



Jayshree Chemicals Limited

Regd. Office : P.O. Jayshree-761025, District Ganjam, Odisha

CIN : L24119OR1962PLC007123

Phone : (06811) 254319, Fax : (06811) 254384, E-mail : jcl@jayshreechemicals.com

Website : www.jayshreechemicals.com

Notice

NOTICE is hereby given that the 54th Annual General Meeting of the Company will be held at its Registered Office at P.O. Jayshree-761025 District Ganjam, Odisha on Friday, the 9th day of September, 2016 at 2.30 P.M. to transact the following business:-

1. To receive and adopt the statement of Profit and Loss of the Company for the year ended 31st March, 2016 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Prabhu Nath Ojha, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
Resolved that the Company hereby approves the reappointment of and the remuneration payable to Shri Prabhu Nath Ojha as the Whole-time Director designated as Executive Director of the Company for a further period of two years with effect from 1st April, 2016 to 31st March, 2018 upon the terms and conditions set out in the Agreement to be entered into by the Company with Shri Prabhu Nath Ojha in this behalf, a draft whereof initialled by the Chairman for the purpose of identification is placed before the Meeting.
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
Resolved that the Company hereby approves the re-appointment of and the remuneration payable to Shri Virendraa Bangur as the Managing Director of the Company for a further period of three years with effect from 12th November, 2016 to 11th November, 2019 upon the terms and conditions set out in the Agreement to be entered into by the Company with Shri Virendraa Bangur in this behalf, a draft whereof initialled by the Chairman for the purpose of identification is placed before the Meeting.

Kolkata,
Date : 30th May, 2016

S. K. Lahoti
Company Secretary

IMPORTANT NOTES :

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- ii) The Register of Members and the Share Transfer Books of the Company will remain closed from 3rd September, 2016 to 9th September, 2016 both days inclusive.
- iii) Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Business at the Meeting, is annexed.
- iv) Shareholders desiring any information on the Accounts are requested to write to the Company in advance to enable the Company to keep the information ready.
- v) In terms of the provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual Shareholders. Shareholders holding Shares in physical form and desirous of availing the above facility are advised to submit their Nominations in Form SH.13 prescribed under Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014. Shareholders holding Shares in the dematerialised form are advised to contact their Depository Participant in this behalf.
- vi) The Company's Shares are available for dematerialisation both on National Securities Depository Limited and Central Depository Services (India) Ltd. and its ISIN No. is INE693E01016.
- vii) Shareholders, who hold Shares in dematerialised form, are requested to bring their Client ID and DPID Nos. for easier identification of attendance at the Meeting.
- viii) The Company had declared dividend on 28th August, 2009 for its financial years ended 31st March, 2009 and Interim Dividend for the financial year 2009-10 on 20th October, 2009 respectively. Shareholders are hereby informed that the dividend amount for the year ended 31st March, 2009, remaining unclaimed shall become due for transfer on 2nd September, 2016 and Interim Dividend for the financial year 2009-10 remaining unclaimed shall become due for transfer on 25th November, 2016 respectively to the Investor Education and Protection Fund established by the Central Government in terms of Section 125(1) of the Companies Act, 2013.
Members are requested to note that no claim shall lie against the Company or the aforesaid Fund in respect of any amount of dividend remaining unclaimed/ unpaid for a period of 7 years from the dates they became first due for payment. Any member, who has not claimed the dividend in respect of the Financial year ended 31st March, 2009 onwards are requested to approach the Company / the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible.
- ix) The Company is concerned about the environment. The Ministry of Corporate Affairs, Government of India, through its Circular Nos.17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its Green Initiative.

Accordingly, we propose to send annual report and other documents to the email address provided by you to your depository

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participant/ Registrar of the Company viz. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B.Basu Road, Kolkata-700001.

We request you to update your email address with your depository participant/ Registrar to ensure that the annual report and other documents reach you on your preferred email.

- x) In terms of Regulation 36 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the information pertaining to the Director, who retires by rotation and is proposed to be re-appointed, is given below:

Shri Prabhu Nath Ojha, who is about 68 years of age, is a Bachelor of Chemical Engineering from Jadavpur University, Kolkata and has more than 44 years of experience in chemical/ process industries and power plants in many companies in various capacities. He is a Life Member of the Indian Institute of Directors; a Member of American Institute of Chemical Engineers; Indian Institute of Chemical Engineers and Institute of Engineers (India) and Charter Engineer. He is an active Rotarian. Shri Ojha is also a director of Bangur Exim Private Ltd. and PCAS Exim Private Ltd.

Shri Prabhu Nath Ojha holds 5 Equity Shares of the Company in his own name.

- xi) The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar of the Company.
- xii) Voting through electronic means.

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

- 1) The remote e-voting period commences on 6th September, 2016 (09:00 A.M.) and ends on 8th September, 2016 (5:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- 2) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- 3) Click on "Shareholders" tab.
- 4) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- 5) Next enter the Image Verification as displayed and Click on Login.
- 6) 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.
- 7) If you are a first time user follow the steps given below:

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

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DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the Company records for your folio. <ul style="list-style-type: none"> • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or Company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (4).

- 8) After entering these details appropriately, click on "SUBMIT" tab.
 - 9) Members holding shares in physical form will then directly reach 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.
 - 10) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - 11) Click on the EVSN for "JAYSHREE CHEMICALS LIMITED" on which you choose to vote.
 - 12) 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.
 - 13) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - 14) 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.
 - 15) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - 16) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - 17) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - 18) Note for Institutional Shareholders & Custodians :
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - 19) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
 - 20) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xiii) Institutional Members / Bodies Corporate (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 through e-mail at jaiswalrun82@gmail.com with a copy marked to elpdesk.evoting@cdslindia.com on or before 8th September, 2016 upto 5:00 pm without which the vote shall not be treated as valid.
- (xiv) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 2nd September, 2016. A person who is not a member as on cut off date should treat this notice for information purpose only.

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- (xv) The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business on 22nd July, 2016.
- (xvi) The shareholders shall have one vote per equity share held by them as on the cut-off date of 2nd September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- (xvii) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- (xviii) Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Registrar/ Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
- (xix) Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 2nd September, 2016 are requested to send the written / email communication to the Company at sklahoti@jayshreechemicals.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- (xx) Shri Arun Kumar Jaiswal, Practising Company Secretary (Certificate of Practice Number: 12281) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxi) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jayshreechemicals.com and on the website of CDSL. The same will be communicated to the Bombay Stock Exchange Limited.

STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

Re. Item No. 4

Having regard to his qualifications, background and experience, the Board of Directors of the Company ('the Board') at its Meeting held on 16th March, 2016 re-appointed Shri Prabhu Nath Ojha as the Wholetime Director designated as Executive Director of the Company for a further period of two years with effect from 1st April, 2016 to 31st March, 2018 on such remuneration as may be approved by the Nomination and Remuneration Committee of the Directors of the Company ('Remuneration Committee'). The Remuneration Committee at its Meeting held on 16th March, 2016 decided the remuneration of Shri Ojha.

The terms and conditions of such re-appointment of Shri Prabhu Nath Ojha as approved by the Board are set out in the Agreement ('Agreement') to be entered into by the Company with him and an abstract of the terms thereof togetherwith information required to be given to the Shareholders pursuant to Section II of Schedule V to the Companies Act, 2013 ('the Act') is set out below :-

I. GENERAL INFORMATION :

1. Nature of Industry : Chlor-Alkali (upto 20.9.2015)
2. Date of commencement of Commercial Production. : In the year 1967
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable

4. Financial Performance based on Given indicators :	Financial year	Total Turnover (₹)	Net Profit/(Loss) (₹)
	2013-14	1,21,25,42,049	(18,06,33,574)
	2014-15	1,19,63,81,760	(28,50,26,029)
	2015-16	52,95,81,482	14,49,94,378

5. Foreign investments or collaborations, if any : None

II. INFORMATION ABOUT THE APPOINTEE :

1. **Background details :** Shri Prabhu Nath Ojha, who is about 68 years of age, is a Bachelor of Chemical Engineering from Jadavpur University, Kolkata and has more than 44 years of experience in chemical/ process industries and power plants in many companies in various capacities. He is a Life Member of the Indian Institute of Directors; a Member of American Institute of Chemical Engineers; Indian Institute of Chemical Engineers and Institute of Engineers (India) and Charter Engineer. He is an active Rotarian. Shri Ojha is also a director of Bangur Exim Private Ltd. and PCAS Exim Private Ltd.

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2. Past Remuneration :
- a) Salary : ₹ 1,00,000/- per month
 - b) Special Allowance ₹ 7,000/- per month
 - c) Perquisites
 - i) House Rent Allowance : At the rate of 15% of the Salary per month.
 - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of 12.5% of the Salary drawn by Shri Ojha during the period.
 - iii) Leave Travel Assistance : At the rate of 12.5% of the Salary drawn by Shri Ojha during the period.
 - iv) Reimbursement of Conveyance Expenses : To the extent of Rs.20,000/- per month for the Company's business.
 - v) Encashment of accumulated leave not exceeding two months at the end of the tenure.
 - vi) Telephone : The Company will provide one Telephone at his residence.
3. Recognition or Awards : Shri Ojha is the recipient of various awards including the Life Time Achievement Award from Greentech Society of India
4. Job Profile and his suitability: Shri Ojha is the Wholtime Director designated as Executive Director of the Company since 17th August, 2011. He is fully conversant with the activities of the Company. As Executive Director, he shall devote whole of his time and attention to the business and affairs of the Company and perform such duties and exercise such powers as may from time to time be entrusted to or vested in him by the Board subject to superintendence, control and direction of the Board.
5. Remuneration Proposed: In consideration of his services as Wholtime Director designated as Executive Director, Shri Ojha shall be entitled to receive the following by way of remuneration :-
- a) Salary : ₹ 55,000/- per month
 - b) Special Allowance ₹ 55,000/- per month
 - c) Perquisites
 - i) House Rent Allowance : At the rate of 15% of the Salary per month.
 - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of 12.5% of the Salary in each year.
 - iii) Leave Travel Assistance : At the rate of 12.5% of the Salary in each year.
 - iv) Reimbursement of Conveyance Expenses : To the extent of Rs.20,000/- per month for the Company's business.
 - v) Encashment of accumulated leave not exceeding two months at the end of the tenure.
 - vi) Telephone : The Company will provide one Telephone at his residence.

Under the Agreement Shri Ojha is entitled to leave on full pay and allowances as per the Company's Rules/ Practice in force from time to time.

The Agreement also sets out the mutual rights and obligations of the parties and other administrative details.

6. Comparative Remuneration profile with : The proposed remuneration is comparable with the prevalent trend in the respect to Industry, size of the company, Industry and commensurate with the size of the Company and profile of the profile of the position and person. position and the person.
7. Pecuniary relationship directly or indirectly : Shri Ojha holds 5 Equity Shares of the Company in his own name. with the company, or relationship with the managerial personnel, if any.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits. : Steep increase in the cost of power in the state of Odisha and also increase in cost of salt and other raw materials and absence of chlorine consuming industries in the nearby area.
2. Steps taken or proposed to be taken for : The Company has since sold its Chlor-Alkali Division comprising of Caustic Soda Manufacturing Unit at Ganjam (Odisha) and Salt Manufacturing Facility at Pundi (Andhra Pradesh) to Aditya Birla Chemicals (India) Limited by way of a slump sale to arrest the loss and stop depletion of the capital.
3. Expected increase in productivity and profits : With the above, the Company will have surplus funds which can be utilized in in measurable terms. profitable ventures.

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IV. DISCLOSURES

- i) The remuneration package of Shri Ojha has been given hereinabove and necessary disclosures in the Directors' Report under the heading "Corporate Governance" regarding elements of remuneration of all the Directors will be made.
- ii) The above remuneration of Shri Ojha is fixed component. There are no performance linked incentives
- iii) Service contract is from 1st April, 2016 to 31st March, 2018. Notice period is of 1 month. There is no severance fees.
- iv) There are no Stock Options.

The re-appointment and remuneration of Shri Ojha as the Wholetime Director designated as Executive Director of the Company require approval of the Members of the Company in general meeting by a Special Resolution.

Copy of the draft Agreement for re-appointment of Shri Ojha as the Wholetime Director designated as Executive Director setting out the terms and conditions of his appointment 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 Special Resolution set out at Item No.4 in the convening Notice has to be considered accordingly and the Board recommends the same.

Save and except Shri Prabhu Nath Ojha, no other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

Re. Item No. 5

Having regard to his qualification, background and experience, the Board of Directors of the Company ('the Board') at its Meeting held on 30th May, 2016 re-appointed Shri Virendraa Bangur as the Managing Director of the Company for a further period of three years with effect from 12th November, 2016 to 11th November, 2019 on such remuneration as may be approved by the Nomination and Remuneration Committee of the Directors of the Company ('Remuneration Committee'). The Remuneration Committee at its Meeting held on 30th May, 2016 decided the remuneration of Shri Virendraa Bangur.

The terms and conditions of such re-appointment of Shri Virendraa Bangur as approved by the Board are set out in the Agreement ('Agreement') to be entered into by the Company with him and an abstract of the terms thereof together with information required to be given to the Shareholders pursuant to Section II of Schedule V to the Companies Act, 2013 ('the Act') is set out below:-

I. GENERAL INFORMATION :

1. Nature of Industry : Chlor-Alkali (upto 20.9.2015)
2. Date of commencement of Commercial Production. : In the year 1967
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable

4. Financial Performance based on Given indicators :	Financial year	Total Turnover (₹)	Net Profit/(Loss) (₹)
	2013-14	1,21,25,42,049	(18,06,33,574)
	2014-15	1,19,63,81,760	(28,50,26,029)
	2015-16	52,95,81,482	14,49,94,378

5. Foreign investments or collaborations, if any : None

II. INFORMATION ABOUT THE APPOINTEE :

1. **Background details :** Shri Virendraa Bangur is a Commerce Graduate with Honours from Calcutta University. He is young and energetic with progressive outlook. Shri Bangur is on the Board of Directors of several companies. He is a Member of the Young Entrepreneurs Organisation
2. Past Remuneration :
 - a) Salary : ₹ 2,75,000/- per month
 - b) Perquisites
 - i) House Rent Allowance : At the rate of 15% of the Salary per month.
 - ii) Medical Reimbursement : Expenses incurred for self and family subject to a ceiling of one and half months' Salary in each year.
 - iii) Leave Travel Assistance : At the rate of one and half months' Salary in each year.
 - iv) Companies contributions for him to Provident Fund, Superannuation Fund or Annuity Fund in accordance with the Rules and Regulations of the Company.
 - v) Gratuity entitlement at a rate not exceeding half a month's Salary for each completed year of service
 - vi) Encashment of accumulated leave not exceeding two months at the end of the tenure.

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In addition to the aforementioned remuneration, the Company also provided at its expenses Shri Bangur with a car for use on the Company's business and a telephone at his residence.

Under the Agreement Shri Virendraa Bangur is entitled to leave on full pay and allowances as per the Company's Rules/ Practice in force from time to time.

3. Recognition or Awards : Nil
4. Job Profile and his suitability: Shri Virendraa Bangur is a Director of the Company since 5th June, 2003. Shri Bangur has experience of industries like newsprint, chemicals, cables, etc. Shri Bangur is also the Chairman of Akhivi Tea Plantations And Agro Industries Ltd. and Gold Mohore Investment Company Ltd.; and Director of Bangur Exim Private Ltd.; Taparia Tools Ltd.; Union Company Ltd.; Fort Gloster Electric Ltd.; Shree Satyanarayan Properties Private Ltd. and Precious Tools Private Ltd. He is a Member of the Investors' Grievance Committee of the Board of Directors of the Company.
5. Remuneration Proposed: In consideration of his services as Managing Director, Shri Virendraa Bangur shall be entitled to receive the following by way of remuneration :-
- a) Salary : ₹ 1,25,000/- per month
- b) Perquisites
- i) House Rent Allowance : At the rate of 15% of the Salary per month.
 - ii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one and half months' Salary in each year.
 - iii) Leave Travel Assistance : At the rate of one and half months' Salary in each year.
 - iv) Companies contributions for him to Provident Fund and Superannuation Fund in accordance with the Rules and Regulations of the Company.
 - v) Continuation of Gratuity entitlement at a rate not exceeding half a month's Salary for each completed year of service.
 - vi) Encashment of accumulated leave not exceeding two months at the end of the tenure.

In addition to the aforementioned remuneration, the Company will at its expenses provide Shri Bangur with a car for use on the Company's business and a telephone at his residence provided that use of car for private purpose and personal long distance calls on the telephone shall be billed by the Company to him.

Under the Agreement Shri Virendraa Bangur is entitled to leave on full pay and allowances as per the Company's Rules/ Practice in force from time to time.

The Agreement also sets out the mutual rights and obligations of the parties and other administrative details.

6. Comparative Remuneration profile with : The proposed remuneration is comparable with the prevalent trend in the respect to Industry, size of the company, Industry and commensurate with the size of the Company and profile of the position and person. position and the person.
7. Pecuniary relationship directly or indirectly : Shri Virendraa Bangur holds 492500 Equity Shares of the Company in his own with the company, or relationship with the name. managerial personnel, if any.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits. : Steep increase in the cost of power in the state of Odisha and also increase in cost of salt and other raw materials and absence of chlorine consuming industries in the nearby area.
2. Steps taken or proposed to be taken for : The Company has since sold its Chlor-Alkali Division comprising of Caustic Soda Manufacturing Unit at Ganjam (Odisha) and Salt Manufacturing Facility at Pundi (Andhra Pradesh) to Aditya Birla Chemicals (India) Limited by way of a slump sale to arrest the loss and stop depletion of the capital.
3. Expected increase in productivity and profits : With the above, the Company will have surplus funds which can be utilized in in measurable terms. profitable ventures.

IV. DISCLOSURES

- i) v) The remuneration package of Shri Virendraa Bangur has been given hereinabove and necessary disclosures in the Directors' Report under the heading "Corporate Governance" regarding elements of remuneration of all the Directors will be made
- ii) The above remuneration of Shri Virendraa Bangur is fixed component. There are no performance linked incentives

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- iii) Service contract is from 12th November, 2016 to 11th November, 2019. Notice period is of 3 months. There is no severance fees.
- iv) There are no Stock Options.

The re-appointment and remuneration of Shri Virendraa Bangur as the Managing Director of the Company require approval of the Members of the Company in general meeting by a Special Resolution.

Copy of the draft Agreement for re-appointment of Shri Virendraa Bangur as Managing Director setting out the terms and conditions of his appointment 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 Special Resolution set out at Item No. 5 in the convening Notice has to be considered accordingly and the Board recommends the same.

Save and except Shri Virendraa Bangur and his father Shri Shree Kumar Bangur, Chairman of the Company no other Director and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

Kolkata,
Date : 30th May, 2016

S. K. Lahoti
Company Secretary