



# Linde India Limited.

Notice 2014.

# Notice.

Notice is hereby given that the Seventy Ninth Annual General Meeting of the Members of Linde India Limited (Formerly BOC India Limited) will be held at the Kala Mandir Auditorium, 48 Shakespeare Sarani, Kolkata 700 017 on Friday, 15 May 2015 at 10.00 a.m. to transact the following business:

## Ordinary Business:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended 31 December 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Sanjiv Lamba (DIN: 00320753), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an **Ordinary Resolution**:

“RESOLVED that pursuant to provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Messrs B S R & Co. LLP, Chartered Accountants (Firm Regn. No. 101248W/W-100022), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 81st Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every Annual General Meeting) at a remuneration to be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company.”

## Special Business:

To consider and, if thought fit, to pass with or without modification(s), the following resolutions:

### 5. As an Ordinary Resolution:

“RESOLVED that Ms. Desiree Co Bacher (DIN: 07097389), who vacates office as Director under Article 92 of the Company’s Articles of Association and being eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

### 6. As a Special Resolution:

“RESOLVED that in partial modification of the Ordinary Resolution passed pursuant to the provisions of Sections 269, 309, 198 and other applicable provisions, if any, of the Companies Act, 1956 and/or relevant corresponding provisions of the Companies Act, 2013 at the 78th Annual General Meeting of the Members of the

Company held on 23 May 2014 approving the appointment and remuneration of Mr. Moloy Banerjee (DIN: 00273101) as Managing Director of the Company for a term of three years beginning from 30 July 2013 and ending on 29 July 2016, the Members do hereby approve the payment of remuneration to Mr. Moloy Banerjee as Managing Director of the Company as set out in the Agreement dated 30 October 2013 entered into between the Company and Mr. Moloy Banerjee, which was earlier sanctioned by way of an Ordinary Resolution at the aforesaid Annual General Meeting of the Company;

RESOLVED further that pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be required, the Members do hereby ratify and confirm, as minimum remuneration, sums aggregating to Rs. 3,601,453 (excluding contribution to Provident and other Funds) paid to Mr. Moloy Banerjee, Managing Director of the Company as remuneration for the period from 1 January 2014 till 31 March 2014, and in case of any excess over the limits of managerial remuneration based on the profits of the Company, waive recovery of such excess, and also approve the consequential retention of the aforesaid remuneration by Mr. Moloy Banerjee;

RESOLVED further that pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, and subject to such approvals as may be required, the Members do hereby ratify and confirm, as minimum remuneration, sums aggregating to Rs. 11,547,282 (excluding contribution to Provident and other Funds) paid to Mr. Moloy Banerjee, Managing Director of the Company as remuneration for the period from 1 April 2014 till 31 December 2014 and in case of any excess over the limits of managerial remuneration based on the profits of the Company, waive recovery of such excess, and also approve the consequential retention of the aforesaid remuneration by Mr. Moloy Banerjee;

RESOLVED further that the Members do hereby approve the payment of remuneration to Mr. Moloy Banerjee, Managing Director of the Company, for the period from 1 January 2015 to 29 July 2016 as set out in the Agreement dated 30 October 2013 entered into between the Company and Mr. Moloy Banerjee which was earlier sanctioned at the 78th Annual General Meeting held on 23 May 2014 including further increases granted by the Board on the recommendation of the Nomination and Remuneration Committee as well as to be granted by the Board within the currency and authority of this Agreement as the minimum remuneration in case the Company has no profits or its profits are inadequate during the whole of the period beginning 1 January 2015 and ending on 29 July 2016 or any part thereof subject to such approvals as may be required, with liberty to the Board of Directors including any Committee thereof (collectively referred to as “Board”) to revise, amend, alter and vary the terms and conditions of his remuneration in such manner as may be permitted in accordance with applicable provisions of

the Companies Act, 2013 read with relevant rules thereunder and Schedule V of the said Act or any modification thereto and as may be agreed to by and between the Board and Mr. Moloy Banerjee;

RESOLVED further that the Board of Directors and/or the Company Secretary of the Company be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

7. As a **Special Resolution**:

"RESOLVED that pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder and Schedule I of the said Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new set of Articles of Association as laid before this meeting, duly initialed by the Chairman for purpose of identification, be and is hereby approved and adopted in substitution and to the entire exclusion, of the existing Articles of Association of the Company;

RESOLVED further that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution."

8. As an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 197(7) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49(II)(C) of the Listing Agreement with the Stock Exchange(s), in supersession of the earlier Resolution passed at the 76th Annual General Meeting of the Company held on 17 May 2012, the approval of the Members be and is hereby granted for

payment of commission to the Directors of the Company (other than a Managing Director, a Wholetime Director, a Director not resident in India and an Alternate Director) for a period of five years with effect from the financial year commencing from 1 January 2015, of such amount as the Board may decide, not exceeding 1% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013, in any financial year, to be divided amongst the Directors aforesaid in such amounts or proportions and in such manner as the Board of Directors of the Company may from time to time determine and in default of such determination equally, provided that in respect of any part of the said five years not coinciding with the financial year of the Company, the amount of commission shall be pro-rata for the period which the said period bears to the whole of the financial year concerned and further that the above remuneration shall be in addition to the sitting fees payable to such Directors for attending meetings of the Board and/or Committee(s) thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and/or Committee meetings;

RESOLVED further that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution."

9. As an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs Bandyopadhyaya Bhaumik & Co., Cost Accountants (Firm Regn. No. 000041), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31 December 2015 be paid a remuneration of Rs. 130,000/- (Rupees One Lakh Thirty Thousand only) plus applicable service tax and out of pocket expenses that may be incurred during the course of audit and the said remuneration be and is hereby ratified."

## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting.

A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 person shall not act as a Proxy for any other Member.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 concerning the Special Business in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 6 May 2015 to Friday, 15 May 2015 (both days inclusive) for the purpose of payment of dividend.
4. The dividend, as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid to those Members whose names appear on the Company's Register of Members after giving effect to all valid transfer deeds in physical form lodged with the Company/RTA on or before 5 May 2015 and in respect of shares held in dematerialized form to the beneficial owners whose names appear in the statements to be furnished by the Depositories for this purpose as at the close of business hours on 5 May 2015. The dividend declared at the Annual General Meeting shall be paid on or before 20 May 2015.
5. Electronic copy of the Annual Report 2014, Notice of the aforesaid AGM, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the Members whose e-mail IDs are registered with the Company's Registrar & Transfer Agents/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail IDs, physical copies of the said Annual Report 2014, Notice of the AGM along with Attendance Slip, Electronic Voting Particulars and Proxy Form are being sent at their registered addresses.
6. Corporate Members are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
7. In terms of Section 205A and Section 205C of the Companies Act, 1956 as amended from time to time and/or relevant corresponding provisions of the Companies Act, 2013 once notified, the amount of

dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not encashed their dividend warrant(s) for any one or more of the financial year(s) viz. 9 months period ended 31 December 2007, year ended on 31 December 2008, 31 December 2009, 31 December 2010, 31 December 2011, 31 December 2012 and 31 December 2013 are requested to make their claims to the Company or its Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59 C, Chowringhee Road, 3rd Floor, Kolkata 700 020 for the same. The due dates for transfer of the aforesaid unpaid/unclaimed dividend to IEPF are as follows:

Dividend for the year ended	Due date for transfer to IEPF
9 months ended 31 December 2007 (53rd Dividend)	4 July 2015
Year ended 31 December 2008 (54th Dividend)	3 July 2016
Year ended 31 December 2009 (55th Dividend)	30 June 2017
Year ended 31 December 2010 (56th Dividend)	9 July 2018
Year ended 31 December 2011 (57th Dividend)	23 June 2019
Year Ended 31 December 2012 (58th Dividend)	23 June 2020
Year Ended 31 December 2013 (59th Dividend)	29 June 2021

Members are advised that once the unpaid/unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

8. Members holding shares in physical form are requested to notify immediately any change in their address including Pin code, Bank Mandate, etc to the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59 C, Chowringhee Road, 3rd Floor, Kolkata 700 020. Members holding shares in electronic form are requested to furnish this information to their respective Depository Participants for updation of the changes.
9. Members who hold shares in electronic form and who have not registered their e-mail addresses so far, are requested to register their email IDs with their Depository Participants. Members who hold shares in physical form are requested to fill and send the "Email Registration Form" to the Company/Registrar and Transfer Agents. This form is available on the Company's website [www.linde.in](http://www.linde.in) under Investor Relations section.
10. Members holding shares in multiple folios in identical names or joint accounts in the same order of names, are requested to consolidate their shareholdings into one folio. Members holding shares in physical form are also requested to take action for dematerialization of the shares to avail the benefits of demat.
11. Members holding shares in the physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies

Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., who will provide the form on request. These forms are also available on the Company's website [www.linde.in](http://www.linde.in) under Investor Relations section.

12. Members are requested to contact the Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59 C, Chowringhee Road, 3rd Floor, Kolkata 700 020 (Phone +91 33 2289 0540; Fax +91 33 2289 0539) for reply to their queries/redressal of complaints, if any, or contact Ms. Kavita Karwa, Executive - Secretarial at the Registered Office of the Company (Phone +91 33 6602 1600; Email: [kavita.karwa@linde.com](mailto:kavita.karwa@linde.com)).

13. Members are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.

14. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder, copy of the Agreement between the Company and Mr. Moloy Banerjee and the draft of the new Articles of Association of the Company would be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

#### 15. E-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 w.e.f. 19 March 2015 and Clause 35B of the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to provide to the Members facility of voting by electronic means in respect of businesses to be transacted at the 79th Annual General Meeting (AGM) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) and voting at the AGM through an electronic voting system. The Company also proposes to provide the option of voting by means of Ballot Form at the AGM in addition to the electronic voting system mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

Mr. S. M. Gupta, Proprietor of Messrs S. M. Gupta & Co., Company Secretaries (Membership No. FCS-896, C. P. No. 2053), who had consented to act as the Scrutinizer, was appointed by the Board of Directors as the Scrutiniser to scrutinize the voting process (electronically or otherwise) for the 79th Annual General Meeting

of the Company in a fair and transparent manner and submit a consolidated Scrutinizer's report of the total votes cast to the Chairman or a person authorised by him in writing.

The procedure with respect to e-voting is provided below:

A) In case of Members receiving notice by e-mail from NSDL:

- i. Open e-mail and open the attached PDF file viz; "Lindeindia.e-voting.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii. Launch internet browser by typing the URL <https://www.evoting.nsdl.com>.
- iii. Click on "Shareholder-Login".
- iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
- v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on "e-voting: Active Voting Cycles".
- vii. Select "E Voting Event Number (EVEN)" of Linde India Limited for casting your vote.
- viii. Now you are ready for e-voting as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.
- x. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xi. Institutional Shareholders and bodies corporate (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 are authorized to vote to the Scrutinizer through e-mail to [scrutinizer@linde.com](mailto:scrutinizer@linde.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

B) In case of Members receiving Notice of Annual General Meeting by post:

- a. Initial password is provided on the Attendance Slip for the AGM.
- b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.

**Other Instructions:**

- I. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM but before the cut-off date of 8 May 2015, may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, Link Intime India Pvt. Ltd., 59 C, Chowringhee Road, 3rd Floor, Kolkata 700 020 (Phone +91 33 2289 0540; Fax +91 33 2289 0539) or NSDL (Phone +91 22 2499 4600).
- II. The remote e-voting period starts on Tuesday, 12 May 2015 at 9.00 a.m. and ends on Thursday, 14 May 2015 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 8 May 2015, may cast their votes electronically. The remote e-voting module will be disabled by NSDL for voting thereafter at 5.00 p.m. on Thursday, 14 May 2015. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. In case of any queries, you may refer to the "Frequently Asked Questions (FAQs)" for Shareholders and e-voting user manual for Shareholders available at the "downloads" section of NSDL website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- IV. 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. In case of joint holders, only one of the joint holders may cast his vote.
- V. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through electronic voting system/ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- VI. The Results of the e-voting will be declared not later than three days of conclusion of the AGM i.e. Monday, 18 May 2015. The declared results along with the Scrutinizer's Report will be available on the Company's website at [www.linde.in](http://www.linde.in) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

**16. Appointment/Re-appointment of Directors:**

**Mr. Sanjiv Lamba**, Director of the Company, having DIN: 00320753 retires by rotation at the ensuing 79th Annual General Meeting and being eligible, offers himself for re-appointment.

**Ms. Desiree Co Bacher**, having DIN: 07097389, was appointed as an Additional Director (Non- Executive) of the Company with effect from 17 February 2015 by the Board of Directors and holds office as such till the ensuing 79th AGM of the Company. It is proposed to appoint her as a Director of the Company at the ensuing AGM.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, following information is being furnished about the aforesaid Directors proposed to be appointed/re-appointed:

**Mr. Sanjiv Lamba** (born 1964) is a B.Com (Hons.) and a Chartered Accountant. Mr. Lamba joined the Company in the year 1989 and gathered rich experience of the Company's business both in India and overseas and was the Managing Director of the Company upto 31 March 2005. Mr. Lamba thereafter moved to various senior management positions within the erstwhile BOC Group until its merger with Linde AG in the year 2006. Mr. Lamba is presently a Member of the Executive Board of Linde AG and responsible for the Asia/Pacific segment as well as for the Global Governance Centres, Merchant and Packaged Gases and Electronics. Mr. Lamba has been the Chairman of the Board of Directors of the Company since 9 February 2012. Mr. Lamba is presently a Member of the Audit Committee and the Nomination and Remuneration Committee of the Board.

Mr. Lamba held 400 shares in Linde India Ltd. as on 31 December 2014.

Mr. Lamba did not hold any directorship in any other Company in India as on 31 December 2014. However, his overseas directorships include Linde AG, Linde Malaysia Sdn Bhd and Linde Thailand Public Co. Ltd.

**Ms. Desiree Co Bacher** (born 1971) is a Bachelor of Science in Accountancy and is a Certified Public Accountant in the Philippines. Ms. Bacher joined Linde Philippines in August 1999 in the finance function, as the Financial Controller and thereafter moved to various senior management positions in the finance function within the Linde Group and is presently the Head of Finance and Control for South and East Asia and is based at the Group's Regional Office at Singapore.

Ms. Bacher presently does not hold any shares in Linde India Ltd.

Ms. Bacher does not hold any directorship in any other Company in India. However, her overseas directorships include Linde Gas Asia Pte. Ltd., Linde Gas Singapore Pte. Ltd., Linde Bangladesh Ltd., Linde Gas Vietnam, Linde Vietnam Ltd., P.T. Linde Indonesia, P.T. Gresik Gases Indonesia, P.T. Gresik Power Indonesia, Linde ROC Sdn Bhd, Linde Philippines Inc., Bataan Industrial Gases Inc, Linde Philippines (South) Inc and BOC Gist Inc.

# Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") to the accompanying Notice.

As the business specified in Item Nos. 5 to 9 of the Notice of even date, to which this statement is annexed, are items of special business to be transacted at the 79th Annual General Meeting of the Company, the following facts are set out in compliance with the provisions of Section 102 of the Companies Act, 2013:

## Item No. 5:

The Board of Directors of the Company had appointed Ms. Desiree Co Bacher as an Additional Director (Non- Executive) of the Company with effect from 17 February 2015. The Additional Director holds office only until the ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 but is eligible for appointment as Director. The Company has received a notice under Section 160(1) of the said Act from a Member along with requisite deposit signifying his intention to propose Ms. Bacher's appointment as a Director of the Company.

The Board considers that the expertise of Ms. Bacher should continue to remain available to the Company and therefore, recommends the Ordinary Resolution set out at item no. 5 of the Notice for your approval.

Ms. Bacher is concerned or interested in the resolution as it relates to her appointment. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

## Item No. 6:

**Approval/waiver of recovery of excess remuneration paid to Mr. Moloy Banerjee (DIN: 00273101), Managing Director of the Company for the Financial Year ended 31 December 2014 and approval of his minimum remuneration for the period from 1 January 2015 till the remaining term of his appointment in case the Company has no profits or inadequate profits during that period.**

Mr. Moloy Banerjee was appointed as the Managing Director of the Company for a period of three years with effect from 30 July 2013 to 29 July 2016 by the Board of Directors of the Company on the recommendation of the Remuneration Committee (now known as Nomination and Remuneration Committee) pursuant to the provisions of Sections 269, 309, 198 and other applicable provisions of the Companies Act, 1956. The said appointment and the terms of remuneration of Mr. Moloy Banerjee as the Managing Director of

the Company were set out in the Agreement dated 30 October 2013 entered into between the Company and Mr. Moloy Banerjee and approved by the Members of the Company by an Ordinary Resolution at the 78th Annual General Meeting held on 23 May 2014.

The brief terms of remuneration of Mr. Moloy Banerjee as provided in the aforesaid Agreement approved by the Members are enumerated below for ease of reference:

Remuneration:

- i) Basic Salary: Rs. 4,393,300 per annum with authority to Nomination and Remuneration Committee and the Board to give increments which will be merit based taking into account Company's performance.
- ii) Remuneration/payment as per Short, Mid and Long Term Incentive Plan of the Linde Group as may be recommended by the Nomination and Remuneration Committee and approved by the Board from time to time.
- iii) Perquisites and Allowances:
  - a) Special Allowance of Rs. 3,770,723 per annum or such amount as may be decided by the Nomination and Remuneration Committee and the Board from time to time.
  - b) Rent free residential accommodation whether owned/leased/rented by the Company as per the Rules of the Company.
  - c) Reimbursement of medical expenses upto a ceiling of Rs. 75,000 per annum or Rs. 225,000 in a block of three years.
  - d) Premium for maintenance of a Group Health policy or policies for Mr. Banerjee and his family for medical benefits, Personal Accident Insurance as per Company's scheme and maintenance of a Keyman Insurance Policy under the Company's Keyman Insurance Scheme for its executives.
  - e) Leave Travel Concession of Rs. 175,000 per annum for self and family.
  - f) Provision of one car for both official and personal purposes and reimbursement of wages of driver up to a maximum limit of Rs. 120,000 per annum apart from the driver's overtime wages on Company's business.
  - g) Telephone facility at residence and a cellular phone for official use.
  - h) Monthly subscription for two clubs but not including admission fee or life membership fees.



- iv) Entertainment expenses incurred in the course of and for the purpose of the business of the Company.
- v) Contribution to Provident, Superannuation and Gratuity Funds as per the rules of the Company.
- vi) Leave according to rules applicable to the whole time Directors of the Company but not more than one month's leave for every eleven months of service.
- vii) Minimum Remuneration : The Agreement also provided for payment of minimum remuneration in case the Company has no profits or its profits are inadequate in any financial year covered by the Agreement.

The aforesaid remuneration of Mr. Moloy Banerjee was further revised on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors of the Company for effecting annual increment with effect from 1 April 2014, as follows:

Basic Salary of Rs. 4,920,492 per annum and Special Allowance of Rs. 4,264,293 per annum, with consequential impact on Short Term Incentive Pay and retirement benefits of the Managing Director. All the other terms and conditions of the Managing Director's Remuneration as set out in the existing Agreement remained unchanged.

It is now desirable to approve the remuneration of Mr. Moloy Banerjee as Managing Director of the Company as set out in the aforesaid Agreement dated 30 October 2013 entered into between the Company and Mr. Moloy Banerjee by way of Special Resolution including authority to the Nomination and Remuneration Committee and Board to grant annual increments to Mr. Banerjee in partial modification of the Ordinary Resolution passed at the 78th Annual General Meeting in view of inadequacy of profits during the financial year ended 31 December 2014.

During the year 2014, the Company recorded a net profit of Rs. 54 million. However, the Company did not have any net profit for the said financial year as per the computation laid down in Section 349 of the Companies Act, 1956/relevant corresponding provisions of the Companies Act, 2013. In view of the inadequacy of profits during the financial year ended 31 December 2014 for payment of Managerial Remuneration, the Company would have been permitted to pay remuneration exceeding Rs. 12 lakhs (calculated on pro-rata basis for the period from 1 January 2014 to 31 March 2014) in compliance with the provisions of para (C) of Section II of Part II of Schedule XIII of the Companies Act, 1956 and up to a limit of Rs. 118.74 lakhs (calculated on pro-rata basis for the period from 1 April 2014 to 31 December 2014) as specified in Schedule V, under the provisions of the Companies Act, 2013. This is based on Company's effective

capital of Rs. 21,676.95 million as on 31 December 2012, being the last date of the financial year preceding the financial year in which the appointment of the Managing Director was made. Any sums paid in excess of the said statutory limits become refundable to the Company and are held in trust for the Company by the Director, unless the Company waives recovery of the said amount by way of a Special Resolution.

Pursuant to the provisions of Section 197 of the Companies Act, 2013 read together with Schedule V thereof and rules made thereunder, in case of no profits or inadequacy of profits during the remaining term of appointment of the Managing Director beginning from 1 January 2015 till 29 July 2016, the Company is permitted to pay to the Managing Director such remuneration upto the ceiling limits as specified in Schedule V during the said period or any part thereof, subject to the approval of the remuneration by way of a Special Resolution. Further, the Company is also permitted to pay to the Managing Director subject to such approvals as may be required, any sum as minimum remuneration which may be in excess of the said statutory limits in case same is authorized by the Members by way of a Special Resolution.

The Ministry of Corporate Affairs vide its Notification No. GSR 534(E) dated 14 July 2011 read with subsequent Notification dated 16 August 2012, had in case of managerial person meeting the specified criteria exempted companies from seeking Central Government approval for payment of remuneration to them in excess of limits prescribed under Schedule XIII of the Companies Act, 1956. The remuneration paid to Mr. Moloy Banerjee from the period 1 January 2014 to 31 March 2014 is in compliance with Schedule XIII of the Companies Act, 1956 read with these notifications.

The Special Resolution is therefore being proposed for waiver of the remuneration paid to the Managing Director for the financial year ended on 31 December 2014 in excess of the statutory limits specified under the Companies Act, 1956/the Companies Act, 2013. Besides, it is also proposed to approve the remuneration as originally approved by the Members and subsequently increased by the Board within the authority granted to it under the said resolution as minimum remuneration payable to Mr. Moloy Banerjee in case the Company has no profits or its profits are inadequate in any part of the remaining term of appointment of the Managing Director beginning from 1 January 2015 till 29 July 2016 subject to such approvals as may be required.

The contract/agreement executed between the Company and the Managing Director is available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and a copy thereof will also be available at the meeting venue.



The Board, therefore, recommends the Special Resolution set out at item no. 6 of the Notice for approval by the Members.

Mr. Moloy Banerjee is concerned or interested in the resolution as it relates to his appointment and/or remuneration payable to him. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Pursuant to the provisions of Schedule XIII of the Companies Act, 1956/ Schedule V of the Companies Act, 2013, the following information is provided to the Members:

**I. General Information:**

**i. Nature of industry:**

Linde India Limited is a gases company primarily engaged in the manufacture of atmospheric gases, viz. oxygen, nitrogen and argon by use of air separation technology and is part of the Chemicals industry segment. The Company has two

broad segments, viz. Gases and Related Products and Project Engineering in line with the operating model of its parent, Linde AG. The Gases and Related Products segment comprises of pipeline gas supplies (tonnage), supply of liquefied gases through cryogenic tankers (bulk) and compressed gas supply in cylinders (packaged gas). The Project Engineering Division engages in the business of engineering, procurement, supply, construction and commissioning of Air Separation Units (ASU), nitrogen generators, hydrogen Pressure Swing Adsorption (PSA) plants, compressed air systems and gas distribution and storage systems.

**ii. Date of commencement of commercial production**

The Company was incorporated on 24 January 1935 and commenced its operations in India immediately thereafter. The Company's operations in India therefore date back to nearly eight decades.

**iii. Financial performance based on given indicators:**

Particulars	Audited figure for the financial year ended 31 December 2014 (Rs. in million)	Audited figure for the financial year ended 31 December 2013 (Rs. in million)	Audited figure for the financial year ended 31 December 2012 (Rs. in million)	Audited figure for the financial year ended 31 December 2011 (Rs. in million)
Revenue from operations (gross)	16,148.67	15,294.96	14,113.45	12,158.52
Profit Before Tax	35.78	1,166.08	1,255.00	1,748.50
Profit for the Year	54.00	773.28	894.80	1,216.57

**iv. Foreign investments or collaborations, if any:**

Linde India Limited is a member of The Linde Group and Linde AG as the ultimate holding company controls 75% of the paid up share capital of the Company. The promoter group has supported significant investments towards capital expenditure in the Company since 2008 for setting up of several large Air Separation Units, packaged gases and other plants, purchase of distribution assets, etc. The Company has access to Linde AG's technology in both its business segments – Gases and Project Engineering.

of experience spread across Gases and Project Engineering business of the Company during which he held various senior positions in the Company including as Vice President– Gases responsible for bulk and tonnage business, as Marketing Manager responsible for strategic marketing and investments, as Project Development Manager responsible for business development activities relating to merchant and onsite business and as Manager in Project Engineering Division responsible for project execution in various capacities. Besides this, Mr. Banerjee has an overseas experience of two years in the Tonnage business in South and East Asia and South Pacific regions in the Gases business of The Linde Group after which he was appointed as the Dy. Country Head of the Company w.e.f. 1 January 2013 and later as Managing Director of the Company from 30 July 2013.

**II. Information about Mr. Moloy Banerjee:**

**i. Background details:**

Mr. Moloy Banerjee (born 1966), is a B. Tech. in Mechanical Engineering from IIT Kanpur. Mr. Banerjee has over 28 years

ii. Past remuneration:

(in Rupees)

Financial Year	2014		2013
	1 January 2014 to 31 March 2014*	1 April 2014 to 31 December 2014**	30 July 2013 to 31 December 2013*
Salary and Allowances	2,084,755	7,275,029	3,751,112
Variable Compensation Pay	631,052	1,544,074	1,097,281
Perquisites/other benefits	885,646	2,728,179	504,594
Contribution to Provident and other funds	349,377	1,215,832	583,309
Total Remuneration Paid/Payable	3,950,830	12,763,114	5,936,296
Less:			
Permissible Deductions under Schedule XIII of the Companies Act, 1956/Schedule V of the Companies Act, 2013			
- Contribution to Provident and Other Funds	(349,377)	(1,215,832)	(583,309)
Total Remuneration under Schedule XIII of the Companies Act, 1956/ Schedule V of the Companies Act, 2013	3,601,453	11,547,282	5,352,987
Less:			
Permissible remuneration payable by the Company with no/ inadequate profits for the year ended 31 December 2014 under Schedule XIII of the Companies Act, 1956/ Schedule V of the Companies Act, 2013	(1,200,000)	(11,874,000)	Not Applicable
Waiver of Excess Remuneration Paid/Payable	2,401,453	Nil	Not Applicable

\*Remuneration computed as per applicable provisions of the Companies Act, 1956.

\*\*Remuneration computed as per applicable provisions of the Companies Act, 2013.

iii. Recognition or awards:

Mr. Moloy Banerjee has been appointed as the Chairman of the Safety Task Force of the Eastern Region of the Confederation of Indian Industry, Member of Governing Council of Gas Industries Association and also represents the Company at the All India Industrial Gases Manufacturers Association.

iv. Job profile and his suitability:

Mr. Moloy Banerjee is the Managing Director of the Company since 30 July 2013 and is entrusted with substantial powers of management subject to the superintendence, control and direction of the Board of Directors of the Company. Mr. Banerjee has nearly 28 years of experience including at various senior management positions in the Company and overseas, as covered herein above under (i) Background details. The rich experience of Mr. Banerjee is well suited for the position of the Managing Director.

v. Remuneration proposed:

The Company proposes to pay minimum remuneration to Mr. Moloy Banerjee for the year ended on 31 December 2014 due to inadequacy of profits during the said year in accordance with the applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 and the terms of appointment

approved by the Members at the 78th Annual General Meeting held on 23 May 2014 and as elaborated in the proposed resolution included in the Notice as well as information provided hereinabove.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The terms and remuneration of Mr. Moloy Banerjee as Managing Director have been considered by the Nomination and Remuneration Committee and later approved by the Board of Directors. The appointment and remuneration of Mr. Banerjee was subsequently approved by the Shareholders at the Annual General Meeting held on 23 May 2014. The remuneration has been based on benchmarking standards for the CEOs provided by Mercer with respect to size of the operations and the profile of the position.

vii. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:

Mr. Moloy Banerjee holds 200 shares in the Company as on 31 December 2014. Apart from receiving remuneration as stated above and dividend as a Member of the Company, Mr. Banerjee does not have any other pecuniary relationship with the Company or with the managerial personnel of the Company.