

# Notice

**NOTICE** is hereby given that the **Twenty Eighth Annual General Meeting** of Marico Limited will be held on Friday, August 5, 2016 at 9.00 a.m. at the National Stock Exchange of India Ltd, Gr. Floor Dr. R. H. Patil Auditorium, Exchange Plaza, G-Block, Plot No. C1, Bandra Kurla Complex, Bandra (East), Mumbai 400051, to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statement including audited consolidated financial statement of the Company for the financial year ended March 31, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To confirm the declaration of Interim Dividends of Rs. 1.75, Rs. 1.50 and Re. 1.00 per equity share of Re. 1 each, declared during the financial year ended on March 31, 2016.
3. To appoint a Director in place of Mr. Rajen Mariwala (DIN 00007246), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Statutory Auditors of the Company and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Statutory Auditors of the Company to hold office from the conclusion of the 28th Annual General Meeting of the Company until the conclusion of the 29th Annual General Meeting of the Company, be and is hereby ratified on such remuneration and terms and conditions as may be decided by the Board of Directors of the Company from time to time.”

## SPECIAL BUSINESS

5. To ratify the remuneration payable to M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration Number 100392), the Cost Auditors of the Company for the financial year ending March 31, 2017 and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the

Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration of Rs. 8,25,000 p.a. (Rupees Eight Lakhs Twenty Five Thousand only), excluding taxes and reimbursement of out of pocket expenses at actual incurred, if any, in connection with the audit to M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration Number 100392), as approved by the Board of Directors of the Company for conducting audit of the cost records for the financial year ending March 31, 2017, be and is hereby ratified.”

6. To approve the Marico Employee Stock Option Plan 2016 and grant of stock options to the eligible employees of the Company under the Plan and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

### “RESOLVED THAT:

#### Pursuant to:

- a. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force (“the Act”);
- b. the relevant clauses of the Memorandum and Articles of Association of the Company;
- c. the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SBEB Regulations”) as amended from time to time read with the Circulars issued thereunder;
- d. the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Regulations”);
- e. recommendation made by the Board of Directors of the Company [hereinafter called “the Board” which term shall be deemed to include the Corporate Governance Committee (acting as the Nomination and Remuneration Committee as per section 178 of the Act) thereof or any other Committee which the Board may have constituted or hereinafter constitute from time to time to act as the Compensation Committee for exercise of its powers including the power conferred by this Resolution]; at their meeting held on June 29, 2016; and

- f. the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force; and

subject to such approvals, consents, permissions and sanctions, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board:

1. the consent of the Company be and is hereby accorded to the Employee Stock Option Plan called the Marico Employee Stock Option Plan 2016 (“Marico ESOP 2016” or “the Plan”), the salient features whereof are furnished in the Explanatory Statement to this Notice, to create, offer and grant such number of stock options (“Options”) at such price or prices in one or more tranches, under one or more employee stock option schemes (“Stock Options Issue” or “Issue”) under the Plan, exercisable into fully paid-up equity shares of the Company to such permanent employees of the Company including the Managing Director & CEO who may be eligible in accordance with the SBEB Regulations (“the Option Grantees”), as may be determined by the Board, from time to time;
2. the Board be and is hereby authorised to decide from time to time the terms and conditions of the Issue, including but without limitation the following:
  - i. the manner in which the Issue is made;
  - ii. the period during which the Issue is made;
  - iii. the number of tranches in which the Issue is made; and
  - iv. generally to govern such Stock Options Issue by implementing various schemes under the Plan in a manner that the grant of the Options under the Plan shall not exceed in the aggregate, 0.6 per cent of the of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 (“the Commencement Date”) (excluding outstanding warrants and conversions) and;

- v. the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single scheme notified under the Plan.

3. the Board be and is hereby further authorized:

- i. to formulate, evolve, decide upon, determine the detailed terms and conditions of various schemes under the Plan, including but not limited to the terms or combination of the terms subject to which the Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse, treatment of lapsed options as the Board may in its absolute discretion think fit;
- ii. to issue and allot fully paid up equity shares upon exercise of the Options from time to time in the manner aforesaid, and such equity shares shall rank *pari-passu* in all respects with the then existing equity shares of the Company;
- iii. to authorize the Chairman & Non – Executive Director of the Company to recommend to the Board the quantum of Options to be granted to the Managing Director & CEO and to authorize the Managing Director & CEO to recommend to the Board the quantum of Options to be granted to the eligible employees of the Company other than the Managing Director & CEO;
- iv. to take necessary steps for listing of the equity shares allotted under the various schemes under the Plan on the stock exchanges where the equity shares of the Company are listed in accordance with the provisions of the SEBI Regulations, SBEB Regulations and other applicable laws and regulations;
- v. to make a fair and reasonable adjustment to the number and other terms and conditions of the Options granted in terms of this Resolution, subject to the applicable laws, in the event of any corporate action(s) including but not limited to rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring etc.;

- vi. to adjust in due proportion as the case may be, the number of shares to be allotted and the price to be paid by the Option Grantees in terms of this Resolution, subject to the applicable laws, upon any restructuring involving change in the face value or the paid-up value of equity shares in the Company from its present level of Re. 1 per share, provided that such adjustment shall not affect any other rights or obligations of the Option Grantees; and
  - vii. to make any modifications, changes, variations, alterations or revisions in the Plan, as it may deem fit, from time to time or to suspend, withdraw or revive the Plan from time to time in conformity with the provisions of the Act, the SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the Option Grantees.
4. for the purpose of giving effect to the forgoing, the Board be and is hereby authorized to do the following for and on behalf of the Company, without being required to specifically seek any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution:
- a. to seek statutory or such other approvals as may be necessary for the implementation of the Marico ESOP 2016;
  - b. to dispose of from time to time, such Options as are not exercised, in such manner, as the Board may deem fit in its absolute discretion;
  - c. to enter into and execute all such arrangements as the case may be with any advisors, bankers, depositories, custodians and other intermediaries (the "Agencies") in relation to the Plan and the schemes to be issued thereunder and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services rendered;
  - d. to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the schemes at any stage including at the time of listing of the equity shares issued herein;
  - e. to do all such acts, deeds, matters and things as the Board may at its discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements; and
  - f. to delegate its authority under this Resolution to such personnel of the Company as the Board may deem fit for carrying out tasks as listed above in sub-clause (a) to (e)."
7. To approve the grant of stock options to the eligible employees of the Company's subsidiaries under the Marico Employee Stock Option Plan 2016 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**
- "RESOLVED THAT:**
- Pursuant to:**
- a. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force ("the Act");
  - b. the relevant clauses of the Memorandum and Articles of Association of the Company;
  - c. the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") as amended from time to time read with the Circulars issued thereunder;
  - d. the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations");
  - e. recommendation made by the Board of Directors of the Company [hereinafter called "the Board" which term shall be deemed to include the Corporate Governance Committee (acting as the Nomination and Remuneration Committee as per section 178 of

the Act) thereof or any other Committee which the Board may have constituted or hereinafter constitute from time to time to act as the Compensation Committee for the exercise of its powers including the power conferred by this Resolution]; at their meeting held on June 29, 2016; and

- f. the provisions of Foreign Exchange Management Act, 1999 and rules & regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India and any other applicable laws for the time being in force; and

subject to such approvals, consents, permissions and sanctions, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board:

1. the consent of the Company be and is hereby accorded to introduce, offer, issue and allot employee stock options ("Options") under the Marico ESOP 2016 ("the Plan") to the eligible employees of the subsidiaries of the Company, including Executive Directors whether working in India or outside India ("Option Grantees"), except persons who are promoters or belong to the promoter group and Independent Directors, the salient features whereof are furnished in the Explanatory Statement to this Notice at such price or prices in one or more tranches, under one or more employee stock option schemes under the Plan ("Stock Options Issue" or "Issue"), exercisable into fully paid-up equity shares of the Company;
2. the Board be and is hereby authorised to decide from time to time on the terms and conditions of the Issue, including but without limitation the following:
  - i. the manner in which the Issue is made;
  - ii. the period during which the Issue is made;
  - iii. the number of tranches in which the Issue is made; and
  - iv. generally to govern such Stock Options Issue by implementing various schemes under the Plan in a manner that the grant of the Options under the Plan including the

grant of Options to the eligible employees of the Company shall not exceed in the aggregate, 0.6 per cent of the of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) and the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single Scheme notified under the Plan.

3. the Board be and is hereby further authorized:
  - a. to formulate, evolve, decide upon, determine the detailed terms and conditions of various schemes under the Plan, including but not limited to the terms or combination of the terms subject to which the Options are to be granted, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse, treatment of lapsed options as the Board may in its absolute discretion think fit;
  - b. to issue and allot fully paid up equity shares upon exercise of the Options from time to time in the manner aforesaid, and such equity shares shall rank *pari-passu* in all respects with the then existing equity shares of the Company;
  - c. to authorize the Managing Director & CEO of the Company to recommend to the Board the quantum of Options to be granted to the eligible employees of the subsidiaries of the Company;
  - d. to take necessary steps for listing of the equity shares allotted under the various schemes under the Plan on the stock exchanges where the equity shares of the Company are listed in accordance with the provisions of the SEBI Regulations, SBEB Regulations and other applicable laws and regulations;
  - e. to make a fair and reasonable adjustment to the number and other terms and conditions of the Options granted in

- terms of this Resolution, subject to the applicable laws, in the event of any corporate action(s) including but not limited to rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring etc.;
- f. to adjust in due proportion as the case may be, the number of shares to be allotted and the price to be paid by the Option Grantees in terms of this Resolution, subject to the applicable laws, upon any restructuring involving change in the face value or the paid-up value of equity shares in the Company from its present level of Re. 1 per share, provided that such adjustment shall not affect any other rights or obligations of the Option Grantees; and
  - g. to make any modifications, changes, variations, alterations or revisions in the Plan, as it may deem fit, from time to time or to suspend, withdraw or revive the Plan from time to time in conformity with the provisions of the Act, the SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the Option Grantees.
4. for the purpose of giving effect to the forgoing, the Board be and is hereby authorized to do the following for and on behalf of the Company, without being required to specifically seek any further consent or approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution:
- a. to seek statutory or such other approvals as may be necessary for the implementation of the Marico ESOP 2016;
  - b. to dispose of from time to time, such Options as are not exercised, in such manner, as the Board may deem fit in its absolute discretion;
  - c. to enter into and execute all such arrangements as the case may be with any advisors, bankers, depositories,

custodians and other intermediaries (the "Agencies") in relation to the Plan and the schemes to be issued thereunder and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services rendered;

- d. to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the schemes at any stage including at the time of listing of the equity shares issued herein;
- e. to do all such acts, deeds, matters and things as the Board may at its discretion deem necessary or desirable for such purpose, including without limitation the drafting, finalization, entering into and execution of any arrangements or agreements; and
- f. to delegate its authority under this Resolutions to such personnel of the Company as the Board may deem fit for carrying out tasks as listed above in sub-clause (a) to (e)."

Place: Mumbai

Date: June 29, 2016

**Registered Office:**

7th Floor, Grande Palladium, 175, CST Road,  
Kalina, Santacruz (East), Mumbai 400 098

Tel no.: 022-6648 0480

Fax No.: 022 2650 0159

CIN: L15140MH1988PLC049208

Website: [www.marico.com](http://www.marico.com)

Email: [investor@maricoindia.net](mailto:investor@maricoindia.net)

**By Order of the Board  
For Marico Limited**

**Surender Sharma  
Company Secretary &  
Compliance Officer**

## NOTES:

1. A statement pursuant to section 102(1) of the Companies Act, 2013 ("the Act") in respect of the special business under Item Nos. 5 to 7 of the Notice is annexed hereto.
2. Relevant documents referred to in this Notice and the explanatory statement are available for inspection at the Registered Office of the Company during business hours on all working days except Saturdays and Sundays upto the date of the Annual General Meeting ("Meeting") i.e. 5th August, 2016.
3. In terms of Section 152 of the Act, Mr. Rajen Mariwala (DIN 00007246), Director, retires by rotation at the Meeting and being eligible has offered himself for re-appointment. Accordingly, a brief resume of Mr. Mariwala and the information pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India is provided in the Corporate Governance Report forming part of the Annual Report.
4. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
5. The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the Company, duly completed, signed and stamped not less than **48 HOURS** before the commencement of the Meeting. **Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable. Pursuant to section 105 of the Act, a person shall not act as a proxy for more than 50 (fifty) Members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a Member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.**
6. **An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled, will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such proxies shall be considered as invalid.**
7. **The proxy-holder shall prove his identity at the time of attending the Meeting.**
8. **During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with conclusion of the Meeting, a Member can inspect the proxies lodged at any time during business hours of the Company, provided that not less than three days of notice in writing is given to the Company.**
9. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company's Registrar and Transfer Agents.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Pursuant to Section 91 of the Act, Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 30, 2016 to Friday, August 5, 2016, both days inclusive, for the purpose of the Meeting.
12. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, will be available for inspection at the Meeting.
13. The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection at the Meeting.
14. Members who hold shares in demat form are requested to direct any change of address/bank mandate to their respective Depository Participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
15. Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Transfer Agents at:  
Link Intime India Private Limited,  
C-13, Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (West), Mumbai - 400 078.  
Tel No.: +91 22 2594 6970 Fax No.: +91 22 2594 6969  
E-mail : rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in

Members may also address all other correspondence to the Registrar and Transfer Agents at the address mentioned above.

16. Members are requested to hand over the enclosed Attendance Slip duly signed in with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in demat form are requested to bring their Client ID and DP ID numbers for identification.
17. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company, at least one week before the date of the Meeting to enable the Company to compile the information and provide replies at the Meeting.
18. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agents.
19. Pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 duly filled to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
20. In terms of Sections 205A read with 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, all dividends declared till April 22, 2009 on equity shares of the Company, which remained unclaimed for a period of seven years, have been transferred to the IEPF established by the Central Government under Section 205C of the Companies Act, 1956. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 5, 2015 (date of last Annual General Meeting) on the website of the Company, 'www.marico.com' and also with the Ministry of Corporate Affairs.
21. Members, who have not yet encashed their dividend warrant(s), for any dividends declared after the aforesaid dividends, are requested to forward their claims to the Registrar and Transfer Agents, M/s. Link Intime India Private Limited or the Company at its registered office address. It may be noted that once the unclaimed dividend is transferred to the IEPF, as above, no claim shall lie against the Company. Members' attention is particularly drawn to the "Corporate Governance" section of the Annual Report in respect of unclaimed dividend.
22. The Company does not give gifts, gift coupons or cash in lieu of gifts to its Members and also does not offer its products at discounted rates. However, the Company is committed to the Members' wealth maximization through superior performance reflected in corporate benefits like dividend and increased market capitalization.
23. Pursuant to Section 101 and Section 136 of the Act read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository. Accordingly, the Notice of the Meeting along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent through permitted modes.
24. Members may note that the Notice of the Meeting and the Annual Report 2015-16 will be available on the Company's website [www.marico.com](http://www.marico.com) and also on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com). The physical copies of the same will also be available at the Company's registered office for inspection during the business hours on working days except Saturdays and Sundays upto the date of the Meeting.
25. Pursuant to Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a facility is provided to the Members to cast their votes using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") in respect of the resolutions proposed in the accompanying Notice.

26. A facility for voting by Poll or otherwise will also be made available to the Members attending the Meeting and who have not already cast their votes by remote e-voting prior to the Meeting. Members who have cast their votes by remote e-voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their votes at the meeting.
27. **Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date i.e. Friday, July 29, 2016. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e. Friday, July 29, 2016, only shall be entitled to avail the facility of remote e-voting/Voting facility provided at the Meeting.**
28. **Voting Results**
- The Scrutinizer shall immediately after the conclusion of voting at the Meeting will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
29. Once declared, the results along with the consolidated Scrutinizer's report shall be placed on the Company's website [www.marico.com](http://www.marico.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The Company shall also forward the results to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.
30. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. **Friday, August 5, 2016**

**Information and other instructions relating to remote e-voting are as under:**

31. Members can opt for only one mode of voting i.e. either through remote e-voting or by Voting facility provided at the Meeting. If a Member cast vote by more than one mode, then voting done through remote e-voting shall prevail and the voting through voting facility provided at the Meeting shall be considered as invalid.
32. The Board of Directors of the Company has appointed Mr. Bhumitra V. Dholakia and in his absence, Mr. Nrupang B. Dholakia from Dholakia and Associates LLP, Practising Company Secretaries, from Mumbai, as the Scrutinizer to scrutinize the voting including remote e-voting process in a fair and transparent manner.
33. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the agency for providing remote e-voting facility. Instructions for remote e-voting are as under:

- i. The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders.
- iii. Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier for any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on the address label in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank data field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for Marico Limited.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote or cast your vote again.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**xviii. Note for Non – Individual Members and Custodians**

- o Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- o After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- o The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should

be uploaded in PDF format in the system for the scrutinizer to verify the same.

- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
34. Any person becoming a Member of the Company after the dispatch of the Notice of the Meeting and holds shares as on the cut-off date i.e. Friday, July 29, 2016 can exercise their voting rights through remote e-voting by following the instructions listed hereinabove or by voting facility provided at the meeting.
35. **The remote e-voting period commences on Monday, August 1, 2016 from 9:00 a.m. IST and ends on Thursday, August 4, 2016 at 5:00 p.m. IST. During this period Members holding shares either in physical form or in dematerialized form, as on Friday, July 29, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**

36. Route Map showing direction to reach the venue of the 28th Annual General Meeting of the Company is given at the end of this Notice.

Place: Mumbai

Date: June 29, 2016

Registered Office:

7th Floor, Grande Palladium, 175, CST Road,  
Kalina, Santacruz (East), Mumbai 400 098

Tel no.: 022-6648 0480

Fax No.: 022 2650 0159

CIN: L15140MH1988PLC049208

Website: [www.marico.com](http://www.marico.com)

Email: [investor@maricoindia.net](mailto:investor@maricoindia.net)

By Order of the Board  
For **Marico Limited**  
**Surender Sharma**  
Company Secretary &  
Compliance Officer

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

### Item No. 5

The Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, mandate audit of the cost accounting records of the Company in respect of certain products. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on April 29, 2016 appointed M/s. Ashwin Solanki & Associates, Cost Accountants (Firm Registration No. 100392) as the Cost Auditors of the Company for the financial year ending March 31, 2017 at a remuneration of Rs. 8,25,000 (Rupees Eight Lacs Twenty Five Thousand only) plus applicable taxes and out of pocket expenses at actual, if any, incurred in connection with the audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, approval of the Members is sought by of Ordinary Resolution set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017 as stated above.

The Board recommends the Ordinary Resolution as set out in Item No.5 of the Notice for the approval of the Members.

No Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, in the passing of the said resolution.

### Item Nos. 6 & 7

Stock options have long been proven to be an effective tool for providing wealth creation options for employees of the Company as a means to incentivize them for their efforts in ensuring sustainable profitable growth for the Company's Members. The Company, in line with its philosophy of combining employment with ownership had, in the past, used employee stock options under the Marico Employees Stock Option Scheme 2007 as an effective tool to share the benefits of growth with the employees. Further, the Members at the Extra-Ordinary General Meeting held on March 25, 2014 and the Twenty Sixth Annual General Meeting held on July 30, 2014, approved the Marico Employee Stock Option Scheme 2014 and Marico MD & CEO ESOP Plan 2014 respectively ("the Earlier Plans"). The Earlier Plans were aimed at issuing stock options to the Managing Director & CEO of the Company. The Company also has a Stock Appreciation Rights Plan for employees known as the Marico Employee Stock Appreciation Rights Plan, 2011 under which it notifies various schemes to provide cash incentives to the eligible employees of the Company and its subsidiaries, by granting them stock

appreciation rights which also acts as a wealth creation tool for the employees.

In line with the aforesaid philosophy, the Company's Board of Directors has recommended the issuance of the employee stock options ("Options") under the Marico Employee Stock Option Plan 2016 ("ESOP 2016") to the eligible employees of the Company including the Managing Director & CEO and the eligible employees of its subsidiaries, whether in India or outside India ("the eligible employees"), in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") and as may be determined by the Board of Directors ("Board" which includes any Committee thereof). ESOP 2016 aims to promote desired behaviour among employees for meeting the Company's long term objectives and enable retention of employees for desired objectives and duration, through a customized approach.

Under the ESOP 2016, the Board may notify individual schemes. Based on the grade of the eligible employees, a scheme may prescribe a different exercise price, which shall not be lower than the face value of the equity share of the Company. The Board has also proposed an overall ceiling of 0.6 per cent of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 ("the Commencement Date") (excluding outstanding warrants and conversions) for the maximum number of Options that can be granted under the ESOP 2016. Further, the grant of Options to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any single scheme notified under the Plan.

As the ESOP 2016 is applicable to the Managing Director & CEO also, the Board of Directors of the Company ("the Board"), at its meeting held on June 29, 2016 had resolved not to grant further options under the existing Marico MD & CEO ESOP Plan 2014 and decided that the same would be closed in accordance with the SBEB Regulations after exercise of vested options. Under scheme I of the Marico MD & CEO ESOP Plan 2014, 46,600 options have been granted to the Managing Director & CEO which stand increased to 93,200 options, due to the issuance of bonus equity shares by the Company during the financial year in the ratio of 1:1. The said options constitute 0.007% of the paid up equity share capital of the Company as on the date of this Notice.

The Board of Directors of the Company, at the aforesaid meeting also nominated and authorised the Corporate Governance Committee there ("CGC" or "the Committee") which functions as the Nomination and Remuneration

Committee as provided under Section 178 of the Companies Act, 2013 (“Act”) to act as the Compensation Committee for the purpose of the ESOP 2016.

Accordingly, approval of the Members is being sought for ESOP 2016 and grant of Options to the eligible employees as described herein above. The salient features of ESOP 2016 and various disclosures in terms of the Companies Act, 2013 and SBEB Regulations are stated below:

**i. Brief description of ESOP 2016:**

ESOP 2016 is a comprehensive Plan to grant Options to the eligible employees of the Company and its subsidiaries as described below, to subscribe to the equity shares of the Company underlying the Options at an exercise price to be determined by the Corporate Governance Committee. Under ESOP 2016, the Corporate Governance Committee may notify individual schemes. Based on the grade of the eligible employees, the scheme may prescribe a different exercise price, which shall not be lower than the face value of the equity share of the Company. The Company shall ensure that the Marico ESOP 2016 and the issue of Options thereunder is in line with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SBEB Regulations”).

**ESOP 2016 proposes to achieve the following objectives:**

- Attract, retain and motivate talented and critical employees;
- Encourage employees to align individual performance with the Company objectives; and
- Reward employee performance with ownership.

**ii. Total number of stock options to be granted:**

The total number of Options to be granted to the eligible employees of the Company and its subsidiaries shall not exceed in the aggregate, 0.6 per cent of the issued equity share capital of the Company as on the commencement of the Plan, i.e. August 5, 2016 (“the Commencement Date”) (excluding outstanding warrants and conversions) and Options to be granted to any single employee shall not exceed 0.15 per cent of the issued equity share capital of the Company as on the Commencement Date in any one single scheme notified under the Plan.

Each Option when exercised would be converted into one equity share of face value of Re. 1 (Rupee One only) each fully paid-up. Subject to compliance with the applicable

laws, in case of consolidation of shares where the face value of the shares is increased to above Re. 1, the maximum number of shares available for being issued under ESOP 2016 shall stand modified accordingly, so as to ensure that the aggregate cumulative face value (No. of shares X Face value per share) prior to such consolidation remains unchanged after the share consolidation.

In case of any corporate action(s) including but not limited to rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are issued by the Company to the to the eligible employees for making such fair and reasonable adjustment, the ceiling of equity shares as stated above shall be deemed to be increased to the extent of such additional equity shares issued. The Corporate Governance Committee shall determine the nature, manner and the extent of the adjustment to be made as a consequence of any corporate action, consolidation etc.

**iii. Identification of classes of employees entitled to participate in the Marico ESOP 2016:**

The permanent employees, including the Managing Director & CEO of the Company and the permanent employees of the subsidiaries of the Company, whether in India or outside India (“Option Grantees”) are the intended beneficiaries under ESOP 2016. However, the following individuals are specifically excluded:

- a. a promoter or a person belonging to the Promoter Group of the Company or the subsidiaries;
- b. an Independent Director or a Non-Executive Director of the Company or the subsidiaries; and
- c. a Director who either by self or through a relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the issued equity share capital of the Company or the subsidiaries.

**iv. Requirements of vesting and period of vesting and the maximum period (subject to regulation 18(1) of the SBEB Regulations) within which the Stock Options shall be vested:**

The Options granted shall vest so long as the Options Grantees continue to be in the employment of the Company and the subsidiaries of the Company as the case may be. The CGC may, at its discretion, lay down certain performance metrics on the achievement of which the granted Options would vest, the detailed terms

and conditions relating to such performance-based vesting and the proportion in which Options granted would vest (subject to the minimum and maximum vesting period as specified below).

The Options would vest not earlier than one year and not later than five years from the date of grant thereof. The exact proportion in which and the exact period over which the Options would vest would be determined by the CGC in the respective individual scheme(s).

**v. Exercise price:**

The CGC is authorized to determine the exercise price for the Options in accordance with Regulation 17 of the SBEB Regulations, i.e. in conformity with the applicable Guidance Note on Accounting for employee share-based Payments ("Guidance Note") or applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein. However, in any case, the exercise price shall not be less than the face value of the equity shares of the Company.

**vi. Exercise period and the process of exercise:**

The exercise period would commence from the date of vesting and will expire on completion of such period not exceeding five years from the date of vesting of Options as may be determined by the Corporate Governance Committee in the respective individual scheme(s).

The Options will be exercisable by the Option Grantees by a written application to the Company to exercise the same in such manner, and on execution of such documents, as prescribed in the Plan or as may be additionally prescribed by the Corporate Governance Committee and from time to time. The Options will lapse if not exercised within the specified exercise period.

**vii. Appraisal process for determining the eligibility of the employee to Employee Stock Options:**

The appraisal process for determining the eligibility of the employees shall be decided by Corporate Governance Committee and will be based on criteria such as grade of the employee, past performance, future potential and such other criteria determined by the Corporate Governance Committee at its sole discretion.

**viii. Maximum number of Stock Options to be issued per employee and in aggregate:**

As stated in point no. ii above.

**ix. Maximum quantum of benefits to be provided per employee under a Scheme:**

As stated in point no. ii above.

**x. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:**

The scheme(s) to be notified under the ESOP 2016 will be administered directly by the Company.

**xi. Whether the scheme(s) involves new issue of shares by the Company or secondary acquisition by the trust or both:**

The scheme(s) to be notified under the Marico ESOP 2016 would only involve issue of new equity shares by the Company.

**xii. The amount of loan to be provided for implementation ESOP 2016 by the Company to the trust, its tenure, utilization, repayment terms, etc.**

Not applicable.

**xiii. Maximum percentage of secondary acquisition that can be made by the trust for the purposes of ESOP 2016.**

Not applicable.

**xiv. A statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of the SBEB Regulations.**

The Company shall comply with the accounting policies specified in the requirements of the applicable Guidance Note or applicable Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India ("ICAI") from time to time, including the disclosure requirements prescribed therein.

Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for any of the schemes covered under the SBEB Regulations then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

**xv. The method which the Company shall use to value its Stock Options:**

The Company shall use the fair value method for valuation of the Options. Fair valuation of the Options will be carried out using the Black & Scholes Option Pricing Method. The fair value of the Options shall be the basis for accounting for the ESOP charge in the Company's profit and loss statement.

**xvi. Other Terms:**

ESOP 2016 does not envisage secondary acquisition of equity shares of the Company.

The Company may vary, modify or alter the terms of ESOP 2016 in compliance with the SBEB Regulations. ESOP 2016 shall continue to be in force until the earlier of the following two events:

- a. The termination of ESOP 2016 by the Board in accordance with applicable laws; or
- b. The date on which all of the Options available for issuance under ESOP 2016 have been granted, vested and exercised.

The Board recommends the Special Resolutions set out in Item Nos. 6 and 7 of the Notice for the approval of the Members of the Company.

No Director or their relatives (except Managing Director & CEO or his relatives) are in any way, concerned or interested in the passing of the Special Resolutions. The Key Managerial Personnel or their relatives may be deemed to be concerned or interested in the passing of the Special Resolutions to the extent of the Options to be granted to them.

**By Order of the Board  
For Marico Limited**

**Surender Sharma  
Company Secretary &  
Compliance Officer**

**Place: Mumbai  
Date: June 29, 2016**

**Registered Office:  
7th Floor, Grande Palladium, 175, CST Road,  
Kalina, Santacruz (East), Mumbai 400 098  
Tel no.: 022-6648 0480  
Fax No.: 022 2650 0159  
CIN: L15140MH1988PLC049208  
Website: [www.marico.com](http://www.marico.com)  
Email: [investor@maricoindia.net](mailto:investor@maricoindia.net)**

## Route Map to the Venue of the AGM



National Stock Exchange Of India Ltd  
Gr. Floor Dr. R H Patil Auditorium  
Exchange Plaza, G Block,  
Plot No.C1,Bandra Kurla Complex,  
Bandra East, Mumbai 400051

