

# NOTICE

**NOTICE** is hereby given that the **Fifty-Eighth** Annual General Meeting of the Members of **Clariant Chemicals (India) Limited** will be held at 10:30 a.m. on Friday, April 24, 2015, at Reliable Tech Park, Thane-Belapur Road, Airoli, Navi Mumbai 400 708, to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st December, 2014, together with the Reports of the Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend for the year ended December 31, 2014.
3. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and any other applicable provisions and rules made thereunder and subject to Articles of Association, M/s Price Waterhouse LLP, Chartered Accountants (Firm Registration No. 012754N/N500016) be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of 4 (four) years from the conclusion of this Annual General Meeting (subject to ratification of such appointment by the Members at every Annual General Meeting) till the conclusion of the 62nd Annual General Meeting of the Company.”

## **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 Mr. Mario Brocchi (DIN 07091950), who was appointed by the Board of Directors of the Company w.e.f. February 12, 2015 to fill up the casual vacancy caused by resignation of Mr. Viktor Bernhardt, and who holds office as such upto the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (hereinafter referred to as Act) read with Article 113 of Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of a Director and being eligible, be and is hereby appointed as a Director of the Company liable to retire 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 pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or

re-enactment thereof for the time being in force), Mr. Bharat V. Patel (DIN 00060998) who was appointed as Director in place of Mr. R. A. Shah, 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 Independent Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 4 years with effect from April 1, 2015.”

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

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Y. H. Malegam (DIN 00092017), who continues to be the Director of the Company 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 Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of four years with effect from April 1, 2015”

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 Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. (Mrs.) Indu Shahani (DIN 00112289), who continues to be the Director of the Company 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 Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of four years with effect from April 1, 2015.”

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and in accordance with the Special Resolution passed at the Annual General Meeting

held on May 6, 2014; subject to the approval of Central Government, the approval of the members be and is hereby accorded for payment of remuneration including commission, benefits, perquisites, contribution to social security benefits and any other allowance or benefit to Dr. Deepak Parikh, Vice-Chairman & Managing Director, not exceeding ₹ 800 Lakhs for the Financial year 2015, payable monthly or otherwise, which in the eventuality may exceed the overall limit of 5% of the Net Profits of the Company for the Financial year calculated in the manner prescribed under Section 198 read with Schedule V of the Act, and that any amount paid or payable in excess of the maximum limit so prescribed under Section 197 of the Act, shall be waived.”

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized severally to do all such acts, deeds or things, as may be necessary, to give effect to the aforesaid resolution including but not limited to making application for approval of Central Government for payment of remuneration during the Financial year 2015 which may exceed the overall limits prescribed under Section 197 read with Schedule V of the Act and for waiver of excess remuneration so paid / payable by making representation and or filing of required applications, returns, forms with Ministry of Corporate Affairs (MCA) and with such other authorities, as may be prescribed, in this regard.”

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and in accordance with the Special Resolution passed at the Annual General Meeting held on May 6, 2014; subject to the approval of Central Government, the approval of the members be and is hereby accorded for payment of remuneration including commission, benefits, perquisites and any other allowance or commission to Mr. B. L. Gaggar, Executive Director, not exceeding ₹ 200 Lakhs for the Financial year 2015, payable monthly or otherwise, which in the eventuality may exceed the overall limit of 5% of the Net Profits of the Company for the Financial year calculated in the manner prescribed under Section 198 read with Schedule V of the Act, and that any amount paid or payable in excess of the maximum limit so prescribed under Section 197 of the Act, shall be waived”

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized severally to do all such acts, deeds or things, as may be necessary, to give effect to the aforesaid resolution including but not limited to making application for approval of Central Government for payment of remuneration during the Financial year 2015 which may exceed the overall limits prescribed under Section 197 read with Schedule V of the Act and for waiver of excess remuneration so paid / payable by making representation and or filing of required applications, returns, forms with Ministry of Corporate Affairs (MCA) and with such other authorities, as may be prescribed, in this regard.”

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded to the material related party transaction entered into and carried out in ordinary course of business and at arm’s length price with Clariant (Singapore) Pte. Ltd., a related party as per the Accounting Standards AS 18, for sale of finished goods during the Financial year 2014, on terms and conditions recorded in the Supply agreement dated 29th June, 2011 executed between the Company and Clariant (Singapore) Pte. Ltd., for an aggregate amount of ₹ 234.74 Crore, which exceeds the threshold limit of 10 percent of annual consolidated turnover of the Company of the last Financial year 2013.

RESOLVED FURTHER THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) the approval of the members be and is hereby accorded to material related party transaction to be entered into and carried out in ordinary course of business and at arm’s length price with Clariant (Singapore) Pte. Ltd., a related party as per the Accounting Standards AS 18, for sale of finished goods from time to time, on terms and conditions as set out in the Explanatory Statement annexed hereto, during the Financial year 2015, for an aggregate amount, which may exceed the threshold limit of 10 percent of annual consolidated turnover of the Company of the Financial year 2014.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds or things, as may be necessary and expedient, to give effect to the aforesaid resolutions.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. N. I. Mehta & Co., Cost Accountants, appointed as Cost Auditors for the Financial year 2015 to conduct audit of Cost Accounts of the Company be hereby paid the Fees of ₹ 1.5 Lakhs plus service tax and reimbursement of out of pocket expenses at actuals.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds or things, as may be necessary and expedient, to give effect to the aforesaid resolution.”

**For and on Behalf of the Board**

Mr. B. L. Gaggar  
Executive Director-Finance & Company Secretary

Date: February 12, 2015

**Registered Office:**

Reliable Tech Park, Thane-Belapur Road,  
Airoli, Navi Mumbai – 400 708.

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

### **Item No. 4**

Mr. Mario Brocchi (DIN 07091950) was appointed as Director of the Company to fill in the casual vacancy caused by the resignation of Mr. Viktor Bernhardt with effect from February 12, 2015. Pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Article 113 of Articles of Association of Company he holds office as such upto the date of this Annual General Meeting since the Director in place of whom he is appointed in the casual vacancy, would have retired if he had not vacated the office. The Company has received a notice in writing from one of its members along with a requisite deposit proposing the candidature of Mr. Mario Brocchi for the office of Directorship pursuant to Section 160 of the Companies Act, 2013. The Company has received the requisite Form 'DIR 8' from Mr. Mario Brocchi, in terms of Section 164 (2) of the Companies Act, 2013 read with The Companies (Appointment and Qualification of Directors) Rules, 2014, conforming his eligibility for such appointment.

Brief profile covering the details of his qualification and experience, as required pursuant to Clause 49(VIII)(E) of the Listing Agreement, is annexed to this Notice.

Considering his experience and expertise, the Board recommends the passing of the resolution set forth under Item no. 4 as Ordinary Resolution. None of the Directors, Key Managerial Personnel and / or their relatives, except Mr. Mario Brocchi and his relatives are interested and / or concerned in passing of this resolution.

### **Item No. 5 to 7**

In terms of the provisions of Section 149 of the Companies Act, 2013, every listed Company shall have at least 1/3rd of the total number of Directors as Independent Directors who shall not be liable to retire by rotation and who shall hold office for a term of five consecutive years and Section 149(6) of the Act and Clause 49 II B (1) of Listing Agreement lays down the criteria for Independence.

Mr. Bharat V. Patel, Mr. Yezdi H. Malegam and Dr. (Mrs.) Indu R. Shahani, Directors of the Company, have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act as well as Clause 49 of the Listing Agreement. The Company has also received from each of the Independent Directors, (1) Consent to act as Director in "DIR 2" pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (2) Declaration of Non-Disqualification in "DIR 8" pursuant to Section 164 of Companies Act, 2013.

In the opinion of the Board, these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the Act and the Rules framed there under and Clause 49 and are independent of the management of the Company.

In terms of Section 149(11) of the Act, an Independent Director can hold office for two terms of upto five consecutive years each on the Board of the company. Whereas, explanation to Section 149(10) and (11) further provides that any tenure of an Independent Director before commencement of the Act shall

not be reckoned while calculating maximum terms of office of Independent Directors under the Act.

Accordingly, it is proposed to appoint Mr. Bharat V. Patel, Mr. Yezdi H. Malegam and Dr. (Mrs.) Indu R. Shahani as Independent Directors of the Company for a period of four consecutive years with effect from April 1, 2015, as set out at Item No. 5 to 7 of this Notice. Notices, as required under Section 160 of the Act, have been received from certain Members proposing the candidature of the said Directors as Independent Directors of the Company. Upon the approval of the Members of the Company on the said resolutions, the appointment shall be formalized by way of issuance of the letter of appointment by the Company to the said Independent Directors.

Brief profiles of the said Directors, in terms of Clause 49 of the Listing Agreement are provided at the end of this Notice.

The Board accordingly recommends the resolutions set forth under Item No. 5 to 7 of this Notice for the approval of the Members. None of the said Directors are related to any of the Director of the Company. None of the Directors or Key Managerial Personnel of the Company other than those mentioned in the respective resolutions and their relatives, are in any way concerned and / or interested, financially or otherwise, in the resolutions at Item No. 5 to 7 of this Notice.

### **Item No. 8 and 9**

Pursuant to provisions of Section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956, the shareholders, at the Annual General Meeting held on May 6, 2014, have approved by way of Special Resolution the remuneration payable to Dr. Deepak Parikh, Vice-Chairman & Managing Director and Mr. B. L. Gaggar, Executive Director-Finance & Company Secretary within the overall limit of ₹ 800 Lakhs & ₹ 200 Lakhs respectively. It was also resolved that in the case of inadequacy of profits, the remuneration so approved shall be construed as minimum remuneration. In view of Circular no. 46 dated July 14, 2011, approval of the Central Government is not required for payment of managerial remuneration, if the managerial person is not having any interest in the capital of the Company or its holding company, directly or through any other statutory body, etc.

Pursuant to the provisions of Section 197 of the Companies Act, 2013, the total remuneration paid to Directors including Managing Director, Executive Director and Independent Directors shall not exceed 11% of the Net Profit for that Financial year in the manner calculated as per Section 198 of the Act, except with the prior approval of Central Government. The section also provides that except with the approval of the Company in general meeting, the remuneration payable to an individual managing director or whole time director shall not exceed 5% of the net profit and if there is more than one such director, remuneration shall not exceed 10% of the net profit to all such directors taken together. The Board recommends to seek approval of Central Government for payment of remuneration and for waiver of remuneration paid / payable in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013, if any, to Dr. Deepak Parikh & Mr. B. L. Gaggar for the Financial year 2015.

The Statement containing information as required under Schedule V of the Companies Act, 2013 is given below:

### Statement under Schedule V of the Companies Act, 2013

#### I. General Information

- (1) Nature of Industry:  
The Company is engaged in the business of manufacture and marketing of Pigments and Colors and Dyes and Specialty Chemicals.
- (2) Date or expected date of commencement of commercial production: December 1956
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial Performance based on given indicators:

	₹ In Lakhs	
	2014	2013
<b>Net Sales</b>	<b>1,008,20.49</b>	1,213,20.25
<b>Profit before exceptional items &amp; tax</b>	<b>3,87.62</b>	113,53.18
Add: Exceptional items	<b>1,183,58.50</b>	112,24.63
Profit before tax	<b>1,187,41.25</b>	225,77.81
Less: Tax expenses (incl. deferred tax )	<b>244,09.70</b>	59,00.97
Profit after tax	<b>943,31.55</b>	166,76.84

- (5) Foreign Investments or collaborations, if any : Not Applicable

#### II. Information about the appointee:

- (1) Background details:
  - a) Dr. Deepak Parikh is Vice-Chairman and Managing Director of the Company. He is the holder of about 40 US patents and has over 25 years of experience in general administration, M&A, divesture, creating new platforms, driving change management and delivering business growth in emerging markets in the chemicals and plastics industry. He joined Clariant Chemicals (India) Limited from Lion Copolymer (USA), where he held dual roles as the Chief Vice President of Asia Pacific Business and Chief Technology Officer. Prior to joining Lion Copolymer, he worked with Dow Chemical and DuPont in USA and Asia for almost 20 years where he held various global and regional leadership roles in commercial, R&D and business development functions.
  - b) Mr. B. L. Gaggar is Executive Director-Finance & Company Secretary of the Company. He has held the position of Chairman of the Institute of Company Secretaries of India (WIRC), member of Accounting Standard Board of India. He joined Clariant in 1996 when it was demerged from Sandoz in India. He carried professional experience of over 18 years in the area of Finance, Accounts, Tax, Audit & M&A activities before joining Clariant.
- (2) Past Remuneration:  
During the Financial year ended 2014, a sum of ₹ 793.31 Lakhs and ₹ 173.49 Lakhs was paid as remuneration to Dr. Deepak Parikh and Mr. B. L. Gaggar respectively.
- (3) Recognition and awards:
  - a) Dr. Deepak Parikh holds about 40 US patents in his name. He is a member of American Chemical Society and a position holder of Society of Plastic Engineers (SPE). He has developed "Artificial Heart" made of Plastic and have won recognition for this development.

- b) Mr. B. L. Gaggar holds certifications for 'Mastering of Change Management' by Clariant, 'People & Performance Management' by Indian Institute of Management and 'Leadership Skills for Top Management' by Indian School of Business. He has authored / co-authored several books on professional subjects, written articles on topical subjects for finance and accounting profession and presented papers at conference and seminars of professional bodies.
- (4) Job profile and their suitability:
    - a) Dr. Deepak Parikh has played pivotal role in total restructuring of the Company during last two years. He is responsible for entire management of the Company and business development. He is a Chemical Engineer from Bombay University (UIC) and holds a Ph.D. in Polymer Science and Engineering from the University of Tennessee, USA.
    - b) Mr. B. L. Gaggar has been associated with the Company for more than 17 years and is heading the Finance department of the Company. He is responsible for overall Finance function which includes Accounting, Controlling, Reporting, Taxation, Treasury and Investor Services. As Company Secretary, he is also a compliance officer of the Company. He is a Bachelor of Commerce and holds professional qualification as Chartered Accountant and Company Secretary.
  - (5) Remuneration Proposed:  
As provided in Explanatory statement for Item No. 8 and 9 of the Notice.
  - (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):  
Considering the size of the Company, the profile, knowledge, skills and responsibility shouldered by Dr. Deepak Parikh and Mr. B. L. Gaggar, the remuneration paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
  - (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel , if any:  
None
- #### III. Other Information:
- (1) Reason for Loss:  
Highly competitive market segment, low turnover due to divestment of businesses, higher raw material costs, rent, facilitation, depreciation and amortization costs associated with shifting of registered office and operations from Kolshet to Reliable Tech Park, Airoli and Vashere, in Bhiwandi District and one time write-off of inventories etc. have affected the operational profits of the Company for the year 2014.
  - (2) Steps taken or proposed to be taken for improvement:  
There is drive to improve turnover to regain sales lost due to divestment of businesses. Sales prices are being reviewed to provide adequate profits commensurate with the competitive market situation. Raw Material prices are being further negotiated to reduce costs. All controllable costs are being reviewed constantly to improve overall profitability.
  - (3) Expected increase in productivity and profits in measurable terms:  
Net Sales are expected to increase by 10% and EBIT by about 4% of net sales.



#### IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Report on Corporate Governance under the heading “Nomination & Remuneration Committee”.

The Board of Directors recommends the passing of resolutions set out under Item No. 8 & 9 as Special Resolutions. None of the Directors, Key Managerial Personnel and / or their relatives, except Dr. Deepak Parikh & Mr. B. L. Gaggar, are interested and / or concerned in passing of the resolutions.

##### Item No. 10

The Company’s exports accounts for approximate 26% of its total turnover in 2014. In order to reduce the currency risk involved in exports, to secure the payment on time and also to utilize its capacity by committed demand, the Company has entered into a Supply agreement whereby all its exports are routed through a single customer Clariant (Singapore) Pte. Ltd. All transactions are done in the ordinary course of the business and at an arm’s length price.

Clariant (Singapore) Pte. Ltd. is a related party as defined under Accounting Standard AS 18. However, it is not covered under the definition of related party provided under Section 2(76) of the Companies Act, 2013.

The provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 exempts any transactions entered into by the Company in its ordinary course of business and done at arm’s length price, from the requirement of prior approval of the shareholders by way of a special resolution.

However, revised Clause 49 of the Listing Agreement, which became effective from October 1, 2014, provides that material related party transaction, i.e. a transaction to be entered into which individually or together with previous transactions in a given financial year with a related party exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, requires the approval of the shareholders of the Company by way of a special resolution.

The details of transaction entered with Clariant (Singapore) Pte. Ltd. is provided hereunder:

1. Name of the Related Party	Clariant (Singapore) Pte. Ltd.
2. Name of the Director or Key Managerial Personnel who is related, if any	None
3. Nature of relationship	Affiliate Company under AS 18
4. Nature of Transaction	Sale of Finished Goods, from time to time, as per purchase order
5. Value of Transaction	Total ₹ 234.74 Crore during FY 2014
6. Course of Transaction	Done in ordinary course of business and at arm’s length price

The annual consolidated turnover as per the last audited financial statements for the year 2013 was ₹ 1213.20 Crore. As such, the transactions with Clariant (Singapore) Pte. Ltd., during the Financial year 2014, is material pursuant to Clause 49 of the Listing Agreement.

The transactions entered with Clariant (Singapore) Pte. Ltd., during the Financial year 2014, were placed before the Audit Committee every quarter for their review and recommendation to the Board. The Audit Committee have reviewed and recommended all the transactions entered with Clariant (Singapore) Pte. Ltd. to the Board of Director for their approval at their meetings held in the year 2014.

Currently, it cannot be ascertained the transactions to be entered in the current Financial year 2015 that would exceed the threshold of 10% of annual consolidated turnover as per the latest audited financial results. The approval of the Shareholders for the transactions to be entered into and carried out with Clariant (Singapore) Pte. Ltd., from time to time, in the ordinary course of business and at arm’s length price, during the Financial year 2015, is being sought by way of abundant caution and as a proactive measure.

Further, Clause 49 of the Listing Agreement requires the entities falling under the definition of related party to abstain from voting irrespective of whether the entity is a party to the transaction or not. Accordingly, the promoters of the Company who are (or could potentially be considered) as related party i.e., (1) Ebita Chemiebetteilungen AG, holding 30.63% of the paid up capital; (2) Clariant International Ltd., holding 22.79% of the paid up capital; and (3) Clariant Participations Ltd., holding 9.98% of the paid up capital, are required to abstain from voting on this resolution of the Notice.

The Board, therefore, recommends the passing of the resolutions set out under Item no. 10 as Special Resolutions. None of Directors, other than those representing the Clariant, Key Managerial Personnel and / or their relatives, are interested and / or concerned in passing of the said resolutions.

##### Item No. 11

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practise on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on February 12, 2015, the Board has considered and approved appointment of M/s. N. I. Mehta & Co., Cost Accountants, for the conduct of the audit of the cost records of the Company at a remuneration of ₹ 1.5 lac per annum exclusive of service tax and out of pocket expenses, to be reimbursed at actuals, for the Financial year 2015.

The Board recommends the passing of resolution as set out at Item no. 11 as an Ordinary Resolution. None of the Directors, Key Managerial Personnel and / or their relatives, are interested and / or concerned in passing of the said resolution.

**For and on Behalf of the Board**

Mr. B. L. Gaggar

Executive Director-Finance & Company Secretary

Date: February 12, 2015

**Registered Office:**

Reliable Tech Park, Thane-Belapur Road,  
Airoli, Navi Mumbai – 400 708.

**NOTES:**

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 for the businesses set out under Item No. 4 to 11 is annexed to the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF, ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE MEETING. A PROXY / PROXIES SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING. A person can act as a proxy on behalf of a member not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 / shareholder.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, April 15, 2015 to Friday, April 24, 2015 (Both Days Inclusive).
4. The detail of Directors seeking appointment / re-appointment at this Annual General Meeting as required under Clause 49 of the Listing Agreement is annexed hereto.
5. In terms of Section 149 and 152 read with Schedule IV of the Companies Act, 2013, Independent Directors are required to be appointed for a term upto five consecutive years and are not liable to retire by rotation. Accordingly, the resolutions proposing the appointment of Independent Directors are given at Item no. 5 to 7 of this Notice.
6. The amount outstanding in unpaid dividend account in respect of Financial year 2007 will be transferred to the 'Investor Education and Protection Fund' maintained with the Central Government after the end of seven years i.e., after April 16, 2015. Members who have still not claimed/encashed their dividends are requested to claim / encash the same at the earliest.
7. Change of particulars including address, bank mandate & nomination for shares held in demat form, should be notified only to the respective Depository Participants where the member has opened his demat account. The Company or its Share Transfer Agent will not be able to act on any direct request from these Members for change of such details. However, for any change in particulars in respect of shares held in physical form should be sent to the Registrars & Share Transfer Agents of the Company.
8. Members/Proxies are requested to bring their copies of Annual Report & duly filled admission / attendance slips sent herewith along with the copies of annual report at the meeting and produce the same at the entrance where the Annual General Meeting is held.
9. Corporate Members are requested to send a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
10. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to the Registered Office well in advance so that the same may reach the office at least seven days before the date of the meeting to enable the management to keep the information required readily available at the meeting.
11. The Annual Report of your Company for the Financial year 2014 is displayed on the website of the Company i.e. [www.clariant.in](http://www.clariant.in).
12. Members are requested to register their E-mail address with the Company / Registrar & Transfer Agents so as to receive Annual Report and other communication electronically.
13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the members to exercise their right to vote at the 58th Annual General Meeting of the Company by electronic means through e-voting facility provided by Central Depository Services (India) Limited (CDSL). Members who are holding shares in physical or dematerialized form as on March 20, 2015 shall exercise their vote by electronic means.
14. **E-VOTING:** The e-voting instructions for members receiving an e-mail or a physical copy of this notice of Annual General Meeting are as under:  
**The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on Wednesday, April 15, 2015 at 09:00 a.m. and ends on Thursday, April 16, 2015 at 09:00 p.m. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date March 20, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on

"OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note, for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

15. In case of Members who are attending the Annual General Meeting and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. **For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting.** The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

16. Mr. Drumil M. Shah & Co., Practising Company Secretary (Membership No. A22541, COP 8978) has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the voting by way of Poll, to be conducted at the Annual General Meeting, in a fair and transparent manner.

17. The Scrutinizer shall within a period not exceeding three working days from the date of close of e-voting unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make Scrutinizer Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

18. The results of e-voting and poll on resolutions shall be aggregated and these resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of the requisite numbers of votes in favour of the said resolutions.
19. The results declared along with the Scrutinizer's report shall be communicated to BSE Limited and NSE Limited and made available on the Company's website : [www.clariant.in](http://www.clariant.in) and on the website of CDSL : [www.cdslindia.com](http://www.cdslindia.com), within two days of passing of the resolutions at the Annual General Meeting of the Company.

**Particulars of Directors seeking Appointment / Reappointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement:**

Name of Director	Mario Brocchi	Bharat V. Patel	Y. H. Malegam	Dr. Indu Shahani
Type	Non-Executive Director	Independent Director	Independent Director	Independent Director
Date of Birth	11/01/1979	25/09/1944	24/09/1933	17/07/1951
Date of Appointment	12/02/2015	30/10/2014	16/07/2013	16/07/2013
Qualification	MBA (Enterprise Management), Brazil, Graduate in Political Science with minor in Business Administration & Public Relations from Indianapolis, USA	MBA in Marketing from University of Michigan, USA and MA from University of Notre Dame, Indiana, USA	FCA, India, England & Wales	B. Com from Sydenham College & holds Ph.D in Commerce from Mumbai University
No. of Equity Shares held	NIL	NIL	NIL	NIL
Expertise in Specific Functional area	Corporate Finance, Treasury, Tax, Corporate Controlling, Strategic M&A, Divestments and strategic integration projects	Marketing and Management Expert with wide experience in OTC and FMCG.	Corporate Finance, Companies Act, Tax, Advisory expert on Corporate Laws.	Leadership, Teaching and Academics.
Directorships held in other Companies	NIL	Sasken Communication Technologies Limited, Sistema Shyam Teleservices Limited, Pantaloons Fashion & Retail Limited, Birla Sun Life Asset Management Co. Limited	National Stock Exchange of India Limited, Siemens Limited, Bharatiya Reserve Bank Note Mudran Private Limited, Firstsource Solutions Limited Western India Plywoods Limited	Octopus Steel Private Limited, Bajaj Electricals Limited, Eureka Forbes Ltd, Franklin Templeton Trustee Services Private Limited, Colgate-Palmolive (India) Limited, Lafarge India Private Limited, United Spirits Limited
Particulars of Committee Chairmanship / Membership held in other Companies	NIL	Sistema Shyam Teleservices Limited Member – Audit Committee Chairman – Stakeholders' Relationship Committee Pantaloons Fashion & Retail Limited Chairman – Audit Committee Stakeholders' Relationship Committee	National Stock Exchange of India Limited Chairman – Audit Committee Siemens Limited Chairman – Audit Committee Bharatiya Reserve Bank Note Mudran Private Limited Chairman – Audit Committee Firstsource Solutions Limited Chairman – Audit Committee Western India Plywoods Limited Member- Audit Committee	NIL
Relationship with other Directors inter-se	None	None	None	None

**Note:**

1. Pursuant to Clause 49 of the Listing Agreement, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.