

# Notice to shareholders

NOTICE is hereby given that the **Fifth Annual General Meeting** of the Members of Bajaj Corp Limited will be held on **Monday, the 8th day of August 2011 at 11.00 A.M.** at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai-400 021, to transact the following business:-

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2011, the Profit and Loss Account for the year ended on that date and Report of Directors and the Auditors thereon for the said year.
2. To declare dividend on Equity Shares for the year ended March 31, 2011.
3. To appoint a Director in place of Mr. Kushagra Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Gaurav Dalmia, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. R. S. Dani & Co. (Firm Registration Number 000243C) retiring Auditors as Auditors of the Company to hold office from conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such approval(s), permission(s) and/or sanction(s) as may be necessary, the consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. Roshan Fateh Lal Hinger as Whole-time Director and designated as Vice-Chairman of the Company for a further period of 5 (Five) years with effect from April 1, 2011, on the terms and conditions and the remuneration as set out below:-
  - I. Remuneration:
    - a) Basic Salary: In the range of ₹ 4,30,000/- per month to ₹ 10,00,000/- per month.
    - b) Allowances and Perquisites:
      - i) House Rent Allowance at the rate 50% of Basic Salary.
      - ii) Contribution to Provident Fund: Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be

decided by the Board of Directors from time to time.

- iii) Contribution to Superannuation Fund: Company's contribution to Superannuation Fund equal to 15% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.
- iv) Medical Reimbursement: Reimbursement at the rate 8.5% of Basic Salary.
- v) Conveyance Allowance: At the rate 30% of Basic Salary.
- vi) Leave Travel Allowance: Reimbursement at the rate 8.5% of Basic Salary.
- vii) Leave: Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave is allowed at the end of the tenure.  
 Explanation:  
 Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.
- viii) Annual Performance Incentive up to a maximum amount of ₹ 20,00,000/- subject to approval by Board of Directors.
- c) Amenities:
  - i) Conveyance facilities: The Vice Chairman is entitled for use of car for official purposes.
  - ii) Communication facilities: The Vice Chairman is entitled for use of telephone, telefax and other communication facilities at his residence.
- II. Overall remuneration:  
 The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.
- III. Other Terms and Conditions:  
 Other terms and conditions of appointment of Mr. Roshan Fateh Lal Hinger, Whole-time Director designated Vice Chairman are as under:
  - a. The Vice Chairman shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
  - b. The Vice Chairman shall not, so long as he functions as such, become interested or

otherwise concerned directly or through his wife and /or minor children in any selling agency of the Company in future without prior approval of the Central Government.”

“RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period of five years from April 1, 2011, the Vice Chairman shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration Committee) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Vice Chairman in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII thereto or any modification thereto and as may be agreed by and between the Board and Mr. Roshan Fateh Lal Hinger.”

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 309, and other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) and subject further to the approval of Central Government and any other approval(s) as may be required, the consent and approval of the Company be and is hereby accorded to the revision in the terms of remuneration of Mr. Sumit Malhotra, Whole-time Director of the Company, with effect from April 1, 2011 till the remaining tenure of the present term of Whole-time Director expiring on March 31, 2013, by revising the Basic Salary from ₹ 2,80,000/- per month to ‘in the range of ₹ 3,30,000/- to ₹ 7,00,000/- per month’ with resultant changes in allowances, perquisites and benefits as set out herein below:-

- I. Remuneration:

- a) Basic Salary: In the range of ₹ 3,30,000/- per month to ₹ 7,00,000/- per month.
- b) Allowances and Perquisites:
  - i) House Rent Allowance at the rate 40% of Basic Salary.
  - ii) Special Allowance at the rate 25% of Basic Salary.
  - iii) Contribution to Provident Fund: Company's contribution to Provident Fund equal to 12% of Basic Salary or up to such an amount permissible under the law and as may be decided by the Board of Directors from time to time.
  - iv) Contribution to Superannuation Fund: Company's contribution to Superannuation Fund equal to 15% of Basic Salary or up to such an amount permissible under the law

and as may be decided by the Board of Directors from time to time.

- v) Medical Reimbursement: Reimbursement at the rate 8.33% of Basic Salary.
- vi) Conveyance Allowance: at the rate 30% of Basic Salary.
- vii) Leave Travel Allowance: Reimbursement at the rate 8.33% of Basic Salary.
- viii) Leave: Leave with full pay or encashment thereof as per the rules of the Company. Encashment of the unavailed leave is allowed at the end of the tenure.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

- ix) Annual Performance Incentive up to a maximum amount of ₹ 20,00,000/- subject to approval by Board of Directors.

- c) Amenities:

- i) Conveyance facilities: The Whole-time Director is entitled for use of car for official purposes.
- ii) Communication facilities: The Whole-time Director is entitled for use of telephone, telefax and other communication facilities at his residence.

- II. Overall remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.

- III. Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Sumit Malhotra, Whole-time Director are as under:

- a. The Whole-time Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The Whole-time Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future without prior approval of the Central Government.”

“RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period from April 1, 2011 to March 31, 2013, the Whole-time Director shall be paid the aforesaid remuneration as the minimum remuneration, with the liberty

to the Board of Directors (which term shall be deemed to include the Remuneration Committee) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Whole-time Director in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII thereto or any modification thereto and as may be agreed by and between the Board and Mr. Sumit Malhotra."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and other applicable rules, regulations, guidelines and other statutory provisions and subject further to the approval of Central Government and any other approval(s) as may be required, consent and approval of the Company be and is hereby granted for payment of commission to Non-Executive Directors (other than Directors in whole-time employment of the Company), not exceeding 1% of the Net Profits of the Company, to be computed in the manner laid down in Section 198(1) of the Companies Act, 1956 for a period of 5 years commencing from April 1, 2011."

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended from time to time (the "SEBI ICDR Regulations") the notifications issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Memorandum of Association and Articles of Association and subject to all other statutory and regulatory approval(s), consent(s), permission(s) and/or sanction(s) of the Government of India, RBI, Securities and Exchange Board of India ("SEBI") and all other concerned authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed

to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby authorised to create, issue, offer and allot securities in one or more tranches, whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more domestic or foreign market(s), for a value of up-to ₹ 1,000 crore (Rupees One thousand crore only) including Equity Shares and/or Other Financial Instruments ("OFIs") Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), any other depository receipt mechanism, Preference Shares and/or convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument, Debentures all or any of the aforesaid with or without detachable or non-detachable warrants and/or warrants of any nature and / or secured premium notes and / or floating rate notes / bonds and / or other financial instruments with or without voting rights (hereinafter collectively referred to as the "Securities") with or without premium, in the course of domestic and / or international offerings through public issue(s) and / or private placement(s) and / or qualified institutional placement ("QIP") and / or further public offering ("FPO") and / or any other permitted modes to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident / foreign investors (whether institutions and/or incorporated bodies and/ or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors ("FIIs") and their sub-accounts/, Qualified Institutional Buyers ("QIB"), Mutual Funds, Pension Funds, Venture Capital Funds, Banks, Financial Institutions, Insurance Companies, National Investment Funds, Insurance Funds set up by the Army, Navy or Air Force, the Department of Posts of the Government of India and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through a prospectus, offer document and/or other letter or circular ("Offer Document") and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/ or Underwriters and/or other Advisors, with authority to retain oversubscription upto such percentage as may be permitted by the Appropriate Authorities."

"RESOLVED FURTHER THAT the Relevant Date

for determining the pricing of the securities whether on Qualified Institutional Placement to QIBs as per the provisions of Chapter VIII of SEBI ICDR Regulations, 2009 or issue of equity shares underlying the Global Depository Receipts shall be:

- (i) In case of allotment of equity shares, the date of the meeting in which the Board of Directors of the Company decides to open the proposed issue;
- (ii) In case of allotment of eligible convertible securities, either the date of the meeting in which the Board of Directors of the Company decided to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares or such date, if any, as may be notified by SEBI or the RBI or any appropriate authority from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to allot further shares upto 15% (fifteen percent) of its issue size to the Stabilisation Agent by availing the Green Shoe Option subject to the provisions of relevant SEBI Regulations and enter into and execute all such agreements and arrangements with any Merchant Banker or Book Runner, as the case may be, involved or concerned in such offerings of Securities and to pay all such fee/ expenses as may be mutually agreed between the Company and the said Stabilisation Agent."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilisation Agent, Registrar, Banker/ Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/ International Stock Exchanges."

"RESOLVED FURTHER THAT the Board and/ or an agency or body authorised by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/ or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/ International Markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of further equity shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such further

equity shares ranking pari-passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document."

"RESOLVED FURTHER THAT subject to the existing law and regulations, such Securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident/ foreign investor(s) (whether institutions and/ or incorporated bodies and/ or individuals and/ or trusts and/ or otherwise)/ Foreign Institutional Investors ("FIIs")/ Qualified Institutional Buyers ("QIBs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and/ or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised on behalf of the Company to agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and/ or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT to the extent permissible under Law, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

By Order of the Board of Directors

**Sujoy Sircar**  
*Company Secretary*

Place : Mumbai  
Dated : April 30, 2011

**NOTES:**

1. **A member entitled to attend and vote at the ANNUAL GENERAL MEETING ("MEETING") is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, shall be deposited at the registered office of the Company not less than FORTY-EIGHT hours before the commencement of the Meeting.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
4. In terms of Article 129 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Kushagra Bajaj and Mr. Gaurav Dalmia, Directors, retire by rotation and being eligible, offer themselves for re-appointment. The Board of Directors commends their respective re-appointments.
5. Brief resume of all Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships/ chairmanships for Board/Committees, shareholding and relationship between Directors *inter-se* as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges in India, are provided in the annexure.
6. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to Special Business to be conducted at the Meeting is annexed hereto.
7. Relevant documents referred in accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
8. The Register of Members and Share Transfer Register Books of the Company shall remain closed from Saturday, July 30, 2011 to Monday, August 08, 2011 (both days inclusive).
9. Dividend in respect of the equity shares of the Company as recommended by the Directors, if approved at the Annual General Meeting, will be paid at par on or after Tuesday, August 9, 2011:-
  - a. To those members who hold Shares in physical form and whose names shall appear in the Register of Members as on Friday, July 29, 2011.
  - b. In respect of Shares held in electronic form, to the beneficial owners of Shares as at the close of business hours on Friday, July 29, 2011 as per the details to be furnished by the Depositories to the Company for this purpose.
10. Members are requested to furnish their Bank Account details, change of address and all other required details to the Registrar & Share Transfer Agents in respect of Shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
11. SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form, are therefore, requested to submit their copies of PAN card to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Ltd.
12. For convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, fill up and sign the same at the place provided and hand it over at the entrance of the venue.
13. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company at the following address:
 

<b>By Post/ Courier/ Hand Delivery</b>	M/s. Karvy Computershare Pvt. Ltd. Unit : Bajaj Corp Limited Plot Nos. 17-24, Vittal Rao Nagar Madhapur, Hyderabad- 500 081 Tel. No.: 040 2342 0815-28 Fax No.: 040 2342 0814 E-mail: einward.ris@karvy.com
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14. Pursuant to the provisions of Section 205A to Section 205C of the Companies Act, 1956, all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 205A of the Companies Act, 1956 that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer

has to be transferred by the Company to "The Investor Education and Protection Fund" being the fund established by the Central Government under Section 205C (1) and no claims shall lie against the said Fund or the Company in respect thereof.

There are no unclaimed/unencashed monies by way of dividend in "Unpaid Dividend Account" of the Company that has remained unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer to the aforementioned Unpaid Dividend Account.

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following Explanatory Statement sets out all the material facts relating to the Special Business under Item Nos. 6, 7, 8 and 9 of the accompanying Notice dated April 30, 2011.

#### **In respect of Item No. 6**

Mr. Roshan Fateh Lal Hinger, aged about 71 years, holds a Bachelors Degree in Science from the University of Udaipur. He is associated with the Bajaj Group since 1982. He has close to 45 years of experience in the FMCG business. He joined the Company in the year 2007 and is responsible for leading and directing the Company's strategy and business operations. He was inducted on to the Board of Directors on September 11, 2007 and designated as Vice Chairman in 2008. He has been holding the position of Vice Chairman since then.

The Members of the Company at the Extraordinary General Meeting held on May 30, 2008 approved the appointment of Mr. Hinger for a period of 3 (three) years with effect from April 1, 2008 till March 31, 2011.

The Board of Directors at their Meeting held on March 16, 2011 reappointed Mr. Roshan Fateh Lal Hinger for a period of 5 (Five) years with effect from April 1, 2011 on the same terms and conditions applicable for the existing term.

The Remuneration Committee and the Board of Directors at their respective Meetings held on April 30, 2011 have approved the revised remuneration payable to Mr. Hinger with effect from April 1, 2011 and other terms and conditions of office as stated in the Resolution at Item No. 6 of the Notice. The terms of variation in the form of revised remuneration as stated in the Resolution at Item No. 6 along with Memorandum of Interest or Concern as stated hereunder may be treated as Abstract of Arrangement and Memorandum of Interest of Directors under Section 302 of the Companies Act, 1956.

A copy each of the resolutions passed by the Remuneration Committee and the Board of Directors at their respective Meetings held on April 30, 2011, as referred to above, are available for inspection by Members during business hours on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays at the Registered Office of the Company up to the date of the Meeting.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 6 of the Notice.

Mr. Roshan Fateh Lal Hinger may be deemed to be interested and/or concerned in the resolution at Item No. 6 of the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

#### **In respect of Item No. 7**

Mr. Sumit Malhotra, aged about 48 years, holds a Bachelors Degree in Pharmacy with Honours from Institute of Technology, Benaras Hindu University, Varanasi and a post graduate diploma in Business Management from Indian Institute of Management, Ahmedabad. He is associated with Bajaj Group since 2004. He joined the Company in the year 2008 and is responsible for leading the sales and marketing department of the Company. He has over 23 years of experience in the FMCG business. He was inducted on to the Board of Directors on March 12, 2008.

The Members of the Company at the Extraordinary General Meeting held on May 30, 2008 approved the appointment of Mr. Malhotra for a period of 5 (five) years with effect from April 1, 2008 till March 31, 2013.

The Remuneration Committee and the Board of Directors at their respective Meetings held on April 30, 2011 have approved the revised remuneration payable to Mr. Malhotra with effect from April 1, 2011. All other terms and conditions of Mr. Malhotra's appointment as Whole-time Director have remained unchanged. The terms of variation in form of revised remuneration as stated in the Resolution to Item No. 7 of the Notice along with the Memorandum of Interest or Concern as stated hereunder may be treated as Abstract of Arrangement and Memorandum of Interest of Directors under Section 302 of the Companies Act, 1956.

A copy each of the resolutions passed by the Remuneration Committee and the Board of Directors at their Meeting held on April 30, 2011, as referred to above, are available for inspection by Members during business hours on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays at the Registered Office of the Company up to the date of the Meeting.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 7 of the Notice.

Mr. Sumit Malhotra may be deemed to be interested and/or concerned in the Resolution at Item No. 7 of

the Notice. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

#### **In respect of Item No. 8**

The Company presently pays sitting fees of ₹ 20,000/- for each Board Meeting and ₹ 15,000/- for each Committee Meetings attended by Non-Executive Directors. The Directors are required to devote significant time and attention to the wider scope of business activities of the Company and more so with the requirements of the revised Corporate Governance policies. The Board therefore recognizes the need to suitably remunerate the Director(s) of the Company who are not in the whole-time employment of the Company with payment of commission based on the Net Profits of the Company.

Under Section 309(2) read with Section 309(4) of the Companies Act, 1956, Non-Executive Directors may receive remuneration by way of a sitting fee for each Meeting of the Board or a Committee attended and by way of a monthly, quarterly or annual payment or by way of commission if the Company by Special Resolution authorizes such payment. Accordingly, approval of the shareholders is being sought for payment of the aforesaid commission for a period of 5 (five) years commencing from April 1, 2011.

At the Board Meeting held on April 30, 2011, the Board has considered seeking approval of the shareholders for payment of commission up to a sum not exceeding 1(one)% of the Net Profits of the Company.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 8 of the Notice.

All the Non-Executive Directors of the Company namely Mr. Kushagra Bajaj, Mr. Haigreve Khaitan, Mr. Gaurav Dalmia, Mr. Aditya Vikram Ramesh Somani and Mr. Dilip Cherman may be deemed to be interested and/or concerned in the Resolution at Item No. 8 to the extent of the remuneration that may be received by them. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said resolution.

#### **In respect of Item No. 9**

The Company had recently concluded an Initial Public Offer ("IPO") of 4,500,000 Equity Shares of a face value of ₹ 5/- each, at an issue price of ₹ 660 per share aggregating to an issue size of ₹ 297 crore. Post allotment of the aforementioned shares, the public shareholding became 15.25% and Promoters

shareholding 84.75%. Pursuant to the provisions of the Securities Contract (Regulation) Rules, 1957, as amended, ("SCRR") the Company is required to increase the aforementioned Public shareholding up-to 25% within a period of 3 years from the date of listing of the securities, in the manner specified by the Securities and Exchange Board of India.

In view thereof it is proposed, as stated in the resolution, capital be raised by way of further public offer (fast track or otherwise) and /or qualified institutional placement and / or private placement and/ or depository receipts or any combination thereof as permitted by the the Securities and Exchanges Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") or any other Act/ Regulations whichever is applicable.

For making any further issue of shares to any person/s other than existing equity shareholders of the Company as also under the provisions of SEBI ICDR Regulations, 2009, approval of Shareholders is required to be obtained by way of passing a Special Resolution, in pursuance to the provisions of section 81 (1A) of the Companies Act, 1956 (the Act).

Therefore, the Board of your Company has recommended the Resolution contained in Item No. 9 to be passed by the shareholders, so as to enable it to issue further equity shares and/or other securities which will include issue on QIP basis.

The said Special Resolution is only an enabling one seeking authority to the Board to increase the Public shareholding up-to 25% as required under the amended provisions of the SCRR.

The Board of Directors recommend passing of the Special Resolution set out in Item No. 9 of the Notice.

All the Directors may be deemed to be interested in the Resolution at Item No. 9, to the extent of shares and/or securities of the Company that may be held by them and/or to the entity or entities in which any of respective director is deemed to be interested. Save as aforesaid, none of the Directors of the Company is, in any way, concerned or interested in the said Resolution.

By Order of the Board of Directors

**Sujoy Sircar**  
Company Secretary

Place : Mumbai  
Dated : April 30, 2011

### ANNEXURE TO ITEMS 3, 4 & 6 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	Mr. Kushagra Bajaj	Mr. Gaurav Dalmia	Mr. Roshan Fateh Lal Hinger
<b>Director Identification Number</b>	00017575	00009639	00974574
<b>Date of Birth</b>	04.02.1977	26.09.1965	14.01.1940
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of appointment on the Board</b>	14.09.2007	04.02.2010	14.09.2007
<b>Qualifications</b>	Bachelor's of Science degree in Economics, Political Philosophy and Finance from Carneige Mellon University Pittsburg, USA and Master of Science degree in Marketing from the Northwestern University, Chicago, USA.	Bachelors Degree in Computer Science from Salford University, UK and Masters in Business Administration from Colombia University, USA.	Bachelors Degree in Science from University of Udaipur.
<b>Expertise in functional area</b>	Industrialist	Industrialist	Overall management of FMCG business
<b>Number of shares held in the Company</b>	Nil	Nil	Nil
<b>List of Directorships held in other companies</b>	Bajaj Hindusthan Ltd. Bajaj Capital Ventures (P) Ltd. Bajaj Consumer Care Ltd. Bajaj Eco-Tec Products Ltd. Bajaj Trustee Company (P) Ltd. KBN Enterprises (P) Ltd. Bajaj Energy (P) Ltd. Bajaj Power Ventures (P) Ltd. Global World Power Projects (P) Ltd.	Dalmia Agencies Pvt. Ltd. First Capital India Ltd. Infinity Technology Investments Pvt. Ltd. Infinity Technology Trustee Pvt. Ltd. Landmark Landholdings Pvt. Ltd. Skylark Consultants (India) Pvt. Ltd. India Value Fund Advisors Pvt. Ltd. Astir Properties Pvt. Ltd. Ansal Landmark Township Pvt. Ltd. Landmark Hi Tech Development Pvt. Ltd. New Line Buildtech Pvt. Ltd. Sukhm Infrastructure Pvt. Ltd. Plus One Realtors Pvt. Ltd. New Line Developers Pvt. Ltd.	Bajaj Consumer Care Ltd. Bajaj ebiz (P) Ltd., Esugar Clearing Corporation Ltd. Bajaj Infrastructure Development Co. Ltd.

Name of the Director	Mr. Kushagra Bajaj	Mr. Gaurav Dalmia	Mr. Roshan Fateh Lal Hinger
		IVF Advisors Pvt. Ltd. Landmark Realtech Pvt. Ltd. Landmark Property Development Company Ltd. Kumar Builders Township Ventures Pvt. Ltd. Kumar Urban Development Ltd. Safari Retreats Pvt. Ltd. Hari Machines Ltd. OCL India Ltd. Debikay Systems Ltd. Pro Minerals Private Limited. Nobel Consultancy Pvt. Ltd. Aayush Manufactures & Financiers Pvt. Ltd. Khaitan Udyog Pvt. Ltd. T R Investments Pvt. Ltd. Sambhi Hotels Pvt. Ltd.	
<b>Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.2011</b>	Nil	Nil	Nil