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SUNSHIELD CHEMICALS LTD.

11TH ANNUAL REPORT 1996-97



SUNSHIELD

CHEMICALS LTD.

REGD. OFFICE : JANKI NIWAS, N. C. KELKAR ROAD, DADAR, MUMBAI 400 028.

BOARD OF DIRECTORS

Mr. Patwardhan Vinaykumar	Chairman
Mr. Datar A. R.	
Mr. Junnarkar S. H.	
Mr. Kale M. D.	
Mr. Kelkar Satish M.	Vice Chairman & Managing Director
Mr. Medhora A. E.	Nominee Director (SICOM)
Mr. Patwardhan A. M.	
Mr. T. Raghavendran	Nominee Director (ICICI)
Mr. Taskar A. N.	Alternate to Mr. Vinaykumar Patwardhan

Auditors

M/s. Vikas Mhatre & Co.

Bankers

Bank of Baroda
The Saraswat Co-op. Bank Ltd.
State Bank of India

Solicitors

M/s. Kanga & Company

REGISTERED OFFICE

Janki Niwas, N. C. Kelkar Road,
Dadar, Mumbai 400 028.
Tel. : 430 1454. Fax : 430 7094

SALES & MARKETING OFFICE

Yudhishtir, Ganesh Peth Lane,
Dadar, Mumbai 400 028.
Tel. : 431 3265 / 436 1791

FACTORY / R & D CENTRE

Pali-Khopoli Road, Village Rasal,
Taluka Sudhagad, Dist. Raigad,
Maharashtra.
Tel. : (02142) 42226

REGISTRARS & SHARE TRANSFER AGENTS
NUCLEUS SHARE CUSTODIAN SERVICES LTD.
Arambha, Opp. L & T Gate No. 7,
Saki Vihar Road, Powai,
Mumbai 400 072.

SUNSHIELD CHEMICALS LIMITED

NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the Members of Sunshield Chemicals Limited will be held on Wednesday, 24th September, 1997 at 3.30 p.m. at Karnataka Sangh Hall, T. H. Kataria Marg, Matunga, Mumbai-400 016 to transact the following business.

ORDINARY BUSINESS :

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 1997 and the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok M. Patwardhan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sandeep H. Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Tembey & Mhatre, Chartered Accountants, Mumbai as auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 372 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to all necessary approvals including the approval of the Central Government, if required, and any other permissions as may be required from financial institution/s, bank/s and any other authority to the extent necessary, the sanction of the Company be and is hereby accorded to the Board of Directors

of the Company to invest, by way of purchase, subscription or acquisition, an aggregate sum not exceeding Rs. 450 lacs in the equity shares of Rs. 10/- each of Sunshield Organics Ltd. (SOL) or such other company as may be decided by the Board of Directors for the purpose, notwithstanding that the aggregate of such investment together with the existing investments by the Company in all other bodies corporate exceeds the percentage limits prescribed under Sub-Section (2) of Section 372 and the provisos thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide the actual amount to be invested as equity and to make necessary application to the Central Government, if required, for seeking its approval to the said investment and to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 370 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, if required and any other permissions as may be required from financial institution/s, bank/s and any other authority to the extent necessary, the consent of the Company be and is hereby given to the Board of Directors to advance loan to Sunshield Organics Ltd. (SOL), a company under the same management as defined under Section 370 (1B) of the Companies Act, 1956 or to such other company as may be decided by the Board of Directors for the purpose, on such terms and conditions as may be deemed proper by the Board and subject, however, to the condition that the total amount of such loan together with the loans already granted, shall not exceed Rs. 500 lacs, notwithstanding that the aggregate of such loan together with the

SUNSHIELD CHEMICALS LIMITED

existing loans given by the Company to all other bodies corporate exceeds the percentage limits prescribed under Sub-Section (1) of Section 370 and the provisos thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to decide the actual amount to be advanced as loan and to make necessary application to the Central Government, if required, for seeking its approval to the said loan and to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this Resolution."

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

"RESOLVED THAT subject to such permissions of Banks and Financial Institutions and other authorities as may be necessary, the consent of the Company be and is hereby accorded in terms of Section 293 (1) (a) and all other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors for the transfer by way of sale, lease or other disposition of part of the Company's land alongwith part of building/s and structure/s thereon, plant & machinery and other assets forming part of the production facilities of Nonyl Phenol and Dodecyl Phenol (hereinafter referred to as "Alkyl Phenol Business") situated at Village Rasal, Tal. Sudhagad, Dist. Raigad, Maharashtra to such person or persons, or such bodies corporate, for such price or compensation (including rent/fee/deposit) and in such form and manner and at such time and on such terms and conditions as the Board of Directors may, in its sole discretion, deem proper and most beneficial to the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to decide and determine the person/entity who will acquire the Alkyl Phenol Business and finalise and settle the terms of transfer thereof

and to finalise, settle and execute all such documents, deeds, writings, papers, agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

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

"RESOLVED THAT the approval of the Company pursuant to the provisions of Section 163 and all other applicable provisions, if any, of the Companies Act, 1956, be and is hereby given to keep the register of members, index of members and copies of all annual returns prepared under Sections 159 and 160 together with the copies of certificates and documents required to be annexed thereto under Sections 160 and 161 at the Registered Office of the Company at Janki Niwas, N.C. Kelkar Road, Dadar (West), Mumbai 400 028 with effect from such date as may be decided by the Board of Directors provided that such date shall not be later than 1st January, 1998 and suitable intimation of such date be given to the members."

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

"RESOLVED THAT Mr. Satish M. Kelkar be and is hereby appointed a Director;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mr. S. M. Kelkar as the Managing Director of the Company for a period of five years with effect from 1st April, 1997 on the terms and conditions including remuneration as set out in the letter of appointment

SUNSHIELD CHEMICALS LIMITED

dated 20th March, 1997 issued to Mr. S. M. Kelkar, a copy whereof duly initialled by the Chairman for purposes of identification is submitted to this Meeting and is hereby specifically sanctioned;

RESOLVED FURTHER THAT pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby approves the enhancement in the remuneration of Mr. S. M. Kelkar as the Managing Director of the Company with effect from 16th August, 1997 for the remaining period of his tenure as Managing Director on the terms and conditions including remuneration as set out in the fresh letter of appointment dated 16th August, 1997 issued to Mr. S. M. Kelkar and in the draft Agreement proposed to be entered into by the Company with Mr. S. M. Kelkar, copies whereof duly initialled by the Chairman for purposes of identification are submitted to this Meeting and are hereby specifically sanctioned and approved with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board") to alter and vary the said terms and conditions of appointment and remuneration contained in the draft Agreement in such manner as the Board may deem proper and as may be agreed to by Mr. S. M. Kelkar but so that his remuneration shall not exceed the limits specified in Schedule XIII to the Act (including any statutory modification or re-enactment thereof, for the time being in force);

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. S. M. Kelkar as Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. S. M. Kelkar all such remuneration as the Board may think fit by way of salary, perquisites and allowances not exceeding the limits stipulated in the fresh letter of appointment referred to

hereinabove subject to an overall ceiling limit of Rs. 8,64,000/- per annum or Rs. 72,000/- per month or such other higher sums as the Board may deem fit and as may be permitted from time to time in terms of Schedule XIII to the Companies Act, 1956 and in addition thereto the perquisites not exceeding the limits specified in Section II of Part II of Schedule XIII to the Companies Act, 1956 or any amendment thereto or re-enactment thereof;

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Act, the Board be and is hereby authorised to vary or enhance the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and to suitably amend the Agreement referred to hereinabove between the Company and Mr. S. M. Kelkar in accordance with such amendment, modification or relaxation without any further reference to the Company in General Meeting;

RESOLVED FURTHER THAT the board be and is hereby authorised to do, perform and execute all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this Resolution."

By Order of the Board of Directors
For SUNSHIELD CHEMICALS LIMITED

Satish M. Kelkar
Vice-Chairman &
Managing Director

Mumbai, 16th August, 1997.

Registered Office :

Janki Niwas, N. C. Kelkar Road,
Dadar, Mumbai 400 028.

SUNSHIELD CHEMICALS LIMITED

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
4. The Register of Members and the Share Transfer Books will remain closed from 19th September, 1997 to 24th September, 1997 (both days inclusive)
5. Members are requested to intimate the change in their addresses, if any, to the Company's Registrar & Transfer Agents M/s. Nucleus Shares Custodian Services Limited, immediately.
6. Members desirous of obtaining any information as regards Accounts and operations of the Company are requested to send queries in writing to the Company at its Registered Office so as to reach at least seven days before the date of the meeting.
7. Copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their own copies of the Annual Report.

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 4

M/s. Vikas Mhatre & Company, Chartered Accountants, Mumbai, the present auditors of the Com-

pany who hold office upto the conclusion of this Annual General Meeting and are eligible for re-appointment, have given notice in writing of their unwillingness to be re-appointed at this Annual General Meeting. It is proposed to therefore appoint M/s. Tembey and Mhatre, Chartered Accountants, Mumbai (in which Mr. Vikas Mhatre, proprietor of M/s. Vikas Mhatre & Co., the retiring auditors, is one of the partners) as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Company has received a letter from M/s. Tembey and Mhatre that their appointment, if approved, will be within the limits specified in Section 224 (1-B) of the Companies Act, 1956.

The Board recommends their appointment.

None of the Directors is, in any way, concerned or interested in the proposed resolution.

Item No. 5

The Company has entered into a Memorandum of Agreement (MOA) with Schenectady International Incorporated (SII), New York, USA to form a joint venture company to manufacture various Alkyl Phenols and other chemicals. At present, investment of the Company is expected to be around Rs. 450 lacs by way of its contribution in the form of equity and/or loan in/to the proposed joint venture company. Sunshield Organics Ltd. (SOL), the present subsidiary of the Company, may itself become the joint venture company in which SII and its affiliates may invest their contribution in the form of equity and/or loan. This investment of the Company will exceed 30% of the paid up capital and free reserves of the Company. Since SOL is a subsidiary of the Company, no approvals of the members as well as of the Central Government will be required as per present legal provisions. However, while implementing the terms of MOA, if there is any change in the entity which is to be the vehicle of the joint venture, then in such event, it may require permissions of the members and/or of the Central Government, and it would be appropriate that the

SUNSHIELD CHEMICALS LIMITED

Members give appropriate authority as required, to avoid delay in implementation of the MOA.

Since Section 372 (4) of the Companies Act, 1956 requires prior approval of the shareholders by way of a resolution for making any investments in excess of the limits specified under sub section 2 of Section 372 and since the proposed investment, if in the form of equity, in the joint venture company, will be in excess of the limits specified under sub section 2 of Section 372, the approval of the members of the Company is being obtained. The resolution is in the nature of an enabling resolution.

The resolution is recommended for the approval of the members.

Except Mr. Ashok R. Datar, Mr. Ashok M. Patwardhan, Mr. A. E. Medhora (Nominee Director of SICOM) and Mr. T. Raghavendran (Nominee Director of ICICI) who are not Directors of SOL, the other directors of the Company may be deemed to be interested or concerned in the proposed resolution to the extent of directorships held in SOL.

Item No. 6

The Company has entered into a Memorandum of Agreement (MOA) with Schenectady International Incorporated (SII), New York, USA to form a joint venture company to manufacture various Alkyl Phenols and other chemicals. At present, investment of the Company is expected to be around Rs. 450 lacs by way of its contribution in the form of equity and/or loan in/to the proposed joint venture company. Sunshield Organics Ltd. (SOL), the present subsidiary of the Company, may itself become the joint venture company in which SII and its affiliates may invest their contribution in the form of equity and/or loan. This loan by the Company will exceed 30% of the paid up capital and free reserves of the Company. Since SOL is a subsidiary of the Company, no approvals of the members as well as of the Central Government will be required as per present legal provisions. However, while implementing the terms of MOA, if there is any change in the entity which is to be the vehicle of the joint

venture, then in such event, it may require permissions of the members and/or of the Central Government, and it would be appropriate that the Members give appropriate authority as required, to avoid delay in implementation of MOA.

Section 370 (1) of the Companies Act, 1956 requires prior approval of the shareholders by way of a special resolution for advancing any loans in excess of the limits specified under second proviso to Section 370 (1). Since the loan that may be advanced to SOL or other joint venture company may be in excess of the limits specified under second proviso to Section 370 (1), the approval of the members of the Company is required and is being obtained. Though, the approval of the members is strictly not required in the context of SOL being the joint venture vehicle, the same is sought in order to avoid the delay in obtaining the shareholders approval, if required, at a future date. The resolution is in the nature of an enabling resolution.

The resolution is recommended for the approval of the members.

Except Mr. Ashok R. Datar, Mr. Ashok M. Patwardhan, Mr. A. E. Medhora (Nominee Director of SICOM) and Mr. T. Raghavendran, (Nominee Director of ICICI) who are not directors of SOL, the other Directors of the Company may be deemed to be interested or concerned in the proposed resolution to the extent of directorships held in SOL.

Item No. 7

The Company, at present, manufactures "Alkyl Phenols" and "Speciality Chemicals". The Company has entered into a Memorandum of Agreement (MOA) with Schenectady International Incorporated (SII), New York, USA, to form a Joint Venture company to manufacture and market Alkyl Phenols in India while the business of manufacture and sale of Speciality Chemicals will continue to be that of the Company. Therefore, it is proposed to sell to the Joint Venture company the manufacturing assets of the business of Nonyl Phenol

SUNSHIELD CHEMICALS LIMITED

(PNP) and Dodecyl Phenol (PDDP) (which together for brevity has been referred to as "Alkyl Phenol Business") comprising of part of the land, buildings and structures thereon alongwith plant & machinery pertaining to the business of Alkyl Phenols at Village Rasal, Taluka Sudhagad, Dist. Raigad, Maharashtra, subject to obtaining necessary approvals, permissions from the financial institutions/banks/such other authorities as may be necessary. Sunshiled Organics Ltd. (SOL) may itself be the joint venture company or the joint venture vehicle may be another company. The Company plans to acquire from SOL the plant and machinery and other assets required for manufacture of speciality chemicals as the proposed joint venture is for "Alkyl Phenol Business" and "Speciality Chemicals" will continue to be the business of the Company. The Board is seeking authority of the members to decide on the ultimate joint venture vehicle to whom the Alkyl Phenol Business would be transferred and also to finalise and decide the mode and manner of transfer of the said business.

Section 293 (1) (a) of the Companies Act, 1956 requires the approval of the shareholders by way of an ordinary resolution for selling, leasing or otherwise disposing of the whole or the substantially the whole of the undertaking of the Company. Since sale of the Alkyl Phenol Business will amount to sale of the undertaking or substantially the whole of the undertaking, approval of the shareholders under Section 293 (1) (a) of the Companies Act, 1956 is sought. The Board deems it in the interest of the Company to dispose off the aforesaid undertaking in these beneficial circumstances.

The resolution is recommended for the approval of the members.

Except Mr. Ashok R. Datar, Mr. Ashok M. Patwardhan, Mr. A. E. Medhora (Nominee Director of SICOM) and Mr. T. Raghavendran, (Nominee Director of ICICI) who are not directors of SOL, the other Directors of the Company may be deemed to be interested or concerned in the proposed resolution

to the extent of directorships held in SOL.

Item No. 8

The Company at present does the share transfer work through its Registrars and Share Transfer Agents M/s. Nucleus Shares Custodian Services Ltd. and all the statutory records are kept at their office at Arambha, Opp. L&T Gate No. 7, Saki Vihar Road, Powai, Mumbai 400 076.

The Company proposes to carry out the share transfer work in-house. Therefore, the statutory records like Register of Members, Index of Members and copies of all Annual Returns alongwith copies of certificates and documents annexed thereto will be kept at the Registered Office of the Company with effect from such date as may be decided by the Board of Directors which shall not be later than 1st January, 1998. The exact date will be suitably intimated to the members. Though, strictly not required, the approval of the members is sought as a measure of good order.

The resolution is recommended for the approval of the members.

None of the Directors is, in any way, concerned or interested in the proposed resolution.

Item No. 9

The Members of the Company at the Extra Ordinary General Meeting held on 3rd April, 1992 had approved the appointment of Mr. Satish M. Kelkar as Managing Director for a period of five years with effect from 1st April, 1992. Accordingly the term of Mr. Satish M. Kelkar expired on 31st March, 1997.

The Board of Directors at its meeting held on 20th March, 1997 appointed Mr. Satish M. Kelkar as an Additional Director and Managing Director of the Company for a period of 5 years with effect from 1st April, 1997 upto 31st March, 2002 on identical terms of remuneration as were for the earlier period of 1st April, 1992 to 31st March, 1997, with liberty to the Board of Directors to

SUNSHIELD CHEMICALS LIMITED

revise the remuneration.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 162 (1) of the Articles of Association of the Company, Mr. Satish M. Kelkar holds office as a Director only upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing u/s. 257 of the Companies Act, 1956 from a member signifying his intention to propose the candidature of Mr. Satish M. Kelkar as a Director of the Company alongwith deposit of Rs. 500/-.

The Board of Directors at its meeting held on 16th August, 1997 revised the remuneration payable to the Managing Director with effect from 16th August, 1997 for his remaining tenure as the Managing Director. The revised terms and conditions are embodied in the fresh letter of appointment dated 16th August, 1997 issued to the Managing Director, the material terms of which are summarised as follows :

1. Salary :

The Managing Director will be entitled to a basic salary of Rs. 40,000/- per month.

2. Commission :

The Managing Director will be entitled to commission @ 1% of net profits of the Company computed as per Sections 349, 350 and 351 of the Companies Act, 1956.

3. Perquisites :

a) House Rent Allowance : The Managing Director will be entitled to House Rent Allowance @ 60% of the basic salary drawn for the corresponding period. Alternatively, if he is staying in a rented house and if he so desires, rent @ 60% of the basic salary drawn for the corresponding period will be paid on his behalf.

b) Medical Reimbursement : The Managing Director will be reimbursed medical

expenses incurred for him and his family upto a ceiling of one month's salary in one year.

c) Leave Travel Concession : The Managing Director will be entitled to Leave Travel Concession for himself and his family, equal to one month's salary once in a year.

d) Personal Accident Insurance : The Company will pay a premium not exceeding Rs. 4,000 per annum towards personal accident insurance policy for the Managing Director.

e) Soft furnishings : The Managing Director will be reimbursed expenditure incurred by him on soft furnishings subject to a maximum of Rs. 12,000/- per annum.

f) Motor Car : The Company shall reimburse the Managing Director all the actual expenses incurred by him for maintenance and usage of a Motor Car for Company's business. Alternatively, the Company will provide him with a Motor Car for use of the Company's business. Expenditure incurred by the Company for personal usage, if ascertainable, will be recovered by the Company, otherwise the perquisite value for the same will be evaluated in terms of the Income-tax Rules, 1962.

g) Telephone : The Company will provide the Managing Director with a telephone at his residence. Cost of personal long distance calls (STD/ISD) will be recovered by the Company.

For the purpose of 'Perquisites', "Family" shall mean the Managing Director's spouse, his dependent children and his dependent parents. The Company will also be entitled to consider that quantum of perquisites provided to him which are not exempted income under the provisions of the Income-tax Act, 1961 and correspondingly deduct tax thereon from his salary.

SUNSHIELD CHEMICALS LIMITED**4. Retirement Benefits :**

- a) **Contribution to Provident Fund :** The Managing Director will be required to become a member of the Provident Fund Scheme of the Company and eligible for coverage thereunder.
- b) **Superannuation Fund :** The Managing Director will be eligible for coverage under the superannuation scheme as and when it is introduced by the Company.
- c) **Gratuity :** The Managing Director will be entitled to gratuity in accordance with the Company's rules for the time being in force and the same shall not exceed half month's salary for each completed year of service.
- d) **Leave Encashment :** The Managing Director will be entitled to leave encashment at the end of his tenure as Managing Director.

5. Other facilities

- a) **Entertainment :** The Managing Director will be entitled to reimbursement of entertainment and other expenses incurred in the course of the business of the Company.
- b) **Leave :** For each completed year of continuous service the Managing Director will be entitled to leave in accordance with the rules specified by the Company.

The Managing Director is specifically allowed to draw remuneration from Sunshield Organics Ltd. (SOL) in his capacity as SOL's Managing Director or in any other capacity and the amount of remuneration if any, that may be drawn by him from SOL will be reduced from remuneration payable by the Company.

In the event of any statutory amendment or modification or relaxation by the Central Government to

Schedule XIII to the Act, the Board of Directors will have the authority to vary or enhance the remuneration and perquisites to be granted and paid to the Managing Director within such prescribed limit or ceiling.

Your Directors consider the aforesaid remuneration commensurate with the duties and responsibilities of the Managing Director and recommend the Resolution at Item No. 9 for your acceptance.

The above may be treated as an extract of the terms of appointment under Section 302 of the Companies Act, 1956.

The copy of the letter of appointment issued by the Company to the Managing Director and a draft of the Agreement proposed to be entered into with Mr. S. M. Kelkar are available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays, Sundays and Public Holidays.

None of the Directors, except Mr. S. M. Kelkar, is, in any way, concerned or interested in the proposed resolution.

By Order of the Board of Directors
For **SUNSHIELD CHEMICALS LIMITED**

Satish M. Kelkar
Vice-Chairman &
Managing Director

Mumbai, 16th August, 1997.

Registered Office :

Janki Niwas, N. C. Kelkar Road,
Dadar, Mumbai 400 028.