

## E.I.D.- Parry (India) Limited

Registered Office : 'Dare House', Parrys Corner, Chennai - 600 001

Tel : 044 – 2530 6789, Fax : 044 – 2534 1609,

Website : [www.eidparry.com](http://www.eidparry.com), E-mail id :- [investorservices@parry.murugappa.com](mailto:investorservices@parry.murugappa.com)

Corporate Identification Number : L24211TN1975PLC006989

### NOTICE

Notice is hereby given that the **THIRTY NINTH ANNUAL GENERAL MEETING** of the Shareholders of E.I.D.- Parry (India) Limited will be held on Wednesday, the 30<sup>th</sup> July, 2014 at 4.00 p.m. at Tamil Isai Sangam, Rajah Annamalai Mandram, 5, Esplanade Road, Chennai – 600 108 to transact the following business :

#### 1. Adoption of Financial Statements

To receive, consider and adopt the Directors' Report, the Audited Balance Sheet as at 31<sup>st</sup> March, 2014, the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014 and the Report of the Auditors thereon and in this connection, to consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 together with the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors and Auditors thereon be and are hereby adopted.

#### 2. Appointment of Mr.Anand Narain Bhatia as an Independent Director of the Company.

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr.Anand Narain Bhatia (DIN:00148983) who retires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of three consecutive years from this Annual General Meeting.

#### 3. Appointment of Mr. M.B.N. Rao as an Independent Director of the Company.

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. M.B.N.Rao (DIN:00287260) who retires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years from this Annual General Meeting.

#### 4. Appointment of Statutory Auditors

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai (Firm Registration No.008072S) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company (subject to ratification of their appointment at every AGM), at a remuneration of ₹ 23,00,000/- (Rupees Twenty Three Lakh only) for the year 2014/15 and ₹ 27,00,000/- (Rupees Twenty Seven Lakh only) per year for the subsequent two years plus reimbursement of out of pocket expenses and service tax."

**SPECIAL BUSINESS**

**5. Appointment of Mrs. Shyamala Gopinath as an Independent Director of the Company.**

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149,150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs.Shyamala Gopinath (DIN:02362921) be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years from this Annual General Meeting.

**6. Appointment of Mr. V.Manickam as an Independent Director of the Company.**

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. V.Manickam (DIN:00179715) be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years from this Annual General Meeting.

**7. Appointment of Mr. V. Ramesh as a Director of the Company**

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:-

**RESOLVED THAT** pursuant to the provisions of Sections 150 and 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re- enactment thereof for the time being in force), Mr.V.Ramesh (DIN 01412093) be and is hereby appointed as a Director.

**8. Borrowing Limits of the Company**

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** in supersession of the Ordinary Resolution passed through Postal Ballot on 21<sup>st</sup> May, 2013 and pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or foreign currency, whether unsecured or secured, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate of paid-up capital and free reserves of the Company and that the total amount up to which the moneys borrowed by the Board of Directors and outstanding shall not exceed the sum of ₹ 3000 crore(Rupees Three Thousand crore only) at any point of time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

**9. Creation of Mortgage/ Charge on the movable and immovable properties of the Company**

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** in supersession of the Ordinary Resolution passed through Postal Ballot on 21<sup>st</sup> May, 2013 and pursuant to the provisions of section 180(1)(a) of the Companies Act 2013 and the rules made thereunder

(including any statutory modification(s) or re-enactment thereof for the time being in force), consent is hereby accorded to the Board of Directors of the Company (including a duly constituted Committee thereof) for mortgaging and/or charging all the immovable and movable properties of the Company, present and future, wheresoever situate, and whole or any part of the undertaking of the Company in respect of any term loans, foreign currency borrowing including external commercial borrowing, buyer's credit or syndicated loan, non-convertible debentures etc., issued by the Company together with interest at the agreed rate, additional interest, liquidated damages, commitment charges, costs, charges, expenses and all other monies payable by the Company to the lenders/ Trustees to the holders of the non-convertible debentures, with such ranking and at such time and on such terms as the Board may determine.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalise with the lenders/Trustees to the holders of the non-convertible debentures, as the case may be the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution.

#### **10. Remuneration of Cost Auditors**

To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Section 148 (3) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹10,10,000/- ( Rupees Ten Lakh Ten Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses for the financial year ending March 31,2015 as approved by the Board of Directors of the Company to be paid to M/s. Geeyes & Co., Cost Accountants for the conduct of the cost audit of the cost records of the Company be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

#### **11. Issue of Redeemable Non Convertible Debentures**

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** subject to the provisions of Section 42 and such other provisions of the Companies Act, 2013 as may be applicable read with rules i.e. Companies (Prospectus and Allotment of Securities) Rules, 2014 as may be amended from time to time and such other regulations as may be applicable, consent be and is hereby accorded to the Board of Directors to issue and offer secured / unsecured Redeemable Non Convertible Debentures for an amount not exceeding ₹ 200 Crore (Rupees Two Hundred Crore) on a private placement basis to Nationalised Banks/ Indian Private Banks/ Foreign Banks/ Other Banks/ Financial Institutions/ other eligible investors in one or more tranches during a period of one year from the date of passing of this resolution within the overall borrowing limits of the Company as approved by the Members from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient, to give effect to this resolution.

#### **12. Payment of Commission to Non Wholetime Directors of the Company**

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** in accordance with the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force, the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor are the Managing Director(s) of the Company, be paid in respect of each of the five financial years of the Company, on and from the financial year which commenced from the 1<sup>st</sup> of April, 2014 upto the year ending 31<sup>st</sup> of March, 2019, remuneration by way of commission not exceeding an amount equal to one percent (1%) of the net profits of the Company for that year as computed under Section 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to decide, from time to time, the quantum and manner of distribution of the amount of commission to one or more Directors within the limits prescribed and in terms of the Act.

**RESOLVED FURTHER THAT** the aforesaid commission shall be exclusive of the fees payable to such Directors for attending the meetings of the Board and the Committees thereof.

**RESOLVED FURTHER THAT** consent of the Company be and the same is hereby accorded for payment of the aforesaid commission to such Directors who may be relatives/partners of other Directors.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.

By Order of the Board  
**For E.I.D.- Parry (India) Limited**

**G. Jalaja**  
Company Secretary

Chennai  
May 15, 2014

## **NOTES**

1. **Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) 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 shareholder.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Items No. 5 to 12 (and Items No. 2 to 4 though not mandatorily required) to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 16<sup>th</sup> July, 2014, to Wednesday, the 30<sup>th</sup> July, 2014 (both days inclusive)
4. As per the provisions of section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014 Shareholders holding shares in physical form may file nomination in the prescribed SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective Depository Participant.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification. 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.
6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
7. The Securities 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 the PAN to their Depository Participant with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent M/s.Karvy Computershare Pvt. Ltd. (Karvy).



8. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to Karvy .
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Karvy for assistance in this regard.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy for consolidation into a single folio.
11. Details pertaining to Directors seeking appointment required as per Clause 49 of the Listing Agreement is provided in the annexure to this notice.
12. Pursuant to the provisions of Section 205A (5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 1995-96 to 2005- 06 and interim dividend for the financial year 2006-07 from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. 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 July 30, 2013 (date of last Annual General Meeting) on the website of the Company ([www.eidparry.com](http://www.eidparry.com)) as also on the website of the Ministry of Corporate Affairs
13. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at least seven days before the date of the Annual General Meeting to enable the Company to keep the information ready at the meeting.
14. Pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and Sections 20, 101 and 136 of the Companies Act, 2013, electronic copy of Annual Report and this Notice inter-alia indicating the process and manner of e- voting along with Attendance Slip and proxy form are being sent by e- mail to those shareholders whose e-mail addresses have been made available to the Company/ Depository Participants unless any member has requested for a hard copy of the same.
15. In terms of Circular No. NDSL/CIR/II/10/2012 dated March 09, 2012 for those Members whose Depository Participant accounts do not contain the details of their email addresses, printed copies of the Notice of Annual General Meeting and Annual Report for the year ended March 31, 2014 are being despatched in the mode prescribed under Companies Act, 2013.
16. Members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Hyderabad - 500 081 quoting their folio number(s).
17. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.

#### 18 **VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 39<sup>th</sup> Annual General Meeting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting as the Authorised Agency to provide e-voting facilities.

The procedure and instructions for e-voting forms part of this notice.

## **Explanatory Statement**

(Pursuant to section 102 of the Companies Act, 2013)

The following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2 to 12 of the accompanying Notice:

### **Item Nos. 2 & 3**

Mr. Anand Narain Bhatia and Mr. M.B.N. Rao are Independent Directors on the Board of the Company within the definition of Independent Directors under Clause 49 of the Listing Agreements entered with the Stock Exchanges.

Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Mr. Anand Narain Bhatia joined the Board of the Company in January, 2004 and is retiring at this annual general meeting. A notice has been received from a member proposing Mr. Anand Narain Bhatia as a candidate for the office of Director of the Company.

Mr. M.B.N. Rao joined the Board in August, 2009 and is retiring at this annual general meeting. A notice has been received from a member proposing Mr. M.B.N. Rao as a candidate for the office of Director of the Company.

Mr. Anand Narain Bhatia and Mr. M.B.N. Rao have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

The Board considers that the continued association of Mr. Anand Narain Bhatia and Mr. M.B.N. Rao would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors of the Company.

The terms and conditions of appointment of Mr. Anand Narain Bhatia and Mr. M.B.N. Rao as Independent Directors would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday.

The Board recommends the ordinary resolutions at Item Nos. 2 & 3 for approval by the Members.

### **Memorandum of Interest**

Except Mr. Anand Narain Bhatia and Mr. M.B.N. Rao being the appointees, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions.

### **A brief profile of Mr. Anand Narain Bhatia and Mr. M.B.N. Rao is given below.**

Mr. Anand Narain Bhatia (67) was educated at Delhi University and Cambridge where he graduated with a degree in Economics. He joined Hindustan Lever (HLL) in 1970 as a Management Trainee. In 1984, he moved to Lipton India Limited (LIL) as Vice President - Foods, and appointed as Director of Foods and Beverages on the Board of LIL in 1990. In 1992, he assumed charge as Managing Director of Lipton. He became Chairman of Unilever Caribbean and successfully established Unilever business in the Caribbean.

He joined the EID Parry Board in the year 2004. He is the Chairman of the Shares & Shareholders / Investors Grievance Committee and Compensation & Nomination Committee and a member of the Audit Committee and Loans & Investment Committee.

Mr. M.B.N. Rao (65) is the former Chairman and Managing Director of Canara Bank. He was also Chairman and Managing Director of Indian Bank during the period 2003 to 2005. He is a Graduate in Agriculture and an Associate of

the Chartered Institute of Bankers and a Fellow of the Indian Institute of Banking & Finance. He is a Banker with over 38 years of hands on experience, with over 9 years of overseas experience and as the Board level appointee for about 8 years and at Chairman level for about 5 years.

He joined the E.I.D.-Parry Board in the year 2009. He is the Chairman of the Audit Committee and Risk Management Committee and a member of the Compensation and Nomination committee.

#### **Item No. 4**

M/s. Deloitte Haskins & Sells (ICAI Firm Registration No.008072S), Chartered Accountants, Chennai were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on July 30, 2013.

M/s. Deloitte Haskins & Sells have been the Auditors of the Company since 2005 and have completed a term of nine years. As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act also provide a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai being eligible for appointment and based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 15, 2014 proposed the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Chennai as the statutory auditors of the Company for a period of three years from the conclusion of this AGM (subject to ratification of their appointment at every AGM).

The Board recommends the Ordinary Resolution at Item No.4 for approval by the Members.

#### **Memorandum of Interest**

None of the Directors or Key Managerial Personnel (KMP) or their relatives is concerned or interested, financially or otherwise in the resolution.

#### **Item Nos. 5 & 6**

Mrs. Shyamala Gopinath and Mr. V.Manickam are Independent Directors on the Board of the Company within the definition of Independent Directors under Clause 49 of the Listing Agreements entered with the Stock Exchanges.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Mrs.Shyamala Gopinath was appointed as Additional Director by the Board at the meeting held on 30<sup>th</sup> January, 2014 to hold office up to this annual general meeting pursuant to Section 161 of the Companies Act, 2013. A notice has been received from a member proposing Mrs. Shyamala Gopinath as a candidate for the office of Director of the Company.

Mr. V. Manickam joined the Board of the Company in January, 2013. A notice has been received from a member proposing Mr. V. Manickam as a candidate for the office of Director of the Company.

Mrs.Shyamala Gopinath and Mr. V. Manickam have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

The Board considers that the continued association of Mrs.Shyamala Gopinath and Mr.V.Manickam would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors of the Company.

## **E.I.D. - Parry (India) Limited**

The terms and conditions of appointment of Mrs. Shyamala Gopinath and Mr. V. Manickam as Independent Directors would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day excluding Saturday.

The Board recommends the ordinary resolutions at Item Nos. 5 & 6 for approval by the Members.

### **Memorandum of Interest**

Except Mrs. Shyamala Gopinath and Mr. V. Manickam, being the appointees, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions.

### **A brief profile of Mrs. Shyamala Gopinath and Mr. V. Manickam is given below.**

Mrs. Shyamala Gopinath (64) served as Deputy Governor of Reserve Bank of India until June 2011. Presently she is Chairperson of The Clearing Corporation of India Limited and Clearcorp Dealing Systems (India) Limited. She holds a Master's degree in commerce and is a Certified Associate of the Indian Institute of Banking and Finance. She served in Reserve Bank of India for 39 years until June 2011. She handled some critical portfolios in the RBI such as financial markets, including regulation and management of government debt and exchange rate, management of foreign exchange reserves, and banking regulation and supervision. She is also the Chairperson of the Advisory Board on Bank, Commercial and Financial Frauds (Government of India) and Chairperson of the Corporate Bonds and Securitization Advisory Committee of SEBI.

She joined the EID Board in January 2014.

She is a member of the Audit Committee and Compensation and Nomination Committee.

Mr. V. Manickam (61) is a Chartered Accountant. He has put in more than 29 years of service in Life Insurance Corporation of India in various notable capacities. He retired as Managing Director and CEO of LIC Pension Fund. He is presently the Secretary General of Life Insurance Council.

He joined the E.I.D.-Parry Board in January 2013 as an Independent Director of the Company. He was earlier the nominee Director of Life Insurance Corporation of India till 29.10.2012.

He is a member of the Audit Committee and Corporate Social Responsibility Committee.

### **Item No.7**

Mr. V. Ramesh was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 30<sup>th</sup> January, 2014. The Board of Directors also appointed him as the Managing Director of the Company for a period of 3 years at the said meeting. The shareholders vide their resolution dated 21<sup>st</sup> May 2014 passed through postal ballot have also approved the appointment of Mr. V. Ramesh as the Managing Director. As an Additional Director, he holds office up to the date of the ensuing Annual General Meeting. In terms of Section 152 and 160 and other applicable provisions of the Companies Act, 2013 and the Rules there under, he is eligible for appointment as a Director of the Company. A notice has been received from a member proposing Mr. V. Ramesh as a candidate for the office of Director of the Company.

The Board recommends the Ordinary Resolution at Item No. 7 for approval by the Members.

### **Memorandum of Interest**

Except Mr. V. Ramesh, being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

### **Brief Profile of Mr. V. Ramesh**

Mr. V. Ramesh (56) has been associated with Murugappa Group since 2006, as Sr. VP - Finance (CFO) and subsequently as President (Abrasives) of Carborundum Universal Limited. He started his career as a Management Accountant with



Mukand Iron and Steel. After three years, he moved to Hindustan Lever Ltd in 1982, a company he served for two decades mainly in the Finance and Commercial functions and later worked in TVS Finance & Services Limited. He is a B.Com and an ICWA. He also has done his post graduation in Management (PGDM) from IIM-Bangalore.

He was appointed as an Additional Director and Managing Director of the Company by the Board of Directors at their meeting held on 30<sup>th</sup> January 2014.

He is a member of the Shares & Shareholders/Investors Grievance Committee, Loans and Investments Committee, Risk Management Committee and Corporate Social Responsibility Committee.

### Item No. 8 & 9

Section 180 of the Companies Act, 2013 (the Act) (corresponding to Section 293 of the Companies Act, 1956) has been notified by Ministry of Corporate Affairs (MCA) with effect from September 12, 2013. In terms of Section 180(1)(c) borrowings by a Company apart from temporary loans obtained from the Company's bankers in excess of its paid-up capital and free reserves, require the approval of the Members by way of special resolution.

Section 180(1)(a) of the Companies Act, 2013 effective from 12<sup>th</sup> September, 2013 requires that the Board of Directors shall not, without the consent of members in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

Members of the Company vide postal Ballot dated 21<sup>st</sup> May 2013 had pursuant to Section 293(1)(d) of the Companies Act, 1956, approved the borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹ 3000 Crore (Rupees three thousand crore).

The members of the Company under Section 293(1)(a) of the Companies Act, 1956 had also approved creating mortgages/ charges/ hypothecations on the movable and immovable properties of the Company in favour of the lending agencies/debenture trustees up to a limit of ₹ 3000 Crore.

The Ministry of Corporate Affairs (MCA) has vide its Circular dated March 25, 2014 clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to September 12, 2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the company will be effective for a period of one year from the date of notification of Section 180 of the Act which would be September 11, 2014. Pursuant to the above clarification a fresh approval of the Members is being sought under Section 180 of the Companies Act, 2013.

The Board recommends the Special Resolutions at Item Nos.8 & 9 for approval by the Members.

### Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions.

### Item No.10

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Geeyes & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

PRODUCT	FACTORY
Sugar	Nellikuppam, Pugalur, Pettavaittalai, Pudukottai, Puducherry, Bagalkot, Haliyal and Sankili
Power	Nellikuppam, Pugalur, Pettavaittalai, Pudukottai, Bagalkot, Haliyal and Sankili
Industrial Alcohol	Nellikuppam, Sivaganga, Haliyal and Sankili
Bio -Pesticide	Thyagavalli

In accordance with the provisions of Section 148 of the Act 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.

The Board recommends the Ordinary Resolution at Item No.10 for approval by the Members.

### Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

### Item No. 11

The Companies Act, 2013 ("the Act") has brought in significant changes in the provisions and procedures relating to raising of funds by companies through private placement of securities. The Act stipulates that private placement offer/ invitation of securities, not made in compliance with the provisions of the said Act and Rules framed there under, shall be treated as a public offer, requiring compliance with the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992.

If a Company proposes to raise long-term borrowing by issue of Non Convertible Debentures (NCDs) on private placement basis, the Act mandates that the Company shall obtain prior approval of its shareholders by means of a Special Resolution in respect of such borrowing through NCDs during the year.

The Company in the ordinary course of business raises long-term borrowings, either by way of term loans, external commercial borrowing or debentures. It is estimated that the Company will be resorting to borrowing of ₹ 200 crores through issue of secured / unsecured redeemable non-convertible debentures (NCDs) on private placement basis.

Accordingly, approval of the Members is presently sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 and the Rules thereunder for issue of NCDs on private placement basis for an amount not exceeding ₹ 200 Crore during a period of one year from the date of passing of the resolution.

The Board recommends the Special Resolution at Item No.11 for approval by the Members.

### Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution.

### Item No. 12

The role of non-whole time Directors is significant in achieving good performance and establishment of good governance. The responsibility of the non-whole time Directors has increased considerably over the years. In view of the dynamic changes in Company law and the corporate governance norms, there is a greater demand on the non-whole time Directors in terms of time and preparation for the Board and Committee meetings. Keeping in view the requirement in terms of time and quality on the part of the non-whole time Directors, it is necessary to remunerate them appropriately.

Taking into account the role and responsibilities of the Directors as stated above, it is proposed that, the Directors of the Company (including alternate Directors), who are neither in the whole-time employment of the Company nor the Managing Director(s) of the Company, be paid for each of the five financial years, commencing from the 1<sup>st</sup> April, 2014 up to the financial year ending on the 31<sup>st</sup> March, 2019, a remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 and applicable Rules, if any, thereunder. This remuneration will be distributed amongst the Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013 and the Rules thereunder. This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever, as may be decided by the Board.