

# Notice to Shareholders

NOTICE is hereby given that the TWENTY-SIXTH ANNUAL GENERAL MEETING of the members of GODREJ INDUSTRIES LIMITED will be held on Saturday, August 9, 2014 at 3.30 p.m. at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai – 400 021, to transact the following business :-

## Ordinary Business:

1. To consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the year ended March 31, 2014 which includes the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2014, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report.
2. To declare dividend for the financial year ended March 31, 2014.
3. To appoint a Director in place of Mr. J. N. Godrej (DIN: 00076250), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms. T. A. Dubash (DIN: 00026028), who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors of the Company:

RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of re-appointment by the members at every AGM held after this AGM) of the Company, on a remuneration as may be decided by the Board of Directors of the Company.

## Special Business:

### 6. Appointment of Mr. S. A. Ahmadullah as an Independent Director of the Company:

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. S. A. Ahmadullah (DIN: 00037137), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014.

### 7. Appointment of Mr. A. B. Choudhury as an Independent Director of the Company:

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for

the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. A. B. Choudhury (DIN: 00557547), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014.

**8. Appointment of Mr. K. K. Dastur as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. K. K. Dastur (DIN: 00050199), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014.

**9. Appointment of Mr. K. M. Elavia as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. K. M. Elavia (DIN: 00003940), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014.

**10. Appointment of Dr. N. D. Forbes as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Dr. N. D. Forbes (DIN: 00630825), as an Independent Director

of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014

#### **11. Appointment of Mr. K. N. Petigara as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, 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, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. K.N. Petigara (DIN: 00066162), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. August 9, 2014.

#### **12. Remuneration of R. Nanabhoy & Co., as Cost Auditors of the Company**

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 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. R. Nanabhoy & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, for the financial year ending March 31, 2015 for the conduct of the audit of the cost records of the Company be

paid a remuneration of ₹ 2.20 lac per annum exclusive of service tax and out-of-pocket expenses.

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

#### **13. Investment in Verseon Corporation u/s 186 of the Companies Act, 2013**

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

RESOLVED THAT pursuant to Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereto, if any, including any statutory modification(s)/ amendment(s)/ revision(s)/ re-enactment thereof (hereinafter referred to as 'the Act') and/or any other law, as may be applicable, and/or any other approvals, as may be required, the Company be and is hereby authorised to further invest/acquire the securities of Verseon Corporation by way of subscription/purchase or otherwise, in addition to the limits already sanctioned, upto a sum of ₹ 15 crore (Rupees Fifteen Crore Only), notwithstanding that the aggregate of the investments so far made in or to be made in and the loans and the guarantees so far given, exceeds the limits laid down by the Act.

RESOLVED FURTHER THAT the Management Committee of the Board of Directors and / or Mr. A. B. Godrej, Chairman, Mr. N. B. Godrej, Managing Director, Ms. T. A. Dubash, Executive Director & Chief Brand Officer, Mr. N. S. Nabar, Executive Director & President (Chemicals) and Mr. Clement Pinto, Chief Financial Officer, be and are hereby severally authorised to take from time to time all decisions and steps necessary, expedient or proper in respect of the above investment(s) including the timing, the amount and other terms and conditions of such transaction(s) and also to take all decisions including varying any of them through transfer, sale, recall,

renewal, divestment or otherwise, either in part or in full, as it or they may, in its or their absolute discretion, deem appropriate, subject to the specified limits, for effecting the above transaction.

RESOLVED FURTHER THAT the limits indicated hereinabove in case of divestment, renewal, withdrawal, transfer or sale of investment as the case may be, be restored to the original sanctioned limit of ₹15 crore (Rupees Fifteen Crore Only).

By Order of the Board of Directors

**K. R. Rajput**  
Company Secretary

Mumbai, June 20, 2014

**Registered Office:**

Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai 400 079.  
Tel. +91 22 25188010/20/30,  
Fax: +91 22 25188066,  
Website: www.godrejinds.com,  
e-mail: investor@godrejinds.com  
CIN: L24241MH1988PLC097781

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under Item Nos. 6 to 13 as set out in the Notice is annexed hereto.
2. Brief resume of Directors/persons proposed to be appointed / re-appointed, as stipulated under clause 49 of the listing agreement with the stock exchanges, are provided after the explanatory statement to this notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY 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.
4. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from August 2, 2014 to August 9, 2014 (both days inclusive) for ascertaining the names of the shareholders to whom the dividend which if declared at the Annual General Meeting is payable. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose.
6. The dividend, if declared at the Annual General Meeting, will be payable by September 5, 2014 as follows:
  - (a) For shares held in physical form – to those shareholders whose names appear in the Register of Members on the close of the day on August 1, 2014; and
  - (b) For shares held in dematerialised form to those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on August 1, 2014.
7. The Securities and Exchange Board of India (“SEBI”) has made it mandatory (by a circular dated March 21, 2013) for all listed companies to use the bank account details furnished by the depositories for depositing dividends.

Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the members with bank details printed thereon as available in the Company's records.

8. In terms of Sections 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, resolutions proposing appointment of Independent Directors are given at item no. 6 to 11 of this Notice. In terms of the Companies Act, 2013 and amended Clause 49 of the listing agreement notified by SEBI on April 17, 2014 (the "Amendment"), the Board of Directors has reviewed the declarations made by them that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of the opinion that they fulfill the conditions specified in the said Act and the Rules made thereunder and are independent of the management.
9. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
10. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs, Government of India, has permitted companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance. Recognizing the spirit of the circulars issued by the Ministry of Corporate Affairs, we are sending documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc, by electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member

has requested for a physical copy of the same. **Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

11. Those Members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the respective dates mentioned there against. Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the aforesaid Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date the dividend became due for payment and no payment shall be made in respect of such claims.

Dividend for the Financial Year ended	Due Date for Transfer
31.03.2007	27.07.2014
31.03.2008	29.07.2015
31.03.2009	29.07.2016
31.03.2010	27.07.2017
31.03.2011	30.07.2018
31.03.2012	11.08.2019
31.03.2013	10.08.2020

12. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report.
13. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.

14. In compliance with the provisions of Sections 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 the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting by electronic means through e-voting facility provided by Central Depository Services Limited. Members who are holding shares in physical or dematerialized form as on June 30, 2014 shall exercise their vote by electronic means.

15. **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:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”.
- (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 earlier for any company, then use your existing password.
- (vii) If you are a first time user then follow the steps given below.

**For Members holding shares in Demat / Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
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DOB*	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p style="text-align: center;">OR</p>
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Dividend Bank Details*	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p>
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\* 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 number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

- (viii) After entering these details click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly to 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 on 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 Resolutions.
  - (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 changed password then Enter the User ID and image verification code and click on Forgot Password and enter the details as prompted by the system.
  - (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - (xix) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xx) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - (xxi) 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.
  - (xxii) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
16. The voting period begins on Monday, August 4, 2014 at 9.00 a.m. and ends on Tuesday, August 5, 2014 at 5.30 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of June 20, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  17. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  18. 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.
  19. Mr. Kalidas Vanjpe, Practising Company Secretary, (Membership no. FCS 7132) 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.

20. 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 atleast two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
21. 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.
22. The results declared alongwith the Scrutinizer's report shall be communicated to BSE Limited and National Stock Exchange of India Limited and made available on the Company's website viz.: [www.godrejinds.com](http://www.godrejinds.com) and on the website of CDSL viz.: [www.cdslindia.com](http://www.cdslindia.com), within two days of passing of the resolutions at the Annual General Meeting of the Company.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

### **Item No. 6 to 11**

In accordance with the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors who are not liable to retire by rotation and who shall hold office for a term of consecutive five years.

The Company had appointed Mr. S. A. Ahmadullah, Mr. A. B. Choudhury, Mr. K. K. Dastur, Mr. K. M. Elavia, Dr. N. D. Forbes and Mr. K. N. Petigara, all as Non-Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Directors are also Independent Directors pursuant to Clause 49 of the listing agreement.

Consequent to the applicability of the Companies Act, 2013, it is proposed to appoint Mr. S. A. Ahmadullah,

Mr. A. B. Choudhury, Mr. K. K. Dastur, Mr. K. M. Elavia, Dr. N. D. Forbes and Mr. K. N. Petigara, as Independent Directors of the Company for a term of consecutive five years with effect from the date of Annual General Meeting i.e. August 9, 2014 till August 8, 2019. The Company has received consent from these Independent Directors and also declaration confirming that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges.

In this regard requisite notice in writing from a member has been received, proposing appointment of Mr. S. A. Ahmadullah, Mr. A. B. Choudhury, Mr. K. K. Dastur, Mr. K. M. Elavia, Dr. N. D. Forbes and Mr. K. N. Petigara, as candidate for the office of Independent Director of the Company.

All these Independent Directors are Independent of the management and in the opinion of the Board they fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. Other than the Independent Directors of the Company and their relatives, none of the Directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolutions as set out in item numbers 6 to 11 of this Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges. The Board recommends the Ordinary Resolutions as set out at item numbers 6 to 11 of the Notice for approval by the shareholders.

A brief profile along with other details of the Independent Directors are provided at the end of this statement.

## Item No. 12

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 practice 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 May 28, 2014, the Board has considered and approved appointment of M/s. R. Nanabhoy & Co., Cost Accountants, for the conduct of the audit of the cost records of the Company at a remuneration of ₹ 2.20 lac per annum exclusive of service tax and out of pocket expenses for the financial year ending March 31, 2015.

The Board recommends the resolution as set out at item no. 12 of the Notice.

None of the directors / key managerial personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

## Item No. 13

Section 186 (2) of the Companies Act, 2013 inter-alia states that no company shall directly or indirectly acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Section 186 (3) *inter-alia* provides that where the acquisition under sub section (2) exceeds the limits specified in that sub-section, prior approval by means of a special resolution passed at a general meeting shall be necessary.

Accordingly, approval of the members is sought for passing a special resolution as set out at item no. 13 to further invest the securities of Verseon Corporation having its registered office at 4882-100B Kato Road, Fremont, CA 94538, USA upto a sum of ₹15 crore.

The Board recommends the resolution as set out at item no. 13 of the Notice.

None of the directors / key managerial personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

By Order of the Board of Directors

**K. R. Rajput**  
Company Secretary

Mumbai, June 20, 2014  
**Registered Office:**  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai 400 079.  
Tel. +91 22 25188010/20/30,  
Fax: +91 22 25188066,  
Website: www.godrejinds.com,  
e-mail: investor@godrejinds.com  
CIN: L24241MH1988PLC097781