



# POLYCHEM LIMITED

**63rd  
Annual  
Report**

**2019 - 2020**

**POLYCHEM LIMITED**

CIN: L24100MH1955PLC009663

**(INCORPORATED UNDER THE INDIAN COMPANIES ACT, VII OF 1913)**

<b>BOARD OF DIRECTORS</b>	MR. TANIL R. KILACHAND	(DIN 00006659)	Chairman
	MR. PARTHIV T. KILACHAND	(DIN 00005516)	Managing Director
	MR. ATUL H. MEHTA	(DIN 00005523)	Dy. Managing Director
	MR. NANDISH T. KILACHAND	(DIN 00005530)	Non – Executive Director
	MR. VINAYAK V. SAHASRABUDHE	(DIN 00296976)	Independent Director
	MR. CHETAN R. DESAI	(DIN 03246010)	Independent Director
	MS. NIRMALA S. MEHENDALE	(DIN 01230600)	Independent Director
	MR. YOGESH S. MATHUR	(DIN 01059977)	Independent Director
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	MS. DEEPALI V. CHAUHAN		
<b>CHIEF FINANCIAL OFFICER</b>	MS. KANAN V. PANCHASARA		
<b>AUDITORS</b>	M/s. NAYAN PARIKH & CO.		Chartered Accountants
<b>REGISTRAR &amp; TRANSFER AGENTS</b>	M/s. LINK INTIME INDIA PVT. LTD		
<b>REGISTERED OFFICE</b>	C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 400 083. Tel: 022 4918 6000, Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> , Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> 7, Jamshedji Tata Road, Churchgate Reclamation, Mumbai - 400 020. Tel: 022 2282 0048, Email: <a href="mailto:polychemltd@kilachand.com">polychemltd@kilachand.com</a> , Website: <a href="http://www.polychemltd.com">www.polychemltd.com</a>		

**WORK**

SPECIALTY CHEMICALS  
W-91, MIDC Phase II, Sonarpada,  
Dombivali (E), 421 203,  
Maharashtra, India.

**CORPORATE MANAGEMENT TEAM**

MR. T. R. KILACHAND	Chairman
MR. P. T. KILACHAND	Managing Director
MR. A. H. MEHTA	Dy. Managing Director

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**NOTICE**

Notice is hereby given that the Sixty – Third Annual General Meeting of the Members of POLYCHEM LIMITED will be held on Friday, 11<sup>th</sup> September, 2020 at 11.00 a.m., via two – way Video Conferencing ('VC') facility or other audio video means ('OAVM') to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) The audited Standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2020, including the audited Standalone Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors (the Board) and Auditors thereon.
  - b) The audited consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2020, including the audited Consolidated Balance Sheet as at 31<sup>st</sup> March, 2020 and the Statement of Consolidated Profit and Loss for the year ended on that date and the report of Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. T. R. Kilachand (00006659), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. N. T. Kilachand (00005530), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

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

**"RESOLVED THAT** in supersession of the Resolution passed by the members of the Company at the 60<sup>th</sup> Annual General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 approval of the members of the Company be and is hereby accorded to the appointment of Mr. P. T. Kilachand (DIN 00005516), as Managing Director of the Company, for a period of three years with effect from 1st April, 2020 upon the terms and conditions, including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. P. T. Kilachand, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

**"RESOLVED FURTHER THAT** the remuneration mention in Explanatory statement would nevertheless be paid and allowed to Shri P. T. Kilachand as the minimum remuneration, within the overall ceiling limits specified in Schedule V to the Companies Act, 2013 or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri P. T. Kilachand, the Company might have made no profits and its profits might be inadequate."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

6. To consider and if thought fit, to pass with or without modification/s, the following resolution as a Special resolution:

**"RESOLVED THAT** in supersession of the Resolution passed by the members of the Company at the 60<sup>th</sup> Annual General Meeting held on 24th August, 2017 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 approval of the members of the Company be and is hereby accorded to the appointment of Mr. A. H. Mehta (DIN 00005523), as Dy. Managing Director of the Company, for a period of three years with effect from 5<sup>th</sup> June, 2020 upon the terms and conditions, including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. A. H. Mehta subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."



**"RESOLVED FURTHER THAT** the remuneration mention in Explanatory Statement would nevertheless be paid and allowed to Shri A. H. Mehta as the minimum remuneration, within the overall ceiling limits specified in Schedule V to the Companies Act, 2013 or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri A. H. Mehta, the Company might have made no profits and its profits might be inadequate."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

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, 150, 152, Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment & Qualifications of Director) Rules, 2014 read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), Ms. Nirmala Mehendale (DIN 01230600), Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, to hold office for a second term of five (5) consecutive years commencing from 27<sup>th</sup> July, 2020, not 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** pursuant to the provisions of sections 149, 150, 152, Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment & Qualifications of Director) Rules, 2014 read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), Mr. Y. S. Mathur (DIN 01059977), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, to hold office for a second term of five (5) consecutive years commencing from 27<sup>th</sup> July, 2020, not liable to retire by rotation."

**Corporate Identification Number (CIN):** L24100MH1955PLC009663

**Registered Office:**

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai - 400 020.

Dated: 11<sup>th</sup> July, 2020.

By Order of the Board of Directors

**DEEPALI V. CHAUHAN**

Company Secretary & Compliance Officer

**NOTES:**

- (a) Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to Special Business under Item nos. 5 to 8 to be transacted at the meeting is annexed hereto.
- (b) In view of the global outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') facility or other audio visual means (OAVM), without physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ('SEBI') vide its Circular dated May 12, 2020 ('SEBI Circular') has also granted certain relaxations. In Compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the 63<sup>rd</sup> AGM of the Company is being held through VC/OAVM on Friday, 11<sup>th</sup> September, 2020 at 11.00 a.m.
- (c) Further, pursuant to the MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2019-20 is sent in electronic form only to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the 63<sup>rd</sup> AGM has been uploaded on the website of the Company at [www.polychemltd.com](http://www.polychemltd.com). The Notice can also be accessed from the website of the Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and NSDL (agency for providing the Remote e-Voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Members who would like to obtain pdf copy on their email ID may write an email to [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com). Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.
- (d) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC or OAVM, physical attendance of Members has been dispensed with. Accordingly, in terms of the above-mentioned MCA and SEBI circulars, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- (e) Members attending the meeting through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act 2013.
- (f) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned on page 17. The Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (g) Corporate members intending to send their authorised representative to attend the AGM through VC or OAVM or to vote through remote e-voting, pursuant to Sections 112 and 113 of the Act, are requested to send a certified copy of the board resolution to the Scrutinizer by e-mail at [mail@raginichokshi.com](mailto:mail@raginichokshi.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com), authorising their representative to attend and vote on their behalf at the AGM.
- (h) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (i) All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available electronically for inspection by the members during the AGM.
- (j) Brief resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, 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(3)(a) of SEBI (LODR) Regulations, 2015 are provided on page 11.
- (k) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM the details of which are available on page No. 14.
- (l) The Register of Members and Share Transfer Book will remain closed from Tuesday 28<sup>th</sup> July, 2020 to Tuesday 4<sup>th</sup> August, 2020 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.



- (m) Dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched subject to deduction of income-tax at source wherever applicable on or after 11<sup>th</sup> September, 2020 to those members whose names shall appear on the Company's Register of Members on the book closure date.
- (n) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct Tax At Source ("**TDS**") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending documents through email at [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com).
- (o) Members holding shares in electronic form are requested to intimate immediately any change in their bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their bank mandates immediately to the Company or its Registrar & Share Transfer Agents - Link Intime India Pvt. Ltd.
- (p) The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
- (q) All Unclaimed Dividends to the earlier years have been transferred to the General Revenue Account of the Central Government in terms of Section 205 A of Companies Act, 1956.
- (r) In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from 1st April, 2019. In view of the above, members are advised to dematerialise shares held by them in physical form.
- (s) The Company's securities are listed on the following Stock Exchange:

Sr. No.	Name & Address of the Stock Exchange	Nature of Security as on 31-03-2020
1.	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	4,04,045 Equity Shares of Rs.10/-each.

The Company has paid Annual Listing fees for the year 2020-21 to the above Stock Exchange.

**Corporate Identification Number (CIN):** L24100MH1955PLC009663

**Registered Office:**

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai - 400 020.

Dated: 11<sup>th</sup> July, 2020.

By Order of the Board of Directors

**DEEPALI V. CHAUHAN**

Company Secretary & Compliance Officer

**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013.

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013 sets out the material facts relating to business under Item Nos. 5 to 8, mentioned in the accompanying Notice dated 11<sup>th</sup> July, 2020.

**Item No.5**

Mr. P. T. Kilachand was appointed as an Additional Director with effect from 3<sup>rd</sup> December, 1996 and as a Whole-time Director from time to time, he was then appointed as Managing Director with effect from 27<sup>th</sup> July, 2012 and re-appointed on 1<sup>st</sup> April, 2014 and 1<sup>st</sup> April, 2017. In accordance with the conditions specified in Schedule V of the Act, the Board at its meeting held on 6<sup>th</sup> February, 2020 re-appointed Mr. P. T. Kilachand as Managing Director for a period of 3 years from 1<sup>st</sup> April, 2020, superseding the earlier resolution passed by the Company in this connection. This appointment is subject to the approval of the members at the Annual General Meeting.

The main terms of appointment of Mr. P. T. Kilachand as Managing Director is placed before the meeting, are as follows:

**I. SALARY:**

(A) In any financial year, if the Company has sufficient Net Profit (calculated as per section 198 of the Act) in any financial year:

Salary of any amount upto 5% of the Net Profit of the Company as may be decided by the Board based on performance of the Company, inclusive for each financial year or part thereof computed in the manner as laid down under section 198 of the Companies Act, 2013;

OR

(B) In case, the Company has no profits or its profits are inadequate:

Salary upto Rs. 5,00,000/- per month or Rs. 60,00,000/- per annum (or any higher limit as may be revised from time to time under the Act) as may be decided by the Board inclusive of the following Perquisites as Minimum Remuneration as per Para (B) of Schedule V.

**II. PERQUISITES:**

Shri P. T. Kilachand shall be entitled to House Rent Allowance not exceeding 60% of the salary, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, Company maintained car, including driver's salary, telephone, mobile, internet and other communication facilities at Managing Director's residence and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules within the ceiling limits payable to Shri P. T. Kilachand, subject however to the limit of overall Minimum Remuneration as prescribed under Schedule V.

Shri P. T. Kilachand shall further be eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration by way of salary, perquisites, allowances etc., in the event of the Company having no profits or its profits are inadequate:

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent is not taxable under the Income Tax Act;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

Shri P. T. Kilachand shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

The above remuneration in terms of Salary and perquisites payable to him is subject to the limits of 5% and 10% of the Net Profits of the Company, as the case may be as laid down in Section 197 of the Companies Act, 2013 and the overall limit of 11% on the Net Profits of the Company as laid down in Section 197 of the said Act.

The valuation of perquisites will be as per the Income Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.



In the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. P.T. Kilachand the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof.”

The remuneration is approved by the Remuneration Committee of the Directors at its meeting held on 6<sup>th</sup> February, 2020.

The Board of Directors recommends the resolution for approval of the members.

This may be treated as an abstract of the terms and conditions, governing the appointment and remuneration of the Managing Director, pursuant to Section 109 of the Companies Act, 2013. A Statement as required under section II, Part II of the Schedule V to the Companies Act, 2013 with reference to Resolution No. 5 is annexed hereto and marked as **Annexure A**.

None of the other Directors or Key Managerial Personnel of the Company, except Mr. T. R. Kilachand, Mr. N. T. Kilachand and Mr. P. T. Kilachand are in any way, concerned or interested in the said resolution.

#### **Item No. 6**

Mr. A. H. Mehta was appointed as an Additional Director with effect from 29<sup>th</sup> May, 2014, he was then appointed as Dy. Managing Director with effect from 1<sup>st</sup> June, 2014 then re-appointed on 1<sup>st</sup> June, 2017, the term of his office as Dy. Managing Director expired on 31<sup>st</sup> May, 2020 but continues as a Director. Due to covid – 19, the meeting could not held earlier. Therefore, in accordance with the conditions specified in Schedule V of the Act, the Board at its meeting held on 5<sup>th</sup> June, 2020 again re-appointed Mr. A.H. Mehta as Dy. Managing Director for a period of 3 years from 5<sup>th</sup> June, 2020, superseding the earlier resolution passed by the Company in this connection. This appointment is subject to the approval of the members at the Annual General Meeting.

The main terms of appointment of Mr. A. H. Mehta as Dy. Managing Director is placed before the meeting, are as follows:

#### **I. SALARY:**

- (A) In any financial year, if the Company has sufficient Net Profit (calculated as per Section 198 of the Act) in any financial year:

Salary of any amount upto 5% of the Net Profit of the Company as may be decided by the Board based on the performance of the Company, inclusive of incentives for each financial year or part thereof computed in the manner as laid down under Section 198 of the Companies Act, 2013;

OR

- (B) In case, the Company has no profits or its profits are inadequate:

Salary upto Rs. 4,00,000/- per month or Rs. 48,00,000/- per annum (or any higher limit as may be revised from time to time under the Act) as may be decided by the Board inclusive of the following Perquisites as Minimum Remuneration as per Para (B) of Schedule V.

#### **II. PERQUISITES:**

Shri A. H. Mehta shall be entitled to House Rent Allowance not exceeding 60% of the salary, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, Company maintained car, including driver's salary, telephone, mobile, internet and other communication facilities at Dy. Managing Director's residence and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules within the ceiling limits payable to Shri A. H. Mehta, subject however to the limit of overall Minimum Remuneration as prescribed under Schedule V.

Shri A. H. Mehta shall further be eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration by way of salary, perquisites, allowances etc., in the event of the Company having no profits or its profits are inadequate:

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent is not taxable under the Income Tax Act;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and





iii. Encashment of leave at the end of the tenure.

The above remuneration in terms of Salary and perquisites payable to him is subject to the limits of 5% and 10% of the Net Profits of the Company, as the case may be as laid down in Section 197 of the Companies Act, 2013 and the overall limit of 11% on the Net Profits of the Company as laid down in Section 197 of the said Act.

The valuation of perquisites will be as per the Income Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

In the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. A.H. Mehta the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof."

The remuneration is approved by the Remuneration Committee of the Directors at its meeting held on 5<sup>th</sup> June, 2020.

The Board of Directors recommends the resolution for approval of the members.

This may be treated as an abstract of the terms and conditions, governing the appointment and remuneration of the Dy. Managing Director, pursuant to Section 109 of the Companies Act, 2013. A Statement as required under section II, Part II of the Schedule V to the Companies Act, 2013 with reference to Resolution No. 6 is annexed hereto and marked as **Annexure A.**

None of the other Directors or Key Managerial Personnel of the Company, except Mr. A. H. Mehta is in any way, concerned or interested in the said resolution.

**Item No. 7**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements, entered with the Bombay Stock Exchange, appointed Ms. Nirmala S. Mehendale (DIN 01230600), as Independent Director, in compliance with the requirements of the clause.

Ms. Nirmala S. Mehendale (DIN 01230600) is also a member of Nomination and Remuneration Committee and Audit Committee.

Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, she was appointed as Independent Non – Executive Director by the members to hold office for five (5) years, commencing from 27<sup>th</sup> July, 2015 in 58<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> July, 2015. Every listed public company is required to have one woman director and atleast one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

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.

Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Ms. Nirmala S. Mehendale, being eligible for re-appointment as an Independent Director and offering herself for re-appointment, is proposed to be re-appointed as an Independent Non – Executive Director for a second term of five consecutive years from 27<sup>th</sup> July, 2020.

Ms. Nirmala Mehendale was associated with Polychem Limited in the past. She was the First Woman President of the 'Bombay Management Association' (BMA) 2016-17, Founding Director of 'Mind Movers Management Consultants Pvt Ltd'- 1997, Co founder of 'Sustainable Technology for Environment Protection' Pvt. Ltd - 2010, Founder Trustee of Kindness Unlimited (NFP) & The President of The World Kindness Movement (WKM) having over three decades of experience in building and implementing HR systems and process both as practicing manager & HR Consultant / Advisor.

In the opinion of the Board, Ms. Nirmala S. Mehendale's background, experience and expertise in the field is beneficial to the Company, considering her fruitful contribution to the Company, the board decides to continue the Association with Ms. Mehendale.

Ms. Nirmala S. Mehendale has given a declaration to the Board that she meets the criteria of independence as provided in section 149(6) of the Act. In the opinion of the Board, she fulfils the conditions specified in the Act and Rules framed thereunder for the re-appointment as an Independent Director.

The appointment of Ms. Nirmala S. Mehendale as an Independent Non – Executive Director is now being placed before the Members for their approval.



A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment will be available for inspection by the Member. Members who wish to inspect the same can send a request to the e-mail [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com).

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Ms. Nirmala S. Mehendale for her appointment, are concerned or interested, financially or otherwise, in this Resolution.

**Item No. 8**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements, entered with the Bombay Stock Exchange, appointed Mr. Yogesh S. Mathur (DIN 01059977), as Independent Director, in compliance with the requirements of the clause.

Mr. Yogesh S. Mathur (DIN 01059977) is also a member of Nomination and Remuneration Committee and Audit Committee.

Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, he was appointed as Independent Non – Executive Director by the members to hold office for five (5) years, commencing from 27<sup>th</sup> July, 2015 in 58<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> July, 2015. Every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

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.

Based on recommendation of the Nomination and Remuneration Committee and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Yogesh S. Mathur, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Non – Executive Director for a second term of five consecutive years from 27<sup>th</sup> July, 2020.

Mr. Yogesh S. Mathur was associated with Polychem Limited for almost 20 years. He then joined Connell Bros. (India) P Ltd in 1999 and retired in 2015 as an Executive Director. Mr. Mathur brings almost 37 years of experience in Business Management and Marketing.

Considering the knowledge, expertise and experience in the field, and the valuable contribution made to the Company during his tenure as an independent director, the Board agrees that the continued association of Mr. Mathur would be in the interest of the Company.

Mr. Yogesh S. Mathur has given a declaration to the Board that he meets the criteria of independence as provided in section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and Rules framed there under for the re-appointment as an Independent Director.

The appointment of Mr. Yogesh S. Mathur as an Independent Non – Executive Director is now being placed before the Members for their approval.

A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com).

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Yogesh S. Mathur for his appointment, are concerned or interested, financially or otherwise, in this Resolution.

**Corporate Identification Number (CIN):** L24100MH1955PLC009663

**Registered Office:**

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai - 400 020.  
Dated: 11<sup>th</sup> July, 2020.

By Order of the Board of Directors

**DEEPALI V. CHAUHAN**  
Company Secretary & Compliance Officer