

# P O L Y C H E M   L I M I T E D

REGD. OFFICE: 7, JAMSHEDJI TATA ROAD, CHURCHGATE RECLAMATION, MUMBAI-400 020.



TELEPHONE : 91 22 2282 0048  
FAX : 91 22 2285 0606  
URL : <http://www.polychemltd.com>  
EMAIL: [polychemltd@kilachand.com](mailto:polychemltd@kilachand.com)  
CIN : L24100MH1955PLC009663

HO:CS&CO:153/2017

21<sup>st</sup> July, 2017

BSE Limited  
P. J. Towers, Rotunda Building,  
Dalal Street, Fort,  
Mumbai 400 001

Dear Sir,

Sub: **Notice of 60<sup>th</sup> Annual General Meeting of Polychem Limited**  
**Company Code: 506605**

Please find enclosed herewith the Notice of 60th Annual General Meeting of our Company scheduled to be held at Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6<sup>th</sup> Floor, 12 K. Dubash Marg, Mumbai 400 001 on Thursday, August 24<sup>th</sup>, 2017 at 11.00 a.m.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For POLYCHEM LIMITED.,

(DEEPALI V. CHAUHAN)  
COMPANY SECRETARY AND COMPLIANCE OFFICER

**NOTICE**

Notice is hereby given that the Sixtieth Annual General Meeting of the Members of POLYCHEM LIMITED will be held at Maharashtra Chamber of Commerce, Industry & Agriculture, Oricon House, 6<sup>th</sup> Floor, 12 K. Dubash Marg, Fort, Mumbai – 400 001 on Thursday, August 24, 2017 at 11.00 a.m., to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a) The audited Standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, including the audited Standalone Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors (the Board) and Auditors thereon.
  - b) The audited Consolidated financial statements of the Company for the year ended 31<sup>st</sup> March, 2017, including the audited Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Consolidated Profit and Loss for the year ended on that date.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. T. R. Kilachand (DIN 00006659), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. N. T. Kilachand (DIN 00005530), who retires by rotation, and being eligible, offers himself for re-appointment.
5. **Appointment of Auditors**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 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) and other applicable provisions if any, M/s Nayan Parikh & Co., Chartered Accountants, (Firm Registration No. 107023W), be and are hereby appointed as Statutory Auditors of the Company in place of M/s. G.M. Kapadia & Co., Chartered Accountants, (Firm Registration No. 104767W), on completion of their term under section 139 (2) of the Companies Act, 2013 and to hold office for a term of five years, from the conclusion of this Annual General Meeting till the conclusion of 65<sup>th</sup> Annual General Meeting to be held in the year 2022 (subject to ratification of the appointment by the Members at every subsequent Annual General Meeting or as may be prescribed), at such remuneration to be decided by the Board of Directors in consultation with the said Auditors, plus applicable service taxes, reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** in supersession of the Resolution passed by the members of the Company at the 57<sup>th</sup> Annual General Meeting held on 5th August, 2014 and pursuant to the provisions of Sections 196,197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 approval of the members of the Company be and is hereby accorded to the appointment of Mr. P. T. Kilachand (DIN 00005516), as Managing Director of the Company, for a period of three years with effect from 1st April, 2017 upon the terms and conditions, including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. P. T. Kilachand, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”



**“RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. P. T. Kilachand the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

7. To consider and if thought fit, to pass with or without modification/s, the following resolution as a Special resolution:

**“RESOLVED THAT** in supersession of the Resolution passed by the members of the Company at the 57<sup>th</sup> Annual General Meeting held on 5th August, 2014 and pursuant to the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 approval of the members of the Company be and is hereby accorded to the appointment of Mr. A. H. Mehta (DIN 00005523), as Dy. Managing Director of the Company, for a period of three years with effect from 1st June, 2017 upon the terms and conditions, including remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. A.H. Mehta, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. A. H. Mehta the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

**Corporate Identification Number (CIN):** L24100MH1955PLC009663

By Order of the Board of Directors

**Registered Office :**

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai 400 020.

Dated: 30<sup>th</sup> May, 2017.

**Deepali V. Chauhan**  
Company Secretary & Compliance Officer

**NOTES:**

- (a) An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to Special Business under Item Nos. 6 and 7 to be transacted at the meeting, is annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
- (c) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (d) In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (e) Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11:00 a.m. and 1:00 p.m. up to the date of the Meeting.
- (f) Brief resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3)(a) of SEBI (LODR) Regulations, 2015 is provided in page 10.
- (g) The Register of Members and the Share Transfer Books will remain closed from Tuesday, 25<sup>th</sup> July, 2017 to Tuesday, 1<sup>st</sup> August, 2017 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- (h) Dividend on Equity Shares, if declared at the Meeting, will be credited/ dispatched on or after 24<sup>th</sup> August, 2017 to those members whose names shall appear on the Company's Register of Members on the book closure date.
- (i) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar & Share Transfer Agents - Link Intime India Pvt. Ltd.
- (j) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agents – Link Intime India Pvt Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
- (k) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder and as a part of 'Green Initiative in Corporate Governance,' Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
- (l) The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.polychemltd.com](http://www.polychemltd.com) and also on website of the respective Stock Exchange.

- (m) The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s), unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- (n) As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of Annual Report to the Meeting.
- (o) The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
- (p) All unclaimed Dividends pertaining to the earlier years have been transferred to the General Revenue Account of the Central Government in terms of Section 205-A of the Companies Act, 1956.
- (q) As communicated earlier, members holding shares in physical form are requested to get them dematerialized, as the shares of the Company are under compulsory demat system.

(r) **ECS Mandate for dividend:**

To avoid risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment, shareholders are requested to avail of the ECS facility where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend. Shareholders who desire receipt of their dividend through ECS can obtain the form from the Registrar & Transfer Agent of the Company.

Shareholders holding shares in Physical may submit their bank details to Registrar and Transfer Agent and those who hold shares in demat may give details to their Depository participants. This will enable the Company to incorporate this information on dividend warrants to minimize the risk of fraudulent encashment.

- (s) The Company's securities are listed on the following Stock Exchange:

Sr. No.	Name & Address of the Stock Exchange	Nature of Security as on 31-03-2017
1.	Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	4,04,045 Equity Shares of Rs.10/- each.

The Company has paid Annual Listing fees for the year 2017-18 to the above Stock Exchange.

## ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013.

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013 sets out the material facts relating to business under Item Nos. 6 and 7, mentioned in the accompanying Notice dated 30<sup>th</sup> May, 2017.

### Item No. 6

Mr. P. T. Kilachand was appointed as an Additional Director with effect from 3<sup>rd</sup> December, 1996 and as a Whole-time Director from time to time, he was then appointed as Managing Director with effect from 27<sup>th</sup> July, 2012 and re-appointed on 1<sup>st</sup> April, 2014. In accordance with the conditions specified in Schedule V of the Act, the Board at its meeting held on 30<sup>th</sup> May, 2017 re-appointed Mr. P. T. Kilachand as Managing Director for a period of 3 years from 1<sup>st</sup> April, 2017, superseding the earlier resolution passed by the Company in this connection. This appointment is subject to the approval of the members at the Annual General Meeting.



The main terms of appointment of Mr. P. T. Kilachand as Managing Director is placed before the meeting, are as follows:

I. SALARY:

Rs 1,00,000/- per month which may be increased by such amounts as the Board may determine from time to time, subject to a maximum of Rs.7,00,000/- per month.

II. COMMISSION:

Commission of one percent of the net profit of the Company, subject to a ceiling of 50% of the salary or Rs. 9,00,000/- per annum, whichever is less.

III. PERQUISITES:

1. HOUSING:

- (a) In case of unfurnished accommodation, hired by the Company, such expenditure not exceeding 60% of the salary over and above 10% payable by the Managing Director.
- (b) In case the accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.
- (c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance, subject to the ceiling laid down in (a) above.

2. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962, subject to the ceiling of forty percent of the salary of the Managing Director.
3. Reimbursement of medical expenses incurred for the Managing Director and his family, namely his wife, dependent children and dependent parents, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
4. Leave Travel Concession for the Managing Director and his family namely his wife, dependent children and dependent parents once in a year incurred in accordance with the Rules specified by the Company.
5. Fees of two clubs, which will not include admission and Life Membership Fees.
6. Personal Accident Insurance of premium not exceeding Rs. 15,000/- per annum.
7. The Company's contribution to Provident Fund, Superannuation Fund and/or Annuity Fund. The same will not be included in the computation of the ceiling limit to the extent of the same either singly or put together are not taxable under Income Tax Act.
8. Gratuity as per the rules of the Company.
9. Free use of Company's car with driver for the business of the Company and telephone at his residence will not be considered as perquisites.
10. Mr. P. T. Kilachand will also be entitled to privilege leave on full pay and allowances, as per rules of the company.
11. Other Perquisites: Subject to overall ceiling on remuneration mentioned herein, the Managing Director may be given other allowances, benefits and perquisites as the Board of Directors may decide from time to time.

The above remuneration in terms of Salary, Commission, perquisites payable to him is subject to the limits of 5% and 10% of the Net Profits of the Company, as the case may be as laid down in Section 197 of the Companies Act, 2013 and the overall limit of 11% on the Net Profits of the Company as laid down in Section 197 of the said Act.

The valuation of perquisites will be as per the Income Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.



In the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. P. T. Kilachand the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof.”

The remuneration is approved by the Remuneration Committee of the Directors at its meeting held on 30<sup>th</sup> May, 2017.

The Board of Directors recommends the resolution for approval of the members.

This may be treated as an abstract of the terms and conditions, governing the appointment and remuneration of the Managing Director, pursuant to Section 109 of the Companies Act, 2013. A Statement as required under section II, Part II of the Schedule V to the Companies Act, 2013 with reference to Resolution No. 6 is annexed hereto and marked as **Annexure A**.

None of the other Directors or Key Managerial Personnel of the Company, except Mr. T. R. Kilachand, Mr. N. T. Kilachand and Mr. P. T. Kilachand are in any way, concerned or interested in the said resolution.

### **Item No. 7**

Mr. A. H. Mehta was appointed as an Additional Director with effect from 29<sup>th</sup> May, 2014, he was then appointed as Dy. Managing Director with effect from 1<sup>st</sup> June, 2014. In accordance with the conditions specified in Schedule V of the Act, the Board at its meeting held on 30<sup>th</sup> May, 2017 re-appointed Mr. A. H. Mehta as Dy. Managing Director for a period of 3 years from 1<sup>st</sup> June, 2017, superseding the earlier resolution passed by the Company in this connection. This appointment is subject to the approval of the members at the Annual General Meeting.

The main terms of appointment of Mr. A.H. Mehta as Dy. Managing Director is placed before the meeting, are as follows:

#### I. SALARY:

Rs. 1,00,000/- per month which may be increased by such amounts as the Board may determine from time to time, subject to a maximum of Rs.7,00,000/- per month.

#### II. COMMISSION:

Commission of one percent of the net profit of the Company, subject to a ceiling of 50% of the salary or Rs. 9,00,000/- per annum, whichever is less.

#### III. PERQUISITES:

##### 1. HOUSING:

- (a) In case of unfurnished accommodation, hired by the Company, such expenditure not exceeding 60% of the salary over and above 10% payable by the Dy. Managing Director.
- (b) In case the accommodation is owned by the Company, 10% of the salary of the Dy. Managing Director shall be deducted by the Company.
- (c) In case no accommodation is provided by the Company, the Dy. Managing Director shall be entitled to House Rent Allowance, subject to the ceiling laid down in (a) above.

2. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962, subject to the ceiling of ten percent of the salary of the Dy. Managing Director.
3. Reimbursement of medical expenses incurred for the Dy. Managing Director and his family, namely his dependent children, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
4. Leave Travel Concession for the Dy. Managing Director and his family namely, dependent children once in a year incurred in accordance with the Rules specified by the Company.
5. Fees of two clubs, which will not include admission and Life Membership Fees.
6. Personal Accident Insurance of premium not exceeding Rs. 15,000/- per annum.



7. The Company's contribution to Provident Fund, Superannuation Fund and/or Annuity Fund. The same will not be included in the computation of the ceiling limit to the extent of the same either singly or put together are not taxable under Income Tax Act.
8. Gratuity as per the rules of the Company.
9. Free use of Company's car with driver for the business of the Company and telephone at his residence will not be considered as perquisites.
10. Mr. A. H. Mehta will also be entitled to privilege leave on full pay and allowances, as per rules of the company.
11. Other Perquisites: Subject to overall ceiling on remuneration mentioned herein, the Dy. Managing Director may be given other allowances, benefits and perquisites as the Board of Directors may decide from time to time.

The above remuneration in terms of Salary, Commission, perquisites payable to him is subject to the limits of 5% and 10% of the Net Profits of the Company, as the case may be as laid down in Section 197 of the Companies Act, 2013 and the overall limit of 11% on the Net Profits of the Company as laid down in Section 197 of the said Act.

The valuation of perquisites will be as per the Income Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

In the event of any loss, absence or inadequacy of profits in any financial year, during the terms of office of Mr. A. H. Mehta the remuneration payable to him by way of salary, allowances and perquisites shall not exceed the limits prescribed under the Companies Act, 2013, read with Schedule V or any amendment, modification, variation or re-enactment thereof."

The remuneration is approved by the Remuneration Committee of the Directors at its meeting held on 30<sup>th</sup> May, 2017.

The Board of Directors recommends the resolution for approval of the members.

This may be treated as an abstract of the terms and conditions, governing the appointment and remuneration of the Dy. Managing Director, pursuant to Section 109 of the Companies Act, 2013. A Statement as required under section II, Part II of the Schedule V to the Companies Act, 2013 with reference to Resolution No. 7 is annexed hereto and marked as **Annexure A**.

None of the other Directors or Key Managerial Personnel of the Company, except Mr. A. H. Mehta is in any way, concerned or interested in the said resolution.

**Corporate Identification Number (CIN):** L24100MH1955PLC009663

By Order of the Board of Directors

**Registered Office :**

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai 400 020.

Dated: 30<sup>th</sup> May, 2017.

**Deepali V. Chauhan**  
Company Secretary & Compliance Officer





As required in terms of regulation 36(3)(a) of SEBI (LODR) Regulations 2015, the details of the Director retiring by rotation and eligible for re-appointment are furnished below:

Name of Director	Mr. T. R. Kilachand	Mr. N. T. Kilachand
Director Identification Number	00006659	00005530
Age	80 years	44 years
Qualification	B.A. from Cambridge University in History and Law. M.B.A. in Business Administration from Harvard Business School.	BA from Tufts University, Boston, USA. 'A' levels from Eton College, Windsor, England. ICSE, Cathedral & John Connon School, Mumbai.
Expertise	He was the Managing Director of the Company from 19 <sup>th</sup> August, 1986 and Chairman & Managing Director from 1 <sup>st</sup> February, 1995. He was the Executive Chairman from 27 <sup>th</sup> July, 2012 to 17 <sup>th</sup> May, 2016. He has over 49 years of experience in industry, management, implementation of projects etc. He has been associated with various Chambers of Commerce and was the President of Indian Merchants' Chamber. He has been associated with various charitable trusts and is Director / Chairman of several Companies.	Director in charge of Sun Tan Trading Co. Ltd., which was the authorized distributor of the world's largest foreign liquor company. Also established a company providing third party logistics solutions including specialized warehousing, to a wide section of importers specializing in the duty free market. Director of Connell Bros. (India) Pvt. Ltd., which undertakes distribution and manufacture of speciality and high-end chemicals in India.
Other Directorship as on 31 <sup>st</sup> March, 2017 (Excluding Private Companies)	Gujarat Poly Electronics Ltd and Ginners & Pressers Limited	Ginners & Pressers Limited and Sun Tan Trading Co. Ltd
No. of Equity Shares held	1,938	1,335
Relationship with other Directors	Mr. Parthiv T. Kilachand, Managing Director of the Company and Mr. Nandish T. Kilachand, Director of the Company are the sons of Mr. Tanil R. Kilachand.	Mr. Parthiv T. Kilachand, Managing Director of the Company and Mr. Tanil R. Kilachand, Chairman of the Company are the brother and Father of Mr. Nandish T. Kilachand, respectively.

Corporate Identification Number (CIN): L24100MH1955PLC009663

By Order of the Board of Directors

Registered Office :

7, Jamshedji Tata Road,  
Churchgate Reclamation,  
Mumbai 400 020.

Dated: 30<sup>th</sup> May, 2017.

**Deepali V. Chauhan**  
Company Secretary & Compliance Officer

**ANNEXURE A**

Statement as required under Section II, Part II of the Schedule V to the Companies Act, 2013 with reference to the Resolution Nos. 6 & 7 is as follows:

**I. General Information:**

- (1) **Nature of Industry:** Manufacturers of Specialty Chemicals & Property Development
- (2) **Date or expected date of commencement of Commercial production :**  
Existing Company already commenced commercial production since 1956.
- (3) **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**  
Existing Company, Not applicable
- (4) **Financial Performance based on given Indicators:** (Rs. In Lakhs)

Sr. No	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015
1.	Sales Turnover	1,405.20	1,228.96	1,734.01
2.	Profit after Tax	45.32	42.15	94.33

- (5) **Foreign Investments or Collaborations, if any:** NIL.

**II. Information about the Appointees****(1) Background details :**

- (a) Mr. P. T. Kilachand (DIN: 00005516)

Mr. P. T. Kilachand is a Bachelor of Science in "Electrical Engineering" and A.B. "Engineering & Economics" from Brown University.

He has been associated with the Company since 1988 under various designation and has vast experience in Marketing and Management.

- b) Mr. A. H. Mehta (DIN: 00005523)

Mr. A.H. Mehta holds a Bachelor Degree in Commerce. In addition, he is a Chartered Accountant and a Company Secretary.

He has experience in Audit, Accountancy, Secretarial, Legal & Admn, Taxation, etc with Polychem Ltd., Sandeep Holdings Ltd and Tandon Singapore Pte. Ltd.

**(2) Past Remuneration :**

Mr. P. T.Kilachand : Rs 2,664,471/- excluding superannuation fund and provident fund has been paid for the year ended 31<sup>st</sup> March, 2017.

Mr. A.H.Mehta : Rs 1,949,659/- excluding superannuation fund and provident fund has been paid for the year ended 31<sup>st</sup> March, 2017.

**(3) Recognition or awards:**

Mr. P. T. Kilachand: None

Mr. A. H. Mehta: None

**(4) Job profile and suitability:**

Mr. P. T. Kilachand:

He started as a project officer in the Company in November 1988, Thereafter, he has been actively involved and looking after all aspects of the various activities of the Company since April 1997 under the designation of Director. He has wide experience in Management, Marketing and Negotiation with varied authorities.

Mr. A. H. Mehta:

He has been involved with the Company since January 1988 and is familiar with all aspects of the Company. He served as a Vice President – Corporate Affairs & Company Secretary from 1993 till May 2014, subsequent to which he was appointed as Dy. Managing Director. He is responsible for Company's finance and legal functions and carries out duties as instructed to him from time to time by the Board of Directors.

**(5) Remuneration Proposed :**

As stated in the Resolution proposed in the notice at Item Nos. 6 & 7

**(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 respect to the country of his origin) :**

The Remuneration proposed for Mr. P. T. Kilachand & Mr. A. H. Mehta is similar to that drawn by the peers in the similar capacity in the similar industry.

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

Mr. P. T. Kilachand :

Mr. P. T. Kilachand is a Managing Director and Promoter of the Company, holding directly and indirectly through promoter and promoter group, 2,10,465 Equity shares of Rs 10/- each which constitute 52.09% of the paid up capital of the Company as on 31<sup>st</sup> March, 2017. Mr. T. R. Kilachand, Chairman and Promoter of the Company, is father of Mr. P. T. Kilachand. Mr. N. T. Kilachand, Non-Executive Director and Promoter of the Company, is brother of Mr. P. T. Kilachand. Other than these and remuneration paid to him, there is no pecuniary relationship of Mr. P. T. Kilachand, directly or indirectly with company or with its managerial personnel.

Mr. A. H. Mehta:

Mr. A. H. Mehta holds 5 Equity shares of Rs 10/- each of the Company. Other than these and remuneration paid to him, there is no pecuniary relationship of Mr. A. H. Mehta, directly or indirectly with company or with its managerial personnel.

**III. Other Information :****(1) Reasons of loss or inadequacy profits :**

Due to price fluctuation in the main raw material i.e. styrene monomer and no corresponding increase in the price of our finished products, the margin on our finished products in the domestic & international market is major area of concern which resulted in low profit.

**(2) Steps taken or proposed to be taken for improvement :**

Company is in process of improving the quality of the product which should result in higher market share and to match with the Competitors abroad. The Company is also planning to extend the term of the present consultant.

**(3) Expected Increase in productivity and profits in measurable terms :**

Our Customers for the specialty polymers are in investment casting industry. The major end user segment for investment cast product is automotive, aerospace industry, valves & instruments. Currently automobile industry in India looks to be in the upswing which can create a better market for our products.

**IV. Disclosures :**

Disclosure in the Board of Directors' report under 'Corporate Governance' is to be attached to the Financial Statement.

**E-VOTING INSTRUCTIONS****Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, 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 SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) 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 Limited (NSDL).
  - II. The facility for voting through ballot 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.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Monday, 21<sup>st</sup> August, 2017 (9:00 am) and ends on Wednesday, 23<sup>rd</sup> August, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 17<sup>th</sup> August 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
      - (i) Open email and open PDF file viz; "polychem e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote 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 then you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
      - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. 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 remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
      - (vii) Select "EVEN" of "Polychem Limited".
      - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
      - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
      - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
      - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - B. In case a Member receives physical copy of the Notice of 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 AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		
      - (ii) Initial password is provided as below at the bottom of the Attendance Slip for the AGM:
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  - VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - VIII. 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).
  - IX. 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 17<sup>th</sup> August, 2017.
  - X. Any person, who acquires shares of the Company and become member of the Company after 24<sup>th</sup> July, 2017 i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. 17<sup>th</sup> August, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting.investors@linkintime.co.in](mailto:evoting.investors@linkintime.co.in)
  - XI. 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.
  - XII. 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.
  - XIII. Ms. Ragini Chokshi of Ragini Chokshi & Co., Practicing Company Secretary (CP 1436) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - XIV. 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.
  - XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.polychemltd.com](http://www.polychemltd.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange where the shares of the Company are listed.