque, a copy of Bank Passbook / Statement of the sole / first holder duly attested by the Bank, not being a date earlier than one month may be provided. Members holding shares in demat form are requested to submit the aforesaid documents to their respective DP(s).
- t) Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') and amendments thereto, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, during the financial year 2017-18, the Company has transferred 15,937 underlying equity shares, in

aggregate in respect of 160 Members to the IEPF Account, on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 31st October, 2017 after following the prescribed procedure.

Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2011 are requested to claim the same at the earliest. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer are uploaded on the "Investors Section" of the website of the Company viz. [www.denoraindia.com](http://www.denoraindia.com).

Members may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by the concerned Members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. In case, the Members have any queries on the subject matter and the IEPF Rules, they may contact the Company's Registrar and Transfer Agent; M/s. Bigshare Services Private Limited.

**u) Voting through electronic means**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the Members the facility to exercise their right to vote on resolutions proposed to be considered at the 29<sup>th</sup> AGM by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The Company would also provide the facility for voting through the ballot or polling paper at the AGM to the Members attending the AGM who have not already cast their vote by remote e-voting to enable them to exercise their right of voting at the meeting.
- III. A Member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a Member casts votes by both the modes, then the vote casted through e-voting shall prevail and the vote casted through other mean shall be treated as invalid.



- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again at the AGM.
- V. The remote e-voting period commences on Sunday, September 23, 2018 (9:00 a.m.) and ends on Tuesday, September 25, 2018 (5:00 p.m.). **Note: E-voting shall not be allowed beyond the said time.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday September 19, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently or cast the vote again.
- VI. A person who is not a Member of the Company as on the cut-off date should treat this Notice for information purpose only.
- VII. The process and manner for remote e-voting is as under:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-voting website?

Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on personal computer or on your mobile.

Once the homepage of e-voting system is launched, click on the icon, 'Login' which is available under 'Shareholder's section.

A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

1. Your User details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****

b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

2. Your password details are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
3. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).



If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

4. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
5. Now, you will have to click on "Login" button.
6. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

VIII Institutional Members (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 is/are authorized to vote, to the Scrutinizer through e-mail to [sadashivshet@gmail.com](mailto:sadashivshet@gmail.com) or [denoraindia@denora.com](mailto:denoraindia@denora.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in);

IX Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. September 19, 2018, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [jibu@bigshareonline.com](mailto:jibu@bigshareonline.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and

password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- X. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- XI Mr. Sadashiv V. Shet, Company Secretary (ICSI Membership No. 2477), Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. The Scrutinizer shall after the conclusion of voting at the AGM count the votes cast at the meeting and 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, not later than 48 (forty eight) hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes if any, and whether the resolution has been carried or not, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
- XIV. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.denoraindia.com](http://www.denoraindia.com) and on the website of NSDL, [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after declaration of result by the Chairman or a person authorized by him in writing and shall also be communicated to National Stock Exchange of India Limited, Mumbai & Bombay Stock Exchange Limited, Mumbai.
- XV. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e. September 19, 2018.
- XVI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) Members may also write to the Registrar and Transfer Agent of the Company at the email address: [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or contact at telephone no. 022-62638200.





XVII) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

v) Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company during normal business hours 9.00 a.m. to 5.00 p. m. on all working days except Saturdays, Sundays and Public holidays up to the date of the AGM.

By Order of the Board of Directors  
**For De Nora India Limited**

Place: Kundaim, Goa  
Date: August 6, 2018

**Jyoti Bhandodkar**  
**Company Secretary**

### **EXPLANATORY STATEMENT**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the special business mentioned at Item No. 5 & 6 of the accompanying Notice dated August 06, 2018:

#### **Item No. 5**

Ms. Supriya Banerji, was appointed as a Non-Executive Director of the Company with effect from 27<sup>th</sup> October, 2016 in the casual vacancy caused by the resignation of Mr. Krishan Khanna. As per Section 161(4) of the Companies Act, 2013 a person who has been appointed as a Director in casual vacancy holds office only up to the date up to which the Director in whose place he/she is appointed, would have held office if it had not been vacated. Consequently, Ms. Supriya Banerji holds office up to the date of this Annual General Meeting, the date till which the original director Mr. Krishan Khanna, would have held the office.

Based on the recommendation of the Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act and the Listing Regulations, Ms. Banerji, being eligible for appointment as an Independent Director and offering herself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years from 26<sup>th</sup> September, 2018 up to 25<sup>th</sup> September, 2023.

Ms. Supriya Banerji's profile is given in the Annexure to the Notice.

Your Directors are of the opinion that her knowledge and experience would be of immense benefit to the Company and that she fulfills the conditions for appointment as an Independent Non-Executive Director as specified in the Act, the rules made thereunder and the provisions of the Listing Regulations and that she is independent of the management. Your Board of Directors, therefore, recommend that the resolution set out at item no. 5 of the Notice convening the meeting be approved and passed by the Members.

Your Company has received from her:

- i. consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014;

- ii. intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and
- iii. declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are in any way concerned or interested except for Ms. Banerji, in the resolution at Item No. 5 of the Notice.

#### **Item No. 6**

Mr. Francesco L'Abbate, was appointed as a Non-Executive Director of the Company with effect from 29<sup>th</sup> January, 2018 in the casual vacancy caused by the resignation of Mr. Angelo Ferrari. As per Section 161(4) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017, any appointment of a person as a Director in casual vacancy by the Board of Directors shall be subsequently approved by Members in the immediate next general meeting. Consequently, the said appointment of Mr. L'Abbate by the Board is placed for the approval of the Members by way of an Ordinary Resolution, as stated herein above.

Mr. L'Abbate has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as the Director of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are in any way concerned or interested except for Mr. L'Abbate, in the resolution at Item No. 6 of the Notice.

#### **Item No. 7**

Under Section 188 of the Companies Act, 2013 and the applicable rules framed thereunder and under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the Shareholders through ordinary resolution.



Further, as per the provisions of Section 188 (1) of the Companies Act, 2013 "Related Party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered with related parties falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board and its Power) Rules, 2015 but however, are not on arm's length price and are not in the ordinary course of business of the Company. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 requires taking prior approval of the Company by an Ordinary Resolution where transactions proposed to be entered with related parties falls, in the list of items referred therein and are in excess of threshold limits (Material Related Party Transactions). Proviso to Section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered by the company in the ordinary course of business other than transactions which are not on an arm's length basis.

Further, the Listing Regulations 2015 also provides that all transactions with a related party shall be considered material if the transaction / transactions to be entered individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The Material Related Party Transactions requires approval of the Shareholders by passing a Resolution and in respect of voting on such resolution(s), all related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

As a part of its regular business, the Company purchases raw materials such as electrolyzers, and their parts and accessories, drawings, technical specifications etc. and avails services from De Nora Water Technologies, LLC, Singapore at an arm's length basis under purchase orders raised from time to time and the aggregate value of these transactions is likely to be around ₹ 500 Lakhs ("De Nora's on-going transaction") in the Financial Year 2018-19.

De Nora Water Technologies, LLC, Singapore is a subsidiary of Industrie De Nora S.p.A. Italy, which is the Ultimate Holding Company of the Company. Accordingly, transaction(s) entered with De Nora Water Technologies, LLC, Singapore comes within the meaning of Related Party Transactions in terms of the provisions of the Act and applicable Rules framed thereunder read with the Listing Regulations.

During the Financial Year 2017-18, the total turnover of the Company was ₹ 2725.59 Lakhs and the Company proposes to enter transactions with De Nora Water Technologies, LLC, Singapore to the tune of ₹ 500 Lakhs during the Financial Year 2018-19 which as per the criteria mentioned in the Companies Act, 2013 and the Listing Regulations will be considered as 'Material' and therefore requires approval of the Board and the Members of the Company.

The Audit Committee of the Board of Directors of the Company reviewed the De Nora's on-going transactions and recommended the same for approval by the Board of

Directors and the Members of the Company at its meeting held on August 06, 2018. The Board of Directors also at its meeting held on August 06, 2018 reviewed the De Nora's on-going transactions and proposed the same to be placed before the Members for their approval.

The Members approval to the above material related party transactions is sought in terms of the aforesaid provisions of the Companies Act, 2013 and the Listing Regulations, 2015.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are in any way concerned or interested in the resolution at Item No. 7 of the Notice.

By Order of the Board of Directors  
**For De Nora India Limited**

Place: Kundaim, Goa  
Date: August 6, 2018

**Jyoti Bandodkar**  
**Company Secretary**