



Notice

NOTICE is hereby given that the 52nd Annual General Meeting of the Company will be held at its Registered Office at P. O. Jayshree - 761 025 District Ganjam, Odisha on Saturday, the 27th September, 2014 at 11.45 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the Statement of Profit & Loss of the Company for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Virendraa Bangur, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Prabir Chakravarti holding Din 00273523, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 consecutive years from the date of passing this Resolution and that Shri Chakravarti shall not be liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Satish Kapur holding Din 00051163, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 consecutive years from the date of passing this Resolution and that Shri Kapur shall not be liable to retire by rotation.

6. To consider and if thought fit, to pass with or without

modification(s), the following resolution as a Special Resolution :

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Sindhubala Choudhury holding Din 00848070, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 consecutive years from the date of passing this Resolution and that Smt. Choudhury shall not be liable to retire by rotation.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with Schedule IV to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Dau Dayal Kothari holding Din 00233255, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 3 consecutive years from the date of passing this Resolution and that Shri Kothari shall not be liable to retire by rotation.

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

RESOLVED THAT consent of the Company be and is hereby accorded pursuant to Section 180 of the Companies Act, 2013 to the Board of Directors of the Company borrowing from time to time any sum or sums of money for the Company's business which together with the moneys already borrowed by the Company (apart from temporary loans obtained from its Bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the aggregate of the moneys borrowed and to be so borrowed and outstanding at any one time shall not exceed ₹ 250 Crores.

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

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RESOLVED THAT the Company hereby approves the re-appointment of and the remuneration payable to Shri Prabhu Nath Ojha as the Wholtime Director designated as Executive Director of the Company for a further period of one year with effect from 17th August, 2014 upon the terms and conditions set out in the Agreement to be made between the Company and Shri Ojha, a draft of which initialled by the Chairman for the purpose of identification is placed before the Meeting.

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

RESOLVED THAT, subject to such guidelines and approval as may be required from the Central Government the re-appointment of Shri S. P. S. Dangi, Cost Accountant, of 339, Saketnagar, Indore, Madhya Pradesh - 452 001 as Cost Auditor to audit the Cost Accounts maintained by the Company relating to chemical products manufactured at its Production Unit, for the year ending 31st March, 2015 on a remuneration of ₹ 30,000/- (Rupees thirty thousand) only plus reimbursement of travelling and other incidental expenses incurred by him, be and is hereby ratified.

By Order of the Board

Place : Kolkata

Date : 30th June, 2014

R. K. Gupta

Company Secretary

IMPORTANT NOTES :

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- ii) The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd September, 2014 to 27th September, 2014 both days inclusive.
- iii) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- iv) Shareholders desiring any information on the Accounts are requested to write to the Company in advance to enable the Company to keep the information ready.
- v) In terms of the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual Shareholders. Shareholders holding Shares in physical form and desirous of availing the above facility are advised to submit their Nominations in Form SH.13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.

Shareholders holding Shares in the dematerialised form

are advised to contact their Depository Participant in this behalf.

- vi) The Company's Shares are available for dematerialisation both on National Securities Depository Limited and Central Depository Services (India) Ltd. and its ISIN No. is INE693E01016.
- vii) Shareholders, who hold shares in dematerialised form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the Meeting.
- viii) The Company had declared dividends on 30th June, 2008 and 28th August, 2009 for its financial years ended 31st March, 2008 and 2009 respectively and Interim Dividend for the financial year ended 31st March, 2010 on 20th October, 2009. Shareholders, who have not yet encashed their Dividend Cheques for the above are advised to make their claims to the Company.
- ix) The Company is concerned about the environment. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No. 17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its Green Initiative.

Accordingly, we propose to send annual report and other documents to the email address provided by you to your Depository Participant/Registrar of the Company viz. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B. R. B. Basu Road, Kolkata - 700 001.

We request you to update your email address with your Depository Participant/Registrar to ensure that the annual report and other documents reach you on your preferred email.

- x) In terms of Clause 49 of the Listing Agreement, the information pertaining to the Director, who retires by rotation and is proposed to be re-appointed, is given below :

Shri Virendraa Bangur, who is about 39 years of age, is a Director of the Company since 5th June, 2003. He is a Commerce Graduate with Honours from Calcutta University. He is young and energetic with progressive outlook.

Shri Bangur has experience of industries like newsprint, chemicals, cables, etc. Shri Bangur is also the Chairman of Akhivi Tea Plantations and Agro Industries Limited & Gold Mohore Investment Company Limited, the Vice-Chairman of Shree Rama Newsprint Limited and the Director of Taparia Tools Limited, Union Company Limited, Shree Satyanarayan Properties Private Limited, Suraj Agencies Private Limited, Bangur Exim Private Limited, Kym sap Agencies Private Limited and Suyog Trading Company Private Limited. He is also a Member

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of the Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company. Shri Bangur is a Member of the Young Entrepreneurs Organisation.

Shri Bangur holds 4,92,500 Equity Shares of the Company in his own name.

- xi) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

xii) Voting through electronic means:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 52nd Annual General Meeting of the Company.
- II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option through ballot forms. However, in case members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

III. The instructions for shareholders voting electronically are as under:

1. The voting period begins on 22nd September, 2014 at 10.00 AM and ends on 23rd September, 2014 at 6.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
3. Click on "Shareholders" tab.
4. Now, select the Company Name "Jayshree Chemicals Limited" from the drop down menu and click on "SUBMIT"
5. 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, excluding the special characters.
6. Next enter the Image Verification as displayed and Click on Login.
7. 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.
8. 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 Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr / Mrs / Smt / Miss / Ms / M/s etc. <p>Example: (1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245 (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.
	<ul style="list-style-type: none"> Please enter the DOB or Bank Account Number in order to login. If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares held by you as on Cut-Off Date (Record Date) of 8th August, 2014.

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9. After entering these details appropriately, click on "SUBMIT" tab.
 10. 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.
 11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 12. Click on the EVSN for the relevant "Jayshree Chemicals Limited" on which you choose to vote.
 13. 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.
 14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 15. 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.
 16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 17. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 18. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 19. Note for Institutional Shareholders :
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 they have to create 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 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.
 20. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xiii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 8th August, 2014.
- (xiv) Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.
- (xv) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- (xvi) Shri Arun Kumar Jaiswal, Practising Company Secretary (Certificate of Practice Number : 12281) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- (xvii) The result of voting will be announced at the Registered Office of the Company situated at P.O. Jayshree, District: Ganjam, Odisha-761025, by the Chairman of the Meeting at the AGM to be held on 27th September, 2014. The result of the voting will be communicated to the stock exchange and will also be hosted on the website of the Company www.jayshreechemicals.com.

Annexure to the Notice

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

Re. Item No. 4

Pursuant to Section 149 of the Companies Act, 2013 ('the Act') the Company is required to have at least one third of the total number of its Directors as independent directors, who shall not be liable to retire by rotation. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri Prabir Chakravarti being eligible and offering himself for appointment, is proposed to be appointed as a non rotational Independent Director of the Company to hold office for three consecutive years from the date of passing of the proposed Resolution. A notice has been received from a member proposing the appointment of Shri Prabir Chakravarti as an Independent Director of the Company.

Shri Prabir Chakravarti, who is about 70 years of age, is an Independent Director of the Company since 29th July, 2002. He is M. A. (Economics) and a law graduate from Calcutta University. He did his MBA from Queens University, Belfast in United Kingdom. Shri Chakravarti has wide experience of various industries. He is a Past President of All India Organisation of Employers, New Delhi, Bharat Chamber of Commerce, Calcutta Club Ltd. and the Rotary Club of Calcutta. He was District Governor 2004-05 of Rotary International District 3290.

Shri Chakravarti has served as a Trustee of Regional Provident Fund Commission, West Bengal, Sikkim and Andaman & Nicobar Islands and also as a member of the State Labour Standing Committee of West Bengal. He is a Member of the Governing Body of Indian Institute of Social Welfare and Business Management.

Shri Chakravarti is also Director of Baghmari Tea Company Ltd., Nicco Financial Services Ltd., Reliance Jute Mills (International) Ltd., Vidula Consultancy Services Ltd., BNK Capital Markets Ltd., Nicco Corporation Ltd., Sri Girija Prasanna Cotton Mills Ltd., Mangalam Timber Products Ltd., Bally Investment Trust Private Ltd. and Carumaco Private Limited.

Shri Chakravarti does not hold any Share in the Company and is not related to any Director of the Company.

Shri Chakravarti has already submitted necessary declaration pursuant to Section 149(7) of the Act to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Shri Chakravarti fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

Shri Chakravarti shall receive sitting fees from the Company for attending all meetings of the Board or any Committee of the Board.

Copy of the draft letter for appointment of Shri Chakravarti as an Independent Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the Special Resolution set out at Item No.4 of the convening Notice.

Except Shri Prabir Chakravarti himself no director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

Re. Item No. 5

Pursuant to Section 149 of the Companies Act, 2013 ('the Act') the Company is required to have at least one third of the total number of its Directors as independent directors, who shall not be liable to retire by rotation. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri Satish Kapur being eligible and offering himself for appointment, is proposed to be appointed as a non rotational Independent Director of the Company to hold office for three consecutive years from the date of passing of the proposed Resolution. A notice has been received from a member proposing the appointment of Shri Satish Kapur as an Independent Director of the Company.

Shri Satish Kapur, who is about 69 years of age, is a Director of the Company since 27th March, 2006. He specialises in Marketing and Management. He is acting as representative of a foreign company to sell its Newsprint to major publishers in India and another foreign company for supplying its products to the Laminating Industry.

Shri Kapur is the Honorary Director of the Consular Corps of Kolkata and the Honorary Consul of the Consulate of Finland. Shri Kapur is on the Committee of the Indian Chamber of Commerce and Bharat Chamber of Commerce. He is the past President of Saturday Club and the Rotary Club of Kolkata. He is also the past President of Federation of Corrugated Box Manufacturers of India.

Shri Kapur is the Managing Director of Crossley & Towers Private Ltd. and B. N. Kapur Private Ltd. and a Director of Vaikunt Paperboard Pvt. Ltd.; Vertex Paperboard Marketing

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Pvt. Ltd.; Helles Investments Pvt. Ltd.; Vantage Paper Board Pvt. Ltd.; Ospark Cyfox Paper Co. (Pvt.) Ltd.; Hindustan Engineering & Industries Ltd. and Ludlow Jute & Specialities Ltd.

Shri Kapur holds 26,000 Equity Shares of the Company in his own name and is not related to any Director of the Company.

Shri Kapur has already submitted necessary declaration pursuant to Section 149(7) of the Act to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Shri Kapur fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

Shri Kapur shall receive sitting fees from the Company for attending all meetings of the Board or any Committee of the Board.

Copy of the draft letter for appointment of Shri Kapur as an Independent Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the Special Resolution set out at Item No.5 of the convening Notice.

Except Shri Satish Kapur himself no director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

Re. Item No. 6

Pursuant to Section 149 of the Companies Act, 2013 ('the Act') the Company is required to have at least one third of the total number of its Directors as independent directors, who shall not be liable to retire by rotation. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Smt. Sindhubala Choudhury being eligible and offering herself for appointment, is proposed to be appointed as a non rotational Independent Director of the Company to hold office for three consecutive years from the date of passing of the proposed Resolution. A notice has been received from a member proposing the appointment of Smt. Sindhubala Choudhury as an Independent Director of the Company.

Smt. Sindhubala Choudhury, who is about 61 years of age, is a Director of the Company since 29th May, 2010. Smt.

Choudhury retired from Life Insurance Corporation of India (LIC). At the time of her retirement from LIC she was acting as Director Management Development Centre of LIC. She is a Post Graduate in Sociology and Labour Welfare and holds Post Graduate Diploma in Human Resource Management.

Smt. Choudhury does not hold any Share in the Company and is not related to any Director of the Company.

Smt. Choudhury has already submitted necessary declaration pursuant to Section 149(7) of the Act to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Smt. Choudhury fulfils the conditions specified in the Act and the Rules made thereunder for her appointment as an Independent Director of the Company and her continued association would be of immense benefit to the Company.

Smt. Choudhury shall receive sitting fees from the Company for attending all meetings of the Board or any Committee of the Board.

Copy of the draft letter for appointment of Smt. Choudhury as an Independent Director setting out the terms and conditions of her appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the Special Resolution set out at Item No. 6 of the convening Notice.

Except Smt. Choudhury herself no director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

Re. Item No. 7

Pursuant to Section 149 of the Companies Act, 2013 ('the Act') the Company is required to have at least one third of the total number of its Directors as independent directors, who shall not be liable to retire by rotation. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Shri Dau Dayal Kothari being eligible and offering himself for appointment, is proposed to be appointed as a non rotational Independent Director of the Company to hold office for three consecutive years from the date of passing of the proposed Resolution. A notice has been received from a member proposing the appointment of Shri Dau Dayal Kothari as an Independent Director of the Company.

Shri Dau Dayal Kothari, who is about 79 years of age, is a

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Director of the Company since 23rd March, 1992. He is a Commerce Graduate and an entrepreneur with progressive outlook. His business interests include Textiles, Hosiery Knit products manufacturing, Paper, Packaging and Chemicals.

He is a former President of Bharat Chamber of Commerce, West Bengal Hosiery Association, Corrugated Manufacturers Association and Federation of Hosiery Manufacturers Association of India.

Shri Kothari is a Rotarian. He is the Past President of Rotary Club of Calcutta, one of the oldest Rotary Clubs in Asia. He is associated with many educational, cultural and socio-economic institutions and organisations.

He is also a Director of SKCC Paper & Board Pvt. Ltd., Shree Krishna Packaging Co. Pvt. Ltd., Sri Krishna Commercial Co. Ltd., Anant Sri Viniyog Pvt. Ltd., Shree Krishna Hosiery Pvt. Ltd., Kothari Knitting Mills Pvt. Ltd. and Kothari Hosiery Factory Pvt. Ltd. He is also a partner in Shree Krishna Commercial Corporation.

Shri Kothari holds 600 Equity Shares of the Company in his own name.

Shri Kothari has already submitted necessary declaration pursuant to Section 149(7) of the Act to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act.

In the opinion of the Board, Shri Kothari fulfils the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

Shri Kothari shall receive sitting fees from the Company for attending all meetings of the Board or any Committee of the Board.

Copy of the draft letter for appointment of Shri Kothari as an Independent Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the Special Resolution set out at Item No.7 of the convening Notice.

Except Shri Dau Dayal Kothari himself no director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

Re. Item No. 8

By an Ordinary Resolution passed at the Annual General Meeting of the Company held on 28th August, 2009 the Board of Directors of the Company ('the Board') was authorised pursuant to Section 293(1)(d) of the Companies Act, 1956 to borrow moneys from time to time for the Company's business which togetherwith the moneys already borrowed by the Company (apart from temporary loans obtained from its bankers in the ordinary course of business) may exceed aggregate of the paid up capital of the Company and its free reserves, provided that the aggregate of the moneys so borrowed and outstanding at any one time shall not exceed ₹ 250/- Crores.

Section 180 of the Companies Act, 2013 provides, inter-alia, that the Board shall exercise the above power to borrow moneys with the consent of the Company by a Special Resolution.

The Special Resolution set out at item No. 8 of the convening Notice has to be considered accordingly and the Board recommends the same.

No Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

Re. Item No. 9

Having regard to his qualifications, background and experience, the Board of Directors of the Company ('the Board') at its Meeting held on 14th May, 2014 re-appointed Shri Prabhu Nath Ojha as the Wholetime Director designated as Executive Director of the Company for a further period of one year with effect from 17th August, 2014 on such remuneration as may be approved by the Nomination and Remuneration Committee of the Directors of the Company ('Remuneration Committee'). The Remuneration Committee at its Meeting held on 14th May, 2014 decided the remuneration of Shri Ojha.

The terms and conditions of such re-appointment of Shri Prabhu Nath Ojha as approved by the Board are set out in the Agreement ('Agreement') to be entered into by the Company with him and an abstract of the terms thereof togetherwith information required to be given to the Shareholders pursuant to Section II of Schedule V to the Companies Act, 2013 ('the Act') is set out below :

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I. GENERAL INFORMATION :			
1. Nature of Industry.	Chlor-Alkali		
2. Date of commencement of Commercial Production.	In the year 1967		
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
4. Financial Performance based on Given indicators.	Financial year	Total Turnover (₹)	Net Profit (Loss) (₹)
	2011-12	1,13,20,70,440	78,39,558
	2012-13	1,33,04,94,920	86,57,007
	2013-14	1,21,25,42,049	(18,06,33,574)
5. Foreign investments or collaborations, if any.	None		

II. INFORMATION ABOUT THE APPOINTEE :

1. Background details	Shri Prabhu Nath Ojha, who is about 67 years of age, is a Bachelor of Chemical Engineering from Jadavpur University, Kolkata and has more than 43 years of experience in chemical/process industries and power plants in many companies in various capacities. He is a Life Member of the Indian Institute of Directors; a Member of American Institute of Chemical Engineers; Indian Institute of Chemical Engineers and Institute of Engineers (India) and Charter Engineer. He is an active Rotarian. Shri Ojha is also a Director of Bangur Exim Private Ltd. and PCAS Exim Private Ltd.
2. Past Remuneration	<p>a) Salary: Basic Salary - ₹ 1,41,000/- per month.</p> <p>b) Special Allowance: ₹ 20,000/- per month.</p> <p>c) Perquisites :</p> <p>i) House Rent Allowance: At the rate of 15% of the Salary per month.</p> <p>ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one and a half month's Salary in each year.</p> <p>iii) Leave Travel Assistance: At the rate of one and a half month's Salary in each year.</p> <p>iv) Reimbursement of conveyance expenses: To the extent of ₹ 20,000/- per month for the Company's business.</p> <p>v) Encashment of accumulated leave not exceeding two months at the end of the tenure.</p> <p>vi) Telephone: The Company will provide one telephone at his residence.</p>
3. Recognition or Awards	Shri Ojha is the recipient of various awards including the Life Time Achievement Award from Greentech Society of India.
4. Job Profile and his Suitability	Shri Ojha is the Wholetime Director designated as Executive Director of the Company since 17th August, 2011. He is fully conversant with the activities of the Company. As Executive Director, he shall devote whole of his time and attention to the business and affairs of the Company and perform such duties and exercise such powers as may from time to time be entrusted to or vested in him by the Board subject to superintendence, control and direction of the Board.

Annexure to the Notice

5. Remuneration Proposed :

In consideration of his services as Wholetime Director designated as Executive Director, Shri Ojha shall be entitled to receive the following by way of remuneration :

- | | |
|-----------------------|---|
| (a) Salary | ₹ 1,50,000/- per month |
| (b) Special Allowance | ₹ 20,000/- per month |
| (c) Perquisites | <ul style="list-style-type: none"> i) House Rent Allowance : At the rate of 15% of the Salary per month. ii) Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one and a half month's Salary in each year. iii) Leave Travel Assistance : At the rate of one and a half month's Salary in each year. iv) Reimbursement of Conveyance Expenses : To the extent of ₹ 20,000/- per month for the Company's business. v) Encashment of accumulated leave not exceeding two months at the end of the tenure. vi) Telephone : The Company will provide one Telephone at his residence <p>Under the Agreement Shri Ojha is entitled to leaves on full pay and allowances as per the Company's Rules/Practice in force from time to time.</p> |

The Agreement also sets out the mutual rights and obligations of the parties and other administrative details.

6. Comparative Remuneration profile with respect to Industry, size of the Company, profile of the position and person	The proposed remuneration is comparable with the prevalent trend in the Industry and commensurate with the size of the Company and profile of the position and the person.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any	Shri Ojha holds 5 Equity Shares of the Company in his own name. 4,500 Equity Shares are held by his wife and 320 Equity Shares are held by his HUF. Shri Ojha is not related to any Director or Managerial Personnel of the Company.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits	Steep increase in the cost of power in the state of Odisha and also increase in cost of salt and other raw materials, besides absence of chlorine consuming industries in the nearby area.
2. Steps taken or proposed to be taken for improvement	<p>The Company has successfully completed Conversion Cum Expansion Project for manufacture of Caustic Soda with the latest State of the Art and Environment Friendly Membrane Cell Technology and with this the production capacity of Caustic Soda has increased from 65 Tons per day to 152 Tons per day in 2010. The Company has been making all efforts to reduce power consumption by adopting various innovations in its Plant.</p> <p>The Company is taking necessary steps for recoating of anodes which will reduce power consumption.</p>

Annexure to the Notice

	<p>The Company will try to procure Salt, a major raw material, from Gujarat by Ship at the nearby Gopalpur Port once it becomes operational. This will substantially reduce the cost of Salt.</p> <p>The Company is installing further 12 Cell elements which will increase the Company's production capacity of Caustic Soda by 2,100 tones per annum.</p>
3. Expected increase in productivity and profits in measurable terms	With the above, the production, turnover and profitability of the Company should improve.
IV. DISCLOSURES <p>i) The remuneration package of Shri Ojha has been given hereinabove and necessary disclosures in the Board of Directors' Report under the heading "Corporate Governance" regarding elements of remuneration of all the Directors will be made.</p> <p>ii) The above remuneration of Shri Ojha is fixed component. There are no performance linked incentives.</p> <p>iii) Service contract is for one year. Notice period is of 3 months. There is no severance fees.</p> <p>iv) There are no Stock Options.</p> <p>The re-appointment and remuneration of Shri Ojha as the Wholetime Director designated as Executive Director of the Company require the approval of the Members of the Company in general meeting by a special resolution in terms of Part-II of Schedule V to the Act and the remuneration so payable to him also requires the approval of the Members of the Company in general meeting by a special resolution under Section 197 of the Act.</p> <p>The Special Resolution set out at Item No.9 in the convening Notice has to be considered accordingly and the Board recommends the same.</p> <p>Copy of the draft Agreement for appointment of Shri Ojha as the Wholetime Director designated as Executive Director setting out the terms and conditions of his appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.</p> <p>Save and except Shri Prabhu Nath Ojha no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested in the proposed Special Resolution.</p>	

Re. Item No. 10

At the recommendation of the Audit Committee, the Board of Directors of the Company (the Board) at its Meeting held on 14th May, 2014 re-appointed Shri S. P. S. Dangi, Cost Accountant, 339, Saketnagar, Indore, Madhya Pradesh - 452 001 as Cost Auditor to audit the cost records maintained by the Company in respect of chemical products for the year ending 31st March, 2015.

Certificate dated 24th April, 2014 of Shri S. P. S. Dangi regarding his eligibility for appointment as Cost Auditor will be available for inspection at the Registered Office of the Company during normal business hours on any working day.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditor is required to be ratified by the shareholders. Hence, this Resolution is put for the consideration of the shareholders.

The proposed Resolution set out in Item No. 10 of the convening Notice has to be considered accordingly and the Board recommends the same.

No Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Ordinary Resolution.