



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

CIN: L24211TN1975PLC006989

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Website: www.eidparry.com

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 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and other applicable laws and regulations, that the enclosed resolutions in respect of transfer of the Bio Pesticides Business of the Company and sale of shares held by the Company in Parry America Inc, to Coromandel International Limited, a subsidiary of the Company are proposed to be passed by members through postal ballot / electronic voting (e-voting). The draft resolutions and the explanatory statement pertaining to the resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with the postal ballot form for your consideration.

Members may please note that the voting on the resolution 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) Regulations, 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 of the Company has appointed Mr.R.Sridharan of M/s. R.Sridharan & Associates, Company Secretaries, Chennai as the Scrutinizer ("Scrutinizer") 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 Scrutinizer on or before the close of working hours of 5 p.m. February 22, 2018. Postage will be borne and paid by the Company. Postal Ballot forms, if sent at the expenses of the Member(s), will also be accepted. Any postal ballot form(s) received after the closing hours of the said date will be treated as not having been received. No other form or photocopy thereof is permitted.

The Scrutinizer will submit his report to the Chairman or any Director of the Company after completion of the scrutiny of the postal ballots including e-voting. The results of the postal ballot will be announced by the Chairman or any Director of the Company on February 23, 2018 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 Karvy's website www.evoting.karvy.com besides being communicated to the Stock Exchanges where the Company's shares are listed.

The Resolutions being Ordinary Resolutions will be declared as passed if votes cast in favour of each resolution are not less than 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 February 22, 2018, 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: December 22, 2017

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 an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder including any statutory modification(s) or re-enactments thereof for the time being in force and in accordance with the Memorandum and Articles of Association of the Company 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 thereof), approval of the Members of the Company be and is hereby accorded to sell and transfer the Bio Pesticides Business of the Company together with all its employees as well as assets and liabilities including all concerned licences, permits, consents and approvals whatsoever comprising of manufacturing, marketing and trading in Bio Pesticides Products (“**Bio Pesticides Business**”) as a “going concern” and by way of a slump sale to Coromandel International Limited, a subsidiary of the Company with effect from April 1, 2018 or such date as may be agreed to by the Board (“Closing Date”) for a lump sum consideration of Rs 302.61 crore subject to adjustment for working capital as on the Closing Date.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof, and 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 and to settle any question that may arise in this regard and incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director or any Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution.”

Item No.2 - To consider and if deemed fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force, 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 thereof) approval of the Members of the Company be and is hereby accorded to sell 776.48 Common stock with par value of \$100 aggregating to \$77,648 held by the Company in Parry America Inc., constituting 100% of its issued share capital to Coromandel International Ltd., for a consideration of Rs 35.40 crore.”

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

Place: Chennai
Date: December 22, 2017

G.Jalaja
Company Secretary

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

Item Nos 1& 2:

The Company is engaged in the Bio Pesticides Business being the manufacture, marketing and trading in Bio Pesticide Products. The Company is among the world leaders in neem based bio-pesticides with the Neemazal brand, holding a distinctive presence both in India and overseas markets. The manufacturing facility of the Bio Products for the extraction of pure azadirachtin is located at Thyagavalli, Tamil Nadu.

Coromandel International Limited (CIL), a subsidiary of the Company is amongst the largest Phosphatic fertilizer player in India, and is in the business segments of Fertilizers, Specialty Nutrients, Crop Protection and Retail and manufactures a wide range of fertilizers, a leader in its addressable markets.

The Company proposes to transfer its Bio Pesticides business to CIL, which would complement CIL’s crop protection and pesticides business. CIL’s extensive marketing network and experience would enable this business to grow faster and further CIL can leverage on the combined R&D infrastructure to augment new product introduction and scale up opportunities for growth. Bio Pesticides Business can be a natural fit to the Chemical Pesticides vertical of CIL due to commonality of consumers and channels.

Parry America Inc., a wholly owned subsidiary of the Company in USA, is also in the bio pesticides business, which imports from the Company and markets the bio pesticides products in USA and Brazil. Consequent to sale of the bio Pesticides Business to CIL, the Company also proposes to transfer the shares held in Parry America Inc., to CIL.

The valuation of the business and the shares are based on the joint valuation report of SSPA & Co., and Rajendra & Co., firms of Chartered Accountants. The Audit Committee of the Board have considered and approved the valuation of the Bio Pesticides business and shares of Parry America Inc., at Rs 302.61 crore and Rs 35.40 crore respectively. Accordingly, the Board at its meeting held on December 22, 2017, approved the sale and transfer of Bio Pesticides business together with all its employees as well as assets and liabilities including all concerned licences, permits, consents and approvals what so ever, to CIL with effect from April 1, 2018 as a “going concern” and by way of a slump sale for a lump sum consideration of Rs 302.61 crore subject to adjustment for

working capital on the Closing Date and sale of entire shareholding in Parry America Inc., to CIL for Rs 35.40 crore.

The transaction is part of the strategic plan of the Company to consolidate and focus on its Core businesses in Food and Nutraceuticals space. The sale proceeds realized by the company would help the company to reduce in debt, which would improve its debt equity ratio. This would help the Company to keep its gearing at a lower level to handle the Sugar Cyclical movements. Further, the Bio Pesticides business would gather growth momentum in the hands of CIL through their strong position in Crop Protection business in India. The Bio Products business would derive the synergy benefits by making inroads into South America, Africa and Asia where CIL has significant presence. Further, the Company would get benefited through the faster scale up of Bio Business under CIL fold by virtue of its majority stake in CIL.

The proposed sale and transfer of the Business and shares will be in conformity with all the applicable laws and regulations. The Company will be executing the Business Transfer Agreement, share purchase Agreement and other related agreements such as conveyance deed, assignment deed, etc for the purpose.

As per the provisions of Section 188 (1) (b) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, a company shall not enter into any contract or arrangement with a related party with respect to selling or otherwise disposing of, or buying, property of any kind exceeding 10% of the net worth of the Company or Rupees one hundred crore, whichever is lower except with the prior approval of the shareholders by way of an ordinary resolution. Since in terms of section 2 (76) of the Companies Act, 2013, a subsidiary is a related party and the value of the transaction is in excess of Rs 100 crore, the proposed transaction with CIL is a related party transaction under Section 188 of the Act requiring the prior approval of the shareholders by way of ordinary resolution. The Company is accordingly proposing this resolution for the consideration and approval of the Members other than related parties who are prohibited to vote by way of ordinary resolutions, through Postal Ballot as per the applicable provisions of the Companies Act, 2013.

The Board is of the opinion that the aforesaid Resolutions are in the best interest of the Company and its shareholders and hence, recommends the same for your approval.

The relevant documents referred to in the Postal Ballot Notice and the Explanatory Statement will be available for inspection of the Members at the Registered Office of the Company from the date of dispatch of the Postal Ballot Notice till the last date for receipt of votes by postal ballot /e-voting i.e February 22, 2018 between 10:00 a.m. to 1:00 p.m. on all working days (except Saturdays, Sundays and public holidays).

Mr. A. Vellayan, Chairman and Mr. V. Ravichandran, Vice Chairman are on the Boards of the Company and also CIL. None of the Directors and/or any Key Managerial Personnel of the Company and/or their relatives are concerned or interested in the Resolutions except to the extent of their respective shareholding, if any, in the Company or CIL.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:-

(a) **Name of the Related Party** – Coromondel International Limited.

(b) **Name of the Director or Key Managerial Personnel who is related, if any** – None.

(c) **Nature of Relationship** – Subsidiary.

(d) Nature, Material Terms, Monetary Value and Particulars of the contract or arrangement –

Item No 1	Item No 2
The proposed transaction involves sale and transfer of the Bio Pesticides Business of the Company to Coromandel International Limited with effect from the closing date as a “going concern” and by way of a slump sale for a lump sum consideration of Rs 302.61 crore subject to adjustment for working capital as on the Closing Date.	The proposed transaction involves sale and transfer of the shares held by the Company in Parry America Inc to Coromandel International Limited with effect from the Closing Date for a consideration of Rs 35.40 crore.

(e) Any other information relevant or important for the members to take a decision on the proposed resolution -

All important information forms part of the Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 which have been mentioned in the foregoing paragraphs.

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

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

Place: Chennai
Date: December 22, 2017

G.Jalaja
Company Secretary

Encl:

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

Notes:

1. The explanatory statement pursuant to Section 102 of the Act stating all material facts and the reasons thereof for the proposal 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 January 12, 2018. 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 January 12, 2018. The Postal Ballot Notice along with the postal ballot form 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. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
5. 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.
6. A Member cannot exercise his/her vote through a Proxy in the Postal Ballot voting process.
7. 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 Scrutinizer not later than 5 p.m. on February 22, 2018. 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 forms received after 5 p.m. on February 22, 2018 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 22 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 all its 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 of M/s.R.Sridharan & Associates, Practising Company Secretaries, Chennai, as Scrutinizer 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 there under, the Company has fixed January 12, 2018 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 January 24, 2018 (9:00 a.m. IST) and ends on February 22, 2018 (5:00 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 January 12, 2018, 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- 3664 (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 scrutinizer 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-3664, 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 Contact Mr. I.L Murthy, Manager [Unit : E.I.D.-Parry (India) Ltd] of the Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500 032 (or) call Karvy's 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 January 12, 2018.
- iv. The scrutinizer shall on 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 scrutinizer's report of the votes cast in favour or against, if any, forth with 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 scrutinizer'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 February 22, 2018, the last date specified for receipt of duly completed postal ballot forms / e-voting.