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Sunshield Chemicals Limited

**27th ANNUAL REPORT
2013-14**

Performance Summary

₹ In Lacs

Particulars	Percentage of Growth in comparison to Previous Year (%)	2013-14	2012-13	2011-12	2010-11	2009-10
Volume Sales (M.T)	19	9703.00	8146.00	8062.00	7972.00	6661.18
Revenue						
Net Sales	27	13389.57	10530.08	9429.03	7914.23	6450.31
Other Income	288	77.92	20.08	93.30	65.20	5.07
Cost						
Material Consumed	27	9610.87	7559.29	6816.66	5539.02	4271.72
Employee benefits expense	6	498.58	468.36	390.43	326.70	271.75
Finance costs	(12)	448.59	509.76	550.47	409.15	355.10
Depreciation and amortization expense	(7)	230.13	248.17	223.89	193.52	181.14
Other expenses	29	2140.51	1661.54	1457.53	1246.14	993.04
Profit before Tax	423	538.81	103.04	83.36	264.92	382.63
Profit After Tax	(148)	(40.46)	84.23	96.84	159.68	304.66
Extraordinary Items and Prior Period Adjustments		-	(7.03)	9.52	(9.58)	(10.50)
Profit/(Loss) for the period	(148)	(40.46)	84.23	106.35	150.10	294.16
Earning Per Share	(144)	(0.55)	1.24	1.32	2.17	4.00
Carry Forward (Loss)/Profit		33.43	73.90	(10.33)	(116.69)	(266.79)

DIRECTORS

Suresh Talwar	Chairman
Michel Ybert	(Alt. Guo Lin)
Ian Brown	
Sanjeev Mukerjee	
Yogesh Thar	
Pierre Frank Valentin	(Alt. Chen pu)
Manoj Khullar	
Satish Kelkar	
Shrirang Belgaonkar	Wholetime Director

AUDIT COMMITTEE

Yogesh Thar	Chairman
Sanjeev Mukerjee	
Suresh Talwar	w.e.f. 21 st January 2014
Manoj Khullar	
Satish Kelkar	

COMPANY SECRETARY

Amit Kumashi

AUDITORS

M/s. Ashok Pandit & Co.

BANKERS

Bank of Baroda	ING Vyasa Ltd.
The Saraswat Co-op. Bank Ltd.	BNP Paribas
State Bank of India	

REGISTERED OFFICE

Phoenix House, "A" Wing, 4th Floor
462, Senapati Bapat Marg
Lower Parel (West)
Mumbai - 400 013
Tel. No.: 91-22-66637101

REGISTRARS & SHARE TRANSFER AGENTS

TSR Darashaw Private Limited
6-10, Haji Moosa Patrawala Industrial Estate
20, Dr. E. Moses Road, Near Famous Studio
Mahalaxmi, Mumbai - 400 011
Tel : 91-22-66568484

WORKS

Pali-Khopoli Road, Village Rasal, Wave
Taluka Sudhagad,
Dist. Raigad, Maharashtra

CORPORATE IDENTITY NUMBER

L99999MH1986PLC041612

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of **Sunshield Chemicals Limited** will be held on **Wednesday, 10th September 2014** at 10.30 a.m at Convention Hall, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai 400 021 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2014, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ian Brown (DIN-2427816), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pierre-Franck Valentin (DIN-6450747), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT subject to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366W/W-100018) be and are hereby appointed as Statutory Auditors to hold office for a term of Five (5) years subject to ratification by members at every Annual General Meeting from the conclusion of this Annual General Meeting until the conclusion of the Thirty Second Annual General Meeting, at such remuneration as may be determined by Board of Directors of the Company from time to time.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory

modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Suresh Talwar (DIN- 00001456), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Yogesh Thar (DIN-02687466), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sanjeev Mukerjee (DIN- 00369875), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March 2019.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), 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 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. 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 Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. 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 196, 197, 198, 203, and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Companies Act, 2013, and such other approvals as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Shrirang R Belgaonkar as Wholetime Director of the Company for a period of three years with effect from 24th July 2014 on terms and conditions including remuneration as set out here under and as contained in the draft agreement to be executed by the Company with Mr. Shrirang Belgaonkar, with authority to the Board of Directors to alter or amend the terms and conditions of the said agreement:

I. **Remuneration**

Basic Salary: ₹ 77,350/- (Rupees Seventy Seven Thousand Three Hundred Fifty only) p.m.

House Rent Allowance: ₹ 77,350 (Rupees Seventy Seven Thousand Three Hundred Fifty only) p.m.

Education Allowance: ₹ 300/- (Rupees Three Hundred only) p.m.

Medical Allowance: ₹ 1,250/- (Rupees One Thousand Two Hundred Fifty only) p.m.

Conveyance Allowance: ₹ 6,500/- (Rupees Six Thousand Five Hundred only) p.m.

Leave Travel Allowance: ₹ 77,350/- (Rupees Seventy Seven Thousand Three Hundred Fifty only) p. a. for travel in India. Terms and conditions of the payment shall be as per the Company's policy.

Food Coupons worth ₹ 1,500/- (Rupees One Thousand Five Hundred only) p.m. shall be provided towards meals and snacks.

Other Allowances : ₹ 45,788/- (Rupees Forty Five Thousand Seven Hundred Eighty Eight only) p.m.

Variable Remuneration: ₹ 4,67,604 (Rupees Four Lacs Sixty Seven Thousand Six Hundred Four only) p.a.

Provident Fund: Benefits as per the scheme of the Company

Gratuity: Benefits in accordance with rules and regulations in force in the Company.

Car: Provision of Company's car along with reimbursement of monthly expenses for fuel and repairs.

Mobile: Mobile bills will be reimbursed by the Company.

Leave: Leave with full pay and allowance in accordance with rules and regulations in the Company in force from time to time.

Leave encashment: In accordance with the rules and regulations in the Company in force from time to time, to be permitted at the end of the term of this Agreement.

Other Benefits: Benefits under loan and other schemes in accordance with practices, rules and regulations in force in the Company from

time to time. Such other benefits and amenities as may be provided by the Company from time to time to other officers and managers of the Company.

- II. Board of Directors, including Committee(s) thereof may determine annual increment, effective from 1st January every year not exceeding 15% of Basic pay, House Rent Allowance and Education Allowance subject to the Schedule XIII limits and other applicable provisions of the Act.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Shrirang Belgaonkar, Wholetime Director of the Company, remuneration by way of salary, perquisites and allowances, not exceeding the limits laid down in Part II of Section II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things in their absolute discretion as they may consider necessary or expedient to give effect to this resolution and also to revise the remuneration of the Whole-time Director upward within the limits stipulated in the Companies Act, 2013, read with its schedules and rules.”

11. 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 Ordinary Resolution adopted at the 26th Annual General Meeting held on 23rd August 2013 and pursuant to Section 180 (1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of money in any manner from time to time as may be required for the purposes of business of the Company with or without security and upon such terms and conditions as they may think fit and proper, which sums together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary

course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose provided that the total moneys so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹ 100 crores.”

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

Mumbai,
24th July 2014

Amit Kumashi
Company Secretary

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll only instead of himself and a proxy need not be a member. The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The register of members and the share transfer books of the Company will remain closed from 29th August 2014 to 5th September 2014 (both days inclusive).
3. Shareholders are requested to notify change of address, if any, and details of their bank account to the Registrar/Depository Participants.
4. For the convenience of shareholders, attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided therefore and hand over the attendance slip at the entrance of the place of meeting. Proxy/ Representative of a shareholder should mark on the

- attendance slip as “Proxy” or “Representative” as the case may be. Shareholders are also requested not to bring with them any person who is not a shareholder.
5. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Shareholders are, therefore, requested to bring their copies of the annual report at the meeting.
 6. To facilitate easy and cheap transactions in its shares, the Company has dematerialised its shares. Majority of the shareholders have already availed of this facility and de-materialised their shareholdings. Shareholders who have not yet de-materialised their shareholdings are requested to avail of this facility and de-materialise their shareholdings at the earliest. In case any assistance is needed, shareholders are requested to get in touch with the Secretarial Department of the Company.
 7. The Notice of the Annual General Meeting (AGM) along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
 8. To support the ‘Green Initiative’, the Members who have not registered their e-mail addresses are requested to register the same with Registrar/ Depositories.
 9. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.
- Instructions for e-voting:**
- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file namely “Sunshield e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.

Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select “EVEN” (E-Voting Event Number) of Sunshield Chemicals Limited. Members can cast their vote online from 4th September 2014 (9:00 am) till 6th September 2014 (6:00 pm).

Note: e-Voting shall not be allowed beyond said time.
 - ix. Now you are ready for e-voting as Cast Vote page opens.
 - x. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - xi. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xii. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xiii. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer.sunshield@gmail.com with a copy marked to evoting@nsdl.co.in.

- xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories):
- i. Initial password is provided separately: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
- C. **Other Instructions:**
- i. The e-voting period commences on 4th September 2014 (9.00 a.m. IST) and ends on 6th September 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 8th August 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 8th August 2014.
 - iii. Mr. Alwyn D’Souza, Practicing Company Secretary (Membership No. FCS 5559), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - iv. The Scrutinizer shall, within a period not exceeding three working days from 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.
 - v. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.solveindia.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 27th AGM of the Company on 10th September 2014 and communicated to the BSE Limited, where the shares of the Company were listed.

Annexure to Notice

I. Explanatory Statement under Section 102 of the Companies Act, 2013

Item No. 4

In terms of Section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, Listed Company can appoint Audit Firm for a term not exceeding Five (5) years subject to ratification by members at every AGM.

M/s. Ashok Pandit & Co., the Statutory Auditors, has informed the Company that they do not wish to be reappointed as Statutory Auditors of the Company. The Board of Directors at its meeting held on 23rd May 2014, recommended the appointment of M/s. Deloitte Haskins & Sells LLP as Statutory Auditors of the Company for a term of Five (5) years subject to ratification by members at every AGM from the

conclusion of this AGM until the conclusion of the Thirty Second Annual General Meeting.

The Board recommends the Resolution for approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives is interested or concerned in the resolution set out at Item No. 4.

Item No. 5

Mr. Suresh Talwar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company as an Independent Director on 27th December 2012. Mr. Suresh Talwar is member of the Audit Committee, and Nomination and Remuneration Committee, of the Board of Directors of the Company.

Mr. Talwar is a Bachelor of Commerce and Bachelor of Law. He is a solicitor and an Advocate by profession. Mr. Talwar was a partner in Crawford Bayley & Co., till 31st March 2006 and was a special advisor till 31st December 2006. He was a partner in Talwar Thakore & Associates, Mumbai till 31st March 2014.

Mr. Talwar specializes in various facets of Corporate Law, Corporate Tax, Foreign Exchange Laws, Competition Act, International Issue of Securities by Indian Companies, commercial documents and contracts, etc.

Mr. Suresh Talwar is holding directorship in the following Indian Companies:

Sr. No.	Name of Company	Position Held	Committee Membership
1.	FCI OEN Connectors Limited	Alternate Director	Audit Committee - Chairman
2.	PZ Cussons India Private Limited	Alternate Director	Nil
3.	Transwarranty Finance Limited	Alternate Director	Compensation Committee
4.	Johnson and Johnson Limited	Alternate Director	Nil
5.	Uhde India Private Limited	Alternate Director	Nil
6.	Armstrong World Industries (India) Private Limited	Director	Nil
7.	Merck Limited	Director	Audit Committee - Chairman
8.	Rhodia Specialty Chemicals India Limited	Director	Audit Committee Remuneration Committee
9.	Samson Maritime Limited	Director	Remuneration Committee – Chairman
10.	Sidham Finance & Investments Private Limited	Director	Nil
11.	Biocon Limited	Director	Audit Committee
12.	Blue Star Infotech Limited	Director	Audit Committee Remuneration Committee Compensation Committee
13.	Chowgule and Company Private Limited	Director	Nil
14.	Chowgule Ports & Infrastructure Private Limited	Director	Nil

Sr. No.	Name of Company	Position Held	Committee Membership
15.	Decagon Investments Private Limited	Director	Nil
16.	Elantas Beck India Limited	Director	Audit Committee
17.	Epitome Global Services Private Limited	Director	Nil
18.	ESAB India Limited	Director	Nomination-cum-Compensation Committee
19.	India Value Fund Trustee Company Private Limited	Director	Nil
20.	IVF Trustee Company Private Limited	Director	Nil
21.	L&T Metro Rail (Hyderabad) Limited	Director	Nomination-cum-Compensation Committee
22.	Larsen and Toubro Limited	Director	Nomination-cum-Compensation Committee
23.	Morgan Stanley India Capital Private Limited	Director	Audit Committee
24.	Philip Finance and Investment Services India Private Limited	Director	Audit Committee
25.	Rediffusion Dentsu Young and Rubicam Private Limited	Director	Nil
26.	Sandvik Asia Private Limited	Director	Audit Committee - Chairman
27.	Shrenuj and Company Limited	Director	Nil
28.	Snowcem Paints Private Limited	Director	Nil
29.	Sonata Software Limited	Director	Remuneration Committee
30.	Swiss Re-shared Services (India) Private Limited	Director	Nil
31.	Vidal Health TPA Private Limited	Director	Nil
32.	Warner Bros Pictures (India) Private Limited	Director	Nil
33.	Phillips Capital India Private Limited	Director	Nil

Sunshield Chemicals Limited

Mr. Talwar does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

As per the Companies Act, 2013, the Independent Director need not retire by rotation.

Mr. Talwar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. The aforesaid provision no longer applies as per the provisions of the Companies Act, 2013. Hence, the appointment envisaged hereunder is like an extension of his term. In view of the above, it is not a case of appointment of new Independent Director and deposit of ₹ 1,00,000/- is not required to be paid.

In the opinion of the Board, Mr. Suresh Talwar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Suresh Talwar as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Company will be vastly benefited from the professional capabilities and varied experience of Mr. Suresh Talwar. The Board, therefore, recommends his appointment as a Director of the Company.

Except Mr. Suresh Talwar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Mr. Yogesh Thar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company as an Independent Director on 27th December 2012. Mr. Yogesh Thar is the Chairman of the Audit Committee, and member of Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Yogesh Thar is a Chartered Accountant and Tax Consultant. He is advising various corporates on tax matters.

He is holding directorship in the following Indian Companies:

Sr. No.	Name of Company	Position Held	Committee Membership
1.	Lil Investment Limited	Director	Nil
2.	Kewal Kiran Clothing Limited	Director	Nil
3.	Rhodia Specialty Chemicals India Limited	Director	Audit Committee – Chairman Remuneration Committee – Chairman

Mr. Thar does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Thar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. The aforesaid provision no longer applies as per the provisions of the Companies Act, 2013. Hence, the appointment envisaged hereunder is like an extension of his term. In view of the above, it is not a case of appointment of new Independent Director and deposit of ₹ 1,00,000/- is not required to be paid.

In the opinion of the Board, Mr. Thar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Thar as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Company will be vastly benefited from the professional capabilities and varied experience of Mr. Thar. The Board therefore recommends his appointment as a Director of the Company.

Except Mr. Yogesh Thar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.