

20 MICRONS™

L I M I T E D

Regd. Office: 9/10, GIDC Industrial Estate, Waghodia - 391760, Dist.: Vadodara, Gujarat, India. E-Mail : co_secretary@20microns.com

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given that an Extra-Ordinary General Meeting of the Shareholders of 20 Microns Limited will be held on **Saturday, the 25th day of May, 2013** at 3.00 pm at the Conference Room at 347, GIDC Industrial Estate, Waghodia - 391 760. Dist.: Vadodara to transact the following business:

SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modification(s) the following resolutions as Special Resolutions:

[1] "RESOLVED THAT in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, the provisions of Securities and Exchange Board of India Act, 1992 (SEBI Act) and Guidelines, Regulations and other applicable provisions of, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, the relevant Regulations for Preferential Issue of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI (ICDR) Regulations') and any other Guidelines or Regulations of SEBI, Listing Agreements entered into with the Stock Exchanges, where the shares of the Company are listed, and any other applicable laws/rules/regulations and subject to the consent/approval of any other Authority(s)/Institution(s), consent of the Company be and is hereby accorded to the Company to create, offer, issue and allot up to 4,00,000 (Four Lacs) Unsecured Fully Convertible Debentures of Rs. 100/- each, on a preferential basis to M/s. Pratik Minerals Private Limited (herein after to be referred to as "FCDs") on principle terms and conditions stated hereunder :

1. The FCD shall be compulsorily converted at the end of 6 [six] months from the date of allotment of FCD.
2. Each FCD shall be Convertible in to Equity Share(s) of the face value of Rs. 5/- each of the Company at a prevailing average market value as calculated at an average closing price of last 26 [twenty six] weeks OR average of last 2 [two] weeks average closing prices, whichever is higher from the date of allotment.
3. The applicant to the said FCD shall make 100% payment for the subscription to the 4,00,000 FCDs of the face value of Rs. 100/- each, at the time of applying.
4. The FCD shall carry interest of 0% Coupon Rate.
5. The Equity Shares to be issued on Compulsory Conversion of the FCD, shall be under lock in for a period of one year and the lock in date shall commence from the date of conversion..
6. The issue shall remain open for subscription for a period of 1 [one] month from the date Board Resolution or as may be decided by the Board of Directors.
7. Any terms other than above shall be governed by the relevant provisions of the SEBI Regulations and the Companies Act, 1956 in this regards.

"RESOLVED FURTHER THAT the "Relevant Date" in relation to the issue of FCDs in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 24.04.2013, being the 30 days prior to the date of passing of this resolution."

"RESERVED FURTHER THAT the fresh Equity Shares allotted on conversion of FCDs shall rank *pari passu* in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to delegate all or any of the powers vested herein conferred to any Committee of Directors of the Company to give effect this resolution."

[2] "RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 314 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") including any statutory modification or re-enactment thereof for the time being in force read with Schedule XIII of the Act and applicable provisions of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary and such other approvals, permissions and sanctions, as may be required in that behalf and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of **Mr. Chandresh S. Parikh** as the **Chairman & Managing**

Director of the Company whose office shall not be liable to retirement by rotation for a period of 3 (Three) years with effect from 1st April, 2013, on such remuneration and commission and on such other terms and conditions more particularly set out in the Agreement entered into with him, detailing interalia the pattern of remuneration and Commission payable to him, in accordance with the requirements of the Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "the Board" which term shall be deemed to include the Remuneration Committee constituted to exercise its powers) of the Company be and is hereby authorised without any reference / approval of the Company in General Meeting to increase, alter and/or vary the terms and conditions and/or remuneration and perquisites including the monetary value thereof, subject to the limits as prescribed under Section II of Part II of the Schedule XIII of the

Act and/or as may be permitted or authorised in accordance with the provisions under the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT pursuant to Section 198(4) of the Act read with Schedule XIII and other applicable provisions of the Companies Act, 1956, as amended, and subject to such approvals as may be necessary, in absence or inadequacy of the Net Profit, Mr. Chandresh S. Parikh will be paid the said remuneration as minimum remuneration, within the ceiling limit prescribed under Section II of Part II of the Schedule XIII of the Act, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things, as the Board may, at its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

[3] "RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 314 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") including any statutory modification or re-enactment thereof for the time being in force read with Schedule XIII of the Act and applicable provisions of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary and such other approvals, permissions and sanctions, as may be required in that behalf and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of **Mr. Rajesh C. Parikh** as a Whole time Director designated as the **Managing Director** of the Company whose office shall be liable to retirement by rotation for a period of 3 (Three) years with effect from 1st April, 2013, on such remuneration and commission and on such other terms and conditions more particularly set out in the Agreement entered in to with him detailing interalia the pattern of remuneration and Commission payable to him, in accordance with the requirements of the Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "the Board" which term shall be deemed to include the Remuneration Committee constituted to exercise its powers) of the Company be and is hereby authorised without any reference / approval of the Company in General Meeting to increase, alter and/or vary the terms and conditions and/or remuneration and perquisites including the monetary value thereof, subject to the limits as prescribed under Section II of Part II of the Schedule XIII of the Act and/or as may be permitted or authorised in accordance with the provisions under the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT pursuant to Section 198(4) of the Act read with Schedule XIII and other applicable provisions of the Companies Act, 1956, as amended, and subject to such approvals as may be necessary, in absence or inadequacy of the Net Profit, Mr. Rajesh C. Parikh will be paid the said remuneration as minimum remuneration within the ceiling limit prescribed under Section II of Part II of the Schedule XIII of the Act, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things, as the Board may, at its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

[4] "RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 314 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") including any statutory modification or re-enactment thereof for the time being in force read with Schedule XIII of the Act and applicable provisions of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary and such other approvals, permissions and sanctions, as may be required in that behalf and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of **Mr. Atil C. Parikh** as a Whole time Director designated as

the **Joint Managing Director** of the Company whose office shall be liable to retirement by rotation for a period of 3 (Three) years with effect from 1st April, 2013, on such remuneration and commission and on such other terms and conditions more particularly set out in the Agreement entered in to with him detailing interalia the pattern of remuneration and Commission payable to him, in accordance with the requirements of the Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "the Board" which term shall be deemed to include the Remuneration Committee constituted to exercise its powers) of the Company be and is hereby authorised without any reference / approval of the Company in General Meeting to increase, alter and/or vary the terms and conditions and/or remuneration and perquisites including the monetary value thereof, subject to the limits as prescribed under Section II of Part II of the Schedule XIII of the Act and/or as may be permitted or authorised in accordance with the provisions under the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT pursuant to Section 198(4) of the Act read with Schedule XIII and other applicable provisions of the Companies Act, 1956, as amended, and subject to such approvals as may be necessary, in absence or inadequacy of the Net Profit, **Mr. Atil C. Parikh** will be paid the said remuneration as minimum remuneration within the ceiling limit prescribed under Section II of Part II of the Schedule XIII of the Act, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things, as the Board may, at its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

[5] "RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310, 314 and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") including any statutory modification or re-enactment thereof for the time being in force read with Schedule XIII of the Act and applicable provisions of the Articles of Association of the Company and subject to the approval of the Central Government, if and to the extent necessary and such other approvals, permissions and sanctions, as may be required in that behalf and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of **Mr. Sudhir R. Parikh** as a Whole time Director designated as the **Director (Finance)** of the Company whose office shall be liable to retirement by rotation for a period of 3 (Three) years with effect from 1st April, 2013, on such remuneration and commission and on such other terms and conditions more particularly set out in the Agreement entered in to with him detailing inter alia the pattern of remuneration and Commission payable to him, in accordance with the requirements of the Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "the Board" which term shall be deemed to include the Remuneration Committee constituted to exercise its powers) of the Company be and is hereby authorised without any reference / approval of the Company in General Meeting to increase, alter and/or vary the terms and conditions and/or remuneration and perquisites including the monetary value thereof, subject to the limits as prescribed under Section II of Part II of the Schedule XIII of the Act and/or as may be permitted or authorised in accordance with the provisions under the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT pursuant to Section 198(4) of the Act read with Schedule XIII and other applicable provisions of the Companies Act, 1956, as amended, and subject to such approvals as may be necessary, in absence or inadequacy of Net Profit, Mr. Sudhir R. Parikh will be paid the said remuneration as minimum remuneration within the ceiling limit prescribed under Section II of Part II of the Schedule XIII of the Act, or any statutory modification(s) or re-enactment thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, matters and things, as the Board may, at its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

**By order of the Board,
20 Microns Limited**

**Chandresh Parikh
Chairman & Managing Director**

**Place: Waghodia
Date: 26.04.2012**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies to be effective, must be lodged at the registered office of the Company not later than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith.
3. Members/Proxies should bring duly filled in and signed Attendance Slip sent herewith for attending the Meeting. The Members holding shares in dematerialised form are requested to bring their Client ID and DP ID for easy identification of attendance at the Meeting.
4. Relevant documents referred to in the accompanying notice are open for inspection by the shareholders at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 am to 4.00 pm upto the date of the Meeting.
5. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Items stated in the Notice is annexed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 [2] OF THE COMPANIES ACT, 1956

Item 1:

As per section 81(1A) of the Companies Act, 1956 and Regulation 72(1)(a) of SEBI (ICDR) Regulations, approval of shareholders in General Meeting by way of Special Resolution is required to Issue, offer and allot up to 4,00,000 FCDs of Rs. 100/- each on a preferential basis.

Hence, the resolutions are placed before the shareholders. Your Directors recommend the resolutions for your approval.

The following disclosure for preferential issue is made in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations.

1. Objects of the Issue:

The Company is presently engaged into manufacturing and trading of Non-metallic Industrial Minerals, which makes the business of the Company volume driven. The Company has been consistently utilizing all the manufacturing facilities across 8 plants at almost 100% capacity levels. There is a huge demand for industrial mineral products in the Indian as well as in Global market and in order to meet the said demand, apart from 100% utilization of manufacturing capacities, the Company is required to depend on third party manufacturers for manufacturing of certain products of the Company.

To meet this increasing demand of Industrial Minerals, the Board of Directors has been reviewing Strategies and Policies for expansion of operational and up-gradation of the manufacturing activities mainly for the enhancement of quality of products as well as catering consistent growing demands not only for industrial minerals but also of specialized chemical products. It is therefore, proposed that the requirement be partly funded through preferential Issue and Allotment of FCDs to the non-promoters.

2. The proposal of the promoters /directors/ key management persons to subscribe to the offer:

The present promoters and Directors of the Company will not subscribe to this preferential allotment.

3. The shareholding pattern of the issuer before and after the preferential issue:

Category code	Category of Shareholder	Pre-Issue Holding		Conversion of FCDs	Post Conversion Holding	
		No. of Shares	%		No. of Shares	%
(A)	Promoter and Promoter Group					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	11938386	37.71	NIL	NIL	NIL
(c)	Bodies Corporate	8250235	26.06	NIL	NIL	NIL
	Total(A)	20188621	63.76	NIL	NIL	NIL
(B)	Public shareholding					
B 1	Institutions	1128800	3.57	NIL	NIL	NIL
B 2	Non-institutions					
(a)		3348127	10.37	4,00,000 FCDs OF THE FACE VALUE OF RS. 100/- EACH	PLEASE REFER "PRINCIPLE TERMS AND CONDITIONS" AT ITEM NO.1	
	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 Lac	3625585	11.45	NIL	NIL	NIL
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	1230572	3.89	NIL	NIL	NIL
(c-i)	Clearing Members	59825	0.19	NIL	NIL	NIL
(c-ii)	Hindu Undivided Families	192553	0.61	NIL	NIL	NIL
(c-iii)	Non Resident Indians	1806703	5.71	NIL	NIL	NIL
(c-iv)	Trusts	78168	0.25	NIL	NIL	NIL
	Total (B)	11473435	36.24			
	GRAND TOTAL (A)+(B)	31662056	100.00	4,00,000 FCDs OF THE FACE VALUE OF RS. 100/- EACH	PLEASE REFER "PRINCIPLE TERMS AND CONDITIONS" AT ITEM : 1	

Notes with respect to shareholding pattern: (a) The above shareholding pattern is prepared as on 31.03.2013; (b) The above shareholding pattern has been arrived on the assumption of full conversion of FCDs; (c) The post shareholding pattern may vary depending upon any other corporate action in between.

4. The time within which the preferential issue shall be completed:

The Board proposes to allot the FCDs within a period of 15 days from the date of passing of the resolutions by the shareholders or within 15 days from the date of approval of any regulatory authority, whichever is later.

5. The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:
Details of proposed allottees:

Proposed Allottees	Pre-Issue Equity Holding	%	Number of shares to be converted	Post Issue Holding	% of post conversion
PRATIK MINERALS PRIVATE LIMITED	NIL	NIL	PLEASE REFER "PRINCIPLE TERMS AND CONDITIONS" AT ITEM NO. 1		

In terms with SEBI (ICDR) Regulations, the Company has obtained PAN details from the proposed allottees.

Change in Control:

There is no change in the management and control of the Company pursuant to the preferential issue.

6. Undertaking

In terms of Regulation 73(1) (f) and (g) of SEBI (ICDR) Regulations, the Company undertakes to : (i) re-compute the price of the specified securities (if required) as per the regulations and (ii) if the amount on account of re-computation of price is not paid as per regulation, the specified securities shall remain locked-in till the such amount is paid.

7. Certificate from Auditors:

M/s. Manubhai & Co., Chartered Accountants, the Statutory Auditors of the Company, have certified that the said preferential issue is in accordance with the requirements contained in the Regulations/Guidelines and the said Certificate will be placed before the Extraordinary General Meeting. The Memorandum & Articles of Association of the Company, Auditors Certificate and other documents referred to in the proposed resolutions and in the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 am to 4.00 pm upto the date of the EGM.

8. Lock-in:

The pre-preferential and post-preferential allotment shall be locked in as per the terms and conditions to comply with the SEBI [ICDR] Regulations.

9. Pricing of preferential issue

The FCDs will be issued and allotted/converted at a price not less than the higher of the following in terms of the Regulation 76 of SEBI (ICDR) Regulations:

- a) The average of the weekly high and low of the closing prices of the Equity shares of the Company, quoted on the stock exchange during twenty six weeks preceding the relevant date; or
- b) The average of the weekly high and low of the closing prices of the Equity shares of the Company, quoted on the stock exchange during two weeks preceding the relevant date.

Explanation : "Relevant Date" as per Regulation 71 of SEBI (ICDR) Regulations for the purposes of this clause means, the date thirty days prior to the date on which the meeting of the shareholders is held to consider the proposed preferential issue.

10. Allotment and Terms of payment

The FCDs will be allotted within 15 days from the date of the EGM as mentioned in the Point No. 4 hereinabove.

The Company has received full subscription from the sole proposed allottee Each FCDs may be converted as per the SEBI Guidelines.

None of the other Directors of the Company may be considered to be concerned or interested in the above resolution.

Items 2 to 5:

It may be re-called that respective Re-appointments of Mr. Chandresh S. Parikh, Mr. Rajesh C. Parikh and Mr. Sudhir R. Parikh for a period of 3 years effective 1st April, 2010 as the Chairman & Managing Director, Whole time Director designated as Managing Director and whole time Director designated as Director [Finance] of the Company were approved by way of passing respective special resolutions on 30.07.2010.

Similarly, Re-appointment of Mr. Atil C. Parikh for a period of starting from 29th January, 2012 to 31st March, 2013 as the Whole time Director designated as Joint Managing Director of the Company was approved at an extra-ordinary general meeting of the shareholders of the Company on 23.04.2012. The term of their respective offices has expired on 31st March, 2013.

Looking to the responsibilities undertaken and contributions made by the Managerial Personnel viz. Mr. Chandresh Parikh, Chairman & Managing Director, Mr. Rajesh Parikh, Managing Director, Mr. Atil Parikh, Joint Managing Director and Mr. Sudhir Parikh, Director [Finance] of the Company in achieving phenomenal growth and development of the Company and on account of trends of improved performances since last several years and the qualities of Management viz. business acumen, sagacity, practical wisdom and such other qualities which they developed during the tenure of their respective offices which enabled the Company to touch the new heights, the Board of Directors of the Company at their meeting held on 14.02.2013, re-appointed the said Managerial Personnel viz. -

- Mr. Chandresh S. Parikh as the Chairman & Managing Director;
- Mr. Rajesh C. Parikh as the Managing Director;
- Mr. Atil C. Parikh as the Joint Managing Director and
- Mr. Sudhir R. Parikh as the Director [Finance] of the Company

for a further period of 3 [three] years commencing from 01st April, 2013 on the following terms & conditions including remuneration as recommended by the Remuneration Committee of Directors of the Company:

1. **Mr. Chandresh S. Parikh**, the Chairman & Managing Director, shall be in overall charge of the business and operations of the Company. He shall act subject to direction, superintendence, and control of the Board of Directors of the Company.

Mr. Rajesh C. Parikh, the Managing Director, shall report to **Mr. Chandresh S. Parikh**, the Chairman & Managing Director of the Company and shall look after Marketing, Technical matters and Administration and such other matters as may be assigned by the Chairman & Managing Director from time to time.

Mr. Atil C. Parikh, the Managing Director, shall report to **Mr. Chandresh S. Parikh**, the Chairman & Managing Director of the Company and shall look after Marketing, Technical matters and Administration and such other matters as may be assigned by the Chairman & Managing Director from time to time.

Mr. Sudhir R. Parikh, Director (Finance), shall also report to **Mr. Chandresh S. Parikh**, the Chairman & Managing Director of the Company, and shall look after Accounts, Finance, Company Law, Administration and such other matters as may be assigned by the Chairman & Managing Director from time to time.

2. The Managerial Personnel shall devote their entire time and attention for the business & operations of the Company.
3. The Managerial Personnel will not be paid any sitting fees for attending the meetings of Board of Directors or Committees thereof.
4. As stipulated in Section 198(4) of the Companies Act, 1956, they would receive minimum remuneration in absence or inadequacy of profits.
5. If the tenure of office is determined for any reason whatsoever before the expiration of their respective terms of offices, they shall be entitled to compensation for loss of office in accordance with Section 318 of the Companies Act, 1956.
6. Managerial Personnel shall maintain secrecy during the continuance of his employment.
7. The respective appointments of the Managerial Personnel may be terminated by giving 90 days notice on either side or equivalent payment of salary in lieu thereof.

Necessary Agreements for re-appointments of the above Managerial Personnel are executed and the same are available for inspection by the Members between 11.00 am to 4.00 pm at the Registered Office of the Company on all working days except, Saturdays, Sundays and Holidays upto 25th May, 2013.

The re-appointments of above Managerial Personnel are completely in accordance with the norms laid down in Schedule XIII to the Companies Act, 1956 and therefore approval of the Central Government would not be necessary. However, as per Part III of the Schedule XIII, approval of the shareholders would be necessary for such re-appointments.

The accompanying notice together with Explanatory Statement is and may be treated as an abstract of the terms and memorandum of interest under Section 302 of the Companies Act, 1956.

A combined statement containing therein information as required under Schedule XIII of the Companies Act, 1956 including abstract of the terms of remuneration is reproduced hereunder.

Your Directors commend the resolutions at Item Nos. 2 to 5 for your approval and acceptance.

Except **Mr. Chandresh S. Parikh**, **Mr. Rajesh C. Parikh**, and **Mr. Atil C. Parikh**, none of the other Directors may be deemed to be concerned or interested in passing the resolutions at item 2 to 4 above.

Except **Mr. Sudhir R. Parikh**, none of the other Directors may be deemed to be concerned or interested in passing the resolution at item 5 above.

COMBINED STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER SCHEDULE XIII OF THE COMPANIES ACT, 1956

I. GENERAL INFORMATION:

1. Nature of industry:
Manufacturing of Micronised Minerals
2. Date or expected date of commencement of commercial production: 29th June, 1987
3. Financial performance:

Financial Parameters	(Rs. In Lacs)		
	31.03.2012	31.03.2011	31.03.2010
Turnover (Gross)	26379.73	23586.02	17999.13
Profit before Depreciation, Interest and Tax	3525.90	2555.99	2300.13
Net Profit for the year	1078.08	550.19	729.74

4. Export performance:

For the year ended 31st March, 2012, the Company has earned Foreign Exchange of Rs. 2288.09Lacs and utilization of the same has been at Rs. 3499.80 Lacs.

5. Foreign investments or collaboration:

The Company has two Subsidiaries outside India viz. 20 MICRONS SDN. BHD. and 20 MICRONS FZE.

II. INFORMATION ABOUT THE APPOINTEES:

1. Background details and Past Remuneration:

Mr. Chandresh S. Parikh, the Chairman & Managing Director, is overall in charge of the Management of the affairs of the Company and acts subject to the directions, superintendence and control of the Board of Directors of the Company. Prior to this re-appointment, he was serving as Chairman & Managing Director drawing remuneration within the overall ceiling of Rs. 3,14,600/- per month.

Mr. Rajesh C. Parikh, whole time director designated as the Managing Director of the Company, reports to the Chairman & Managing Director and looks after Marketing, Administration and Technical matters and such other matters as may be assigned by the Chairman & Managing Director from time to time. Prior to this re-appointment, he was serving as the Managing Director drawing remuneration within the overall ceiling of Rs. 2,75,080/- per month.

Mr. Atil C. Parikh, whole time director designated as the Joint Managing Director of the Company, reports to Chairman & Managing Director and looks after Marketing, Technical matters and Administration and such other matters as may be assigned by the Chairman & Managing Director from time to time. Prior to this re-appointment, he was serving as the Joint Managing Director drawing remuneration within the overall ceiling of Rs. 2,24,848/- per month..

Mr. Sudhir R. Parikh, a Wholetime Director designated as Director [Finance] reports to the Chairman & Managing Director and looks after Finance, Accounts, Administration, Legal & Secretarial matters and such other matters as may be assigned by the Chairman & Managing Director from time to time. Prior to this re-appointment, he was serving as the Director (Finance) drawing remuneration within the overall ceiling of Rs. 2,75,080/- per month.

2. Job profile and his suitability:

Mr. Chandresh S. Parikh, holds a Degree in Master of Science (Chemistry). He has played a very important role in the turnaround of the Company and has over 35 years of experience. In India and abroad, in various fields such as product development & commercialization of products developed through R & D etc. He started his career as R&D Chemist in the year 1968 with Suhrid Geigy Limited; Vadodara till 1972. Thereafter he joined in as a Chief Chemist with General Foam Products, Mombasa, Kenya in 1972 and continued with them till 1975. Thereafter he held Senior Executive positions as Technical Director and Executive Director in Banco Products (T) Ltd., Dar Es Salaam from 1975-82. As Technical Director he was in charge of Production and technical matters and as an Executive Director he was in overall charge and management of the affairs of that Company. He was a Managing Director in Aerofoam (Nigeria) Ltd., Lagos, Nigeria during 1982-88. He came to India for the formation of 20 Microns Private Limited and started commercial production from 1988.

Mr. Rajesh C. Parikh, has graduated with First Class Degree in Bachelor of Mechanical Engineering. He has also completed the Masters in business Administration in Finance. He started his career with Jyoti Limited, a Vadodara based Engineering Company, in the year 1994 as a Trainee Engineer and there after he was associated with the Company and held, on part time basis, few assignments for a new project to be established for China Clay. At the age of 27 he joined the Board and was in charge of Technical matters & Marketing of the product of the Company. His exposure to the consuming industries brought in him insight for business and industry.

Mr. Atil C. Parikh, aged 35 years, holds a Bachelor's degree in Chemical Engineering from Gujarat University. He then began his career working as a Management Trainee with 20 Microns Limited in 1999-2000. Later, he relocated to USA and completed his MBA with Finance specialization from California. On completion of MBA, he joined a Financial Services firm, The Tax Credit Company, where he held a position of a Management Analyst in 2003 and worked for 2 years contributing to various aspects of the industry ranging from Marketing, Analysis, HR and Operations. In the year 2005, he rejoined the Company as Management Analyst. He contributed in developing certain strategies and revamping few departments within the organization. He was later on given full charge of the CNC division overlooking all the major activities within that division.

Mr. Sudhir R. Parikh, is a fellow member of the Institute of Chartered Accountants of India. Early in his career, he joined M/s. Lovelock & Lewes, an audit firm for a period of 1½ years. Subsequently, he held a senior executive position as Manager Accounts in Asian Dehydrates Limited in the year 1977, Nasik. He then joined as a Chief Accountant in M. H. Spinning & Mfg Co. Ltd., Ahmedabad in the year 1978. He was also an Executive Director in Banco Products (T) Ltd., Dar- E- Salaam, Tanzania and a Director in United Foam Private Limited, Waghodia. He has gathered rich experience in Accounting, Finance, Taxation and Management. He looks after the Accounts, Finance, Banking and Administration of the Company.

All the above Managerial Personnel have vision and farsightedness, acquired business acumen and developed other qualities of Management which could not only lead them to greater heights, but have the potential to put the Company on a sound footing front, year on year.

3. Remuneration proposed:

Abstracts of terms of Managerial Remuneration payable to the Managerial Personnel are given in the subsequent paras.

4. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:
Taking in to consideration, the size of the Company, the profiles of Managerial Personnel, the responsibilities shouldered by them, the proposed remuneration is commensurate with the remuneration packages being paid to managerial personnel working in the similar position in the industry.

5. Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial Personnel, if any
All the above Managerial Personnel viz. Mr. Chandresh S. Parikh, Mr. Rajesh C. Parikh, Mr. Atil C. Parikh and Mr. Sudhir R. Parikh does not have any pecuniary interest in the Company other than holding their respective offices as such and as a shareholder of the Company. Mr. Rajesh C. Parikh and Mr. Atil C. Parikh are the sons of Mr. Chandresh S. Parikh, the Chairman and Managing Director and are brothers.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits, steps taken for improvement and expected increase in productivity:

Reasons for loss or inadequate profits is mainly due to high finance cost and fluctuations in international price of crude oil which incidentally affects the prices of various cost centers such as Power and fuel costs. In order to improve the performance, the Company has taken various steps such as drastically reducing manufacturing costs, finance cost etc.. The turnover of the Company has also astonishingly enhanced in the last few years and crossed the figure of Rs. 278 Crores during the last fiscal year.

ABSTRACTS OF THE TERMS OF MANAGERIAL REMUNERATION PAYABLE TO THE MANAGERIAL PERSONNEL

1. MR. CHANDRESH S. PARIKH

Period: From 01st April, 2013 to 31st March, 2016.

Remuneration:

- I. **Basic Salary:** Rs. 3,25,000/- per month with annual increment up to 25% in the Basic Salary as may be decided by the Remuneration Committee and the Board of Directors of the Company from time to time.
- II. **Perquisites:** 4.6% of the Basic Salary. The detailed components of the perquisites shall be worked out by the Company in consultation with Mr. Chandresh S. Parikh.
- III. **Commission:** Not exceeding 1% of the Net Profit as worked out as per Section 349 & 350 of the Companies Act, 1956, for every financial year, subject to the limits stipulated in Schedule XIII of the Companies Act, 1956, if and to the extent applicable and Agreement executed on 19.04.2013 between the Company and Mr. Chandresh S. Parikh.
- IV. Company's contribution to Provident Fund, Gratuity and such other benefits as are available to other employees of the Company as per the Company's rules.

2. MR. RAJESH C. PARIKH

Period: From 01st April, 2013 to 31st March, 2016.

Remuneration:

- I. **Basic Salary:** Rs. 2,48,000/- per month with annual increment up to 25% in the Basic Salary as may be decided by the Remuneration Committee and the Board of Directors of the Company from time to time.
- II. **Perquisites:** 19.6% of the Basic Salary. The detailed components of the perquisites shall be worked out by the Company in consultation with Mr. Rajesh C. Parikh.
- III. **Commission:** Not exceeding 0.75% of the Net Profit as worked out as per Section 349 & 350 of the Companies Act, 1956, for every financial year, subject to the limits stipulated in Schedule XIII of the Companies Act, 1956, if and to the extent applicable and Agreement executed on 19.04.2013 between the Company and Mr. Rajesh C. Parikh.
- IV. Company's contribution to Provident Fund, Gratuity and such other benefits as are available to other employees of the Company as per the Company's rules.

3. MR. ATIL C. PARIKH

Period: From 01st April, 2013 to 31st March, 2016.

Remuneration:

- I. **Basic Salary:** Rs. 2,03,000/- per month with annual increment up to 25% in the Basic Salary as may be decided by the Remuneration Committee and the Board of Directors of the Company from time to time.
- II. **Perquisites:** 19.6% of the Basic Salary. The detailed components of the perquisites shall be worked out by the Company in consultation with Mr. Rajesh C. Parikh.

III. **Commission:** Not exceeding 0.70% of the Net Profit as worked out as per Section 349 & 350 of the Companies Act, 1956, for every financial year, subject to the limits stipulated in Schedule XIII of the Companies Act, 1956, if and to the extent applicable and Agreement executed on 19.04.2013 between the Company and Mr. Atil C. Parikh.

IV. Company's contribution to Provident Fund, Gratuity and such other benefits as are available to other employees of the Company as per the Company's rules.

4. MR. SUDHIR R. PARIKH

Period: From 01st April, 2013 to 31st March, 2016.

Remuneration:

I. **Basic Salary:** Rs. 2,48,000/- per month with annual increment up to 25% in the Basic Salary as may be decided by the Remuneration Committee and the Board of Directors of the Company from time to time.

II. **Perquisites:** 19.6% of the Basic Salary. The detailed components of the perquisites shall be worked out by the Company in consultation with Mr. Sudhir R. Parikh.

III. **Commission:** Not exceeding 0.75% of the Net Profit as worked out as per Section 349 & 350 of the Companies Act, 1956, for every financial year, subject to the limits stipulated in Schedule XIII of the Companies Act, 1956, if and to the extent applicable and Agreement executed on 19.04.2013 between the Company and Mr. Sudhir R. Parikh.

IV. Company's contribution to Provident Fund, Gratuity and such other benefits as are available to other employees of the Company as per the Company's rules.

Re-Appointments of each of the above Managerial Personnel is for a period of 3 [three years] effective 01st April, 2013. If the tenure of their respective offices is determined by any reason whatsoever before the expiration of his term of office, they shall be entitled to compensation for loss of office in accordance with the applicable provisions of the Companies Act, 1956. The said appointments may be terminated by giving 90 days of notice on either side or equivalent payment of salary in lieu thereof.

Subject to the overall ceiling laid down in Section 198 and Section 309 read with Schedule XIII of the Companies Act, 1956, they would be entitled to receive commission on net profits or performance linked bonus for such an amount as may be determined by the Board of Directors of the Company year after year, however, the Commission, salary and perquisites in any event shall not exceeds the limit laid down in said Sections of the Act.

Pursuant to Section 198(4) of the Act, read with Schedule XIII, as amended, and subject to such approvals as may be necessary, the salary, perquisites and other emoluments may be paid as the minimum remuneration to above Managerial Personnel in absence of or inadequacy of profit in any financial year.

Details of Directors seeking re-appointment (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Chandresh S. Parikh	Mr. Rajesh C. Parikh	Mr. Atil C. Parikh	Mr. Sudhir R. Parikh
Date of Birth	March 06, 1946	December 28, 1971	September 04, 1977	September 22, 1953
Date of Appointment	March 29, 1988	July 02, 1998	29.01.2001	April 10, 2000
Qualifications	M. Sc. (Chemistry)	B.E. (Mechanical) MBA (Finance)	B.E. (Chemical) MBA (Finance)	Chartered Accountant
Expertise	Eminent industrialist with wide business experience	Eminent industrialist with rich business expertise	Eminent industrialist with rich business expertise	Extensive professional experience in Finance & administration
Brief Resume	Since the same have already been explained in detail hereinabove, the same are not repeated.			
Directorship in other Public Limited Companies	- 20 Microns Nano Minerals Ltd. - Eriez Finance and Investment Ltd. - DMC Ltd. - Bruno Industrial Products Ltd.	- 20 Microns Nano Minerals Ltd. - Eriez Finance and Investment Ltd. - DMC Ltd. - Bruno Industrial Products Ltd.	- 20 Microns Nano Minerals Ltd. - Bruno Industrial Products Ltd.	- 20 Microns Nano Minerals Ltd. - Eriez Finance and Investment Ltd. - Bruno Industrial Products Ltd.
Membership of the Committees in other Companies	Nil	Nil	Nil	Nil
No. of shares held in the Company	36,30,400	16,59,956	16,59,956	3,96,690

By order of the Board,
20 Microns Limited

Place: Waghodia
Date: 26.04.2013

Chandresh Parikh
Chairman & Managing Director