

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF TORRENT PHARMACEUTICALS LIMITED will be held on Monday, 27<sup>th</sup> July, 2015 at 09:30 AM at J. B. Auditorium, Torrent AMA Centre, Ground Floor, Ahmedabad Management Association, Vastrapur, Ahmedabad – 380 015, Gujarat, India, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements as at 31<sup>st</sup> March, 2015 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To confirm the payment of interim dividend on equity shares already paid during the financial year ended 31<sup>st</sup> March, 2015 and to declare final dividend on equity shares for the said financial year.

The Board of Directors at its meeting held on 28<sup>th</sup> January, 2015 had declared the normal annual dividend as interim dividend of ₹ 5.00 per equity share of fully paid up face value of ₹ 5.00 each for the financial year ended 31<sup>st</sup> March, 2015 and in its meeting held on 15<sup>th</sup> May, 2015 recommended a special dividend as final dividend of ₹ 6.25 per equity share of fully paid up face value of ₹ 5.00 each for the said financial year.

3. To appoint a Director in place of Shri Markand Bhatt (holding DIN 00061955), Director, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No. 117365W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

### SPECIAL BUSINESS

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

#### **RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY FOR THE YEAR 2015-16**

“**RESOLVED THAT** pursuant to provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Cost Audit and Record) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) (“the Act”) and on the recommendation of the Audit and Risk Management Committee and approval by the Board of Directors at their meeting dated 15<sup>th</sup> May, 2015, the consent of the Company be and is hereby accorded for ratification of the below remuneration to M/s. Kirit Mehta & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2015-16:

₹ 6,00,000/- plus out of pocket expenses & service tax as applicable to conduct the audit of the cost accounting records for all the manufacturing facilities of the Company.”

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

#### **RE-APPOINTMENT OF DR. CHAITANYA DUTT AS A WHOLE TIME DIRECTOR AND FIXATION OF REMUNERATION**

“**RESOLVED THAT** in supersession of the ordinary resolution passed in the Annual General Meeting (AGM) held on 30<sup>th</sup> July, 2014 and pursuant to the provisions of Sections 196, 197, 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and subject to the provisions of Section 152(6) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof) and any other approval as may be required, the consent of the Company be and is hereby accorded for re-appointment of Dr. Chaitanya Dutt (holding DIN 00110312) as a Whole-time Director of the Company, to be designated as Director (Research & Development) with effect from 1<sup>st</sup> January, 2015 for a period of 3 (three) years on the following terms of remuneration:

1.	BASIC SALARY	:	a) ₹ 20,75,000 per month with effect from 1 <sup>st</sup> January, 2015. Salary shall be revised as under :	
			b) ₹ 24,25,000 per month with effect from 1 <sup>st</sup> January, 2016.	
			c) ₹ 28,00,000 per month with effect from 1 <sup>st</sup> January, 2017.	
2.	COMMISSION	:	In any situation of extraordinary nature, a landmark discovery and / or a significant development having a positive long term impact on the business and operations of the Company, he may be paid commission, not exceeding 0.5% of the profits of the company of the relevant year, subject to the provisions of the Companies Act, 2013. He would be eligible for this commission only once during his proposed term of 3 years. The actual amount shall be reviewed and recommended by the Nomination and Remuneration Committee and finally approved by the Board of Directors.	
3.	PERQUISITES	:	The appointee will be also allowed the perquisites as under:	
	A.		(i)	The Company shall pay House Rent Allowance @ 60% of the salary.
			(ii)	The Company shall reimburse annual fees for two clubs.
			(iii)	The Company shall pay the premium on personal accident insurance policy as per Company rules.
			(iv)	The Company shall pay the premium on medical insurance for self and family as per the Company rules.
	B.		(i)	The Company shall provide a car with driver for official and personal use.
			(ii)	The Company shall provide telephones at his residence, the cost of which will be borne by the Company.
	C.		(i)	Company's contribution to the provident fund will be as per applicable laws and rules of the Company.
4.	OTHER TERMS	:	(i)	His entitlement for leave and its accumulation and encashment shall be as per prevailing Company rules.
			(ii)	The total remuneration for any year shall not exceed 5% of the profits of the Company as calculated in accordance with Section 198 of the Companies Act, 2013, as existing or modified or re-enacted from time to time.

”**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year, the Company shall pay Dr. Chaitanya Dutt, in respect of such financial year, by way of salary, allowances, perquisites, benefits and contributions, as the Board of Directors may deem fit, subject to the limits prescribed here in and in Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof), or such other amount as may be approved by the Central Government from time to time as minimum remuneration.”

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

**APPOINTMENT OF SMT. RENU CHALLU AS AN INDEPENDENT DIRECTOR**

”**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) (“the Act”) read with Schedule IV of the Act, Smt. Renu Challu (holding DIN 00157204), in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for a term of three (3) consecutive years effective from 27<sup>th</sup> July, 2015, not liable to retire by rotation.”

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

**REMUNERATION TO NON-EXECUTIVE DIRECTORS (NEDs)**

“**RESOLVED THAT** in supersession of all the earlier resolutions passed in the matter, if any, and pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), the approval of the Company be and is hereby accorded, subject to such other permissions and approvals, if any, as may be required, to pay commission to the Directors of the Company who are neither in the whole time employment nor managing director(s) of the Company (hereinafter referred as ‘eligible Directors’), in accordance with and up to the limit laid down under the provisions of Section 197(1) of the Companies Act, 2013 (including any statutory modification or reenactment thereof), computed in the manner specified in Section 198 of the Companies Act, 2013 or such other limit as may be approved by the Central Government or the relevant authority for a period of 5 years from the financial year commencing 01<sup>st</sup> April, 2015, in such manner and up to such extent as the Board of Directors or the Committee of Board specifically authorised for this purpose may, from time to time, determine, such commission being divisible amongst the eligible Directors in such proportion and in such manner as may be decided by the Board or the Committee of Board specifically authorized for this purpose.”

“**RESOLVED FURTHER THAT** subject to provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and such other approvals and permissions, if any, as may be required from the Central Government or from any other authorities, in case of inadequacy of profits of the Company for any financial year, such remuneration, as approved by the Board or the Committee of Board specifically authorized for this purpose, subject to such approval as may be necessary shall be paid to each of eligible Directors.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform and / or to authorise any Committee of Directors or any other person to do or perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution, including submitting application and making representation to the Central Government, if required.”

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

**ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION**

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted 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 of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office:  
Torrent House,  
Off Ashram Road,  
Ahmedabad – 380 009, Gujarat, India  
(CIN: L24230GJ1972PLC002126)  
Phone: + 91 79 26585090 / 26583060  
Fax: + 91 26582100  
Website: www.torrentpharma.com  
Email Id: investorservices@torrentpharma.com

Ahmedabad  
15<sup>th</sup> May, 2015

By Order of the Board of Directors  
**For Torrent Pharmaceuticals Limited**

**Mahesh Agrawal**  
VP (Legal) & Company Secretary

## NOTES:

1. The Explanatory Statement pursuant to Section 102(1) and (2) of the Companies Act, 2013 in respect of Item No. 3 and Special Business i.e. Item Nos. 5 to 9 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. A member registered under Section 8 of the Companies Act, 2013 shall not be entitled to appoint any other person as his / her proxy unless such other person is also a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. Provided that member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
5. Proxies, in order to be effective should be duly stamped, completed, signed and must be sent to the Company so as to receive at its registered office not later than 48 hours before the commencement of the AGM.
6. Corporate members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the AGM.
7. The members are requested to bring duly filled attendance slip along with their copy of Annual Report at the AGM.
8. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rule, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 42<sup>nd</sup> AGM by electronic means and all the items of the business may be transacted through e-voting services provided by Karvy Computershare Private Limited (Karvy). Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20<sup>th</sup> July, 2015, may cast their vote by electronic means or in the AGM. The user id and password alongwith detailed instructions for e-voting through the e-voting platform provided by Karvy, forming part of the Notice, is enclosed with this Annual Report.
11. The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting.
12. The members who have cast their vote by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
13. The Notice of 42<sup>nd</sup> AGM, details and instructions for e-voting and the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2015 is uploaded on the Company's website [www.torrentpharma.com](http://www.torrentpharma.com) and may be accessed by the members. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.

Copies of the above documents are being sent by electronic mode to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

14. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 20<sup>th</sup> July, 2015 only shall be entitled to avail the remote e-voting facility as well as voting in the AGM.
15. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 20<sup>th</sup> July, 2015 (“Incremental Members”) may obtain the User ID and password by either sending an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com) or calling on Tollfree No. 1800-345-4001.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

16. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, not later than 3 days after the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
17. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
18. As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NEFT etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or its Registrars & Transfer Agents (RTA), Karvy Computershare Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.
19. The Company has decided to close the Register of Members and the Share Transfer Register for a period of three days from 17<sup>th</sup> June, 2015 to 19<sup>th</sup> June, 2015 (both days inclusive) for determining the name of members eligible for final dividend on equity shares, if declared at this AGM.

The final dividend on equity shares, if declared at the AGM, will be paid / dispatched on or around 31<sup>st</sup> July, 2015 to those members whose names appear on the Company’s Register of Members or on records of National Securities Depository Limited or Central Depository Services (India) Limited as beneficial owners as on 19<sup>th</sup> June, 2015.

20. Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
21. The members who have not encashed their Dividend Warrants for previous financial years are requested to send the same for revalidation to the Company’s RTA.

Members wishing to claim dividends for previous financial years, which remain unclaimed, are requested to correspond with the RTA.

During the year, the Company has requested those members, whose dividends for previous financial years remaining unclaimed / unpaid, for claiming said dividend amount before transfer thereof to Investor Education Protection Fund (IEPF).

Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the IEPF.

22. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company’s RTA.

In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

23. As required in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the information (including profile and expertise in specific functional areas) pertaining to Directors recommended for appointment / re-appointment in the AGM is forming part of the Explanatory Statement given below. The Directors have furnished the requisite consent / declarations for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
24. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
25. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 a.m. to 06:00 p.m.) on all working days except second and fourth Saturdays, up to the date of the AGM of the Company.
26. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Company / Depository Participant(s) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND (2) OF THE COMPANIES ACT, 2013**

### **Item No. 3**

Pursuant to Section 152 (6) of the Companies Act, 2013, Shri Markand Bhatt retires by rotation at this AGM and being eligible, is proposed for re-appointment. He was last re-appointed as Director on 30<sup>th</sup> July, 2011. Shri Bhatt has expressed his intention to act as a Director, if reappointed.

Shri Markand Bhatt, aged 68 years, a Post Graduate of IIM, Ahmedabad, is the Group Chief Executive Officer of Torrent Group. He has more than 46 years of professional managerial experience in multi disciplinary areas dominated by more than two decades of principal involvement in power sector projects. He has been a member of Board of the Company since 2000.

Over the past several years he has been providing valuable guidance in formulation of strategy and implementation thereof. As part of Torrent Power, a group company, Shri Bhatt has played a pivotal role in the entire journey of the SUGEN Mega Power Project – from concept to commissioning of that project, which is unique in many respects. The project was completed within the budgeted cost resulting in the lowest per MW cost due to his sustained efforts. Shri Bhatt is also responsible for implementation of 382.5 MW UNOSUGEN Project and 1200 MW DGEN Project which have also been commissioned. He also oversees other generation project initiatives which are in the pipeline such as Torrent Pipavav etc.

He was also the Managing Director of erstwhile Gujarat Torrent Energy Corporation Limited (GTEC) which set up 655 MW Gas based fuel Combined Cycle Power Project within budgeted cost and timelines. He spearheaded divestment of GTEC by Torrent Group, which was the biggest ever deal in the country at that point of time. Earlier, he practiced as a Management Consultant and was associated with various premier government organizations and private groups such as Torrent, Nirma, Cama, Raymonds etc.

His other directorship includes that of Torrent Power Limited. He is a member of Nomination and Remuneration Committee and Securities Transfer and Stakeholders Relationship Committee of the Company. He holds 10200 shares jointly with Shri Gunjan Bhatt (son of Shri Markand Bhatt) in the Company.

### **Item No. 5**

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) (“the Act”), requires the Board to appoint an individual, who is a Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the members.

The Board of Directors at their meeting held on 15<sup>th</sup> May, 2015, on recommendation of the Audit and Risk Management Committee, approved the appointment of M/s. Kirit Mehta & Co., Cost Accountants, as the Cost Auditors of the Company for the financial year 2015-16 at fees of ₹ 600,000/- plus out of pocket expenses and service tax as applicable for conducting the audit of the cost accounting records of all the manufacturing facilities of the Company.

The resolution contained in Item no. 5 of the accompanying Notice, accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2015-16.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 5 of the Notice.

The Board commends this resolution for your approval.

#### **Item No. 6**

On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 28<sup>th</sup> January, 2015, revised the terms of appointment of Dr. Dutt as Whole-time Director of the Company, to be designated as Director (R & D), for a period of three years effective from 1<sup>st</sup> January, 2015, subject to approval of the members. Earlier, his tenure was extended for two years till 31<sup>st</sup> December, 2016 as per the members resolution passed at the AGM held on 30<sup>th</sup> July, 2014.

Dr. Chaitanya Dutt, has been working as Director (R & D) of the Company. Dr. Dutt is one of the key functionaries in the top management team and has been associated with the Company for more than three decades. He holds MD in Medicine and had practiced as a consulting physician before joining the Company in 1982.

Dr. Dutt leads the R & D initiatives and Company's foray in the areas of discovery and product development, in addition to quality and regulatory matters.

R & D is one of the key drivers of growth for the Company, particularly in developed and regulated markets such as US, Europe etc. The tightening of regulatory requirements, the IPR regime and the severe stress which it is undergoing and the specific issues arising there from, have significantly increased the criticality of the R & D and quality assurance functions. The Company has been able to maintain its competitive strength on account of critical inputs provided by these functional areas. In view of this, it was thought prudent to continue to avail the benefit of the vast experience and knowledge of Dr. Dutt.

Dr. Chaitanya Dutt holds 800 shares of the Company.

This ordinary resolution, accordingly, seeks members' approval for appointment of Dr. Chaitanya Dutt as Director (R & D) of the Company for a period of three years effective from 1<sup>st</sup> January, 2015 on such remuneration and other terms and conditions as mentioned in the said resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Dr. Dutt, are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 6 of the Notice.

The copies of relevant resolutions of the Board with respect to the re-appointment is available for inspection by members at the registered office of the Company during working hours on any working day till the date of this Annual General Meeting.

The Board commends this resolution for your approval.

#### **Item No. 7**

Pursuant to the recommendations of Nomination and Remuneration Committee of the Board, your Board has at their meeting held on 15<sup>th</sup> May, 2015 recommended the appointment of Smt. Renu Challu as an Independent Director (ID) on the Board of the Company for a term of three (3) consecutive years effective from 27<sup>th</sup> July, 2015 to 26<sup>th</sup> July, 2018.

As per Schedule IV of the Companies Act, 2013 and the rules made thereunder ("the Act"), the appointment of IDs shall be approved at the meeting of the members. As per the provisions of Section 149(13) read with explanation to Section 152(6) of the Act, the period of office of IDs will not be liable to determination by retirement of directors by rotation at the AGM.

The Company has received a Notice in writing under the provisions of Section 160 of the Act from a member along with deposit of ₹ 1,00,000/- proposing the candidature of Smt. Renu Challu for the office of ID.

Smt. Renu Challu has given her consent and the declaration regarding her independence in terms of the provisions of the Act.

Smt. Renu Challu, aged 63 years, is a Gold Medalist in MA Economics and is an Associate of the Indian Institute of Bankers. She has served in the State Bank of India Group for about 39 years and her stellar career culminated in her being the Deputy Managing Director of Corporate Strategy and New Businesses. She is also a Director on the Board of SMS Infrastructure Limited.

Some of her path breaking initiatives in her entire career of more than 39 years are captured below:

- (a) Identified, developed and implemented new business areas as member of the Corporate Management Committee of SBI
- (b) Recorded the highest ROE amongst large banks in India as on March 2011 through technology and BPR initiatives, HR development programmes, employee motivation, repositioning of the Bank through rebranding exercise and innovative outdoor visibility
- (c) At SBI DFHI, launched the 1<sup>st</sup> country-wide web based platform with two way quotes for liquid scrips, to enable retail customers to trade in G-Secs
- (d) At SBI, Bhopal, launched Cyber Treasury with Madhya Pradesh and Chhattisgarh Governments (through e-challans), which has been replicated by other State Govts.
- (e) At SBI, Lucknow, reduced turnaround time to 3 weeks for credit sanctions
- (f) At SBI Corporate Centre, taken technology initiatives like the 1<sup>st</sup> one million online ATM cards, internet banking, Maestro Debit Card, etc.

While focusing on such path breaking initiatives, she have continued to played an inestimable role in the illustrious growth of the organisations she worked with. Various awards and recognitions were received by State Bank of Hyderabad under her leadership.

Sr. No.	Directorship in Companies / Organizations (excluding alternate directorship)	Name of Committees
1.	Reliance Life Insurance Company Limited	Audit Committee – Member
2.	Fag Bearings India Limited	Audit Committee – Chairman Stakeholders Relationship Committee – Chairman
3.	Minda Industries Limited	Audit Committee – Member
4.	Fullerton India Credit Company Limited	-
5.	NCC Limited	-
6.	Graphite India Limited	-
7.	LT Foods Limited	-
8.	Torrent Cables Limited	-
9.	SMS Infrastructure Limited	-

In the opinion of the Board, she fulfills the conditions specified in the Act for her appointment as ID of the Company.

Your Board considers that the Company will benefit from Smt. Renu Challu's valuable, experience, knowledge and counsel.

The resolution contained in Item no. 7 of the accompanying Notice, accordingly, seek members' approval for appointment of Smt. Renu Challu as ID on the Board of the Company on the terms and conditions as specified in the draft letter of appointment.

Copy of the draft letter of appointment of Smt. Renu Challu as ID setting out the terms and conditions is available for inspection by the members at the registered office of the Company during working hours on any working day till the date of this AGM.



None of the Directors / Key Managerial Personnel of the Company / their relatives except Smt. Challu, are, in any way, concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 7 of the Notice.

The Board commends this resolution for your approval.

#### **Item No. 8**

The members of the Company at their 38<sup>th</sup> AGM held on 30<sup>th</sup> July, 2011 approved by way of a Special Resolution under Section 309 of the Companies Act, 1956, the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act 1956, for a period of five years commencing from 1<sup>st</sup> April, 2010.

Section 197 of the Companies Act, 2013 provides, inter alia, remuneration to its directors (other than the managing director or whole time director), by way of commission, if the Company by resolution authorize such payments. Clause 49 of the Listing Agreement also provides that all fees / commission paid to Non-Executive Directors shall be fixed by the Board and shall require the previous approval of the members. In this context, it is proposed to take this special resolution for payment of commission to the Non-Executive Directors for a period of 5 years effective from 1<sup>st</sup> April, 2015 as may be determined by the Board or its Committee authorised for the purpose for each financial year at a rate such that the total remuneration does not exceed percentage limits of the net profit of the Company as specified in the Companies Act, 2013 (presently 1% of the net profit), calculated in accordance with Section 197 read with Section 198 and any other applicable provisions of the Companies Act, 2013.

The payment of commission would be in addition to the sitting fees payable for attending meeting of the Board and Committees thereof, if any.

Further, in case of inadequacy of profits of the Company for any financial year, the Non-Executive Directors shall be paid such remuneration as approved by the Board or its Committee authorised for the purpose for such financial year, subject to such approval as may be necessary.

The Board commends this resolution for your approval.

The Managing Director, Whole-time Directors and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financial or otherwise, in the resolution set out at Item No. 8 of the Notice. The Non-Executive Directors may be deemed to be concerned or interested in the Special resolution set out at Item No. 8 of the Notice to the extent of the remuneration that may be received by them.

#### **Item No. 9**

The Articles of Association ("AoA") of the Company as presently is in force since 1989. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 and the rules made thereunder ("the Act"). The Act is now largely in force.

With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The members' attention is invited to certain salient features of the proposed AoA of the Company viz:

- a) The proposed AoA is based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.
- b) Existing articles have been streamlined and aligned with the Act.
- c) The statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.

- d) Provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the proposed AoA as they would only lead to duplication – their non-inclusion makes the proposed AoA crisp, concise and clear and aids ease of reading and understanding.

None of the Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Registered Office:  
Torrent House,  
Off Ashram Road,  
Ahmedabad – 380 009, Gujarat, India  
(CIN: L24230GJ1972PLC002126)  
Phone: + 91 79 26585090 / 26583060 Fax: + 91 26582100  
Website: [www.torrentpharma.com](http://www.torrentpharma.com)  
Email Id: [investorservices@torrentpharma.com](mailto:investorservices@torrentpharma.com)

By Order of the Board of Directors  
**For Torrent Pharmaceuticals Limited**

**Mahesh Agrawal**  
VP (Legal) & Company Secretary

Ahmedabad  
15<sup>th</sup> May, 2015