



INDIA GLYCOLS LIMITED

Regd. Office : A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt. Udham Singh Nagar Uttarakhand.

NOTICE

Notice is hereby given that the Extra Ordinary General Meeting of the members of India Glycols Limited will be held on Saturday 15th day of March, 2014 at 10.00 a.m. at A-1, Industrial Area, Bazpur Road, Kashipur-244713, Distt Udham Singh Nagar, Uttarakhand to transact the following businesses:

SPECIAL BUSINESS

1. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors be authorised to borrow such sum or sums of monies in any manner from time to time with or without security and upon such terms and conditions as they may think fit, notwithstanding that monies to be borrowed together with monies 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 of the Company and its free reserves provided that the total amount so borrowed by the Board of Directors and outstanding at any time, shall **not exceed the sum of Rs. 4000 crores (Rupees Four Thousand Crores only).**”

2. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.

“RESOLVED THAT the Board of Directors, in terms of the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, be authorised to create mortgage and/ or charge by way of first and second charge on all the immovable and/ or movable properties of the Company, wherever situate, both present and future and/ or conferring power to enter upon and to take possession of assets and the whole of the undertaking together with power to takeover the management of the business or concern of the Company in certain events in favour of the Financial Institutions, NBFCs, Lenders and/ or Commercial Banks to secure the borrowings in form of the Rupee Term Loans, Corporate Loans, Foreign Currency Loans, Non-convertible Debentures and/ or Working Capital limits and any other form of loan of whatever nature for **an amount not exceeding Rs. 4000 crores (Rupees Four Thousand Crores only)** together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other monies and remuneration of Trustees, if any, payable by the Company in terms of the loan agreement/Trust Deed/other documents to be finalised and executed between the Company and the Agents and Trustees/ Lenders as above and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the Lenders/Agents and Trustees.”

“FURTHER RESOLVED that the Board of Directors be and is hereby authorised to finalise documents for creation of mortgage and/ or charge and to do all such acts, deeds, matters and things and to execute all such documents or writings as may be required for giving effect to the resolution.”

3. 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 Section 198 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any modification(s) or re-enactment thereof, for the time being in force), the monthly Remuneration payable to Shri M.K. Rao, Executive Director be revised, which would be valid for a period not exceeding 3 years w.e.f. 1st April, 2013 as follows:

Basic Salary	: Rs. 2,97,000
Special Allowance	: Rs. 1,38,705
Ex- gratia	: Rs. 44,550

In addition to the salary, the executive Director shall be entitled to the following perquisites which shall be evaluated as per Income Tax Rules wherever applicable, in the absence of any such rule, perquisite shall be evaluated at actual cost:

1. unfurnished residential accommodation;
2. furnishing of residence upto an amount not exceeding Rs. 2.00 lacs p.a.;

3. electricity, water expenses reimbursement as per Company policy;
4. medical reimbursement equivalent to one month salary for self and family;
5. leave travel concession once in a year for an amount not exceeding Rs. 36,000/- for self and family to any place in India by Air/Rail/ Road;
6. Medical and Accidental Insurance premium as per Company’s rules;
7. contribution to Provident Fund as per rules of the Company;
8. gratuity not exceeding one-half month salary for each completed year of service;
9. company’s car with driver for official and personal use;
10. maintenance expenses for second car for personal purpose for an amount not exceeding Rs.2.00 lacs p.a.;
11. telephone facility at residence and Mobile phone for business purposes;
12. leave encashment as per Company’s rules.”

“FURTHER RESOLVED THAT notwithstanding to the above in the event of any loss or inadequacy of profit in any financial year of the Company during the tenure of Shri M K Rao as Executive Director of the Company, the aforesaid remuneration shall be the minimum remuneration payable to him or in accordance with the limits prescribed in section II and Part II of Schedule XIII of the Companies Act, 1956 or as may be approved by the Central Government, if required.”

“FURTHER RESOLVED THAT the Board of Directors of the Company on the recommendation of the Remuneration Committee be authorized to annually review the salary, commission, perquisites and allowances etc. payable to Shri M. K. Rao and authorized to restructure the remuneration payable within the overall limit prescribed under Section 198 and 309 read with Schedule XIII of the Act.”

“FURTHER RESOLVED THAT the remaining resolution with regard to the appointment of Shri M.K. Rao passed by the Shareholders at their meeting held on 18th September, 2013 shall remain unchanged.”

By the Order of the Board
For INDIA GLYCOLS LIMITED

Place :Noida
Date :12.2.2014

Lalit Kumar Sharma
Company Secretary

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and on a poll to vote instead of himself / herself. The proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Businesses stated above is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT 2013

Item No. 1

The Shareholders vide their ordinary resolution passed through Postal Ballot dated 27.09.2011 had authorised the Board of Directors of the Company to borrow up to Rs. 2500 Crores (Rupees Two thousand five hundred crores only) under the provisions of Companies Act, 1956.

However, pursuant to the provisions of section 180(1)(c) of the Companies Act 2013, since notified, the Board can exercise borrowing powers only with the consent of the members of the company by way of Special Resolution, unlike ordinary resolution as required vide Section 293(1)(d) of the Companies Act, 1956. In view of the proposed expansion/ diversification, the Company seeks to enhance the borrowing limit to Rs.4000 Crores (Rupees Four Thousand Crores only).

The resolution is accordingly recommended for approval as Special Resolution under the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the company and/ or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No. 2

The Shareholders vide their ordinary resolution passed through Postal Ballot dated 5.4.2013 had authorised the Board of directors of the

Company to create mortgage and/or charge on the movable/immovable properties of the company in favour of the lenders to secure their financial assistance not exceeding Rs. 4000 crores (Rupees Four Thousand Crores Only) under the provisions of Companies Act, 1956.

However, pursuant to the provisions of section 180(1)(a) of the Companies Act 2013, since notified, the Board can exercise power to create mortgage and/or charge on the movable/immovable properties of the company only with the consent of the members of the company by way of Special Resolution. It may be mentioned that there is no change in the limit of 4000 crores (Rupees Four Thousand Crores Only) as earlier approved by the shareholder through the aforesaid postal ballot.

The resolution is accordingly recommended for approval as Special Resolution under the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the company and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

Item No. 3

The Board of Directors at their meeting held on 12th February, 2014 on the recommendation of the Remuneration Committee held on 12th February, 2014, had recommended revision in the remuneration of Shri M.K. Rao, Executive Director as approved at the time of his appointment vide Shareholder's resolution dated 18th September, 2013, for term not exceeding 3 years w.e.f. 1st April, 2013 subject to the approval of shareholders, as mentioned in the resolution set out at item no. 3 of this notice, by way of Special Resolution.

INFORMATION REQUIRED PURSUANT TO THE PROVISIONS OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 READ WITH CLAUSE 49 OF THE LISTING AGREEMENT IS FURNISHED AS UNDER:

I. GENERAL INFORMATION:

- (i) **Nature of Industry**
India Glycols Limited is engaged in the manufacturing and marketing of Chemicals including specialty Chemicals, Ethyl Alcohol (Potable), Nutraceutical and herbal extraction, Natural Gum & its derivatives, Industrial Gases, etc. having a turnover of more than Rs.3500 crores. The company has the advantage of producing Chemicals through agro route (green route) while the other manufacturers are manufacturing through Petroleum.
- (ii) **Date or expected date of commencement of commercial production**
1st January, 1990.
- (iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**
Not Applicable
- (iv) **Financial Performance based on given indicators**
The relevant financial figures (Audited) for the last 5 years are as under:-

(Amount in crores)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Total Turnover including other income	1164	1412	1860	2633	3347
Profit/(loss) before Depreciation and Tax.	(33)	74	105	234	247
Depreciation and exceptional item.	104	43	69	78	82
Profit before Tax	(137)	31	37	157	165
Provision for Tax	(45)	11	11	52	44
Profit after Tax	(92)	20	26	105	121

- (v) **Export performance and net foreign exchange, collaborations**
The Company has total export turnover of Rs.1771.96 Crores as on 31st March, 2013. The Company has Net Foreign Exchange earning of Rs. 835.95 Crores.
- (vi) **Foreign Investments or collaborators, if any:**
Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:

(a) Background Details

Shri M.K. Rao is involved in the day to day management of the Manufacturing Plant at Kashipur and various on-going projects with regard to conception, planning and execution thereof and has been guiding the activities all through. Shri M.K. Rao is B.Tech. (Chemical

Engineering) from Andhra University College of Engineering and M.Tech. (Chemical Plant Design) from IIT, Madras. Shri M.K. Rao is having an overall experience of 30 years of Plant operations, maintenance and projects execution. Shri M.K. Rao had joined the Company in the year 1988 as Dy. Manager (Technical Services) and rose to the level of Sr. Vice President and Plant Head in the year 2005. Shri M.K. Rao has lead the team of processing engineers in developing engineering packages for various debottlenecking/plant expansions, process improvement schemes and cost effective energy conservation schemes.

(b) Past Remuneration

During the Year 2012-13, Shri M.K. Rao was paid Salary, perquisite and allowance of Rs.62.80 lacs.

(c) Recognition or Awards

Not Applicable

(d) Job Profile and his Suitability

As stated above, Shri M.K. Rao is involved in the day to day management of the manufacturing plant at Kashipur and various on-going projects with regard to conception, planning and execution thereof and has been guiding the activities all through. Shri M.K. Rao has led the team of processing engineers in developing engineering packages for various debottlenecking/plant expansions, process improvement schemes and cost effective energy conservation schemes.

His inclusion as Executive Director in the Board of Directors of the Company has brought technical expertise to the Board. Keeping in view Shri M.K. Rao's contribution to the growth of the Company for last 25 years, he was included in the Board of Directors of the Company.

(e) Remuneration Proposed

As mentioned in the Resolution proposed at Item No.3 of the Notice.

(f) 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 w.r.t. the country of his origin).

The prevalent levels of remuneration in manufacturing industries, in general and the industry in particular are higher. Taking into account the turnover of the Company and responsibilities of Shri M K Rao, the proposed remuneration to the Appointee is reasonable and in line with the remuneration levels in the Industry, across the country and befits his position.

(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Shri M K Rao is senior Executive of the Company and has been instrumental in bringing significant growth in the volume of its business of the Company.

III. OTHER INFORMATION:

The company has shown the accumulated losses of Rs.73.98 crores for 9 months period ended on 31st December, 2013 during the current financial year, due to exchange rate difference during the 9 months period on payment, settlements and reinstatement of Short term foreign currency borrowings and other monetary assets/liabilities. Losses during the 9 months period also incurred due to and steep fall in the natural gum prices.

The company is expecting favorable exchange rate and improvement in the Natural gum prices.

Shri M K Rao is not having any interest in the capital of the company or its holding company, directly or indirectly or through any statutory structures; and is not having any direct or indirect interest or related to the directors or promoters of the Company or its holding company at any time during last two years before or on the date of appointment.

In terms of Clause 49 of the Listing Agreement on Corporate Governance, Shri M.K. Rao qualifies as Non- Independent Director.

Except Shri M K Rao, none of the other Directors, Key Managerial Personnel of the company and/or their relatives is concerned or interested in the proposed resolution.

The Board of Directors has recommended the proposed resolution set out at item No.3 of this Notice for your approval by way of Special Resolution.

This explanatory statement alongwith the relevant resolution may be treated as an abstract of the variation of the terms of contract of appointment of Executive Directors to be disclosed to the members pursuant to Section 302 of the Companies Act, 1956.

By the Order of the Board
For INDIA GLYCOLS LIMITED

Place : Noida
Date : 12.2.2014

Lalit Kumar Sharma
Company Secretary



INDIA GLYCOLS LIMITED

Registered Office : A-1, Industrial Area, Bazpur Road, Kashipur-244 713, Distt. Udham Singh Nagar, Uttarakhand

EXTRA ORDINARY GENERAL MEETING

ADMISSION SLIP

FOLIO NO. / DP ID & CLIENT ID NO.....
(to be filled in by the shareholders)

I declare that I am a Registered Shareholder of the Company and hold _____ Shares.

Member's Signature

NOTE :

1. A member intending to appoint a proxy should complete the Proxy Form below and deposit it at the Company's Registered Office, not later than 48 hours before the commencement of the meeting.
2. A member / proxy attending the meeting must complete this Admission Slip and hand it over at the entrance.



INDIA GLYCOLS LIMITED

Registered Office : A-1, Industrial Area, Bazpur Road, Kashipur-244 713, Distt. Udham Singh Nagar, Uttarakhand

EXTRA ORDINARY GENERAL MEETING

PROXY FORM

FOLIO NO. / DP ID & CLIENT ID NO.....
(to be filled in by the shareholders)

I / We _____ being a Member/Members of INDIA GLYCOLS LIMITED hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in district of _____ as my/our proxy to vote for me / us on my / our behalf at the Extra Ordinary General Meeting of the Company to be held on the 15th day of March, 2014 at 10.00 a.m. and at any adjournment thereof.

Affix Revenue Stamp

Signed this _____ day of _____ 2014
 Name _____
 Address _____

The Proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting

BOOK-POST

If undelivered, please return to:



INDIA GLYCOLS LIMITED

Plot No. 2B, Sector 126, Noida

Distt. Gautam Budh Nagar -201 304

Uttar Pradesh