THIRUMALAI CHEMICALS LIMITED

41st Annual Report 2013–2014



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The Akshaya Vidya Trust

Vedavalli Vidyalaya Senior Secondary School, Walaja (CBSE) 1994
Vedavalli Higher Secondary School, Walaja (State Board) 1999
Vedavalli Vidyalaya Nursery & Primary & Senior Secondary School, Ranipet (CBSE) 2003

Two decades in Education



The main aim of our schools has been to provide an all round development and quality education for the children. We have over 2300 students, 135 teaching and 85 support staff. Every year the children are exposed to new programmes within the school and are encouraged to participate in programmes conducted by other schools and colleges. To provide a secular atmosphere, the children celebrate different religious festivals like Ramzan, Navratri and Christmas. Many other special programmes like the UN day, World AIDs day, Anti Drugs day and Women's day are also conducted. This year some new programmes like the Traffic Day for Kindergarten and the School Carnival were introduced. The traffic park and the stalls in the carnival were completely organised by the students. A sum of Rs. 50,000 was raised through the carnival and was contributed to the Prime Minister's Relief Fund. All the school events are conducted by students giving them hands on experience on team work and events management.



The children of our schools are given exposure of various kinds. Field trips to museums, post office, fire station, factories and historical places are among a few places they visit. Within the school they get exposed to different vocations such as cooking, stitching, plumbing, self defence, gardening to name a few. They also interact with visitors to the school.



Our core beliefs have been to provide a fear free environment for learning and learning by doing. The teachers of our school have been a continuous support for the execution of these core beliefs. To facilitate this in the classrooms, our teachers go through training and attend various workshops for better understanding. Seminars on varied topics on education are conducted during the year for the benefit of the teachers. During our 7th Annual Smt. Sathyabama Teachers' Seminar, we had stalwarts in education to talk about "Integrating Sports and art in Education".

The schools have impressive infrastructural facilities with well ventilated rooms, labs, libraries, AV rooms, playgrounds, auditorium, and greenery around to offer an excellent environment for learning. Every aspect of Vedavalli Vidyalaya, from curriculum design to classroom planning is carefully and creatively planned, to ensure a congenial atmosphere for academic pursuit and individual growth.

We are proud as our alumni stand out in their work places and as our students stand tall ready to face the future.

Tel: +91-4172-231860, 230870
Visit us: www.vedavallividyalaya.org E-mail: vedavalli94@yahoo.com

Board of Directors

Dr. S. Rama Iyer (Chairman)
Mr. R. Parthasarathy (Managing Director)
Mr. P. Shankar
Mr. A. Janakiraman
Mr. N. Subramanian
Mr. Raj Kataria
Mr. R. Ravi Shankar
Mr. Dhruv Moondhra
Mr. R. Sampath
Mr. S. Santhanam

Chief Executive Officer
Mr. C.G. Sethuram

Chief Financial Officer
Mr. N. Nambi Rajan

Company Secretary
Mr. T. Rajagopalan

Bankers
- Bank of India
- State Bank of India
- Andhra Bank
- Axis Bank Ltd
- Oriental Bank of Commerce
- Indian Overseas Bank
- Export-Import Bank of India

Auditors
M/s. CNK & Associates LLP
Chartered Accountants, Mumbai.

Internal Auditors
M/s M.S.KRISHNASWAMY & CO.
Chartered Accountants, Chennai

M/s ANEJA ASSOCIATES
Chartered Accountants, Mumbai

Cost Auditor
Mr. G. Sundaresan, Chennai.

Registered Office
Thirumalai House, Road No. 29, Near Sion Hill Fort, Sion(E),
Mumbai - 400 022
Tel. : 022-43686225, 43686206
Fax : 022-24011699
E-mail : thirumalai@thirumalaichemicals.com
Website : http://www.thirumalaichemicals.com
CIN : L24100MH1972PLC016149

Registrar & Share Transfer Agents
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (W), Mumbai - 400 078
Tel. : 022-2594 6970
Fax : 022-2594 6969
E-mail : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

Factory
Ranipet, Vellore District, Tamilnadu
Tel. : 04172-246327, 246061
Fax : 04172-244308
E-mail : mail@thirumalaichemicals.com

41st Annual General Meeting

Date & Time

Wednesday, August 06, 2014 at 3.00 p.m.

Venue
Rangaswar, Yashwantrao Chavan Pratishthan,
Fourth Floor, Gen. Jagannathrao Bhosale Marg,
Nariman Point , Mumbai 400 021.

Book closure

Saturday, July 26, 2014 to Wednesday,

August, 06, 2014 (both days inclusive)

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Members are requested to bring their copy of Annual Report with them to the Annual General Meeting

NOTICE

NOTICE is hereby given that the **FORTY FIRST ANNUAL GENERAL MEETING OF THIRUMALAI CHEMICALS LIMITED** will be held on Wednesday, August 06, 2014 at 3 p.m. at **Rangaswar,** Yashwantrao Chavan Pratishthan, Fourth Floor, Gen. Jagannathrao Bhosale Marg, Nariman Point, Mumbai 400 021 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account for the year ended March 31, 2014 and the Balance Sheet as at that date and the Auditors' Report thereon.

2. To appoint a Director in place of Mr. R. Sampath, who retires by rotation and, being eligible, offers himself for re-appointment.

3. To appoint a Director in place of Mr. S. Santhanam, who retires by rotation and, being eligible, offers himself for re-appointment.

4. To appoint Auditors for the financial year 2014-2015 and fix their remuneration.

SPECIAL BUSINESS

5. To appoint Dr.S.Rama Iyer as an Independent Director and in this regard 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, Dr. S.Rama Iyer (holding DIN 00076549), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

6. To appoint Mr. A. Janakiraman as an Independent Director and in this regard 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. A. Janakiraman (holding DIN 01831854), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

7. To appoint Mr. P. Shankar as an Independent Director and in this regard 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.P.Shankar (holding DIN 01638317), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

8. To appoint Mr. Raj Kataria as an Independent Director and in this regard 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.Raj Kataria (holding DIN 01960956), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

9. To appoint Mr.N.Subramanian as an Independent Director and in this regard 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.N.Subramanian (holding DIN 000336468), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

10. To appoint Mr.R.Ravi Shankar as an Independent Director and in this regard 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.R.Ravi Shankar (holding DIN 01224361), Director of the Company, who is retiring by rotation at this meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

11. To appoint Mr. Dhruv Moondhra as an Independent Director and in this regard 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. Dhruv Moondhra (holding DIN 00151532), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting."

12. To ratify the remuneration of Cost Auditor for the year 2014-15 by passing the following resolution,with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT subject to approval as may be required from the Central Government the appointment of Mr. G. Sundaresan, Cost Accountant, as Cost Auditor to issue Compliance Certificate and to audit the Cost Accounts of the Company for the Financial Year 2014-15 for a remuneration of Rs.90,000/- in addition to reimbursement of out of pocket expenses, be and is hereby ratified."

13. To authorize borrowing in excess of net worth of the company by passing the following resolution, with or without modification(s), as a special resolution.

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force; the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rupees One thousand Crores [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties whether moveable or immoveable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

I. NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, July 26, 2014 to Wednesday, August 06, 2014 (both days inclusive) for the purpose of Annual General Meeting.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.

3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

5. Pursuant to the provisions of Section 205A(5) & 205(c) of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividend, if any, for the financial year 1995-1996 to 2005-2006 to the Investor Education and Protection Fund (The IEPF) established by the Central Government. Likewise, Debentures/Fixed Deposits repayment warrants/interest warrants which remain unclaimed /unpaid for a period of 7 years from the dates they first became due for payment have been transferred to the Investor Education and Protection Fund.

All persons are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.

7. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2013-14 are being sent in the permitted mode.

8. Electronic copy of the Notice of the 41st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the 41st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

9. Members may also note that the Notice of the 41st Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.thirumalaichemicals.com for their download.

10. Members desiring any clarification on accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.

11. The Equity shares of the Company are mandated for trading in the compulsory demat mode. The ISIN No. allotted for the Company's shares is INE338A01016.

12. Members / Proxies are requested to bring attendance-Slip along with their copy of Annual Report to the Meeting.

13. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now, select the "THIRUMALAI CHEMICALS LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP IDfollowed by 8 Digits Client ID,

c. Members holding sharesin Physical Form should enter Folio Number registeredwith the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding sharesin Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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 demat account/folio number in the PAN field. • In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If 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).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Company name < THIRUMALAI CHEMICALS LIMITED > on which you choose to vote.

(xii) 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. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in 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 they have to create a compliance user which 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 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 issuedin favour of the Custodian,if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

The voting period begins on July 31, 2014 (9:00 am) and ends on August 02, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the record date July 25, 2014 (end of day), may cast their vote electronically. The e-voting module shall be disabled by

CDSL for voting thereafter.

(B) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.

(D) Mr. Manoj Mimani, Practicing Company Secretary (Membership No. 17083) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(E) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) 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.

(F) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.thirumalaichemicals.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges, where the shares are listed.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES:

Re-appointment of retiring Directors (item nos. 2 & 3)

Mr.R.Sampath is a B.Sc and also a BS in Chemical Engineering, USA. He is the Chairman & Managing Director of Ultramarines & Pigments Ltd which is one of the promoters of the Company.

Mr. S. Santhanam, Printing Technologist, having vast management experience, is a non-Executive Director and is the Director of another public Company and member of 2 Committees of Board.

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

Appointment of Independent Directors (item nos. 5 to 11)

ITEM No.5

Dr. S. Rama Iyer, 74 years, has been a Director of the Company since 25th November, 1997. He is a Phd, MI.I.Chem.E and a reputed Technocrat with vast experience and knowledge. He retired as the Executive Chairman of Aker Kvaerner Powergas Ltd. He is also a Director in public companies like Larsen & Toubro Infotech Ltd., Gujrat Fluorochemicals Ltd and Deepak Fertilizers & Petrochemicals Corporation Ltd. He holds 50000 shares of the Company on behalf of a private Trust.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Dr. S. Rama Iyer being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Dr. S. Rama Iyer 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 Dr. S. Rama Iyer as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. S. Rama Iyer as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Dr. S. Rama Iyer as an Independent Director, for the approval by the shareholders of the Company.

Except Dr. S. Rama Iyer, 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. A. Janakiraman, 69 years, is B.Sc (Chemistry), B.Tech (Chem-Engg), I.I.T and has wide experience in the area of Petrochemicals. He retired as President – New Business (Petroleum) Reliance Industries Ltd. in January, 2010. He has worked in various capacities with Indian Oil Corporation, Herdilla Chemicals Ltd, Herdilla Polymers Ltd, Pasumai Irrigations Ltd, and Chemplast Sanmar Ltd. He does not hold any shares of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. A. Janakiraman being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. A. Janakiraman 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. A. Janakiraman as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. A. Janakiraman as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. A. Janakiraman as an Independent Director, for the approval by the shareholders of the Company.

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

ITEM No. 7

Mr. P. Shankar, 70 years, retired as Central Vigilance Commissioner of India in September 2006. He joined the Indian Administrative Service in 1966 after acquiring a post-graduate degree in Economics from the Madras University. In a distinguished career he has served as the Chief Secretary of Tamil Nadu and as Secretary to the Government of India in the Departments/Ministries of Heavy Industry;

Sugar; Food and Public Distribution and Petroleum. He has rich experience in the field of Industrial Management and Administration, and Governance . He does not hold any shares of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. P. Shankar being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. P. Shankar 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. P. Shankar as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. P. Shankar as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. P. Shankar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. P. Shankar, 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. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 8

Mr. Raj Kataria, 58 years, is an experienced Investment Banker with over 20 years in Mergers and Acquisitions and Capital Markets. He also has significant expertise in Company Law, and Corporate Structuring matters. He was Managing Director at Merrill Lynch (DSP Merrill Lynch Ltd.) till July, 2011. He holds 50 shares of the Company. He is not a Director in any other Indian Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Raj Kataria being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. Raj Kataria 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. Raj Kataria as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Raj Kataria as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Raj Kataria as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Raj Kataria, 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. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 9

Mr. N. Subramanian, 66 years, is a Chemical Engineer from IIT Madras, a Management Graduate from IIM Ahmedabad, and has 40 years of experience in the chemical industry in India and Overseas. Mr. Subramanian is highly respected for his senior management expertise in leading companies in India and Overseas, viz, Chemplast Sanmar, Total Group, Arkema, etc. and for his experience in the Chemical Industry, especially in the Asia Pacific region. He does not hold any shares of the Company. He is not a Director in any other Indian Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. N. Subramanian being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. N. Subramanian 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. N. Subramanian as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. N. Subramanian as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. N. Subramanian as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. N. Subramanian, 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. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 10

Mr. R.Ravi Shankar, 61 years, is a Professional with extensive experience in Finance, Manufacturing and Business Management, M & A, and Strategic Consultancy. He is a Chartered Accountant and a Diplomate from IIM Ahmedabad. He has been a Global Sourcing Manager for Unilever PLC, in Strategic Sourcing and Supply Chain, in London and the USA; General Manager – M&A in Hindustan Lever, during which period he has had extensive experience in M&A and Integration of new businesses. He was a senior partner heading the M&A Division in Ernst & Young for 10 years from 1997-2007. During the last six years he is a CEO of an independent Consultancy which advises in M&A, Valuation and Investment Banking. Mr. R.Ravi Shankar also has extensive experience in Business Restructuring & Performance Improvement.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. R.Ravi Shankar being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. R.Ravi Shankar 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. R.Ravi Shankar as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. R.Ravi Shankar as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. R.Ravi Shankar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. R.Ravi Shankar, 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. 10. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No. 11

Mr. Dhruv Moondhra, 37 years, is an entrepreneur and is Director & Chief Executive Officer of Arcelor Mittal Dhamm Processing Pvt Ltd. besides in various other companies. He is a Bachelor of Arts in Economics from Cornell University.

Mr. Dhruv Moondhra has in depth experience in Steel Distribution, Trading and Manufacturing. He has also led business startups in the UK/ India, etc. His induction will bring a wealth of experience in the Commodity industry to the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Dhruv Moondhra being eligible, is proposed to be appointed as an Independent Director for a term of five consecutive years from the conclusion of this meeting.

In the opinion of the Board, Mr. Dhruv Moondhra 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. Dhruv Moondhra as an Independent Director setting out the terms and conditions 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.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Dhruv Moondhra as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dhruv Moondhra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Dhruv Moondhra , 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. 11. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM No. 12

To ratify remuneration of Cost Auditor:

The Board at its meeting held on May 12, 2014, as recommended by the Audit Committee, appointed Mr. G. Sundaresan, Cost Accountant, as Cost Auditor to issue Compliance Certificate and to audit the Cost Accounts of the Company for the Financial Year 2014-15 for a remuneration of Rs.90,000/- in addition to reimbursement of out of pocket expenses.

As per Rule 14(a) (ii) of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor has to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

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. 12.

The Board of Directors recommends the resolution for your approval.

ITEM No. 13

To authorize borrowing in excess of net worth of the company.

The company had earlier obtained the shareholders' approval at its 34thAnnual General Meeting held on July 16, 2007 for borrowing in excess of net worth not exceeding Rupees One thousand Crores under the provision of sec 293(1)(d) of the Previous Companies Act, 1956.

The Ministry of Corporate Affairs vide General Circular no. 04 /2014 dated 25/3/2014 clarifiedwith regard to section 180 of the Companies Act, 2013 that the resolution passed under section 293 of the Companies Act, 1956 prior to12.09.2013 with reference to borrowings (subject to the limits prescribed) and / orcreation of security on assets of the company will be regarded as sufficientcompliance of the requirements of section 180 of the Companies Act, 2013 for aperiod of one year from the date of notification of section 180 of the Act.

Hence this resolution is put for the consideration of the shareholders.

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. 13.

The Board of Directors recommends the resolution for your approval.

By Order of the Board
For Thirumalai Chemicals Ltd.

T.RAJAGOPALAN
Company Secretary

Registered Office:
Thirumalai House,
Road No.29,
Sion-East,
Mumbai - 400 022.
CIN : L24100MH1972PLC016149

June 24, 2014

DIRECTORS' REPORT, MANAGEMENT DISCUSSIONS & ANALYSIS

To

The Members

Thirumalai Chemicals Ltd.

Your Directors present the FORTY FIRST ANNUAL REPORT AND AUDITED STATEMENT OF ACCOUNTS of the Company for the year ended March 31, 2014.

(Rs. In Lakhs)

STANDALONE FINANCIAL RESULTS	**Year ended 31.03.2014**	Year ended 31.03.2013
Revenue from Operations	103,344	114,564
Income from Windmill Operation	137	192
Other Income	1584	816
	105,065	**115,572**
Gross Profit / (Loss) before Interest and Finance charges and Depreciation	**6,107**	**10,912**
Interest and Finance charges	4,542	5,202
Profit / (Loss) before Depreciation and Tax	1,565	5,710
Depreciation	1,221	1,287
Profit / (Loss) before Tax	**344**	**4,423**
Provision for Current Tax	260	1,884
Profit / (Loss) after Current Tax	**84**	**2,539**
Provision for Deferred Tax	273	236
Profit / (Loss) after Tax	**357**	2,775
Balance in Profit & Loss Statement	5,621	4,041
	5,978	**6,816**
APPROPRIATIONS		
Dividend	-	**768**
Tax on Dividend	-	**127**
General Reserve	-	**300**
Balance carried forward		**5621**
	5,978	**6,816**

On a Revenue from operation of Rs.103,344 Lakhs (Rs.114,564 Lakhs) including Export earning on FOB basis of Rs.7,187 lakhs (Rs.6,595 lakhs), Income from windmill operation of Rs.137 Lakhs (Rs.192 Lakhs) and Other Income of Rs.1584 lakhs (Rs.816 lakhs), the Gross Profit of the Company amounted to Rs. 6,107 lakhs (profit of Rs.10,912 lakhs in the previous year). After providing for Interest and Finance charges, Depreciation, the Profit after Tax is Rs.357 lakhs (Rs.2,775 lakhs in the previous year).

Dividend: Your Directors, intend to conserve the resource, have not recommended for any dividend for financial year 2013-14 (Previous Year total dividend – Rs.7.50 per share).

Subsidiaries : Tarderiv International Pte Ltd., Singapore is a wholly-owned subsidiary of your Company and it has two step-down subsidiaries viz., Cheminvest Pte Ltd, Singapore and Optimistic Organic Sdn. Bhd., Malaysia.