



INGERSOLL – RAND (INDIA) LIMITED

CIN: L05190KA1921PLC036321

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POSTAL BALLOT NOTICE

Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the “Act”), read with the Companies (Management and Administration) Rules, 2014, (the “Rules”), including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the resolutions appended below are proposed to be passed by the Members through postal ballot / electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto with a Postal Ballot Form for your consideration.

In compliance with the provisions of Section 110 of the Act read with the Rules and the Listing Agreement entered into with the Stock Exchanges, the Company also offers e-voting option to all the Members. For this purpose, the Company has made an arrangement with National Securities Depository Limited (“NSDL”) for facilitating e-voting as an alternate for the Members to enable them to cast their vote electronically instead of returning the duly completed Postal Ballot Form.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply envelope. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5.00 pm on December 23, 2015 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section ‘Voting through electronic means’. References to postal ballot(s) in this Notice of Postal Ballot include votes received electronically.

The Board of Directors of the Company has appointed Ms. Aditi Misra of Crawford Bayley & Co., Mumbai as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

The Scrutinizer will submit her report to the Chairman of the Company or any Director or Company Secretary of the Company after the completion of scrutiny of the postal ballots (including e-voting). The results of the postal ballot shall be declared on or before December 28, 2015 and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent and shall be displayed on the Company’s website.

In the event the resolutions are assented to by the requisite majority of the Members, the date of declaration of the result shall be deemed to be the date of passing of the said resolutions.

RESOLUTIONS:

1. Approval to enter into Related Party Transactions with Ingersoll Rand Company, USA

To consider, and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company, to enter into or authorize entering into Agreement(s), for (i) export of finished goods to, (ii) import of components from, (iii) rendering services to and availing services from Ingersoll Rand Company, USA (“Holding Company”), and to carry out transactions under those or existing Agreement(s) for an amount up to (i) INR 2,500 million, (ii) INR 200 million, and (iii) INR 300 million respectively in each of the five financial years commencing from the financial year 2015 - 2016 up to the financial year 2019 - 2020 and for the period from April 1, 2020 to December 31, 2020 for a proportionate amount, principal terms whereof are mentioned in the Explanatory Statement annexed hereto and ancillary terms whereof are to be approved by the Audit Committee.

RESOLVED FURTHER THAT each of the Board of Directors, Audit Committee and the Management of the Company, that is, key managerial personnel be and is hereby authorized, as may be appropriate or relevant, to implement and to give effect to the above resolution and from time to time, to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, and to take all decisions, finalise and settle all matters arising out of and incidental thereto, and to authorize Company officials to sign and execute deeds, applications, documents and writings that may be considered necessary or expedient, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, relevant, usual, customary and expedient or incidental thereto including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto.

2. Approval to enter into Related Party Transactions with Ingersoll Rand International Limited, Ireland

To consider, and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT subject to such approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company, to enter into or authorize entering into Agreement(s), for (i) export of finished goods to, (ii) import of components from, (iii) rendering services to and availing services from Ingersoll Rand International Limited, Ireland ("Ireland Related Party"), and to carry out transactions under those or existing Agreement(s) for an amount up to (i) INR 750 million, (ii) INR 1,200 million, and (iii) INR 50 million respectively in each of the five financial years commencing from the financial year 2015 - 2016 up to the financial year 2019 - 2020 and for the period from April 1, 2020 to December 31, 2020 for a proportionate amount, principal terms whereof are mentioned in the Explanatory Statement annexed hereto and ancillary terms whereof are to be approved by the Audit Committee.

RESOLVED FURTHER THAT each of the Board of Directors, Audit Committee and the Management of the Company, that is, key managerial personnel be and is hereby authorized, as may be appropriate or relevant, to implement and to give effect to the above resolution and from time to time, to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, and to take all decisions, finalise and settle all matters arising out of and incidental thereto, and to authorize Company officials to sign and execute deeds, applications, documents and writings that may be considered necessary or expedient, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, relevant, usual, customary and expedient or incidental thereto including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto.

**By Order of the Board of Directors
For Ingersoll – Rand (India) Limited**

Place: Mumbai
Date: November 5, 2015

**P. R. Shubhakar
General Manager – Corp. Finance
& Company Secretary**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') stating the material facts and reasons for the proposed resolutions at Item Nos. 1 and 2 is annexed herewith.
2. The Notice of Postal Ballot is being sent to the Members whose names appear on the Register of Members / List of beneficial owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on November 13, 2015. The Notice of Postal Ballot is being sent to Members in electronic form to the email addresses registered with their Depository Participant (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Notice of Postal Ballot are being sent by permitted mode along with postage prepaid self-addressed Business Reply Envelope.
3. Members whose names appear on the Register of Members / List of Beneficial Owners as on November 13, 2015 will be considered for the purposes of voting.
4. Resolutions passed by the Members by means of postal ballot shall be deemed to have been duly passed at a general meeting of the Members convened in that behalf.
5. The Members can opt for only one mode of voting i.e. either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Postal Ballot Forms will be treated as invalid.
6. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to csg-unit@tsrdarashaw.com. The Registrar and Share Transfer Agents shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
7. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Members as on November 13, 2015.
8. In compliance with Sections 108 and 110 of the Act and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on all the resolutions through the e-voting facility arranged by NSDL. The instructions for e-voting are annexed to this Notice.
9. A Member cannot exercise his vote by proxy on postal ballot.
10. Members desiring to exercise their votes by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed postage prepaid self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than 5.00 pm on December 23, 2015. However, envelopes containing postal ballots, if sent by courier or registered/speed post at the expense of the Members will also be accepted. If any postal ballot is received after 5.00 pm on December 23, 2015, it will be considered that no reply has been received from the Member.

11. The Scrutinizer will submit her report to the Chairman or any Director or Company Secretary of the Company after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or in his absence, by any Director or Company Secretary of the Company on December 28, 2015 at the registered office of the Company and will also be displayed on the website of the Company, besides being communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agents on the said date.
12. The date of declaration of the results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

Voting through electronic means:-

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Act read with the relevant Rules, the Company is pleased to provide e-voting facility to all its Members to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members.

The instructions for e-voting are as follows:-

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:
 - i. Open email and open PDF file titled "Ingersoll Rand India e-Voting.pdf" using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser and type the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder – Login
 - iv. Enter user ID and password (the initial password noted in step (i) above). Click on Login.
 - v. The Password change menu appears. Change the password to a password of your choice. The new password should have a minimum of 8 digits/characters or combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - vi. The Home page of e-voting will open. Click on e-Voting: Active Voting Cycles.
 - vii. Select "EVEN" (E-Voting Event Number) of Ingersoll-Rand (India) Limited
 - viii. Now you are ready for e-voting as Cast Vote page opens
 - ix. Cast your vote by selecting the option of your choice and click on "Submit". Remember to "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional holders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant resolution of the Board of Directors/Authority Letter etc. together with attested specimen signature of the authorised signatory(ies) who is/are authorized to vote, to the Scrutinizer via e-mail to evoting@irco.com with a copy marked to evoting@nsdl.co.in
2. For Members whose email IDs are not registered with the Company / Depository Participant(s) and who receive the physical Postal Ballot Forms, the following instruction may be noted:
 - i. The initial password is provided at Sl. no. 7 of the Postal Ballot Form.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above in order to successfully cast vote.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Members available at "Downloads" section of www.evoting.nsdl.com
4. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot Password" option available on the site to reset the password.
5. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
6. The e-voting period commences on November 24, 2015 (9.00 am IST) and ends on December 23, 2015 (5.00 pm IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of November 13, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting after December 23, 2015 (5.00 pm IST). Once the vote on a resolution is cast by a Member, he or she shall not be allowed to change it subsequently.
7. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the relevant date i.e November 13, 2015.

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NOS. 1 & 2:

The Companies Act, 2013 (**'the Act'**) was enacted by the Parliament in substitution for the Companies Act, 1956 and came into effect in stages with effect from September 12, 2013 and April 1, 2014.

Section 188 of the Act as amended with effect from May 29, 2015 by the Companies (Amendment) Act, 2015 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (rules enacted by the Ministry of Corporate Affairs under section 188 and subsequently amended vide notification dated August 14, 2014) effectively provides that all transactions involving *inter alia* sale, purchase or supply of goods or materials with a related party other than transactions entered into by a company in the ordinary course of business which are on an arm's length as defined in explanation (b) to Section 188 (1) shall require the prior approval of the Members by way of an ordinary resolution where the sale or supply of such goods or materials exceeds 10 per cent of the annual turnover of a company.

Your Company carries on the business *inter alia* of manufacturing and selling air compressors, spare parts and components. The transactions between the Company and Ingersoll Rand Company, USA (**"the Holding Company"**) and Ingersoll Rand International Limited, Ireland (**"Ireland Related Party"**), both being related parties within the meaning of Section 188 read with Section 2 (76) of the Act, for the financial year ending March 31, 2015 pertaining to export of finished goods to, import of components from and rendering and availing services, were certified as having been entered into by the Company on an arm's length basis by an external subject matter expert. Accordingly, in terms of the third proviso to sub-section (1) of Section 188 of the Act, the prior approval of the Members of the Company was not required for the transactions entered into and proposed to be entered into by the Company with the Holding Company and Ireland Related Party for the financial year ending March 31, 2015.

In terms of a circular dated April 17, 2014 issued by the Securities and Exchange Board of India (**'SEBI'**) read with SEBI Circular dated September 15, 2014 effective as of October 1, 2014 (the circulars dated April 17, 2014 and September 15, 2014 hereinafter collectively referred to as the **'present Circular'**), all material related party transactions, that is to say, transactions entered into by the Company with the Holding Company and Ireland Related Party which were in excess of 10 per cent of the annual consolidated turnover of the Company as per its last audited financial statements required the approval of the Members of the Company by a special resolution.

Accordingly, at the general meeting of the Company convened on September 23, 2015, the Members of the Company, by a special resolution, approved the material related party transactions entered into by the Company with the Holding Company and Ireland Related Party, both being related parties within the meaning of Clause 49. VII. B. for the financial year ending March 31, 2015.

The said approval was for transactions relating to export of finished goods, import of components and rendering and availing of services under Agreements entered into by the Company with the Holding Company and Ireland Related Party which were valid up to December 31, 2015. The Company has continued to have transactions from April 1, 2015 onwards under the said valid Agreements.

The Company continues to rely on

- (i) Ingersoll Rand Company, USA (an indirect wholly owned subsidiary of Ingersoll Rand plc, Ireland which holds 74 % of the paid-up equity share capital in the Company), that is to say, the Holding Company for export of its finished goods, import of components and rendering and availing of services; and
- (ii) Ingersoll Rand International Limited, Ireland (an indirect wholly owned subsidiary of Ingersoll Rand plc, Ireland which is a co-subsiary of the Company's ultimate holding company), that is to say Ireland Related Party
 - a. partly for its export sales for its revenue generation; and
 - b. substantially for imports of components, which components are critical to achieve the desired quality and performance in the compressors manufactured by the Company.

The Company depends substantially on the Holding Company for its export sales and consequentially for its revenue generation. The sales being made to the Holding Company are, therefore, vital for the business of the Company.

The Company depends on Ireland Related Party partly for its export sales for its revenue generation. The Company also depends substantially on Ireland Related Party for its imports of components, which components are critical to achieve the desired quality and performance in the compressors manufactured by the Company. The export sales and import purchases being transacted with Ireland Related Party are, therefore, vital for the business of the Company.

The Agreements for rendering and availing of services with the Holding Company and Ireland Related Party effectively result in economy and efficiency.

Therefore, the Company proposes to enter into fresh Agreements effective January 1, 2016 with the Holding Company and Ireland Related Party for a period of five years.

The transactions entered into and to be entered into under the earlier agreements valid up to December 31, 2015 and proposed to be entered by the Company under fresh Agreements with the Holding Company and Ireland Related Party are in the ordinary course of business and on an arm's length basis. Accordingly, as aforesaid, there is no requirement for seeking the prior approval of the Members under section 188 of the Act.

In addition to the present Circular, SEBI has, vide its notification dated September 2, 2015 ('**New Notification**'), enacted the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**New Listing Regulations**') under which the transactions of the Company from April 1, 2015 entered into or to be entered into by the Company under the present valid Agreements and under the fresh Agreements valid for five years from January 1, 2016 will require the approval of the Members of the Company by an ordinary resolution by reason of being and likely to be in excess of 10 per cent of the annual consolidated turnover of the Company as per its last audited financial statements applicable for the concerned financial years.

The Holding Company and Ireland Related Party are related parties within the meaning of Regulation 2 (1)(zb) of the New Listing Regulations.

For the current financial year, the Company has not yet exceeded the 10 per cent threshold limit referred to above but it is likely to do so before the financial year of the Company ends on March 31, 2016. Transactions to be entered into under the fresh Agreements in each of the financial years covered under the period of the said fresh Agreements (including from April 1, 2020 to December 31, 2020) is likely to exceed 10 per cent of the annual consolidated turnover of the Company as per its applicable last financial statements for the years under consideration.

The resolutions at Item Nos. 1 and 2 seek approval of the Members for each of the financial year ending on March 31, 2016 and thereafter up to March 31, 2020 and for the period from April 1, 2020 to December 31, 2020 for transactions relating to:

1. export of finished goods to the Holding Company and Ireland Related Party;
2. import of components from the Holding Company and Ireland Related Party; and
3. rendering services to and availing services from the Holding Company and Ireland Related Party.

The business of your Company would be significantly impacted if the transactions of the nature stated herein above are not carried on by the Company or are restricted. It is in the interest of the Company, therefore, to continue to engage in the said transactions as they contribute to the industrial productivity and efficiency of the Company.

The estimated aggregate value of transactions entered into by the Company for the financial year 2015 -2016 and proposed to be entered into by the Company up to the financial year 2019 - 2020 and onwards up to December 31, 2020 with the Holding Company, all of which have been and will be in the ordinary course of business of the Company and on an arm's length basis, is likely to amount to INR 3,000 million in each financial year, of which sale (export) of finished goods is likely to amount to INR 2,500 million, purchase (import) of components is likely to amount to INR 200 million and services availed or rendered are likely to amount to INR 300 million in each financial year and on a proportionate basis for the period from April 1, 2020 to December 31, 2020.

The estimated aggregate value of transactions entered into by the Company for the financial year 2015 – 2016 and proposed to be entered into by the Company up to the financial year 2019 - 2020 and onwards up to December 31, 2020 with Ireland Related Party, all of which have been and will be in the ordinary course of business of the Company and on an arm's length basis, is likely to amount to INR 2,000 million in each financial year, of which sale (export) of finished goods is likely to amount to INR 750 million, purchase (import) of components is likely to amount to INR 1,200 million and services availed or rendered are likely to amount to INR 50 million in each financial year and on a proportionate basis for the period from April 1, 2020 to December 31, 2020.

The fresh Agreements proposed to be entered into by the Company and the Holding Company on the one hand and the Company and Ireland Related Party on the other hand and the transactions thereunder involving export sales, import of components and rendering and availing of services are material in nature as these transactions are likely to exceed 10 per cent of the annual consolidated turnover of the Company to be calculated on the basis of previous year's of the Company turnover as per the present Circular and the New Notification for each of the five financial years from the financial year 2015 – 2016 and up to the financial year 2019 – 2020 and for the period from April 1, 2020 to December 31, 2020.

Accordingly, the approval of the Members is being sought by means of an ordinary resolution with respect to the transactions entered into and proposed to be entered into by the Company with the Holding Company and Ireland Related Party for the financial years commencing from the financial year 2015- 2016 and up to the financial year 2019 – 2020 and onwards up to December 31, 2020.

Copies of Agreements entered into by the Company with the Holding Company and Ireland Related Party which are currently in force are available for inspection by Members during business hours on any working day between 9.00 am and 12.00 noon until December 23, 2015.

The particulars of the transactions entered into and proposed to be entered into between the Company and Ingersoll Rand Company, USA, (“Holding Company”) are as follows:

Name of the related party	Ingersoll Rand Company, USA	Ingersoll Rand Company, USA	Ingersoll Rand Company, USA
Nature of relationship	Holding Company	Holding Company	Holding Company
Nature of material terms, monetary value and particulars of the contract or arrangement.	<p>Exports:</p> <p>The Company has entered into a Memorandum of Understanding with the Holding Company valid up to December 31, 2015 (renewable for further periods) for exports.</p> <p>The salient terms of the same are as given below:</p> <p>A. Products :</p> <p>Air Compressors</p> <p>B. Price :</p> <p>The price shall be determined on prevailing market conditions, demand for the Product generally, utilization of the Company's manufacturing capacity. To be determined on an arm's length, not being higher than the price at which the Seller is selling the Product to other purchasers in the other markets subject to variation relevant to the territory to which it is exported.</p> <p>All export sales of the Company with the Holding Company and other fellow subsidiaries are being carried on an arm's length basis and the Company earns a minimum mark-up of 8% on total manufacturing cost incurred by the Company.</p> <p>C. Payment Terms :</p> <p>(i) Payment to be made by the Purchaser within 90 days of dispatch or delivery of the Product.</p> <p>(ii) Price may be varied on the basis of price of raw materials and other inputs, taxes etc. in the local market or on account of change in exchange rate of rupee compared to the rate prevailing on the date of the Export Agreement.</p> <p>(iii) Price shall be F.O.B.</p> <p>D. Quantity:</p> <p>Varies by product and as per purchase order to be issued from time to time.</p> <p>E. Period:</p> <p>2 years from January 1, 2014 to December 31, 2015 with option to renew for further periods. The Company proposes to exercise this option and renew up to December 31, 2020.</p>	<p>Imports:</p> <p>The Company has entered into a Memorandum of Understanding with the Holding Company valid up to December 31, 2015 (renewable for further periods) for imports.</p> <p>The salient terms of the same are as given below :</p> <p>A. Products:</p> <p>Components for manufacture of air compressors.</p> <p>B. Price:</p> <p>As confirmed by an external subject matter expert, the prices paid by the Company on import of components from the Holding Company are on an arm's length basis and the said prices on imports have been accepted as such by the Special Valuation Bench of Customs.</p> <p>C. Payment Terms :</p> <p>Payment to be made within 60 days from date of invoice</p> <p>D. Quantity :</p> <p>Varies by component and as per purchase order issued by the Company from time to time.</p> <p>E. Period:</p> <p>2 years from January 1, 2014 to December 31, 2015 with option to renew for further periods. The Company proposes to exercise this option and renew up to December 31, 2020.</p>	<p>Rendering and Availing of Services:</p> <p>The Company renders Information Technology Services to the Holding Company in the form of back office server maintenance, web page updating & maintenance etc. and the service charges are being recovered at cost incurred for rendering of such services plus a minimum mark-up of 10% on those costs.</p> <p>The Holding Company renders Administrative Services to the Company in the form of Strategy and continuous improvement initiatives, Finance and Treasury functions, IT Deployment, Taxation and other regulatory matters etc. The total costs for such Administrative Services are analysed by the Global Team and allocated to all entities across the World based on a systematic and logical allocation methodology and there is no bias involved in such allocation. The costs are allocated on actual cost basis and there is no mark-up involved in the same. The costs that are charged to the Company are on a rational, consistent and systematic basis of allocation. The Company has also been advised (based on a study undertaken, in the previous year, of these transactions and pricing adopted) by an external subject matter expert, who has confirmed that the pricing for all these transactions undertaken by the Company are on an arm's length and in accordance with the provisions of Section 188 of the Act.</p>

Ancillary Terms	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.
Aggregate value of transactions during the period April 1, 2014 to March 31, 2015	Rs. 996.54 million	Rs. 52.94 million	Recovery of service charges for Information Technology services rendered amounts to Rs. 71.68 million. Amounts paid for other administrative services amounts to Rs. 83.13 million.
Estimated value of transactions in each financial year commencing from financial year 2015-2016 to financial year 2019-2020	Rs. 2,500 million	Rs. 200 million	Rs. 300 million

The particulars of the transactions entered into and proposed to be entered into between the Company and Ingersoll Rand International Limited, Ireland ('Ireland Related Party') are as follows:

Name of the related party	Ingersoll Rand International Limited, Ireland	Ingersoll Rand International Limited, Ireland	Ingersoll Rand International Limited, Ireland
Nature of relationship	Co-subsidiary of the Company's ultimate holding company	Co-subsidiary of the Company's ultimate holding company	Co-subsidiary of the Company's ultimate holding company
Nature of material terms, monetary value and particulars of the contract or arrangement.	<p>Imports:</p> <p>The Company has entered into a Memorandum of Understanding with Ireland Related Party valid up to December 31, 2015 (renewable for further periods) for its imports.</p> <p>The salient terms of the same are as given below:</p> <p>A. Products:</p> <p>Components required for manufacture of air compressors.</p> <p>B. Price:</p> <p>As confirmed by an external subject matter expert, the prices paid by the Company on import of components from the Ireland Related Party are on an arm's length basis and the said prices on imports have been accepted as such by the Special Valuation Bench of Customs.</p> <p>C. Payment Terms :</p> <p>(i) Payment to be made by the Purchaser within 90 days of receipt or delivery of the Product.</p> <p>(ii) Price may be varied on the basis of price of raw materials and other inputs, taxes etc. in the local market or on account of change in exchange rate of rupee compared to the rate prevailing on the date of the Import Agreement.</p> <p>(iii) Price shall be F.O.B.</p>	<p>Exports:</p> <p>The Company has entered into a Memorandum of Understanding with Ireland Related Party Company valid up to December 31, 2015 (renewable for further periods) for exports.</p> <p>The salient terms of the same are as given below :</p> <p>A. Products :</p> <p>Air Compressors</p> <p>B. Price :</p> <p>The price shall be determined on prevailing market conditions, demand for the Product generally, utilization of the Company's manufacturing capacity. To be determined on an arm's length, not being higher than the price at which the Seller is selling the Product to other purchasers in the other markets subject to variation relevant to the territory to which it is exported.</p> <p>C. Payment Terms :</p> <p>(i) Payment to be made by the Purchaser within 90 days of dispatch or delivery of the Product.</p> <p>(ii) Price may be varied on the basis of price of raw materials and other inputs, taxes etc. in the local market or on account of change in exchange rate of rupee compared to the rate prevailing on the date of the Export Agreement.</p>	<p>Rendering and Availing of Services:</p> <p>The Company renders Information Technology Services to Ireland Related Party in the form of back office server maintenance, web page updating & maintenance etc. and the service charges are being recovered at cost incurred for rendering of such services plus a minimum mark-up of 10% on those costs.</p>

	D. Quantity : Varies by product and as per purchase order to be issued from time to time. E. Period: 2 years from January 1, 2014 to December 31, 2015 with option to renew for further periods. The Company proposes to exercise this option and renew up to December 31, 2020.	(iii) Price shall be F.O.B. D. Quantity : Varies by product and as per purchase order to be issued from time to time. E. Period: 2 years from January 1, 2014 to December 31, 2015 with option to renew for further periods. The Company proposes to exercise this option and renew up to December 31, 2020.	
Ancillary Terms	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.	Such ancillary terms as may be approved by the Audit Committee and substantially in line with terms applicable to other purchasers in the international market, subject to variations as may be approved by the Audit Committee.
Aggregate value of transactions during the period April 1, 2014 to March 31, 2015	Rs. 445.69 million	288.06 million	Recovery of service charges for Information Technology services rendered amounts to Rs. 2.57 million.
Estimated value of transactions in each financial year commencing from financial year 2015-16 to financial year 2019-2020	Rs. 1,200 million	Rs. 750 million	Rs 50 million

The Board of Directors at its meeting held on November 5, 2015 has decided to seek consent of Members of the Company by passing an ordinary resolution as set out in this Notice of Postal Ballot pursuant to Section 110 of the Act.

The ordinary resolutions at Item Nos. 1 and 2 are recommended by the Board of Directors for approval by the Members.

Mr. Roman Steinhoff, Chairman and Director of the Company, is an employee of Ireland Related Party and may be deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No.2.

Except for Mr. Roman Steinhoff as aforesaid, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolutions set out at Item Nos. 1 and 2.

**By Order of the Board of Directors
For Ingersoll – Rand (India) Limited**

Place: Mumbai
Date: November 5, 2015

**P. R. Shubhakar
General Manager – Corp. Finance
& Company Secretary**