



DCW LIMITED

Registered Office : Dhrangadhra - 363 315, Gujarat
Head Office : Nirmal, 3rd Floor, Nariman Point, Mumbai - 400 021
Tel. No. 22871914, 22871916, 22020743, Fax : 22 2202 8838 Website : www.dcwlimited.com
CIN No. L24110GJ1939PLC000748 Email : ho@dcwlimited.com

SEVENTY SEVENTH ANNUAL GENERAL MEETING 2015-2016

NOTICE

NOTICE is hereby given that the 77th Annual General Meeting of the Members of DCW LIMITED will be held at 10.00 a.m. on Thursday, 29th September, 2016 at the Registered Office of the Company (at Guest House No. 2) at Dhrangadhra - 363 315, Gujarat State, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the year ended 31st March, 2016 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri P.K. Jain, (DIN: 00380458) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and in this connection, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No. 109208 W) Mumbai, the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be agreed upon by the Board of Directors and the Auditors plus applicable Service Tax and reimbursement of traveling and other out-of-pocket expenses; such remuneration to be exclusive of fees payable for services that may be rendered by them other than as Auditors.

SPECIAL BUSINESS:

4. Reappointment of Shri. Vivek Jain (DIN:00502027) as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V to the Companies Act, 2013 all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactment thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the reappointment of Shri. Vivek Jain (DIN:00502027), as Managing Director of the Company for a period of 3 years with effect from 1st March, 2017 with such salary, perquisites and commission as is set out in the Explanatory Statement annexed to the notice of this Annual General Meeting and on such other terms and conditions as are set out in the draft agreement between Shri. Vivek Jain (DIN:00502027) and the Company submitted to this meeting and initialed by the Chairman for the purpose of identification, which agreement is hereby approved by the shareholders of the Company with liberty to the Board of Directors to alter the terms and conditions of the said agreement in such manner as may be agreed to between the Company and Shri. Vivek Jain (DIN:00502027), subject to such alterations being made in accordance with the provision of the Companies Act, 2013."

"RESOLVED FURTHER THAT if in any financial year during the tenure of Shri Vivek Jain (DIN:00502027) as Managing Director, the Company has no profits, or its profits are inadequate, Shri. Vivek Jain shall be entitled to receive and be paid remuneration, including salary, perquisites and other allowances, not exceeding Rs. 10,00,000/- per month in such financial year, or such other remuneration within the applicable limits prescribed by the Central Government from time to time in this regard."



5. Reappointment of Shri. Mudit Jain (DIN:00647298) as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications and re-enactment thereof for the time being in force, approval of the shareholders of the Company be and is hereby accorded to the re-appointment of Shri. Mudit Jain (DIN:00647298), as Managing Director of the Company for a period of 3 years with effect from 1st March 2017 with such salary, perquisites and commission as is set out in the Explanatory Statement annexed to the notice of this Annual General Meeting and on such other terms and conditions as are set out in the draft agreement between Shri Mudit Jain (DIN:00647298) and the Company submitted to this meeting and initialed by the Chairman for the purpose of identification, which agreement is hereby approved by the shareholders of the Company with liberty to the Board of Directors to alter the terms and conditions of the said agreement in such manner as may be agreed to between the Company and Shri Mudit Jain (DIN:00647298), subject to such alterations being made in accordance with the provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT if in any financial year during the tenure of Shri. Mudit Jain (DIN:00647298) as Managing Director, the Company has no profits, or its profits are inadequate, Shri. Mudit Jain (DIN:00647298) shall be entitled to receive and be paid remuneration, including salary, perquisites and other allowances, not exceeding Rs. 10,00,000/- per month in such financial year, or such other remuneration within the applicable limits prescribed by the Central Government from time to time in this regard."

6. To approve remuneration payable to cost auditors R. Nanabhoy & Co. and N. D. Birla & Co. for the Financial year ending March 31, 2017.

To consider and if thought fit to pass with or without modification(s) following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the shareholders of the Company be and is hereby accorded for payment of remuneration as set out in the Explanatory Statement annexed hereto to M/s. Nanabhoy & Co. and N. D. Birla & Co. the Cost Auditors of the Company appointed by the Board of Directors at their meeting held on May 25, 2016, to conduct the audit of the cost records of the Company for the financial year ending on 31st March, 2017;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such necessary steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs.50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as an by way of fees for sending the document to him in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

By Order of the Board of Directors

Jigna Karnick
Dy. Company Secretary

Mumbai, 13th August, 2016
Registered Office :
Dhrangadhra - 363 315 Gujarat.



NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The Proxy Form should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 20th September, 2016 to Thursday, 29th September, 2016, both days inclusive.
5. Shareholders are requested to promptly notify any changes in their address to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., (Unit: DCW Limited), E/2&3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072.
6. Members who have not registered their e-mail id addresses so far are requested to register their e-mail address in case of physical holding with the Company and in case of demat holding with the Depository Participant.
7. Electronic copy of the Notice of the 77th Annual General Meeting of the Company inter alia indicating the evoting procedure along with the Attendance Slip and Proxy Form is being sent to all the Members whose e-mail address are registered with the Company/Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their e-mail address, physical copies of the Notice of the 77th Annual General Meeting of the Company inter alia indicating the e-voting procedure along with the Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Pursuant to Sections 205C of the Companies Act, 1956 the dividend amount remaining unclaimed for a period of 7 years shall be transferred to the investor education protection fund. Thereafter member shall not be able to register their claim in respect of their unencashed dividend. Pursuant to Section 124(6) of the Companies Act 2013 as and when notified by Ministry of Corporate Affairs all shares in respect of which unpaid or unclaimed dividend has been transferred to Investor Education and Protection Fund are required to be transferred to said Fund. Members who have not yet encashed their dividend warrants for the Financial Year ended on March 31, 2009 and onwards are advised to make their claims without any further delay and the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.dcwlimited.com) and also on the website of the Ministry of Corporate Affairs.
Accordingly, the Company has transferred all the unclaimed dividends declared till the year 2007-2008 to the said Fund.
Members who have not encashed their dividend warrants for the financial year ended March 31, 2009 onwards may write to the Company's Registrar and Share Transfer Agents, Bigshare Services Pvt. Ltd., E/2&3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 for obtaining payment in lieu of such warrants.
9. Members are requested to bring their copy of Annual Report to the Meeting.
10. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company Secretary, so as to reach at least 7 days before the date of meeting, to enable the information required to be made available at the Meeting, to the extent possible.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat / electronic form, the nomination form may be filed with the respective Depository Participant.
12. Members may also note that the Notice of 77th Annual General Meeting and the Annual Report for the Financial Year 2015-16 will also be available on the Company's website www.dcwlimited.com for download.
13. Profile of Director seeking re-appointment

Shri P.K. Jain is a Director of the Company since 1992. He is a B.A. (Hon.) Economics and has an experience of 57 years in the industry. He was appointed as the Managing Director of the Company in the year 1996 and is also Chairman of the Board since 2014. He is overall incharge of the operations of the Company. Shri Bakul Jain, Shri Mudit Jain and Shri Vivek Jain, Managing Directors are related to Mr. P.K. Jain although they are not relatives as per Section 2(77) of the Companies Act, 2013.



14 Voting through electronic means

Pursuant to provisions of Section 108 of the Companies Act, 2013 and 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 Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote 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 National Securities Depository Services (India) Limited (NSDL).

15. The instructions for Members for voting electronically are as under:

INSTRUCTIONS FOR E-VOTING

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolutions placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or www.dcwlimited.com of the e-voting period commences on Monday, 26/9/2016 at 10 a.m. and ends on Wednesday, 28/9/2016 at 5.00 p.m.

During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company as on the cut-off date of Thursday, 22/9/2016. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22/9/2016 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or www.dcwlimited.com

The facility for voting through Polling 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 at the meeting through Ballot Paper.

The procedure to login e-voting website is given below

- i. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
- ii. Launch the internet browser by typing the following <https://www.evoting.nsdl.com/>
- iii. Click on "Shareholder-Login":
- iv. Put user ID and Password noted in step (A) above as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login. if you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
- v. If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
- vi. Home page of "e-voting" opens. Click on "e-voting": Active Voting Cycles.
- vii. Select "EVEN (E-Voting Event Number)" of DCW LTD. For and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- viii. Now you are ready for "e-voting" as "Cast Vote" Page opens.



- ix. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
- x. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : skjaincs1944@gmail.com with a copy marked to evoting@nsdl.co.in.
- xi. Once the vote on a resolution is cast by the shareholder she/he shall not be allowed to change it subsequently
- xii. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "downloads" section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in

Please Note the following

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to Vote again at the AGM.

A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer, after scrutinising the votes cast at the meeting (Insta Poll) and through remote e-voting will not later than three days of the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with consolidated scrutinizer's Report shall be placed on the website of www.dcwlimited.com and the website of <https://www.evoting.nsdl.com>. The result shall simultaneously be communicated to the Stock Exchange

In case a Member receives physical copy of the Notice of the 77th AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting Physical Copy]

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the 77th AGM:
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow Sl. No.(I) to Sl. No. (xi) above to cast vote.
- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. Dr. S. K. Jain, Practicing Company Secretary (Membership No. 1473) and Proprietor of S. K. Jain and Company has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.



Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

Item no. 4

Shri.Vivek Jain (DIN:00502027) is in charge of the PVC division of the Company and has been with the Company since 1st September, 1984. Mr. Vivek Jain has been appointed as Managing Director of the Company for a period of 3 years with effect from 1st March, 2014 as per the approval accorded by the members of the company at the Annual General Meeting held on 13th August, 2014. In terms of proviso to Section 196(2) of the Companies Act, 2013 a Managing Director can be re-appointed within one year before the expiry of his present term.

The Board of Directors at their meeting held on 13th August, 2016 re-appointed Mr. Vivek Jain as Managing Director for a period of 3 years commencing from 1st March, 2017 on the terms and conditions as detailed below subject to the approval of the shareholders of the Company at the forth coming Annual General Meeting. The Nomination and Remuneration Committee of the Board approved the payment of the said remuneration to Shri Vivek Jain by passing a resolution at their meeting held on 13th August, 2016. The remuneration approved by the Nomination and Remuneration Committee and the Board is within the maximum limit of managerial remuneration (without the approval of the Central Government) prescribed under Section 197 read with Schedule V to the Companies Act, 2013.

The detailed terms and conditions of re-appointment and remuneration payable to Shri Vivek Jain as Managing Director are as follows:

(a) **Period** : 3 years with effect from 1st March 2017.

(b) **Remuneration**

(i) **Salary** : Rs. 10,00,000/- per month.

(ii) **Perquisites** :

In addition to his salary, Shri. Vivek Jain shall also be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with utilities thereof such as gas, electricity, water, furnishings and repairs; medical reimbursement and leave travel concession for himself and family; club fees, medical insurance etc. in accordance with the Rules of the Company or as may be agreed to between the Board and Shri. Vivek Jain; the amount of such perquisites to be restricted to Rs. 12,00,000/- per annum. The Company shall provide Shri. Vivek Jain, a car with a driver and telephone facility at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purpose shall be billed by the Company to Shri. Vivek Jain.

(iii) **Commission** :

Commission shall be paid in addition to the above salary and perquisites and shall be calculated with reference to the net profits of the Company in the relevant financial year as determined on approval of the accounts subsequent to the year ending. The amount of such Commission shall be subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 and shall be 25% of the difference between 10% of the net profits in that Financial Year and the aggregate of the salary and perquisites and benefits paid to the Managing Directors and Whole - time Directors of the Company in that year.

If in any Financial Year during the tenure of Shri. Vivek Jain, the Company has no profits or its profits are inadequate, he shall be entitled to receive and be paid remuneration in that year; salary and perquisites not exceeding Rs.1,20,00,000/- per annum or Rs.10,00,000/- per month or such other limit as may be prescribed by the Government from time to time in this regard, but shall not be entitled to any commission. However, the Company's contribution to provident fund and superannuation fund or annuity fund, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable at a rate not exceeding half-a month's salary for each completed year of service and encashment of leave at the end of the tenure shall not be included in the computation of ceiling on perquisites.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable. In the absence of any such Income Tax Rules, 1962, perquisites shall be evaluated at actual cost.



Shri Vivek Jain is MBA (Babsons College, USA) and MMS (Jamnalal Bajaj Institute of Management of Studies, Mumbai.) The draft of the agreement between the Company and Shri. Vivek Jain is open for inspection at the Registered Office of the Company during the office hours on all working days between 11.00 a.m. to 1.00 p.m. except Saturday

Your Directors recommend the resolution at item no. 4 for your approval.

Shri Vivek Jain is interested in the Resolution, since it pertains to his re-appointment as Managing Director. Relatives of Shri. Vivek Jain may be deemed to be interested in the resolution set out at Item no. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

Item no. 5

Shri. Mudit Jain (DIN: 00647298) is in charge of the Caustic Soda Division and also overseas the marketing operation of the Beneficiated Ilmenite unit of the Company. He is with the Company since 1989. Mr. Mudit Jain has been appointed as Managing Director of the Company for a period of 3 years with effect from 1st March, 2014 as per the approval accorded by the members of the Company at the Annual General Meeting held on 13th August, 2014. In terms of proviso to Section 196(2) of the Companies Act, 2013 a Managing Director can be re-appointed within one year before the expiry of his present term.

The Board of Directors at their meeting held on 13th August, 2016 re-appointed Mr. Mudit Jain as Managing Director for a period of 3 years commencing from 1st March, 2017 on the terms and conditions as detailed below subject to the approval of the shareholders of the Company at the forth coming Annual General Meeting. The Nomination and Remuneration Committee of the Board approved the payment of the said remuneration to Shri Mudit Jain by passing a resolution at their meeting held on 13th August, 2016. The remuneration approved by the Nomination and Remuneration Committee and the Board is within the maximum limit of managerial remuneration (without the approval of the Central Government) prescribed under Section 197 read with Schedule V to the Companies Act, 2013.

The detailed terms and conditions of re-appointment and remuneration payable to Shri Mudit Jain as Managing Director are as follows:

(a) **Period** : 3 years with effect from 1st March, 2017.

(b) **Remuneration**

(i) **Salary** : Rs. 10,00,000/- per month.

(ii) **Perquisites** :

In addition to his salary, Shri Mudit Jain shall also be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with utilities thereof such as gas, electricity, water, furnishings and repairs; medical reimbursement and leave travel concession for himself and family; club fees, medical insurance etc. in accordance with the Rules of the Company or as may be agreed to between the Board and Shri. Mudit Jain; the amount of such perquisites to be restricted to Rs. 12,00,000/- per annum. The Company shall provide Shri. Mudit Jain, a car with a driver and telephone facility at his residence. Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purpose shall be billed by the Company to Shri. Mudit Jain.

(iii) **Commission**:

Commission shall be paid in addition to the above salary and perquisites and shall be calculated with reference to the net profits of the Company in the relevant financial year as determined on approval of the accounts subsequent to the year ending. The amount of such Commission shall be subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 and shall be 25% of the difference between 10% of the net profits in that Financial Year and the aggregate of the salary and perquisites and benefits paid to the Managing Directors and the Whole - time Directors of the Company in that year.



- (c) If in any Financial Year during the tenure of Shri. Mudit Jain, the Company has no profits or its profits are inadequate, he shall be entitled to receive and be paid remuneration in that year; salary and perquisites not exceeding Rs.1,20,00,000/- per annum or Rs.10,00,000/- per month or such other limit as may be prescribed by the Government from time to time in this regard, but shall not be entitled to any commission. However, the Company's contribution to provident fund and superannuation fund or annuity fund, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable at a rate not exceeding half-a month's salary for each completed year of service and encashment of leave at the end of the tenure shall not be included in the computation of ceiling on perquisites.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable. In the absence of any such Income Tax Rules, 1962, perquisites shall be evaluated at actual cost.

Shri. Mudit Jain, is B. Com, MBA (Wharton Business School, USA). He was the President of Alkali Manufacturers Association of India The draft of the agreement between the Company and Shri. Mudit Jain is open for inspection at the registered office of the Company during the office hours on all working days between 11.00 a.m.to 1.00 p.m. except Saturday

Your Directors recommend the resolution at item no. 5 for your approval.

Shri Mudit Jain is interested in the Resolution, since it pertains to his re-appointment as Managing Director. Relatives of Shri. Mudit Jain may be deemed to be interested in the resolution set out at Item no. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or key managerial personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

STATEMENT OF DISCLOSURE UNDER SCHEDULE V OF THE COMPANIES ACT, 2013:

(In relation to item Nos.4 and 5 of the notice)

I. GENERAL INFORMATION :

- (1) Nature of Industry :

The Company is engaged in the manufacture and sale of chemicals such as Soda Ash, Caustic Soda, Synthetic Rutile, PVC etc..

- (2) Date or expected date of commencement of commercial production:

The Company commenced its business in the year 1939 i.e. the year in which it was incorporated.

- (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:

(Rs. In Lakhs)

Financial Parameters	2013-14	2014-15	2015-16
Total Revenue	1,32,686.63	1,25,631.72	1,27,430.18
Total Expense	1,27,467.26	1,26,048.10	1,24,538.62
Profit/Loss After Tax	3,787.94	-592.17	1,854.58
Dividend Rate	18%	NIL	NIL



(5) Foreign Investments or collaborators, if any.

The foreign holding in the Company as on 31/03/2016 is 10.77% of the equity capital of the Company. The Company has two foreign collaborations, namely, Technical License and Support Agreement with Rockwood Italia SpA Socio Unico, Divisione Silo, Italy and Technical License Agreement with Arkema France, France.

II. INFORMATION ABOUT THE APPOINTEES:

(1) Background details –

Mr. Vivek Jain is a MBA (Babsons College, USA) and MMS (Jamnalal Bajaj Institute of Management of Studies, Mumbai). Before his appointment as Managing Director, Mr. Vivek Jain was Sr. President of the Company. He is in-charge of the PVC division of the Company.

Mr. Mudit Jain is B. Com., M.B.A. (Wharton Business School, U.S.A.). Before his appointment as Managing Director, Mr. Mudit Jain was Executive Director of the Company. He is in charge of the Caustic Soda Division and also overseas the Marketing operations of the Beneficiated Illmenite unit of the Company.

(2) Past remuneration

Salary, Perquisites, Commission and minimum remuneration in case of loss or inadequacy of profit and other terms and conditions were same for Mr. Vivek Jain and Mr. Mudit Jain as is now proposed to be paid on their re-appointment effective from 1st March, 2017 as detailed herein.

(3) Recognition / awards

Mr. Vivek Jain is a MBA (Babsons College, USA) and MMS (Jamnalal Bajaj Institute of Management of Studies, Mumbai). He is a member of the Managing Committee of Royal Western India Turf Club Ltd., Mumbai.

Mr. Mudit Jain is B.Com., M.B.A. (Wharton Business school, U.S.A.) He was the President of Alkali Manufacturers Association of India.

(4) Job Profile and his suitability.

Shri Vivek Jain – Shri Vivek Jain is in-charge of the PVC division of the Company. He is with the company since 1984 and prior to his appointment as Managing Director he was Sr. President of the Company. He was instrumental in expansion of the PVC capacity. Under his leadership the company is now setting up Chlorinated Poly Vinyl Chloride Project in its Sahapuram Works. Considering the qualification, experience and the contribution made to the Company, his continued service as Managing Director will enable the Company to progress further.

Shri Mudit Jain - Shri Mudit Jain is in charge of the Caustic Soda Division and also overseas the marketing operation of the Beneficiated illmenite unit of the Company. He is with the Company since 1989 and prior to his appointment as Managing Director he was Executive Director of the company. He was instrumental in converting the Caustic Soda Unit from Mercury Cell Technology to Membrane Cell Technology which resulted an increase in the installed capacity of the Caustic Soda Unit from 60,000 TPA to 1,00,000 TPA. This also resulted in substantial reduction in the consumption of power. He was also instrumental in entering into long term contracts with overseas parties for the supply of synthetic Rutile. Considering the qualification, experience and the contribution made to the Company, his continued service as Managing Director will enable the Company to progress further.

(5) Remuneration Proposed -

Name of the Director	Proposed Salary per month (Rs.)	Perquisites Per annum
Shri Vivek Jain	10,00,000/-	12,00,000*
Shri Mudit Jain	10,00,000/-	12,00,000*

* Perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rules, Perquisites shall be evaluated at actual cost.



Company shall provide a car with a driver and telephone facility at the residence. Provision of car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of the car for private purpose shall be billed by the Company.

Commission :

Commission shall be paid in addition to the above Salary and Perquisites and shall be calculated with reference to the net profits of the Company in the relevant financial Year as determined on approval of the accounts subsequent to the year ending. The amount of such Commission to each of the Managing Directors shall be subject to the overall ceilings stipulated in Sections 197 & 198 of the Act and shall be twenty five percent of the difference between ten percent of the net profits in that financial year and the aggregate of the salary and perquisites and benefits paid to the Managing Directors and the Whole-time Directors in that year.

Minimum Remuneration.

If in any financial year during the tenure of the aforesaid Managing Directors, the Company has no profits or its profits are inadequate, they shall be paid the salary and perquisite not exceeding Rs.10,00,000/- per month as remuneration but shall not be entitled for any commission. For calculation of perquisites, company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act. Gratuity payable at a rate not exceeding half-a-month's salary for each completed year of service and encashment of leave at the end of the tenure shall not be included in the computation of ceiling on perquisites.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin)

Considering the general Industry and the specific company profile, the proposed remuneration is in line with the Industry levels and that of comparatively placed Companies in India.

(7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any .

The Managing Directors have pecuniary relationship with the Company in their capacity as Managing Directors and all of them are also Promoters of the Company.

III Other Information:

1. Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms.

The Company has been profitable for the last many years except for the loss of Rs.5.92 crores for the year ended 31/3/2015. The Company expects to continue to drive profitability and appropriate steps, as possible, are being taken to ensure profitability in the coming years. This disclosure is only an enabling disclosure for payment of remuneration in the unlikely scenario of loss/inadequacy of profits.

IV Disclosures

The proposed remuneration package of the aforesaid Managing Directors are detailed above. The Corporate Governance Report which forms a part of the Directors' Report contains details of remuneration paid to all Directors.

Item No. 6:

The Board, on the recommendations of the Audit Committee, has approved the re-appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, details of which are set out below:



Sr. No	Name of the Cost Auditor	Industry	Audit Fees (Rs.)
1	Nanabhoy & Company	Chemicals (Caustic Soda)	85,000/- (Rupees Eighty Five Thousand only)
2	N. D. Birla & Company	Chemicals (Soda Ash)	55,000/- (Rupees Fifty Five Thousand only)

Company Accordingly, consent of the Members is sought for passing an Ordinary resolution as set out at item No. 6 of the Notice for payment of remuneration to the Cost Auditors for the financial year ending on March 31, 2017.

None of the Directors/Key Managerial Personnel their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in the Item No. 6 of the Notice for approval of the members

Item No. 7:

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the Resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item no. 7 of the accompanying Notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at item no.7 of the accompanying Notice.

Mumbai, 13th August, 2016

By Order of the Board of Directors

Registered Office :

Dhrangadhra - 363 315

Gujarat.

Jigna Karnick

Dy. Company Secretary