



NOCIL LIMITED

53 rd Annual Report 2014 - 15



ARVIND MAFATLAL GROUP
The ethics of excellence

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REGISTRAR AND SHARE TRANSFER AGENTS:

M/s. Sharepro Services (India) Pvt. Ltd.,
Unit: **NOCIL Limited**
13 A-B, Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (East)
Mumbai-400072

Tel Nos.022- 67720300 / 022-67720400
Fax No.022-2859 1568 / 022-2850 8927

E-mail: sharepro@shareproservices.com

INVESTORS' RELATION CENTRE

912, Raheja Centre
Free Press Journal Road
Nariman Point
Mumbai-400 021
Tel : 022-6613 4700
Fax : 022-2282 5484

FOR MEMBERS' ATTENTION

1. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 13 July 2015 to Friday, 17 July 2015.
2. Those shareholders who have yet not dematted their shareholding from physical to demat mode are requested to do so at the earliest.
3. The members are requested to quote their Folio Number /Client Id in all correspondence and also to notify immediately, change of address, if any, to the Registrar and Share Transfer Agents viz. Sharepro Services (I) Pvt. Ltd. at the address given on this page.
4. The members having multiple registered folios are requested to contact the Registrar and Share Transfer Agents of the Company for the purpose of consolidation of registered folios.
5. The members are requested to inform the Company their bank account particulars/ ECS mandates for the purpose of payment of dividend, if declared, at the ensuing Annual General Meeting.
6. The members are requested to bring their copy of the Annual Report along with them and their Attendance Slip which may be submitted at the entrance duly signed.
7. The members desirous of getting any information about accounts and operations of the Company are requested to address their queries to the Company Secretary at least 10 days in advance of the meeting so that information required can be made readily available at the meeting.
8. Keeping in view the objective of "Green Initiative", the Annual Reports are being sent through electronic mode to those members who have registered their e-mail addresses with their Depository Participants / or with the Company or with the Company's Registrar and Share Transfer Agents. Members who have not yet registered their e-mail addresses for receiving Annual Report, Notices and other documents in electronic mode are requested to register their e-mail address for the purpose.
9. Annual Report for Financial Year 2014-15 is being uploaded on the website of the Company viz. www.nocil.com for reference of the Members of the Company.

53rd Annual General Meeting

Date : 23 July 2015

Day : Thursday

Time : 2.30 P.M.

Place : Rama & Sundri Watumull Auditorium
(K.C. College), Vidyasagar,
Principal K.M. Kundnani Chowk,
124, Dinshaw Wacha Road,
Churchgate, Mumbai – 400 020.



Corporate Information

Board Of Directors

Hrishikesh A. Mafatlal Chairman

Rohit Arora

Vilas R. Gupte

C.L. Jain

Vishad P. Mafatlal

D.N.Mungale

N.Sankar

P.V.Bhide

(Ms.) D.N.Raval (Appointed w.e.f.31.7.2014)

C.R.Gupte Managing Director

S.R.Deo Deputy Managing Director
(Appointed w.e.f. 1.4.2015)

Company Secretary

V.K.Gupte

Auditors

Deloitte Haskins & Sells LLP

Chartered Accountants

Solicitors & Advocates

Vigil Juris

PDS Legal

Bankers

HDFC Bank Limited

Export-Import Bank of India

AXIS Bank Limited

IDBI Bank Limited

Registered Office

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

Plants

Navi Mumbai

C-37, Trans Thane Creek Industrial Area,
Off. Thane Belapur Road,
Navi Mumbai 400 705,
Maharashtra

Dahej

12/A/1 & 13/B/1, Dahej Indl. Estate,
Village Ambheta,
Tal. Vagra, Dist. Bharuch,
Gujarat - 392130

Contact Details

Telephone : 022-66364062 / 66576100

Fax : 022-66364060

E-mail : investorcare@nocil.com

Website : www.nocil.com

NOCIL LIMITED

CIN No. L99999MH1961PLC012003

Regd. Office: Mafatlal House, H.T. Parekh Marg, Backbay
Reclamation, Churchgate, Mumbai-400 020 Tel.No. 91-22-66364062,
Fax No : 91-22-66364060, Website: www.nocil.com
Email: investorcare@nocil.com

NOTICE

NOTICE is hereby given that the **FIFTY THIRD** Annual General Meeting of the Members of NOCIL Limited will be held on Thursday, the 23 July 2015 at 2.30 p.m. at Rama & Sundri Watumull Auditorium, K.C. College, Vidyasagar, Principal K.M. Kundnani Chowk, 124, Dinshaw Wacha Road, Churchgate, Mumbai – 400 020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit and Loss, Cash Flow Statement of the Company for the year ended 31 March 2015 and the Balance Sheet as at 31 March 2015 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. Vishad P. Mafatlal (holding DIN 00011350), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), appointment of Messrs Deloitte Haskins and Sells LLP, Chartered Accountants, Mumbai (Registration No. 117366W/W-100018) who were appointed as Statutory Auditors of the Company to hold office for the period of 3 (three) years from the conclusion of Annual General Meeting held in 2014 until the conclusion of the Annual General Meeting to be held during the year 2017 to examine and audit the accounts of the Company for the financial year 2014-15, 2015-16 and 2016-17 be and is hereby ratified for financial years 2015-16 and 2016-17 and the Board of Directors of the Company be authorized to fix 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:

5. To consider and if thought fit, to pass with or without modification, the following as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any statutory modifications or re-enactment thereof

for the time being in force), read with Schedule IV of the Companies Act, 2013, Ms. Dharmishta N. Raval (holding DIN 02792246), who was appointed as an Additional Director of the Company w.e.f. 31 July 2014 by the Board of Directors and who holds office up to the date of this Annual General Meeting pursuant to Section 161 (1) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for five consecutive years.”

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

“RESOLVED THAT pursuant to Section 196, 197, 198, 200 read with Schedule V and all other applicable provisions of the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and subject to the approval of the Central Government and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications as may be imposed or prescribed by any other authorities in granting such approvals, permissions and sanctions, approval of the Company be accorded to the re-appointment of Mr. C.R.Gupte (holding DIN 00009815) as Managing Director for a period of 2 (two) years with effect from 1 August 2015 and for payment of remuneration and perquisites as set out in the Explanatory Statement annexed to the Notice with liberty to the Board of Directors to alter and vary the terms of remuneration, in such manner as the Board may deem fit.

FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. C.R.Gupte, Managing Director, the Company has no profits or its profits are inadequate, the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be paid as minimum remuneration, subject to such statutory approval as may be applicable.

FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to Section 196, 197, 198, 200 read with Schedule V and all other applicable provisions of the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and subject to the approval of the Central Government and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications as may be imposed or prescribed by any other authorities in granting such approvals, permissions and sanctions, approval of the Company be



accorded to the appointment of Mr. S.R. Deo (holding DIN 01122338) as Deputy Managing Director for a period of 4 (four) years with effect from 1 April 2015 and for payment of remuneration and perquisites as set out in the Explanatory Statement annexed to the Notice with liberty to the Board of Directors to alter and vary the terms of remuneration, in such manner as the Board may deem fit.

FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. S.R. Deo, Deputy Managing Director, the Company has no profits or its profits are inadequate, the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, be paid as minimum remuneration, subject to such statutory approval as may be applicable.

FURTHER RESOLVED THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to Section 148(3) of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, payment of Remuneration of ₹ 3,00,000/- (apart from reimbursement of out of pocket expenses and applicable taxes) to M/s. Kishore Bhatia & Associates, Cost Auditors, Mumbai (Registration No. 00294), who were appointed by the Board of Directors in their meeting held on 30 April 2015 for carrying out Cost Audit of the Company for financial year 2015-16, be and is hereby approved and ratified.

Registered Office:

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

Date : 30 April 2015

By Order of the Board
For **NOCIL Limited**

V.K.Gupte
Company Secretary

NOTES:

1. A member entitled to attend and to vote is entitled to appoint a proxy to attend and to vote instead of himself and a proxy need not be a member.

Proxies in order to be effective, must be received by the Company, at its Registered Office not less than 48 hours before the Meeting.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 13 July 2015 to Friday, 17 July 2015 (both days inclusive).
4. The dividend for the year ended 31 March 2015 as recommended by the Board, will be paid to those members whose names appear on the Company's Register of Members on 17 July 2015. In respect of shares held in demat form, the dividend will be paid to the beneficial owners of shares as per details furnished by the Depositories as on 17 July 2015. The dividend, if approved, at the Annual General Meeting, will be paid at par on or after 28 July 2015.
5. Members are requested to note that pursuant to the provisions of Section 125 (2) of the Companies Act, 2013, the dividend remaining unclaimed /unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Members who have so far not claimed the dividends are requested to make claim with the Company immediately as no claim shall lie against the Company in respect of individual amounts once credited to the said IEPF.

Due dates for transferring unclaimed and unpaid dividends declared by the Company are as under:

| Financial Year ended | Date of declaration of dividend | Due date of transfer of unclaimed & unpaid Dividend |
|----------------------|---------------------------------|---|
| 31 March 2008 | 22 July 2008 | 28 August 2015 |
| 31 March 2009 | 29 July 2009 | 4 September 2016 |
| 31 March 2010 | 30 July 2010 | 5 September 2017 |
| 31 March 2011 | 27 July 2011 | 2 September 2018 |
| 31 March 2012 | 31 July 2012 | 6 September 2019 |
| 31 March 2013 | 29 July 2013 | 4 September 2020 |
| 31 March 2014 | 30 June 2014 | 6 August 2021 |

6. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment or re-appointment.
7. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
8. Electronic copy of the Notice of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 20 July 2015 (9.00 a.m.) and ends on 22 July 2015 (5.00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17 July 2015, may cast their vote by remote e-voting. The

remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The Board of Directors have appointed M/s. Hemanshu Kapadia & Associates, practising Company Secretaries (C.P. No. 2285) as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open email and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of NOCIL Limited.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "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 shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to hemanshu@hkacs.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID PASSWORD/ PIN.

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no. 1800-222-990.

If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17 July 2015.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 17 July 2015 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer / RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

M/s. Hemanshu Kapadia & Associates, Company Secretaries, (C.P. No. 2285) have been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of 'remote e-voting or Ballot Paper or Polling Paper' for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.nocil.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

Annexure to the Notice

Explanatory Statement as required under Section 102 of the Companies Act, 2013:

Item No. 4

Pursuant to section 139(1) of the Companies Act, 2013, M/s. Deloitte Haskins & Sells LLP., Chartered Accountants, Mumbai (Registration No. 117366W/W-100018) were appointed as Statutory Auditors of the company to hold the office for the Financial Year 2014-15, 2015-16 and 2016-17. Further, pursuant to Section 139(1) of the Companies Act, 2013, the Members of the Company are required to ratify their re-appointment as Statutory Auditors of the Company, at every Annual General Meeting; hence the resolution is placed before the members for ratification.

None of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested in the resolution.

The Board recommends the resolution for the approval of the Members.

Item No. 5

The Board of Directors of the Company at its meeting held on 31 July 2014, had appointed Ms. Dharmishta N. Raval as Additional Director pursuant to Section 161 of the Companies Act, 2013. As per the provisions of said section Ms. Raval holds office as Additional Director up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years.

The Company has received Notice under Section 160 of the Companies Act, 2013 from a member proposing Ms. Raval as a candidate for office of Independent Director of the Company.

The Company has received a declaration of independence from Ms. Raval. In the opinion of the Board, Ms. Raval fulfills the conditions specified in the Companies Act, 2013 read with requirements of Listing Agreements for her appointment as an Independent Director of the Company.

Except Ms. Raval, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested (financially or otherwise) in the resolution.

A brief profile of Ms. Raval as required under Clause 49 of the Listing Agreement with the Stock Exchanges, are given in Annexure A to this Explanatory Statement.

Copy of draft letter of appointment of Ms. Raval as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the company during normal business hours on any working day, excluding Saturday and Sunday.

The Board recommends the resolution for the approval of the Members.

Item No. 6

Mr. C.R.Gupte has been overall responsible for leading the Rubber Chemical business of the company successfully and has been instrumental in achieving substantial growth for the company both as Chief Executive and thereafter as Managing Director effective from 1 August 2005. Mr. Gupte is B.Sc. and member of the Institute of Chartered Accountants of India.

The Board of Directors, on recommendation of Nomination and Remuneration Committee and considering the contribution made by Mr. Gupte, thought it fit in the interest of the Company to retain and avail the continuity of his expertise by re-appointing Mr. Gupte as Managing Director for a further period of two years w.e.f.1 August 2015 to achieve the desired goals of the Company.

The re-appointment and payment of remuneration and perquisites are subject to the approval of members of the Company and other statutory approvals as may be required.

The terms of remuneration and perquisites payable to Mr. C.R. Gupte are as follows:

- A i) Salary : ₹8,00,000/- (Rupees Eight Lakhs only) per month
- ii) Perquisites and Allowances, the aggregate monetary value of which shall not exceed ₹ 67,500/- (Rupees Sixty Seven thousand five hundred only) per month or as may be decided by the Board from time to time.

These perquisites and other allowances will be in addition to items mentioned in Clause (C) below.

The salary and perquisites as mentioned under (i) and (ii) above will be exclusive of

- ◆ Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
- ◆ Gratuity at the rate of one month's salary for every completed year or service or part thereof in excess of six months on the basis of the last drawn salary.
- ◆ Encashment of leave as per Company's Rules at the end of the tenure of service from the Company.
- ◆ Long Service Benefit at the rate of one and half month's salary for every completed year of service or part thereof in excess of six months on the basis of last drawn salary.

- B) Performance Bonus as may be fixed by the Board from time to time on the basis of the performance of Mr. C.R. Gupte and of the Company subject to and within the limits of the Companies Act, 2013 or any amendments thereto.

C) Apart from the above mentioned remuneration, he shall be entitled to:

- i) Furnished Residential Accommodation. In case no accommodation is provided by the Company, he will be entitled to a suitable House Rent Allowance.
- ii) Leave as per the rules of the Company.
- iii) Reimbursement of Domiciliary Medical Expenses actually and properly incurred by him and his family and Mediclaim Policy for hospitalization.
- iv) Expenses actually and properly incurred by him in the course of legitimate business of the company.
- v) Club Membership Fees subject to a maximum of two Clubs.
- vi) Personal Accident Insurance Policy.
- vii) Provision for use of motor car with driver for both official and personal use and reimbursement of telephone, gas and electricity expenses incurred at his residence.
- viii) Life Insurance as per the rules of the Company.

The copy of draft Letter of Appointment is kept open for inspection by any member of the Company under Section 190 (2) of the Companies Act, 2013.

Other particulars pertaining to the Company, which are required to be disclosed as per section II of Part II of the Schedule V of the Companies Act, 2013 and also Clause 49 of the Listing Agreement with the Stock Exchanges, are given in Annexure A to this Explanatory Statement.

Except Mr. C.R. Gupte, being an appointee and Mr. Vilas R. Gupte, Director, being relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Your Directors recommend this resolution for approval of the Members.

Item No. 7

Mr. S.R. Deo, is associated with Arvind Mafatlal Group (AMG) since last 36 years. Mr. Deo joined the AMG Group after completing his M. Tech in Chemical Engineering from IIT, Kanpur.

Prior to his appointment as Deputy Managing Director, he was Executive Director and President – Technical of the Company and has contributed to improve the plant efficiencies, product quality, Health, Safety and Environment (HSE) standards in the company, Human Resources strategy to meet the future business challenges, creating strong technical team of Research and Technology for indigenous development of technologies and its implementation.

The Board of Directors, on recommendation of Nomination and Remuneration Committee and considering the contribution made by Mr. Deo, thought it fit in the interest of the Company to appoint Mr. Deo as Deputy Managing Director for a period of 4 years w. e. f. 1 April 2015.

The appointment and payment of remuneration and perquisites of Mr. Deo as Deputy Managing Director are subject to the approval of members of the Company and other statutory approvals as may be required.

The terms of remuneration and perquisites payable to Mr. Deo are as follows:

- A i) Salary : ₹4,00,000/- (Rupees Four Lakhs only) per month
- ii) Perquisites and Allowances, the aggregate monetary value of which shall not exceed ₹2,08,700/- (Rupees Two Lakhs Eight thousand Seven hundred only) per month or as may be decided by the Board from time to time.

These perquisites and other allowances will be in addition to items mentioned in Clause (C) below.

The salary and perquisites as mentioned under (i) and (ii) above will be exclusive of:

- ♦ Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
- ♦ Gratuity at the rate of one month's salary for every completed year or service or part thereof in excess of six months on the basis of the last drawn salary.
- ♦ Encashment of leave as per Company's Rules at the end of the tenure of service from the Company.
- ♦ Long Service Benefit at the rate of one and half month's salary for every completed year of service or part thereof in excess of six months on the basis of last drawn salary.

B) Performance Bonus as may be fixed by the Board from time to time on the basis of the performance of Mr. S.R. Deo and of the Company subject to and within the limits of the Companies Act, 2013 or any amendments thereto.

C) Apart from the above mentioned remuneration, he shall be entitled to:

- i) Furnished Residential Accommodation or House Rent Allowance of ₹ 2,00,000/- (Rupees Two Lakhs only) per month.
- ii) Leave as per the rules of the Company.
- iii) Reimbursement of Domiciliary Medical Expenses actually and properly incurred by him and his family and Mediclaim Policy for hospitalization.
- iv) Expenses actually and properly incurred by him in the course of legitimate business of the company.
- v) Club Membership Fees subject to a maximum of one Club.
- vi) Personal Accident Insurance Policy.
- vii) Provision for use of motor car with driver for both official and personal use and reimbursement of telephone, gas and electricity expenses incurred at his residence.
- viii) Life Insurance as per the rules of the Company.

The copy of draft Letter of Appointment is kept open for inspection by any member of the Company under Section 190 (2) of the Companies Act, 2013.

Other particulars pertaining to the Company, which are required to be disclosed as per section II of Part II of the Schedule V of the Companies Act, 2013 and also Clause 49 of the Listing Agreement with the Stock Exchanges, are given in Annexure A to this Explanatory Statement.

Except Mr. S.R. Deo, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution.

Your Directors recommend this resolution for approval of the Members.

Item No. 8

Pursuant to section 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the payment of remuneration of ₹ 3,00,000/- per annum and reimbursement of out of pocket expenses and taxes as may be applicable to the Cost Auditors as considered and approved by the Board of Directors for the Financial Year 2015-16, if and as may be applicable and directives issued by the Central Government.

None of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested in the resolution.

The Board recommends the resolution for the approval of the Members.

Annexure A to the Explanatory Statement

Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013 giving details in respect of re-appointment of Mr. C.R.Gupte as Managing Director and appointment of Mr. S.R.Deo as Deputy Managing Director.

I. General Information:

a) Nature of Industry:

The Company is engaged in the business of manufacture and sale of Rubber Chemicals. It has manufacturing facilities at TTC Industrial Area in Thane, Maharashtra and Dahej, Gujarat and Regional Sales Offices at Mumbai, Delhi, Chennai and Kolkata.

b) Date of commencement of Commercial Production:

The Company started its commercial production in the year 1976.

c) Financial Performance:

(₹.in Lakhs)

| | Current Year | Previous Year |
|-------------------|--------------|---------------|
| Total Turnover | 78,533 | 64,579 |
| Profit Before Tax | 8,565 | 3,470 |
| Profit after Tax | 5,675 | 2,362 |

d) Export Performance:

(₹ in Lakhs)

| | Current Year | Previous Year |
|-------------------------------|--------------|---------------|
| FOB Value of Exports | 23,004 | 22,208 |
| Net Foreign Exchange Earnings | 4,016 | 2,780 |

e) Foreign Investments or Collaborators:

The Company does not have any foreign investment or collaborators.

II. Information about the appointees:

a) Background details:

| C.R.Gupte | S.R.Deo |
|---|---|
| Mr. C.R. Gupte is graduate in Science and a Fellow Member of the Institute of Chartered Accountants of India. | Mr. S.R. Deo is M. Tech in Chemical Engineering from IIT Kanpur. |
| Mr. Gupte is currently the Managing Director of the Company. Mr. Gupte joined the Rubber Chemicals Division from its inception in 1976 as Head of Internal Audit and held important positions of Chief Accountant, Marketing Manager, General Manager- Marketing, Vice President- Sales & Marketing and eventually as Chief Executive of the said Division from 1995. | Prior to his appointment as Deputy Managing Director, he was Executive Director and President – Technical of the Company and has contributed to improve the plant efficiencies, product quality, Health, Safety and Environment (HSE) standards in the company, Human Resources strategy to meet the future business challenges, creating strong technical team of Research and Technology for indigenous development of technologies and its implementation. |

b) Past remuneration:

(₹.in Lakhs)

| Particulars | C.R.Gupte | S.R.Deo |
|---|---------------|---------------|
| Salary, Allowances/ Perquisites and Performance Bonus | 170.70 | 121.80 |
| Contribution to Funds | 25.83 | 14.35 |
| Total | 196.53 | 136.15 |

c) Recognition or award:

| C.R.Gupte | S.R.Deo |
|-----------|---------|
| NIL | NIL |