

National Peroxide Limited



**ANNUAL REPORT
2018-2019**

AWARD RECEIVED DURING 2018-19

FEDERATION OF INDIAN CHAMBERS OF COMMERCE AND INDUSTRY (FICCI),
AWARD FOR EFFICIENCY IN ENERGY USAGE IN CHEMICAL SECTOR - 2017



The FICCI Award for Efficiency in Energy Usage in Chemical Sector for the year 2017 was presented to Mr. Suresh Khurana, Chief Executive Officer & Director (third from right), Dr. Hasit Dangi, Vice-President – Operations & QA (second from left) by Smt. Meenakshi Gupta, Additional Secretary & Financial Advisor (Chemicals & Fertilizers), Government of India, (third from left) on October 4, 2018 in Mumbai.



(Registered – 16th March, 1954)

DIRECTORS

NESS N. WADIA

(Chairman)

RAJESH BATRA

N. P. GHANEKAR

S. RAGOTHAMAN

DR. (MRS.) MINNIE BODHANWALA

VIRAF MEHTA (w.e.f. 4th July, 2019)

SURESH KHURANA

(Chief Executive Officer & Director)

CHIEF FINANCIAL OFFICER

CONRAD FERNANDES

COMPANY SECRETARY

CHANDUKUMAR PARMAR

BANKERS

STATE BANK OF INDIA

CANARA BANK

THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED

STANDARD CHARTERED BANK

SOLICITORS AND ADVOCATES

CRAWFORD BAYLEY & CO.

AUDITORS

PRICE WATERHOUSE CHARTERED ACCOUNTANTS LLP

REGISTERED OFFICE

NEVILLE HOUSE,
J. N. HEREDIA MARG,
BALLARD ESTATE,
MUMBAI- 400 001.

HEAD OFFICE

C-1, WADIA INTERNATIONAL CENTRE,
PANDURANG BUDHKAR MARG,
WORLI, MUMBAI- 400 025.

FACTORY

N. R. C. ROAD, P. O. ATALI,
VIA MOHONE, KALYAN – 421 102,
DIST. THANE, MAHARASHTRA.

REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

UNIT : NATIONAL PEROXIDE LTD.
C-101, 247 PARK,
L.B.S. MARG, VIKHROLI (WEST)
MUMBAI - 400 083
TEL : 2851 5606 / 2851 5644

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National Peroxide Limited

NOTICE

Registered Office:

Neville House, J. N. Heredia Marg,
Ballard Estate, Mumbai-400001.

Head Office:

C-1, Wadia International Centre,
Pandurang Budhkar Marg, Worli, Mumbai 400 025.
(CIN: L24299MH1954PLC009254)
Email: secretarial@naperol.com
Website: www.naperol.com
Phone: 022-66620000

NOTICE is hereby given that the Sixty-Fifth Annual General Meeting of the Members of NATIONAL PEROXIDE LIMITED will be held at Sunville Banquet & Conference Rooms, 9, Dr. Annie Besant Road, Near Worli Flyover, Worli, Mumbai 400 018 on Tuesday, 6th August, 2019 at 4.00 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Report of the Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Ness N. Wadia (DIN: 00036049), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

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

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of Nomination and Remuneration Committee, Mr. Viraf Mehta (DIN : 00352598), who was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 4th July, 2019, pursuant to Section 161 of the Act and who has submitted the declaration that he meets the criteria for Independence as provided under the Act and the Listing Regulations and in respect of whom Company has received a notice in writing

from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and who holds office upto the date of this Annual General meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of upto five consecutive years with effect from 4th July, 2019 to 3rd July, 2024.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee, Mr. Rajesh Batra (DIN: 00020764), Non-Executive Independent Director of the Company, who is eligible for re-appointment and has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years, commencing from 11th August, 2019 to 10th August, 2024.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee, Mr. S. Ragothaman (DIN: 00042395), Non-Executive Independent Director of the Company, who is eligible for re-appointment and has submitted a declaration that he meets the criteria for Independence as provided in the Act and Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of three consecutive years, commencing from 11th August, 2019 to 10th August, 2022 including the period from 10th May, 2021, when he shall attain 75 years of age.”

“RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, consent of members of the Company be and is hereby accorded to the continuation of Mr. S. Ragothaman (DIN: 00042395), as an Independent Director of the Company, who shall attain the age of 75 years on 10th May, 2021, during his second term as an Independent Director of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. D.C. Dave & Co., Cost Accountants, Mumbai, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020, be paid remuneration of Rs. 4,00,000/- plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them for the purpose of Audit.”

“RESOLVED FURTHER THAT any one of the Directors, Chief Financial Officer and Company Secretary of the Company, be and are hereby severally authorized to do all necessary acts, deeds, matters and things as may be considered necessary and desirable to give effect to this Resolution.”

By Order of the Board of Directors
For NATIONAL PEROXIDE LIMITED

CHANDUKUMAR PARMAR
Company Secretary
(ACS: 50299)

Mumbai, 4th July, 2019

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXIES NEED NOT BE MEMBER(S). IN ORDER TO BE VALID, PROXY FORMS DULY COMPLETE IN ALL RESPECTS, SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN FORTY- EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding Fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.

- b) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out in the Notice is annexed hereto as 'Annexure I'.
- c) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

- d) A brief resume of the Director(s) proposed to be appointed / re-appointed, nature of expertise in functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other details as required by the Secretarial Standards is annexed hereto as 'Annexure II'.

- e) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 24th July, 2019 to Tuesday, 6th August, 2019 (both days inclusive) for the purpose of determining eligibility of members entitled to dividend.

- f) The dividend as recommended by the Board of Directors, if approved by the members at this Annual General Meeting, shall be paid on or after Wednesday, 7th August, 2019, to those members whose names appear in the Register of Members of the Company as on the Book Closure Date.

- g) Members are requested to notify immediately any change of address:

- i) to their Depository Participants (DPs) in respect of their demat accounts; and
- ii) to the Company's Registrar & Share Transfer Agents, Sharex Dynamic (India) Pvt. Ltd., at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, (Tel: 022-28515606 / 022-28515644) in respect of their physical share folios, if any, quoting their folio numbers.

- h) The National Automated Clearing House (NACH) facility should mandatorily be used by companies for the distribution of dividend to its members. In order to avail the facility of NACH, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents (RTA).

Members holding shares in demat form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

- i) Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividends for the financial year ended 31st March, 2012 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund (IEPF) on the proposed dates given in the table below:



National Peroxide Limited

Financial Year	Date of Declaration of Dividend	Proposed Date for Transfer to IEPF*
2011-12	09.08.2012	09.09.2019
2012-13	14.08.2013	15.09.2020
2013-14	11.08.2014	11.09.2021
2014-15	11.08.2015	13.09.2022
2015-16	11.08.2016	11.09.2023
2016-17	09.08.2017	11.09.2024
2017-18	11.08.2018	11.09.2025

*Indicative dates; actual dates may vary

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to Sharex Dynamic (India) Pvt. Ltd. (RTA), at the address given above, quoting their folio numbers/ DP ID & Client ID.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended from time to time, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed for a period of seven consecutive years to the Demat Account of the IEPF Authority.

In compliance with the said Rules, the Company has communicated individually to the concerned shareholders whose shares are liable to be transferred / credited to the Demat Account of the IEPF Authority. The Company has uploaded on the website of the Company www.naperol.com under Investor Section, the details of such shareholders whose shares are to be transferred / credited to the Demat Account of the IEPF Authority.

Shareholders may note that both, the unclaimed dividend amount transferred to IEPF and the shares transferred to the Demat Account of the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by the shareholders from the IEPF Authority after following the procedure prescribed in the Rules.

- j) Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's RTA mentioned above.
- k) Pursuant to Section 101 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Section 136 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company can serve notice of general meeting and financial statements through electronic mode to those members who have registered their e-mail address with the depository or the Company. The members, who hold shares in

dematerialized form, are requested to register/update their e-mail address with the depository. The members holding shares in physical form may also opt to receive notices/ financial statements by registering their e-mail address with the Company's RTA at support@sharexindia.com.

- l) Members intending to require information about the Financial Statements, to be explained at the Meeting are requested to inform the Company at least 10 days prior to the date of Meeting so that the requisite information can be readily made available at the Meeting.
- m) Members/Proxies should bring the attendance slip duly filled in and signed for attending the Meeting and handover the same at the entrance of the Hall.
- n) Members are requested to bring their copy of the Annual Report to the Meeting.
- o) 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 demat 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 card copy to the Company.
- p) Members may also note that the Notice of the 65th Annual General Meeting will also be available on the website of the Company www.naperol.com and website of Central Depository Services (India) Limited (CDSL) www.evotingindia.com. The copies of the aforesaid documents will also be available at the Company's Head Office in Mumbai for inspection during normal business hours on all working days except Saturdays, Sundays and Public Holidays. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same.
- q) **Voting through Electronic Means:**
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014; and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided 'remote e-voting' [e-voting from a place other than venue of the AGM] facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of the 65th AGM of the Company, dated 4th July, 2019.
 - II. The facility for voting through ballot paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

- III. The remote e-voting period commences on 3rd August, 2019 (9.00 a.m.) and ends on 5th August, 2019 (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 30th July, 2019, may cast their vote by remote e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on 5th August, 2019.

- IV. The process and manner for remote e-voting are as under:
- Log on to the e-voting website: www.evotingindia.com
 - Click on "Shareholders/Members"
 - Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - Members holding shares in Physical Form should enter Folio Number registered with the Company
 - Enter the Image Verification as displayed and Click on Login
- V. 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.

- VI. If you are a first-time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ol style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. [If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction IV(iii).]
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- VII. After entering these details appropriately, click on "SUBMIT" tab.
- VIII. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password 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.
- IX. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- X. Click on the EVSN of National Peroxide Limited.
- XI. 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. Option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIII. 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.
- XIV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XV. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVI. If Demat account holder has forgotten the changed login password, then enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.



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XVIII. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

XVIII. Note for Non – Individual Shareholders and Custodians;

- Non – Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details, 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

XIX. 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

- r) Mr. Nilesh Shah of Nilesh Shah & Associates, Practicing Company Secretary, (Membership No: FCS 4554) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- s) The Scrutinizer shall after the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- t) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.naperol.com and on the website of CDSL e-voting by 8th August, 2019 and communicated to BSE Limited.
- u) MEMBERS HOLDING EQUITY SHARES IN DEMAT FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

By Order of the Board of Directors
For NATIONAL PEROXIDE LIMITED

CHANDUKUMAR PARMAR
Company Secretary
(ACS: 50299)

Mumbai, 4th July, 2019

ANNEXURE I TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Pursuant to the provisions of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Viraf Mehta (DIN : 00352598) as an Additional Director (Non-Executive Independent) of the Company with effect from 4th July, 2019.

In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. Viraf Mehta would hold office up to the date of this Annual General Meeting. On recommendation of Nomination and Remuneration Committee, the Board at its meeting held on 4th July, 2019 recommended to the Members of the Company, the appointment of Mr. Viraf Mehta as an Independent Director for a term of five consecutive years from 4th July, 2019 to 3rd July, 2024 under Sections 149, 150 and 152 of the Companies Act, 2013 and rules made thereunder (including other applicable provisions if any). The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Viraf Mehta for the office of Non-Executive Independent Director of the Company.

Mr. Viraf Mehta has given his consent to act as a Director and declaration that he is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013. The Company has also received a declaration from Mr. Viraf Mehta confirming that he meets with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and rules made thereunder (Act) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). On the basis of above declaration, the Board is of the opinion that Mr. Viraf Mehta fulfils the conditions specified in the Act and Listing Regulations and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and is independent of the management.

Brief resume of Mr. Viraf Mehta including nature of his expertise in functional areas and names of listed companies in which he holds directorship and membership/chairmanship of Board Committees, shareholding and relationship between directors inter-se as stipulated under applicable provisions of the Listing Regulations, is provided in this statement and annexure of the Notice.

The draft Letter of Appointment of Mr. Viraf Mehta as a Non-Executive Independent Director setting out the terms and conditions is available for inspection by the members at the Head Office of the Company on any working day of the Company during business hours.

Except Mr. Viraf Mehta, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise in this resolution.

The Board recommends the resolution set out at Item No. 4 of the accompanying Notice for approval of the members.

Item Nos. 5 & 6

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company, for another term of upto five consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 11th August, 2014 approved the appointment of following Independent Directors for a period of 5 years commencing from 11th August, 2014 till 10th August, 2019.

- Mr. Rajesh Batra (DIN: 00020764)

- Mr. N. P. Ghanekar (DIN: 00009725)

- Mr. S. Ragothaman (DIN: 00042395)

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, and as per the Articles of Association of the Company, Mr. Rajesh Batra and Mr. S. Ragothaman are eligible for re-appointment as Independent Directors and have offered themselves for re-appointment.

The Board of Directors recommends the proposal to re-appoint them as Independent Directors for terms as mentioned in the respective special resolutions.

Mr. N. P. Ghanekar, Independent Director of the Company, has not offered his candidature for re-appointment at the forthcoming Annual General Meeting. Consequently, he will cease to hold the position of an Independent Director with effect from 10th August, 2019 after serving 8 years in the Company.

The Company has also received a declaration of independence from them. In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for re-appointment as Independent Directors of the Company and are independent of the management.

A copy of the draft Letters of Appointment for Independent Directors is available for inspection at the Head Office of the Company during business hours on all working day.

The Board considers that association of the Independent Directors would be of immense benefit to the Company considering their expertise and experience and it is desirable to avail the services of these Independent Directors.



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Brief resume of Mr. Rajesh Batra and Mr. S. Ragothaman, nature of their expertise in functional areas and names of listed companies in which they hold directorship and membership/chairmanship of Board Committees, shareholding and relationship between directors inter-se as stipulated under applicable provisions of the Listing Regulations, 2015, are provided in this statement and annexure to the Notice.

Further as per the Regulation 17(1A) of the Listing Regulations, appointment or continuation of a Non-Executive Director after attaining age of 75 years also requires approval of Members of the Company by way of Special Resolution. Mr. S. Ragothaman shall attain age of 75 years during the proposed second term and in view of the same, the Board of Directors recommends passing of Special Resolution under Item No. 6 for his continuation as a Director.

None of the Directors who are proposed to be reappointed is related to any Director or Key Managerial Personnel of the Company or their relatives. Except for the appointee Directors for the purpose of their own resolution, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 & 6 of the Notice.

Item No. 7

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment of M/s. D. C. Dave & Co., Cost Accountants, Mumbai, as Cost Auditors to conduct the audit of the cost records of the Company at a remuneration of Rs. 4,00,000/- plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them for the financial year ending 31st March, 2020.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the Members of the Company.

A certificate issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Head Office of the Company on all working days except Saturdays, Sundays and Public Holidays between 11.00 a.m. to 1.00 p.m. upto and including the date of the Annual General Meeting.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board of Directors commends the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for approval of the Members.

By Order of the Board of Directors
For NATIONAL PEROXIDE LIMITED

CHANDUKUMAR PARMAR
Company Secretary
(ACS: 50299)

Mumbai, 4th July, 2019