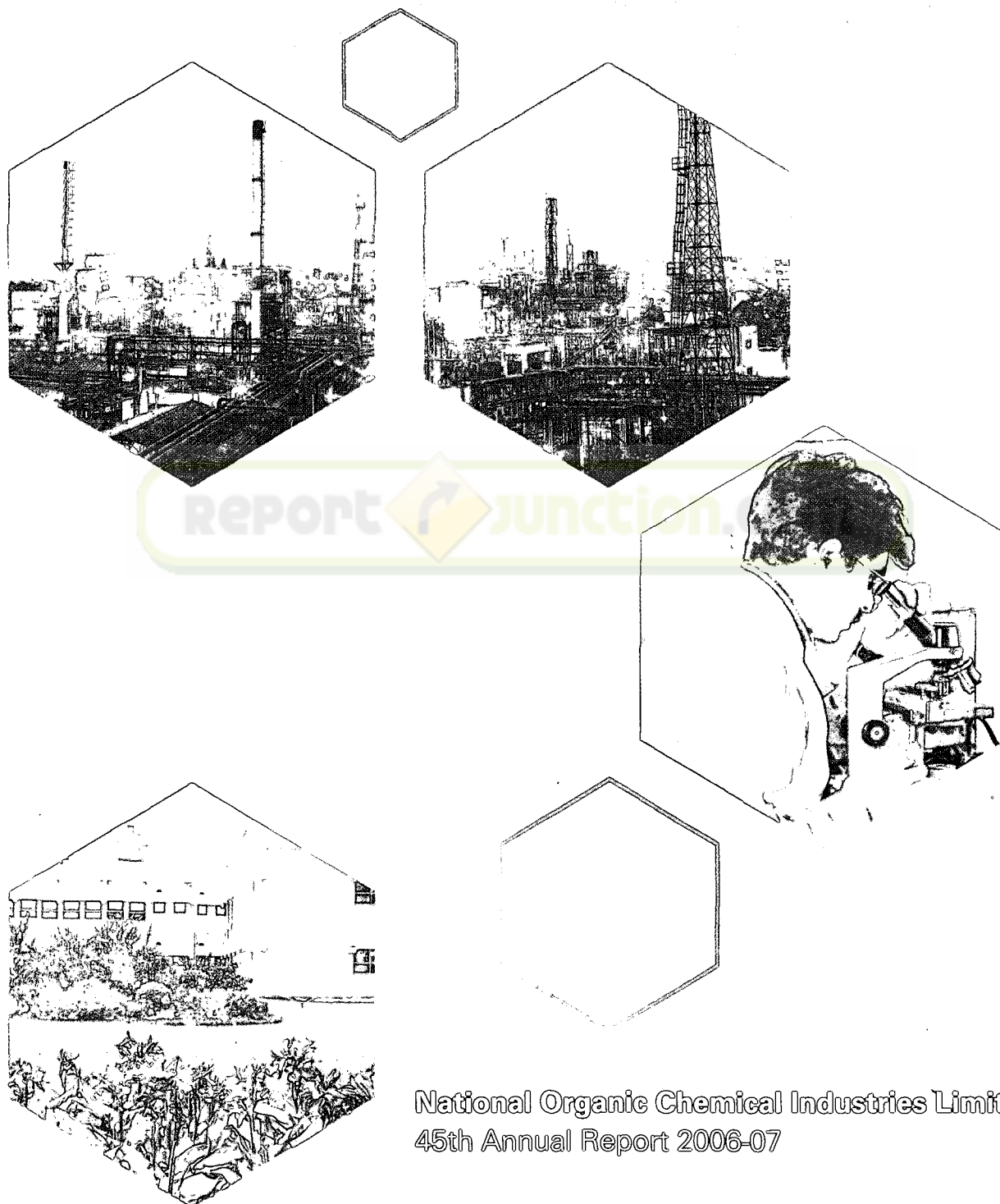


THE RIGHT CHEMISTRY!



National Organic Chemical Industries Limited
45th Annual Report 2006-07

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Registrar and Share Transfer Agents

Sharepro Services (India) Pvt. Ltd.

Office:

Satam Estate, 3rd Floor, Above Bank of Baroda,
Cardinal Gracious Road, Chakala, Andheri (East),
Mumbai 400 099

Tel. 2821 5168, 2821 5169, Fax 2837 5646

e-mail: sharepro@vsnl.com

Investor Relation Centre:

912, Raheja Centre,
Free Press Journal Road, Nariman Point,
Mumbai 400 021.

Tel. No. 2282 5163, 2288 4527, Fax 2282 5484

For Members Attention

1. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 11th August, 2007, to Monday, the 27th August, 2007.
2. The Shares of the Company have been brought under Compulsory dematerialisation. All the shareholders are requested to convert their shareholdings from physical form to demat form.
3. The members are requested to quote their Folio Number in all correspondence and also to notify immediately, change of address, if any to the Registrar and Share Transfer Agents, Sharepro Services (India) Pvt. Ltd., Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099.
4. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the Company has transferred unclaimed fixed deposits upto 31st March, 2000 to the Investor Education and Protection Fund.
5. Members are requested to bring their copy of the Annual Report along with them to the Annual General Meeting as, the practice of distributing copies of the Report at the Meeting has been discontinued and also to bring with them their Attendance Slip which may be submitted at the entrance duly signed.





NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Regd. Folio No.....DP ID NoClient ID No.....

Name of the attending member (in BLOCK LETTERS).....

Name of the Proxy (in BLOCK LETTERS) (To be filled in, if the Proxy attends, instead of the Member).....

I hereby record my presence at the FORTY FIFTH ANNUAL GENERAL MEETING of the Company being held at 4.00 P.M. on 27th August 2007 at Patkar Hall, S.N.D.T. Women's University, 1, Nathibai Dadmodar Thackersey Road, Mumbai 400 020.

Member's / Proxy's Signature
(To be signed at the time of handing over this slip)



NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED

PROXY FORM

I/Weofbeing member/members of the above named

Company, hereby appointor failing him

ofas my/our proxy to vote for me/us on my/our behalf at the FORTY FIFTH ANNUAL

GENERAL MEETING of the Company to be held at 4.00 P.M. on Monday, the 27th August 2007 at Patkar Hall, S.N.D.T. Women's University, 1, Nathibai Damodar Thackersey Road, Mumbai 400 020 and at any adjournment thereof.

Regd. Folio No.

DP ID No.....

Client ID No.....

No. of Shares held

Signed thisday of2007

Signature across Revenue Stamp

Affix a
15 paise
Revenue
Stamp

Important

- A revenue stamp of 15 paise is to be affixed on this Proxy Form.
- The Proxy Form should be signed across the stamp as per specimen signature(s) registered with the Company.
- The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company, at Mafatla House, H.T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai - 400 020 not less than FORTY EIGHT HOURS before the time fixed for holding the Meeting.
- A Proxy need not be a member.

BANK ACCOUNT PARTICULARS/ECS MANDATE FORM

I/Wedo hereby authorize National Organic Chemical Industries Limited to :

- * Print the following details on my/our dividend warrant
- * Credit my/our dividend amount directly to my/our Bank Account by ECS.
(* strike out whichever is not applicable)

My/Our Folio No.
DP ID No..... Client ID No.....

Particulars of Bank Account :

- Bank Name :
- Branch Name :
- Address (For Mandate only) :
- 9 digit code number of the Bank and branch as appearing on the MICR Cheque. :
- Account type (Saving/Current/Overdraft) :
- Account number as appearing on the cheque book. :
- STD Code & Tel. No. :

I/We shall not hold the Company responsible if the ECS could not be implemented or the Bank discontinues the ECS , for any reason.

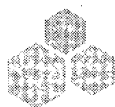
MAIL TO :

Sharepro Services (India) Private Limited - Unit : NOCIL,
3rd Floor, Satam Estate, Above Bank of Baroda,
Cardinal Gracious Road, Chakala,
Andheri (East), Mumbai 400 099.

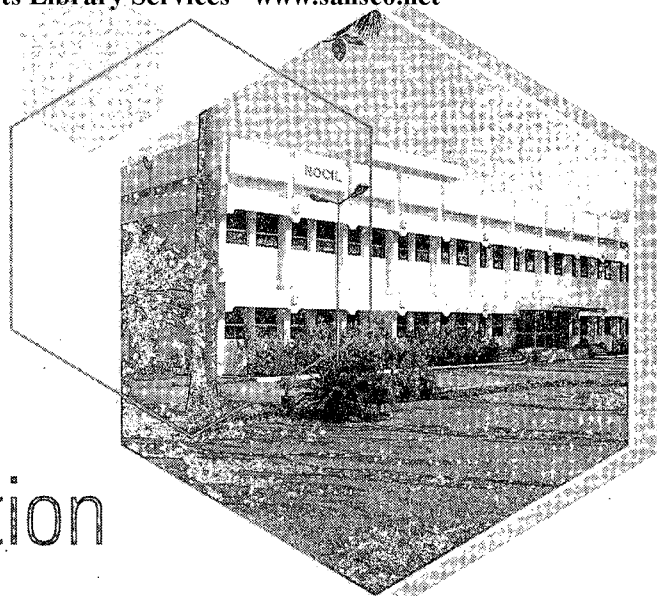
Signature of the First Shareholder/Joint Shareholder.

Please attach the photocopy of the cheque or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of 9 digit code number.

In case you are holding shares in demat form kindly advise your Depository Participant to take note of your Bank Account particulars/ECS mandate.



Corporate Information



Arvind N. Mafatlal	Chairman – Emeritus
Directors	
Hrishikesh A. Mafatlal	Chairman
Rohit Arora	
Berjis Desai	
V.R. Gupte	
C.L. Jain	(w.e.f. 30.10.2006)
S.K. Mahapatra	(upto 26.03.2007)
Vishad P. Mafatlal	
D.N. Mungale	(w.e.f. 26.03.2007)
N. Sankar	
C.R. Gupte	Managing Director
Secretary	
U.M. Karnik	
Management team	
C.R. Gupte	Managing Director
S.R. Deo	Senior Vice President – Technical
R.M. Gadgil	Senior Vice President – Marketing
U.M. Karnik	Vice President – Legal & Company Secretary
P. Srinivasan	Vice President - Finance
S.D. Ghate	General Manager – Personnel & Administration
C.S. Inamdar	General Manager – Marketing Technical Services
A. Sivaraman	General Manager – Purchase

Registered office

Mafatlal House,
H.T. Parekh Marg, Backbay Reclamation,
Churchgate, Mumbai 400 020.

Plant

C-37, Trans Thane Creek
Industrial Area,
Off. Thane Belapur Road,
Navi Mumbai 400 701, Maharashtra

Contact details

Telephone : 66364062
Fax : 66364060
E-mail : investorcare@nocilindia.com
Website : www.natocil.com

Bankers

HDFC BANK LIMITED
UTI BANK LIMITED

Auditors

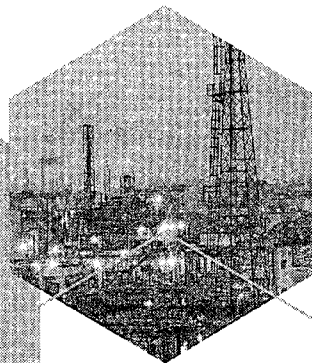
C.C. Chokshi & Co.
Chartered Accountants

Solicitors & Advocates

PDS Legal
Vigil Juris

National Organic Chemical Industries Limited (NOCIL)

is India's largest manufacturer of rubber chemicals - critical raw materials in the manufacture of tyres and other rubber-based industries.



Pedigree

NOCIL belongs to the Arvind Mafatlal Group of Industries, a prominent Indian industrial house with diversified business interests.

Positioning

NOCIL is India's largest manufacturer of rubber chemicals - critical inputs in the manufacture of tyre and other rubber products. The Company is known for its high quality products; it is certified across ISO-9001:2000, ISO-14001 and OHSAS-18001. It has created a robust research and development base for the ongoing development of new products and processes.

Production facilities

In 1976, commenced manufacture of rubber chemicals in a designated chemical zone about

40 kms from Mumbai, the financial capital of India. The Company also manufactures speciality rubber chemicals at its dedicated ancillary unit and through a wholly-owned subsidiary called PIL Chemicals Private Limited in Vapi (Gujarat).

Portfolio

NOCIL is engaged in the manufacture of a wide range of rubber chemicals comprising the following:

- **PILFLEX®** - rubber anti-degradants
- **PILNOX®** - rubber anti-oxidants
- **PILCURE®** - rubber accelerators
- **PILGARD®** - rubber pre-vulcanisation inhibitor
- **PILCURE** - post vulcanisation stabiliser

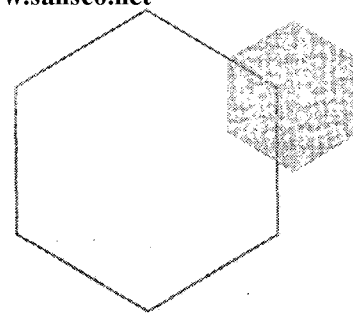
Patrons

● NOCIL's customers comprise some of the largest tyre manufacturers in the world including Michelin, Bridgestone, Continental, Goodyear, Yokohama etc. The Company's products are sold in over 45 countries including Japan, South East Asia, Australia, North and Latin America, Europe, South Africa etc.

● NOCIL's products are used by prominent Indian tyre manufacturers like MRF, Apollo Tyres, JK Tyres, CEAT among several others.

Presence

NOCIL is listed on the Mumbai and National Stock Exchanges. The Company's market capitalisation was Rs 33926 lakhs as on 31 March 2007.



Notice

NOTICE IS HEREBY GIVEN THAT THE FORTY FIFTH Annual General Meeting of the Members of National Organic Chemical Industries Limited will be held at **4.00 p.m. on Thursday, the 27 August 2007, at Patkar Hall, S. N. D. T. Women's University, 1, Nathibhai Damodar Thackersay Road, Mumbai - 400 020**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account of the Company for the year ended 31 March, 2007 and the Balance Sheet as at 31 March, 2007 and the Reports of the Directors and the Auditors thereon.

2. To declare dividend on equity shares.

3. To appoint a Director in place of Mr. V.R.Gupte, who retires by rotation under Article 145 of the Articles of Association of the Company and being eligible, offers himself for reappointment.

4. To appoint a Director in place of Mr. N. Sankar who retires by rotation under Article 145 of the Articles of Association of the Company and being eligible, offers himself for reappointment.

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provisions of sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Deloitte Haskins and Sells, Chartered Accountants, Mumbai be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, in place of the retiring auditors Messrs C.C.Chokshi & Co. Chartered Accountants, to examine and audit the accounts of the Company for the financial year 2007-08, at such remuneration as may be mutually agreed upon between the Board of Directors of the

Company and the Auditors plus reimbursement of out of pocket expenses and applicable taxes."

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. C.L.Jain who was appointed as an Additional Director by the Board of Directors of the Company at its meeting held on 30 October, 2006, and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under section 257 of the Companies Act, 1956, proposing his candidature for the office of the Directorship of the Company, be and is hereby appointed as a Director of the Company.

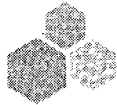
7. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. D.N.Mungale who was appointed as an Additional Director by the Board of Directors of the Company at its meeting held on 26 March, 2007 and who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under section 257 of the Companies Act, 1956, proposing his candidature for the office of the Directorship of the Company, be and is hereby appointed as a Director of the Company.

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

"RESOLVED THAT the name of the Company be changed from **"National Organic Chemical Industries Limited"** to **"NOCIL Limited"**.

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

**Mr. V.R. Gupte****Qualifications**

B.Com., Member of the Institute of Chartered Accountants of India, New Delhi.

Expertise in Specific Functional Areas

Mr. Gupte worked with Metro Goldwin Mayer India Limited as Chief Accountant in 1972. Thereafter he joined Lube Refinery (Esso). He joined Polyolefins Industries Limited in 1975 and became Head of Finance in 1981. In 1991 he was taken on the Board of Polyolefins Industries Limited. On merger of Polyolefins Industries Limited with National Organic Chemical Industries Limited in 1994, he was appointed as Executive Director-Finance with responsibility of Finance, Secretarial, Legal and Information Technology. He retired as Chief Executive Officer in July 2005.

Directorships held in other public Companies

Mafatlal Denim Limited

Memberships / Chairmanships of Committees across other public Companies

Mafatlal Denim Limited

Number of shares of the Company held by the Director

600 (Jointly)

Mr. N. Sankar**Qualifications**

Masters Degree in Chemical Engineering from the Illinois Institute of Technology, Chicago, United States.

Expertise in Specific Functional Areas

Mr. N. Sankar is Chairman of the Sanmar Group, which has interest in the fields of Chlorochemicals, Speciality Chemicals, Shipping, Engineering, Insurance and Cement.

Directorships held in other public Companies

The India Cements Limited, Sanmar Holdings Limited, SHL Securities (Alpha) Limited, Bata India Limited.

Memberships / Chairmanships of Committees across other public Companies

Bata India Limited

Number of shares of the Company held by the Director

Nil

Annexure to the Notice

(Explanatory Statement as required under section 173 of the Companies Act, 1956)

The following Explanatory Statement sets out all the material facts relating to Item Nos. 5 to 9 mentioned in the accompanying Notice.

Item No. 5

Presently the Company's accounts are being audited by M/s. C.C.Chokshi & Co, Chartered Accountants who are an associate of Deloitte Haskins and Sells in India.

The Company has received a special notice from a member of the Company in terms of the provisions of section 225 of the Companies Act, 1956 specifying his intention to propose the name of M/s. Deloitte Haskins and Sells, Chartered Accountants, Mumbai to be appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. M/s. C.C.Chokshi & Co have informed the Company that they do not wish to seek reappointment as statutory auditors for the financial year 2007-08 at the ensuing Annual General Meeting.

M/s. Deloitte Haskins and Sells, Chartered Accountants, Mumbai have expressed their willingness to act as Auditors of the Company, if appointed, and have also confirmed that the said appointment would be in conformity with the provisions of section 224 (1B) of the Act.

In view of the above and based on the recommendations of the Audit Committee the Board of Directors has, at its meeting held on 4 June 2007, proposed the appointment of M/s. Deloitte Haskins and Sells, Chartered Accountants, Mumbai as Statutory Auditors in place of M/s. C.C.Chokshi & Co.

Members' approval is being sought to the appointment of M/s. Deloitte Haskins and Sells, Chartered

Accountants, Mumbai as Statutory Auditors of the Company and to authorize the Board of Directors, on the recommendation of the Audit Committee to determine the remuneration payable to the Auditors.

The Directors recommend the Resolution at Item No. 5 for approval by the members.

None of the Directors of the Company shall be deemed to be concerned or interested in the proposed resolution.

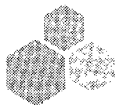
Item No. 6 & 7

Mr.C.L.Jain and Mr.D.N.Mungale were appointed as Additional Directors by the Board of Directors of the Company at the meetings held on 30 October, 2006 and 26 March, 2007 respectively. As per section 260 of the Companies Act, 1956, the above Directors hold office only upto the date of the forthcoming Annual General Meeting of the Company, and are eligible for re-appointment. The Company has received Notices under section 257 of the Companies Act, 1956, along with the prescribed deposit of Rs. 500 in respect of each of the above candidates proposing their appointment as a Director of the Company.

Details regarding the persons proposed to be appointed as Directors have been given hereunder. Keeping in view the experience and expertise of these persons, their appointment as Directors of the Company is recommended for approval.

Each of the Directors proposed to be appointed shall be deemed to be concerned or interested in the resolution relating to his own appointment.

Pursuant to Clause 49 of the Listing Agreement the particulars of Mr.C.L.Jain and Mr.D.N.Mungale are given on the next page:

**Mr. C.L. Jain****Qualifications**

M.Com., Member of Institute of Company Secretaries of India, Institute of Chartered Accountants of India, Institute of Chartered Secretaries & Administrators, London; Chartered Management Institute, London.

Expertise in Specific Functional Areas

Mr.Jain has more than 40 years of working experience with various organizations including ICI, Hindustan Lever Limited, Hoechst India Limited etc. He was the Finance Director of Hoechst India Limited and later President of Ceat Asset Management Limited (Ceat Mutual Fund). He was visiting faculty Member of the Bajaj Institute of Management and other Institutes for 2 decades. He was also Chairman of the Banking and Finance Committee of The Bombay Chamber of Commerce and Industry for 4 years (1992-1996).

Directorships held in other public Companies

Shasun Chemicals and Drugs Limited, RPG Life Sciences Limited, Brescon Corporate Advisors Limited, Asit C.Mehta Investments Intermediates Limited, United Breweries Limited, Millennium Beer Industries Limited, Shaw Wallace & Company Limited, Shaw Wallace Breweries Limited, Shaw Wallace Financial Services Limited, Instant Trading & Investment Company Limited, Shasun Pharma Solutions Limited UK.

Memberships / Chairmanships of Committees across other public Companies

Shasun Chemicals & Drugs Limited, RPG Life Sciences Limited, United Breweries Limited, Millenium Beer Industries Limited, Shaw Wallace & Company Limited, Brescon Corporate Advisors Limited.

Number of shares of the Company held by the Director

Nil

Mr. D.N. Mungale**Qualifications**

M.Com., LL.B , Member of Institute of Chartered Accountants of India.

Expertise in Specific Functional Areas

Mr.Mungale has a varied experience in Corporate Finance and Banking with several reputed organisations and has worked in senior positions in Color Chem Limited, DSP Financial Consultants Limited, Bank of America NT & SA, Mumbai and in London UK and DSP Merrill Lynch Limited, Mumbai.

Directorships held in other public Companies

Chowgule Steamships Limited, Camlin Limited, Caprihans India Limited, Indoco Remedies Limited, Indo Count Industries Limited, LIC Housing Finance Limited, Mahindra & Mahindra Financial Services Limited, Sical Logistics Limited, Tamilnadu Petroproducts Limited.

Memberships / Chairmanships of Committees across other public Companies

Camlin Limited, Indoco Remedies Limited, Sical Logistics Limited, Chowgule Steamships Limited, Indo Count Industries Limited (IDBI Nominee), LIC Housing Finance Limited, Mahindra & Mahindra Financial Services Limited.

Number of shares of the Company held by the Director

50500