



MONSANTO INDIA LIMITED

(CIN: L74999MH1949PLC007912)

Registered Office: Ahura Centre, 'B' Wing, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.

Tel No. 022 2824 6450; Fax No. 022 2824 4707

Website: www.monsantoindia.com; email: investorcare.india@monsanto.com

NOTICE OF POSTAL BALLOT

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

Dear Members

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 that the following item of business shall be transacted by means of postal ballot instead of transacting it at a general meeting for obtaining assent of the Members of the Company.

On the resolution being assented to by the requisite majority of the Members as a special resolution by means of the postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

The explanatory statement setting out the principal terms of the transactions proposed to be entered into by the Company as stated in the resolution, is annexed hereto along with a postal ballot form (the "Form") for your consideration.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original, duly completed, in the enclosed self-addressed, postage pre-paid envelope, so as to reach the Scrutinizer, at the Registered Office of the Company, not later than the close of working hours i.e. 6.00 p.m. on **Wednesday, January 14, 2015**.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice apply to votes received electronically.

RESOLUTION:

To consider, and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the Section 188 and other applicable provisions of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Clause 49 (VII) of the Listing Agreement and pursuant to the consent of the Audit Committee and the Board of Directors, and subject to such other 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, as the case may be, to authorise the Management of the Company, to enter into Agreement(s) and transaction(s), as may be appropriate, for purchase of IPA salt of glyphosate technical from the Company's ultimate holding company, i.e. Monsanto Company, USA and / or any of its subsidiaries and/ or any of its associate companies, of an aggregate value not exceeding.

- Rs. 130 Crore for the financial year ending on March 31, 2015; and
- Rs. 200 Crore for each of the financial years ending on March 31, 2016 and March 31, 2017,

on principal terms mentioned in the Explanatory Statement annexed hereto and to authorize the Audit Committee to approve ancillary terms and to authorise the Management of the Company to enter into appropriate agreement(s) or contract(s)."

"RESOLVED FURTHER THAT each of the Board of Directors, Audit Committee and the Management of the Company be and are 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 all steps whatsoever and do all such acts, deeds, matters and things as each of them may consider necessary, relevant, usual, customary and / or 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
For MONSANTO INDIA LIMITED

Place : Mumbai
Date : November 3, 2014

CHANDANA DHAR
Company Secretary & Compliance Lead

NOTES:

- An Explanatory Statement pursuant to Section 102 of the Act in respect of the above mentioned business item is annexed hereto:
- The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on Friday, November 28, 2014.
- Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on Friday, November 28, 2014.

- d) Resolutions passed by the Members through Postal Ballot and e-Voting are deemed to have been passed effectively at a general meeting of the Members. The Special Resolution shall be declared as passed if the number of votes cast in favour of the Special Resolution is not less than three-fourth times the number of votes cast against the Special Resolution.
- e) As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company for communication purposes are being sent this Notice of Postal Ballot by e-mail and the Members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with physical form through permitted means.
- f) Members may note that the Notice of Postal Ballot will also be available on the Company's website www.monsantoindia.com for download. Even after registering for e-communication, members are entitled to receive such communication in physical form free of cost, upon making a request for the same. For any communication, the Members may also send requests to the Company's investor email id: investorcare.india@monsantoindia.com.
- g) The Board of Directors of the Company has appointed Mr. Ganpati Nadkarni, Chartered Accountant in Practice (Membership No. 039297), or failing him, Mr. Alwyn D'souza, Company Secretary in Practice (Membership No. F.C.S No.5559, Certificate of Practice No.5137) as the Scrutinizer for conducting the postal ballot process and e-voting in a fair and transparent manner.
- h) Members may note that as required under Clause 35B of the Listing Agreement and provisions of Section 108 of the Act read with Companies (Management and Administration) Rules, 2014, the Company has engaged the services of CDSL to provide e-Voting facility as an alternate, to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. It may be noted that e-Voting is optional. In case a Member has voted through e-Voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-Voting facility as well as sends his/her vote through physical vote, the vote cast through e-Voting shall be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer. Members desiring to opt for e-Voting are requested to read the instructions provided in the Notice.
- i) Members desirous of exercising their vote by Postal Ballot are requested to read the instructions printed on the Postal Ballot Form carefully, complete the enclosed Postal Ballot Form by recording assent (for) or dissent (against) therein and return the Form duly completed and signed in the attached self addressed, postage pre-paid envelope so as to reach the Scrutinizer, at the Registered Office of the Company, not later than the close of working hours i.e., at 6.00 pm on Wednesday, January 14, 2015.
- j) The Scrutinizer will submit his report to the Chairman/Company Secretary of the Company after the completion of the scrutiny of the Postal Ballot (including e-Voting). The result of the Postal Ballot will be announced by the Company Secretary of the Company not later than Wednesday, January 21, 2015 at 6.00 pm. The said results would be displayed at the notice board of the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and displayed on the Company's website viz. www.monsantoindia.com.
- k) The date of declaration of the results of the Postal Ballot will be taken to be the date of passing of the said Special Resolution by the Members of the Company.

E-VOTING PROCESS

1. Open your web browser during the voting period and log on to the e-Voting website www.evotingindia.com
2. Click on "Members" tab
3. Select "Monsanto India Limited" from the drop down menu and click on "Submit"
4. Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID) followed by 8 Digits Client ID. Members holding shares in Physical Form should enter Folio Number registered with the Company. Then enter the image verification code as displayed and Click on Login.
5. 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 must be used. If you are a first time user follow the steps given below.
6. Fill up the following details in the appropriate boxes

	For Members holding shares in Demat /Physical Form
PAN*	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records.

* 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 sequence number (mentioned on the Postal Ballot Form) in the PAN field. In case the sequence number is less than 8 digits, enter the applicable number of 0's between the number and 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.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or the Company, please enter the Member ID / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then reach directly 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 must 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.
9. For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
10. Click on the EVSN of Monsanto India Limited.

11. On the voting page, you will see Resolution Description and the options "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.
12. Click on the "Resolutions File Link" if you wish to view the entire Resolution.
13. 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also print the voting details done by you by clicking on "Click here to print" option on the Voting page.
16. If a Demat account holder has forgotten the changed password, he needs to enter the User ID and image verification code, click on Forgot Password and enter the details as prompted by the system.
17. Institutional Members (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to www.evotingindia.com and register themselves as Corporate. 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 they have to link the account(s) which they wish to vote on and then cast their vote. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Section 188 of the Companies Act, 2013 (the "Act") read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, (the rules enacted by the Ministry of Corporate Affairs under Section 188 and subsequently amended *vide* notification dated August 14, 2014), 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 the Company in the ordinary course of business which are on arm's length as defined in explanation (b) to Section 188 shall require prior approval of the Members by way of a special resolution where the sale or supply of such goods or materials exceeds 10 per cent of the annual turnover of the Company.

Clause 49 of the Listing Agreement was amended by the Securities and Exchange Board of India ("SEBI") *vide* its circular dated September 15, 2014 ('Amending Circular'). The Amending Circular made several changes in Clause 49 which was earlier issued *vide* the said Circular. One of the amendments related to the definition of the term 'material' with reference to a related party transaction. Proviso to Clause 49(VII)(C) of the Amended Clause 49 stipulates that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10 per cent of the annual consolidated turnover of a company as per the latest audited financial statements of the company. The former threshold of 20 per cent prescribed *vide* the said Circular was revised and brought down to 10 per cent *vide* the Amending Circular. Thus, in terms of Clause 49 of the Amending Circular, all material related party transactions, that is, transactions which entered into individually or taken together with previous transactions during a financial year exceed 10 per cent of the annual consolidated turnover of the Company as per the latest audited financial statements of the Company, shall require approval of the Members by way of a special resolution. Clause 49(VII)(E) of the Amending Circular further states that all material related party transactions shall require approval of the Members through special resolution. The Amending Circular has not amended the applicability clause of the said Circular and has reiterated that the provisions of Clause 49 as specified in the said Circular, as amended would be applicable with effect from October 1, 2014 except Clause 49(II)(A)(1).

Monsanto Company, USA ('Seller') is a related party within the meaning of Section 2(76) of the Act and Clause 49(VII) of the Listing Agreement. Transaction(s) for purchase of IPA salt of glyphosate technical ("Product") from Monsanto Company, USA are material in nature as aggregate value these transaction(s) exceeds 10 per cent of the annual turnover of the Company as per the latest annual audited financial statements. Accordingly, in terms Clause 49(VII)(E) of the Listing Agreement, these transactions require approval of the Members by a special resolution. Accordingly, the resolution is being placed before the Members of the Company for approval.

The Audit Committee and the Board of Directors of the Company have reviewed and approved the proposal and recommend the same to Members for their approval for the below mentioned reasons.

Roundup® is a broad spectrum, glyphosate-based, post-emergent systemic herbicide for weed management and the flagship of the Company's agricultural productivity business. Glyphosate technical is the base material for manufacture of Roundup®. Your Company has been manufacturing high quality Roundup® for over last 15 years and has been purchasing the Product from the Seller to maintain quality standards and reliability of supplies of the Product. This enables the Company to manufacture Roundup® of the same quality and standard as produced everywhere globally and helps marketing of Roundup®.

Your Company is known for the quality products manufactured by it and is the leader in the market for sale of herbicides with a sizeable share in the market. This business is important to the Company as it significantly contributes to the turnover and profits of the Company. Of the import of the Product by the Company, a part is used by the Company for manufacture of Roundup® and part is sold to other manufacturers for their use for manufacturing herbicides. In the accounting year ending March 31, 2014, the total value of Roundup® sales was Rs. 208.89 Crore out of a total turnover of Rs. 581.84 Crore. Since the Product is the basic technical material used in manufacture of Roundup®, the business of your Company will be significantly impacted if imports of the Product are not made or restricted.

Any source for purchase of the Product is required to be registered by the purchaser with the Central Insecticides Board, Government of India, under The Insecticide Act, 1968 prior to its import/manufacture/use in India. The Seller is a registered and approved source for purchase of the Product by the Central Insecticides Board, under The Insecticide Act, 1968. Any change or registration of a new source of purchase of the Product with the Central Insecticides Board, may take, anywhere over 2 years from the date of application involving data submissions, trials and studies.

The manufacture and sale of Roundup® is a cyclical business with peak demand during the months of April to August, which is the sowing period for the Kharif season in India. The demand for the Product followed by import of the same from the Seller also varies according to this

seasonal demand for Roundup[®], with major part of the annual import happening in the first part of the financial year. Further, the requirement of the Product depends on extent and geographical spread of rainfall and the inventory carried forward from the previous year. The other major driver of demand for Roundup[®] is cost of labour in rural areas. Based on these demand and requirement factors, the expected value of import of the Product for the financial year ending on March 31, 2015 is estimated at Rs. 130 Crore¹. The expected value of import for each of the financial years ending on March 31, 2016 and March 31, 2017 are presently estimated at a value not exceeding Rs. 200 Crore¹. The resolution placed before the Members is on the basis of these estimates. If in the course of business, it is found that the requirement of the Company for the Product is higher than these estimates, the Company will approach the Members later for its approval of the additional requirement.

In the past, purchase of the Product by the Company from the Seller has been beneficial to the Company as the Company's purchase price has been comparable to the corresponding market prices for comparable product available in the market. The Company expects the same to continue in its purchase of the Product mentioned in the resolution.

Pursuant to explanation 3 of Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the following particulars of the transactions with related party are given below :

Sr.No.	Particulars	
1.	Name of the related party	Monsanto Company, USA
2.	Name of the Director(s) or Key Managerial Personnel who are related	None
3.	Nature of relationship	Ultimate Holding Company
4.	Material terms of the contract/ arrangement/ transactions	A. Price To be determined on arm's length, not being higher than the price at which the Seller is selling the said Product to other purchasers in the other markets subject to variation relevant to the territory to which it is exported. B. Payment Terms : (i) Payment to be made by the Company within 60 days of dispatch of the Product. (ii) Price may be varied on the basis of price of inputs, taxes etc. or on account of change in exchange rate of Rupee compared to the rate prevailing on the date of the sale agreement between the Company and the Seller. (iii) Price shall be C.I.F. C. Period : 3 years
5.	Monetary value	- Not exceeding Rs. 130 Crore¹ for the financial year ending March 31 2015; - Not exceeding Rs. 200 Crore¹ for each of the financial years ending on March 31, 2016 and March 31, 2017.
6.	Are the transactions in the ordinary course of business	Yes
7.	Are the transactions on an arm's length basis	Yes
9.	Whether the transactions have been approved by the Audit Committee and the Board of Directors	Yes
10.	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.

The Company considers that the transaction(s) proposed to be entered into with the Seller are in the ordinary course of the Company's business and are at arm's length and has also been so advised.

The Board of Directors at a meeting considered the matter and has recommended the same and the Audit Committee has approved the proposed resolution which is being placed before the Members for their approval.

It is in the interest of the Company, therefore, to import the Product from the Seller to continue to manufacture Roundup[®].

In terms of Clause 49 (VII) (E) of the Listing Agreement, related parties shall abstain from voting on the resolution set forth above.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in this Resolution.

By Order of the Board
For MONSANTO INDIA LIMITED

Place : Mumbai
Date : November 3, 2014

CHANDANA DHAR
Company Secretary & Compliance Lead

[1] The figures are not indicative of the expected production levels of the Company in the forthcoming financial years.