### NOTICE

NOTICE is hereby given that the One Hundred and Fifty-first Annual General Meeting of the members of The Bombay Burmah Trading Corporation, Limited will be held on Friday, the 5<sup>th</sup> day of August, 2016 at 4.00 pm at Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai 400 020, to transact the following business:

### **ORDINARY BUSINESS:**

- 1. To receive, consider and adopt :
  - (a) the audited Financial Statements of the Corporation for the Financial Year ended 31<sup>st</sup> March, 2016 together with the Auditors thereon;

and

- (b) the audited Consolidated Financial Statements of the Corporation for the Financial Year ended 31<sup>st</sup> March, 2016 together with the Report of the Auditors thereon.
- 2. To declare a dividend.
- 3. To appoint a Director in place of Mr. Jeh Wadia [DIN: 00088831] who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
- 4. To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 ( the Act) read with the Companies (Audit and Auditors) Rules, 2014 ( including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of Messrs B S R & Co.LLP, Chartered Accountants [Registration No.101248W/ W-100022] as Statutory Auditors of the Corporation to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held in the financial year 2017, be and is hereby ratified, and the Board of Directors is hereby authorized to determine their remuneration as recommended by the Audit Committee."

5. To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

"RESOLVED THAT the Board of Directors( hereinafter referred to as "the Board") be and is hereby authorised to appoint for the current financial year, in consultation with the Corporation's Auditors namely Messrs B S R & Co. LLP, in respect of the audit of the accounts of the Corporation's branch offices outside India, a person who is either qualified for appointment as auditor of the Corporation under Section 141 of the Companies Act, 2013 or an accountant duly qualified to act as an auditor of the accounts of such branch offices in accordance with the applicable laws of the concerned countries; and to determine the remuneration and other terms and conditions of their appointment as Branch Auditors as recommended by the Audit Committee."

### **SPECIAL BUSINESS :**

6. To consider and if thought fit, to convey assent or dissent to the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ( "the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. GLS & Associates, Cost & Management Accountants, Coimbatore, [ICWA Registration No M 4482], the Cost Auditors appointed by the Board to conduct the audit of the cost records of the Plantations and Auto Electric Components Divisions of the Corporation for the financial year ending 31<sup>st</sup> March, 2017, be paid remuneration of ₹ 200,000/- (Rupees Two lakhs only) plus service tax as applicable and reimbursement of actual out-of-pocket expenses.

"RESOLVED FURTHER THAT the Board of Directors of the Corporation be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

7. To consider and if thought fit, to convey assent or dissent to the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 ("the Act"), and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Section II of Part II of Schedule V of the Act and subject to the approval of Central Government, and other approvals, sanctions or permissions, if and to the extent necessary, consent of the Corporation be and is hereby accorded to the re-appointment of Mr. Ness Wadia [DIN:00036049], as Managing Director of the Corporation for a period of 5 years with effect from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March 2021 at the remuneration and upon other terms and conditions recommended by the Nomination and Remuneration Committee and approved by the Board, which are set out in the Statement of Material Facts annexed to this Notice.

"RESOLVED FURTHER THAT the Board (which expression shall also include a duly constituted committee thereof) be and is hereby authorized to fix, alter or vary from time to time, Mr. Ness Wadia's remuneration within the overall ceiling as approved by the shareholders and/or the other terms and conditions of his re-appointment, subject however to the provisions of the said Schedule V and other applicable provisions of the Act for the time being in force and the approval of the Central Government, and other approvals, sanctions or permissions, if and to the extent required.

"RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Mr. Ness Wadia as Managing Director, the Corporation has no profits or its profits are inadequate, the Corporation shall pay Mr. Ness Wadia for a period not exceeding 3 years commencing from 1<sup>st</sup> April 2016, remuneration as determined by the Board pursuant to the authority vested in it in terms of this Resolution, subject to the provisions of Schedule V and other applicable provisions of the Act, and the approval of the Central Government and other approvals, sanctions or permissions, if and to the extent required and that such remuneration shall be treated as the minimum remuneration payable to Mr. Ness Wadia.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into an Agreement on behalf of Corporation with Mr. Ness Wadia on the terms and conditions set out in the Statement of Material Facts annexed to this Notice.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this Resolution."

By Order of the Board,

N. H. DATANWALA Vice President Corporate & Company Secretary

*Registered Office:* 9, Wallace Street, Fort, Mumbai 400 001

Date: 27th May, 2016.

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE CORPORATION. However, a person may act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Corporation. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Corporation carrying voting rights , then such proxy shall not act as proxy for any other person or shareholder.

The instrument of proxy in order to be effective, should be deposited at the Registered offices of the Corporation, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- 2. A Statement of material facts pursuant to Section 102 of the Companies Act, 2013, which sets out the material facts relating to the Special Business set out in the accompanying Notice is attached hereto as Annexure I.
- 3. A brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding are attached hereto as Annexure II.
- 4. The Register of Members and the Share Transfer Books of the Corporation will be closed from Saturday, 30<sup>th</sup> July, 2016 to Friday, 5<sup>th</sup> August, 2016 (both days inclusive).
- 5. Dividend, if declared at the Annual General Meeting, shall be paid to the members on or after Wednesday, 10<sup>th</sup> August, 2016 to those members whose names appear on the Register of Members of the Corporation on 29<sup>th</sup> July, 2016, after giving effect to all valid share transfers lodged with the Corporation's Registrar & Share Transfer Agents, M/s. Karvy Computershare Pvt. Ltd. on or before 29<sup>th</sup> July, 2016 in respect of shares held in physical form. In respect of shares held in electronic form, dividend will be paid to the beneficial owners of shares as at the closing hours of 29<sup>th</sup> July, 2016 as per details furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
- 6. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their demat accounts, and in respect of their physical shareholdings, quoting their folio numbers, to the Corporation's Registrar & Share Transfer Agents :

M/s. Karvy Computershare Pvt. Ltd (Unit : Bombay Burmah) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Telephone number: +91 40 6716 2222 Fax number: +91 40 2342 0814 E-mail: einward.ris@karvy.com

OR

M/s. Karvy Computershare Pvt. Ltd.
B- 24, Rajabahadur Mansion,
6, Ambalal Doshi Marg (Behind Bombay Stock Exchange),
Fort, Mumbai 400 001
Telephone Number : 66235412/27

7. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by Companies for distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Corporation or its Registrar and Share Transfer Agents.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Corporation for payment of dividend. The Corporation or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

8. Pursuant to the provisions of Sections 205A and 205C and other applicable provisions of the Companies Act, 1956, (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) dividends for the financial year ended 31<sup>st</sup> March, 2009 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Corporation are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Due date for transfer to IEPF
2008-2009	28.7.2009	2.9.2016
2009-2010	10.8.2010	15.9.2017
2010-2011	5.08.2011	10.9.2018
2011-2012	8.08.2012	13.9.2019
2012-2013	7.08.2013	12.9.2020
2013-2014	13.8.2014	18.9.2021
2014-2015	5.8.2015	10.9.2022

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim at the earliest to the Registrars at either of the aforesaid addresses immediately quoting their folio number/ DP ID & Client ID.

- 9. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating a person to whom their securities shall vest in the event of their death. The prescribed form may be obtained from the Corporation's Registered Office at 9, Wallace Street, Fort, Mumbai 400001 or from the Registrars.
- 10. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Corporation's Green Initiative, the Corporation has been sending Annual Reports in the past few years to the e-mail address provided by some of the members.

We therefore appeal to all members to be a part of the said 'Green Initiative' and request all members to provide/ update their email addresses giving their Registered Folio Number and/or DP ID/Client ID at e-mail id einward.ris@karvy.com.

Members are also informed that the full text of all Notices, Reports etc. sent by email to them will also be made available on our website http://bbtcl.com/investor-relations/annual-reports/

11. SEBI has also mandated the submission of Permanent Account Number (PAN) by members. Therefore, members holding shares in physical form are requested to submit their PAN to the Corporation or Karvy and members holding shares in electronic form may submit their PAN to their respective Depository Participants.

- 12. Members intending to require information about the Financial Statements, to be explained at the Meeting are requested to inform the Corporation at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
- 13. Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
- 14. Members are requested to bring their copy of the Annual Report to the meeting.
- 15. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Corporation is pleased to provide the facility to exercise members' right to vote at the 151<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 2<sup>nd</sup> August, 2016 at 9.00 am and ends on 4<sup>th</sup> August, 2016 at 5.00 pm. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29<sup>th</sup> July, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income T Department (Applicable for both demat shareholders as w as physical shareholders)	
	<ul> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>	
	<ul> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>	
Dividend Bank Details OR 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.	
	<ul> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>	

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for THE BOMBAY BURMAH TRADING CORPORATION, LIMITED.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
  - 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.
  - The list of accounts linked in the login should be mailed to helpdesk.evoting@ cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - 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.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

**NOTE** : Any person, who acquires shares of the Corporation and becomes member of the Corporation after 8<sup>th</sup> July, 2016 ie. the date considered for dispatch of the notice, and holding shares as the cut - off date ie. 29<sup>th</sup> July, 2016 and who have not updated their PAN as also members who have not received the intimation of sequence number may obtain the login ID and sequence number by sending a request to Karvy Computershare Pvt Ltd.

- 16. Mr Tushar Shridharani, Practicing Company Secretary, (Membership No. FCS 2690) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 17. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Corporation and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Corporation.
- 18. The Results declared alongwith the Scrutinizer's Report shall be placed on the Corporation's website www.bbtcl.com and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Corporation and communicated to the NSE and BSE Limited.
- 19. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

### **ANNEXURE I TO THE NOTICE**

# STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 6

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of M/s. GLS & Associates , Cost & Management Accountants, Coimbatore, (ICWA Registration No. 4482) as Cost Auditors at a remuneration of ₹ 2,00,000/- (Rupees Two lakh only) plus applicable service tax and reimbursement of actual out of pocket expenses incurred by them for the conduct of audit of the cost records of the Plantation and Auto Electric Components Divisions of the Corporation for the financial year ending 31<sup>st</sup> March, 2017. A Certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered office of the Corporation during 11.00 A.M to 1.00 P.M on all working days.

The approval of the shareholders is required to be obtained for payment of remuneration to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2017. Hence, the resolution at Item no. 6 of the Notice.

None of the Directors or Key Managerial Personnel of the Corporation or their relatives is in any way concerned or interested in the Resolution set out at Item no. 6 of the Notice.

The Board of Directors recommends the said resolution for approval by the shareholders.

### ltem no. 7

Mr. Ness Wadia (hereinafter referred to as "Mr. Wadia") was appointed as the Managing Director ("MD") of the Corporation by the Board for a period of 5 years with effect from 1<sup>st</sup> April, 2011. His term as MD expired on 31<sup>st</sup> March, 2016.

The Board of Directors at its meeting held on 23<sup>rd</sup> March, 2016, re-appointed, Mr. Wadia as Managing Director of the Corporation subject to the approval of the shareholders, pursuant to provisions of Sections 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, for a further period of five years with effect from 1<sup>st</sup> April, 2016 upto 31<sup>st</sup> March, 2021 on such terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee and set out in the draft of the Agreement to be entered between the Corporation and Mr. Wadia.

The material terms of his re-appointment contained in the draft of the Agreement proposed to be entered into by the Corporation with Mr. Wadia are summarized below:

- 1. Mr. Wadia will serve the Corporation as Managing Director for a period of 5 years with effect from 1<sup>st</sup> April, 2016 upto 31<sup>st</sup> March 2021.
- 2. Subject to the superintendence, control and direction of the Board and subject to such restrictions or limitations as the Board may in its discretion determine from time to time, Mr. Wadia will be in charge of the general conduct and management of the whole business and affairs of the Corporation and to carry out such functions, exercise such powers and perform such duties as the Board may, from time to time, in their absolute discretion determine and entrust to him.

PROVIDED HOWEVER THAT Mr. Wadia shall not to exercise any of the powers on behalf of the Corporation which are to be exercised by means of resolutions to be passed at the meetings of the Board.

- 3. Mr. Wadia shall devote his whole time and attention during business hours to the business of the Corporation, exert his best endeavours to promote its interests and welfare and attend his place of employment at all proper times.
- 4. Mr. Wadia shall undertake such travelling in and outside India as may be necessary in the interest of the Corporation's business or as may from time to time be required or directed by the Board in connection with or in relation to the business of the Corporation.

Mr. Wadia shall be entitled to reimbursement of all expenses including travelling, entertainment/ business promotion and other out-of pocket expenses incurred by him in connection with or in relation to the business of the Corporation.

- 5. In terms of Article 137 of the Articles of Association of the Corporation, Mr. Wadia shall not be liable to retire by rotation during his tenure as Managing Director.
- 6. In consideration of the faithful and proper performance of his duties and functions as Managing Director, Mr. Wadia shall be paid the following remuneration:
  - Basic Salary upto a maximum of ₹ 35,00,000/- per month with increments each year, as may be determined by the Board, based on the recommendations of the Nomination & Remuneration Committee;
  - Benefits, perquisites and allowances as may be recommended by the Nomination & Remuneration Committee and determined by the Board, from time to time, or as may be applicable in accordance with the rules and policies of the Corporation, upto a maximum of ₹ 17,50,000/- per month.
  - Reimbursement of actual medical expenses incurred on self and family.

- Bonus as may be determined by the Board, based on the recommendations of the Nomination & Remuneration Committee on the performance criteria;
- Contribution to Provident Fund, Superannuation Fund or Gratuity Fund as per the Rules of the Corporation.

For the purpose of computing the ceilings, wherever applicable, perquisites would be valued as per the Income Tax Rules, 1962, and provision for use of car for official duties and telephone at residence (including payment for local calls and long distance official calls) and Corporation's cars with drivers shall not be included in such computation.

The aggregate of the remuneration shall be within the maximum limits as laid down under provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013, and shall be subject to the approval of the Central Government, if and to the extent necessary.

The contribution to provident fund, superannuation fund or annuity fund, if any, which shall not exceed 27% of the remuneration or such higher percentage as permissible under Rule 87 of the Income Tax Rules, 1962, and gratuity, if any, payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure as per the rules/policies of the Corporation, shall not be included in the computation of the ceilings on remuneration.

The Nomination and Remuneration Committee or the Board of Directors may, at its discretion, fix the actual remuneration of Mr. Wadia and revise the same from time to time, within the maximum limits specified hereinabove.

During the tenure of 5 years of his appointment, if the Corporation for any period of 3 financial years has no profits or its profits are inadequate, the Corporation shall pay Mr. Wadia remuneration as determined from time to time by the Nomination and Remuneration Committee or the Board of Directors pursuant to the authority vested in them, subject to compliance with the applicable provisions of the Schedule V to the Act, with the approval of the Central Government, if and to the extent necessary and that such remuneration shall be treated as the minimum remuneration payable to Mr. Wadia in the absence or inadequacy of profits, in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013.

7. The rules and policies of the Corporation which are applicable to other senior executives of the Corporation shall also apply to Mr. Wadia.

Mr Wadia shall be entitled to leave in accordance with the rules of the Corporation.

- 8. Mr. Wadia shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.
- Mr. Wadia shall not, as long as he functions as MD of the Corporation, become interested or otherwise concerned directly or indirectly in any contract or arrangement with the Corporation as contemplated under Section 188 of the Act without the prior approval of the members of the Corporation.
- 10. Mr. Wadia shall not, except in the proper course of his duties during the continuance of his employment with the Corporation or any time thereafter divulge or disclose to any persons whomsoever or make use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him during his employment as to the business and/or affairs of the Corporation and/or trade secrets or secret processes of the Corporation.

- 11. Mr. Wadia shall not in the event of his ceasing to be MD of the Corporation before the expiry of the term of 5 years, for the remainder of such period:
  - (a) either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Corporation; and
  - (b) in connection with carrying on any business similar to or in competition with the business of the Corporation on his behalf or on behalf of any person, firm or company, directly or indirectly:
    - seek to procure orders or do business with any person, firm or company, who has at any time during the two years, immediately preceding such cessation of employment, done business with the Corporation; or
    - (ii) endeavour to entice away from the Corporation any person who has at anytime during the two years immediately preceding such cessation of employment, done business with, or engaged by, the Corporation. Provided that nothing in this clause shall prohibit seeking or procuring of orders or doing of business not related or similar to the business/ businesses of the Corporation.
- 12. The employment of Mr. Wadia shall forthwith determine if he becomes insolvent or cease to be a Director of the Corporation. He shall cease to be a Director if the Agreement is terminated or he ceases to be employed as MD.
- 13. If Mr. Wadia be guilty of any misconduct or any breach of the Agreement which in the opinion of the Board may render his retirement from the office of MD desirable, the Corporation may, by not less than 30 days' notice in writing to him, determine the Agreement and he shall cease to be MD of the Corporation upon the expiration of such notice.
- 14. Either party shall be entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing in that behalf to the other party; provided that the Corporation shall be entitled to terminate Mr. Wadia's employment at any time by payment to him of six months' basic salary in lieu of such notice.
- 15. If Mr. Wadia ceases to be MD of the Corporation, he shall be deemed to have resigned from the office of Director as and from the date of such cessation.

The Board will have the authority to vary/modify/amend any of the aforesaid terms and conditions provided such variation/modification/amendment is in conformity with the applicable provisions of the Act as amended from time to time.

The Directors consider the aforesaid remuneration payable to Mr. Wadia to be commensurate with his duties and responsibilities as Managing Director.

Approval of the members is also being sought by way of special resolution for payment of remuneration to Mr Wadia as may be determined by the Board from time to time as minimum remuneration, in the event the Corporation has no profits or has inadequate profits, for a period of 3 years commencing from 1<sup>st</sup> April, 2016 subject to approval of Central Government and other approvals, sanctions or permissions, if and to the extent required.

The draft of the Agreement to be entered into by the Corporation with Mr. Wadia is available for inspection by the members at the Registered Office of the Corporation between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting.

Mr. Ness Wadia, Mr. Nusli N. Wadia and Mr. Jehangir N. Wadia, who are related to each other, are concerned or interested in the Special Resolution at Item no. 7 as it relates to the re-appointment and remuneration of Mr. Ness Wadia, as Managing Director.

This may also be treated as an abstract of the terms of the Agreement between Mr. Ness Wadia and the Corporation when executed, and memorandum of interest pursuant to Section 190 of the Act.

## Additional Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is given below:

### I. General Information:

- (i) Nature of Industry: The Corporation is a multi-product and multi-divisional organisation with diverse business interests viz. Plantations (Tea and Coffee), Auto Electric Components, Healthcare, real estate and weighing products.
- (ii) Date or expected date of commencement of commercial production: The Corporation was incorporated on 4<sup>th</sup> September, 1863 and commercial production has commenced about 150 years ago.
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- (iv) Financial performance based on given indicators: As per published audited financial results for the year ended 31<sup>st</sup> March, 2016.

Particulars	Stand Alone
	(₹ in Lakhs)
Turnover & Other Income	26,674.15
Profit /(Loss) after tax	(3314.46)
Net Worth (share capital + reserves other than revaluation reserve)	21,080.84

(v) Foreign investments or collaborations, if any: The Corporation has substantial interests outside India in the form of investments in/by its foreign subsidiaries and the Corporation owns and operates tea estates in Tanzania. Besides this, the Corporation's 100% subsidiary in Singapore is engaged in the activities of horticulture, landscaping and decorative plants and another subsidiary in USA is engaged in specialty tea.

### II. Information about the appointee:

(i) Background details:

Mr. Ness Wadia, 45, is M. Sc in Engineering Business Management (Warwick University, UK). He had received extensive training in management at the Warwick University, UK. Mr. Wadia has more than 23 years of experience in the fields of overall general management to run business Units. He holds directorships in various leading companies in India such as Bombay Dyeing and Manufacturing Company Ltd., Britannia Industries Ltd., National Peroxide Ltd. and Wadia Techno-Engineering Services Ltd.

(ii) Past Remuneration:

FINANCIAL YEAR	AMOUNT (₹ in lakhs)
2013-14	243.52
2014-15	340.88
2015-16	340.88

### (iii) Recognition or Awards:

Mr. Wadia was awarded Rotary Medal of Honour for Bravery (1980-81).

(iv) Job Profile and suitability:

Mr. Ness Wadia is a part of the senior management responsible for the operations and affairs of the Corporation. He has been actively involved with the various businesses of the Wadia group in general and in particular, with the day to day business affairs of the Corporation for the past five years.

Mr. Wadia has played an important role in restructuring and consolidating the operations of the Corporation and is now leading the Corporation's expansion project spanning its core area of business viz. Plantations and the Corporation's diversification into real estate projects, retail and hospitality industries.

- (v) Remuneration proposed : as detailed in para 6 of the Statement of Material Facts in respect of to Item no. 7 forming part of this Notice.
- (vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Corporation, the profile of the appointees, the responsibilities shouldered by him and the industry benchmarks, the remuneration paid/ proposed to be paid to Mr. Wadia is commensurate with the remuneration package paid to similar senior level appointees in other companies and has been recommended by the Nomination & Remuneration Committee at its meeting held on 23<sup>rd</sup> March, 2016 and approved by the Board.

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

Mr. Wadia does not, directly or indirectly have any other material pecuniary relationship with the Corporation, except to the extent of his remuneration and shareholding in the Corporation.

(viii) Mr. Ness Wadia holds 5000 shares in the Corporation.

### III. Other Information:

(i) Reasons for absence or inadequate profits:

Adverse weather conditions and increase in wages and rising fuel costs resulted in increased cost of production of Tea which could not be offset by any increase in prices due to adverse market conditions in the domestic and international markets. Continued volatility in coffee prices world-wide affected margins and although volumes were higher, sales realization reduced by about 10%;

The slowdown in the auto industry resulted in the Auto Electric Components Division not being able to achieve its targeted growth rate. The proposed schedule of unlocking value of land parcels could not be achieved due to sluggish market conditions in the real estate sector due to politico-economic conditions.

New projects aimed at reducing energy consumption, increasing Tea yield, lowering overall costs of production were undertaken which required large outlay of funds resulting in increased finance costs. These costs along with return of capital employed would be realisable only in the medium term due to the long gestation periods involved.

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

Various steps, including replanting, are being taken to improve tea yields; operations are being enhanced and there are plans to launch in-house retail brand of mainstream and speciality tea in India. Some of the new projects launched in the past year are expected to yield results in the coming years. All efforts are on to move up the value chain.

Real Estate projects for unlocking land values are being considered and pursued vigorously, although these are expected to yield revenues only in the next 3-4 years.

The Auto Electric Components Division is entering into engineering services, developing new products and looking out for strategic alliances in order to improve volumes and profitability.

The healthcare Division is in the process of introducing new product and product mixes to ensure higher volumes in manufactured and traded products .

Mr. Ness Wadia is interested in the resolution set out at Item no. 7 since it relates to his appointment as Managing Director and the remuneration payable to him; Mr Nusli Wadia and Mr. Jehangir Wadia are deemed to be interested being relatives of Mr. Ness Wadia.

The Board of Directors recommends the said resolution for approval by the shareholders.

### **ANNEXURE II TO THE NOTICE**

### Brief resume of Directors proposed to be appointed/ re-appointed as Directors

### 1. Mr. Jeh Wadia (Item no. 3)

Mr. Jehangir N. Wadia, 43, is a Master in Science from the Warwick University in Coventry, UK. He is the co-author of the restructuring of the Wadia Group. The restructuring involved looking at new financial and strategic investments for the group. The investments concluded ranged from a Venture Fund for technology companies to Ports, Clinical research, Education, Real Estate and Aviation.

Presently, he is Managing Director of Bombay Dyeing & Manufacturing Co. Ltd and Go Airlines (India) Ltd. (a low cost Airline in India). He is also a Director on the Boards of Britannia Industries Limited, Wadia Techno – Engineering Services Limited & other eight Private Limited Companies. He is a member of the Corporate Social Responsibility (CSR) Committee of the Corporation and is also a member of Stakeholders' Relationship Committees of Bombay Dyeing & Manufacturing Co. Ltd and Britannia Industries Limited.

Mr. Jeh Wadia holds 3500 equity shares of the Corporation and is a relative of Mr Nusli Wadia and Mr Ness Wadia, being promoters of the Corporation.

By Order of the Board

N. H. DATANWALA Vice President Corporate & Company Secretary

Registered Office: 9, Wallace Street, Fort, Mumbai 400 001

Dated, the 27<sup>th</sup> May, 2016.

### The Bombay Burmah Trading Corporation, Limited

Route Map to the Venue of the 151<sup>st</sup> Annual General Meeting

Venue: Rama & Sundri Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai - 400 020.

