



# PUNJAB CHEMICALS AND CROP PROTECTION LTD.

CIN NO. L24231PB1975PLC047063

## Regd. Office & Works

Milestone-18, Ambala-Kalka Road, Village & P.O. Bhankharpur, Derabassi, Distt SAS Nagar (Mohali), Punjab-140201. INDIA

Tele: 01762-280086/94, Fax: 01762-280070, E-mail: info@punjabchemicals.com, Website: www.punjabchemicals.com

Date: 27.12.2017

### BY E-FILING

The Manager  
Department of Corporate Services  
Bombay Stock Exchange Limited  
1<sup>st</sup> Floor, New Trading Wing, P.J Towers  
Dalal Street Fort  
**MUMBAI-400 001**  
Scrip Code: 506618  
Tel No.: 022-22728073

The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East)  
**MUMBAI-400 051**  
Scrip Symbol: PUNJABCHEM  
Tel No.: 022-26598235/26598458

Sub: **Calendar of events for Postal Ballot and Notice of Postal Ballot**

Dear Sirs

This is to inform you that in the meeting of the Board of Directors of the Company held on 13<sup>th</sup> September, 2017 and 8<sup>th</sup> December, 2017 it was decided to seek the consent of the Members of the Company through Postal Ballot for the following resolutions, in compliance with the relevant provisions of the Companies Act, 2013:

- A) Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.
- B) Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.
- C) Re-Classification of Excel Industries Limited from Promoter Group to Public Category.
- D) To issue securities by way of further public Offering/ Rights Issue/Global Depository Receipt/ American Depository Receipts/ Foreign Currency Convertible Bonds/ Qualified Institutional Placement/ Debt Issue/ Preferential Issue or any other method.
- E) To approve increase in borrowing limits of the Company.
- F) To approve to create mortgage and/or charge on the properties and other assets of the Company.

We are enclosing herewith the 'Calendar of Events' for the completion of the Postal Ballot Activity as well as the copy of the notice of Postal Ballot.

Result of the Postal Ballot will be declared on 2<sup>nd</sup> February, 2018.

This is for your information and record please.

Thanking you,  
Yours faithfully  
For PUNJAB CHEMICALS AND  
CROP PROTECTION LIMITED

  
(CS PUNIT K ABROL)

SR. V.P. (FINANCE) & SECRETARY

Encl: A/a.



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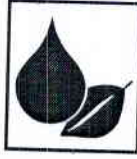
## Regd. Office & Works

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Tele: 01762-280086/94, Fax: 01762-280070, E-mail: info@punjabchemicals.com, Website: www.punjabchemicals.com

### CALENDAR OF EVENTS FOR CONDUCTING POSTAL BALLOT (PHYSICAL FORM AND E-VOTING)

1.	Date on which consent is given by the Scrutinizer to act as the Scrutinizer.	5 <sup>th</sup> December, 2017
2.	Date of Board Meeting to consider the matter.	i) 13.09.2017 ii) 08.12.2017
3.	Date of Board Resolution authorizing Shri Shalil Shroff, Managing Director or Shri Avtar Singh, Director (Operations & Business Development) or Shri Vipul Joshi, Chief Financial Officer and Shri Punit K Abrol, Sr. V P (Finance) & Secretary for being responsible to complete the Postal Ballot process.	i) 13.09.2017 ii) 08.12.2017
4.	Date of appointment of the Scrutinizer	11 <sup>th</sup> December, 2017
5.	Cut-off date for ascertaining the list of shareholders to whom the notice of Postal Ballot will be sent and also for reckoning voting rights	22 <sup>nd</sup> December, 2017
6.	Date of completion of dispatch of Notice (Physical and through e-mail)	29 <sup>th</sup> December, 2017
7.	Release of Advertisement in newspaper giving the date of completion of dispatch of the Notice	30 <sup>th</sup> December, 2017
8.	Date of commencement for voting (e-voting and physical). The e-voting module shall also be disabled by CDSL for voting members.	30 <sup>th</sup> December, 2017
9.	Last date for receiving postal ballot forms by the Scrutinizer	30 <sup>th</sup> January, 2018
10.	Last date of submission of the Report by the Scrutinizer	2 <sup>nd</sup> February, 2018
11.	Date of declaration of the result by the Chairman/ Authorized person and to : - inform the Stock Exchanges; and - display on the website of the Company	2 <sup>nd</sup> February, 2018
12.	Date of publication of result in the newspaper	2 <sup>nd</sup> February, 2018
13.	Last date of signing of Minutes by the Chairman/ Authorized person.	Within 30 days from the date of declaration of the result of the postal ballot
14.	Date of returning of the ballot papers, register required to be maintained by the Scrutinizer and other related papers to the Chairman/ Authorized person by the Scrutinizer.	After signing of minutes



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Dist. SAS Nagar, Mohali (Punjab)- 140201, India

Tel Nos.: 01762- 280086, 280094; Fax Nos.: 01762-280070; website: [www.punjabchemicals.com](http://www.punjabchemicals.com);  
e-mail: [www.info@punjabchemicals.com](mailto:www.info@punjabchemicals.com)

### POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies(Management and Administration) Rules, 2014]

**Notice** is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the "Act"), read with the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or reenactment (s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws and regulations, that the resolutions in relation to the following special businesses are proposed to be passed by the Members through Postal Ballot/ electronic voting (Remote e-voting):

- 1) Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.
- 2) Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.
- 3) Re-Classification of Excel Industries Limited from Promoter Group to Public Category.
- 4) To issue securities by way of further Public Offering/ Rights Issue/Global Depository Receipt/ American Depository Receipts/ Foreign Currency Convertible Bonds/ Qualified Institutional Placement/ Debt Issue/ Preferential Issue or any other method.
- 5) To approve increase in Borrowing Limits of the Company.
- 6) To approve to create mortgage and/or charge on the properties and other assets of the Company.

The explanatory statement pertaining to the said resolutions setting out the material facts concerning each item and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto along with a postal ballot form (the "Form") for your consideration.

The Board of Directors, at its meeting held on 8<sup>th</sup> December, 2017, has appointed Shri S K Sharma, of M/s SK Sharma & Associates, Practicing Company Secretary, Chandigarh, as the Scrutinizer for supervising and conducting the postal ballot and e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the same in original duly completed and signed in the attached self-addressed, postage pre-paid envelope (if posted in India)

so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. on or before 30<sup>th</sup> January, 2018.

In compliance with the regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 executed with the stock exchanges and pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching the postal ballot form(s). Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to this Notice and instructions on the overleaf of the Form.

Upon completion of the scrutiny of the Forms and e-voting, the Scrutinizer will submit his report to the Chairman or the Managing Director or any person authorized by the Board.

The result of the Postal ballot shall be announced by a Director or the Company Secretary or any person authorized by the Managing Director of the Company on 2<sup>nd</sup> February, 2018 at 3.00 p.m at the Registered Office of the Company.

The said result would be displayed at the Registered Office of the Company, intimated to BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed, published in the newspapers and displayed on the Company's website viz. [www.punjabchemicals.com](http://www.punjabchemicals.com) and the website of Central Depository Services (India) Limited viz. <https://www.evotingindia.com>, along with the Scrutinizer's report.

In the event, the proposed resolutions are assented to by a requisite majority of the members by means of Postal Ballot, it shall be deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

**Item No.1: Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant provisions of the Articles of Association of the Company and







subject to such other approvals including that of the Central Government, as may be necessary, and pursuant to the resolution passed by the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Company be and is hereby accorded to the re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company for a period of three (3) years from 14.11.2017 to 13.11.2020 on the terms and conditions including remuneration as set out in the relevant explanatory statement annexed to the notice of this meeting.

RESOLVED FURTHER THAT the remuneration payable to Shri Avtar Singh as detailed in the explanatory statement shall be payable as minimum remuneration in case of absence or inadequacy of profit in any financial year but not exceeding the limits specified under Section II of Part II of Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and/ or revise the remuneration as it may deem fit, in case of adequate/ sufficient profits during any financial year of the tenure of this appointment, subject to the same not exceeding the limits specified under Section 197 read with Schedule V to the Act (including any statutory modifications or re-enactment (s) thereof).

RESOLVED FURTHER THAT during such time as Shri Avtar Singh holds and continues to hold the office of the Whole Time Director, he shall be liable to retirement by rotation as a Director.

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised by the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient or desirable and to settle any question or doubt that may arise in relation thereto and to comply with the above mentioned applicable provisions and to give effect to the foregoing resolutions."

**Item No. 2: Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other approvals including that of the Central Government, as may be necessary, and pursuant to the

resolution passed by the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Company be and is hereby accorded to the re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company for a period of three (3) years from 15.01.2018 to 14.01.2021 on the terms and conditions including remuneration as set out in the relevant explanatory statement annexed to the notice of this meeting.

RESOLVED FURTHER THAT the remuneration payable to Shri Shalil Shashikumar Shroff as detailed in the explanatory statement shall be payable as minimum remuneration in case of absence or inadequacy of profit in any financial year but not exceeding the limits specified under Section II of Part II of Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and/ or revise the remuneration as it may deem fit, in case of adequate/ sufficient profits during any financial year of the tenure of this appointment, subject to the same not exceeding the limits specified under Section 197 read with Schedule V to the Act (including any statutory modifications or re-enactment (s) thereof).

RESOLVED FURTHER THAT pursuant to Article 94 (a) of the Articles of Association of the Company, the Directorship of Shri Shalil Shashikumar Shroff shall not be subject to retirement by rotation during his tenure as the Managing Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised by the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient or desirable and to settle any question or doubt that may arise in relation thereto and to comply with the above mentioned applicable provisions and to give effect to the foregoing resolutions."

**Item No. 3: Re-Classification of Excel Industries Limited from Promoter Group to Public Category.**

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

"RESOLVED THAT pursuant to the provision of Regulation 31A (2) read with Regulation 31A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment made thereto) (hereinafter referred to as 'Listing Regulations') or any other applicable provisions of the Listing Regulations and other applicable laws, consent of the Members of the Company be and is hereby accorded to reclassify Excel Industries Limited ('Excel'), one of the Promoters of the Company from the category



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of 'Promoters/ Promoter Group' to 'Public Category' since it is neither involved in the management nor holds any controlling stake in the Company.

RESOLVED FURTHER THAT the Board or the officers authorised by the Board in this regard be and are hereby authorised to file and sign necessary applications/ documents with the stock exchanges for seeking approval of the Stock Exchanges where the Company is listed viz. BSE Limited and National Stock Exchange of India Limited and take such steps and to do such acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

**Item No. 4: To issue securities by way of further Public Offering/ Rights Issue/Global Depository Receipt/ American Depository Receipts/ Foreign Currency Convertible Bonds/ Qualified Institutional Placement/ Debt Issue/ Preferential Issue or any other method.**

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

"RESOLVED THAT pursuant to the Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("2013 Act") to the extent notified and in effect, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any modification(s) or re-enactment(s) thereof, for the time being in force) and other rules made thereunder, and applicable provisions, if any, of the Companies Act, 1956, (without reference to the provisions thereof that have ceased to have effect upon the notification of the 2013 Act) (collectively, the "Companies Act") (including any amendments thereto or re-enactment thereof), the provisions of the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), and regulations thereunder including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA 20 Regulations"), as amended or restated and the FEMA (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended or restated ("FEMA 120 Regulations"), the provisions of Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended or restated ("FCCB Scheme"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended or restated ("Listing of Debt Securities Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or restated ("Listing Obligations Regulations") and all other applicable laws including the rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder, and subject to all

the necessary approvals, consents, permissions and/or sanctions of the Securities and Exchange Board of India ("SEBI"), the Ministry of Finance (Foreign Investment Protection Board/ Department of Economic Affairs) and Ministry of Commerce & Industry (Department of Industrial Policy and Promotion/ Secretariat for Industrial Assistance), all other ministries, departments or other authorities of the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the stock exchanges and/or any other competent authorities, and in accordance with applicable laws and regulations including the rules, regulations, guidelines, notifications, circulars and clarifications issued by the GOI, RBI, SEBI, the stock exchanges and/or any other competent authorities from time to time, and the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted) with or without a green shoe option, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, for such number of equity Shares of the Company of face value of Rs. 10/- each ("Equity Shares"), Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), non-convertible debentures with or without warrants, fully convertible debentures and / or optionally convertible debentures or any other financial instruments convertible into or linked to Equity Shares (including warrants or otherwise, in registered or bearer form), any security convertible into Equity Shares with or without voting/ special rights and/or any other instruments and/or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares, including the issue and allotment of Equity Shares pursuant to a green shoe option, if any (hereinafter collectively referred to as the "Securities") or any combination of Securities in one or more tranches and/or in one or more series (with different tenures), whether rupee denominated or denominated in foreign currency, to any eligible person as permissible under applicable law including qualified institutional buyers, foreign/ resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, venture capital funds, foreign venture capital investors, Indian and/or multilateral financial institutions, foreign portfolio investors, mutual funds, stabilizing agents and/or other entities, authorities and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "Investors") whether or not such Investors are members of the Company as may be decided by the Board







in their discretion and permitted under applicable laws and regulations, of an aggregate amount upto **Rs. 150 crore** (Rupees One hundred fifty crore only) or its equivalent in Indian Rupees or one or more foreign currencies, inclusive of such premium as may be fixed on such Securities by offering the Securities in one or more countries through public issue(s) of prospectus, private placement(s), follow on offer or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices, including discounts as permitted under applicable law in such manner and on such terms and conditions including security, rate of interest, conversion etc., as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the lead managers, or other advisor(s) for such issue(s), either in foreign currency or equivalent Indian rupees inclusive of such premium as may be determined by the Board, in any convertible foreign currency, as the Board in its absolute discretion may deem fit and appropriate.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 62 of the 2013 Act and other applicable provisions, if any, of the Companies Act, including the applicable rules made thereunder, the provisions of Chapter VIII of the ICDR Regulations, Listing of Debt Securities Regulations, Listing Obligations Regulations, FEMA, FEMA 20 Regulations, FEMA 120 Regulations, and other applicable laws, the Board may, at its absolute discretion, issue, offer and allot Equity Shares, fully convertible debentures, partly convertible debentures, non-convertible debentures with or without warrants or any securities which are convertible into or exchangeable with Equity Shares (collectively referred to as "Securities") of an aggregate amount up to **Rs. 150 crore** (Rupees One hundred fifty crore only) or its equivalent in Indian Rupees or one or more foreign currencies, inclusive of such premium, as specified above, to qualified institutional buyers (as defined by the ICDR Regulations) pursuant to a qualified institutions placement, as provided under Chapter VIII of the ICDR Regulations and such securities shall be fully paid up and the allotment of such Securities shall be completed within 12 months from the date of passing of this resolution or such other time as may be allowed under the ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued to qualified institutional buyers under Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or the committee of directors duly authorized by the Board decides to open the proposed issue of Equity Shares, and the price so determined as per Regulation 85 of the ICDR Regulations shall not be less than the price determined in accordance with the pricing formula provided therein.

**RESOLVED FURTHER THAT** in the event that convertible securities and/or warrants which are convertible into Equity Shares and/or Securities of the Company (whether, immediately on or after a designated date and in any event within 60 (sixty) months from the date of allotment in accordance with the ICDR Regulations) are issued along with non-convertible debentures to qualified institutional buyers under Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of such securities/ warrants, shall be the date of the meeting in which the Board or the committee of directors duly authorized by the Board decides to open the issue of such equity shares or convertible securities, as the case may be.

**RESOLVED FURTHER THAT** pursuant to Regulation 85(1) of the SEBI ICDR Regulations, the Board be and is hereby authorized to, at its absolute discretion, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price as may be determined pursuant to the Chapter VIII of the ICDR Regulations.

**RESOLVED FURTHER THAT** in the event the Securities are proposed to be issued as FCCBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board or the committee of directors duly authorized by the Board decides to open the issue of such Securities in accordance with the FCCB Scheme and other applicable pricing provisions issued by the Ministry of Finance, and the price so determined shall be in accordance with the pricing formula provided under the FCCB Scheme.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorized to finalise, settle and execute such documents /deeds / writings / papers / agreements and to accept all such changes / modifications as may be required and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of securities including but not limited to making any applications etc. to concerned regulatory and governmental authorities if required, finalization and approval for the preliminary as well as placement document or offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue / conversion of the Securities, if any, rate of interest, execution of various transaction documents, including creation of mortgage / hypothecation/ charge over all the immoveable and/or moveable properties of the Company, wherever situate, both present and future and on the whole or in a part of the undertaking of the Company as per the provisions of Section 180 (1) (a) of the Companies Act, which interalia includes the existing mortgage/ hypothecation/ charge or which it may create in future in favour of any public financial institutions, banks, mutual funds, bodies corporate etc. to secure





any facilities / financial assistance including any other monies which may be payable to them and incidental to such facilities so availed and to execute such documents or writing as may be considered necessary or proper, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution for the existing as well as future creation of hypothecation/ mortgage/charge both for securing any facilities it may avail including for issue of any related securities as a condition of the issue of the said securities as also for securing the said securities as may be required either on *pari passu* basis or otherwise.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the authorities involved in such issues but subject to such conditions as the SEBI/GOI/RBI or such other appropriate authorities may impose at the time of their approval and as agreed to by the Board.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, issue of Securities in international offering may have all or any term or combination of terms in accordance with the international practice.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to enter into and execute all such arrangements / agreements with any Lead Managers / Underwriters / Guarantors / Depository (ies) / Custodians / Registrar / Advisors and all such agencies as may be involved in cash or otherwise including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue of Securities and other expenses, if any or the like.

**RESOLVED FURTHER THAT** the Company and/or any agency or body authorised by the Company may issue Global Depository Receipts and/or other form of securities mentioned herein above representing the underlying equity shares and / or securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in capital markets for instrumentations of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the capital markets.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise the mode and the terms of issue and to allot such number of Equity Shares/Securities as may be required to be issued and allotted upon conversion of any Securities referred to in the paragraph(s) above as may be necessary in accordance with the terms of offering and all such shares to rank *pari passu* with the existing Equity Shares of the Company in all respects, excepting such rights as to dividend as may be provided under the terms of issue and in the offer document.

**RESOLVED FURTHER THAT** subject to necessary approvals, consents, permissions, the Board be and is hereby authorised to convert the Foreign Currency Convertible Bonds into GDR/

ADRs or any other permitted Securities and list at Singapore Stock Exchange or Luxembourg Stock Exchange or NYSE or in any other overseas Stock Exchanges.

**RESOLVED FURTHER THAT** the Company and/or any entity, agency or body authorized and/or appointed by the Company, may issue depository receipts representing the underlying Securities issued by the Company in negotiable registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability and free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international market for Securities listing and trading, in the stock/securities exchange so that the convertible securities or ADRs and/or GDRs are registered or listed.

**RESOLVED FURTHER THAT** such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such a manner, as the Board may deem fit and as permissible by law.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any officers of the Company to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Equity Shares, filing of offer document with authorities as required, affixing the Seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments and opening bank accounts and demat accounts."

**Item No. 5: To approve increase in borrowing limits of the Company.**

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

"RESOLVED THAT in supersession of the earlier resolutions passed by the Board of Directors and subsequently by the Members in their 38<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2014, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being) under Section 180 (1) (c) of the Companies Act, 2013 to borrow any sum/(s) of moneys from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company either from the Company's Bankers or any other Indian or Foreign Bank (s), Financial Institution (s) and / or any other Lending Institutions or person(s) from time to time, apart from the temporary loans obtained or to be obtained from the







Company's bankers/ Financial Institutions in the ordinary course of business, with or without security on such terms and conditions as the Board thinks fit, may exceed, at any time, the aggregate of the paid-up share capital and free reserves of the Company, provided that the money borrowed together with the money (s) already borrowed by the Board of Directors shall not exceed the sum of Rs 750 crore (Rupees seven hundred fifty crore) at any time.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions including interest, repayment, security, etc. on which all such monies to be borrowed from time to time and to do all such acts, deeds and things to execute documents, instruments and writings as may be required from time to time."

**Item No. 6: To approve to create mortgage and/or charge on the properties and other assets of the Company.**

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

"RESOLVED THAT in supersession of the earlier resolution passed by the Board of Directors and subsequently by the Members in their 38<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2014, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being) in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 to create security by way of hypothecation/ mortgage and/ or charge and/ or encumber in addition to the existing mortgages, charges, hypothecation and other encumbrances, if any, created by the Company on all or any part of the immovable and/ or movable properties, current and/ or fixed assets, tangible and/ or intangible assets, book debts and/ or claims of the Company wherever situated, present and future, to rank either pari-passu with or second, subsequent, subservient and subordinate to all mortgages, charges, hypothecation and other encumbrances created/ to be created by the Company in favour of Indian or Foreign Bankers/ Financial Institutions/ other Lending Institution or Trustees for the holders of Debentures/ Bonds/ other instruments/ securities or for Lenders and/ or to such other persons, if any from whom the Company has proposed/ proposes to borrow money/ sums of money (s) by way of any Rupee/ Foreign currency loans / facilities/ borrowing limits/ LC limits, guarantee assistance, Standby Letter of credit/ Letter of credit, and/ or any issue of Non-convertible Debentures, and/ or compulsorily or optionally, fully or partly Convertible Debentures and/ or Bonds, and/ or any other Non-convertible and / or other Partly/ Fully Convertible instruments / securities, together with interest, cost, charge and other incidental expenses in terms of the agreement (s) entered/ to be entered into by the Board of the Company within the overall borrowing limits fixed pursuant to Section 180 (1) (c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with the Lenders or their Trustees, all the documents for creating the aforesaid mortgages, charges and/ or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

By order of the Board  
For Punjab Chemicals and Crop Protection Limited

**Punit K Abrol**

Date: 22<sup>nd</sup> December, 2017

Sr. VP (Finance) & Secretary

Regd. Office: Milestone 18, Ambala Kalka Road,  
Village & P.O Bhankharpur, Derabassi,  
Dist. SAS Nagar, Mohali (Punjab) - 140201, India

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed special resolution above, is appended herein below along with Form for your consideration.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited ("NSDL") /Central Depository Services (India) Limited ("CDSL") as on Friday, the 22<sup>nd</sup> December, 2017. The Postal Ballot Notice is being sent to the Members in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For Members whose e-mail IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage-prepaid self-addressed Business Reply Envelope.
3. **Voting through Electronic Means:**

In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

The instructions for members for voting electronically are as under:

- a) The voting period begins on 30<sup>th</sup> December, 2017 at 9:00 a.m and ends on 30<sup>th</sup> January, 2018 at 5:00 p.m. During this period, Members of the Company holding



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shares either in physical form or in dematerialized form, as on the cut-off date i.e 22<sup>nd</sup> December, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- b) The shareholders should log on to e-voting website '[www.evotingindia.com](http://www.evotingindia.com)' during the voting period.
- c) Click on "**Shareholders**" tab.
- d) Enter User ID, captcha and password as per the instructions given below:

<b>User-ID</b>	a) For NSDL:- 8 Characters DP ID Followed By 8 Digits Client ID b) For CDSL:- 16 Digits Beneficiary ID c) Members holding shares in Physical Form should enter Folio Number registered with the company			
<b>Captcha</b>	Next enter the Image Verification as displayed and Click on 'LOGIN'			
<b>Password</b>	(i) If you are holding shares in demat form and had logged on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and voted on an earlier voting of any company, then your existing password is to be used. (ii) If you are a first time user follow the steps given below:			
	<b>For Members holding shares in Demat Form and Physical Form</b>			
	<table border="1"><tr><td><b>PAN</b></td><td><ul style="list-style-type: none"><li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. <b>The Sequence Number is printed on the Postal Ballot Paper.</b></li></ul>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</td></tr><tr><td><b>Date of Birth (DOB) or Dividend Bank Details</b></td><td>Please enter the DOB (in dd/mm/yyyy format) or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</td></tr></table>	<b>PAN</b>	<ul style="list-style-type: none"><li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. <b>The Sequence Number is printed on the Postal Ballot Paper.</b></li></ul> In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.	<b>Date of Birth (DOB) or Dividend Bank Details</b>
<b>PAN</b>	<ul style="list-style-type: none"><li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. <b>The Sequence Number is printed on the Postal Ballot Paper.</b></li></ul> In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.			
<b>Date of Birth (DOB) or Dividend Bank Details</b>	Please enter the DOB (in dd/mm/yyyy format) or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.			

- e) After entering these details appropriately, click on "**SUBMIT**" tab.
- f) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference.
- g) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- h) **Select the EVSN** of Punjab Chemicals and Crop Protection Limited (the number is provided in the Form).
  - i) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same, the option "YES/NO" for voting. **Select the option "YES" or "NO" as desired.** The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - j) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - k) After selecting the resolution you have decided to vote on, **click on "SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - l) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - m) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - n) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system



## 8 Postal Ballot Notice



- o) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- p) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under "HELP" section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
4. In case, a Member is desirous of obtaining a printed Postal Ballot Form (for Members to whom forms sent electronically) or a duplicate, he or she may write either to the Company or to the Registrar and Share Transfer Agent (RTA) i.e. Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi- 110 055 or alternatively e-mail such request to [jsingla@alankit.com](mailto:jsingla@alankit.com). The RTA/ Company shall forward the same along with postage- pre-paid self-addressed Business Reply Envelope to the Member.
  5. Once the vote on a resolution is casted by the shareholder by e-voting, the shareholder shall not be allowed to change it subsequently.
  6. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 22<sup>nd</sup> December, 2017.
  7. The documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours between 11.00 a.m and 1.00 p.m on all working days except Saturdays and Sundays and shall also be available at the venue.

### EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No.1: Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 13<sup>th</sup> September, 2017 in accordance with the provisions of Sections 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the approval of the Members of the Company or any other regulatory approvals, if required, have reappointed Shri Avtar Singh (the 'Appointee') as the Whole Time Director of the Company for a period of three (3) years w.e.f 14.11.2017 to 13.11.2020 on the terms and conditions including remuneration as reproduced below:

#### 1 Salary:

- a) Rs. 3,40,000/- per month in the pay scale of Rs. 2,50,000 - Rs. 5,00,000.
- b) The annual increment will be effective from 1<sup>st</sup> April each year and the amount of increment shall be fixed taking into account the Company's performance and as decided by the Nomination and Remuneration

Committee and the Board of Directors, but subject to the overall limit prescribed under Schedule V and the provisions of the Companies Act, 2013.

#### 2. Commission:

Commission on net profits of the Company as may be determined and fixed by the Board of Directors subject to a limit of ½ (half) % of the net profits of each financial year.

#### 3. Perquisites:

- a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water, furnishings and repairs; medical reimbursement, leave travel concession for the Appointee and the family, club fees, medical insurance, etc. in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Shri Avtar Singh. All perquisites for each year not to exceed the annual salary of the Appointee. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. In absence of any such Rules, perquisites shall be evaluated at the actual cost.







The provision of Company's car and telephone at the residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- b) The Appointee shall be entitled for the following perquisites which shall not be included in the computation of the ceiling on remuneration:
- Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act.
  - Gratuity payable as per the rules of the Company.
  - Encashment of leave at the end of his tenure as per the rules of the Company and as applicable to the senior executives.

#### 4. Other Terms:

- Leave: On full pay and allowance, as per the rules of the Company but not exceeding one month's leave for every 11 months of service.
- Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred in performance of duties.
- The appointment may be terminated by either party giving to the other party ninety days' notice in writing or such shorter notice as may be mutually agreed between the Appointee and the Company.
- In the event of any dispute or difference arising at any time between Shri Avtar Singh and the Company in respect of the terms of his appointment or the construction thereof, the same will be submitted to and be decided by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

#### 5. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, then in such event, the remuneration by way of salary and perquisites as specified above will be paid as minimum remuneration, subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013 and shall be subject to the approval of the Central Government, if required.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company and/or the Nomination and Remuneration Committee as it may deem fit, within the maximum amount payable to the Managing and Whole time Director in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard.

Other details required to be disclosed in terms of the provisions

of Schedule V of the Companies Act, 2013 form part of this Notice.

The Draft of Agreement to be entered into between the Company and Shri Avtar Singh for remuneration is available for inspection by the Members at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday.

None of the Directors, except Shri Avtar Singh himself, or any Key Managerial Personnel or their relatives, are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 1 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No. 1 for the approval of the Members.

#### Item No. 2: Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 13<sup>th</sup> September, 2017 in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the approval of the Members of the Company or any other regulatory approvals, if required, have reappointed Shri Shalil Shashikumar Shroff (the 'Appointee') as the Managing Director of the Company for a period of three (3) years w.e.f 15.01.2018 to 14.01.2021 on the terms and conditions including remuneration as reproduced below:

#### 1. Salary:

- Rs. 3,50,000/- per month in the pay scale of Rs. 2,50,000 - Rs. 5,00,000.
- The annual increment will be effective from 1<sup>st</sup> April each year and the amount of increment shall be fixed taking into account the Company's performance and as decided by the Nomination and Remuneration Committee and the Board of Directors, but subject to the overall limit prescribed under Schedule V and the provisions of the Companies Act, 2013.

#### 2. Commission:

Commission on net profits of the Company as may be determined and fixed by the Board of Directors subject to a limit of 1 (one) % of the net profits of each financial year.

#### 3. Perquisites:

- Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities



or



such as gas, electricity, water, furnishings and repairs; medical reimbursement, leave travel concession for the Appointee and the family, club fees, medical insurance, etc. in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Appointee. All perquisites for each year not to exceed the annual salary of the Appointee. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. In absence of any such Rules, perquisites shall be evaluated at the actual cost.

The provision of Company's car and telephone at the residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

- b) The Appointee shall be entitled for the following perquisites which shall not be included in the computation of the ceiling on remuneration:
- Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act.
  - Gratuity payable as per the rules of the Company.
  - Encashment of leave at the end of his tenure as per the rules of the Company and as applicable to the senior executives.

#### 4. Other Terms:

- Leave: On full pay and allowance, as per the rules of the Company but not exceeding one month's leave for every 11 months of service.
- Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred in performance of duties.
- The appointment may be terminated by either party giving to the other party ninety days' notice in writing or such shorter notice as may be mutually agreed between the Appointee and the Company.
- In the event of any dispute or difference arising at any time between the Appointee and the Company in respect of the terms of his appointment or the construction thereof, the same will be submitted to and be decided by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

#### 5. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, then in such event, the remuneration by way of salary and perquisites as specified above will be paid as minimum remuneration, subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013 and shall be

subject to the approval of the Central government, if required.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company and/or the Nomination and Remuneration Committee of the Company as it may deem fit, within the maximum amount payable to Managing and Whole time Director in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard.

Other details required to be disclosed in terms of the provisions of Schedule V of the Companies Act, 2013 form part of this Notice.

The Draft of Agreement to be entered into between the Company and Shri Shalil Shashikumar Shroff for remuneration is available for inspection by the Members at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday.

None of the Directors, except Shri Shalil Shashikumar Shroff himself and Capt. S.S Chopra (Retd.), being relative of Shri Shalil Shashikumar Shroff, or any Key Managerial Personnel or their relatives, are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 2 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No. 2 for the approval of the Members.

#### Item No. 3: Re-Classification of Excel Industries Limited from Promoter Group to Public Category.

Initially, the Company was co-promoted by Excel Industries Limited (Excel) with 25% of shareholding in the year 1976 with the collaboration of Punjab State Industrial Corporation (PSIDC) with 26% shareholding.

PSIDC disinvested its shareholding in the year 1985 (16%) and the balance in 1990 (10%). Thereafter, PSIDC no longer remained the Promoter of the Company.

At present, the Company has two promoters group namely:

Sr. No.	Name of the Promoter Group	No. of shares	% of shareholding to the total paid up share capital
1.	Shalil Shashikumar Shroff Group	49,08,890	40.03
2.	Excel Industries Limited	5,84,977	4.77
	<b>TOTAL</b>	<b>54,93,867</b>	<b>44.80</b>

The Company has received a request from Excel Industries Limited ('Excel'), one of the Promoters of the Company, vide letter dated 5<sup>th</sup> September, 2017, desiring to be reclassified as non-promoter and put their shareholding in Public Category.







Earlier, Memorandum of Association and Articles of Association (MOA and AOA) contained various provisions conferring power to Excel for appointment of Directors and Chairman, etc. MOA and AOA were later on amended in the year 2016 where all the clauses relating to the rights of Excel were amended /deleted with their consent. Presently, Excel does not have any right and obligation in the Company. They do not have any participation in the management control and also no representation on the Board.

Based on the request letter received from Excel, the matter was discussed by the Board of Directors of the Company in their meeting held on 13<sup>th</sup> September, 2017. The Board after consideration approved the re-classification of the Excel from the category of 'Promoters/ Promoter Group' to 'Public Category', subject to the approval from the Members of the Company and Stock Exchanges where the Company's shares are listed in terms of Regulation 31A (2) read with Regulation 31A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The documents referred in the above resolution are available for inspection by the Members at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 3 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

**Item No. 4: To issue securities by way of further Public Offering/ Rights Issue/Global Depository Receipt/ American Depository Receipts/ Foreign Currency Convertible Bonds/ Qualified Institutional Placement/ Debt Issue/ Preferential Issue or any other method**

The Company is required to strengthen its financial position by augmenting the long term financial resources. Therefore, in view of this and possible means of finance, thereof, it is proposed to seek enabling authorization from the Shareholders to the Board to undertake various options to raise funds for long term resources from the market, domestic or foreign for issue of any type of securities including issue of Equity Shares/ Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Foreign Currency Convertible Bonds (FCCBs)/ Qualified Institutional Placement/ Non-Convertible Debentures with or without warrants/ Fully Convertible Debentures and / or Optionally Convertible Debentures or any preferential issue or other financial instruments convertible into or linked to Equity Shares with or without any special rights and/or any other financial instruments.

It is, therefore, proposed that the Board of Directors be authorised by way of an enabling resolution to raise funds

through issue of Securities in domestic and/or international markets, in accordance with the provisions contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/or Depository Receipts in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipts Mechanism) Scheme, 1993 and/or any other Securities for an amount not exceeding Rs 150 crore in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board to the various category of investors in the domestic and/or international markets for financing various strategic initiatives including, inter-alia, to strengthen capital base of Company and for general corporate purposes and/or such other purpose(s) as the Board, in its absolute discretion, thinks most beneficial to the Company.

Therefore, it is proposed to create, offer, issue and allot Equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and/or such other securities convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments to the extent of Rs. 150 crore in one or another manner and in one or more tranches.

The detailed terms and conditions for the offer will be determined in consultation with the Advisors, Lead Managers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The pricing of the international issue will be free market pricing and may be at a premium or discount to the market price in accordance with international practices, subject to applicable Indian laws and guidelines. The same would be subject to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. It is not possible at present to decide pricing and exact number of securities or shares to be offered, therefore, an enabling resolution is proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue. The Securities issued pursuant to the offering(s) would be listed on the Indian Stock Exchanges and/or internationally recognized stock exchange and may be represented by Securities or other Financial Instruments outside India.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board may in its absolute discretion deem fit.

The Special Resolution, if passed, will have the effect of allowing the Board of Directors to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company. Since the proposed Special Resolution may result in issue of shares of the Company otherwise than to the existing members of the Company in the manner laid down under Section 62 of the Companies Act, 2013, consent of the Shareholders is being sought pursuant to the provisions of



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Sections 23, 41, 42, 62 and 71 and all other applicable provisions of the Companies Act, 2013 and the Listing Regulations.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 4 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No.4 for the approval of the Members.

**Item No. 5: To approve increase in borrowing limits of the Company.**

At the 38<sup>th</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2014 the Members had, by way of Special Resolutions authorized the Board of Directors to borrow monies upto Rs. 500 crore, under Section 180 (1) (c) of the Companies Act, 2013. Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company.

Hence it is proposed to increase the maximum borrowing limits upto Rs. 750 crore (Rupees seven hundred fifty Crore only). Therefore, to increase the borrowing limits of the Company pursuant to Section 180(1)(c) of the Act, the approval of the Members is now being sought, by way of a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 5 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No.5 for the approval of the Members.

**Item No. 6: To approve to create mortgage and/or charge on the properties and other assets of the Company.**

In order to facilitate securing the borrowings made by the Company and moreover, to secure, if necessary, offer of Indian and/or Foreign securities issued pursuant to the offer, it would be necessary to create charge on the assets or whole of the undertaking of the Company by mortgage/ hypothecation, as may be finalized by the Board.

The Company has existing mortgage/ charge/ hypothecation over few assets/ properties of the Company. The Company may also avail certain facilities which might require it to create further mortgage/ charge over the properties/ assets. The issue of the said securities including debentures may also require creation of mortgage/ hypothecation over the Company's assets in favour of the lenders/ security holders. Therefore, it is necessary for the Company to obtain shareholders' approval through a resolution under Section 180(1)(a) of the Companies Act, 2013 for the existing as well as future creation of charge/ hypothecation/ mortgage upto the overall borrowing limits fixed and approved under section 180(1)(c) of the Companies Act, 2013.

Therefore, in order to remain compliant with the relevant provisions for creation of security pursuant to Section 180(1)(a) of the Act, the approval of the Members is now being sought, by way of a Special Resolutions.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 6 of the Notice except to the extent of their shareholding, if any, in the Company.

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



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**A STATEMENT PURSUANT TO SCHEDULE V, PART II, SECTION II, CLAUSE (B) PROVISIO (IV) OF THE COMPANIES ACT, 2013 W.R.T. ITEM NO. 1 AND 2 OF THE NOTICE IS AS STATED BELOW:**

**I. GENERAL INFORMATION:**

1) Nature of industry	: Manufacturers and dealers in Performance Chemicals and Agro Chemicals.																																										
2) Date or expected date of commencement of commercial production	: In production since 1978																																										
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	: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: right;">(Rs. In Lac)</th> </tr> <tr> <th></th> <th style="text-align: center;">2015-16 (Audited)</th> <th style="text-align: center;">2016-17 (Audited)</th> </tr> </thead> <tbody> <tr> <td>1. Sales Turnover</td> <td></td> <td></td> </tr> <tr> <td>    a) Domestic</td> <td style="text-align: right;">12,638</td> <td style="text-align: right;">16,952</td> </tr> <tr> <td>    b) Export</td> <td style="text-align: right;">23,040</td> <td style="text-align: right;">24,159</td> </tr> <tr> <td>    Total</td> <td style="text-align: right;">35,678</td> <td style="text-align: right;">41,111</td> </tr> <tr> <td>2. Profit/(Loss) before tax (PBT)</td> <td style="text-align: right;">*3,571</td> <td style="text-align: right;">213</td> </tr> <tr> <td>3. Profit/ (Loss) after tax (PAT)</td> <td style="text-align: right;">*3,562</td> <td style="text-align: right;">213</td> </tr> <tr> <td>4. Gross Block</td> <td style="text-align: right;">33,685</td> <td style="text-align: right;">33,761</td> </tr> <tr> <td>5. Net Block</td> <td style="text-align: right;">16,901</td> <td style="text-align: right;">17,546</td> </tr> <tr> <td>6. Paid-Up Capital</td> <td style="text-align: right;">1,226</td> <td style="text-align: right;">1,226</td> </tr> <tr> <td>7. Reserves &amp; Surplus</td> <td style="text-align: right;">4,248</td> <td style="text-align: right;">4,439</td> </tr> <tr> <td>8. Net Worth</td> <td style="text-align: right;">5,474</td> <td style="text-align: right;">5,665</td> </tr> <tr> <td>9. EPS (in Rs.)</td> <td style="text-align: right;">29.05</td> <td style="text-align: right;">1.74</td> </tr> </tbody> </table>	(Rs. In Lac)				2015-16 (Audited)	2016-17 (Audited)	1. Sales Turnover			a) Domestic	12,638	16,952	b) Export	23,040	24,159	Total	35,678	41,111	2. Profit/(Loss) before tax (PBT)	*3,571	213	3. Profit/ (Loss) after tax (PAT)	*3,562	213	4. Gross Block	33,685	33,761	5. Net Block	16,901	17,546	6. Paid-Up Capital	1,226	1,226	7. Reserves & Surplus	4,248	4,439	8. Net Worth	5,474	5,665	9. EPS (in Rs.)	29.05	1.74
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5) Foreign investments or collaborations, if any.	: Not Applicable																																										

\*The profit in the year 2015-16 includes an amount of Rs. 3446 lac on account of OTS with State Bank of India.

**II. INFORMATION ABOUT THE APPOINTEES:**

	<b>Avtar Singh</b>	<b>Shalil Shashikumar Shroff</b>
Background details.	<p>Shri Avtar Singh, aged about 58 years, is B.Sc from Panjab University, Chandigarh. He started his career with Gharda Chemicals (P) Ltd., Mumbai as Junior Chemist and later on joined this Company at supervisory level in the year 1981. Being Science graduate, he worked at various plants and had successfully launched many products since his joining. He gained expertise on various processes, chemistry and product development while working on various projects in the Company.</p> <p>He has overall experience of about 37 years in Chemicals, Pharmaceuticals and Agrochemicals in the Company.</p> <p>He is the overall incharge of operations of Agro</p>	<p>Shri Shalil Shashikumar Shroff, aged 53 years, is the main Promoter Director of the Company. He has the experience of more than 27 years in the overall management of the Company. He is associated with the Company since 1992 and worked at various levels. After successful training and handling of various corporate affairs, he was appointed as the Executive Director of the Company w.e.f. 15<sup>th</sup> January, 1998. He was elevated to the position of the Managing Director in 2003. His prime responsibility includes overall management and handling of all affairs of the Company under the superintendence and control of the Board of Directors. He is directly looking after Export</p>



*Handwritten signature/initials.*



	<p>Chemicals Division at Derabassi, District Mohali and Pharma Division at Lalru, District Mohali, Punjab. He not only commissioned many products but also improved raw material efficiency and reduced cost of production of various products. His knowledge and experience in chemistry and interest in Quality Control, has helped the Company to sustain its presence in the International market by matching the international standard of quality and price competitiveness. His prime responsibility for these two divisions has been to look after Production, R&amp;D, New Product Development and commencement of the commercial production of new products. He was elevated to the position of the Whole Time Director of the Company in the year 1996 after 19 years of service in the Company. He is also responsible for manpower, management, purchases, Govt. Liaison and other local issues.</p> <p>Presently, he is on the Board of a Director in Saurav Chemicals Limited, SD Agchem (Europe) N.V., and STS (UK) Ltd.</p>	<p>marketing, general administration, liaisoning with Financial Institutions, new customers, exploring new products and public relations. He is fully involved in the overall working of the Company including supervising the fund flow and cash management.</p> <p>Presently, he is on the Board of Hem-Sil Trading &amp; Manufacturing Pvt. Ltd., STS Chemicals (UK) Ltd., SD Agchem (Europe) N.V., SSRS Trading &amp; Manufacturing Pvt. Ltd. and Scarlett Enterprises Pvt. Ltd.</p>		
Past Remuneration	2015-16(Rs. Lac)	2016-17(Rs. Lac)	2015-16(Rs. Lac)	2016-17(Rs. Lac)
Total Annual Salary	54.43	65.37	62.37	68.10
Job Profile and his suitability.	<p>He looks after the day to day management and affairs of the Agro Division and Pharma Division of the Company, subject to the superintendence and control of the Board of Directors of the Company and the Managing Director.</p> <p>Considering his vast experience and knowledge in the Agrochemicals Chemistry, he is believed to be a suitable person for this profile.</p>	<p>He is responsible for the overall management of the Company under the superintendence and control of the Board of Directors of the Company.</p> <p>His experience of international marketing and knowledge in the agrochemical industry in which the Company is operating is an important requisite for conducting the affairs of the Company and continuity in the existing business.</p>		
Remuneration proposed	As stated in the Explanatory Statement of item no. 1.	As stated in the Explanatory Statement of item no. 2.		
Comparative remuneration profile w.r.t. industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).	<p>The remuneration proposed to be paid to Shri Avtar Singh, Whole-time Director is purely based on merit.</p> <p>Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Avtar Singh before recommending the remuneration as proposed hereinabove</p>	<p>The remuneration proposed to be paid to Shri Shalil Shashikumar Shroff, Managing Director is purely based on merit.</p> <p>Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Shalil Shashikumar Shroff before recommending the remuneration as proposed hereinabove</p>		







Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	He started working at the operational level and has handled the Company's plant in various capacities since 1981. Keeping in view his technical expertise, dedication and knowledge of Company's products, innovative ideas, inclusion of various new products in the Company's product list, the Board of Directors appointed him as an Additional Director and Whole Time Director of the Company w.e.f 14.11.1996. He does not have any pecuniary relationship with any Managerial Personnel of the Company.	He is associated with the Company since 1992 and worked at various levels. Taking into consideration his managerial expertise, proficiency and passion to work, he was appointed as the Executive Director w.e.f 15 <sup>th</sup> January, 1998 and further elevated to the position of Managing Director in the year 2003. He does not have any pecuniary relationship with any Managerial Personnel of the Company, except Capt. S.S Chopra (Retd.), who is a Director on the Board of the Company.
Recognition or Awards	The Company has received the following awards: A. State Award for Export Promotion in the Year 1990-91. B. Export House Recognition in the year 1999. C. Punjab State Safety Award in the year 2002. D. 2nd Chemexcil Award on Export performance for the year 2000-01. E. Chemexcil Gold Award for the outstanding export performance of Inorganic and Organic Chemicals during 2005-06.	

### III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits. :
1. Devastated fire in one of the Agrochemicals plant at Derabassi in April, 2009 hampered the production for about 9 months, which impacted the Company's financials badly.
  2. Delay in release of insurance claim had an impact on the working capital.
  3. Strained export revenue due to escalated raw materials prices in the year 2008-09 and recessionary trend in global economy.
  4. Volatility in prices and availability of raw materials and intermediates coupled with fluctuation in prices of finished products.
  5. Adverse impact of global economic meltdown such as exchange loss and derivative loss.
  6. The Company's efforts to raise equity during these years were not met with much success.
  7. Continued repayment of loans/ interest despite making losses during 2009-12.
  8. Decline in performance of the plants of the Company due to shortage of working capital.
  9. Delay in approval of CDR scheme with no assistance to the Company in terms of additional funds further provoked the situation of liquidity crunch in the Company.
  10. Erosion of networth of one of the overseas subsidiary namely SD Agchem (Europe) NV due to losses arising from sale of its step down subsidiary and enormous loss in another step down subsidiary
- (2) Steps taken or proposed to be taken for improvement. :
- The Company has taken various steps to overdo the impact of fire, shortage of working capital and underutilization of the plants at various units in the following manner:
1. The Company sold off its non-core businesses and non-profitable assets to generate funds to invest as well as to concentrate on the core business of Agrochemicals.





2. The Company approached the Corporate Debt Restructuring Cell for restructuring of its debts including interest. The Cell has approved the scheme and accordingly, the Company was given a moratorium and restructuring of the overall debts.
3. The Company divested SD Agchem (Netherlands) B.V and its step down subsidiaries including Agrichem BV and deleverage its Balance Sheet, to retire part of its debt.
4. The Company has entered into a strategic long term sales contract for few agro chemicals with the buyer of Agrichem.
5. Divestment of Sintesis Quimica, S.A.I.C, Argentina (SQ) as results of SQ was adversely affecting the consolidated financial results of the Company as well as net-worth.
6. Major initiatives have been taken to run the Agro Chemicals Division at the maximum capacity level which is a cash generating Division of the Company.

(3) Expected increase in productivity and profits in measurable terms.

The Company expects to achieve turnover of Rs. 450 crore (approx.) and profit of Rs. 10 crore during the financial year 2017-18.

By order of the Board  
For Punjab Chemicals and Crop Protection Limited

**Punit K Abrol**  
Sr. VP (Finance) & Secretary

Date: 22<sup>nd</sup> December, 2017

Regd. Office: Milestone 18, Ambala Kalka Road,  
Village & P.O Bhankharpur, Derabassi,  
Dist. SAS Nagar, Mohali (Punjab)- 140201, India

