

February 24, 2014

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra - Kurla Complex
Bandra [E], Mumbai - 400 051

Dear Sirs,

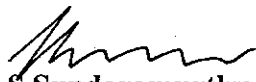
Stock Code - **KOTHARIPET**

Pursuant to Clause 31 of the Listing Agreement, we are forwarding herewith the six copies of Abstract under Section 302 of the Companies Act, 1956 which has been sent to the members of the Company regarding Remuneration for Mr.B.H.Kothari, Chairman and Managing Director with effect from 1st April, 2014 to 30th November, 2016.

Kindly acknowledge receipt.

Thanking you

Yours faithfully,
for **Kothari Petrochemicals Limited**



S.Sundaramurthy
Company Secretary & Compliance Officer

Encl: as above

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KOTHARI PETROCHEMICALS LIMITED

Registered Office: "Kothari Buildings", No.115, Mahatma Gandhi Road
Nungambakkam, Chennai - 600 034, Tel. No. : 044-30225507

website: www.kotharipetrochemicals.com / email: secdept@hckgroup.com

To the Members of the Kothari Petrochemicals Limited

ABSTRACT UNDER SECTION 302 OF THE COMPANIES ACT, 1956

Remuneration for Mr.B.H.Kothari, Chairman and Managing Director

The Board of Directors of the Company ("the Board") approved the remuneration to Mr.B.H.Kothari in accordance with the provisions of the Companies Act, 1956 for the period from 1st April 2014 to 30th November, 2016.

Mr. B.H. Kothari is the Chairman and Managing Director of the H.C.Kothari Group of Companies, a respected conglomerate founded many decades back. He has more than 30 years of experience in administration and management in the Petrochemical, Sugar and Financial Services industries. Mr.B.H.Kothari has, in the past, held the positions of President of Indian Sugar Mills Association (ISMA), The South Indian Sugar Mills Association (SISMA), Hindustan Chamber of Commerce, Chennai and Chairman of Consultative Committee of City Chambers of Commerce. Currently Mr.B.H.Kothari is the Honorary Consul for Austria in Chennai.

Mr.B.H.Kothari is also actively involved in many charitable, educational and social service organizations viz., Institute of Financial Management & Research (IFMR), Sankara Nethralaya, Shree Vallabhacharya Vidya Sabha besides being a Trustee in various charitable institutions.

Mr.B.H.Kothari, was re-appointed as the Chairman and Managing Director of the Company from 01.12.2011 to 30.11.2016 without any remuneration at the 22nd Annual General Meeting of the Company held on 07th September 2011. He has been holding the post of Chairman & Managing Director of the Company since 01.12.2006.

The Company had an accumulated loss of Rs.20.22 Crores as on 31.03.2004, but wiped off the entire accumulated losses over the years on account of the various steps including re-organization of the company and its product lines. Due to the untiring efforts and the initiatives taken by Mr.B.H.Kothari, the company started making profit from the year 2004 - 2005.

Mr.B.H.Kothari has not taken any remuneration ever since he was appointed as Chairman & Managing Director and declined to accept remuneration even when the company started making profits. However, due to the improved profitability of the Company and in recognition of his contribution therefor, the Board has now approved the remuneration for him.

On the recommendation and approval of the Remuneration Committee, the Board, at its meeting held on 3rd February, 2014 approved the terms and conditions of remuneration of Mr.B.H.Kothari, Chairman and Managing Director, subject to the approval of the Shareholders at the next General Meeting.

In compliance with the requirements of Section 302 of the Companies Act, 1956 ("the Act"), an abstract of the terms and conditions of the remuneration to Mr.B.H.Kothari, Chairman & Managing Director together with the Memorandum of Concern or Interest, is given below:

1. Tenure of Remuneration:

For the period from 1st April 2014 to 30th November, 2016.

2. Salary:

Rs.3,50,000/- (Rupees Three Lakhs and Fifty Thousands) per month.

3. Commission:

In addition to the salary, a commission not exceeding 4% of the net profits, subject to the conditions that the overall remuneration payable to him including the commission shall not exceed 5% of the net profits of the Company for any financial year computed in the manner prescribed under the Companies Act, 1956.

4. Perquisites:

- i) Perquisites like use of car with driver, personal accident insurance, medical insurance, leave travel concession and other benefits as provided to the other Senior Executives of the Company, will be provided in accordance with the rules of the Company and the same will be evaluated as per Income Tax Rules, wherever applicable and in other cases at actual cost to the company.
- ii) Leave Encashment as per the Company's policy from time to time.

5. Use of telephone at residence and mobile phone for Company's purpose, which will not be treated as Perquisite.

6. Contribution to funds:

Company's contribution to Provident Fund and Super Annuation Fund to the extent these singly or put together are not taxable under the Income Tax Act and Gratuity at the rate not exceeding 15 days salary for every completed year of service".

7. Minimum Remuneration:

In the event of inadequacy or absence of profits in any financial year during the currency of the tenure of the Managing Director, the above remuneration [consisting of Salary as per (2) and Perquisites as per (4) (ii) and (5) & 6 above] shall be treated as minimum remuneration in accordance with Schedule XIII of the Companies Act, 1956 or such other limit as may be prescribed by the Central Government from time to time shall be paid to him.

MEMORANDUM OF CONCERN OR INTEREST

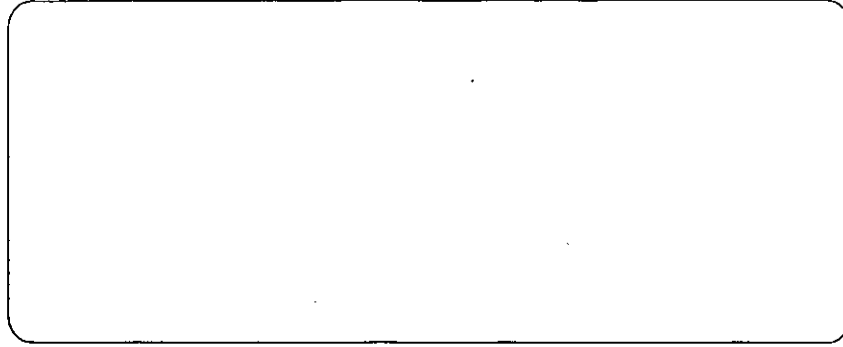
Mr.B.H.Kothari, is concerned or interested in the terms and conditions mentioned above.

By Order of the Board
for Kothari Petrochemicals Limited

Place: Chennai

S.Sundaramurthy

अन्तर्देशीय पत्र कार्ड
INLAND LETTER CARD



Second Fold Here दूसरा मोड़

If undelivered please return to :

Kothari
PETROCHEMICALS

KOTHARI PETROCHEMICALS LIMITED

Registered Office: "Kothari Buildings", No.115, Mahatma Gandhi Road
Nungambakkam, Chennai - 600 034, Tel. No. : 044-30225507

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