



I G Petrochemicals Limited

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Regd. Office: 211, 2nd floor, Kamat Tower, EDC Complex, Patto Plaza, Panaji, Goa - 403 001
For I G Petrochemicals Limited Office: 401, Raheja Centre, 214, Nariman Point, Mumbai - 400 021

R Chandrasekaran
Chief Financial Officer & Secretary

30th March, 2011

ABSTRACT OF THE TERMS OF RE-APPOINTMENT OF MR. NIKUNJ DHANUKA AS MANAGING DIRECTOR AND OF MR. J K SABOO AS EXECUTIVE DIRECTOR OF THE COMPANY AND MEMORANDUM OF INTEREST ISSUED TO THE SHAREHOLDERS OF THE COMPANY PURSUANT TO SECTION 302(2) OF THE COMPANIES ACT, 1956

The Company at its Annual General Meeting (AGM) dated 31st May, 2006 had re-appointed Mr. Nikunj Dhanuka as the Managing Director of the Company for a period of 5 (Five) years with effect from 27.4.2006 and at its AGM dated 21st June, 2008 had re-appointed Mr. J K Saboo as the Executive Director of the Company for a period of 3 (Three) years with effect from 1.4.2008.

Considering the vital roles played by Mr. Nikunj Dhanuka and Mr. J K Saboo in spearheading the Company's growth over the past several years, the Remuneration Committee had considered and recommended to the Board, subject to the approval of the shareholders of the Company, the re-appointment of Mr. Nikunj Dhanuka as the Managing Director and of Mr. J K Saboo as the Executive Director for a period of 5 (Five) years and 3 (Three) years respectively, on the revised terms and conditions which are given hereunder.

Pursuant to the recommendation of the Remuneration Committee, the Board of Directors of the Company at its meeting held on 14th February, 2011, passed two separate resolutions in accordance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 for re-appointment of Mr. Nikunj Dhanuka as the Managing Director and Mr. J K Saboo as the Executive Director of the Company for a period of 5 (Five) years and 3 (Three) years with effect from 27th April, 2011 and 1st April, 2011 respectively, on the revised terms and conditions. Separate agreements have been executed on 30th March, 2011 by the Company with Mr. Nikunj Dhanuka and Mr. J K Saboo as regards the re-appointments and the terms thereof. The re-appointments are subject to the consent of the shareholders of the Company and other regulatory approvals, if required.

I. RE-APPOINTMENT OF MR. NIKUNJ DHANUKA AS THE MANAGING DIRECTOR

In compliance with the requirements of Section 302(2) of the Companies Act, 1956, an abstract of the terms relating to Mr. Nikunj Dhanuka's re-appointment as the Managing Director of the Company, as contained in the Board Resolution and the Agreement entered into with him, is set out below:

1) Scope of work:

The Managing Director shall manage the day to day affairs of the Company under the supervision of the Board of Directors.

2) Period of re-appointment: Five years from 27th April, 2011.

3) Remuneration and other terms and conditions:

I. Salary : Rs. 3,00,000 per month.

II. Personal pay : Equivalent to two months' salary per year.

III. Perquisites : In addition to the aforesaid Salary and Personal Pay, the Managing Director shall be entitled to the following perquisites, classified in 3 categories :

Category A

(a) Housing

The expenditure by the Company for hiring the furnished accommodation shall not exceed Rs. 50,000/- (Rupees Fifty Thousand) per month.

In case no accommodation is provided by the Company, Mr. Nikunj Dhanuka will be entitled to the House Rent Allowance of Rs. 50,000/- per month.

(b) Medical reimbursement

Expenses incurred by him and his family subject to a ceiling of one month's salary in a year or 3 month's salary over a period of three years.

(c) **Leave travel concession**

For self and family once in a year in accordance with the rules of the Company.

(d) **Leave**

Earned leave with full pay and allowance as per the rules of the Company but not exceeding one month's leave for every 11 months of service. Encashment of leave at the end of the tenure as per the rules of the Company will be allowed.

(e) **Club fees**

Subject to a maximum of two clubs. No life membership fee will be paid by the Company.

(f) **Insurance**

Cost of insurance in respect of mediclaim policy for self and family and Personal accident insurance shall be borne by the Company.

Category B

Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company. Gratuity payable shall not exceed half month's salary for each completed year of service.

Category C

Provision for use of car and telephone as per Company rules.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as Managing Director, he may be paid remuneration by way of salary and perquisites not exceeding the maximum limits as specified above as minimum remuneration.

Notice period of termination: 3 months prior notice on either side.

Memorandum of Interest

Except Mr. Nikunj Dhanuka and Mr. M M Dhanuka (as Relative), no other Director of the Company is in any way concerned or interested in the above appointment.

II. RE-APPOINTMENT OF MR. J K SABOO AS THE EXECUTIVE DIRECTOR

In compliance with the requirements of Section 302(2) of the Companies Act, 1956, an abstract of the terms relating to Mr. J K Saboo's re-appointment as the Executive Director of the Company, as contained in the Board Resolution and the Agreement entered into with him, is set out below:

1) Scope of work:

The Executive Director shall manage the day to day affairs of the Company at the plant at Taloja, Maharashtra under the supervision of the Board of Directors.

2) Period of re-appointment: Three years from 1st April, 2011.

3) Remuneration and other terms and conditions:

I. **Salary :** Rs. 1,75,000 per month.

II. **Personal pay :** Equivalent to two months salary per year.

III. **Perquisites :** In addition to the aforesaid Salary and Personal Pay, the Executive Director shall be entitled to the following perquisites, classified in 3 categories :

Category A

(a) **Housing**

The expenditure by the Company for hiring the furnished accommodation shall not exceed Rs. 25,000/- (Rupees Twenty Five Thousand) per month.

In case no accommodation is provided by the Company, Mr. J K Saboo will be entitled to the House Rent Allowance of Rs. 25,000/- per month.

(b) **Medical reimbursement**

Expenses incurred by him and his family subject to a ceiling of one month's salary in a year or 3 month's salary over a period of three years.

(c) Leave travel concession

For self and family once in a year in accordance with the rules of the Company.

(d) Leave

Earned leave with full pay and allowance as per the rules of the Company but not exceeding one month's leave for every 11 months of service. Encashment of leave at the end of the tenure as per the rules of the Company will be allowed.

(e) Club fees

Subject to a maximum of two clubs. No life membership fee will be paid by the Company.

(f) Insurance

Cost of insurance in respect of mediclaim policy for self and family and Personal accident insurance shall be borne by the Company.

Category B

Contribution to provident fund, superannuation fund or annuity fund as per the rules of the Company. Gratuity payable shall not exceed half month's salary for each completed year of service.

Category C

Provision for use of car and telephone as per the Company rules.

Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as Executive Director, he may be paid remuneration by way of salary and perquisites not exceeding the maximum limits as specified above as minimum remuneration.

Memorandum of Interest

None of the Directors are in any way concerned or interested in the above matter, except Mr. J K Saboo to the extent of remuneration payable to him.

ADDITIONAL INFORMATION PURSUANT TO CLAUSE 49 IV (G) (I) OF THE LISTING AGREEMENT

Name	Mr. Nikunj Dhanuka	Mr. J K Saboo
Age	43 years	59 years
Profile & Experience	Mr. Nikunj Dhanuka joined the Board of I G Petrochemicals Ltd. in 1996. He has vast experience in chemical industry, finance and banking and all major functions of the Company. He is well versed with the International Business functioning which helps in providing vital inputs to the Company.	Mr. J K Saboo joined the Board of I G Petrochemicals Ltd. in 1998. He is in charge of the Company's Plant at Taloja, Maharashtra, and looks after the overall activities of the Plant including liaisoning with various Government Departments. He has more than 30 years experience in the petrochemical industry.
Names of other Companies in which the appointees also hold Directorships.	Mysore Petro Chemicals Ltd.	1. Ellenbarrie Steels & Allied Industries Ltd. 2. Seasky Investment Ltd.
Names of other Companies in which the appointees hold Committee memberships	Member of the Share Transfer Committee of Mysore Petro Chemicals Ltd.	Nil
Shareholding in I G Petrochemicals Ltd.	22,898 equity shares	200 equity shares

Dated : 30 March 2011

Place : Mumbai

By Order of the Board
For I G Petrochemicals Limited

Sd/-
R Chandrasekaran
Chief Financial Officer & Secretary

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- (c) Leave travel expenses for self and family once in a year in accordance with the rules of the Company.
- (d) Leave Entitled leave with full pay and allowance as per the rules of the Company but not exceeding one month's leave for every 11 months of service. Accumulation of leave at the end of the tenure as per the rules of the Company will be as usual.
- (e) Club fees Subject to a maximum of two clubs. No life membership fee will be paid by the Company.
- (f) Insurance Cost of insurance in respect of medical and life and family and personal accident insurance shall be borne by the Company.
- Category B Contribution to provident fund, superannuation fund or similar fund as per the rules of the Company. Gratuity payable shall not exceed 12 months' salary for each completed year of service.
- Category C Provision for use of car and telephone as per the Company's rules.

Minimum Remuneration
In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as Executive Director, he may be paid remuneration by way of salary and perquisites not exceeding the maximum limits as specified above as minimum remuneration.

Memorandum of Interest
None of the Directors are in any way connected or interested in the above matter, except Mr. J. K. Saboo to the extent of remuneration payable to him.

ADDITIONAL INFORMATION PURSUANT TO CLAUSE 49 IV (G) (i) OF THE LISTING AGREEMENT

Name	Age	Profile & Experience	Names of other Companies in which the appointee also holds Directorships	Names of other Companies in which the appointee holds Directorships	Shareholding in I G Petrochemicals Ltd.
Mr. Nilanjali Dhanoo	43 years	Mr. Nilanjali Dhanoo joined the Board of I G Petrochemicals Ltd. in 1996. He has vast experience in chemical industry, finance and banking and all major functions of the Company. He is well versed with the international business functioning which helps in providing vital inputs to the Company.	1. Ethanolam Sales & Allied Industries Ltd. 2. Seaboard Investment Ltd.	Member of the Share Transfer Committee of I G Petrochemicals Ltd.	22,30,4 equity shares
Mr. J. K. Saboo	50 years	Mr. J. K. Saboo joined the Board of I G Petrochemicals Ltd. in 1998. He is in charge of the Company's Plant at Tokyo, Maharashtra, and looks after the overall activities of the Plant including liaisoning with various Government Departments. He has more than 30 years experience in the petrochemical industry.			300 equity shares

By Order of the Board
For I G Petrochemicals Limited

If undelivered, please return to:
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Date: 30 March 2011
Place: Mumbai