

3M INDIA LIMITED

CIN: L31300KA1987PLC013543

Registered Office: Plot Nos. 48-51, Electronics City, Hosur Road, Bangalore – 560100

Phone: 080-22231414, Fax: 080-2223 1450, email id: 3mindia.investorshelpdesk@mmm.com, website: www.3m.com/in

NOTICE TO THE MEMBERS

NOTICE is hereby given that the Twenty Seventh (27th) Annual General Meeting of the Company will be held at 10.30 A.M. on Monday, the 4th August 2014 at The Grand Ball Room, Hotel Chancery Pavilion, 135, Residency Road, Bangalore – 560 025, to transact the following business:

ORDINARY BUSINESS :

1. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that the Financial Statements of the Company including Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss Account of the Company for the year ended as on that date together with the Auditors' Report thereon and the Report of the Board of Directors covering the same period be and the same are hereby received, considered and adopted.”
2. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that Mr. Albert C Wang (holding DIN 05234667), a Director, who retires by rotation at this Annual General Meeting, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”
3. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that in accordance with applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof), the retiring Auditors, Messrs. Lovelock & Lewes., Chartered Accountants, Bangalore, holding Firm Registration No.301056E, being eligible for re-appointment, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS:

4. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that in accordance with applicable provisions of the Companies Act ,2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof),Mr. Ippocratis Vrohidis (holding DIN 06808056), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on February 10, 2014, effective from February 10, 2014, in terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and Article 115 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”
5. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that in accordance with applicable provisions of the Companies Act ,2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof),Mrs. Sadhana Kaul (holding DIN 02589934), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on February 10, 2014, effective from February 10, 2014, in terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and Article 115 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 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 whose period of office shall be liable to determination by retirement of directors by rotation.”
6. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*
 “RESOLVED that in accordance with applicable provisions of the Companies Act ,2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof),Mr. Ashish Khandpur (holding DIN 06808091), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on February 10, 2014, effective from February 10, 2014, in terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) and Article 115 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of

office shall be liable to determination by retirement of directors by rotation.”

7. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*

“RESOLVED that pursuant to the provisions of Sections 2(54), 196, 197, 198, 203 and any other applicable provisions 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), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, the consent of the Company be and is hereby accorded to the appointment of Mr. Amit Laroya (holding DIN 00098933), who was appointed as a non-retiring Director of the Company by the Board of Directors with effect from October 1, 2013 under the Articles of Association of the Company, as the Managing Director of the Company for a period of five(5) years effective from October 1, 2013 up to September 30, 2018, on the terms and conditions of appointment and remuneration as contained in the agreement, a copy of which is placed before the meeting, and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Amit Laroya.”

8. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*

“RESOLVED that a remuneration of Rs.400,000 (Rupees Four Lakhs) fixed by the Board of Directors at their meeting held on May 29, 2014 to Messrs. Rao, Murthy & Associates (holding Registration No. 000065), Cost Auditors for conducting audit of cost accounting records maintained by the Company for the products covered under MCA Cost Audit Order ref. no. 52/26/CAB-2010 dated 06.11.2012 pursuant to the provisions of Section 148 and any other applicable provisions of the Companies Act, 2013 (corresponding to Section 233B of the Companies Act, 1956) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), be and is hereby approved by the members of the Company.”

9. *To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:*

“RESOLVED not to fill for the time being the vacancy caused by the retirement of Mr. Balaji Rao, Director, who retires by rotation at the AGM and does not seek re-appointment.”

By Order of the Board

Place : Bangalore
Date : May 29, 2014

V.Srinivasan
Company Secretary

NOTES :

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED/LODGED AT THE REGISTERED / CORPORATE OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. 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.**
- (2) Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
- (3) The Register of Members and the share transfer books of the Company will remain closed from **July 28 2013 (Monday) to August 4, 2014 (Monday)**, both days inclusive.
- (4) **The shares of the Company are mandated by the Securities and Exchange Board of India for trading in dematerialised form by all investors. Members holding shares in physical form are advised to dematerialise their shares to avoid the risks associated with the physical holding of such share certificates.** The Securities and 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 Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

- (5) The Registrar and Transfer Agent Karvy Computer Share Private Limited, Plot No. 17-24, Vithal Rao Nagar, Madhapur, Hyderabad – 500 034, is handling registry work in respect of shares held both in physical form and in electronic/demat form.
- (6) **Members are requested to bring their copy of the Annual Report and the Attendance Slip to the Annual General Meeting. ONLY MEMBERS/ PROXIES WILL BE ADMITTED INTO THE HALL FOR THE MEETING.**
- (7) Members may refer Additional Information on Directors recommended for appointment / re-appointment under clause 49 of the Listing Agreement.
- (8) **Members holding shares in electronic form are requested to register their e-mail address with their respective depository participants and members holding shares in Physical form are requested to register their e-mail address with the Company's Registrar and Transfer Agents and participate in the "Green initiative" launched by the Ministry of Corporate Affairs in future. As per rule 3 of Companies (Management & Administration) Rules, 2014, Register of Members of all the Company's now, should have additional details pertaining to e-mail, PAN / CIN, UID, Occupation, Status, Nationality. We request all the Members of the Company to update their details with their respective depository participants in case of shares held in electronic form and with the Company's Registrar and Transfer Agents in the case of physical holding immediately.**
- (9) Members holding shares in physical form are requested to notify to the Company's Registrar and Transfer Agent of any change in their address and update their Bank account details. Members holding shares in electronic form are requested to notify any change of address and update bank account details to their respective depository participants directly.
- (10) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- (11) Electronic copy of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

(12) Voting through electronic means :

Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, it is mandatory to extend to the Members of the Company, the facility to vote at the Annual General Meeting (AGM) by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below.

INSTRUCTIONS FOR E-VOTING

- (a) To use the following URL for e-voting:
From Karvy website : <https://evoting.karvy.com>
- (b) Shareholders of the Company holding shares either in physical form or in dematerialised form, as on the record date, may cast their vote electronically.
- (c) Enter the login credentials (i.e., user id and password mentioned in the Notice of the AGM). Your Folio No/DP ID Client ID will be your user ID.
- (d) After entering the details appropriately, click on LOGIN.
- (e) You will reach the Password change menu wherein you are required to mandatorily change your password. 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. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (f) You need to login again with the new credentials.
- (g) On successful login, the system will prompt you to select the EVENT i.e., 3M India Limited.
- (h) On the voting page, the number of shares as held by the shareholder as on the cutoff date (June 27, 2014, Friday) (Record Date) will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click FOR / AGAINST as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.

- (i) Members holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- (j) Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution.
- (k) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (l) The Portal will be open for voting from: 9 A.M. on July 29, 2014(Tuesday) to 6 P.M. on July 31, 2014(Thursday).
- (m) **In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual for members available at the download section of <https://evoting.karvy.com> or contact Mr. Varghese P.A of Karvy Computershare Pvt Ltd at 040-44655000 OR at Tel No. 1800 345 4001 (toll free).**
- (n) The Company has appointed Mr.Vijayakrishna K.T, Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutiniser who will collate the electronic voting process in a fair and transparent manner. The Scrutiniser shall within a period of three(3) working days from the date of conclusion of e-voting period, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed at the AGM proceedings.
- (o) 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 of June 27, 2014, Friday.
- (p) The scrutiniser shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutiniser's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (q) The results of the e-voting along with the scrutiniser's report shall be placed in the Company's website www.3m.com/in within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- (r) In case of joint members attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (s) Institutional members (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., to the Scrutiniser through e-mail at vijaykt@vjkt.in OR ktvijaykrishna@gmail.com, with a copy marked to varghese@karvy.com. File naming convention should be 'Corporate Name EVSN'. The documents should reach the Scrutiniser on or before the close of working hours on August 1, 2014.
- (t) In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy) in the permitted mode:
 - (i) Initial password as below is given in the attendance slip for the AGM:

EVS (Electronic Voting Sequence Number)	USER ID	PASSWORD
XXXXXXXX	XXXXXXXX	XXXXXXXX

- (ii) Please follow all steps from Sl. No. (12)(c) to (12)(j) above to cast your vote.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

Item No. 2

In terms of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from April 1, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company. Mr. Albert C Wang shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Albert C Wang (DIN- 05234667): Mr. Albert Wang, 46, joined 3M Company in January 2012 as General Counsel, Asia Pacific and is based out of Shanghai, China. Prior to joining 3M, Albert was Legal Director for Dell Inc. from 2001-2012 leading their legal affairs efforts for Greater China as well as regionally (Asia Pacific) for their Public & Large Enterprise business unit. He began practicing law with the New York-based international law firm of Coudert Brothers, with postings in Hong Kong (1993-1998) and Shanghai (1998-2001). There, his practice was focused on foreign direct investment and mergers and acquisitions, representing a wide array of multinational corporations and global financial institutions across a broad range of industry sectors. Mr. Albert Wang graduated in

1990 from Colgate University with a Bachelor of Arts degree in Political Science. He earned his Juris Doctor degree from The George Washington University National Law Center in 1993. He is a member of the New York State Bar, the American Chamber of Commerce in Shanghai and the U.S. China Business Council. He was appointed as a Non-Executive Director of the Company from March 12, 2012. He is a member of the Nomination and Remuneration Committee of the Board of Directors.

Mr. Albert Wang is not a Director in any other Company in India /outside India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Accordingly, the Board recommends his re-appointment.

Except Mr. Albert Wang, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in Item No. 2.

Appointment of other Directors (Item Nos. 4 to 7)

For the details pertaining to Mr. Ippocratis Vrohidis, Mrs. Sadhana Kaul, Mr. Ashish Khandpur and Mr. Amit Laroya, please refer to the below Explanatory Statement in respect of the Special Business set out at Item Nos. 4 to 7 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Following Explanatory Statements are furnished in respect of Special Business.

Item 4

Mr. Ippocratis Vrohidis (DIN-06808056):Mr. Ippocratis Vrohidis, 47, holds a Bachelor Degree in Economics and Business, Mathematics and Computer Science from Mascalester College and a Master's in Business Administration from University of Minnesota. He has also completed an Executive Education program for emerging CFOs at Stanford University. A 24 year veteran of 3M, served as Vice President 3M International Operations and Corporate Staff services since April 2011 after having served as Finance Director for Industrial & Transportation Business since 2006.He joined 3M, Company, USA in 1990, working in business finance, gaining levels of greater responsibility in the Electronics, Communications and Health Care Business. He has worked with various 3M Divisions and has held positions based in Europe, Middle-East, Africa and Latin America. He is a certified Six Sigma Master Black Belt and also a Certified Management Accountant. Presently he is the Vice-President-Finance for Asia Pacific from April 2013.

The Board of Directors at their meeting held on February 10, 2014 appointed Mr. Ippo Vrohidis as an Additional Director of the Company with effect from February 10, 2014. Based on the nomination from 3M Company, USA, the Board appointed Mr. Ippo Vrohidis as a Non-Executive Director of the Company from February 10, 2014. Mr. Ippo Vrohidis is also a member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) read with Article 115 of the Articles of Association of the Company, Mr. Ippo Vrohidis holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Ippo Vrohidis as a candidate for the office of Director of the Company.

Mr. Ippo Vrohidis does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is neither a director nor a member in any other company registered in India/ outside India.

The Board considers that the appointment of Mr. Ippo Vrohidis as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Mr. Ippo Vrohidis, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item 5

Mrs. Sadhana Kaul (DIN- 02589934): Mrs. Sadhana Kaul, 50, joined the Company in 2005 and has over 21 years of experience in the legal field, having worked in different capacities in law firms in the US and in India. Prior to joining the Company, she was with GE Medical Systems as Senior Legal Counsel based in Bangalore. She holds a Bachelor's Degree in Law from Trinity College Cambridge, UK and a Masters Degree in International and Comparative Law from Georgetown University Law Center, Washington D.C. She was appointed as a Whole-time Director of the Company from October 09, 2009 and was the General Counsel of the Company till November 1, 2013. She resigned as a Director and Whole-time Director with effect from November 1, 2013 consequent upon her appointment as General Counsel for South East Asia Region, Singapore. In addition to her current role, she also acts as Asia Pacific Area Counsel for the Industrial and Transportation Business. She leads the planning, development and execution of strategic legal initiatives whilst managing the legal risks.

The Board of Directors at their meeting held on February 10, 2014 appointed Mrs. Sadhana Kaul as an Additional Director of the Company with effect from February 10, 2014. Based on the nomination from 3M Company, USA, the Board appointed Mrs. Sadhana

Kaul as a Non-Executive Director of the Company from February 10, 2014.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) read with Article 115 of the Articles of Association of the Company, Mrs. Sadhana Kaul holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mrs. Sadhana Kaul as a candidate for the office of Director of the Company.

Mrs. Sadhana Kaul does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Names of other companies/firms in which Mrs. Sadhana Kaul hold/held office as Director/Partner are given below:

- 3M Lanka (Private) Limited, Sri Lanka, Director

The Board considers that the appointment of Mrs. Sadhana Kaul as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends her appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Mrs. Sadhana Kaul, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item 6

Mr. Ashish Kumar Khandpur (DIN- 06808091): Mr. Ashish Khandpur, 46, has been with 3M for the past 19 years, of which he has spent 14 years in the company's US operations and the other 5 years in the India & Asia Pacific regions. He started his career with 3M as a Senior Research Engineer in 1995. Since then he has held various technical and leadership positions in 3M's corporate research, business unit and country level labs. He has successfully led teams in the area of new products & technologies development as well as core product engineering & technical service support for the industrial, consumer, automotive, healthcare, oil & gas, and electro & telecommunication markets. Most recently, he has begun leading one of 3M's largest businesses, having been appointed Vice President & General Manager of the Personal Safety Division effective January 1, 2014. He has completed his B.Tech in Chemical Engineering from Indian Institute of Technology (IIT) Delhi, and holds a Ph.D. from University of Minnesota, Minneapolis, USA in Chemical Engineering with specialisation in the field of polymers. Mr. Ashish Khandpur is an inventor on 10 issued patents and has additional 6 patents pending. His strengths include building strong and innovative R&D organisations to develop technology and product solutions for accelerated business growth.

The Board of Directors at their meeting held on February 10, 2014 appointed Mr. Ashish Khandpur as an Additional Director of the Company with effect from February 10, 2014. Based on the nomination from 3M Company, USA, the Board appointed Mr. Ashish Khandpur as a Non-Executive Director of the Company from February 10, 2014.

Under Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) read with Article 115 of the Articles of Association of the Company, Mr. Ashish Khandpur holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Ashish Khandpur as a candidate for the office of Director of the Company.

Mr. Ashish Khandpur does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Names of other companies/firms in which Mr. Ashish Khandpur hold/held office as Director/Partner are given below:

- 3M Foundation Board, USA, Board Member

The Board considers that the appointment of Mr. Ashish Khandpur as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

Except Mr. Ashish Khandpur, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item 7

The Board of Directors through a Circular Resolution dated October 4, 2013 appointed Mr. Amit Laroya as a non-retiring Director of the Company with effect from October 1, 2013 and subject to necessary approvals, as the Managing Director of the Company for a period of five (5) years with effect from the said date. He is also a member of the Shareholders'/ Investors' Grievance Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company. The appointment was made pursuant to the nomination from 3M Company, USA under Article 111 and Article 131 of the Articles of Association of the Company nominating Mr. Amit Laroya as the Managing Director in place of Mr. Ajay Nanavati, who relinquished office as the Managing Director with effect from September 30, 2013. Application has been filed with the Central Government for the appointment of Mr. Amit Laroya as the

Managing Director, since he was not staying in India for a continuous period of twelve (12) months immediately preceding the date of his appointment as the Managing Director.

Mr. Amit Laroya (DIN-00098933): Mr. Amit Laroya, 49, started his career at Asian Paints and moved to 3M India in 1990 as the division head of Traffic, Safety and Security. He has held positions in 3M India as the Country Business Leader in Safety & Graphics, Industrial, Electro & Telecommunication in addition to being the first Master Black Belt for India region. He has also held positions as the M&A Manager for India region and General Manager of 3M Lanka. His assignment as the Managing Director of 3M Indonesia makes him well suited to understanding emerging market needs. He also has a good understanding of global corporate strategies at 3M having recently worked in St Paul USA as the Global Director-for 3M Strategy & Corporate Development & the Director of International Strategic Planning & M&A . Mr. Amit Laroya is an Economics Honors graduate from the University of Delhi with an MBA in marketing and finance from XLRI in India. He was appointed as a Director and Managing Director of the Company from October 1, 2013. Mr. Amit Laroya is a member of the Shareholders'/ Investors' Grievance and Corporate Social Responsibility (CSR) Committee of the Company.

Names of other companies/firms in which Mr. Amit Laroya hold/held office as Director/Partner are given below:

- 3M Lanka (Private) Limited, Sri Lanka, Managing Director

The appointment of Mr. Amit Laroya is appropriate and in the best interest of the Company. The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Amit Laroya as the Managing Director and the remuneration payable to him. The terms and conditions proposed (fixed by the Board of Directors at their meeting held on October 31, 2013) are keeping in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to important position as that of the Managing Director.

The terms of appointment and remuneration as contained in the agreement are given below: -

Period of Appointment: Five (5) years with effect from October 1, 2013.

Salary including allowances and Incentives (excluding Perquisites): Not exceeding Rs.40 Lakhs per month. (Upper limit for his entire tenure of Five (5) years)

Perquisites: He will be entitled to all the perquisites listed herein below in addition to the Salary including allowances and incentives mentioned above.

Personal Accident Insurance: In accordance with the rules of the Company as applicable to the senior managers.

Club Fees: In accordance with the rules of the Company as applicable to the senior managers.

Provident Fund: Contribution to Provident Fund in accordance with the rules of the Company as applicable to the senior managers, to the extent such contributions, either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity: In accordance with the rules of the Company as applicable to the senior managers.

Company car and driver: The Company shall provide a car with the driver for business and personal use in accordance with the rules of the Company as applicable to the senior managers.

Other perquisites: He will be entitled to all other perquisites in accordance with the rules of the Company as applicable to the senior managers. The perquisites stated shall be valued as per Income Tax Act, 1961, wherever applicable, and in the absence of any provisions in the said Act, the perquisites shall be valued at actuals.

Minimum Remuneration: Notwithstanding anything herein above stated, where in any financial year during the currency of the tenure of Mr. Amit Laroya, the Company incurs a loss or its profits are inadequate, the Company subject to the approval of Central Government shall pay the same remuneration as stated above but subject to being within the overall limits on managerial remuneration as provided under Section 198, 309 and other applicable provisions of the Companies Act, 1956 including any statutory modification or re-enactment thereof for the time being in force , and the rules framed there under read with Schedule XIII to the said Act. The Board of Directors shall communicate the Central Government approval including any revision in the terms of remuneration to Mr. Amit Laroya for his acceptance.

The Contract of service of Mr. Amit Laroya is terminable with a notice period of 90 days on either side.

He is not liable to retire by rotation.

No sitting fees shall be paid for attending the meetings of the Board of Directors or Committees thereof.

Mr. Amit Laroya may be deemed to be concerned or interested in this proposal to the extent of the remuneration payable to him.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Ordinary Resolution set out at Item no. 7 of the accompanying Notice for the approval of the Members.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Except Mr. Amit Laroya, being the appointee himself, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The abstract of terms of contract and memorandum of interest as required under Section 302 of the Companies Act, 1956 has already been circulated during November 2013 to all the members of the Company and this may also be treated as compliance under Section 190 of the Companies Act, 2013.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item 8

The Cost Audit Branch, Ministry of Corporate Affairs, Government of India has issued order No. F. No. 52/26/CAB-2010 dated November 6, 2012 to have the cost accounting records audited by a Cost Accountant or a firm of Cost Accountants effective April 1, 2013 for the Companies:

- a. which are engaged in the production, processing, manufacturing or mining of the products/activities included in the product/activity groups,
- b. wherein the aggregate value of the turnover made by the company from sale or supply of all its products/activities during the immediately preceding financial year exceeds Rs. 100 crores,
- c. wherein the company's equity or debt securities are listed or are in the process of listing on any stock exchange, whether in India or outside India.

The following Company product/s mentioned as per Table-II of the above order (i.e., based on central excise tariff Act chapter headings covered in the product or activity group) are covered under the compulsory cost audit, viz.,

Product or activity group code	Name of the product or activity group	Central Excise Tariff Act chapter headings covered in the product or activity group
2013	Albuminoidal substances, starches, glues and enzymes	3506
2014	Miscellaneous chemical products	3811, 3814, 3824
2023	paints and varnishes	3208
2025	plasters and fillers	3214
2028	soaps, detergents and cleaning agents	3402
2029	lubricating preparations	3403
2030	waxes and wax products	3405
2035	chemicals-plastics and polymers	3901, 3904, 3907, 3910
2036	articles of plastics and polymers	3919, 3920, 3926
3009	paper and paperboard	4811
3010	articles of paper and paperboard	4820, 4821, 4823
3024	synthetic yarns or fibers	5601, 5602, 5603
3027	other textile fabrics or products	6307
3036	articles of stones, plaster, cement, asbestos and mica	6805
4008	aluminum and aluminum products	7607
4017	machinery and mechanical appliances	8466
4020	electrical and electronic equipments or appliances	8528
4048	miscellaneous manufactured articles	9603

Accordingly, the Board of Directors at its meeting on May 29, 2014 had on the recommendation of the Audit Committee of Directors re-appointed Messrs. Rao, Murthy & Associates, Cost Accountants, Bangalore (holding Registration No. 000065) being eligible and

having sought re-appointment, as Cost Auditors to conduct audit of cost accounting records maintained by the Company for the above products covered under MCA cost Audit Order ref. no. 52/26/CAB-2010 dated 06.11.2012, for the financial year ending March 31, 2015 on an remuneration of Rs. 400,000 plus service tax as applicable and out of pocket expenses at actuals.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for the resolution at Item No. 8 is placed before the members for approval of the remuneration payable to Messrs. Rao, Murthy & Associates as fixed by the Board of Directors for the financial year ending March 31, 2015.

None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

Item 9

Mr. D.J. Balaji Rao is a Non-Executive, Independent Director of the Company. He joined the Board of Directors of the Company on December 26, 2001 and was appointed as Chairman of the Board from September 10, 2008. He retires by rotation at the ensuing AGM under the applicable provisions of the Companies Act, 1956, and does not seek re-appointment owing to his other commitments. Accordingly, Mr. Balaji Rao retires at this AGM and the Board has decided not to fill, for the time being, the vacancy caused due to his retirement.

No other Directors, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 9 for approval of the members.

By Order of the Board

Place : Bangalore
Date : May 29, 2014

V.Srinivasan
Company Secretary

3M INDIA LIMITED**PROXY FORM**

CIN: L31300KA1987PLC013543

Registered Office: Plot Nos. 48-51, Electronic City, Hosur Road, Bangalore – 560100

Phone: 080-22231414, Fax: 080-2223 1450, email id: 3mindia.investorshelpdesk@mmm.com, website: www.3m.com/in

Name of the member(s):

Registered address:

E-mail ID:

Folio No / Client ID:

DP/ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

- (1) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (2) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (3) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on August 4, 2014 at 10.30 A.M. at The Grand Ball Room, Hotel Chancery Pavilion, 135, Residency Road, Bangalore – 560 025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial Statements for the year ended March 31, 2014.		
2.	Re-appointment of Mr. Albert C Wang, who retires by rotation.		
3.	Re- appointment of Messrs. Lovelock & Lewes, Chartered Accountants, as Auditors of the Company and to fix their remuneration.		
SPECIAL BUSINESS			
4.	Appointment of Mr. Ippocratis Vrohidis as a Director, retiring by rotation.		
5.	Appointment of Mrs. Sadhana Kaul as a Director, retiring by rotation.		
6.	Appointment of Mr. Ashish Khandpur as a Director, retiring by rotation.		
7.	Approval of the terms of appointment of Mr. Amit Laroya as the Managing Director of the Company.		
8.	Approval of remuneration payable to Messrs. Rao, Murthy & Associates, Cost Auditors.		
9.	Retirement of Mr. D.J. Balaji Rao as a Director.		

Signed this..... day of..... 2014

Signature of shareholder

Signature of Proxy holder(s)

Affix Re.0.15 Revenue Stamp

Note :

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office/ Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 27th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.