

Rallis India Limited

**RALLIS INDIA LIMITED**

(CIN: L36992MH1948PLC014083)

**NOTICE OF MEETING**

NOTICE is hereby given that the 66th Annual General Meeting of Rallis India Limited will be held at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai 400 020 on Monday, the 30th June, 2014 at 3.00 p.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Report of the Directors and that of the Auditors thereon.
2. To confirm the payment of Interim Dividend for the year 2013-14 and to declare a Final Dividend for the year 2013-14 on Equity Shares.
3. To appoint a Director in place of Mr. R. Gopalakrishnan who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS****5. Appointment of Mr. B. D. Banerjee as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. B. D. Banerjee (DIN No. 00064354), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from 30th June, 2014 up to 31st October, 2016.

**6. Appointment of Mr. E. A. Kshirsagar as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. E. A. Kshirsagar (DIN No. 00121824), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from 30th June, 2014 up to 30th September, 2016.

**7. Appointment of Mr. Prakash R. Rastogi as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Prakash R. Rastogi (DIN No. 00110862), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from 30th June, 2014 up to 29th June, 2019.

**8. Appointment of Dr. Y. S. P. Thorat as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time,



Dr. Y. S. P. Thorat (DIN No.02652734), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from 30th June, 2014 up to 29th June, 2019.

**9. Appointment of Dr. Punita Kumar-Sinha as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** Dr. Punita Kumar-Sinha (DIN No. 05229262) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 26th March, 2014 and who holds office upto the date of the forthcoming Annual General Meeting under Section 161 of the Companies Act, 2013 ('the Act') and Article 116 of the Articles of Association of the Company, but who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a shareholder proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the the Act and the Rules made there under, as amended from time to time, Dr. Punita Kumar-Sinha, a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th June, 2014 up to 29th June, 2019.

**10. To approve revision in Managing Director's salary**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** in partial modification of the Resolution No.8 passed at the Annual General Meeting of the Company held on 27th June, 2012 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the Company hereby approves the revision in the terms of remuneration of Mr. V. Shankar as the Managing Director of the Company, by way of an increase in the maximum amount of his salary (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board or a Committee thereof to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary with effect from 1st April, 2014, for the remainder of his term up to 12th March, 2017, as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

**11. Ratification of Cost Auditors' remuneration**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of ₹3.50 lakhs plus service tax and out-of-pocket expenses payable to M/s. N. I. Mehta & Co., who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to Insecticides, Fertilizers and Seeds of the Company for the year ending 31st March, 2015.

**12. To approve borrowing limits of the Company**

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

**RESOLVED THAT** in supersession of the Resolution No.8 passed at the Annual General Meeting of the Company held on 29th August, 2000 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board') to borrow any sum or sums of money, from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed ₹400 Crores (Rupees four hundred crores only).

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**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.

**13. Creation of Charge on the assets of the Company**

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**RESOLVED THAT** in supersession of the Resolution No.10 passed at the Annual General Meeting of the Company held on 15th June, 2010 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ('the Board') to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as 'Lenders'), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of ₹600 Crores (Rupees six hundred crores only).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.

*Notes:*

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.5 to 13 above is annexed hereto. The relevant details of Directors seeking re-appointment/ appointment under Item Nos. 3 and 5 to 9, pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a 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 proxy shall not act as a proxy for any other person or shareholder.
3. **Process and manner for members opting for e-voting are as under:**  
In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 66th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Ltd. (NSDL).  
The instructions for e-voting are as under:  
A. In case a Member receives an email from NSDL (for Members whose email IDs are registered with the Company/ Depository Participants):  
(i) Open the email and open pdf file "Rallis India e-voting.pdf" with your Client ID or Folio No. as password. The



pdf file contains your user ID and password/PIN for e-voting. Please note that this password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder - Login
  - (iv) Put User ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email ID, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - (vi) You need to login again with the new credentials. Home page of e-voting will open. Click on e-voting: Active Voting Cycles.
  - (vii) Select the "EVEN" i.e Rallis India Limited. Now you are ready for e-voting as Cast Vote page will open.
  - (viii) The voting rights of the shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as on 16th May, 2014 ("Cut-Off Date").
  - (ix) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "**SUBMIT**". A confirmation box will be displayed. Click "**OK**" to confirm or "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
  - (x) You can similarly vote in respect of all other resolutions forming part of the Notice of the Annual General Meeting. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
  - (xi) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "**RESET**" for those resolutions for which you have not yet cast the vote.
  - (xii) Corporate/ Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email ID: [navnitlb1234@gmail.com](mailto:navnitlb1234@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The scanned image of the above mentioned documents should be in the naming format: Corporate Name\_EVEN NO.
- B. In case of Members whose email IDs are not registered with the Company/ Depository Participants, their User ID and initial password/PIN is provided on the Ballot Form sent with the Annual General Meeting Notice. Please follow all steps from Sr. No. (ii) to (xii) as mentioned in (A) above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/ PIN for casting their votes.
- D. The e-voting period commences on 22nd June, 2014 (9.00 a.m) and ends on 24th June, 2014 (6.00 p.m). During this period, Members holding shares in either physical or dematerialized form as on the Cut-Off Date of 16th May, 2014, may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- E. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of <https://www.evoting.nsdl.com>.
- F. Mr. N. L. Bhatia, Practicing Company Secretary has been appointed as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.

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- G. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- H. The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.rallis.co.in](http://www.rallis.co.in) and on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.
4. (a) For the benefit of Members who do not have access to e-voting facility, a Ballot Form is being sent along with the Notice of the Annual General Meeting, to enable them to send their assent or dissent by post. Detailed instructions on voting through post are given on the reverse of the Ballot Form.
- (b) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- (c) A Member can opt for only one mode of voting, i.e. either by post or through e-voting. In case of Member(s) who cast their votes by both modes, then voting done through a valid physical ballot form shall prevail and e-voting of that Member shall be treated as invalid.
5. Corporate Members intending to send their authorized representatives to attend the Meeting 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.
6. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending the Annual General Meeting, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
7. **Book Closure and Dividend:**
- (a) **The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 17th June, 2014 to Monday, 30th June, 2014 (both days inclusive).**
- (b) If dividend on Equity Shares, as recommended by the Directors, is approved at the Meeting, the payment of such dividend will be made on 2nd July, 2014 as under:
- (i) To all Beneficial Owners in respect of shares held in electronic form, as per details furnished by the Depositories for this purpose as on beginning of 17th June, 2014.
- (ii) To all Members in respect of shares held in physical form, whose names are on the Company's Register of Members on 17th June, 2014.
8. **National Electronic Clearing Service (NECS):**
- (a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided National Electronic Clearing Service (NECS) facility to the Members for remittance of dividend. NECS facility is available at locations identified by Reserve Bank of India from time to time. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Share Registrars and Transfer Agents, TSR Darashaw Pvt. Ltd. Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.
- (b) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
9. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.



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

**11. Nomination Facility:**

As per the provisions of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

**12. Unclaimed Dividends:**

Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/ unpaid dividends up to the financial year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Members who have not yet encashed their dividend warrants for the said period are requested to forward their claims in Form No. II prescribed under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to –

Office of the Registrar of Companies,  
CGO Complex, A Wing, 2nd Floor,  
Next to Reserve Bank of India,  
CBD, BELAPUR 400 614.

Members are hereby informed that after the amendment of the Companies Act, 1956, w.e.f. 31st October, 1998, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investor Education and Protection Fund ('the Fund') established by the Central Government. In accordance with Section 205C of the Companies Act, 1956, no claim shall lie against the Company or Fund in respect of the amounts transferred to the Fund.

As per the above provisions, unclaimed/ unpaid dividend for the years upto the financial year ended 31st March, 2006 has been transferred by the Company to the Fund. Members who have not yet encashed their dividend warrant(s) for any subsequent financial years are requested to make their claims to the Company without any delay.

**It may be noted that the unclaimed dividend for the financial year 2006-07, declared on 25th May, 2007, can be claimed by the shareholders by 24th May, 2014.**

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.

14. Members holding shares in physical form and who have not registered their email IDs are requested to register their email IDs with the Company's Share Registrars and Transfer Agents.

By Order of the Board of Directors

P. S. MEHERHOMJI  
Company Secretary

Dated: 22nd April, 2014

*Registered Office:*

Rallis India Limited  
156/157 15th Floor Nariman Bhavan 227 Nariman Point Mumbai 400 021  
Tel. No.: 6665 2700  
Fax No.: 6665 2827  
E-mail address: investor\_relations@rallis.co.in  
Website: www.rallis.co.in

**Rallis India Limited****EXPLANATORY STATEMENT PURSUANT TO  
SECTION 102 OF THE COMPANIES ACT, 2013**

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.5 to 13 of the accompanying Notice dated 22nd April, 2014.

**Item No. 5:**

Mr. B. D. Banerjee has been a Non-Executive Director of the Company since 15th June, 2004, and was considered as Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr. Banerjee is a Post Graduate with Honours in Philosophy from Presidency College, Calcutta University and an Associate of the Insurance Institute of India. In a career spanning over 37 years in the Insurance Industry, Mr. Banerjee played an important role in the establishment, growth and consolidation of the non-life Insurance sector in India. He has served as the Chairman-cum-Managing Director of Oriental Insurance Co. Ltd. and the National Insurance Co. Ltd. and as the Managing Director of General Insurance Corporation of India. He was also the Administrator of the Pune Stock Exchange and has also been the Insurance Ombudsman for Maharashtra and Goa.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. B. D. Banerjee has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Mr. Banerjee fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The matter regarding the appointment of Mr. Banerjee as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director up to 31st October, 2016, i.e. up to him completing 75 years of age.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Banerjee as Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. B. D. Banerjee, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. B. D. Banerjee is interested and concerned in the Resolution mentioned at Item No.5 of the Notice. Other than Mr. Banerjee, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

**Item No. 6:**

Mr. E. A. Kshirsagar is a Non-Executive Director of the Company since 24th February, 2006, and was considered as Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr. Kshirsagar is a Fellow Member of The Institute of Chartered Accountants, England and Wales. He was with the Management Consultancy Division of A. F. Ferguson from 1973 and was its Director-in-Charge from 1988 to 2004. His areas of specialization are Corporate Strategy & Structure, Valuation, Feasibility Studies, Disinvestments and Mergers & Acquisitions, and he has conducted several assignments in the above areas with Indian companies and multinationals and also for various Government bodies.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. E. A. Kshirsagar has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Mr. Kshirsagar fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The matter regarding the appointment of Mr. Kshirsagar as Independent Director was placed before the Nomination &



Remuneration Committee, which commends his appointment as Independent Director up to 30th September, 2016, i.e. up to him completing 75 years of age.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Kshirsagar as Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. E. A. Kshirsagar, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. E. A. Kshirsagar is interested and concerned in the Resolution mentioned at Item No.6 of the Notice. Other than Mr. Kshirsagar, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

**Item No. 7:**

Mr. Prakash R. Rastogi is a Non-Executive Director of the Company since 13th March, 2007, and was considered as Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr. Rastogi holds a degree of Master of Science in Technology from Bombay University and a Post Graduate Diploma in Business Management. Mr. Rastogi worked with Sandoz India from 1974 till 1994, when he was Vice President and Head of the Chemicals Division before it was de-merged to become Clariant India Ltd. He was then appointed the Vice Chairman and Managing Director of Clariant, which position he held till his retirement from the Company.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Prakash R. Rastogi has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Mr. Rastogi fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The matter regarding the appointment of Mr. Rastogi as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a period of five years from the date of the Annual General Meeting, i.e. up to 29th June, 2019.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Rastogi as Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. Prakash R. Rastogi, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. Prakash R. Rastogi is interested and concerned in the Resolution mentioned at Item No.7 of the Notice. Other than Mr. Rastogi, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.7 of the Notice.

**Item No. 8:**

Dr. Y. S. P. Thorat is a Non-Executive Director of the Company since 1st July, 2011, and was considered as Independent Director for the purpose of Clause 49 of the Listing Agreement. Dr. Thorat holds a Doctorate in Economics and degrees in Political Science and Law. Dr. Thorat served RBI from 1972 to 2003 in various capacities, including as Executive Director. He has also served NABARD as Managing Director from 2004 and was appointed as its Chairman in 2006 and served the Institution in that capacity until November 2007. He was also associated at the policy level with Vaidyanathan Committees on the Short Term and Long Term Cooperative Credit Structure as Member Secretary and as Chairman of the Expert Groups on Credit Deposit Ratio and Investment Credit appointed by Government of India (GOI) and RBI respectively. He was also appointed Chairman, Expert Group on Sugar Policy constituted by the GOI in 2008. Presently, Dr. Thorat is on the Boards of several companies, including IDBI Asset Management Co. Ltd. and Tata Chemicals Ltd. He is also Chief Executive Officer of Rajiv Gandhi Charitable Trust.



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As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Dr. Y. S. P. Thorat has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Dr. Thorat fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The matter regarding the appointment of Dr. Thorat as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a period of five years from the date of the Annual General Meeting, i.e. up to 29th June, 2019.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr. Thorat as Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Dr. Y. S. P. Thorat, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Dr. Y. S. P. Thorat is interested and concerned in the Resolution mentioned at Item No.8 of the Notice. Other than Dr. Thorat, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

**Item No.9:**

Dr. Punita Kumar-Sinha was appointed as an Additional Director of the Company by the Board of Directors with effect from 26th March, 2014 pursuant to Section 161 of the Act and Article 116 of the Articles of Association of the Company. As such, Dr. Kumar-Sinha holds office as Director up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director. Notice under Section 160 of the Act has been received from a Member indicating her intention to propose Dr. Punita Kumar-Sinha for the office of Director at the forthcoming Annual General Meeting.

Dr. Punita Kumar-Sinha holds B. Tech. in Chemical Engineering with distinction from IIT, Delhi, a Master of Business Administration from Drexel University, Philadelphia and a Doctorate and Masters in Finance from The Wharton School, University of Pennsylvania.

Dr. Kumar-Sinha has more than 25 years of experience in investment management in international and emerging markets, being one of the first foreign investors into India. Dr. Kumar-Sinha served as a Senior Managing Director, The Blackstone Group LP and Chief Investment Officer of Blackstone Asia Advisors L.L.C. She was also the CIO and Senior Portfolio Manager of the NYSE listed India Fund Inc. and Asia Tigers Fund Inc. Prior to joining Blackstone, she served as a Managing Director and Senior Portfolio Manager at Oppenheimer & Company and CIBC World Markets. She has also worked at several other leading Institutions such as Batterymarch Financial Management Inc. (a Legg Mason Company), Standish Ayer (now a part of Bank of NY Mellon) and IFC/ World Bank. She is the Founder and Managing Partner of Pacific Paradigm Advisors L.L.C.

Dr. Kumar-Sinha is also a Member of the US Council on Foreign Relations, a Chartered Financial Analyst and a Member of CFA Institute and was on the Board of TiE Boston and its Charter Member. She has been awarded the "Distinguished Alumni Award" from IIT Delhi.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Dr. Punita Kumar-Sinha has consented to act as Director of the Company and has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, Dr. Kumar-Sinha fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and she is independent of the management.

The matter regarding the appointment of Dr. Kumar-Sinha as Independent Director was placed before the Nomination & Remuneration Committee, which commends her appointment as Independent Director for a period of five years from the date of the Annual General Meeting, i.e. up to 29th June, 2019.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr. Kumar-Sinha as Independent Director is now being placed before the Members in General Meeting for their approval.



The terms and conditions of appointment of Dr. Punita Kumar-Sinha, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Dr. Punita Kumar-Sinha is interested and concerned in the Resolution mentioned at Item No.9 of the Notice. Other than Dr. Kumar-Sinha, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.9 of the Notice.

**Item No. 10:**

At the Annual General Meeting of the Company held on 27th June, 2012, the Members had approved the re-appointment of Mr. V. Shankar as the Managing Director of the Company with effect from 13th March, 2012 up to 12th March, 2017, at remuneration, consisting of salary up to a maximum of ₹5,00,000 per month, with annual increments effective 1st April every year, as may be decided by the Board, based on merit and taking into account the Company's performance; benefits, perquisites and allowances as determined by the Board from time to time; and incentive remuneration, if any, and/ or commission based on certain performance criteria to be prescribed by the Board.

Mr. Shankar's current salary, effective 1st April, 2014, as approved by the Board of Directors ('the Board') is ₹4,50,000 per month. The Board of your Company, at its meeting held on 22nd April, 2014, has approved the revision in the maximum salary payable to Mr. Shankar, from ₹5,00,000 per month to ₹8,00,000 per month, with effect from 1st April, 2014, for the remainder of his term up to 12th March, 2017, with proportionate increase in the benefits related to his salary, subject to the approval of the Shareholders of the Company. The Board of Directors or a Committee thereof would fix the salary of Mr. Shankar within the above maximum amount. The aggregate of the remuneration as aforesaid shall be within the maximum limits laid down under Section 197, Schedule V and all other applicable provisions of the Act, as amended from time to time. All other terms and conditions of appointment of Mr. Shankar as Managing Director of the Company, as approved by the Members at the Annual General Meeting of the Company held on 27th June, 2012, remain unchanged.

Considering the performance of Mr. V. Shankar as Managing Director of your Company, in leading the Company to consistently improved performance over the years, your Board considers the revision in the salary payable to Mr. Shankar as appropriate and commends the same for approval by the Members.

Pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions of the Act, the approval of the Members in General Meeting is required to be obtained for the revision in the terms of the remuneration of Mr. Shankar as set out in Item No.10 of the Notice.

Mr. V. Shankar is interested and concerned in the Resolution mentioned at Item No.10 of the Notice. Other than Mr. Shankar, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.10 of the Notice.

**Item No. 11:**

The Company is directed, under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. N. I. Mehta & Co. as the Cost Auditors of the Company to conduct Cost Audits relating to Insecticides, Fertilizers and Seeds of the Company for the year ending 31st March, 2015, at a remuneration of ₹3.50 lakhs plus service tax and out-of-pocket expenses.

M/s. N. I. Mehta & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s. N. I. Mehta & Co. have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

The Board commends the remuneration of ₹3.50 lakhs plus service tax and out-of-pocket expenses to M/s. N. I. Mehta & Co. as the Cost Auditors and the approval of the shareholders is sought for the same by an Ordinary Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.11 of the Notice.

**Item No.12:**

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained

**Rallis India Limited**

from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company. The borrowing limit of ₹400 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 29th August, 2000 remains unchanged.

The Board commends the Resolution at Item No.12 of the Notice for approval of the shareholders by a Special Resolution. None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.12 of the Notice.

**Item No. 13:**

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180 (1) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the lenders/ trustees for the holders of debentures/ bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (1) (a) of the Companies Act, 2013, by way of a Special Resolution.

The existing limit of ₹600 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 15th June, 2010 remains unchanged.

The Board commends the Resolution at Item No.13 of the Notice for approval of the shareholders by a Special Resolution. None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.13 of the Notice.

By Order of the Board of Directors

P. S. MEHERHOMJI  
Company Secretary

Dated: 22nd April, 2014

*Registered Office:*

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