



E.I.D. - PARRY (INDIA) LIMITED

CIN: L24211TN1975PLC006989

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murugappa

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

To

The Members of E.I.D.- Parry (India)Limited

NOTICE is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, that the enclosed resolutions in respect of the following items are proposed to be passed through postal ballot:

Item No. 1 – As a special resolution

Approval for alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association of the Company.

Item No. 2 – As a special resolution

Approval for the E.I.D.- Parry (India) Limited Employee Stock Option Plan 2016 (“ESOP 2016”) and grant of stock options to Employees of the Company under ESOP 2016.

Item No. 3 – As a special resolution

Approval for grant of stock options to Employees of the subsidiaries of the Company under ESOP 2016.

Item No. 4- As a Special Resolution

Approval for re-appointment of Mr.V.Ramesh as the Managing Director for a period of one year with effect from 30th January, 2017.

The draft resolutions and the explanatory statement pertaining to the resolutions setting out the material facts concerning each of the above mentioned items and the reasons thereof are annexed hereto along with the postal ballot form for your consideration and voting.

Members may please note that the voting on the resolutions as contained in this notice may be made through postal ballot form or electronic voting (e-voting). Members opting for e-voting are requested to follow the instructions on e-voting printed in this notice.

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility as an alternate, to all its Members, to enable them to cast their votes electronically, instead of physical postal ballot form on the resolutions set forth in the postal ballot notice. The Company has engaged the services of M/s. Karvy Computershare Private Limited (Karvy) to provide the e-voting facility.

The Board of Directors have appointed Mr.R.Sridharan failing him Mr.G.Subramaniam of M/s.R.Sridharan & Associates, Company Secretaries, Chennai as the scrutiniser for conducting the postal ballot/ e-voting process in a fair and transparent manner.

You are requested to read the instructions printed on the postal ballot form carefully and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutiniser on or before 5 p.m. on Saturday, the 21st January, 2017.

Please note that any postal ballot form(s) received after 5 p.m. on the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The Scrutiniser will submit his report to the Chairman or any Director of the Company after completion of the scrutiny of the postal ballots. The results of the postal ballot will be announced by the Chairman or any Director of the Company on Monday, the 23rd January, 2017 at 3 p.m. at the registered office of the Company at “Dare House”, Parrys Corner, Chennai 600 001. The results of the postal ballot will also be displayed at the registered office and posted on the Company’s website- www.eidparry.com and on the Karvy’s website www.evoting.karvy.com besides being communicated to the Stock Exchanges where the Company’s shares are listed.

All the above items 1 to 4 being special resolutions will be declared as passed if votes cast in favour of each resolution are not less than three times the number of votes, if any, cast against the resolution by Members so entitled and voting.

The resolutions, if passed by requisite majority, shall be deemed to have been passed on Saturday, the 21st January, 2017, the last date specified for receipt of duly completed postal ballot forms / e-voting.

By Order of the Board
For E.I.D.- Parry (India) Limited

Place: Chennai
Date: 7th November, 2016

G.Jalaja
Company Secretary

RESOLUTIONS FOR POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

Item No. 1

To consider and if deemed fit, to pass the following resolution as a SPECIAL RESOLUTION :

RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) ("Act"), approval of the Members of the Company be and is hereby accorded to the alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps and do all such acts, deeds and things as may be considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this Resolution.

Item No. 2

To consider and if deemed fit, to pass the following resolution as a SPECIAL RESOLUTION :

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred as "SEBI SBEB Regulations"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including any statutory modification(s) or re-enactment of the Act or the said regulations, and all other applicable statutes, rules, regulations and guidelines and subject to such other approvals, permissions and sanctions as may be necessary and upon such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee including the Nomination & Remuneration Committee which the Board may, at its discretion authorise to exercise certain or all of its powers, including the powers, conferred by this resolution), approval of the Members of the Company be and is hereby accorded to the introduction and implementation of "E.I.D.- Parry (India) Limited Employee Stock Option Plan 2016" (hereinafter referred to as "ESOP 2016") to create, and grant from time to time, in one or more tranches, not exceeding 35,17,000 (Thirty Five Lakh Seventeen Thousand only) Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the Company, including Managing Director and Whole Time Director, (other than Promoters/Persons belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided by the Board, exercisable into not more than 35,17,000 (Thirty Five Lakh Seventeen Thousand only) equity shares of face value of Re.1/- each fully paid-up, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2016.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division(s) of the Company or other similar events, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the Company to the Option grantees and the ceiling on the number of Options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are consolidated/split, then the number of equity shares to be allotted and the exercise price payable by the option grantees under ESOP 2016 shall automatically stand augmented/reduced in the same proportion as the present face value of Re. 1/- per equity share bears to the revised face value of the equity shares of the Company after such consolidation/split, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the Equity Shares allotted under ESOP 2016 on the Stock Exchanges where the Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised at any time to modify, change, vary, alter, amend, suspend or terminate ESOP 2016 subject to compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of ESOP 2016 and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI Regulations and other applicable laws in force.

Item No. 3

To consider and if deemed fit, to pass the following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred as "SEBI SBEB Regulations"), SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including any statutory modification(s) or re-enactment of the Act or the said regulations, and all other applicable statutes, rules, regulations and guidelines and subject to such other approvals, permissions and sanctions as may be necessary and upon such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee including the Nomination & Remuneration Committee which the Board may, at its discretion authorise to exercise certain or all of its powers, including the powers, conferred by this resolution), approval of the Members be and is hereby accorded to the Board of Directors of the Company to extend the benefits of "E.I.D.- Parry (India) Limited Employee Stock Option Plan, 2016" (hereinafter referred to as "ESOP 2016") to such person(s) who are in permanent employment of any existing or future subsidiary of the Company including Managing Director and Whole Time Director (other than Promoters/Persons belonging to the Promoter Group of such Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) of any existing or future subsidiaries of the Company as may be decided under the ESOP 2016, exercisable into corresponding number of equity shares of face value of Re.1/- each fully paid-up, on such terms and in such manner as the Board may determine in accordance with the provisions of the applicable laws and the provisions of the ESOP 2016 provided that the maximum number of Stock Options granted to eligible employees of both the Company and its subsidiary(ies) under the ESOP 2016 shall not cumulatively exceed 35,17,000 (Thirty Five Lakh Seventeen Thousand only) Options and resultant equity shares of face value of Re.1/- each (as adjusted for any changes in the capital structure of the Company).

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division(s) of the Company or other similar events, the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the Company to the Option grantees and the ceiling on the number of Options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are consolidated/split, then the number of equity shares to be allotted and the exercise price payable by the option grantees under ESOP 2016 shall automatically stand augmented/reduced in the same proportion as the present face value of Re. 1/- per equity share bears to the revised face value of the equity shares of the Company after such consolidation/split, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of the Equity Shares allotted under ESOP 2016 on the Stock Exchanges where the Equity Shares of the Company are listed.

Item No. 4

To consider and if deemed fit, to pass the following resolution as a SPECIAL RESOLUTION:-

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to the reappointment of Mr. V.Ramesh as the Managing Director of the Company for a period of one year with effect from January 30, 2017 on the terms and conditions including remuneration as set out below with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. V.Ramesh, Managing Director, be paid remuneration by way of salary, allowances, incentive, and perquisites subject to necessary approvals and in accordance with Sections 197 and 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 as specified below:

- (i) Salary
Rs.5,07,180 per month in the range of Rs,3,00,000 to Rs 6,00,000 and the increments shall be decided by the Nomination & Remuneration Committee.
- (ii) Allowances and Perquisites
Allowances like House Rent Allowance, Leave Travel Allowance, Special Allowance, Additional Special Allowance and/or any other allowance as may be determined by the Nomination & Remuneration Committee
Perquisites such as provision of furnished/unfurnished accommodation, personal accident insurance, reimbursement of medical expenses incurred for self and family, club subscription, provision of cars as per the rules of the Company in force from time to time and any other perquisites, benefits, amenities as may be decided from time to time and approved by the Nomination & Remuneration Committee and the Board.
- (iii) Incentive
Based on the achievement of the performance parameters laid down and as may be determined by the Nomination & Remuneration Committee.
- (iv) Retirement Benefits
 - (a). Contribution to Provident Fund, Superannuation Fund and Gratuity as per the approved Schemes of the Company in force from time to time.
 - (b). Encashment of leave as per rules of the Company in force
- (v) ESOP
Grant of stock options under the Company's ESOP Scheme as may be determined by the Nomination & Remuneration Committee from time to time.

RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where in any financial year, during the currency of the tenure of Mr. V.Ramesh, Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to Mr.V.Ramesh by way of salary, perquisites and allowances as specified above in terms of the Schedule V of the Companies Act, 2013.

GENERAL

- i. Perquisites shall be valued in terms of actual expenditure incurred by the Company in providing benefit to the employees. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy (including car provided for official and personal purposes and loans) the perquisites shall be valued as per income tax rules. Provision of telephone at residence and expenses on account of car for official use shall not be reckoned as perquisites.
- ii. Mr.V.Ramesh, Managing Director will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.
- iii. Mr.V.Ramesh shall also be entitled to any other benefits or privileges as may be available to other Senior Management/ Executives of the Company from time to time.
- iv. Mr.V.Ramesh, Managing Director, will be subject to all other service conditions as applicable to any other senior management employee of the Company. He will not be entitled to severance fee or other compensation for any loss of office.

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

By Order of the Board
For E.I.D.- Parry (India) Limited

Place: Chennai
Date: 7th November, 2016

G.Jalaja
Company Secretary

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 1 - Alteration of Articles of Association of the Company:

The Ministry of Corporate Affairs has as on date notified substantive sections of the Companies Act, 2013 (Act) which deals with the general functioning of companies. The existing Articles of Association (AOA) of the Company was formulated based on the provisions of the Companies Act, 1956 and therefore contains certain provisions which are not in line with the provisions of the

Act. It is proposed to replace the existing AOA of the Company with a new set of Articles aligned with the provisions of the Act, including the rules framed thereunder.

As per the provisions of Section 14 of the Companies Act, 2013, alteration of the Articles of Association of the Company needs to be approved by the Members of the Company. Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules 2014, the approval of the Members may be taken through Postal Ballot instead of transacting such business at a general meeting.

The Board of Directors at their meeting held on 7th November, 2016 had accorded approval for adoption of a new set of Articles in substitution, and to the entire exclusion, of the existing AOA. The Board of Directors recommends the Special Resolution for approval by the Members.

The exiting AOA as well as the draft of proposed AOA is available on the Company's website www.eidparry.com for perusal by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

You are requested to communicate your assent or dissent for the aforesaid proposal, in accordance with the instructions set out herein.

Item Nos. 2 & 3

Approval of E.I.D.- Parry (India) Limited Employee Stock Option Plan 2016 ("ESOP 2016") and grant of stock options to Employees of the Company and its subsidiaries under the Plan

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. The Company believes in rewarding its employees including Managing and Whole-time Directors of the Company and its subsidiaries for their continuous hard work, dedication and support, which has led the Company and its subsidiaries on the growth path. The Company intends to implement an Employee Stock Option Plan with a view to attract and retain key talent working with the Company and its subsidiaries by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

With this objective in mind, the Company intends to introduce and implement "E.I.D.- Parry (India) Limited Employees Stock Option Plan 2016" ("ESOP 2016") for the permanent employees of the Company and its subsidiaries, existing and future, including Managing Director and Whole Time Director (other than Promoters/Persons belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company).

The Company had in the past, with the approval of its Members, implemented an ESOP Scheme 2007 under which eligible employees were granted ESOPs. The Company made grants under the said Scheme 2007 till October, 2011. Since October, 2011, no further grants were made under the Scheme. However, Options granted under the Scheme 2007 which are pending to be exercised will continue to be administered by the Company. The number of outstanding Options vested and pending to be exercised under that Scheme as on date is 1,28,984.

The Securities and Exchange Board of India has issued Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (herein after referred as "SEBI SBEB Regulations"), and has repealed the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guideline, 1999.

All listed companies having existing Schemes to which the SEBI SBEB Regulations apply are required to comply with the same in entirety. In order to introduce stock options and other stock incentives, ESOP Scheme needs to be amended so that the Scheme can be offered to the employees of the Company and employees of its subsidiary companies.

Pursuant to the provisions of Regulation 6 of the SEBI SBEB Regulations read with Section 62(1)(b) of the Companies Act, 2013, the implementation of an Employee Stock Option Plan requires approval of Board of Directors as well as Members of the Company.

The Board of Directors in their Meeting held on 7th November, 2016, recommended to create, offer, issue and to grant from time to time upto 35,17,000 (Thirty Five Lakh Seventeen Thousand only) stock options in aggregate to be reserved under Employee Stock Option Plan 2016 (ESOP 2016) to be granted from time to time to the eligible employees including Managing and Whole-time Directors of the Company and its subsidiaries (excluding Promoters/Persons belonging to the Promoter group and Independent Directors) exercisable into 35,17,000 (Thirty Five Lakh Seventeen Thousand only) equity shares of face value of Re.1/- each fully paid, as may be issued at a price as per the terms of ESOP 2016.

The Company seeks the approval of the Members in respect of ESOP 2016 and grant of Stock Options to the eligible employees of the Company and its subsidiaries as decided in this behalf from time to time in due compliance of the Regulation 6 of the SEBI SBEB Regulations.

The main features of ESOP 2016 are as under:

a) Brief description of the plan:

The Company proposes to introduce ESOP 2016 primarily with a view to attract, retain, incentivise and motivate the existing employees of the Company and its subsidiaries and the employees joining the Company and its subsidiaries. ESOP 2016 contemplates grant of options to the eligible employees (including Managing Director and Whole-time Directors), as may be determined in due compliance with SEBI SBEB Regulations and provisions of ESOP 2016. After vesting of options, the eligible employees earn a right (but not obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination & Remuneration Committee ("Committee") of the Company shall administer ESOP 2016. All questions of interpretation of ESOP 2016 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2016.

b) Total number of Options to be granted:

The total number of options to be granted under ESOP 2016 shall not exceed 35,17,000 (Thirty Five Lakh Seventeen Thousand only). Each option when exercised would be converted into one Equity Share of Re.1/- each fully paid-up.

Further, the SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under ESOP 2016 remain the same after any such corporate action. Accordingly, if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 35,17,000 (Thirty Five Lakh Seventeen Thousand only) shall be deemed to be increased to the extent of such additional options issued.

c) Identification of classes of employees entitled to participate in ESOP 2016

All the Permanent Employees (including Managing Director and Whole-time Director) of the Company (Item No. 2) and of the Subsidiary Companies whether existing or future (Item No. 3) shall be eligible to participate in the Plan. However, the following persons shall not be eligible to participate in the ESOP 2016:

- a. an employee who is a Promoter or belongs to the Promoter Group;
- b. a Director who either by himself or through his relatives or through any-body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company; and
- c. an independent director within the meaning of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as prescribed by SEBI, as applicable. .

d) Requirements of vesting and period of vesting

All the options granted on any date shall vest not earlier than **1 (one) year** and not later than a maximum of **4 (four) years** from the date of grant of options as may be determined by the Committee.

Options shall vest essentially based on continuation of employment or Option Grantee's continued relationship as Managing Director /whole-time director and apart from that the vesting will be subject to certain performance parameters as may be specified by the Committee.

e) Maximum period within which the options shall be vested:

All the options granted on any date shall vest not later than a maximum of **4 (Four) years** from the date of grant of options as may be determined by the Committee.

f) Exercise price or pricing formula:

The Exercise Price shall be equal to the Market Price of the shares on the date of Grant or any other price as decided by the Committee.

g) Exercise period and the process of Exercise:

The Exercise period would commence from the date of vesting and will expire on completion **5 (five) years** from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested Option shall be exercisable by the employees by a written application to the Company expressing their desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under ESOP 2016:

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

i) Maximum number of Options to be issued per employee and in aggregate:

The number of options that may be granted to the eligible employees of the Company and its subsidiaries under ESOP 2016, in any financial year and in aggregate under ESOP 2016 shall not exceed 35,17,000 (Thirty Five Lakh Seventeen Thousand) Options. The maximum number of Options that may be granted to each Employee shall vary depending upon the grade which however shall not exceed 17,58,000 (Seventeen Lakh Fifty Eight Thousand) in number per eligible Employee.

j) Maximum quantum of benefits to be provided per employee under ESOP 2016:

The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the shares as on the date of exercise of options.

k) Route of ESOP 2016 implementation:

ESOP 2016 shall be implemented and administered directly by the Company. In case the Company wishes otherwise, it may be intimated to the Members in due course as per applicable laws.

l) Source of acquisition of shares under ESOP 2016:

ESOP 2016 contemplates fresh/new issue of shares by the Company.

m) Amount of loan to be provided for implementation of the Scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

This is currently not contemplated under the present ESOP 2016.

n) Maximum percentage of secondary acquisition:

This is not relevant under the present ESOP 2016.

o) Accounting and Disclosure Policies:

The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments (Guidance Note) and/ or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein.

p) Method of option valuation:

The Company shall adopt 'fair value method' for valuation of options as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.

q) Declaration:

In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value shall be disclosed in the Directors' report and the impact of this difference on profits and on Earning Per Share ("EPS") of the Company shall also be disclosed in the Directors' report.

As the ESOP 2016 provides for issue of equity shares to be offered to persons other than the existing Members of the Company, consent of the Members is being sought pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations. Pursuant to the provisions of the SEBI SBEB Regulations, a separate resolution is required to be passed if the plan envisages grant of option, shares or other benefits, as the case may be, to the employees of subsidiaries. Accordingly, the approval of the Members is sought in respect of resolutions set out in the notice as Item no. 2 & 3.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the ESOP 2016.

The Board of Directors recommends the passing of the proposed resolutions as stated in item nos. 2 & 3 as special resolutions for approval by the Members.

You are requested to communicate your assent or dissent for the aforesaid proposal, in accordance with the instructions set out herein.

Item No. 4

Re- appointment of Mr.V.Ramesh as the Managing Director of the Company

Mr.V.Ramesh was appointed as the Managing Director of the Company for a period of three years w.e.f 30th January 2014 by the Board of Directors at their meeting held on 30th January 2014 and the Members vide their resolution dated 24th March, 2014 passed through postal ballot had approved the appointment. The present term of Mr.V.Ramesh, Managing Director of the Company would expire on 29th January, 2017. The Board of Directors of the Company ('the Board') at their meeting held on 5th August, 2016 on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Members, had re-appointed him as the Managing Director of the Company for a further period of one year, i.e from January 30, 2017 to January 29, 2018 (both days inclusive) on a remuneration as set out in the Resolution subject to the limits prescribed under Schedule V Part II Section II of the Companies Act, 2013.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Notice.

The Company incurred a loss of Rs. 96.16 Crore for the financial year 2015-16 arising from a drastic fall in sugar selling price which touched an all time low during the year. However, consequent to improvement in the sugar prices, the Company registered a profit after tax of Rs.107 Crore for the half year ended 30th September, 2016 as against the loss of Rs.172 Crore during the corresponding half of previous year

The future profitability of the Company depends upon the trend in sugar prices, the government policies on the Sugarcane price, the estimated sugar cane production and availability. In the event during the tenure of Mr. V.Ramesh, the Company's profits is inadequate in terms of Part II, Section II of Schedule V of the Companies Act, 2013, the remuneration payable would require approval of the Members by way of a Special Resolution. Hence, the subject Resolution is proposed as a special Resolution and the required additional information pursuant to schedule V Part II Section II of the Companies Act, 2013 is annexed to this notice.

Except Mr. V.Ramesh, being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No.4 of the Notice. The Board recommends the Resolution at Item No.4 for approval by the Members.

You are requested to communicate your assent or dissent for the aforesaid proposal, in accordance with the instructions set out herein.

DETAILS PERTAINING TO DIRECTORS AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Director	Mr. V.Ramesh
Date of Birth	16.07.1957
Date of Re-Appointment proposed	30.01.2017
Qualifications	He is a B Com and an ICWA. He has completed his post graduation in Management (PGDM) from IIM-Bangalore.
Expertise in specific functional Area	He has 30 years of industrial experience.
Directorship in other Listed Companies	Parrys Sugar Industries Limited
Chairman/Member of the Committees of the Boards of which he is a Director	Stakeholders Relationship Committee
No. of shares held in the Company	Nil
Inter-se relationship with any Director	Nil

STATEMENT PURSUANT TO SCHEDULE V PART II SECTION II OF THE COMPANIES ACT, 2013

I. General Information:

- (i) Nature of Industry: The Company is engaged in the manufacturing and marketing of sugar, bio pesticides and Nutraceuticals.
- (ii) Date or expected date of commencement of commercial production: The Company was incorporated on September 22, 1975 and has been operating in the states of Tamil Nadu, Puducherry, Andhra Pradesh and Karnataka.

- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

- (iv) Financial performance based on given indicators - as per published audited financial results:

(Rs. In Lakh)

Particulars	2013 – 2014	2014 – 2015	2015 – 2016
Gross Income	194548	226504	239541
Profit Before Tax	(3110)	13598	(9616)
Profit After Tax	2,653	14,825	(6,645)
Networth	127432	136408	128558

- (v) Foreign Investments or collaborators, if any: (as on 09.12.2016)

Foreign Holding	No of Equity Shares	% to the paid up equity share capital
NRIs	1949552	1.11
OCBs	5040	0.00
Foreign Nationals	216680	0.12
FII's	16767754	9.53

II. Information about the appointee:

Mr. V.Ramesh

(i) Background details:

Mr. V. Ramesh is a Commerce graduate, a Cost Accountant and a PGDM from IIM (Bangalore). He has about 30 years of experience including in leading Companies like viz., Hindustan Unilever Limited, TVS Finance and Services Limited and Carborundum Universal Limited heading finance, commercial and operations. He has been with E.I.D.-Parry (India) Limited as the Managing Director with effect from 30th January, 2014.

(ii) Past Remuneration drawn:

Rs. 1,53,72,575/- for the period from 1st July, 2015 to 30th June, 2016.

(iii) Recognition & Awards / Achievements:

He was awarded the BEST CFO by BUSINESS TODAY- YES BANK during the year 2011.

(iv) Job Profile and suitability:

Mr.V.Ramesh is the Managing Director of the Company and has been entrusted with the management of the Company subject to the supervision and control of the Board of Directors. He is also responsible to perform such other duties as may from time to time be entrusted by the Board. Taking into consideration the qualifications and expertise, he is best suited for the responsibilities assigned to him by the Board of Directors.

(v) Remuneration proposed:

The terms of remuneration proposed are detailed in the resolution.

(vi) 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):

Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level appointees in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides the remuneration proposed, the appointee does not have any other pecuniary relationship with the Company.

III. Other Information :

(i) Reasons for inadequate profits :

The Company has a track record of profit barring 2015/16. During the year 2015/16, the Company incurred a loss of Rs.96.16 Crore as against Profit before tax of Rs.135.98 Crore in the previous year. The Company's primary revenue stream is from sugar and sugar related products. Sugarcane price which is determined by the Govt has shown an increasing trend year after year. The year 2015-16 was a challenging year for the Company as the Sugar industry faced unprecedented crises due to all time low sugar selling prices caused by fifth straight year of surplus production as well as a drop in global prices. This coupled with the high sugar cane procurement cost adversely affected the financial performance of the Company. The future profitability of the Company depends upon the trend in sugar prices, the Govt policies on the Sugarcane price, the estimated sugar cane production and availability.

(ii) Steps taken or proposed to be taken for improvement:

The Company has been focussing on a number of initiatives including Total productivity management, cost management especially fixed cost reduction and improvement in all around efficiency and effectiveness across all parameters. The Company has been working on its sales mix with increased sales to institutions. The Company's overall strategy is to make a differentiation in all aspects whether in products or in processes to sustain a competitive advantage in the face of the continuous risk of the cyclicity in sugar prices and rising cane costs. Consequent to improvement in the sugar prices, the Company registered a profit after tax of Rs.107 Crore for the half year ended 30th September, 2016 as against the loss in corresponding half of previous year of Rs. 172 Crore.

(iii) Expected increase in productivity and profits in measurable terms:

The Initiatives taken have already borne results in improving the operational parameters in several areas such as power/steam consumption, downtime, etc. The Government also has been taking various steps to help the sugar industry. However, the single most factor which would drive the performance of the Company is the volatility in sugar selling price and the uncertainty in Sugar cane cost.

IV. Other disclosures

Disclosures relating to remuneration and other terms of appointment are available in the Resolution. Remuneration payable to Mr.V.Ramesh will form part of the Corporate Governance report for the year ended March 31, 2017. The Company has not made any default in repayment of its debts or debentures or interest payable thereon during the preceding financial year 2015-16. Mr.V.Ramesh satisfies the conditions laid down in Schedule V to the Companies Act, 2013. The terms of appointment of Mr. V.Ramesh, as required under Section 190 of the Companies Act, 2013 is available for the inspection of the Members at the registered office in accordance the Articles of Association of the Company.

Note: The new AOA and other documents referred to in Item Nos. 1 to 4 will be open for inspection by Members at the registered office of the Company on all working days between 11 a.m. and 1 p.m. till 21st January, 2017.

By Order of the Board
For E.I.D.- Parry (India) Limited

Place: Chennai
Date: 7th November, 2016

G.Jalaja
Company Secretary

Encl:

- 1) Postal Ballot Form
- 2) Postage pre-paid self-addressed business reply envelope

Notes:

1. The Statement pursuant to Section 102(2) of the Act stating all material facts and the reasons thereof for the proposals set forth in the Notice is annexed to and forms part of this Notice.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) /Central Depository Services (India) Limited (CDSL) as on 9th December 2016. The voting rights of the Members/Beneficial Owners for this Postal Ballot shall be reckoned based on the equity shares held by them as on 9th December 2016. The Notice is being sent to Members who have registered their e-mail IDs for receipt of documents in electronic form to their e-mail addresses registered with their respective Depository Participants (in case of dematerialised shareholding)/Company's Registrar and Share Transfer Agent (in case of Physical shareholding). For Members whose e-mail IDs are not registered, physical copies of the Postal Ballot Notice along with the Ballot form are being sent by the permitted mode along with a postage prepaid self-addressed business reply envelope.

3. Members can opt for only one mode of voting, i.e., either using the Postal Ballot Form or e-voting. In case any Member casts his/her vote through both the modes, voting done by e-voting shall prevail and votes cast using the physical Ballot form will be treated as invalid.
4. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through physical Ballot form or any Member desirous of obtaining a duplicate Postal Ballot Form, may send an e-mail to investorservices@parry.murugappa.com. The Company will forward the same along with the postage prepaid business reply envelope.
5. A Member cannot exercise his/her vote through a Proxy in the Postal Ballot voting process.
6. Members desirous of exercising their votes physically using the Postal Ballot Form are requested to read carefully the instructions printed in this Notice as well as in the Form and return the same duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutiniser not later than 5 p.m. on Saturday, the 21st January 2017. The postage will be borne by the Company. Envelopes containing the Postal Ballot Forms, if sent by courier or registered post at the expense of Members will also be accepted. However, any Postal Ballot received after 5 p.m. on Saturday, the 21st January 2017 will be considered as though no reply has been received from the Member.

VOTING THROUGH ELECTRONIC MEANS – INSTRUCTIONS

Pursuant to the provisions of section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to Members to exercise their votes electronically on all resolutions set forth in the postal ballot.

The Company has engaged the services of M/s. Karvy Computershare Private Limited (Karvy) to provide remote e-voting facility to enable Members to provide their votes in a secure manner.

The Board of directors of the Company have appointed Mr.R.Sridharan failing him Mr.G.Subramaniam of M/s. R. Sridharan & Associates, Practising Company Secretaries, Chennai, as scrutiniser for conducting the remote e-voting process in a fair and transparent manner. In terms of the requirements of the Act and the rules made thereunder, the Company has fixed 9th December, 2016 as the cut-off date. A person who is not a Member as on the cut-off date should treat this notice for information purpose only.

The e-voting facility begins on Friday, the 23rd December, 2016 (9 a.m.IST) and ends on Saturday, the 21st January, 2017 (5 p.m. IST). During this period, the Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 9th December, 2016, are entitled to avail the facility to cast their vote electronically. The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of the aforesaid period. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently.

The instructions for Members voting electronically are as under:

A. For Members receiving an e-mail from Karvy, e-voting service provider [for Members whose e-mail addresses are registered with the Company / DP(s)]:

- (i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
- (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be E-Voting Event Number- 2897 (EVEN) followed by folio number. In case of demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) You will now reach 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 (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the E-voting event.

- (vii) Select the EVENT of E.I.D.- Parry (India) Limited and click on "SUBMIT".
- (viii) Now you are ready for e-voting as "Cast Vote" page opens.
- (ix) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (x) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- (xi) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (xii) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- (xiii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, 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(s).
- (xiv) Corporate / institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to upload in the e-voting portal, the scanned certified true copy (PDF Format) of the board resolution / authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s) or alternatively to e-mail, to the scrutiniser at e-mail, rsaevoting@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "E.I.D.- Parry – Postal Ballot".

B. Members holding shares in dematerialised form whose e-mail IDs are not registered with the Company / DPs [for Members holding shares in physical form as well as those Members who have received physical copy of the postal ballot notice]:

- (i) E-Voting Event Number- 2897 (EVEN), User ID and Password is provided in the Postal Ballot Form.
- (ii) Please follow all steps from sl. no.(ii) to sl. no.(xiv) above to cast your vote by electronic means.

Other instructions:

- (i) In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> or call Karvy on 040-67162222 & Toll-free No. 1800 3454 001.
- (ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iii) The voting rights of 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 9th December, 2016.
- (iv) The scrutiniser shall within a period of two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutiniser's report of the votes cast in favour or against, if any forthwith to the Chairman or any Director of the Company.
- (v) The results shall be declared at the registered office of the Company. The results declared along with the scrutiniser's report shall be placed on the Company's website, www.eidparry.com and on the website of Karvy, <https://evoting.karvy.com> and simultaneously communicated to BSE Limited and National Stock Exchange of India Limited. The resolutions, if passed by requisite majority, shall be deemed to have been passed on Saturday, the 21st January, 2017, the last date specified for receipt of duly completed postal ballot forms / e-voting.
